

Report of: Eve Roodhouse, Chief Officer, Culture and Economy

Report to: Outer West Community Committee

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To note

Proposed Closure of Pudsey Civic Hall

Purpose of report

1. The Council's budget proposals for the next Financial Year (FY24/25) include a proposal to close Pudsey Civic Hall. The proposal has been brought forward because the building does not meet its annual budget targets and because it has investment needs to ensure that it remains attractive to event organisers. The Council is not in a position to continue to fund these needs in the context of its broader financial challenges. The potential sale of the site could also deliver a capital receipt.
2. The Outer West Community Committee has requested this report to allow for a discussion on the proposal which will help to inform the decision about the future of the building and the wider site. The report specifically responds to details requested by the Committee.
3. A public consultation took place between the 21st December 2023 and the 19th January 2024 and the analysis of that consultation will also inform decision making.

Venue Overview

4. Situated on the Leeds outer ring road at Dawson's Corner, Pudsey Civic Hall was built in 1972 as a multi-purpose venue. The venue has three spaces available for hire for trade shows and exhibitions, dances, weddings, meetings and shows. It has a licensed bar and parking for 300 cars.

5. Pudsey Civic Hall promotes Ballroom, Line and Jive dance sessions, tribute nights, wrestling and body building competitions as well as various other events. It also holds conferences, meetings, training, and blood donor sessions. Pudsey Civic Hall is also the home for ArtForms, the Council's music and arts service which works with children, young people, families and schools. Should Pudsey Civic Hall close, ArtForms will continue to provide its services at alternative venues in the city including the refurbished Leeds Town Hall which will have improved access provision.
6. The venue is consistently failing to meet income targets and is a financial strain on the City Development revenue budget which is proposing more than £8m of revenue savings in FY2024/25. This level of savings represents 20% of its current net revenue spend. A key aspect of Pudsey Civic Hall's financial performance has been its reliance on income from the car park. Before the Covid-19 pandemic the car park was partly let out to nearby employers. Since the pandemic and because of changing working patterns, employers no longer need access to the car park, so this income has been lost. The new, free car park at New Pudsey station has also reduced the amount of money that the Council makes from the car park.
7. In addition, the venue has capital investment needs.
8. These issues will not be resolved by seeking an external operator for the building as government regulations require all potential rental properties to have an EPC rating of E or higher before being let to tenants and so investment would be needed to lease the building.

a. Current Usage (nature of events and numbers of attendees)

A summary of bookings at Pudsey Civic Hall between FY2019/20 and FY22/23 is included in the table below. This gives a sense of the nature of events taking place.

| | Dances/Fairs/tribute night etc | | Conferences/meetings/training/blood donors etc | | |
|---------|--------------------------------|--------------|--|--------------|---|
| | number of events | participants | Number of events | participants | |
| 2019/20 | 315 | 23638 | 254 | 13277 | |
| 2020/21 | 14 | 950 | 40 | 1960 | COVID |
| 2021/22 | 137 | 17445 | 117 | 5354 | Re-opened Officially with no limits 3 rd August 2021 |
| 2022/23 | 234 | 29094 | 178 | 9493 | |

**Artforms weekly music rehearsals (Mon/Tues & Friday) equals roughly 300 kids per week x 36 weeks = 10800 figures not included in the above table due to high repeat attendance.*

There has been a significant recovery following the two years affected by the Covid-19 pandemic. Notably, although there were fewer events in FY22/23 compared to FY19/20 (412 as opposed to 569), there were more people attending activities in the Hall. In FY19/20 **36,915** people attended events but in FY22/23 **38,587** attended events. If you add to this the 10,800 children attending for music rehearsals, **49,387** took part in some sort of activity in Pudsey Civic Hall during FY22/23.

The venue is home the Leeds Schools Music Association (ArtForms, mentioned above) which has its offices in the venue and pays an annual rent of £45,435. In

addition, ArtForms hire the main hall and ancillary rooms for children’s ensemble and orchestral rehearsals, and this brings in a further £25,000 per year to the operating service. Should Pudsey Civic Hall close, ArtForms will continue to provide its services at alternative venues in the city including the refurbished Leeds Town Hall which will have improved access provision.

Pudsey Civic Hall is the main venue for YAMSEN (Yorkshire Association for Music and Special Educational Needs). YAMSEN run three events at Pudsey Civic Hall: a Christmas concert and art exhibition attended by the Lord Mayor; two Music Days for children with learning disabilities including autism and two multi-sensory days for children with Profound and Multiple Learning Disabilities (PMLD). To deliver these activities YAMSEN have established a team of specialist musicians and volunteers who have experience of working with children and adults with special needs. They work in partnership with Artforms, the Leeds Music Education Partnership (LMEP), and with grants from charities: their support needs include special equipment (hoists, changing beds) transport and accessible spaces. A specific meeting has taken place with YAMSEN as part of consultation on the proposed closure of Pudsey Civic Hall.

b. Car Parking

Adjacent to Pudsey Civic Hall is a large 300 space car park. It could be argued that the car park is oversized relative to the general activity at the facility. Parking Services collect all income from the site and then pass this on to the Arts Events and Venues Service which operates Pudsey Civic Hall. Parking costs are £3.50 per day Monday to Friday, free after 5.30pm and at weekends. Usage of the car park fluctuates depending upon the events themselves. However, for evening bookings or at weekends, car parking is free. West Yorkshire Police use the car park for overspill when their car park is full and have free permits from Parking Services. Leeds City Council Youth Services use it for two of their vans. Parents of children attending Fairfield Primary School use the car park to drop off / pick up children, (50 cars) but only for short times in the morning and afternoon. Shelter accommodation use it (3 / 4 cars).

Much of the above use contributes only a small proportion to the £101,450 income target for the car park. The majority of the £100k income was previously generated by corporate hire and commuter travel. Green Flag used to hire the car park, but they relocated many years ago. Lloyds Bank subsequently leased the car park and staff working at First Direct also used the car park. First Direct have departed and Lloyds can now accommodate staff parking on their own site due to changes in working patterns following the Covid-19 pandemic with staff working from home more frequently. As a result, they discontinued their corporate hire in 2022. This has impacted on the income generated from the car park as the table below demonstrates. The income target is £101,450:

| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 (year to date) |
|--|---------|---------|---------|---------|---------------------------|
| | | | | | |

| | | | | | |
|---------------------------|---------|---------|---------|----------|------|
| Car Parking income | £93,788 | £73,800 | £73,562 | -£16,248 | £339 |
|---------------------------|---------|---------|---------|----------|------|

The majority of hires at Pudsey Civic Hall are evening or weekend, when the car park is free to use, so most events do not generate car park income. Daytime usage is commercial hire in the smaller meeting rooms which don't require significant parking and therefore generate limited income from parking charges.

Since the construction on the new decked car park at Pudsey New Street rail station which is free to use, very few commuters now park at Pudsey Civic Hall. In 2023/24 it is estimated that the car park will achieve £500 against a £100k income target.

c. Financial Position

Below is a profit/loss table for Pudsey Civic for the last 5 years. This has had the car park income removed. The car park income can be viewed on the table above. These are the actual costs of Pudsey Civic Hall. Figures have been agreed by the Directorate's Finance Business Partner.

| Description | 2019/20 Actual | 2020/21 Actual | 2021/22 Actual | 2022/23 Actual | Forecast 23/24 |
|---|-----------------|----------------|-----------------|----------------|----------------|
| Internal Accommodation Charges | -£45,435 | -£45,435 | -£45,435 | -£45,435 | -£45,435 |
| Internal income | -£41,760 | -£8,930 | -£27,541 | -£35,699 | -£34,660 |
| Internal income | | | | £0 | £400 |
| Grants | | | | -£68 | £0 |
| Sale Of Food & Drink | -£80,168 | -£335 | -£32,544 | -£69,466 | -£66,997 |
| Other cultural & rec fees & charges | -£1,823 | -£70 | -£2,216 | -£5,274 | -£3,947 |
| Admissions, Booking Fees & Ticket Sales | -£28,014 | £0 | -£8,829 | -£14,502 | -£9,998 |
| Car Parking | -£93,788 | -£73,800 | -£73,562 | £16,248 | -£339 |
| Training & Education Courses | -£6,864 | £0 | £0 | | £0 |
| Hire Of Rooms & Equipment | -£104,711 | -£12,002 | -£71,529 | -£111,518 | -£105,852 |
| Expenditure | £295,894 | £184,834 | £195,946 | £253,432 | £275,939 |
| Maintenance Costs | £20,000 | £20,000 | £20,000 | £20,000 | £20,000 |
| | -£86,669 | £64,261 | -£45,709 | £7,718 | £29,110 |

If the two years that were impacted by the Covid-19 pandemic are disregarded this table demonstrates that over the last five years Pudsey Civic Hall has made a modest surplus. The only below the line costs which the Service doesn't control are maintenance costs which are allocated centrally and would be somewhere in the region of £20K per year. Even taking that into account, the venue would have made a small surplus. However, when you add in a £100k income target, the venue becomes a cost pressure for the City Development revenue budget.

d. Capital Investment Needs

The last condition report for Pudsey Civic Hall was carried out in April 2015. The building was considered generally in 'good condition' but that 'systems are aging and will come to an end of functional life'.

The 2015 survey showed approximately £215k of backlog maintenance works plus fees, prelims contingencies etc. It is important to note that backlog maintenance works are usually only to keep the building safely running and would not address the wholesale refurbishment required as systems come to the end of being capable of being maintained or the cosmetic uplift required in the building to ensure it remains an attractive venue to hirers.

Major items raised were full replacement of all glazing and environmental upgrades for mechanical ventilation. Boilers were updated in 2009.

Improvements to Pudsey Civic Hall heaters are listed in the capital programme at an estimated cost of £26K. Only 1 of 12 heaters in the ballroom are operational meaning that commercial heaters must be hired in the winter to heat the space.

Examples of works required to the building which are becoming urgent include replacement of the carpets (estimated costs of £26K), an overhaul of the toilets which are subject to drainage issues and updates to the stage lighting, lift and kitchen equipment.

The line-by-line cost of works outlined in the condition survey do not directly read across to the actual cost of delivering the works in practice. Prelims, fees, interface works and inflation would result in any backlog maintenance works costing more. To that end, taking account of the age of the mechanical and electrical installations of the building, the energy certificate that would need to be achieved and applying a m2 rate to the full refurbishment of the facility, Asset Management have estimated that a comprehensive refurbishment cost would be in the region of £7.25m. This has been calculated as a budget estimate using the Building Cost Information Service Construction Data calculator with inflation applied for delivery in 2029, when the current systems within the building will all require replacement / refurbishment. Whilst delivery in an earlier year would reduce this figure, a business case for investment would be difficult to justify due to the level of existing or potential future income.

Notwithstanding the scale of any capital investment scheme required, it is evident that substantive capital works in some form will be needed in the next few years.

Conclusion

9. Whilst Pudsey Civic Hall delivers a modest surplus each year, overall it does not meet its budget target and the Council's ability to continue to operate the venue successfully will worsen alongside the need to commit to backlog maintenance needs in the near future. These issues will not be resolved by seeking an external operator for the building as government regulations require all potential rental properties to have an EPC rating

of E or higher before being let to tenants and so investment would be needed to lease the building.

10. The proposal to close Pudsey Civic Hall will be considered as part of the Council's budget proposals for FY24/25 at Council on 21 February 2024.