

THEATRICAL
MANAGEMENT
ASSOCIATION

TMA

estate and operations management

Wales Millennium Centre
Monday 29 November



TMA Estate & Operations Management Day

**‘Quick Wins & Big Wins’;
Running a Cost Effective &
Efficient Venue**

Jonathon H. Poyner

Venue Operations Director
& The Venue Operations Team
Wales Millennium Centre



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE®

7 ¼ acre site
35,000sqm internal space
Av 1.5m footfall p.a.
£106 million project
High profile location

At the heart of
Cardiff Bay

More than just a Theatre



- **Centre for the Arts**
 - 8 Creative Resident companies & other organisations
- **Diverse business**
 - **Office space** - 1000 people work here daily in 10 organisations
 - **Concourse Space** - 5,000 sq.m
 - **Conference & meeting and hospitality spaces**
 - **5 performance spaces**
 - **Hostel** - 160 beds
- **Tourist attraction**
 - Wales' No 1 visitor attraction
 - One of the UK's top 10 cultural attractions (outside London)
 - 8.2 million visitors since opening
 - Royal & other VVIP visits & international delegations

Drivers for Efficiency

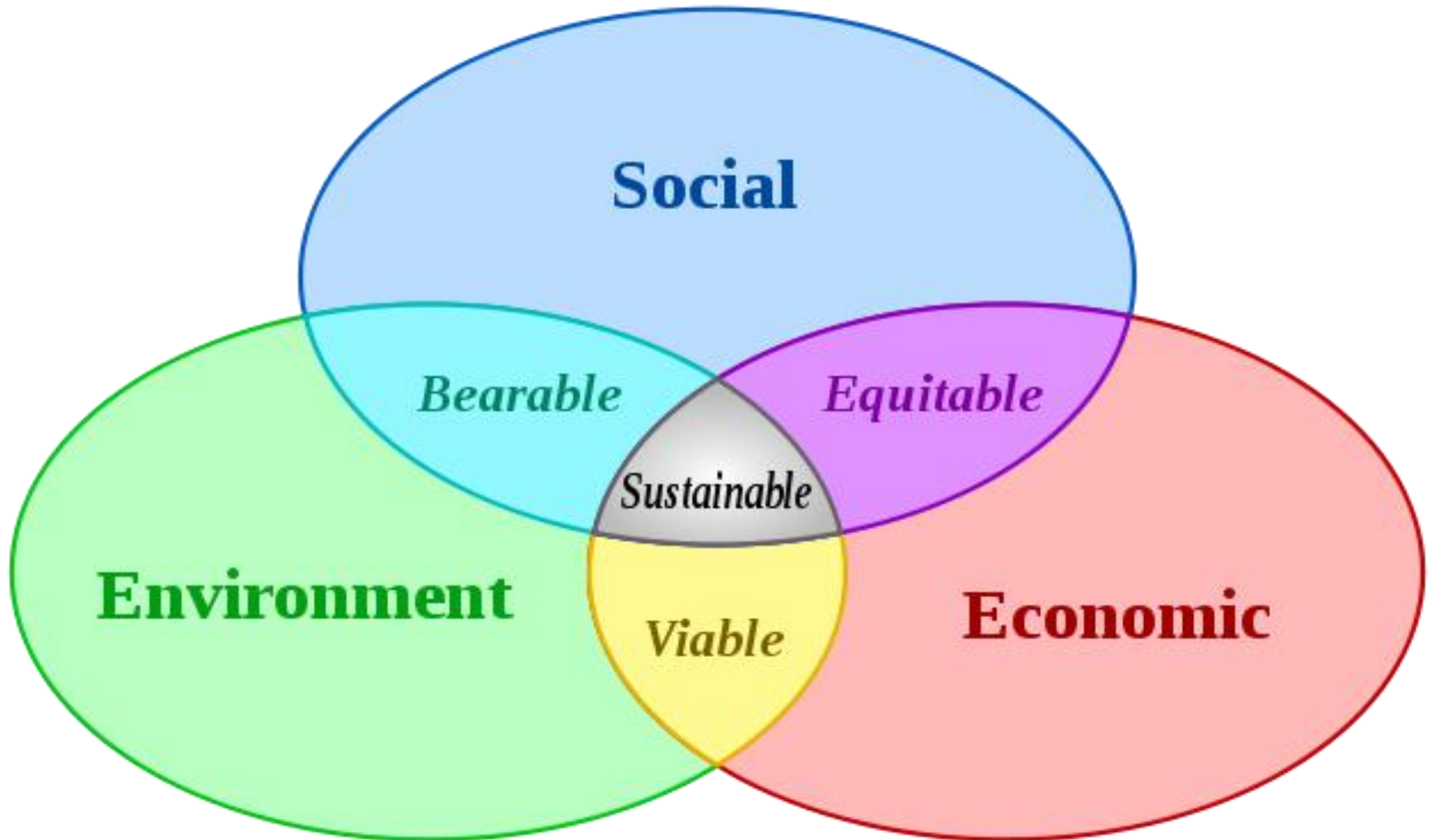


- Current economic climate
 - Potential for reduced customer spend
 - Central funding and difficult decisions
- 20% funded, so must make every pound work for us
- Desire to set an example – ‘value adds’
- Plan for the long term - ‘use it wisely’
- Responsibility to tax payer
- Invest in other public benefit areas
- Professional thing to do - the team enjoys it
- For every £1 subsidy, we earn another £4 ourselves

Sustainability



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE



Main Areas that can offer savings



- Energy (including waste and water)
- Insurances & risk management
- Operational synergies & efficiencies
- Suppliers & contracts
- Benchmarking outside the sector
- Ownership, review & ultimately audit

Our Top Ten Cost saving action points



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Sharing Best Practice

- **Environment (Energy)**
 - Review contract & renegotiate supply (unit cost)
 - Review usage & times - especially BMS (unit usage)
 - Reduce waste to landfill (recycle more), & reduce water usage
- **Insurance & Risk Management**
 - Review and renegotiate broker contract
 - Get recognition for approach to risk (H&S, BCP, capital, maintenance)
 - Know the insurance market (who's buying in)
 - Have robust processes & defensible standards
- **Operational**
 - Review supplier contracts
 - Benchmark & network within & outside the sector
 - Review maintenance regimes and tie in capital planning

Environment savings



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Improving Environmental Performance

Benefits



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

- Reduce energy use (unit & unit cost saving)
- Reduce risk (insurance cost saving)
- Demonstrate compliance (insurance cost saving)
- Gain marketing advantage (increased sales?)
- Improve public image (increased sales?)

Environment

Sustainability – PR or £s?



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

- Building form and orientation
- Passive ventilation strategy
- Energy Management & Lighting Controls
- Reduced Air Leakage
- Exposed Mass
- Glazing Spec
- Increased Shading
- Increased Insulation
- Biomass boilers
- Solar Hot Water Generators
- Ground Source Heat Pump
- Wind Turbines
- Small Scale Hydro
- Fuel Cells

Kg Carbon
saved per
£ spent



ARUP Low Carbon Building

We decided against 'Eco-Bling' –

We would demonstrate results instead



Energy Use Reduction



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

We started with quick and easy wins

- Reduce supply capacity
- Look at half hourly electricity data, evaluate base load
- Monitor usage and set targets
- Negotiate supply contracts
- Staff awareness campaigns

Energy

Implemented Strategies - Low/No cost



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

- Carbon Trust assessment
- *Energy policy*
- Monitoring and targeting systems
- **Water usage reduction**
- *Staff Awareness campaigns*
- *Energy management and working groups*
- **Reduced electrical supply capacity**
- Investigation of new lighting technology
- *Staff training*
- **Re-negotiation of supply contracts**
- *Best Practice visits and information sharing*
- **Heating / cooling strategies (BMS use & knowledge)**

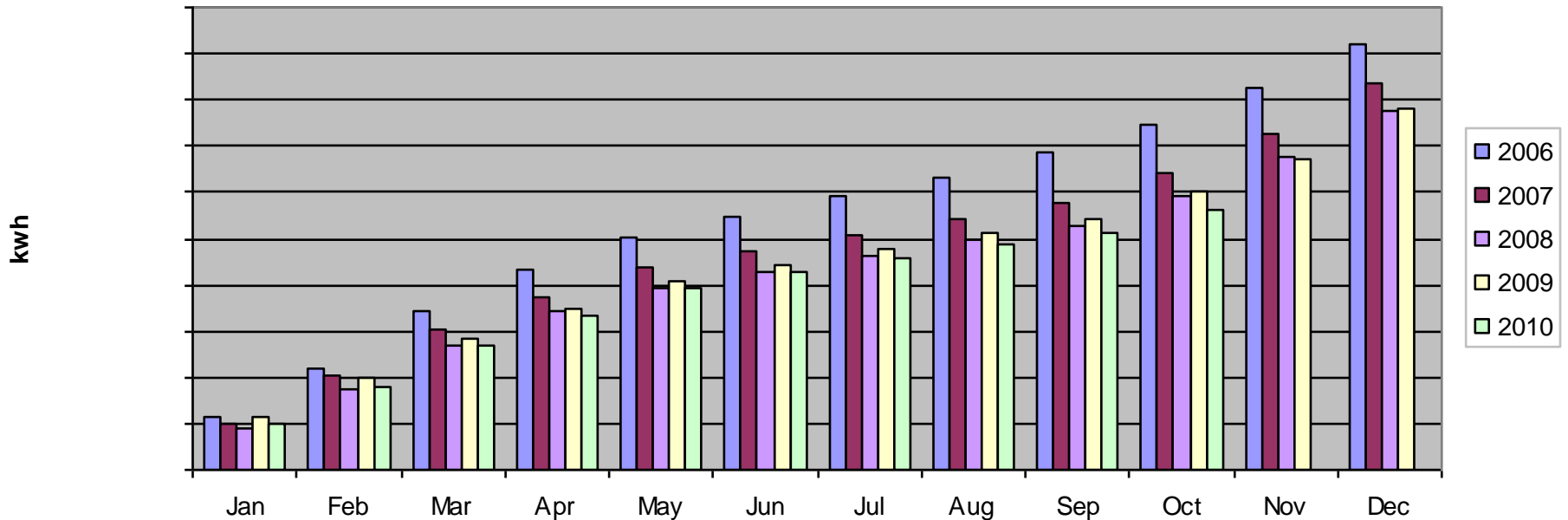
Results

Energy saving initiatives



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Main Meter Gas and Electricity Usage Cumulative 2006 - 2010

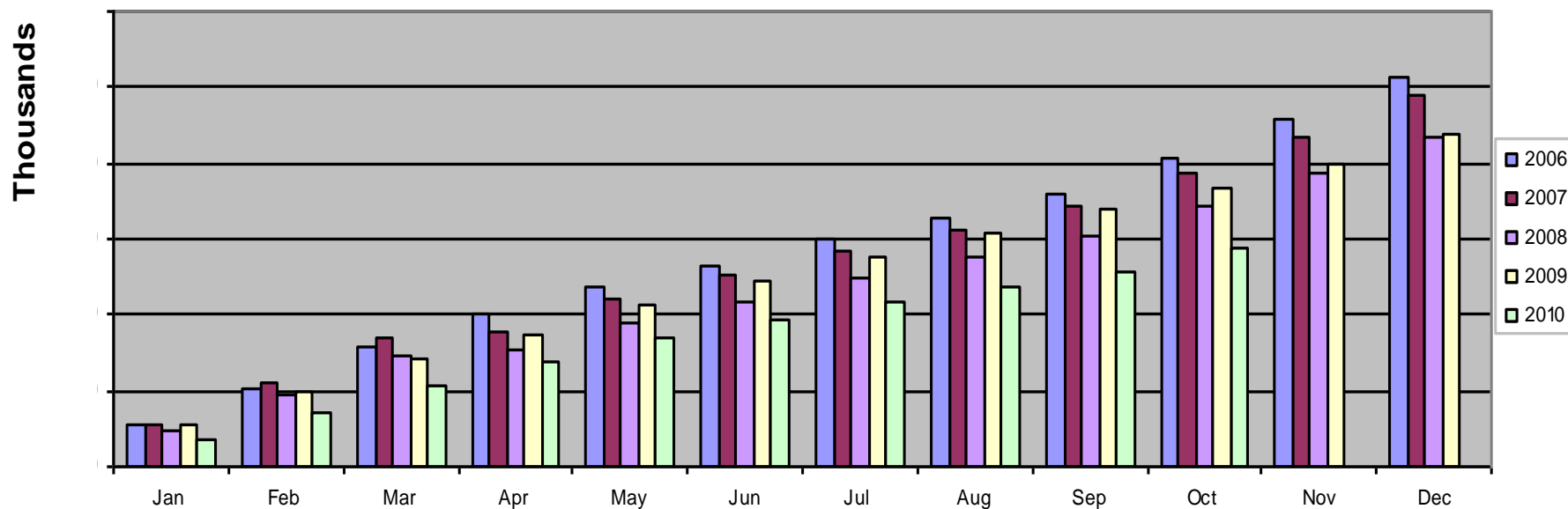


Results

Energy saving PLUS

Purchasing Initiatives

Main Meter Gas and Electricity Cost Cumulative 2006 - 2010



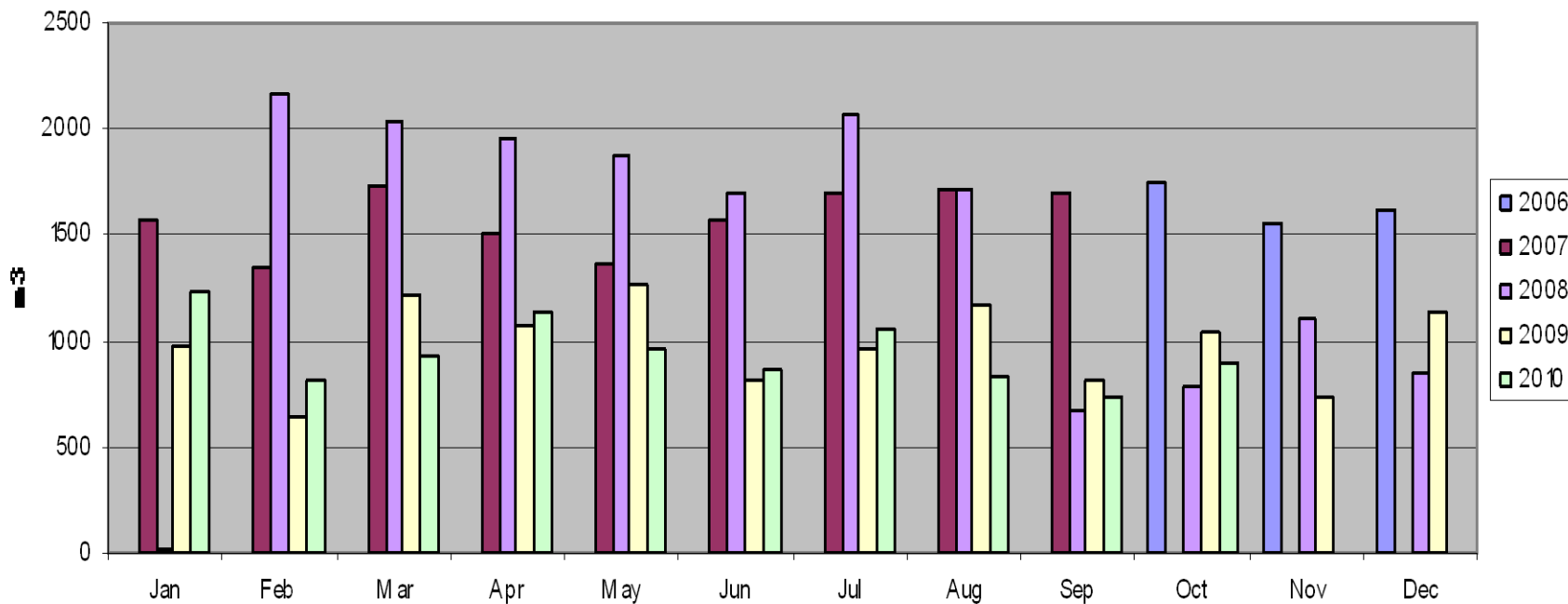
Results

Energy saving - Water



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Main Meter Water Usage Comparison 2006 - 2010



Results

Energy Savings



- We are well on track to reach our target of reduction of energy use of 21% in 2010 compared to 2006
- This would be the same amount of energy that it would take to heat 55 average houses for a year and, in addition, power 475 Play Station 3's all day every day for a year.

Recycling



In 2009 the Centre recycled 92 tonnes of waste, which is the equivalent in weight of 92 Classic Minis

2010 initiatives have included:

- Removal of desk bins increased segregation on site
- Food waste stream established with Council & Welsh Assembly Government
- Diversion from landfill and further segregation off site
- Supplier negotiations for cost reduction and support new initiatives

Energy

Examples of Efficiency Projects



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Electrical sub-metering

- Project review ongoing

Water cisternisers

- Project completed

Integrating audit processes and controls

- International Accreditation (ISO 14001) awarded

Split cooling systems for high risk areas

- Project completed and ongoing

Energy

Examples of Future Projects



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Continued monitoring of renewable technologies

Phased implementation and evaluation of new lighting technologies

Monitoring of sub-meters to identify best results

Recognition of Achievement



In 2009 The Centre was awarded ISO 14001

The Centre was the first independent theatre in the UK to be receive the International Standard in Environmental Management

Sir David John, Chairman BSI (British Standards Institution) said;

“This is one of the top 10 standards in the world and not one that is easy to win”

“The BSI team was very impressed and are very proud to have their name alongside Wales Millennium Centre”

Insurance & Risk Management Savings



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Risk Management Review & Tender



- Tender for a broker that understands you, your business & your approach to risk
- Broker to tender for insurances (they know market share & who's buying in what sector)
- Look for synergies (partnership approach & sponsorship)
- Encourage assessor visits & get recognition for all your team's good work

Risk Management

Think across the business & outside



- Write, train-in & practice your BCP
- Project Argus & external links (HSE, Council Depts, authorities)
- Include your neighbours & other venues (share best practice & fix the weakest link)

Risk Management

Take a 'holistic' approach



- Tie in maintenance, CAIP & capital works
- Look for project overlaps & savings
- Identify, quantify, prioritise and manage capital risk
- Tie in with insurance review
- Audit trail, bench-mark, & independent assessment

Operational Savings



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

Operational areas to review

Capital Planning



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

- Capital Planning - 'Quantify the beast'
- Risk modelling - Prioritise & tie in with BCP
- Impact on insurance cost – get recognition
- Capital Asset Tracking - audit & prioritisation
- Model projected costs - 1, 3, 5 , & 50 year
- 'Live' document - bi-annual review
- Independent audit - 'Credible & Robust'

Operational areas to review

Overhead costs



- Bench mark wider than theatre sector
 - retail, offices, sports, leisure & entertainment
- Contracts
 - go out to tender, be specific so no hidden extras, longer fixed term, regular reviews, evolve the ‘in or out’ based on need
- Partnership approach
 - choose ‘best value’ not necessarily the cheapest (quality of work, experience, staff, skills)

Operational areas to review

Consumable costs



- Local suppliers (environment policy fit)
- Synergies & partnership approach (National Assembly for Wales)
- Sponsorship (separate from contract)
- Carry minimum inventory ('Kanban' & 'JIT')

Operational areas to review

Legislation & Accreditation Standards



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

- Hand in hand with improved efficiency
- Ties in with risk management & reduces insurance costs
- Offers wider business opportunities
 - ISO14001 – PR, partnerships, & cost savings
 - BS 8901 – Government contracts, Olympics
 - Carbon Trust Standard (CRC) – Best practice

Operational areas to review

Maintenance



- Preventative – ‘to maintain or not to maintain’
- Review frequencies & alternative technologies
- Legislation requirement vs. sales rep’ talk
- Focus on the weakest links and greatest risks
- Be innovative in your approach (e.g. carpets)

Operational areas to review

Staff



- Aware of Centre's strategy and departmental goals
- Alignment to corporate objectives
- Work efficiently & care about the Centre
- Work 'SMART' not hard
- Real PDR process (IIP, Leadership & Management Awards)
- Flexible working contracts (flexible solutions)
 - Costs
 - Overheads
 - Cost benefits
 - Business risk
 - Constant review as suits business need and market

Operational areas to review

Management & staff approach



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

- 6-sigma, KT, 5S, Theory of Constraints (Team)
- JIT (Just in time)
- KISS (Keep it simple, stupid!)
- A culture of ‘treat it like it’s your own money’
- Create the an environment where people enjoy doing their jobs well – very motivational
- Recruit & retain people who are passionate about what they do
- Have fun doing a great job



CANOLFAN
MILENIWM
CYMRU
WALES
MILLENNIUM
CENTRE

TMA Estate and Operations Management Day

**‘Quick Wins & Big Wins’;
Running a Cost Effective &
Efficient Venue**

Any questions?

CREV·GWIR·IN·THESE·STONES
FEL·GWY·YDR·HORIZONS
O·F·WR·NALS·AWENS·ING



THEATRICAL
MANAGEMENT
ASSOCIATION

TMA

how we can help

