

Re-opening the Armstrong Hall Complex
A viability study report by:



November 2021

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Version 1: issued for AHCT initial review – 5 November 2021

How to read this report.

The Executive Summary covers all aspects of this report and aims to summarise the detailed content of this report. It may assist those who do not need to follow the details. We urge all to also read the “Open Letter to the Armstrong Hall Charitable Trust”.

Open Letter to the Armstrong Hall Charitable Trust (AHCT)

During our journey through this viability study, we realise that the most important matter is the revitalisation of the arts and community scene; it is a key and important aspect of life to many residents and benefits their well-being. Arts and community locally have been exemplary for decades.

The Armstrong Hall Complex (AHC) is a venue, that's all, but intrinsically linked to the arts and community service. Without a suitable venue arts and community will not thrive. The AHC is the only suitable venue that exists for many.

The reason for the AHCT to close the AHC is understood. However, without a suitable venue, many former arts and community groups are struggling to recover from the impact of covid-19; some are no longer in existence and some fear for their future. The impact on the next generation of group leaders and users is already showing that many groups have no "new blood" and will not survive. The closure is contrary to elements of the Thornbury Neighbourhood Plan (TNP); we offer a solution that is complementary.

The AHCT plan to utilise Turnberries as an alternative, this will take a long time (years) to come to fruition. In the meantime, there is no venue to support the recovery of arts and community. The current trend of decline shows many of the groups may no longer exist to benefit from the Turnberries plans.

The AHC is now 50 years old but still retains the ability to perform its original function, maybe for many years yet.

The AHCT is required to promote the use of the AHC but unable to fulfil this duty at this time. This report shows that re-opening AHC in the interregnum is viable and can reverse this position.

The viability analysis's conclusion is based on sound principals, proven by others to have the potential for success. If the AHCT agree to the next stage of the plans to re-open, they will be meeting their obligations as a charitable trust and will be aiding the recovery of arts and community services in Thornbury.

The AHCT may want to consider that this post covid era may be best led by an organisation comprising those with more appropriate skills, experience and with a new enthusiasm to promote the venue. Now is an ideal time to make this change. As we emerge from the pandemic, many are taking the opportunity to support groups who wish to come together to revitalise facilities for the good of the community. This is what AHAA look to achieve.

The plans show that there will be little, if any, consequence on the AHCT plans; there is no call on any funding directly, and the ACHT can continue to fulfil its obligations as a trust.

We urge AHCT, as the sole Trustee, to agree that AHAA can move to the next stage of our plans.

1. Executive Summary

The AHC is closed, consequently many feel a significant decline in participation in arts and community events has prevailed; some wish to reverse this decline by re-opening the AHC.

A group Armstrong Hall Action Alliance (AHAA) is promoting the reopening, but now is equally concerned with promoting an arts and community revival. Our plans rely on testing if they are viable or not. This is the report on the viability outcome.

We consider it will take circa 3 years for the arts and community scene to be revived after re-opening. We have allowed 9 months to prepare the re-opening and target the summer 2022.

AHAA and the AHCT have communicated over recent months so each can initially understand their respective positions; discussion have been very beneficial.

The AHCT plan to keep the AHC closed and move to a re-purposed venue at Turnberries. There are no plans yet available and realistic estimates are it will take years for any viable plans to come to fruition.

The AHC has a long (50 year) and reputable history, although many consider it has not fulfilled its potential for many years.

A market research exercise has shown that there is support in the community for the AHAA plans.

There are good “comparator” venues that we have used to develop our plans.

Governance arrangements would require a formalisation of AHAA into a Social Enterprise, by way of a Community Interest Company (CIC), agreed arrangements between AHAA and the AHCT which would include a lease agreement.

AHAA have developed a realistic programme of events that has been used to develop the financial model; it is based on both historic and new events.

The AHC will need essential works before it could open. These are estimated to cost circa £50,000 to £100,000 and include both “compliance” type works e.g. electrical works, fire safety as well as enhancing its appeal.

We have the framework for a new operating plan provided by skilled and experienced professionals and is based on previous successful operating models e.g. the Bristol Beacon.

The success of re-opening is the need for a robust, managed, and effective marketing plan. We have set out a strategy to achieve this.

Stakeholder engagement must be undertaken, lessons gleaned from others; effective communication is essential.

Volunteering will be a key component to the success of re-opening. This is evidently achievable (other have proven this) and there is a “bank of volunteers” ready and able. This strategy is realistic in not relying solely on volunteers for all operations.

We have prepared a financial model which reflects realism (we need to assess viability, and not prove it will work with over ambitious assessments). Also, we have included risk factors in our estimates and feel the financial model is robust at this stage.

Re-opening the AHC

A viability analysis report



As anticipated, there will be a need to capitalise the CIC and most probably subsidise the operations of the AHC during years 0-2. To achieve this, we will need to raise funds. We have a clear strategy to achieve this based on proven fundraising techniques.

The conclusion is that the re-opening of the AHC is viable.

The proposal is that the AHCT agree that AHAA can continue to develop their plans with a commitment to re-open the AHC for a minimum of 3 years.

The next actions required are:

- ❑ There needs to be a period (6 months) to fully develop the plans and implement them prior to re-opening: operational plan, marketing, fundraising.
- ❑ AHAA need to be formalised as an organisation (CIC).
- ❑ Appropriate arrangements are concluded with the AHCT.
- ❑ Funds are raised to enable the repairs to be undertaken and a portion (50%) of Year 1 estimated costs received before going ahead.
- ❑ A pool of volunteers needs to be finalised.
- ❑ Essential repairs need to be completed.
- ❑ Key posts need to be filled within the CIC.

2. Introduction

2.a. Recent events

The AHC is the responsibility of the Armstrong Hall Charitable Trust (AHCT), its owner. In early 2021, the AHCT announced it was permanently closing the AHC. Its aim is to relocate the arts and community services to the nearby Turnberries Community facility, after appropriate adaptations are made. Since the closure, arts and community services in many cases have declined, some have ceased.

Some residents formed a group, known as the Armstrong Hall Action Alliance (AHAA), with the aim of re-opening the AHC. AHAA recognised they would need to demonstrate this is viable.

This report describes the activities undertaken by AHAA in assessing the viability of re-opening the AHC.

2.b. AHAA plans

In July 2021, AHAA set out their aims and objectives) and a 4-stage process:

- ❑ stage 1 – test the viability of the AHAA aims.
- ❑ stage 2 – if viable, prepare for re-opening (business case, Case for Support¹, fundraising campaign, agree governance arrangements, etc).
If not viable re-assess AHAA position.
- ❑ stage 3 – re-open (the AHC providing services via the current facilities) explore the viability of a re-development.
- ❑ stage 4 – explore the viability of a re-development and if re-development is viable, prepare for the AHC providing services in a redeveloped complex.

This report is the conclusion of stage 1.

2.c. The viability assessment

To consider if re-opening the AHC is viable, AHAA considered the following:

- ❑ What is required to re-open the AHC?
- ❑ How would the AHC operate?
- ❑ Who would operate the AHC?
- ❑ How would communications with residents be approached?
- ❑ How would the AHC services be sustained?
- ❑ Is there an appetite to re-open?
- ❑ Is it financially viable to re-open?
- ❑ If there is a need to raise funds, how would this be achieved?
- ❑ What would the governance regime be if re-opened?

Several workstreams followed; these are:

¹ A recognised element of a fundraising campaign.

Workstream	Activity
Re-opening	Works to enable the AHC to re-open in a safe and compliant manner.
Operations	Create a strategic operational plan showing how the services would be provided.
Publicity & Marketing	Prepare a strategy on how the services would be promoted and marketed to develop them into a sustainable operation?
Market Research	Test the “appetite” to establish if residents really want the AHC to open.
Stakeholders and Volunteers	Arrive at a strategy for effective communications with stakeholders and residents and assess the how volunteers would be best utilised.
Governance	Identify how AHAA would evolve into a viable organisation. How they would work with the AHCT and what roles and responsibilities would they each undertake
Business Case	Produce a financial model and business case to identify the likely financial position
Fundraising	If there is a need to raise funds, set out a fundraising strategy on how this could be achieved.

2.c.i. Timescale

The AHCT advise they have commenced discussions about the AHC services moving to Turnberries with the owner, South Gloucestershire Council (SGC) and the management organisation, Thornbury Community Building Trust (TCBT). Their first step is to undertake a feasibility study to assess what would be required for Turnberries to add the AHC services to its own activities as a community centre e.g. an extension to the facilities.

An estimated by AHAA² that it may take a minimum of circa 6-9 months to complete the feasibility study, and if funding is immediately available, a further 3 years until it could provide the new services. From this we have derived the following timescales for the re-opening and thereafter.

1. Target the pre-reopening activities by the summer of 2022.
2. Re-open summer 2022.
3. Operate the AHC for 3 years.

Accordingly, the viability study refers to the following:

Reference	Description
Year 0	The period from now to potential re-opening in summer 2022
Years 1-3	Each year of the 3-year operating period

² From professionals in the construction industry, with experience of local government processes.

2.d. AHAA Aims and Objectives

AHAA have established the aims and objectives of re-opening which we consider align with the governance arrangements of the AHCT, which are below.

2.d.i. AHCT Governance arrangements

The Armstrong Hall Charitable Trust (AHCT) is an Unincorporated Charity set up as a Trust with one Trustee, Thornbury Town Council (TTC). It has the AHC buildings in its possession as a Permanent Endowment.

The summary of the AHCT governance is as follows³:

"To promote the use of the Armstrong Hall in the interests of social welfare for use as a public hall, community and recreation centre with ancillary uses for the recreation and leisure time, occupation of the inhabitants of Thornbury and the neighbourhood."

and regarding the use of the AHC:

"For use as a public hall or halls community and recreation centre and ancillary uses for the recreation and leisure time occupation of the inhabitants of Thornbury and the neighbourhood including use for meetings lectures and classes without distinction of political religious or other opinions with the object of improving the conditions of life for the said inhabitants."

2.d.ii. AHAA: Our Vision – our Mission

Vision: Cultural hub where people connect through mental and physical journeys to find comfort and joy.

Mission: To provide and promote a welcoming environment where people can feel inspired and delighted by activities, entertainment, art and other people.

³ (Published on the Charities Commission (CC) website under AHCT):

2.d.iii. Aims

- ❑ Support the re-provision of arts and community services adversely affected by the closure of the AHC.
- ❑ Re-opening of the AHC to support the re-provision of arts and community services in the area.
- ❑ Establish a social enterprise to manage and operate the AHC.
- ❑ Operate the AHC until an alternative venue is opened.
- ❑ Improve the well-being of residents who value arts and community services.

2.d.iv. Objectives

- ❑ Assess the viability of the aims above and if shown as viable to:
- ❑ Engage with the AHCT to enable the re-opening.
- ❑ Adopt proven approaches in the operating of an arts and community venue.
- ❑ Actively promote the services that could be provided.
- ❑ Apply a professional approach to the operations, governance, and financial control of the venture.
- ❑ Ensure effective communications and liaison with all stakeholders.
- ❑ Encourage volunteers to participate.
- ❑ Improve the venue in terms of Health and Safety (H&S), compliance and as an inviting and welcoming facility.

3. The AHC

3.a. Beginnings

In the 1960's plans for making additions to the Cossham Hall began and in later Mr Frank Armstrong £13,000 towards the costs. The hall was named after Mr Armstrong and duly opened on 8th September 1972.

Frank Armstrong closely associated with the development of the Ribena drink, which had been an important source of vitamin C during the war years.

As the Armstrong Hall approaches its 50th anniversary, so to do some of the bigger arts groups in Thornbury, for example, The Choral Society, TMTG, Thornbury Arts Festival, NYTC. These have all been able to thrive because they have a large and well-equipped venue.

3.b. Services

There has been a varied and consistent level of arts and community services provided by the AHC since 1972.

Typically the included a diverse range of community activities, shows, exhibitions, group participation, performances, youth participation. The list is long and only touched on here.

There have been many highlights in the life of the AHC, many will remember, The Arts Festival, amateur dramatic performances and musical shows with well-known performers:

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- George Melly with John Chilton's Feetwarmers 1981
 - Frankie Howard and Madame Rogers 1986
 - Ian McMillan 1993
 - The Reduced Shakespeare Co 1998
 - Joan Bakewell 2005
 - Sir David Frost 2007
 - Julian Lloyd Webber 2011
 - Pam Ayres 2014
 - Jeremy Hardy 2018
 - Kate Humble 2019
 - Stephane Grappelli with Diz Disley, Jack Sewing and Martin Taylor 1982
 - Humphrey Lyttelton & His Band 1988
 - Roger McGough with Andy Roberts 1996
 - Gyles Brandreth 2002
 - Jonathon Miller 2006
 - Rick Wakeman 2009
 - Carol Ann Duffy 2013
 - Prof Robert Winston 2017
 - Rev Richard Coles 2019

3.c. Decline

There has been a noticeable decline in the promotion, use and revenue over recent years, with a full closure due to Covid-19.

Many have noted that recently (circa 10-15years) the services provided from the AHC have not been as they were, and even without Covid-19, were probable, unsustainable unless there was a significant improvement in the way they were promoted.

3.d. Impact

The closure has seen a subsequent decline in the ability of several large groups/users to continue their activities or move to other, in some cases less suitable venues, e.g. TMTG, NYTC, Thornbury Arts Festival.

4. Market Research

Although anecdotally many residents wish to re-open the AHC, we have tested the real “appetite” for re-opening.

4.a. Approach

We sought the views of the many potential stakeholders, users, and audiences. A formal survey of was issued to residents⁴. In addition, face to face interviews have been conducted.

We have investigated other similar venues and studied the lessons they have learned from their operations to date.

4.b. Surveys

The surveys have focussed on assessing the following:

⁴ 355 people responded

- ❑ The importance of a central arts and community venue.
- ❑ The facilities that would like to be used.
- ❑ What programme would be desirable?
- ❑ The genre of shows requested.
- ❑ Would an annual membership be attractive?
- ❑ Would residents be likely to donate to the re-opening?
- ❑ The appetite to volunteer.
- ❑ Have previous users found an alternative venue?
- ❑ Would they want to return to the AHC?
- ❑ If the user group no longer exists, could it be reformed and use the AHC?

The broad outcome is summarised overleaf:

1. circa 90% stated the importance of an arts and community venue in Thornbury.
2. The proximity of the AHC to other facilities/businesses is a distinct benefit to the town⁵
3. There is opposition to moving to Turnberries.
4. The Cossham Hall has a unique benefit due to its acoustics, and the historical context.
5. The AHC benefits from its 2 performance spaces.
6. Circa 70% would like to see a café.
7. Circa 75% would like to see both amateur and professional performances.
8. The genre of shows desired is wide and diverse
9. A programme of events of various kinds running through the year is desired.
10. The idea of an annual membership is supported.
11. Donations to the re-opening would be forthcoming⁶.
12. Volunteering is widely supported.
13. The passion for theatre remains within the groups.

The survey results are at **Appendix A**.

4.c. Other venues

We have looked at other venues in the town and are content that our approach does not look to denude the valuable contribution they make to arts and community themselves; their offering is in equal measures different and complementary.

5. Comparator venues

Arts and community services are provided throughout the UK in a similar manner to those in the area.

⁵ as was identified in the 2017 consultation undertaken by the TTC.

⁶ We currently have pledges of circa £40,000.

We have investigated a handful of other venues to understand how they operate and to gain an insight into their challenges and how they are overcome.

We have also reviewed the Charity Commissions (CC) data on similar venues.

5.a. Charity Commissions (CC) data

A summary of the CC data is:

Venue	Structure	Trustees	Volunteers	Seating	Assets (£000's)	Income (£000's)	Expenditure (£000's)	Grants (£000's)
Brecon	CIC	3	45	477	unknown	25	11	4
Hereford MT	CIC	3	86	90	unknown	60	78	-
Ledbury	CIC	11	100	128	100	106	100	10
Malvern	CIC	9	10	100	100	20	13	10
Pershore	CIC	13	230	250	1,500	333	373	86
Shanklin	CIC	8	100	610	500	85	64	-

We will use this data to compare the plans in this viability report.

5.a.i. Ledbury

We undertook a visit to The Market Theatre in Ledbury, this being a similar operation to the AHC.

We learned that aspects of their success herald from:

- ❑ A well decorated and inviting entrance and foyer.
- ❑ Modern toilets.
- ❑ A shop/bar area.
- ❑ Theatre styled tiered seating.
- ❑ Adequate stage area but with restrictions.
- ❑ Good dressing room area that meets current standards.
- ❑ Adequate lighting and sound equipment with video projection facilities.
- ❑ Lighting and sound control area (box).
- ❑ Ability to receive specialist broadcasts e.g. The National Theatre, The Royal Ballet and National Opera.

It is also noted that the Ledbury venue adopts the following approaches.

- ❑ All staff are voluntary: a Hall Manager, a Treasurer, a Technical Manager and an events person. There are no paid staff.
- ❑ Volunteers provide front-of-house staff.
- ❑ A fundraising feature is to provide stage management and technical (sound and lighting) staff.
- ❑ Events management is seen as vital.
- ❑ “common” box office i.e. a web-based system.

The Market Theatre is successful; we have looked at how we could adopt similar approaches in evaluating the viability of our proposal.

6. Thornbury Neighbourhood Plan

We consider it relevant to look at the wider impact of the closure of the AHC within the town. It seems the best reference point is the recent Thornbury Neighbourhood Plan (TNP).

The TNP has been endorsed by TTC⁷, and by inference can be considered supported by the AHCT⁸. The TNP is progressing through its adoption process⁹.

The TNP, identifies¹⁰ that the town centre should include both leisure and entertainment, and arts, culture, and tourism.

It is also noteworthy that the outcome of surveys undertaken by the AHCT/TTC¹¹ show a clear preference for the AHC over Turnberries; our market research shows this view prevails.

Policy 16 of the TNP is clear: valued existing community facilities will be retained, unless it can be demonstrated that demand within the locality for the facility no longer exists or that suitable alternative provision of at least equivalent community value is made elsewhere.

7. Governance arrangements

Governance of any organisation operating the AHC needs to be established prior to any re-opening; consideration needs to be made of the current arrangements (the AHCT).

7.a. Status

The AHC is the responsibility of the AHCT. AHCT is an unincorporated charity set up as a Trust. It has the AHC buildings in its possession as a Permanent Endowment. The sole trustee is TTC which is formed of the Thornbury Town Councillors.

The AHCT has a clear governance regime, set out in a Deed of Declaration dated January 1977.

A summary¹² of the AHCT governance is as follows:

"To promote the use of the Armstrong Hall in the interests of social welfare for use as a public hall, community and recreation centre with ancillary uses for the recreation and leisure time, occupation of the inhabitants of Thornbury and the neighbourhood."

Or more fully, regarding the use of the AHC:

"For use as a public hall or halls community and recreation centre and ancillary uses for the recreation and leisure time occupation of the inhabitants of Thornbury and the neighbourhood including use for meetings lectures and classes without distinction of political religious or other

⁷ October 2020.

⁸ Since TTC are the sole trustee of AHCT

⁹ Via SGC

¹⁰ Town Centre Vitality Development articulated in policy 12

¹¹ In 2017 and 2018

¹² published on the Charities Commission (CC) website under AHCT

opinions with the object of improving the conditions of life for the said inhabitants."

We also understand that the AHCT can contract with a 3rd party to operate the AHC.

7.b. AHCT and AHAA discussions

AHAA and the AHCT have conducted 2 meetings¹³. Several matters were discussed that are all addressed at various points in this report and are not repeated here.

AHAA consider the meetings have been productive and have enabled both organisations to understand the ambitions, challenges and approach they are both taking.

The AHCT have contributed to the viability assessment via the 2 meetings, and we thank them for their input to date.

7.c. AHCT aspirations

It is clear the AHCT has a different short-term ambition for the AHC than AHAA. Both seek to re-introduce the community and arts services previously offered from the AHC.

AHAA understand that the AHCT have held initial discussions with SGC which have resulted in an application for funding to undertake a feasibility study. This study will explore the key matters that would need to be considered if Turnberries was to provide the same community and art services.

AHAA have a view based on the professional experience of some members, that to reach a stage where Turnberries could provide these services will take several years. In the meantime, the services will not be available to the residents. Therefore, it is considered that the temporary re-opening of the AHC will re-provide arts and community services quicker than the Turnberries option.

7.d. AHAA as a formal group

Currently, AHAA is an informal group. If the AHCT agree that AHAA can move towards re-opening the AHC, it is planned that AHAA will formalise ourselves as a Social Enterprise, by way of a Community Interest Company (CIC)¹⁴.

This would allow AHAA to:

- ❑ employ paid staff.
- ❑ deliver charitable services under contractual agreement.
- ❑ enter commercial contracts in its own name, own freehold or leasehold land or other property.

We see that the pre-opening structure would need a "steering group" comprising representatives from groups who will spearhead the delivery of the workstreams needed to re-open.

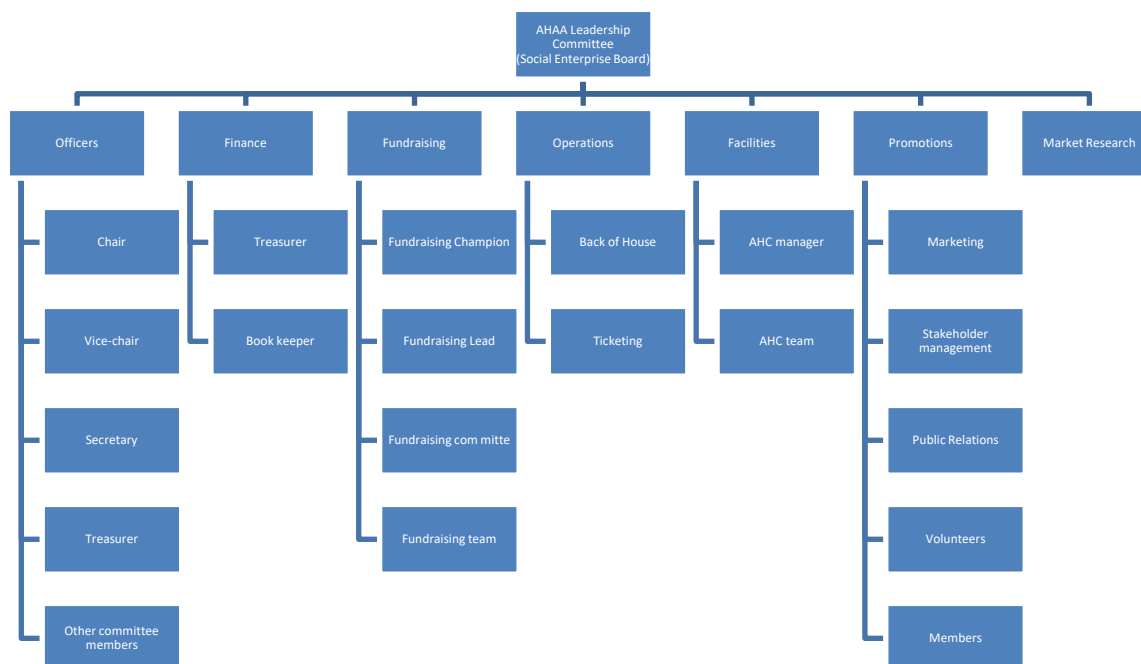
Thereafter once commitment is needed to spend monies on matters such as the repairs, equipment etc., we see AHAA becoming a CIC.

We have received legal and financial guidance that suggests the formation of a CIC under guarantee is the most appropriate approach.

¹³ 11 Aug and 8 Oct 2021

¹⁴ Legal advice we have received supports this proposal.

We see the structure of AHAA at the end of year 3, will probably be as below:



We anticipate a “ramp-up” to this over the initial 3-year period.

7.e. AHAA committee

We expect that the formal group will have the following committee members:

1. Chairperson.
2. Vice-Chairperson.
3. Secretary.
4. Treasurer.
5. Other committee members.

The committee will lead the formal organisation, direct the group, provide direction in all relevant matters and be responsible that compliance matters are correctly managed.

7.f. Constitution

The group will establish a formal constitution and undertake other matters as required by a CIC.

7.g. AHAA/AHCT formal relationship

It is agreed that AHAA and the AHCT will need to formalise any arrangements.

Matters for consideration are:

1. On the basis that the AHC will lease the AHC to AHAA¹⁵, a lease agreement will be required.
2. A form of regular meetings held between the 2 organisations to aid collaboration between AHAA and the AHCT to flourish.

It will be important to ensure that any agreement enables both organisations to operate within their respective governance regimes.

7.h. Lease period

A long-term lease with suitable break clauses would be appropriate. We envisage the following:

- ❑ A formal lease agreement is entered into once AHAA has been formalised as a group. We would want to time this to enable works to be undertaken before re-opening e.g., essential repairs, initial revamp/re-decoration¹⁶.
- ❑ The lease is for a “peppercorn rent”.
- ❑ The lease period is 10-25 years¹⁷, with at least 2 key break clauses:
 1. 3 years after re-opening
 2. At a time after 3 years to suit any relocation to Turnberries with a 1-year notice period.

Point 1 above allows AHAA to have a strong platform for revitalising arts and community service.

Point 2 above enable the AHCT sufficient time to give notice once works commence on alterations to Turnberries.

8. A programme of events

To support key aspects of this viability analysis, we have developed what we envisage as a programme of events for the ramp-up to a full-service provision.

This programme sets out a typical “year in the life” of the AHC when re-opened.

The programme envisages:

- ❑ A mixed use of both the Armstrong and Cossham Halls.
- ❑ A blend of uses: interest groups, exhibitions, performances, shows, cinematic events, screening syndicated specialist broadcasts, education, music, festivals, rehearsals.
- ❑ A realistic level of usage that increases over the first 3 years.
- ❑ A mix of previous users/audiences and new.

Potential users have highlighted that a re-opened Armstrong Hall would be the only sizeable space in the vicinity, not just for performances but also larger group meetings/functions.

We have costed the programme of events for each year, and this is explained in the Finance Model in the later section.

An example of a typical 4-month programme in Year 3 is at **Appendix B**.

¹⁵ By way of a CIC (see later)

¹⁶ There are no plans to extend the AHC or alter the general layout unless required by legislation.

¹⁷ The actual period will be best advised by property agents/legal advisers.

9. Re-opening the AHC

To enable the AHC to re-open, the facilities must:

- ❑ Be safe to use.
- ❑ Respect the health of users, visitors, and staff.
- ❑ Be compliant with regulations/good practice.

We received recent reports¹⁸ undertaken by the AHCT that inform the status of key elements of the fabric and infrastructure of the AHC. In addition we visited the AHC¹⁹ and undertook a visual inspection.

Our conclusion is that there are works required to be undertaken and that the AHC looks “tired and dated” and unwelcoming.

We have used these reports and our inspection to establish the following:

- ❑ Works that must be undertaken to enable re-opening.
- ❑ Aspirational works prior to re-opening to improve its appearance.
- ❑ Works that may be required when “end of useful life” occurs after re-opening.
- ❑ Routine repair and maintenance works required during Years 1-3.
- ❑ Further aspirational works to be undertaken as and when operations/funds require.

We summarise below what we consider these works will be, and in the Financial Model we have made allowances for the estimated costs. A more detailed schedule of works is at **Appendix C**.

9.a. Works that must be undertaken to enable re-opening

We consider the following are “essential” works to be undertaken.

Reference	Summary	Notes
Main Hall floor	Fit new cavity tray to outside walls Lift the floor and relay with new flooring	Cavity tray to be inspected
Signage	Improve signage	Improved wayfinding
External doors	Replace with new	End of life works
Envelope leaks	Localised repairs	Bar/Offices/Foyer/Committee Room areas
AHC electrics	Compliance level works	From electrical installation report
Fire Precaution works	Compliance level works	From the Fire Risk Assessment
Kitchen	New worktops	Remove infection risks
Outside walls	Localised re-build/re-point	Improve stability

¹⁸ List here

¹⁹ date

We estimate that the costs above could be between £50,000 and £100,000 and take 3 months to complete. We have yet to market test the above estimates but have approached the impact on costs as set out in the finance section.

9.b. Aspirational works prior to re-opening to improve its appearance/functionality

Reference	Summary	Notes
Dressing rooms	Improve their functionality	“dignity” and “compliance”
Courtyard	Provide a “make-over”	To improve its appearance and usage
Entrance	Provide a “make-over”	To improve its appearance and usage
Bar	Re-purpose	To improve its appearance and usage
Storage	Provide storage areas	As requested by several users
Kitchen	Re-work	To suit bar/café aspirations
Toilets	Re-work	To be more in keeping with a modern facility

We estimate that the costs above could be between £50,000 and £150,000. They have yet to be scoped but potentially internal reorganising of the core layout is possible to improve the foyer/toilets/bar/kitchen area. This accounts for the wide range of costs.

The works can be undertaken as “mini-projects to minimise disruption to the facility usage.

9.c. Works that may be required when “end of useful life” occurs after re-opening

We are conscious of reports that the existing boiler may be near the end of its useful life. We are currently investigating²⁰ what its operational status is.

10. Operating the AHC

We will prepare and implement an Operational Plan (OP)

There are several operational related matters to consider as part of the OP; these are:

- ❑ Compliance.
- ❑ The “customer journey”.
- ❑ Staffing.
- ❑ AHC considerations.

The following summarises key aspects of the OP; further details are in **Appendix D**.

²⁰ The proposed heating engineer has recently undergone surgery and could not attend the recent visit.

10.a. Compliance

10.a.i. Premises Licence

There will be a requirement for a Premises Licence and as the intention is to serve alcohol, there will need to be a Designated Premises Supervisor (DPS). The DPS will be responsible for the sale of alcohol and the maintenance of the regulations. We will appoint a DPS.

10.a.ii. Yellow Book

The “Yellow Book”²¹ is a guide to the requirements of a place of entertainment and we intend to comply with it. The Yellow Book sets standards for the buildings, equipment and management of premises which are primarily used for entertainment.

10.a.iii. Health & Safety and risk assessments

A Health and Safety policy will be provided, governed by the hierarchy of responsibility laid out in it.

Risk assessments will be undertaken for all relevant activities, whatever their nature e.g. working at height, COSHH assessments, fire, lone working.

We will provide an evacuation procedure as well as an invacuation²² procedure.

10.a.iv. System Testing

We will develop and implement a system for regular testing e.g. fire alarms, emergency lighting, PAT testing electrical installations etc.

10.a.v. Premises Manager

To ensure the above are correctly managed, we will appoint a Premises Manager with responsibility for compliance with the above; this will include the role of DPS.

10.b. Customer Journey

10.b.i. Considerations

An effective OP requires us to consider the “customer journey”. This is from booking tickets until they leave the building.

The two main types of customers are hirers and users/audience. Within these two groups the AHC will have many types with varying needs and requirements, e.g. physical/special needs; people must feel equally welcome and able to participate.

10.b.ii. Roles required

We have assessed that there will need to be the following operational duties undertaken; these in summary are:

²¹ As it is commonly referred to

²² for any incidents outside the AHC that would cause problems for the civil authorities.

-
- ❑ Compliance matters (as above).
 - ❑ Programme matters (diary control, booking, ticketing).
 - ❑ Catering (bar and café) management and operation.
 - ❑ Key holder.
 - ❑ Cleaning and general caretaking.
 - ❑ Repair and maintenance.

10.c. Staffing

Staffing will be a blend of employed staff (part-time and full-time) and volunteers.

The Premises Manager role will initially encompass the following: compliance, programme, and catering management.

As the AHC usage increases, this would require a support role (assistant Premises Manager).

There will be a need for a caretaker for general cleaning and preparation duties including routine maintenance and repair. Specialist works will be outsourced.

Bar and café staff will be sourced on a volunteer basis or on a contract type basis (hourly rate) at peak times.

Technicians are available to support from our sourcing of potential volunteers but can be supplemented by paid technicians or via performers/user groups in some cases.

10.d. Development

We aspire to develop a programme that promotes education. Education and outreach staff are the interface between schools and communities and the AHC.

We sense we do not have the capacity to undertake this until years 2&3, but we will monitor opportunities as they arise.

11. Marketing

11.a. Approach

The success of the re-opening of the AHC is highly reliant on effective marketing.

Marketing covers several activities:

- ❑ Promoting the services provided.
- ❑ Market research to know stakeholders' views.
- ❑ Communicating to all stakeholders.
- ❑ Advertising events and activities.
- ❑ Publicising the AHC.

11.b. Marketing Strategy

To develop an effective marketing campaign, AHAA will develop a marketing strategy that:

1. Continues the recent market research to ensure the arts and community services are tailored to suit what the community seeks.
2. Identifies the stakeholders being marketed to.
3. Identifies “marketing segments” to ensure effective marketing to the various users etc.
4. Recognises both the demographic and diversity of the residents.
5. Publicises the re-opening and service offering through an awareness campaign.
6. Recognises other regional and arts and community services so AHAA operates appropriately.
7. Brands the AHC to modernise its impact.
8. Identifies the best “marketing mix”²³.
9. Promotes effective use of current communication methods e.g. digital.
10. Maximises user retention.
11. Implements good marketing practice through KPIs.

11.c. Marketing Team

We will appoint a marketing team to develop and implement the above strategy. We see that this team will commence almost immediately after agreement to proceed. There will be a Marketing Manager who will lead the team. This is likely to be a part/full time role initially and will need to be funded. We already have volunteers who will support the Marketing Manager role.

Initially we may combine this role with the Fundraising Manager role (see later in this report).

12. Stakeholder engagement & volunteers

12.a. Stakeholders

It is vital there is effective engagement with the residents to listen to their thoughts, desires, concerns, and advice.

We will develop a communications plan that will, based on best practice:

- ❑ Identify who the stakeholders are e.g. users, audiences, performers, suppliers, interested, businesses and business groups²⁴, community groups, arts groups.
- ❑ Create a method of involving stakeholders as required.
- ❑ Set a framework for an effective communications plan and overall stakeholder engagement.
- ❑ Establish how stakeholder views are considered and responded to.

12.b. Volunteers

We have received literally hundreds of interests from people offering to volunteer in some form or other if the AHC re-opens.

We will establish a volunteer management plan that will:

²³ Services, place, price, promotion, people, processes

²⁴ Chamber of Commerce

-
- ❑ Identify potential volunteers.
 - ❑ Register their interest, skills and experience and proposed level of volunteering.
 - ❑ Propose how best to engage with volunteers.
 - ❑ Establish a procedure for managing volunteer input etc.

12.c. “Friends of the AHC”

Having “Friends” of an organisation/venue is popular and helps promote and support the activities, which is a policy we will adopt.

13. Financial matters

There will need to be sufficient monies to meet the costs. To establish what monies are needed, a financial model has been developed, which identifies estimated revenue monies: ticket sales, hire costs, bar/café receipts and other direct revenue streams, excluding any gifts or donations via fundraising campaigns (see next section).

It also estimates the likely costs: repairs, maintenance, replacement, equipment, staffing and one-off costs for e.g. mini projects.

We have prudently recognised that at this stage our estimates should be on a “range” basis i.e. to apply a risk management approach. To achieve this we have provided 3 scenarios for each cost estimate: most likely, better, worse.

We have based the conclusion around the “worse” scenario to give credibility to our estimates.

We have modelled over a 4-year period: Year 0 = post covid and re-opening start up, years 1-3 being the initial 3 years of operation.

There are several matters to explain when studying the financial model, as follows:

13.a. Income

1. We have referenced historical data where appropriate
This provides a “realism” to the model.
2. The New Events have been investigated in the marketplace and are considered potentially viable to add to the venue’s usage.
3. The “programme of events” we have derived is considered a realistic use of the AHC.
4. Bar takings have been advised from our consultation with professional venue users.

13.b. Expenditure

1. We anticipate that through to opening we will rely on volunteer input; from our investigations this is wholly viable.
2. Staff costs will increase through Year 1 to Year 3.
3. We have used historic data relating to some running costs.

13.c. Other

1. We have assumed that before the AHC is re-opened, we should be prudent and aim to fundraise the whole of the pre-opening costs and half of the year 1 costs.
2. We would apply a “sinking fund” approach once re-opened to ensure there are no debt conditions that arise, which with a “cash balance” at re-opening of potentially circa £25,000 is a realistic approach.

The model is summarised overleaf.

13.d. Considerations

It should be considered that this is a financial model and as such it should be considered with some caution. We have not market tested all estimates; however they have been derived from reliable sources: experienced individuals with appropriate skills, benchmark costs, historic actual costs and realistic expectations e.g. sales revenues and operational and capital costs.

Re-opening the AHC

A viability analysis report



	Year 0				Year 1				Year 2				Year 3		
	Worse	Most Likely	Better		Worse	Most Likely	Better		Worse	Most Likely	Better		Worse	Most Likely	Better
INCOME															
Historical Hire (from detail sheet)	-	-			36,195	45,244	54,293		42,081	52,601	63,121		42,081	52,601	63,121
New Events (from detail sheet)					22,023	44,045	52,854		53,360	66,700	80,040		55,344	69,180	83,016
Bar					8,000	10,000	12,000		12,000	15,000	18,000		16,000	20,000	24,000
Total INCOME	-	-	-		66,218	99,289	119,147		107,441	134,301	161,161		113,425	141,781	170,137
EXPENSES															
Utilities total	-	-	-		45,000	35,000	25,000		45,000	36,000	25,000		45,000	37,000	25,000
Consultancy costs					7,500	5,000	2,500								
Staff costs					15,000	10,000	7,500		45,000	37,500	30,000		45,000	37,500	30,000
Cleaning staff									15,000	10,000	5,000		15,000	10,000	5,000
Repair/maintenance					15,000	10,000	5,000		15,000	10,000	5,000		15,000	10,000	5,000
Renewal									25,000	15,000	10,000		25,000	15,000	10,000
Interior design/externals/re-branding	25,000	15,000	10,000		30,000	20,000	10,000		15,000	10,000	5,000		15,000	10,000	5,000
Reopening repairs/renewal	100,000	75,000	50,000												
Total EXPENSES	125,000	90,000	60,000		112,500	80,000	50,000		160,000	118,500	80,000		160,000	119,500	80,000
Profit or Loss	-125,000	-90,000	-60,000		-46,282	19,289	69,147		-52,559	15,801	81,161		-46,575	22,281	90,137
FUNDRAISING															
Carry forward	150,000				50,000				50,000				20,000		
Net Balance	25,000				28,718				28,718				-	417	
Fundraising - to cover repair costs Year 0 and capital to start each year and cover worst case scenarios.															

Further details to support the above model are at **Appendix E**.

14. Fundraising

14.a. Need for fundraising

Two matters stand out: the CIC will need to be capitalised, and early year revenue will show a shortfall.

We have developed a fundraising strategy that follows what we consider best practice in line with the fundraising techniques implemented by other similar organisations.

The fundraising strategy is provided at **Appendix F**.

We have already given thought to both an initial estimate of the level of funds²⁵ needed to be raised and potential donor sources.

This has informed a “donor pyramid” of fundraising for each of the periods in the financial model, which is summarised overleaf.

²⁵ derived from the Financial Model

Re-opening the AHC

A viability analysis report

Year 0					
Total gifts required					
£ 150,000					
Gift Amount	Typical Gift type	No of Gifts	Total gifts	Column1	
£ 25,000	Grant, Philanthropy	4	£ 100,000	67%	
£ 10,000	Gift giving trusts	2	£ 20,000	13%	
£ 1,000	Local residents, organisations	15	£ 15,000	10%	
£ 250	fundraisers	20	£ 5,000	3%	
£ 50	buy a brick type	500	£ 25,000	17%	
£ 5	bucket collection	1,000	£ 5,000	3%	
			£ 170,000	113%	
Year 1					
Total gifts required					
£ 50,000					
Gift Amount	Typical Gift type	No of Gifts	Total gifts	Column1	
£ 25,000	Grant, Philanthropy	1	£ 25,000	50%	
£ 10,000	Gift giving trusts	1	£ 10,000	20%	
£ 1,000	Local residents, organisations	10	£ 10,000	20%	
£ 250	fundraisers	10	£ 2,500	5%	
£ 50	buy a brick type	50	£ 2,500	5%	
£ 5	bucket collection	1,000	£ 5,000	10%	
			£ 55,000	110%	
Year 2					
Total gifts required					
£ 35,000					
Gift Amount	Typical Gift type	No of Gifts	Total gifts	Column1	
	Grant, Philanthropy		£ -	0%	
£ 10,000	Gift giving trusts	1	£ 10,000	29%	
£ 1,000	Local residents, organisations	10	£ 10,000	29%	
£ 250	fundraisers	25	£ 6,250	18%	
£ 50	buy a brick type	100	£ 5,000	14%	
£ 5	bucket collection	1,000	£ 5,000	14%	
			£ 36,250	104%	
Year 3					
Total gifts required					
£ 10,000					
Gift Amount	Typical Gift type	No of Gifts	Total gifts	Column1	
	Grant, Philanthropy	-	£ -	0%	
	Gift giving trusts	-	£ -	0%	
	Local residents, organisations	-	£ -	0%	
£ 250	fundraisers	15	£ 3,750	38%	
£ 50	buy a brick type	50	£ 2,500	25%	
£ 5	bucket collection	1,000	£ 5,000	50%	
			£ 11,250	113%	

14.b. Implementing a fundraising campaign

We will immediately commence the development of the fundraising strategy and develop the plan for the Year 0 fundraising campaign(s) to completed by the middle of December 2021.

14.c. Fundraising Manager

A Fundraising Manager will manage the development and implementation of a Fundraising Plan, initially combines with the role of the Marketing Manager.

14.d. Initial ideas

Amongst the ideas that we will consider for fundraising are:

- ❑ Seek funding from the government Community Ownership Fund
This may require an application in the name of the AHCT due to the ownership criteria that may arise.
- ❑ Seek funding from South Gloucestershire Council (SGC) and the West of England Combined Authorities (WECA) funds e.g. Community Infrastructure Levy (CiL) or via the Town Council Precept (application to TTC).
- ❑ Seek funding from lottery style or corporate grants.
- ❑ Continue to receive philanthropic donations.
- ❑ Work in partnership with potential performers/users on fundraising events e.g. performances, shows, plays etc.
- ❑ Patron/Membership
Become a patron/member of the Armstrong Hall for a yearly fee. Benefits include priority booking, no transaction fees, theatre bar discounts/special offers and restaurant pre-show meal deals.
- ❑ Ghost Light Sponsorship
Ensure that the Armstrong Hall never 'goes dark' and get the venue's name displayed in the foyer for one year.
- ❑ Sponsor A Seat
Contribute to the cost of new auditorium seating and sponsor a seat.
- ❑ Box Office
Run an internal box office for all events at the Armstrong Hall. Small booking fee to pay for expenditure and save additional funds.
- ❑ Bucket Collections
At the end of every performance FOH staff hold buckets for donations as patrons leave.
- ❑ Auditorium Floor (or similar)
Arrange 'an evening with' where the ticket price is donated to the cost of replacing 'the cause'. The guest speaker should be associated with the assets in question. For example, the ballroom floor could attract a professional ballroom dancer.

16. Conclusions

The following conclusions can be drawn:

1. The AHC closure has denied arts and community opportunities.
2. The planned move to Turnberries will continue this for several years.
3. There is a clear desire for arts and community services in the town, provided by a central facility
4. An initial period of 3 years is required to revitalise arts and community
5. There is an appetite to donate moneys to support the re-opening.
6. The need for formalisation of AHAA and arrangements with the AHCT over a 6-month period.
7. There will need to be a period of planning the re-opening, hence the planned re-opening date of summer 2022.
8. A suitable operating plan, marketing and fundraising campaigns will be essential to promote the AHC.
9. Volunteers are ready and able to support.

The overall conclusion is that the re-opening of the AHC is viable.

18. Proposal

The following proposal is made:

That AHCT agree that AHAA can continue to develop their plans with a commitment to re-open the AHC for a minimum of 3 years.

We have offered to meet the AHCT again soon to present our thoughts and this report with a view to a decision being made by the end of November 2021²⁶ to support the overall proposed timescale.

The following actions are needed to complement this recommendation:

1. The AHCT review this report and decide if they are supportive of the AHAA plans (by end of November 2021).
2. If not, then the AHAA plans are put on hold and their objectives and next steps are re-considered.
3. If supportive, the AHCT resolve to lease the AHC to AHAA and agree heads of terms the way both AHCT and AHAA will operate (during early 2022).
4. AHAA form a Social Enterprise (CIC) and establish a formal committee and workstream leads (Dec 2021).
5. AHAA implement fundraising and marketing campaigns as soon as practicable (early 2022).
6. The strategy for volunteering is moved forward and implemented (early 2022).
7. That the target for formalising the re-opening e.g. a lease agreement if signed, is the end of April 2022.
8. That the target set for re-opening the AHC is summer 2022.
9. That AHAA develop their detailed “re-opening plan” in early 2022.

²⁶ 30th November 2021.

20. Acknowledgements

This analysis would not have been achieved without the input of a variety of individuals: professionals in arts and community services elsewhere, skilled, and experienced practitioners, and the enthusiasm, dedication, and inspiration of many who desire to see arts and community re-provided and at the AHC.

This report has been compiled in a variety of ways, by members of AHAA with support of others wishing to also assess the viability of the AHAA aspirations.

This report has been produced on a voluntary basis; no fees or other costs have been paid in its production.

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Appendices

The Appendices are a separate document that accompanies this report.