READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO: POLICY COMMITTEE

DATE: 16 JANUARY 2017 AGENDA ITEM: 10

TITLE: NEW THEATRE - RESULTS OF THE PRELIMINARY MARKET

CONSULTATION

LEAD PAUL GITTINGS PORTFOLIO: **CULTURE, SPORT &**

COUNCILLOR:

ECONOMIC & WARDS: **BOROUGHWIDE**

SERVICE:

CULTURAL

CONSUMER SERVICES

DEVELOPMENT

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DEVELOPMENT

PURPOSE OF REPORT AND EXECUTIVE SUMMARY 1.

- 1.1 This report summarises the feedback obtained from a Preliminary Market Consultation under the Procurement Regulations as the initial stage of an OJEU compliant process to secure a development partner for the delivery of a new theatre / performing arts centre Whilst the responses to the consultation indicate a strong interest in developing and operating a new theatre in Reading, they also suggest that the Council's aspirations for zero-subsidy for either the capital build or ongoing operating costs are not deliverable.
- A copy of the brief and the questions asked in the Preliminary Market Consultation are 1.2 attached at Appendix 1.

2. RECOMMENDED ACTION

- 2.1 That Policy Committee notes the feedback from the Preliminary Market Consultation as summarised in section 4.1 of the report.
- 2.2 That Policy Committee endorses the proposal, and the rationale for this, that the Council continues its dialogue with key stakeholders, including Arts Council England (ACE) and TAR, in order to be able to exploit future opportunities that may arise to deliver a new theatre as set out in section 4.2 of the report.
- 2.3 That Policy Committee endorses the continued and appropriate investment in the Hexagon to ensure that it remains attractive to both touring product and audiences as outlined in section 4.2 of the report.

3. POLICY CONTEXT

3.1 Provision of cultural services is a non-statutory function of local government. Council has for many years operated a number of cultural venues in Reading including the Hexagon, 21 South Street Arts Centre and the Town Hall & Museum (including the Concert Hall). This provision has been set within the context of a cultural strategy that sets a strategic framework for the development and delivery of cultural activity in the town not only by the Council but by a wide range of other agencies and organisations. A new Cultural and Heritage Strategy 2015-2030, developed under the auspices of the Cultural Partnership and involving a wide range of partner organisations, was endorsed by Policy Committee on the 2nd November 2015. The Culture and Heritage Strategy clearly sets out an aspirational vision for culture and heritage to play a key role in the town's future, enhancing the quality of life for residents and increasing the attractiveness of the town for visitors and investors. The Strategy envisages Reading's profile and reputation as a cultural destination being transformed over the coming years building from a strong base of arts and heritage organisations and assets and catalysed by the successful Year of Culture in 2016.

3.2 Policy Committee at its meeting on the 2nd November 2015 approved a proposal to undertake a Preliminary Market Consultation under the Procurement Regulations as the initial stage of an OJEU compliant process to secure a development partner for the delivery of a new theatre / performing arts centre in Reading. The related covering report, 'Theatre Provision in Reading', also outlined the aspirations of the Theatre and Arts Reading (TAR) Community Interest Company (CIC) and acknowledged that TAR and the Council have similar strategic aspirations for a new theatre, recognising that the age of the Hexagon means that a replacement would be desirable at some point in the future.

4. THE PROPOSAL

4.1 Current Position:

There is considerable merit in looking strategically at a potential replacement theatre for the Hexagon given the age and accepted limitations of the current building and the potential regenerative impact of a new theatre to the town and its economy. This is particularly the case given the likely protracted timescale to deliver a new theatre. In this context the Council remains committed to continuing to support the delivery of the current programme from the Hexagon, which remains highly popular, and to invest in the building and facilities to maintain the attractiveness of the venue.

The Preliminary Market Consultation was advertised via the Council's 'In-tend' procurement portal in July 2016 with responses requested by the end of September. A copy of the brief for the consultation is attached at Appendix 1. The Consultation was also publicised in specialist theatre press to ensure it reached the right audience. Five responses to the Consultation were received, including one from Theatre and Arts Reading (TAR) who, with their permission, were expressly referenced in the briefing information sent out as they were open to potential partnering arrangements.

Of the other four respondents, two were consultancies interested in working with the Council to further progress proposals and two were theatre operators.

In general the responses have been helpful overall in relation to a number of aspects of the brief:

- They confirmed that Reading was an attractive proposition in terms of the market to sustain a new theatre, particularly with regard to a growing population, strong economy, cultural aspiration and excellent transport links;
- There was an overall view that the capacity of any new theatre should larger than suggested in the brief to attract 'premium product', maximise audiences and ticket and secondary income. An ideal capacity of between 1,500 and 1,700 seats was suggested;
- The responses from the Consultancies made a number of observations / recommendations on what the next steps might require in terms of further work. These included further feasibility work, options appraisal, audience / market research, and detailed business planning at the appropriate stage.

However, in relation to the key financial parameters set-out in the brief that 'the cost of provision, over and above the opportunity cost of contributing land, would not be subsidised by the Council', the responses to the Consultation suggest that this is not deliverable with regard to either the capital costs of building a new theatre or the revenue costs of running it.

New theatres are expensive to build and, especially at the larger end of the size range, a budget of upwards of £25m would not be unusual. Whilst responses talked of the need for diversified sources of funding to meet these costs, including potential cross-subsidy from the sale or redevelopment of other assets, and associated fundraising strategies, unsurprisingly none of these were specific or definitive. The responses from operators also made clear that they did not see themselves as theatre developers or capital funders (although they could usefully inform design and specifications). Interestingly, the operators would also anticipate the local authority retaining responsibility for structural and external building components.

With regard to ongoing revenue cost, views were expressed that certainly in the short term it would not be possible to operate without a subsidy. Responses indicated that it may be possible to get to a revenue neutral position but that this would require a sustained period of business development and growth over a five to ten year period. The most optimistic feedback was that the existing audience base at the Hexagon could assist in delivering a 'no subsidy' position more quickly and that a sliding and diminishing subsidy might be possible in the early years. Inevitably, much more detailed and facility specific business planning would be required to establish what might be achievable.

4.2 Options Proposed

Whilst the Preliminary Market Consultation has confirmed the attractiveness of Reading to operators, including major players in the U.K. market, it has also indicated that it is extremely unlikely, if nigh impossible, that the Council's financial requirement for zero subsidy can be met. It is also clear that the further feasibility work required to develop and test out more detailed options would need to be extensive and costly with little immediate prospect of deliverability. In the context of the Council's very difficult financial position it is considered that such expenditure cannot be justified.

Nevertheless, the aspiration for a new theatre and Reading's cultural ambition are both valid and commendable, especially in the context of a growing market and cultural reputation, as confirmed by the market consultation exercise. It is therefore proposed that the Council continues its dialogue with key stakeholders, including Arts Council England (ACE) and TAR, in order to be able to exploit future opportunities that may arise.

The feedback from the market consultation reinforces the fact that delivery of a new theatre for Reading is likely to be a protracted process. In the short to medium term it is essential that the Hexagon remains fit for purpose as the town's primary large theatre and that it continues to be able to attract both touring product and audiences, whilst also providing a high quality customer experience. There has been prioritised selective investment over recent years to maintain and enhance the fabric and interior of the building and it is proposed that this judicious approach continues.

4.3 Other Options Considered

The main other option considered is that of progressing further feasibility work to develop a more detailed proposition and business case. In the absence of any clear route to funding, and in the context of the Council's current financial position, pursuing this option is not considered to be merited.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The proposals contained in this report contribute primarily to the following Corporate Plan priorities:
 - Providing the best start in life through education, early help and healthy living;
 and
 - Providing infrastructure to support the economy.

Provision of a new theatre would ensure continued access for local residents to a range of cultural opportunities providing both educational and well-being benefits. Ensuring that Reading continued to have a regionally significant theatre / performing arts venue contributes positively to the profile, reputation and economic success of the town and encourages visitors and investment.

6. COMMUNITY ENGAGEMENT AND INFORMATION

6.1 At this stage in the process there are no firm proposals with regard to the design or location of any new theatre for Reading. It is envisaged that there would be widespread public and stakeholder engagement and consultation once more detailed proposals are developed. It is also noted that independently of the Council, TAR have established a broad forum of stakeholders and interested parties to share their ideas, aspirations and to gain feedback. In general terms the principle of their aspiration to secure a new theatre for Reading has been widely supported.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 It is not considered that an Equality Impact Assessment (EIA) is relevant at this stage to the decisions regarding the content of this report.

8. LEGAL IMPLICATIONS

8.1 Where the Council is seeking to commission goods or services, as a local authority it is required to follow public sector Procurement Regulations and, where appropriate, to ensure that these are OJEU compliant. The Preliminary Market Consultation has been carried out in accordance with these requirements. The Council is also under a duty to secure best value in relation to the use and / or disposal of its assets.

9. FINANCIAL IMPLICATIONS

9.1 There are no immediate financial implications arising from the recommendations in this report. Any proposed investment to maintain the quality of the facilities at the Hexagon would be met from existing resources within the approved capital programme. The Council's financial position has been a key consideration in determining the recommended option in section 4.2 of the report.

10. BACKGROUND PAPERS

10.1 Culture and Heritage Strategy 2015-30.

'Theatre Provision in Reading' Report to Policy Committee 2nd November 2015.

Appendix 1 Preliminary Market Consultation

Procurement of a Delivery Partner to Provide a New Theatre /

Performing Arts Centre for Reading

Introduction

This document provides high level information regarding the aspiration of the Council to secure the development of a new theatre / performing arts centre (abbreviated to 'new theatre' for convenience in the rest of the document) for Reading. This is an initial early market engagement exercise which may result in a formal process under the Public Contracts Regulations 2015 (PCR) to procure a delivery partner. The document sets out background information, key parameters and requirements, and invites any interested parties to respond to a number of related questions. At this stage there is no commitment from the Council to any further stages of the procurement process and, indeed, any next steps will be informed by the response to this preliminary market consultation.

The key purposes of this preliminary market consultation are therefore:

- 1. To establish the level of market interest in working with the Council to deliver and operate a new theatre in Reading.
- 2. To better understand the requirements of the market in relation to commercial attractiveness and financial sustainability.
- 3. To test the deliverability of a new theatre in the context of the Council's key parameters and requirements.
- 4. To help shape the specification and business case for a new theatre at any subsequent stages in the procurement process.
- 5. To scope and inform options for the future operation and governance of any new theatre.

Any and all responses to this preliminary consultation will be used to inform the Council's thinking and next steps and will be treated as confidential. The Council will be happy to respond to written questions or queries from interested parties in relation to clarification or additional information. Any such requests and the responses will be appropriately anonymised and shared via the Council's procurement portal with access to all those who have responded to the consultation. This preliminary market consultation will not result in the identification of, or shortlisting for, any final delivery partner.

Background

Reading is a vibrant economically successful town at the heart of the Thames Valley and widely recognised as the sub-regional 'capital'. The town has a resident population of approximately 161,000 within tightly drawn boundaries and directly

serves a wider catchment of approximately 300,000 people who regularly come to the town centre for a range of activities. The population of the town continues to grow and major housing developments in surrounding Boroughs will significantly increase the population in Reading's catchment over the next decades. The town has an established reputation as a business hub with particular strengths in information technology and business services, and is also a major retail destination. A recent major overhaul of the railway station and its capacity, the announcement that cross-rail will extend to Reading and greatly improved road access from the M4 have all contributed to a surge in investment in and around the town centre both for grade A office accommodation and for residential developments. Reading is already a net importer of labour, despite proximity and easy access to London, and current investment levels suggest that this will be further bolstered into the future.

Reading is also a university town with Reading University being well renowned and respected both nationally and internationally. In addition to raising the profile and reputation of the town, Reading University feeds and complements one of the most highly skilled labour markets in the country with a very high retention rate of students pursuing careers and settling locally.

Reading has a well-established and diverse cultural offer, though, other than the internationally renowned 'Reading Festival' that attracts more than 90,000 fans every year, the town's reputation as a cultural destination is perhaps understated. Recognising the strategic significance of cultural excellence to the economic and social well-being of the town and its attractiveness, the Council has endorsed a new 'Culture and Heritage Strategy 2015-30' that has been developed under the auspices of Reading's 'Cultural Partnership'. The consultation discussions linked to the development of the strategy generated a huge amount of energy, enthusiasm and commitment. What emerged from this enthusiasm and the acknowledged need to raise the profile of cultural activity in the town was the concept of a 'Year of Culture' for Reading in 2016 which is now being delivered.

The Year of Culture 2016 is seen a means of showcasing, enhancing, promoting and increasing engagement with, and audiences for, the wide range of activities in the many fields of arts and heritage, all linked to promoting the wider attractiveness and prosperity of the Reading area. Ultimately we see the Year of Culture helping to change perceptions of Reading and leaving a legacy of cultural excellence and reputation.

The Year of Culture thus provides an initial platform for delivering the longer term ambitions of the Culture & Heritage Strategy. This aspirational strategy sets out the ambition that:

'By 2030, Reading will be recognised as a centre of creativity with a reputation for cultural and heritage excellence at a regional, national and international level with increased engagement across the town.'

This vision is supported by Arts Council England (ACE) and they have explicitly stated that Reading is one of a limited number of priority places for development / investment within their south-east region. This is in recognition of the strong base of arts and cultural activity in the town from which to build and the potential to capitalise on this and become a real centre of excellence in the region and

nationally. This has been further strengthened by ACE awarding an 'Ambition for Excellence' grant of £495k in July 2016 to support an exciting world class three year visual arts programme led by Reading University and in partnership with the Council and Artangel. This will significantly raise the cultural profile of the town nationally and internationally.

Current Provision

Reading has a well-established cultural offer and the town has a number of venues either in the town or in the immediate vicinity. Provision of cultural services is a non-statutory function of local government but the Council has for many years operated a number of cultural venues in Reading, including the Hexagon; 21 South Street Arts Centre; and the Town Hall & Museum that incorporates a Concert Hall.

The Hexagon Theatre is the primary large theatre within Reading. The Hexagon has been the town's mainstream theatre for many years with an audience capacity of 900 - 1,686 (depending on configuration and whether seated or standing). It currently offers a wide range of touring productions including theatre, music (of many genres), comedy, and an annual pantomime. Televised snooker also returned to the venue in 2016. The programme is popular and relatively low risk in terms of widespread appeal. The Hexagon attracts good audiences and has high satisfaction ratings from those who attend. Appendix 1 provides detail of the programme at the Hexagon (and other Council venues) for 2015/16 along with associated attendances and financial outturn. The configuration of the building does have limitations and the current theatre is unable to accommodate larger touring productions that require additional capacity for a medium sized orchestra and greater backstage capacity to host bigger company sizes.

21 South Street Arts Centre (120 seat main hall and 60 seat studio; 220 & 80 for standing respectively). The programme offered at South Street is eclectic and unique in Reading and the surrounding areas. It offers around 150 public performances every year -many of which are nationally / internationally touring shows of significant renown. The venue also hosts many other bookings, including regular community arts activity and educational programmes in partnership with local organisations. In addition to direct use of space at the venue there is also an educational outreach programme. Aside from the main programme the venue is used as rehearsal space for the annual pantomime at the Hexagon and availability for this purpose is a current contractual commitment.

The nature of the programme is such that it is regularly supported by funding from the Arts Council England (ACE). ACE have also approved a capital grant of approximately £500k towards an £800k + scheme for refurbishing South Street and it is the intention that these works will be completed by November 2016. These works will improve the capacity and financial sustainability of the venue into the future.

The Town Hall & Museum incorporates the accredited Reading Museum, Art Gallery, a 700 seat Concert Hall with a Father Willis Organ, a range of other rooms and meeting spaces within a high quality restored listed building. The commercial operations delivered at the venue include conferences, weddings, banquets and Christmas meals. The Concert Hall additionally is used for an annual programme

of classical concerts (the venue suits chamber orchestras and soloists) and spoken word events including occasional lectures and comedy. There are, however, a range of limitations affecting the scope to further develop the programme at the Concert Hall.

The Council's cultural offer, and some of the wider activity in the town, is well supported by the recently revamped 'readingarts' web-platform and associated marketing material. This brand has good recognition and penetration in the market and the site supports on-line booking and promotion across the programme and venues.

In addition to the Council operated facilities the town hosts a range of other performance venues and theatre groups, although none are of a scale or style to compete directly with the Hexagon.

Aspiration for a New Theatre

There are two key drivers for the Council's aspiration for a new theatre:

- 1. At a strategic level it reflects Reading's paramount position as the sub-regional 'capital' of the Thames Valley and the aspirations of the Culture and Heritage strategy that the town should be equally renowned as a cultural hub. As has been seen in places such as Southend or Hastings, new cultural venues can catalyse urban renaissance, economic growth and visitor numbers. Alongside current or planned projects such as the restoration of the town's important Abbey Ruins and the redevelopment of Reading Prison, a new theatre complex could further drive Reading's ongoing transformation to becoming an economic and cultural hub with a great offer to residents, employers, employees and visitors.
- 2. More pragmatically, the Hexagon was built in the 1970s and is now over 40 years old and whilst successful it has a number of limitations relating to its design. The Council has continued to invest in the venue to maintain its appeal and functionality, for example new toilets and flooring have been installed in the last year, but the age of the building means that the more fundamental limitations on its design and condition will become increasingly costly and difficult to remedy over time.

Reflecting these drivers the Council has publically stated an ambition for a new arts venue to replace the Hexagon and, indeed, pursued a bid for external funding to deliver a new theatre complex at Hills Meadow as long ago as 2006/2007 (self-evidently this bid was not successful). This aspiration was more recently reaffirmed with the decision to undertake this preliminary market consultation by the Council's Policy Committee in November 2015. The relevant Committee report can be accessed by the following link:

http://www.reading.gov.uk/media/4130/item08/pdf/item08.pdf.

Whilst the Council's aspiration for a new theatre is clear there is as yet no confirmed site for the facility, nor a definitive timescale for its delivery. The Council will continue to invest in the Hexagon in the short to medium term to ensure that it remains fit for purpose. In parallel the Council will continue to explore options for the siting of a new theatre on land within its ownership. For

the purposes of this preliminary market consultation it should be assumed that any site proposed will be a central location and easily accessible to town centre users and visitors.

Theatre and Arts Reading (TAR)

As referenced in the above mentioned report to Policy Committee, Theatre and Arts Reading (TAR) has been established independently of the Council as a Community Interest Company (CIC) with a stated ambition to provide a new theatre for Reading. Also as set out in the same report, whilst the Council shares TAR's ambition for a new theatre, due diligence requires the Council to undertake a formal and PCR compliant procurement process if it is to enter into a partnership as landowner for the delivery of a new theatre in Reading. TAR has though commissioned some initial feasibility work that they have shared with the Council and that has helpfully informed elements of the outline specification as set out in this consultation document. A copy of the feasibility report commissioned by TAR is appended at Appendix 2.

(This feasibility report is appended as an informative and the Council does not endorse the contents or conclusions of the report. It should also be noted that the potential sites for a theatre referred to in the feasibility report are indicative, in a mix of different ownerships and the Council would strongly caveat their suitability or availability).

Whilst TAR as an independent organisation are entitled to respond to this consultation in their own right, it is the Council's understanding that TAR and its Executive Board would also be willing to enter into discussions with any potential provider / operator if this assisted with their primary purpose of securing delivery of a new theatre in Reading. TAR's Executive Secretary, Hilary Scott, can be contacted on e-mail: hilarymscott@hotmail.co.uk or telephone: 0781 659 8679.

Outline Specification for a New Theatre

As demonstrated in a number of locations across the country, new theatres or arts venues have the potential to act as catalysts for supporting the wider attractiveness and economic vitality of town centres. Whilst at this stage design issues are not a primary focus, the ultimate desirability of an iconic and high quality built form to maximise impact and reputation should be borne in mind.

In seeking a new theatre to replace the Hexagon the strengths and weaknesses of the current offer both need to be taken into consideration. In broad terms the new venue should provide new facilities that can accommodate the current programme of performances and activities in addition to further opportunities to facilitate additional activity and audiences to create a more robust and sustainable business model. The primary model as a receiving house would be retained but with capacity to accommodate larger touring productions and to host complementary activity.

It is anticipated that the main space for the proposed new theatre would need to be able to accommodate large touring productions including musicals, drama, dance, opera, comedy and music concerts; accessible and engaging to all ages and ethnic origins (noting Reading's diverse communities). Given the strong local demand demonstrated by the existing Hexagon theatre and growing population in the wider catchment area it is envisaged that the new theatre would be a mid to large scale venue with the technical specification and seating capacity to attract No.1 tours to Reading, along with the scalability to deliver smaller scale product, be it touring or produced locally.

There are a wide range of smaller venues in Reading, including South Street Arts Centre, community organisations, local production companies and artists. The new theatre need not necessarily seek to accommodate or compete with these smaller venues, although it could be a performing arts 'hub' to support and facilitate the wider cultural offer in the town. This would not therefore require a secondary dedicated performance space but rather a creative / development suite that could cater for rehearsals, workshops, educational use, more informal performances and potentially gallery space, all of which are currently either lacking or are disparate. Essentially the new venue would act as an umbrella body supporting the wide range of performance activity and organisations in the town and widely recognised as a 'destination' for the arts and cultural sector.

Ancillary facilities would need to include appropriate office accommodation and box office facilities that are able to support the sale of external ticketed events and performances in the area.

The Foyers would incorporate flexible hospitality spaces and café/bar provision to deliver secondary income from attenders to events and visitors to the venue. Presenting a range of flexible public spaces that can be tailored to the needs of an event, with the ability for private hire/exclusive use. This could encompass both a meeting place for 'creatives', visitors, town centre users, residents and local businesses.

Key Parameters for any Procurement

At this stage of 'Preliminary Market Consultation' the generic outline specification set-out above is not fixed and the Council would welcome feedback to shape the specification and strengthen the business case for a new theatre that is financially sustainable. In this regard affordability is a critical issue for the Council in the context of severe budget pressures resulting from ongoing reductions in funding from central government. This preliminary consultation is therefore intended to test deliverability of a new theatre based on the premise that:

- The Council would contribute land to accommodate the new facility on a long-term lease. Terms to be agreed linked to securing an affordable solution.
- The cost of provision, over and above the opportunity cost of contributing land, would not be subsidised by the Council.

Based on the Council's knowledge of the market and benchmarking against regional theatres across the country, the Hexagon currently operates at a comparatively low level of subsidy. It is acknowledged that delivering a new

theatre with no subsidy is challenging and may require innovative solutions if it is to be achieved. The Council considers that this is a critical issue to address in any responses to this market consultation as it will determine to a large degree whether further stages of the procurement process are progressed.

Whilst this consultation brief is focused on provision of a new theatre to replace the Hexagon, there are additional complexities with regard to how the Council's existing venues and related activity are managed. Marketing and infrastructure support is currently managed cohesively across the Hexagon, South Street and to a degree the Town Hall and Museum with the programming for the Concert Hall. This includes technical roles and resource that are shared across the venues and the box office function. In order to retain cost-effectiveness and efficiency it may therefore make sense for any new operator for a new theatre to also take on related functions across some or all of the Council's other current venues, especially if this assists the overall business case and viability. This potentially creates a range of additional dependencies and service delivery issues that the Council would need to consider in any procurement process.

In order to protect its interests in this regard it is envisaged that the Council would require some form of Joint Venture / Partnership Vehicle to deliver the new theatre in order to:

- Protect the medium term viability of the Hexagon;
- Influence the future detailed specification of the new venue and programme (potentially across a range of venues);
- Ensure that related areas of the Council's business and services are not compromised or more positively to enable synergies and added value to be generated;
- Provide appropriate support to existing staff (the Council is assuming that TUPE provisions would apply) and to comply with the Council's obligations as a 'Living Wage' accredited employer.

Consultation Questions

- 1. Having read this outline brief would you be interested in partnering with the Council to deliver a new theatre in Reading?
- 2. Please could you outline your organisations general experience in the development and management of cultural venues and provide examples you consider most relevant to this consultation brief?
- 3. Why do you consider your organisation has the skills and capacity to deliver a new theatre in partnership with the Council?
- 4. How would you view Reading as a location for a new theatre and its attractiveness as a market?
- 5. The Council has outlined a broad specification for a new theatre and would welcome your comments on this and any alternative suggestions or refinements that you consider would be beneficial?

- 6. What would you propose to be the optimal seating capacity for the venue using the criteria as outlined in the outline specification?
- 7. Do you consider that it would be possible to deliver a new theatre and meet the Council's key parameters, particularly as regards cost and financial sustainability?
- 8. Could you outline how you think a sustainable financial model might work and any innovative ideas you might have to achieve this?
- 9. As outlined above the management of the Hexagon is currently inextricably linked with the running and marketing of other Council venues. What would be your approach to addressing this and would incorporating management of the wider cultural offer increase or detract from the attractiveness of the potential procurement opportunity to the market?
- 10. What would be your approach be to developing an inclusive venue and offer, attractive to the socio-demographic profile of the town and enabling access from a wide range of groups in the context of Arts Council England's (ACE) strategic objective of 'Great art and culture for everyone'.
- 11. Could you outline what partnership and governance structures you think would be most appropriate as a mechanism for delivering and operating a new theatre and associated services?
- 12. Please use the correspondence function in the Councils In-Tend system to raise any queries or requests for further information. The Council will not identify the originating organisation for any queries or information requests but will make the questions and responses available to all those parties responding to the consultation.