

Cabinet Meeting

16 September 2015

Report title	Black Country Growth Deal – Cultural Capital Programme: Grand Theatre Grant	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor John Reynolds City Economy	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keren Jones, City Economy	
Originating service	City Economy	
Accountable employee(s)	Heather Clark Tel Email	Service Development Manager 01902 555614 Heather.Clark2@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendation(s) for action or decision

The Cabinet is recommended to:

Recommend to Full Council to approve a grant of up to £400,000 to fund improvements work at the Wolverhampton Grand Theatre.

1.0 Purpose

- 1.1 The purpose of the report is that Cabinet recommend to Full Council to approve a grant of up to £400,000 to fund improvements work at the Wolverhampton Grand Theatre funded through the Black Country Local Growth Fund monies, as part of the Cultural Capital programme.

2.0 Background

- 2.1 Cabinet (Resources) Panel agreed on 14 October 2014 that the Black Country Growth Deal Cultural Capital Programme could proceed, delegating authority to sign off the grant funding agreement and approve a capital programme budget of £10.4 million for the Civic Hall improvements aspect of the project in order to draw down the external grant of £6.2 million.
- 2.2 The Civic Halls is the largest business in the Black Country's creative and entertainment sector, generating £4.3 million of Gross Value Added (GVA) in the local Wolverhampton economy. The Grand Theatre supports a further £3.6 million of GVA in the wider economy. Both venues have already been independently assessed as supporting 637 jobs directly and indirectly within the wider economy. Both venues are Grade 2 listed buildings owned by the Council.
- 2.3 The Council secured £6.6 million through the Black Country Local Enterprise Growth Deal to support the delivery of a major refurbishment and improvement of the Civic Halls (£6.2 million) and £400,000 for seed corn funding for the Grand Theatre.

3.0 Wolverhampton Grand Theatre

- 3.1 The economic and options appraisal undertaken by Burns Owen Partnership, on behalf of City of Wolverhampton Council, identified that the Grand Theatre required investment to generate additional earned income to address reductions in public subsidy. One off capital investment will enable both venues to increase revenue through additional earned income, at levels that make them commercially viable. The Black Country Growth Deal Cultural Capital Programme included £400,000 seed corn funding for the Grand Theatre to attract a more varied product to the City, and thereby increase audience numbers and earned income.
- 3.2 Wolverhampton Grand Theatre is seeking a grant of up to £400,000 out of the seed corn funding allocation to fund the planned refurbishment. The refurbishment will involve the main foyer and bar area, the first and second floor bar areas and include new bars, improved seating and furniture, creating better circulation for visitors and a more attractive and modern environment for patrons. The investment is considered essential in order to increase the future revenue, footfall and job creation/expansion of the theatre. The front of house area was last upgraded in the 1990s and is now considered to be dated, uninviting and it does not make good use of the space in light of the new demands being placed on it.

3.3 The new plans will transform the front of house space, maximising its potential to become a city destination and a theatre of choice within the West Midlands and beyond. It will provide more social seating and a more welcoming atmosphere to encourage the public to use the facilities both during the day outside of normal operating times, as well as immediately before, during and after performances. It is anticipated that the investment will increase secondary spend revenue. It will also improve the customer experience and allow the Theatre to develop the programme to a new audience base within the local community through more intimate, small scale performances.

4.0 Financial implications

4.1 The grant to Wolverhampton Grand Theatre of £400,000 is funded through Black Country Growth Deal and is included in the Council's capital programme as part of the Civic Halls Improvement. Wolverhampton Grand Theatre must provide evidence of match funding in order to draw down the grant as set out in the funding agreement. The grant agreement to be put in place between the Council and Wolverhampton Grand Theatre will protect the Council from any clawback issues that may arise from Wolverhampton Grand Theatre's use of the grant.
[ES/02092015/I]

5.0 Legal implications

5.1 The Council has entered into a grant agreement with Walsall Metropolitan Borough Council as the accountable body for the Growth Deal in respect of the total grant of £6.6 million. A grant agreement between the City of Wolverhampton Council and Wolverhampton Grand Theatre reflecting the requirements of the grant agreement is required to be entered into for the £400,000 grant.
[RB/02092015/N]

6.0 Equalities implications

6.1 External funded projects must evidence positive equalities implications as part of the bidding process. Access issues have been considered to ensure the works do not have an adverse impact on people with disabilities that use the Grand Theatre.

7.0 Environmental implications

7.1 External funded projects must evidence positive sustainability implications.

8.0 Human resources implications

8.1 There are no human resources implications to this report.

9.0 Corporate landlord implications

9.1 Wolverhampton Grand Theatre is owned by City of Wolverhampton Council. Corporate Landlord has discussed the proposals with the Grand Theatre and will be represented on the Project Board. The investment will improve the lifecycle of the building and create an enhanced facility providing better circulation for visitors and a more attractive and modern environment for patrons.

10.0 Schedule of background papers

- Cabinet (Resources) Panel 29 July 2014 - Black Country (Growth Deal - Civic Halls and Grand Theatre Improvement Programme)
- Cabinet 1 October 2014 - Black Country Growth Deal Cultural Capital programme