

SCRUTINY BULLETIN

The papers attached are primarily for Councillors' information but will be made publicly available on the internet, with the exception of Part 2 items. They may relate to work in progress or updates on reports which have already been considered by the Scrutiny Committees.

The provision of this information does not override the authority of the Standing Orders as set out in the Council's Constitution. For example, Councillors remain entitled to ask for a specific item to be placed on a Scrutiny agenda, request a call-in or to ask questions of a Portfolio Holder.

If require further information please contact Jo Quinnell, Assistant Democratic Services Officer at committee.services@exeter.gov.uk

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SCRUTINY PROGRAMME BOARD

Monday 17 June 2024

Present:-

Councillor Williams, M (in the chair)
Councillors Mitchell M, Parkhouse, Pole and Rees

Also Present

Service Lead – Legal & Interim Monitoring Officer, Democratic Services Manager,
Democratic Services Officers (PMD and LS)

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SCRUTINY NOTE OF 4 MARCH 2024 MEETING

The Scrutiny Note of the previous meeting held on 4 March 2024 were agreed.

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SCRUTINY PROPOSALS SUBMITTED BY MEMBERS

The following Scrutiny proposals were discussed and Board Members discussed timetabling of future business as appropriate:

- Outcomes of Air Quality Action Plan (Cllr Rees) – proposed to move this to November Strategic Scrutiny meeting to allow time for data to go to Defra and scope for new statutory requirements to be received;
- Performance and service provided to customers and stakeholders of Stagecoach South West in Exeter (Cllr Snow) – it was heard that there has been development in this area and suggestion that this may be better suited to Transport Member Working Group, although the proforma would be discussed at the forthcoming meeting of the Customer Focus Scrutiny Committee;
- Box Shifting (Cllr Moore, following on from a question from Cllr Read at Full Council) – item on work plan for Customer Focus Scrutiny October meeting; and
- Exeter Community Lottery (Cllr Moore) – it was noted that there was availability for the November Customer Focus Scrutiny meeting; and
- Antisocial Behaviour (Cllr M Mitchell) – it was agreed that this was a Customer Focus matter. The proforma would be discussed at the forthcoming meeting of the Customer Focus Scrutiny Committee.

Cllr Parkhouse felt that Members who had submitted proformas should be invited to meetings where the topics were on the agenda and, if appropriate, may be given the opportunity to ask a question.

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CHAIR'S ANNOUNCEMENTS AND SCRUTINY OVERVIEW

The Chair welcomed the new Chairs of each of the Scrutiny Committees and expressed his commitment to a non-partisan approach to Scrutiny.

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DRAFT WORK PLAN

Members noted the Draft Work Plan.

DATE OF THE NEXT MEETING

The Democratic Services Officer (PMD) advised that he would suggest dates to Members of the Scrutiny Programme Board at the earliest opportunity.

(The meeting commenced at 1.04 pm and closed at 2.55 pm)

Chair

Scrutiny Bulletin: 15 July 2024

Title of Update: Annual Performance review: The Matford Centre

Relevant Officers:

David Lewis - Facilities and Markets Manager

Helen Coombes - Matford Centre Manger

Contact for general enquiries:

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1. What is the update about?

- 1.1 This report is to update Members on the performance of the Matford Centre for the financial year from 1 April 2023 to 31 March 2024.

2. Background

- 2.1 The Matford Centre is a multi-purpose centre on Matford Business Park.

- 2.2 The centre's business streams include:

- Exeter livestock market
- Leased units
- Events concourse
- Catering facility
- Meeting rooms
- External area
- External Hires

- 2.3 The Matford Centre is part of Markets & Halls which also encompasses the Corn Exchange and Markets Management.

- 2.4 The Facilities & Markets Manager has overall responsibility for Markets & Halls as well for Visitor Facilities (Underground Passages, Custom House and Red Coat Guided Tours). The Matford Centre Manager is responsible for day-to-day management of the facility.

- 2.5 Our responsibilities for the Matford Centre include:

- Management of the site including maintenance and security.
- Liaison with, and monitoring of, all tenants of the centre.
- Hiring of the venue for events and meetings.
- Overseeing the external running of the Sunday Market/Car Boot Sale.
- Identifying other income earning opportunities at the site.
- Organisation of other markets within the city.
- Giving advice and issuing consent to other market organisers.

3. Current position

- 3.1 There is one other full-time employee (Markets & Facilities Supervisor) this post works closely with the Matford Centre Manager. There is another part time employee, and occasional use of casual employees. There is a vacancy (currently being reviewed) for a part-time cleaner.
- 3.2 The Livestock Market is one of the largest in the Southwest and is operated by Kivells Auctioneers who have now renewed their lease until 2032. The revised terms of the lease are designed to encourage and support Kivells to increase business at the centre which will improve the financial position for the council.

Kivells have been extremely successful in attracting new business to Exeter with animal throughput increasing notably over the period of their tenure. The tables below show the animal throughput over the last five financial years and provides more details regarding the throughput in 2023/24, however, this is slightly lower than previous years due to the increased pressures on the agricultural sector:

Throughput	
2019/20	255,000
2020/21	253,000
2021/22	274,000
2022/23	294,000
2023/24	291,000

Throughput in 2023/24	
Sheep/Lambs	87%
Cattle	12%
Pigs	0.75%
Produce	0.25%

The auctioneers pay the Council a rent based on commission earned, with a guaranteed minimum rent. The rent received has increased year-on-year, and we are optimistic that this pattern will continue.

The total value of the transactions carried out at the livestock market during the financial year is approximately £50 million.

Another important part of the auctioneer's activities is special breed sales and shows such as those for young farmers which helps to ensure the future of the sector in the Southwest.

The following shows the amount (£) received by the City Council over the last five years:

2019/20	413,000
2020/21	391,000
2021/22	476,000
2022/23	502,600
2023/24	534,700

The auctioneers work very closely with the farming community, respecting the industry's traditions whilst introducing their modern approach to auctioneering. They assist the Farming Community Network (FCN) who provide a voluntary service to support farmers who often spend long hours out in the field with little or no social interaction.

3.3 The centre's concourse and external areas are hired to organisations who stage a variety of events.

There were 41 events hosted at the centre in 2023/24, this is similar to the previous financial year, but we have secured some higher-value events this year (such as regular boxing and supercar events) which has resulted in an increase in income.

The following shows the amount received from events over the last five years:

2019/20	82,000
2020/21	-8,000
2021/22	34,000
2022/23	57,000
2023/24	67,500

20/21 – returned deposits for events cancelled due to Covid

There were 114 meeting room bookings during the year. This is an increase of 70% on last year's figures, showing a more positive attitude towards meetings being held face-to-face, rather than virtually.

3.4 The centre hosts a market and car boot sale every Sunday morning. This consists of a mix of market traders' stalls, and private individuals selling their possessions at the car boot sale. A continued agreement to outsource this event is proving successful, seeing an increase in the number of both buyers and sellers attending the market. Outsourcing the market has been successful both financially and in reducing the staffing resource connected with holding the event.

3.5 The centre earns income from a number of property leases. The units are currently occupied as follows:

- Cafe
- Livestock auctioneer's office
- Estate agent
- Chartered surveyor
- Transport training centre
- Solicitor
- Insurance company
- Accountant
- Animal nutrition retailers
- Stagecoach bus depot

Most of these units have been occupied by tenants for some years which provides the centre with a stable income. Total income from this source in 2023/24 was £152,000. Currently one unit is unoccupied with a new tenant shortly to be assigned a lease. The annual budget is currently £137,000.

3.6 The centre has a large external area which, in addition to being used for the Livestock Market, Sunday Market and concourse events, also provides an income from activities such as vehicle storage and lorry & motorbike training.

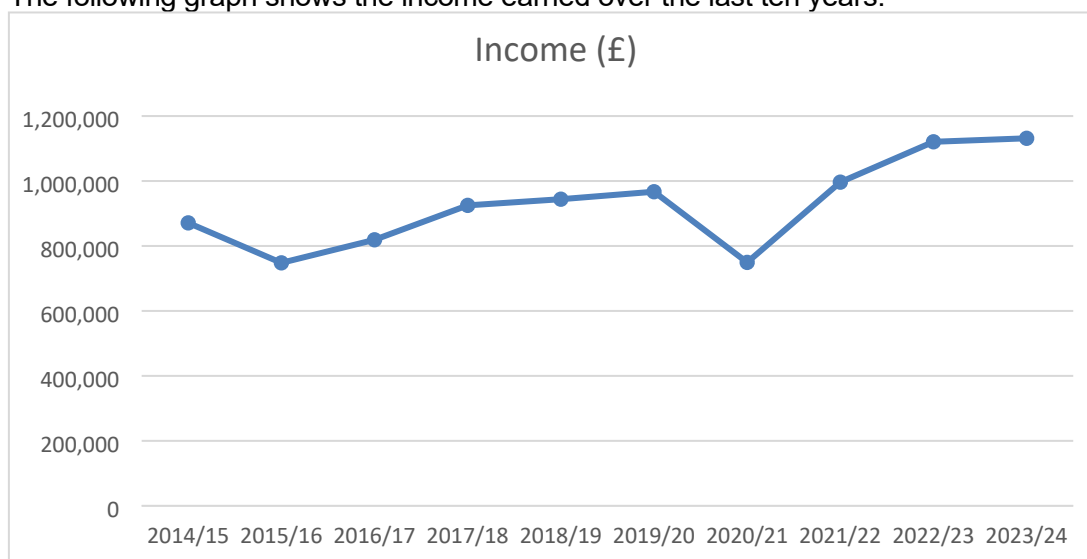
This income is less certain because of short-term licences which frequently change according to clients' requirements, although over the last five years average annual income has been more than £77,000.

The total income from this source in 2023/24 was £85,000.

- 3.7 The centre also earns income from the solar panels installed on the roof in 2015. Total income from this source in 2023/24 was £175,000. The centre now has a battery storage facility enabling us to use stored renewable energy.
- 3.8 Financial Performance - Total income (pre-VAT) for the centre in 2023/24 was over £1.1 million, and was a small increase on last year, which was the first time the centre achieved over £1 million. The following shows the total income earned at the centre over the last five years:

	2019/20	2020/21	2021/22	2022/23	2023/24
Nett Income (£)	967,000	749,000	996,000	1,121,000	1,132,000

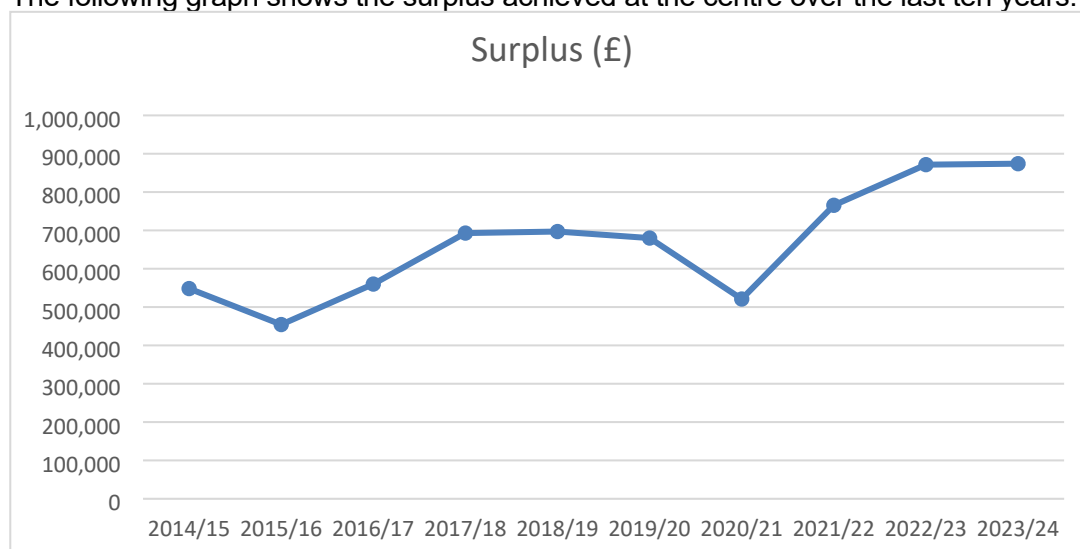
The following graph shows the income earned over the last ten years:



- 3.9 The centre achieved an operating surplus of £871,000 in 2023/24, this is equal to that of the previous year which was the highest ever achieved. The following shows the surplus achieved over the last five years:

	2019/20	2020/21	2021/22	2022/23	2023/24
Surplus (£)	680,000	521,000	765,000	871,000	871,000

The following graph shows the surplus achieved at the centre over the last ten years:



. Figures exclude FRS adjustment and depreciation.

4. Principal Objectives

The following are the principal objectives for the centre as identified by the current service plan:

- 4.1 Ensure a smooth transition to the new management structure being implemented in autumn 2025 and find solutions to any issues it raises which affect the running of the facility.
- 4.2 Review the lease for the centre's catering unit, which is due to expire in March 2025.
- 4.3 Work with Net Zero team to ensure continued optimum performance of solar panels.
- 4.4 Work with the auctioneers to continue increasing throughput at the livestock market.
- 4.5 Review operation of the Sunday Market.
- 4.6 Increase the number of events/meetings hosted at the centre and explore the scope for two-day events.
- 4.7 Increase income stream for external equipment hire opportunities.
- 4.8 Work with the Estates team to ensure lease renewals are achieved in a timely manner.
- 4.9 Work with the Estates team to achieve a successful outcome in respect of the drainage issue being discussed with South West Water
- 4.10 Work with CPA to ensure that building maintenance issues are addressed in a timely manner.
- 4.11 Formalise the fees charged and policy applied to Market Consent applications.

5. Conclusion

The work of the Matford Centre Manager and her team has resulted in another successful year for the centre.

Income was the highest ever achieved, and the overall financial surplus remains close to £900,000.

The business relationship with the centre's principal tenant (livestock auctioneer) remains positive and the uncertain income stream from the centre's external areas is being maintained through the fostering of good relations with local businesses.

The outsourcing of the Sunday Market has proven to be a good decision, and the number of events and meetings hosted is finally recovering to close to pre-pandemic levels.

David Lewis
Facilities & Markets Manager
July 2024

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Scrutiny Bulletin: July 2024

Annual Performance Review - Visitor Facilities 2023/24

Relevant Officers:

David Lewis – Facilities and Markets Manager

Dave Adcock – Visitor Facilities Manager

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1 What is the update about?

- 1.1 This report is to update Members on the performance of Exeter City Council's Visitor Facilities (Underground Passages, Custom House Visitor Centre and Red Coat Guided Tours) for the financial year from 1 April 2023 until 31 March 2024.

2 Background

- 2.1 The Facilities and Markets Manager is the Service Lead with overall responsibility for the Visitor Facilities, as well as for Exeter Corn Exchange, Matford Centre and Markets.
- 2.2 The Visitor Facilities Manager is responsible for the management of the facilities.
- 2.3 The Underground Passages is a unique tourist attraction. The centre offers guided tours of medieval vaulted passageways that were built to bring a fresh water supply to the city.
- 2.4 The Custom House Visitor Centre is an information centre, heritage centre and cultural hub situated on Exeter's historic quayside.
- 2.5 The Red Coat Guided Tours service offers people the opportunity to join free walking tours of the city.

3 Current position

- 3.1 The financial year 23/24 was the first year since 19/20 that the Underground Passages were open for the full year. The performance of the attraction has been affected following a reduction of the opening times and staff levels as part of the Council's One Exeter transformation programme.

The Underground Passages are now open four days a week (Thursday to Sunday). The facility has a permanent staffing establishment of two full time equivalents (FTE) supported by casual staff as required.

During school holidays the attraction opens to the public on additional days to take advantage of the increased visitor numbers in the city, and increased demand from residents.

Income during the financial year was £97,000 which was 40% higher than the annual budget. The overall cost of providing the facility was £46,000 which was 16% lower than the budget.

The table below shows the performance of the Underground Passages over the last five operational years, the closure period (20/21 and 21/22) is omitted:

UNDERGROUND PASSAGES					
	2017/18	2018/19	2019/20	2022/23	2023/24
Number of visitors hosted	21,772	21,862	20,206	9,495	15,171
Number of groups hosted	60	70	56	16	23
Total Income (£)	91,000	90,000	95,000	61,000	97,000
Total Expenditure (£)	155,000	161,000	171,000	102,000	143,000
Nett Cost of providing the service (£)	64,000	71,000	76,000	41,000	46,000

NB: Excludes FRS adjustment. Income figures rounded.

- 3.2 The Custom House opens seven days a week in the peak season (April - October) and Thursday to Sunday for the rest of the year. It is staffed by 0.9 FTE.

The Custom House has been operating as a visitor centre on the quayside since 2015, when it replaced the previous facility at Quay House, and this had seen a notable increase in the number of users.

The centre is funded by an annual grant from Exeter Canal and Quay Trust (ECQT). The grant funding has been in place since 2008. The grant covers the cost of running the centre. The provisional amount was amended in 22/23 following updates to the Service Level Agreement. These extended the winter opening pattern to four days a week, and provided additional staffing to ensure the centre does not close during lunch time as previously.

In 23/24 it was budgeted that the cost of operating the Custom House would be £93,000, the actual cost was £83,000, saving the Trust £10,000 which has been rolled forward into the next financial year.

In 23/24 the Custom House continued to host two cultural partners. Each of these partners were awarded a 3-year contract to deliver events throughout the year matching their contracts with Arts Council England. The two partners that were appointed are Quay Words (continuing for a further three years) and a new arts organisation, Art Work Exeter. This has met ECQT's ambition to create a cultural hub within the Custom House. Throughout the year the Custom House was brought to life with various artist residencies, author events and workshops.

Following Exeter Canal and Basin being awarded Heritage Harbour status in 2022 a series of Heritage Harbour festivals have taken place, with the most recent one in June 2024 being very successful.

2023/24 also saw an increase in bookings for events in the Transit Shed and Piazza Terracina, for which the Custom House is responsible. A total of 85 events took place, ranging from family activities, jazz bands to Marathons and craft and food markets.

The table below shows the performance of the Custom House over the last five fully operational years (20/21 and 21/22 are omitted because they were affected by the pandemic) the number of visitors has not yet recovered to pre-pandemic levels but are now starting to show a marked increase:

	2017/18	2018/19	2019/20	2022/23	2023/24
Number of visitors hosted	37,849	32,932	36,972	17,941	21,955
Number of groups hosted	78	98	169	72	130

3.3 In 2023/4 the Red Coat Guided Tours service offered a full programme of tours for the first time since 2019/20.

In summary the service operates by:

- Providing historic tours of Exeter operating every day of the year except Christmas Day and Boxing Day.
- Delivery by 31 volunteer red coat guides co-ordinated by the Visitor Facilities Manager with assistance from the Events & Ticketing Administrator (based at Exeter Corn Exchange).
- There is a summer programme of 29 tours a week (15 different tours) and a winter tour programme of 15 tours a week (10 different tours).
- Group tours are also organised, offering a variety of different tours to school groups, language schools, local history groups and twinning visits. A charge is made for the group tours.
- A number of special tours are organised throughout the year, including Spooks & Broomsticks on Halloween, Heritage Open Days tours and Exeter Blitz tours.

In 23/24 a total of 10,648 people joined a Red Coat tour, a 29% increase on the number of people that attended tours in the previous year.

The tour guide service also generates an income by offering booked group tours and talks. The number of group bookings reduced slightly from 108 to 98. However, the total number of people taking tours (3,933) and the income earned (£10,500) represented a 95% and 40% increase respectively on the previous year.

The work of the Corn Exchange's Events & Ticketing Administrator has been invaluable in the operation of the booked tour service and also in delivering the Red Coat Guided Tour service.

The cost of providing the tour guides service in 23/24 was £12,000, this was 48% lower than the annual budget.

The table below shows the performance of the guided tours service over the last five fully operational years, 20/21 and 21/22 are omitted because they were affected by the pandemic:

RED COAT GUIDED TOURS					
	2017/18	2018/19	2019/20	2022/23	2023/24
Number of visitors hosted	13,837	11,477	11,272	8,274	10,648
Number of groups hosted	173	141	117	108	98
Total Income (£)	10,000	9,000	8,500	7,500	10,500
Total Expenditure (£)	19,000	28,000	23,000	31,000	22,500
Nett Cost of providing the service (£)	9,000	19,000	14,500	23,500	12,000

NB: Financial figures are rounded and exclude FRS adjustment.

3.4 The following were key developments within the Visitor Facilities service in 2023/24:

- Recruitment and training new casual tour guides at the Underground Passages and Visitor Centre Assistants at the Custom House.
- Introduction of a new on-line booking system for the Underground Passages.
- Premises licence obtained for the Custom House.
- TripAdvisor Travellers Choice Award for the Red Coats and Underground Passages.
- Successful delivery of three Quay Words seasons, focussing on the themes of Maritime, Nature and Heritage.
- Successful recruitment of new cultural partner Art Work Exeter.
- Art Week Exeter, ran a series of successful exhibitions and events, including the 'Legend of the Custom House', 'The Real Onedin Line' and 'The Exchange'.
- Successful delivery of the Heritage Open Days programme in Exeter.
- Introduction of new Red Coat Guides' public tour programme.
- Completion of a programme of building maintenance and decoration at the Custom House, including the installation of a new partition to improve fire safety, the re-pointing and re-decoration of the front exterior of the building.
- Work on the installation of a kitchenette/servery has commenced.
- Continued regular meetings of a Custom House working group whose aim is to develop ECQT's ambition to promote and enhance the Custom House as a cultural centre and its flagship building on the Quayside.
- The staff roles at the Custom House have been reviewed to ensure that they are appropriate to meet the demands of the Service Level Agreement with ECQT.
- Review of the current service level agreement with ECQT.
- Successful delivery of ECQT's Summer on the Quay programme.
- Social media profile of all facilities has been improved.
- Extended opening times at the Underground Passages during peak times.

4 Principal Objectives

The main objectives for the service in 2023/24 are as follows:

- 4.1 Ensure a smooth transition to the new management structure being implemented in autumn 2025 and find solutions to any issues it raises which affect the running of the facilities.
- 4.2 Recruitment of new contracted staff at both the Underground Passages & Custom House.
- 4.3 Recruit and train a new tranche of Red Coat Guides.

- 4.4 Continually look for ways to increase income and reduce costs at all the visitor facilities.
- 4.5 Implementation of repair works at the Passages with respect to the findings of the recent structural survey.
- 4.6 Work with ECQT and cultural partners to further develop Quay Words and other cultural projects at the Custom House.
- 4.7 Explore possibilities to introduce a website for the guided tour service and Underground Passages.
- 4.8 Continue to explore the possibility of opening new sections of the underground passages for public access.
- 4.9 Work with ECC's Arts & Event Lead to enhance Exeter's Heritage Open Days programme.
- 4.10 Work with Exeter Heritage Partnership and their volunteer co-ordinator to further develop volunteer roles within the Visitor Facilities.

5 Conclusion

The last financial year was the first full year (since the pandemic) in which all Visitor Facilities operated without any restrictions.

Overall, the work of the Visitor Facilities Manager and his team has resulted in a very successful year.

The cost of operating the Underground Passages and Red Coat Guides service were both considerably less than the annual budget.

The cost of operating the Custom House is underwritten by ECQT but the grant required in 23/24 was lower than expected.

All areas experienced increased activity levels and service improvements.

David Lewis
Facilities & Markets Manager
July 2024

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Scrutiny Bulletin: July 2024

Annual Performance Review - Exeter Corn Exchange 2023/234

Relevant Officers:

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Sian Mulchrone – Corn Exchange Manager

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1. What is the update about?

- 1.1 This report is to update Members on the performance of Exeter Corn Exchange for the financial year from 1 April 2023 until 31 March 2024.

2. Background

- 2.1 Exeter Corn Exchange is the Council's directly managed multi-purpose events venue in the city centre.
- 2.2 The Facilities and Markets Manager is the Service Lead with overall responsibility for The Corn Exchange, as well as the Matford Centre, Markets and the Visitor Facilities (Underground Passages, Custom House Visitor Centre and Red Coat Guided Tours Service).
- 2.3 The Corn Exchange Manager is responsible for the management of the facility.
- 2.4 The Facilities and Markets Manager retains responsibility for programming and financial management at the Corn Exchange. The Corn Exchange Manager is responsible for the day-to-day operation of the Corn Exchange and Exeter Tickets including facilities management, marketing, box office and technical requirements.
- 2.5 There are three other full-time staff mostly dedicated to the venue. These are the Bar & Events Officer, the Events & Facilities Officer (who also has some responsibilities for the operation of markets) and the Events and Ticketing Administrator. There is also one part-time Marketing and Box Office Administrator.

All other staff working at the venue are casual employees or volunteers, these cover front of house, cleaning, and the bar and catering operation.

2.6 Management of the Corn Exchange encompasses:

- Facility management of the site including maintenance and security.
- Programming all events at the venue, whether as in-house promotions, joint promotions or venue hires.
- Managing the venue's box office system.
- Marketing the venue and events including website, print and social media.
- Managing all events taking place at the venue.

- Operating the venue's bar and catering operation.
- Managing the Exeter Tickets box office facility.

3. Current Position

- 3.1 There were 135 ticketed events hosted during 2023/24. The total number of tickets sold for all shows was 42,028 giving an average sales figure of 311 per show.

The total income from ticket sales in 23/24 (net of VAT) was £868,000, with the average (per show) being £6,400. Both of these figures are 36% up on the previous year, and both were the highest ever achieved.

The related expenditure (primarily payments to the artists performing) amounted to £643,000.

The surplus achieved was £225,000, this represented 26% of the total income. This was the result of efforts made over the last year to review all show agreements to target a surplus of 25% of total income.

The table below shows how these results compared to those achieved over the previous four financial years (20/21 is omitted because of the lack of activity caused by the pandemic):

	2018/19	2019/20	2021/22	2022/23	2022/23
Shows hosted	124	132	116	134	135
Tickets sold	39,270	38,178	31,815	36,958	42,028
Average per show	317	289	274	276	311
Ticket income	£548,000	£619,000	£615,000	£635,000	£868,000
Average per show	£4,400	£4,700	£5,300	£4,700	£6,400
Event expenditure	£410,000	£463,000	£453,000	£518,000	£643,000
Surplus achieved (as % of income)	£138,000 25%	£156,000 25%	£162,000 26%	£117,000 18%	£225,000 26%

All financial figures rounded

The 135 ticketed events staged in 2023/24 can be categorised as follows: 31 comedy, 46 music, 11 sports/adventure, 6 theatre, 25 pantomime performances and 16 others.

Although the venue's maximum capacity is 500, the following needs to be taken into account when considering the average tickets sold per show:

- Some shows (such as cabaret style events, which includes many of the comedy shows) have a smaller capacity (typically 250).
- Some tickets are also sold by direct by the artist/agent and not all of these sales are included in the sales figures shown above.
- When the above two factors are taken into consideration the total sales represent just over 80% of the available seats.
- Of the 110 ticketed events (which ignores pantomime performances) 40 were sell-outs including all 11 monthly comedy clubs.

- Only 5 shows were cancelled or rescheduled this year. This is a significant improvement on 2023/24 and a return to pre-pandemic levels.

In January 2023 we introduced a new refund policy which allows customers to cancel their tickets up to 21 days before the event for just the cost of the booking fee. As far as we are aware we are unique in offering such a generous refund policy. Our aim was to restore customer confidence after the pandemic. This year we provided 142 refunds through this scheme and retained £217.50 in booking fees. Based on the increasing average tickets sold per show (above) we are now confident that this scheme is having a positive impact on overall sales, and we will be advertising it more prominently in future. Event promoters have accepted this, almost exclusively without comment.

- 3.2 There were also 111 venue hires in 2023/24. These included vintage and record fairs, A performance by Bournemouth Symphony Orchestra, touring theatre events, student and community events, conferences, jobs fairs, dance competitions and shows, blood donor sessions, several bodybuilding shows and a beer festival.

The number of venue hires has not yet recovered to pre-pandemic levels, primarily because of the loss of weekly dance classes.

The income from venue hires in 23/24 was £103,000. The charge for venue hires is set after considering a number of factors such as: access times required, facilities to be used, purpose of event, status of hirer, frequency of event and ancillary income anticipated.

The following shows the number of hires, venue hire income for the last five years (20/21 omitted) and the average income received per hiring:

	Number of Hires	Total Income	Average per hire
2018/19	209	£116,000	£555
2019/20	184	£97,000	£527
2021/22	107	£68,000	£632
2022/23	130	£114,000	£877
2023/24	111	£103,000	£928

The average income received is dependent on the type of bookings secured but hire fees have generally been increased over the last two years in an effort to meet income targets.

- 3.3 The venue's bar and food operation supports events staged. Because the venue is situated in the city centre, amongst many restaurants and other catering outlets, the venue does not open for business other than during events. For the same reason there is limited scope to achieve income from food sales. The venue has a 5-star rating from Environmental Health.

The bar income (nett of VAT) for 23/24 was £184,000, the highest ever achieved. The following shows the bar income for the last five years along with the cost of goods sold (COGS) and the consequent gross profit (GP) achieved:

	Income (£)	COGS (£)	GP
2018/19	153,000	50,000	67%
2019/20	142,000	52,000	63%
2021/22	64,000	33,000	48%
2022/23	158,000	61,000	61%
2023/24	184,000	80,000	56%

All figures rounded

No bar services were offered in 20/21 and the following year was adversely affected by the ongoing pandemic.

Food income in 23/24 was 12% down on the previous year. The following shows the food income for the last five-years along with the cost of goods sold (COGS) and the consequent gross profit (GP) achieved:

	Income (£)	COGS (£)	GP
2018/19	42,000	17,000	60%
2019/20	41,000	18,000	56%
2021/22	16,000	5,000	69%
2022/23	42,000	19,000	55%
2023/24	37,000	20,000	46%

All figures rounded

- 3.4 The venue uses a web-based box office system (Spektrix). There is an annual cost, based on turnover, this is generally around £20,000 pa. The cost is recouped from booking fees charged to customers.

We continue to increase the proportion of ticket sales made online. The following shows how Corn Exchange ticket sales were split over the last five financial years (20/21 is omitted):

	2018/19	2019/20	2021/22	2022/23	2023/24
On line	78%	78%	80%	82%	88%
Face-to-face	9%	9%	13%	11%	6%
Telephone	13%	13%	7%	7%	6%

Since January 2020 we have been charging £1 postage per order in an effort to reduce waste and meet costs where postal tickets were still requested. Collect at Box Office and E-Ticket delivery methods remain free. E-tickets can be scanned from a smart phone. This year 77% of tickets were delivered as E-tickets which compares favourably to 2018/19 (the last full year where no postage charge was made) in which only 16% of tickets were E-tickets.

- 3.5 In 2021 the Corn Exchange office was moved to a vacant retail unit below the venue and re-named Exeter Tickets. In the last year we have extended our opening hours to include Saturdays. This has allowed us to expand our ticketing service to include third party ticketing for external event organisers including the Two Moors Festival, Libraries Unlimited, Exeter Phoenix and various other community events. Exeter Tickets also support the Underground Passages and the RAMMs box office and Customer Relationship Management via Spektrix.

In June 2023 the Underground Passages made entry tickets available via Spektrix and the Corn Exchange website - this is the first time that Underground Passages tickets have been available to buy online. Their visitor numbers have increased by 35% (compared to the previous June-March period)

Exeter Tickets collects commission as a flat fee (proportional to ticket value) charged on top of ticket prices allowing event organisers to retain the entire value of their ticket. We offer in-person and telephone sales for many of the third-party organisers, some are now requesting a listing on the Corn Exchange website, which we are able to offer. In the next year we would hope to develop social media and email marketing programmes for Exeter Tickets with a view to developing a basic website to catalogue external events.

Exeter Tickets has the dual benefit of providing an additional revenue stream and greater audience insight.

The table below shows the income achieved by Exeter Tickets with no digital presence and only word of mouth advertising of services:

	2021/22	2022/23	2023/24
Income	£11,900	£16,600	£17,100
Expenditure	£7,500	£8,300	£8,600
Surplus	£4,400 37%	£8,300 50%	£8,500 50%

All figures rounded

- 3.6 The venue's marketing concentrates on the events staged rather than simply signposting the availability of the venue. Our focus is mainly on email marketing. Our emailing list currently has around 23,000 subscribers to whom we can target marketing campaigns, send show updates and seek feedback. Both open and click-through rates exceed the industry average across all formats.

In recent years the focus of our marketing has shifted more towards dynamic email marketing. Our approach here is very behaviour oriented and uses markers based on location, genre preferences and type and frequency of engagement to target customers with relevant information. We are hopeful that this will continue to improve year-on-year retention and in-year repeat visits. The detailed customer profiles we have been able to build will not only improve the quality of our marketing but will allow us to build the best possible programme of events for Exeter residents.

Having created a specific marketing post has allowed us to be more consistent in our approach to social media marketing and to develop further channels. We are seeing significantly better results with both organic and paid for marketing, especially in meta-apps, for example our Facebook reach has improved by 58% (in the last half of the year in comparison to the same period of the previous year).

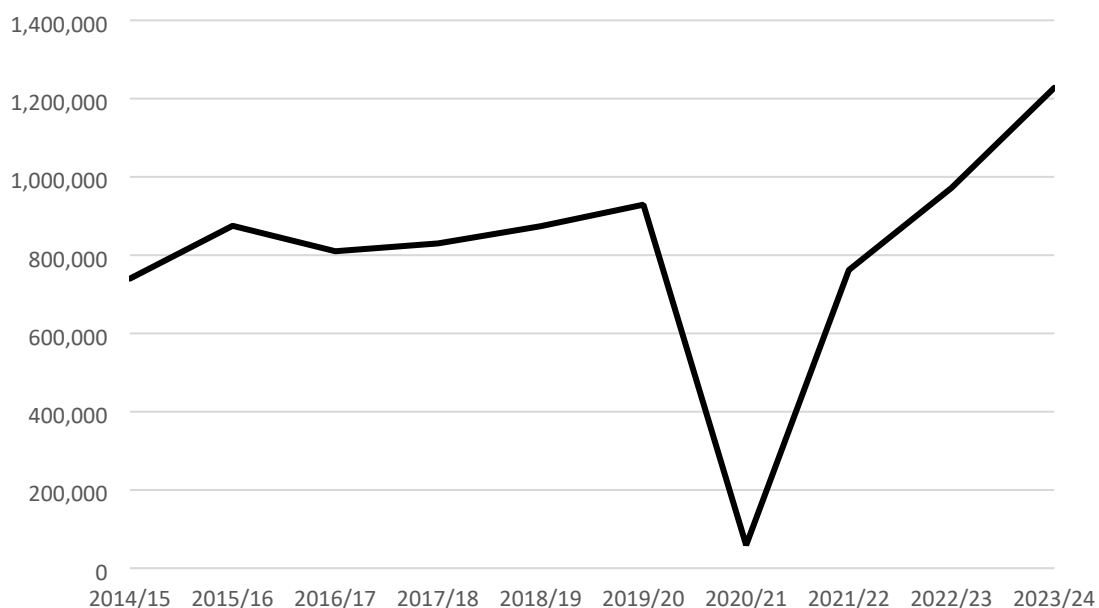
- 3.7 The venue's total income in 2023/24 was £1,228,000 (nett of VAT), the first time the venue's nett turnover has exceeded £1 million. The following shows the income earned over the last five years:

	2018/19	2019/20	2021/22	2022/23	2023/24
Income (£)	874,000	929,000	762,000*	972,000	1,228,000

All figures rounded. *2021/22 was affected by the on-going pandemic

The chart below shows how the Corn Exchange income has changed over the last ten years (2020/21 has been included here to show the scale of the pandemic effect on income)

Corn Exchange Total Income (£)



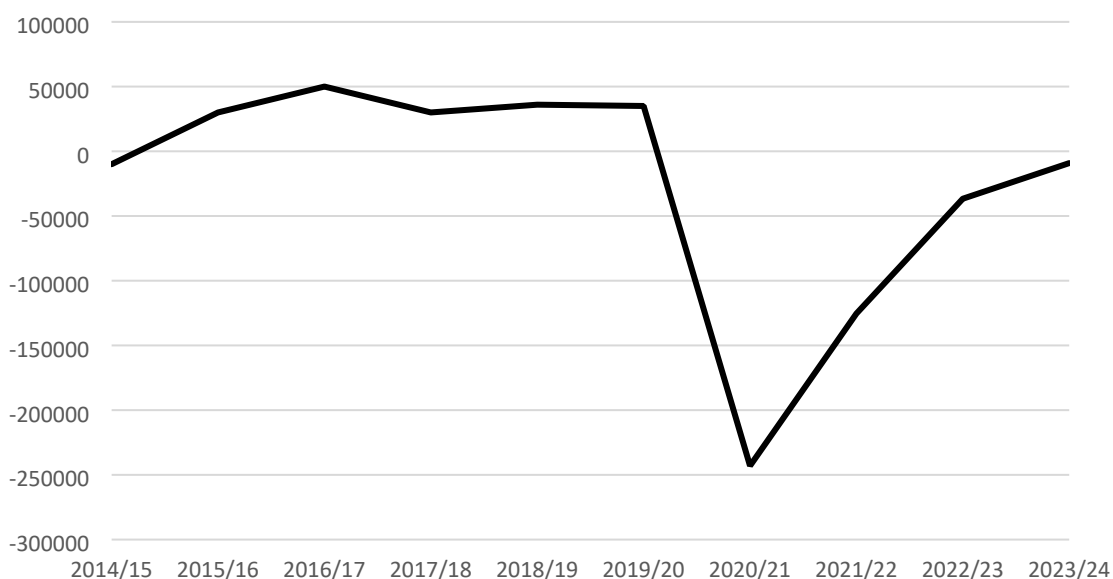
The venue made an operating loss of £9,000 in 2023/24. The following shows the net profit achieved over the last five financial years (20/21 omitted):

	2018/19	2019/20	2021/22	2022/23	2023/24
Nett profit	£36,000	£35,000	-£125,000*	-£37,000	-£9,000

All figures rounded *2021/22 was affected by the on-going pandemic
 Figures exclude capital expenditure and depreciation.

The chart below shows how the Corn Exchange profit/loss has changed over the last ten years:

Corn Exchange Profit/Loss (£)



It is important to note that the Corn Exchange differs from many other entertainment/arts venues, both within the city and nationally, in that it receives no external funding.

The Corn Exchange building also incorporates a number of retail units and an indoor car park, these are leased by the Council to private tenants and the income from these leases is accounted for separately by Corporate Property. The income budgeted from these properties is approximately £300,000 per year.

- 3.8 We send a post show email after every box office show asking for feedback and advertising upcoming similar shows. In the last year, in response to this email, we have received twice as many positive comments than negative. The majority of negative comments related to the temperature in the venue, or to the behaviour of other patrons, whilst the positive comments most often mention the strength of the programme and the quality of customer service. We have 4 stars on TripAdvisor, 4.3 stars on Google and 4.3 stars on Facebook (all out of 5).

4 Principal Objectives

The following are the principal objectives for the venue:

- 4.1 Ensure a smooth transition to the new management structure being implemented in autumn 2024 and find solutions to any issues it raises which affect the running of the venue.
- 4.2 Improve the number of venue hires secured and increase average income from this source.
- 4.3 Improve the financial performance of Exeter Tickets and establish web presence for the brand.
- 4.4 Improve marketing reach and impact.
- 4.5 Make improvements to the fabric of the building and the facilities available for events.
- 4.6 Consider options regarding food service at the venue with the objective of ensuring it is the most suitable offering for the venue and look to increase gross profit achieved.

5 Conclusion

Overall, it was a very successful year for the venue, with income higher than ever before, exceeding £1 million pounds (nett of VAT) for the first time. Ticket sales income was up by 35% from the previous year, and the average venue hire fee achieved also reached a new high. Income from the venue's bar operation was also the highest ever achieved.

The venue's box office and ticket agency, Exeter Tickets, continues to improve its performance, and is beginning to be recognised as the principal city-wide box office, whilst also improving the public perception of the venue and signposting the Corn Exchange from Fore Street.

David Lewis
Facilities & Markets Manager
July 2024

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