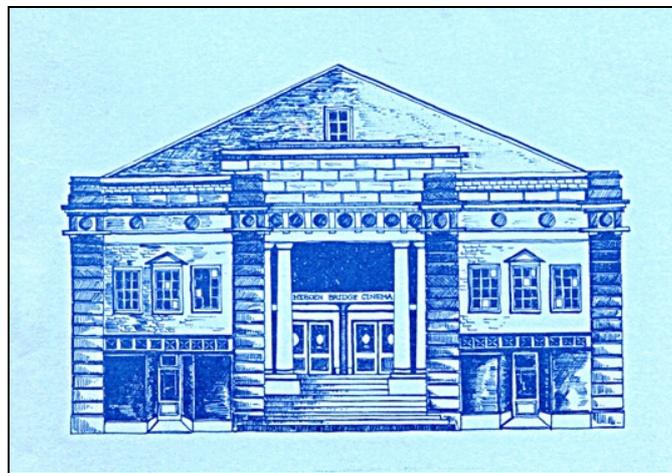


***Looking forward to a strong and successful future for
Hebden Bridge Picture House***



**Submission to Calderdale Council for asset transfer of
Hebden Bridge Picture House**

**This submission is made jointly by Hebden Royd Town Council
and Hebden Bridge Community Association, with the support of
Blackshaw Parish Council, Erringden Parish Council, Hebden
Bridge Arts Festival, Hebden Bridge Ground Floor Project,
Hebden Bridge Partnership, Heptonstall Parish Council, and
Wadsworth Parish Council**

February 14th 2011

1. The Picture House – a key community asset

Hebden Bridge's Picture House has just celebrated its ninetieth birthday. It first opened its doors in 1921 and rapidly became the main place of entertainment for the weavers, mill-workers and other residents of Hebden Bridge and the upper Calder valley. At that time, its capacity was an astonishing 900!

In the late 1960s, when many of the mills had closed, the Picture House nearly suffered the fate of so many town cinemas. It was very close to becoming a carpet warehouse. That it was saved for the town was due to the far-thinking actions of the then Hebden Royd Urban District Council.

On the proposition of the then Chair of Planning David Fletcher, the UDC purchased the Picture House from its private owners for the sum of about £6000. The cinema passed into Calderdale Council's control with local government reorganisation, and Calderdale oversaw a subsequent modernisation in 1978.

In 1999, the future of the Picture House appeared to be at risk when the site was earmarked for development. A very strong community campaign Friends of the Picture House rapidly mobilised, lobbied several council meetings and undertook a mass lobby of the full council in July 1999. The development plans were rejected, and the future of the Picture House secured. As one campaigner put it at the time, "I speak of "Our" Picture House...it has become part of our heritage."



Since then the Picture House has blossomed, as one of the very few cinemas in Britain under municipal ownership. Under enlightened management, audiences have grown. Typically, between fifteen and 26 films are shown each month, and the programming deliberately caters for all tastes, ranging from mainstream Hollywood to art-house and foreign language films. It is a vital facility for the town's young people – but not just for the young.

The Picture House, now seating 492 people, is also used extensively for other community-led events. Among those using the cinema in recent years have been Hebden Bridge Arts Festival (who use it for their headlining acts), Hebden Bridge Trades Club, Calder High school, Central Street school and Riverside school. Hebden Bridge Light Opera Society used it for years and only increased costs have now caused them to put move their productions elsewhere; they would like to return.

In making this submission, Hebden Royd Town Council and Hebden Bridge Community Association are seeking to build on this successful tradition. We are conscious that, in the current financial climate, management of a cinema might not immediately appear to be a core activity of a local authority. We are also conscious that Calderdale council, despite its best endeavours, might not be able to access the funding necessary for forthcoming capital investment, including the imminent requirement for the introduction of digital projection facilities.

This proposal is therefore for an asset transfer of the Picture House building and land into community ownership and management. It builds on the successful asset transfer of Hebden Bridge Town Hall in 2010, and as with the Town Hall it aims to harness local energy and creativity to strengthen the Picture House. Again as the Town Hall asset transfer has demonstrated, it will also open the door to new funding sources.

We believe that the Picture House has an exciting long-term future as one of the jewels in Hebden Bridge's crown. Our plan includes a commitment to the production of a *ten-year strategic development plan* which will seek to extend further both the facilities and the use made of the building.

2. The partners

This proposal is a joint one, reflecting the strong partnership which has been built in recent months as the asset transfer proposals have been developed.

The two formal partners are:

Hebden Royd Town Council – a town council with Quality Parish status

Hebden Bridge Community Association Ltd – a company limited by guarantee, with registered charitable status.

The proposal is also formally backed by:

Blackshaw Parish Council

Erringden Parish Council

Hebden Bridge Arts Festival

Hebden Bridge Ground Floor Project

Hebden Bridge Partnership (town team)

Heptonstall Parish Council

Wadsworth Parish Council

Members of each of these organisations have attended meetings of the project team, including the meeting which resolved to submit this application.

Other organisations, including the Little Theatre, Light Opera Society and Riverside, Central Street, and Calder High schools, have been invited to join the consortium.

Hebden Royd Town Council is an active and forward-looking council serving the people of Hebden Bridge, Mytholmroyd and Cragg Vale. It has a particularly strong record in supporting local community initiatives and organisations through its grants programme and has delivered major capital projects (attracting much of the funding from external sources and through partnership working).

Hebden Bridge Community Association Ltd was incorporated in 2008, as the vehicle for the asset transfer of the Hebden Bridge Town Hall. As its 2010-2011 Annual Report puts it, it is seeking to pioneer “a new, community-based way of maintaining public buildings in public ownership”, looking back to earlier mutual and cooperative examples as well as forward to new models. It has a very broad local membership of individuals and organisations, now over 550 strong.

The current consortium has been built following initial discussions in the autumn of 2010 at both the town council and Partnership. A lead story in the Hebden Bridge Times on November 1st 2010 reported the start of initial discussions with Calderdale council, and invited other interested groups to get in touch.

The consortium is being advised by **Bill Lawrence**. Bill is a former Head of Film at the National Museum of Photography, Film & Television (now the National Media Museum), who has also been Creative Director at Showroom Cinema, Sheffield. He now runs Reel Solutions, a company that provides planning, programming, education and marketing expertise to cinemas and supports film production. He is also on the board of Screen Yorkshire. Bill also advised on the development of the Picture House programme in 1997 and booked the programme from 1998 – 2010.



3. The key principles behind the asset transfer request

The partners have adopted seven key principles, which underpin this submission.

1. The Picture House to remain a **public** building. Adequate mechanisms to be in place to ensure accountability and democratic control.

2. The Picture House to remain available for **community events**. Steps to be taken to increase its usage, especially during the day.

3. The Picture House to maintain its **current mix of programming**, combining Hollywood blockbusters with more specialist films.

4. The Picture House to keep its distinctive **ambience** - not least the opportunity to take a cup of fair trade coffee in to the stalls!

5. The Picture House to seek to maintain **employment continuity** for staff based there.

6. The Picture House to be run on a **not-for-profit basis**, rather than for ultimate commercial gain.

7. The Picture House to be **strengthened and developed** through longer-term strategic development planning.

4. The business case

The partners have received information from Calderdale council which suggest that the Picture House in 2010 made a small loss. Earlier years' data have not currently been made available, although hearsay evidence suggests that somewhat larger losses were made in previous years.

In several key respects, the financial information supplied by Calderdale is somewhat opaque. Expenditure includes recharges internally within Calderdale (including an element of apparent cross-subsidy with the Victoria Theatre); income figures supplied do not at present include the two rental streams from the shops.

Nevertheless, on the basis of the figures available to the partners, detailed scrutiny of the long-term viability of the cinema has been undertaken. The Hebden Bridge data have also been compared with the known revenue and expenditure figures of comparable small independent cinemas. The partners would like to thank Bill Lawrence for his assistance here.

The partners are also aware that there are examples close at hand of similar cinemas being run successfully. Independent cinemas currently operate under commercial ownership at both Elland and Keighley. Slightly further afield – but directly comparable with the proposed management arrangements in Hebden Bridge - the Goole town council and development trust have recently jointly been responsible for the successful development of a new cinema in the town.

The partners have also had to consider other potentially relevant factors. In particular, the current development at Broad Street, Halifax, will include a new multiplex cinema. A multiplex cinema complex has also been developed in Bradford in recent years.

It is, of course, not possible to say how the Broad Street multiplex will affect trade at Hebden Bridge, and some knock-on effect is to be expected. However, the considered view of the partners is that the Hebden Bridge Picture House 'offer' is significantly different from that available in multiplex cinemas. Hebden Bridge is also eight miles from Halifax town centre. No significant loss of trading income is therefore anticipated.

Another question addressed by the partners is whether there are longer-term trends in film-going which could affect the Picture House – in particular, if film-going is likely to decline. The evidence here is encouraging. The trend in admissions to cinemas in the UK has been continuously upward since 1984 and risen from 54 million per annum to 170 million in 2010. The industry is buoyant with investment in new cinemas and digital and 3D projection. Indeed, cinema is seen as recession proof, seeing a rise in the UK of 6% during 2009.

The considered opinion of the partners therefore is that the Picture House, as currently run, is very close to break-even and that, following an asset transfer, would be able to operate at a profit. Income and expenditure projections have been undertaken (see below). These suggest an annual surplus of about £26,000 on turnover of about £200,000. To achieve this will require careful management and cost control, but the partners are confident that they can achieve this, on the basis that Calderdale's data are accurate. Some extra use of volunteers is anticipated, but not at the expense of current employed staff.

Commercially sensitive data removed.

To be sustainable in the longer-term, however, the Picture House also will need to generate sufficient surpluses in order to have resources available for major building work and other capital investment.

There are two immediate needs here. Firstly, the UK cinema industry is currently in the process of moving towards digitisation of films, a development which will require investment in digital projection facilities. The cost here is estimated at between £60,000-£80,000. The partners have already made initial enquiries into the likelihood of grant-support for this expenditure, and the responses have been encouraging. This is one concrete example of how a community-owned cinema may be able to access funds which are unfortunately beyond the reach of Calderdale.

There are also capital works which need to be undertaken to the fabric. The partners have been given the Stock Condition and Statutory Compliance Report undertaken in March 2007, which identified expenditure of £646,000 as follows:

Urgent (health and safety legislation) £319,500 (including £300,000 on a ventilation system)
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Essential work within two years £240,000
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Desirable work, within 3-5 years £10,000
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Long-term work (6-10 years) £76,500.

A revised survey undertaken in January 2011 paints a slightly more positive picture. This suggests capital expenditure of £412,000, as follows:

Urgent (health and safety legislation) £99,500
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Essential work within two years £226,000
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Desirable work within 3- 5 years £10,000
--

Long-term work (6-10 years) £76,500

It is not clear what actual capital works if any were carried out between 2007 and 2011 which might explain the differences, and it is curious that none of the work identified for longer-term (6-10 years) in 2007 has been moved forward to the 3-5 year schedule in 2011. The partners request Calderdale council to give full details of recent maintenance work. The partners also note that several items identified as 'essential work within two years' in 2007 have still to be carried out. The partners wish to discuss with Calderdale council, as part of the detailed discussions on asset transfer, how these necessary short-term capital costs can be met.

Looking further ahead, the partners are planning to make significant investment in the Picture House, as part of the proposed ten year development strategy (see below). This will require access to finance, and the partners have been researching a number of options available to them. The experience of Hebden Bridge Community Association, who have attracted £3.7m in investment funds for the Town Hall, is an encouraging one, though one which requires a great deal of hard work from trustees.

The partners feel that the Picture House is in many respects an easier proposition to promote locally than the Town Hall. With the Town Hall, a building which was previously little used, HBCA has had to promote a vision of how it could be better utilised as a community resource; with the Picture House, it is already clear what an important public service this building provides.

In this context, we agree wholeheartedly with one of the comments in Calderdale's Framework for Community Management of Assets, approved by Cabinet in April 2009:

Freeing up public assets for community involvement is particularly important at this time, given the economic downturn. Examples of successful work in other local authorities show that transferring assets into community ownership or management through long term leases bring a number of benefits, not least the opportunity for increased employment and income generation. Many community centres directly owned or managed by the community are run on a social enterprise basis, bringing the entrepreneurial approach of the private sector together with the social impact of a traditional voluntary group. This creates local self-sufficiency and resilience, which can help Calderdale communities mitigate the effects of the recession.

The partners will be researching among other things the possibility of obtaining 'patient capital' from within the Hebden Bridge community by launching a community share or loan issue. This concept has been used by a wide range of organisations including Café Direct and the Centre for Alternative Technology, and is increasingly being developed. The Headingley Development Trust in north Leeds, for example, recently raised significant funds in a community share issue, which has enabled it to transform a redundant school into a vibrant community and enterprise centre. The partners have been taking initial advice from Mark Simmonds, who in his work for Co-operatives UK is familiar with community share and loan issues (he also lives locally).

5. A strategy for the future

The partners do not consider that it would be an adequate strategy to take over the Picture House and simply let it continue, year after year, as it does at present.

In the short-term, while remaining true to the current programme range, we can see exciting opportunities for development. We plan to build on the success of the eleven screenings, and want to research the possibility of providing other slots for specialist groups. These could include parent and baby screenings, safe screenings for special needs, green film screenings, and showcases for local filmmakers. There is scope for arranging for speakers from the world of cinema and filmmaking to attend.

There are also opportunities to build an education programme, working with local schools and adult education courses, and arranging events such as after-film discussions. With a stronger marketing push and a more developed loyalty programme, we aim to increase repeat attendance and draw audiences from a broader area.

A website specific to the cinema will pay big dividends both for the community and the cinema, providing developing resources, from reviews, discussion, news and educational materials.

Thinking about the longer-term, the partners have committed to undertaking a ten-year strategic development plan.

This will be a major piece of work, which will involve full public consultation. It aims to answer the following questions:

- *What steps need to be taken to ensure the very long-term financial sustainability of the Picture House?*
- *How can the existing facilities be better utilised, to meet community needs more comprehensively?*
- *How can the existing facilities be improved? What additional facilities could be created?*

It is much too early to say how this strategic development plan will evolve. Previously, a number of ideas have been floated informally by local people. They include opening up access to the cinema from Memorial Gardens, improving the canalside buildings, and even creating a separate space by dividing the gallery from the main house. These may, or may not, prove to be popular when full consultation takes place.

Nevertheless, this longer-term thinking about the way forward is, we believe, absolutely crucial if the Picture House is to be there for future generations to

enjoy, many years from now. We are not aware that this strategic thinking has taken place under Calderdale's custodianship of the building, and we believe that this is a major advantage which can be come from asset transfer.

6. Management arrangements

Calderdale council's Framework for Community Management of Assets correctly focuses attention on the organisational capacity of the community organisation(s) proposing an asset transfer.

Hebden Royd Town Council and Hebden Bridge Community Association, as lead partners, will be bringing their joint strengths to this initiative. The town council plays a unique role in local democratic life, and in recent years in particular has strengthened its governance and organisational capacity considerably, reflected in its achieving Quality Parish Status. The town council currently employs three members of staff, its town clerk, administrative assistant and project officer.

Hebden Bridge Community Association has been successfully managing Hebden Bridge Town Hall since last Spring, as well as overseeing a major capital build project. It is currently in the process of working for VISIBLE status, the 'quality' mark most appropriate for organisations running community facilities. Its active board of trustees works closely with its project officer and its administrative worker. The Association will be recruiting for its full complement of staff for the building following completion of the development work in late 2011, including the key post of Director.

The partners have already announced their attention to relaunch the Friends of the Picture House (a campaigning group which came together in 1999 to protect the cinema from development, but which was subsequently wound up). A public meeting is being held on March 3rd at Riverside school. The Friends will provide a similar role to that of the Friends of the Town Hall, in providing a direct mechanism for democratic participation in the governance of the cinema and accountability. (The Friends is at present distinct from the present 'Picture This' loyalty scheme run by Calderdale, although it may well be appropriate following asset transfer to consider combining the two initiatives).

The partners propose the creation of a strategic board, overseeing the development of the Picture House. This will comprise representatives both of the two partner bodies, and also of other key stakeholders including Hebden Bridge Arts Festival and the rural parish councils, as well as local people elected by Friends of the Picture House, directly analogous to the way that the Community Association's board is at present elected by the 550 Friends of the Town Hall.

The partners have pledged to maintain employment continuity for staff currently based at the Picture House, and we anticipate that a number of Calderdale employees will move into our employment through TUPE. The Community Association already has successfully taken over the Town Hall cleaner/caretaker from Calderdale through TUPE, so there is existing expertise here to draw on. However, we understand that a number of different employment conditions and terms are currently in operation for cinema staff, and (within the obligations

imposed on us through TUPE) we will be seeking in due course to work towards standardising them.

We are actively researching the most effective ways to manage other aspects of the cinema's operation. We are investigating the pros and cons of externalising the programming role, which we believe may be better undertaken on an outsourced basis by a specialist rather than in-house by an employee.

We are also studying the potential opportunities to benefit from economies of scale by combining other aspects of the management of the cinema with either that of the Town Hall or the Town Council, particularly those areas related to financial management, liaison with funding organisations and HR functions. These could, for example, be the remit of the HBCA Director, to be appointed in late 2011.

7. The project team

During the present period, the Picture House project team is undertaking the role of strategic board.

Its members are as follows:

Robin Dixon; Robin is a retired teacher, who is a town councillor and current Mayor of Hebden Royd Town Council. He is also the newly elected Chair of Hebden Bridge Partnership, the 'town team' and umbrella organisation for the local voluntary sector. He has considerable experience of property maintenance and management.

Peter Hirst has spent most of his professional life in community development and local sustainability. He has worked for and with local authorities, government departments and voluntary agencies. He is Chair of Hebden Bridge Community Association and is also a trustee of the national charity, British Trust for Conservation Volunteers.

Andrew Bibby is a freelance business journalist, who contributes regularly to the national press. He has a particular interest in social enterprises and cooperative businesses. He was actively involved in negotiating the asset transfer of Hebden Bridge Town Hall, and is now secretary of Hebden Bridge Community Association.

Jason Boom is town clerk of Hebden Royd Town Council. In his work for the town council he has delivered new play areas, improved parks and undertaken a range of environmental improvements. He is secretary of a locally based charity supporting disadvantaged groups and individuals.

David Nelson is a professional musician who is Music Programmer for the annual Hebden Bridge Arts Festival. As such, he has first-hand experience of working with the Picture House staff and management to put on major concerts in the building.

Bill Lawrence is a former Head of Film at the National Museum of Photography, Film & Television (now the National Media Museum), who has also been Creative Director at Showroom Cinema, Sheffield. He now runs Reel Solutions, a company that provides planning, programming, education and marketing expertise to cinemas and supports film production. He has advised Picture House managers formally from 1997 on programming and other cinema related issues.

Gwen Goddard is a retired education adviser, who has been a trustee of Square Chapel Centre for the Arts and a trustee of the national charity, the Ramblers. She is a trustee of Hebden Bridge Community Association and is also active in Hebden Bridge Civic Trust and Todmorden U3A. She was instrumental in restarting the Arts Festival in 1994, and ran it for two years thereafter.

8. The way forward

The partners will welcome the opportunity to discuss further the terms of the asset transfer and the time scale.

At this stage, the project team is working to a draft timetable which would see the asset transfer take place, and the Picture House move into community ownership and control, either in Autumn 2011 or on January 1st 2012.

As with Hebden Bridge Town Hall, the partners suggest that an appropriate leasehold term for the transfer would be 125 years, with the leaseholders having the right to acquire the freehold if at some subsequent date Calderdale council wished to dispose of it.

