

Subject: Arts, Culture and Heritage Investment 2015-16

Report to: Council

Report by: Robert Read, Director of Housing and Neighbourhoods

Date: 21st December 2015

SUBJECT MATTER/DECISIONS TO BE MADE

Cabinet is asked to consider current investment in Arts, Culture and Heritage and is recommend to approve a further one year's grant to St Georges Theatre for 2016/17.

1. BACKGROUND

- 1.1 In August 2015 the Council and the Arts Council England jointly commissioned John Knell of Intelligence Agency Ltd to undertake work to develop an Arts and Cultural Strategy for the Borough. The aim of the strategy is to secure a greater return on Council investment in arts and culture and to strengthen relationships with co-investors and delivery partners. The strategy will complement other key initiatives such as the Heritage Strategy and the Town Centre Master-Planning and will look at how to achieve the corporate plan objective of using culture and heritage as an economic driver to create jobs and wealth.
- 1.2 John Knell will hold a session with members early in the 2016 to update on progress with the strategy.

2. CURRENT COUNCIL INVESTMENT IN THE ARTS

- 2.1 The council has invested in arts, culture and heritage in the borough through different arrangements over a number of years. One of the key aims of the strategy is to ensure the council adopts a strategic approach to investment which brokers the greatest return both for communities and the local economy.

2.2 The current council investment is summarised as follows

Funding Awarded 2015/16

Organisation	Type of Support	Activities Supported	Amount
SeaChange Arts	Service Level Agreement until March 2017	Arts Development Service – providing arts development support and arts promotion on behalf of the council.	£73,212
SeaChange Arts	Grant for Programming	Outthere Festival 2015	£10,900
Creative Music East	Grant for Programming	Rural Touring Scheme	£1,700
Gorleston St Andrews Festival	Grant for Programming	Gorleston St Andrews Festival 2015	£1,200
St Georges Trust	Grant for Capacity Building until March 2016	Grant contribution towards running costs	£40,000
TOTAL			£127,012

In kind contribution 2015/16

Type	Amount
Culture, Sport and Leisure Manager post (1/3 time)	£17,000 (approx.)
Insurances St Georges Park – Outthere Festival	£2,500
TOTAL	£19,500

2.3 In addition, there are a small number of grants which support cultural heritage in the Borough. These are:

Organisation	Type of Support	Activities Supported	Amount
Norfolk Museums & Archaeology Service	Service Level Agreement	To support the running of Time & Tide, the Elizabethan House and the Nelson Museum	£42,800
The Lydia Eva and Mincarlo Charitable Trust Limited	Grant	The preservation of the Lydia Eva Steam Drifter	£4,000
Helping Hands Grants	Grant for young people under 18	Grants to young people who meet set criteria showing excellence in either culture or sport	£4,000
TOTAL			£50,800

In kind contribution 2015/16

Type	Amount
2 days of Conservation Officer post plus desk space as contribution to the Great Yarmouth preservation Trust	£23,000 (approx.)
TOTAL	£23,000 (approx.)

- 2.4 For information and to complete the picture on Council grants, which began with the report to Cabinet on grants to the voluntary and community sector for advice and support services, appendix A shows current grants awarded for sports and leisure.
- 2.5 The investment by the Borough Council in 2015/16, and comparable investments in recent years, has helped to secure significant co-investment from key national funders.
- 2.6 Arts Council England is investing £387,250 into the Borough in 2015/16 (made up of funding to Seachange, and a range of grants for the arts awards including the recent town centre partnership award). This is in addition to the £1.6 million of capital investment (The Drill Hall and Fountain Bar) allocated in 2014/2015, which is still being drawn down in 2015/2016.
- 2.7 Since 2005, Seachange Trust has also worked through 17 International Partnership projects and levered in over £1.58m from Europe. SeaChange is now recognised as one of the UK's leaders in this field. The 'Out There Festival' has received national and international recognition. Evaluation of the 2015 'Out There Festival', conducted by The Audience Agency, confirms that the total number of participants and attendees was 40,830, and that the total economic activity value (related to the spend by audiences visiting the borough as a result of the festival) was £874,000
- 2.8 The Heritage Lottery Fund are increasingly seeking to invest in heritage assets which have a wide range of uses (in terms of sustainable business models) including cultural and community activity. In the last 2 to 3 years HLF has invested £3.2 million into the Borough, and in the last decade it has invested £10.2m.
- 2.9 St George's remains a vital cultural asset, integral to the revitalisation of the cultural offer and the regeneration of the Great Yarmouth Town Centre and King Street area. As well as an estimate that every theatre goer contributes £12 to the local economy, St Georges has also brought back into use a significant cultural asset which has provided a venue for a wide range of entertainment and culture, civic occasions and community events. St George's requires ongoing intelligent support from the Borough Council.
- 2.10 Moving forward, the Arts and Cultural Strategy will be completed in early 2016. The strategy will highlight opportunities for future strategic investment in the arts by the council, working with others such as the Arts Council and

Heritage Lottery Fund. It is likely that this will inform future spending arrangements. A number of the current arrangements are due for review in 2016, including the SeaChange Arts SLA and so this presents a good opportunity to consider what type of support and investment might be undertaken in the future. A more pressing issue however, is the council's grant contribution towards St Georges Theatre, which is due to end in March 2016.

3. ST GEORGES THEATRE TRUST

- 3.1 A report from the St Georges Theatre Trust is attached as an appendix to this report.
- 3.2 St Georges Theatre closed to the public in 2006 as a result of a number of structural deficiencies. A new theatre trust was formed in 2010 and the building was re-opened in 2012 after a £7.45million investment programme led by the council and a range of funding bodies. The council offered an annual grant of £40,000 for the first 5 years of operation, to enable the trust to build a sustainable business model for the future.
- 3.3 Issues with the construction of the adjacent pavilion building meant that the full site was delayed in opening. In order to assist the trust with the first year of operation the council advanced a year's grant. Therefore the annual grant will end in March 2016, rather than 2017.
- 3.4 Since 2014 the trust has been building income from its activities and reducing the need for external support, however the anticipated deficit in the trust's budget for 2016/17 will not be met by income from theatre activities.
- 3.5 Given both the size of the venue and its role as an artistic theatre, there have been challenges in terms of creating a sustainable business model and audience development, given low levels of cultural participation within the Borough as a whole.
- 3.6 Operations within the Pavilion Café are also being reviewed to identify the best trading options for the St Georges Trading Company to generate sustainable income for the trust.
- 3.7 Over the past 12 months, St Georges Trust has addressed skills shortages within its board of trustees and has embarked on developing a business plan

to create a sustainable theatre venue for the future. The trust has also explored a closer working relationship with SeaChange Arts and other local organisations, including other similar regional theatres. Key to this will be establishing a relationship with the Arts Council and building a clearer vision for St Georges as a cultural hub within the borough.

4. THE CASE FOR FUTURE INVESTMENT

- 4.1 St Georges Theatre Trust is requesting a grant from the council of £40,000 for a further year. The Arts Council for England have expressed an interest in match-funding council investment in the Theatre through a bid to the Grants for the Arts Programme and a commitment from the Borough Council would enable a discussion about the level and type of support that they are able to provide. It is expected that the Arts Council would bring expertise in how best to utilise regional national portfolio organisations with theatre and performance venue experience to support St Georges in developing a more sustainable business model.
- 4.2 Through the development of the Arts and Cultural Strategy, St Georges has been highlighted as a vital cultural asset, integral to the revitalisation of the cultural offer and the regeneration of King Street and the town centre.
- 4.3 Should the council not continue to award the grant, the trust must consider winding down in accordance with the regulations of the charity commission. The asset would then be returned to the council along with full building liabilities.

5. RECOMMENDATIONS

5.1 Cabinet recommends that Council;

- 1 Considers the contents of this report and notes the current investment profile for arts, culture and heritage within the Council's budget.
- 2 Approves the inclusion of a further year's grant of £40k for St Georges Theatre Trust, to support the development of a business plan, in the Council's budget for 2016/17. £32k of the funding to be drawn from the savings on Northern Parish Public toilets, with a further £8k of saving being sought from within the Leisure, Arts & Culture Service.
- 3 Awards the grant on the condition that;

- A bid to the Arts Council England is submitted but the Business Plan must ensure that the Theatre Trust can financially break even by 2017/18 at the latest and no further funding is required from the Council. The Arts Council must not compromise this aim with conditions associated with the type of 'offer' the venue can provide.
- The Board of Trustees secures external support in reviewing their own effectiveness and ensuring they have the right mix of skills and experience moving forward
- That the Board of Trustees explore all possible avenues to secure funding, including more commercial uses for the assets, for example, through franchises or similar

4 A full 5 year business plan is presented to the council by no later than July 2016.

Dept Reference:

Date:

Background Papers:

Financial Implications: Additional budget of £40k to be included in the budget for 2016/17

Legal Implications: None

Executive Board or Director Consultation: EMT

Does this report raise any legal, financial, sustainability, equality, Crime and Disorder or Human Rights issues and, if so, have they been considered?	Issues	
	Legal	No
	Financial	Yes
	Sustainability	No
	Equality	No
	Crime and Disorder	No
	Human Rights	No

	Every Child Matters	No
	Risk	Yes

Appendix A

Sports & Leisure Grants

Organisation	Purpose	15/16 amount £	Type of funding agreement
Active Norfolk	Core funding	3,400	Annual district contribution
Active Norfolk	Match-funding	5,000	Sport England bid
Norfolk Youth Disability Games	Contribution	1,000	Annual district contribution
Disability Projects	Contribution	1,000	Annual district contribution
Sports Coaching Grants	Contribution	1,000	Grant
Annual Bowls Tournament	Various costs associated with the tournament	13,766	Funding with budgeted corresponding income of £14,290
Total		25,166*	

*Does not include the budgeted income from the Bowls Tournament of £14,290