



COTSWOLD DISTRICT COUNCIL

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET - 15 JULY 2020
Report Number	AGENDA ITEM (3)
Subject	BARN THEATRE CINEMA PROPOSAL
Wards affected	ALL
Accountable member	Cllr Joe Harris / Leader of the Council Email: joe.harris@cotswold.gov.uk
Accountable officer	Christine Gore – Interim Chief Executive Tel: 01285 623605 Email: christine.gore@cotswold.gov.uk
Summary/Purpose	To consider a request from the Barn Theatre for financial assistance to open the theatre as a cinema by 1 August 2020 and to launch 'Barn Media'
Annexes	Exempt Annex A – Barn Theatre Proposal
Recommendation/s	<i>a) To agree to the request from the Barn Theatre for financial assistance towards the costs of opening the theatre as a cinema and provide a grant of £10,000 and a loan of £20,000 towards this. b) To delegate authority to the Chief Finance Officer in consultation with the Leader and the Deputy Leader and Cabinet Member for Finance to agree the terms of the loan.</i>
Corporate priorities	Help residents, businesses and communities to access the support they need to ensure a high level of health and well-being
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

1. BACKGROUND

The Barn Theatre, Cirencester, has been closed to the public since the Covid-19 lockdown commenced in late March 2020, and has been producing and streaming live shows, including 'CDC Live' free of charge for much of that time. During that period they have been developing a strategy to 'survive and thrive', which will give it a new role in the town. The proposed transformation requires £80,000 and a funding request for a grant of £30,000 has been made to the Council.

2. MAIN POINTS

- 2.1.1.** A paper setting out the detail of the Barn's proposal is attached as Annex A to this report. This sets out the expectation that theatre will be the last sector to come out of lockdown and that may not be until next year. Rather than mothballing the facility, the Barn has managed, to date, to keep its team together and now has a plan for reopening in the very near future with two specific aspects to its work.
- 2.1.2.** When the Barn was set up it was with a view to screening films as well as producing live shows. The proposal to reopen within the next few weeks is as a cinema with the theatre programme being brought back in when it is possible to do so.
- 2.1.3.** The proposal also includes the launch of Barn Media, which involves kitting out the rehearsal studio to create a fully equipped stand-alone high-tech film studio to allow the digital/marketing team to generate additional revenue and help cover costs.
- 2.1.4.** There can be no doubt that in normal circumstances the Barn Theatre provides a valuable cultural offer for Cirencester and the surrounding area. This proposal would enable that offer to be reopened much sooner than if it remained as just a theatre, and enhance the offer once 'normality' returns. On that basis it would be reasonable for the Council to provide some financial assistance to allow the proposal to be progressed sooner than would otherwise be the case.

3. FINANCIAL IMPLICATIONS

- 3.1.** As indicated above, the Barn have identified that the set-up costs of the transformation are £80,000. Initially, they requested that the District Council provides £30,000 of that by way of a grant. As an alternative they have indicated that a loan or, preferably, a combination of grant and loan would be acceptable subject to the terms of any loan being agreed.
- 3.2.** As a result of the impact of Covid 19 on the Council's income and expenditure, the Council is currently reviewing its budget for 2020/21 and is therefore not in a position to be able to offer a grant for £30,000. A combination of grant and loan is therefore proposed. There is an earmarked reserve of £6,500 for the replacement of mobile cinema equipment which is used by SLM to provide cinema screenings across towns and villages in the district. Officers have confirmed that the equipment was replaced in 2017/18 and that most venues now have their own 'kit' and that the reserve is unlikely to be required in the foreseeable future, so this could be used to give a grant to the Barn.

- 3.3. Any loan to the Barn Theatre would be on a commercial basis. Financing would need to come from the Council's own capital or earmarked reserves funds as the Council is not permitted to "onward lend" using external borrowing. The Chief Finance Officer is reviewing the Barn Theatre's financial information. An update on the outcome of the review will be provided at the meeting. However, a risk will remain that the loan is not repaid to the Council.
- 3.4. An alternative option for supporting the Barn would be for the Barn to take out a loan with its bank (or other third party) and for the Council to offer a revenue grant to cover the Barn's financing costs for two years.
- 3.5. On balance, it is proposed that financial assistance in the sum of £30,000 be offered to the Barn, to consist of a grant in the sum of £10,000 and a loan in the sum of £20,000 on terms to be agreed.
- 3.6. It is proposed that a grant is funded using £6,500 from the mobile cinema replacement equipment earmarked reserve, and £3,500 using funding earmarked for the Community Projects Fund.

4. LEGAL IMPLICATIONS

- 4.1. None.

5. RISK ASSESSMENT

- 5.1. The principal risk associated with providing financial assistance to the Barn to allow their transformation to go ahead is that it is unsuccessful. However, from recent discussions it is clear that they have robust plans in place and the necessary expertise to implement them. They have also indicated that the £80,000 is specifically for set up costs and they are confident of being able to cover their running costs from the income that they expect to generate.

6. EQUALITIES IMPACT

- 6.1. The main impact of this proposal will be to improve access to cinema screenings for residents of Cirencester and the surrounding area, who otherwise have to travel some distance to the nearest existing cinema.

7. CLIMATE CHANGE IMPLICATIONS

- 7.1. The provision of a cinema in Cirencester will reduce the need for local residents to travel to existing cinemas.

8. ALTERNATIVE OPTIONS

- 8.1. The Council could decline to provide any financial assistance to the Barn Theatre, or could provide a lesser amount than that requested. The likely consequence of this is that the theatre will be mothballed until such time as it is allowed to reopen in its previous format, or that it might be forced to close altogether, with the loss of a valuable asset to the area. Alternatively the Barn Theatre may find that they are able to access funding from other sources. The Government has recently announced funding for the Arts sector as a consequence of Covid-19 but the details of how this will be distributed are not yet known.

9. BACKGROUND PAPERS

9.1. None.

(END)