

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Strategic Commissioning
<b>DATE</b>	13 <sup>th</sup> September 2018
<b>REPORT TITLE</b>	Aberdeen Performing Arts Business Plan - Annual Report
<b>REPORT NUMBER</b>	COM/18/101
<b>DIRECTOR</b>	Frank McGhee
<b>CHIEF OFFICER</b>	Craig Innes
<b>REPORT AUTHOR</b>	Alison Watson
<b>TERMS OF REFERENCE</b>	Purpose 1 and 7 and remit 4.1 and 4.4

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### 1. PURPOSE OF REPORT

This report seeks Committee approval of the Aberdeen Performing Arts (“APA”) Business Plan Annual Report.

### 2. RECOMMENDATION(S)

That the Committee:-

- 2.1 approves the Aberdeen Performing Arts Business Plan Annual Report appended to this report for the Council’s interests;
- 2.2 notes progress made in the period 1 April to 30 June 2018 in the Creating A Spark Performance Report appended to this report;
- 2.3 instructs the Head of Commercial and Procurement Services to review and amend the Council’s SLA with APA to ensure that it is outcomes-focused and contains robust contract management measures; and
- 2.4 instructs the Head of Commercial and Procurement Services to implement a standard annual performance report template which APA will be required to submit annually containing information on their performance against the outcomes set out in the revised SLA.

### 3. BACKGROUND

- 3.1 APA is a company limited by guarantee with charitable status established as an Arm’s Length External Organisation (“ALEO”) of the Council in 2004. APA operates the Music Hall, His Majesty’s Theatre and The Lemon Tree, as well as managing three festivals and the Box Office for 20+ venues in the region. APA delivers a diverse programme of performing arts at small, mid and large scale including touring drama, musical theatre, children’s theatre, opera, ballet, dance, comedy and music across the venues. Alongside this

programme, APA produces and commissions new work under the banner of Freshly Squeezed Productions, supports and provides a platform for emerging talent in the north-east, runs an associate artist programme in schools and communities, curates three festivals, runs a youth theatre and youth music programme, offers creative learning activity for all ages and abilities and supports the local amateur arts scene. APA is an active member of 'Culture Aberdeen', the city's cultural network and was actively involved in the development of the ten year cultural strategy and action plan for the city which was endorsed by the Council at the meeting of the City Growth and Resources Committee on 24<sup>th</sup> April 2018. APA is also an active member of the Youth Arts Strategy Group and manages the remaining funding from the Youth Arts Collective North East which is collectively developing a new Youth Arts Strategy for the north-east.

3.2 Key statistics for 2017/18 are as follows: -

- 312,677 APA tickets sold
- 150,000 tickets sold on behalf of 22 venues
- 500,000+ footfall at HMT and The Lemon Tree
- 263,632 paying attendance across 2 venues (Music Hall currently closed for refurbishment)
- 575 Performances
- True North 2017, 21 events, 4,789 paying attendances
- Granite Noir 2018, 25 events and 4,585 paying attendances
- Youth theatre groups for ages 5-19 years, 2410 creative learning participants and 7500 participations
- Music Hall Stepping Out Programme, 42 performances attended by 30,795
- Number of visiting companies and artists 372
- Number of FTE Employee Headcount: 235, FTE: 100 (based on salaried staff plus 56,000 casual hours worked in 17/18. This equates to 47 full-time, 33 part time and 155 casual staff.
- Social media: Website users 845,507 per year, Facebook followers – 11,261, Twitter Followers – 8,781

3.3 The APA Business Plan 2018-2021 was approved by the Education and Children's Services Committee on 14<sup>th</sup> September 2017. The Business Plan, in the executive summary, lays out ten artistic and five organisational goals, which are then translated into a set of activities and actions designed to improve the organisations effectiveness and efficiency and to continue to make a contribution to the cultural life of the city.

3.4 The APA Board receives a Creating A Spark Performance Report quarterly, aligned to the Business Plan targets. First quarter report appended.

#### **4. FINANCIAL IMPLICATIONS**

4.1 There are no direct financial implications arising from this report. The Council provides core funding of £975,000 per year to APA.

4.2 In addition, the following Common Good funding is provided: -

Contribution to the cost of major west end productions	£75,000 (matched by Creative Scotland)
Rent on the Lemon Tree	£36,000
Rent on the Lemon Tree office	£10,000
Culture programme - True North	£50,000
Culture programme - Granite Noir	£60,000

- 4.3 The Council has contributed £1m capital, £770,000 additional funding, and a further £2m available as a loan to APA for the refurbishment of the Music Hall.
- 4.4 The Council has funded repairs to the roof of HMT of £288,000 and the lift at HMT of up to £80,000, in recognition that the restoration levy has been fully utilised on the Music Hall refurbishment.
- 4.5 APA is a regular funded organisation of Creative Scotland, who have contributed £1m to the programming of the organisation from April 2015-March 2018, and an application for a similar level of funding from 2018 – 2021 was successful.
- 4.4 APA has a turnover of over £12m per year, and as one of Scotland’s biggest performing arts companies, manages some of the city’s most iconic buildings.

## 5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

## 6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	Reducing the level of Council investment could impact on the organisation’s ability to effectively maintain the Council’s assets and to attract external funding support.	M	APA has effective financial arrangements and the Council only provides a proportion of the total turnover of APA.
<b>Legal</b>	Main Service Level Agreement was entered into in 2004 and requires to be reviewed.	H	Revising the main Service Level Agreement will provide an opportunity to ensure best value for the Council’s resources and to review outcomes to align with the business plan and the LOIP.

<b>Employee</b>	APA staff not being supported.	L	This Business Plan provides clear support for staff.
<b>Customer</b>	The risk of the plan not being delivered.	L	This is mitigated by a strong senior management team and effective board
<b>Environment</b>	Not applicable.		Not applicable.
<b>Technology</b>	APA provides box office services to a number of organisations.	L	Any risk is mitigated by effective maintenance of the system, as is described in the body of the Business Plan.
<b>Reputational</b>	APA has a reputation for providing high quality cultural provision and strong artistic direction.	L	Any risk is mitigated by the clear artistic direction this business plan lays out.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	APA contributes significantly to the Economy of the North East of Scotland and this is articulated in the Business Plan.
<b>Prosperous People</b>	Audience development, talent development, succession planning and staff development are articulated in the business plan. APA strives to increase the diversity of its board members.
<b>Prosperous Place</b>	The Music Hall redevelopment is a key deliverable of the CCMP (City Centre Masterplan) and APA manages three of the city's most iconic venues, and festivals with a growing reputation enhancing the perception of the city. APA are represented on the 365 Events group and the Culture network.
<b>Enabling Technology</b>	APA's organisational goals include: to Continue to exploit digital technologies to drive organisational transformation.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Not required for this report.
<b>Privacy Impact Assessment</b>	Not required for this report.
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not required for this report.

**9. BACKGROUND PAPERS**

None.

**10. APPENDICES (if applicable)**

APA Business Plan 2018-21 – Annual Report  
APA Creating A Spark Performance Report April – June 2018

**11. REPORT AUTHOR CONTACT DETAILS**

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