

ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	13 October 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Aberdeen Performing Arts - Annual Report 2021/2022
REPORT NUMBER	COM/22/229
DIRECTOR	Gale Beattie
CHIEF OFFICER	Craig Innes
REPORT AUTHOR	Craig Innes
TERMS OF REFERENCE	24.15

1. PURPOSE OF REPORT

- 1.1 This report presents the annual reporting of Aberdeen Performance Arts (APA) covering financial year 2021/2022.

2. RECOMMENDATIONS

- 2.1 That the Council notes the Aberdeen Performing Arts Annual Report appended to this report for the Council's interests.

3. CURRENT SITUATION

- 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 the Box Office for 20+ venues in the region.
- 3.2 APA operations were hit hard due to the pandemic and this is still impacting the programme of events that APA would normally deliver. During a 'normal year' 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 two 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 a leading partner in the development of the ten-year cultural strategy and action plan for the city which was endorsed by the Council in 2018. APA also deliver 3 festivals; True North music festival, crime writing festival Granite Noir and Light the Blue, a youth arts festival celebrating the talent and creativity of young people across the region.

- 3.3 The revised performance template provides an overview of Key Performance Indicators (KPIs) and what has been achieved against these targets for the financial year 2021/2022. The report provides evidence of APA's delivery against their business plan objectives and also contributions to the City's cultural strategy, the Regional Economic Strategy, the Regional Tourism Destination Strategy and drivers around culture end events and the LOIP.
- 3.4 APA started the current reporting period under a period of national lockdown and the resultant uncertainty around the duration of restrictions arising from the COVID-19 pandemic meant that venues were closed to the public until September 2021, that audience numbers were incredibly unpredictable and venues were closed again for a further month in December/January, with further cancellations in programmes. It was therefore felt inappropriate to set a realistic set of targets for the year, other than relatively low risk financial targets, for cash flow and budgeting purposes.
- 3.5 Jane Spiers, Chief Executive of APA retired on the 1st July 2022 after ten years in the role. A recruitment exercise for the Chief Executive post was undertaken by the Board of APA with Andy Eagle starting in the role on 8th August 2022.
- 3.6 Separately, the ALEO Assurance Hub continues to seek assurance from Aberdeen Performing Arts on its financial stewardship, governance, and risk arrangements. This includes oversight that medium term financial plans are in place and aligned to business planning. This is reported on twice a year to the Audit, Risk and Scrutiny Committee along with the Hub's risk ratings, which reflect the level of risk presented to the Council by each ALEO.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report. For 2021/2022 the Council provided core funding of £985,000 to APA.
- 4.2 The Council continued to provide 100% of the grant funding that had been approved for APA despite the interruption to services and with continued closures of parts of the cultural estate, this amounted to £985,000 (as per 4.1) which was the same level as approved the previous year. The Council also provided a guarantee of additional funding, up to a maximum of £356,000, for financial year 2021/22.
- 4.3 APA is a regular funded organisation of Creative Scotland for 2018-21, bringing in £1m over the 3 years of the funding agreement.
- 4.4 APA has a turnover of over £10m per year, and as one of Scotland's biggest performing arts companies, manages some of the city's most iconic buildings. However the turnover has been significantly impacted during a year when operations were forced to close.

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

7.1 The risks reflect the 21/22 reporting period covered and there is ongoing monitoring of the current position through the ALEO Assurance Hub.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level		*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk					
Compliance					
Operational	APA staff not being supported.	The annual report and ALEO hub monitoring process ensures and demonstrates good practice.		L	Yes
	APA providing poor services to customers.	The annual report demonstrates to the Council APA's commitment to customer service.		L	Yes
	Box office services failure, APA provides service to a number of organisations.	Any risk is mitigated by effective maintenance of the system.		L	Yes
Financial	None				
Reputational	None				
Environment / Climate	None				

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2022-2023</u>	
	Impact of Report

<p>Aberdeen City Council Policy Statement</p> <p><u>Working in Partnership for Aberdeen</u></p>	<p>APA aligns to the transformation programme articulated within the TOM 1.2, and forms part of the next steps for delivery of the outcomes and commitments. The proposals in this report support the delivery of the Partnership’s Policy Statement for a Vibrant City and the Arts Matter:</p> <ul style="list-style-type: none"> - Aim to make Aberdeen a premier destination for festivals, productions, conferences, bands and events. - Support Aberdeen Performing Arts and other cultural providers to offer the widest possible arts programme for all across our communities - Work with Aberdeen Performing Arts to address their funding issues and to allow them to progress their Covid-safe upgrades
<p><u>Aberdeen City Local Outcome Improvement Plan</u></p>	
<p>Prosperous Economy Stretch Outcomes</p>	<p>APA contributes significantly to the Economy of the North East of Scotland and this is articulated in the Business Plan.</p>
<p>Prosperous People Stretch Outcomes</p>	<p>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. APA will contribute to the Child Friendly City Improvement Project aim to achieve a UNICEF badge in Culture.</p>
<p>Prosperous Place Stretch Outcomes</p>	<p>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.</p>
<p>Regional and City Strategies</p>	<p>APA aligns to the transformation programme articulated within the TOM 1.2, and forms part of the next steps for delivery of the outcomes and commitments. The proposals support the new and emerging Regional Economic Strategy for Aberdeen to be a key tourism destination; the regional Tourism Destination Strategy; and the City Centre Masterplan.</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
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Impact Assessment	Full impact assessment not required
Data Protection Impact Assessment	Not required

10. BACKGROUND PAPERS

None.

11. APPENDICES

- **Appendix 1** – Aberdeen Performing Arts ALEO Annual Report 2021/22

12. REPORT AUTHOR CONTACT DETAILS

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