

Annex B

Renewal of the Service Level Agreement between City of York Council and the York Theatre Royal

This Annex provides further information regarding the performance of the York Theatre Royal from 1999 up to the end of the last Service Level Agreement (Table 1), and projections for the new 4 year period (Table 2).

KEY FACTS

Table 1

			2002/05 SLA					2005/08 SLA			
		Notes	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Grants	City of York		291,890	297,727	284,230	288,000	311,000	311,000	283,000	289,510	298,200
	Arts Council		392,000	413,760	419,200	448,050	470,000	486,750	535,000	549,710	564,830
% Increase	City of York			2.00%	-4.53%	1.33%	7.99%	0%	-9.00%	2.30%	3.00%
	Arts Council	1		5.55%	1.31%	6.88%	4.90%	3.56%	9.91%	2.75%	2.75%
Total Income		2	1,645,023	1,696,538	1,965,533	2,025,434	2,243,240	2,599,758	2,657,410	2,570,033	2,669,054
Grants as % of Income		3	42%	42%	36%	36%	35%	31%	31%	33%	32%
Other Data	Performances	4	263	256	331		449	452	486	547	578
	Audiences	5	117,667	114,692			136,616	137,368	142,073	136,883	152,000
	No. of Concessions	6							53,431	77,951	
	Sold to Young Persons	7		9,000	13,500	14,500	22,270	23,500	24,800	26,000	27,500
	Education sessions	8	143	121						1,020	1,050
	Education Attendances	9	3,476	4,684						23,381	24,000

Table 2

		Estimate	Estimate	Estimate	Estimate
		2008/09	2009/10	2010/11	2011/12
Grants	City of York	298,200	305,059	312,075	319,253
	Arts Council	580,080	595,743	611,828	625,900
% Increase	City of York	0%	2.30%	2.30%	2.30%
	Arts Council	2.70%	2.70%	2.70%	2.30%
Total Income		2,966,643	3,002,642	3,079,646	3,150,478
Grants as % of Income		30%	30%	30%	30%
Other Data	Performances	580	585	590	595
	Audiences	154,000	156,000	158,000	160,000
	Sold to Young Persons	29,000	30,500	32,000	33,500
	Education sessions	1,070	1,090	1,110	1,130
	Education Attendances	24,500	25,000	25,000	26,000

OVERALL FUNDING

1. The top two lines of Table 1 show the grant levels from the Council and the Arts Council England (Yorkshire) since 1999. The Council's grant starts at £291,890 in 1999 rising to £298,200 in 2007/8. (The same level is proposed for 2008/9 meaning an increase of just 2.16% over the 10 years).
2. Furthermore, during this period the Theatre has been required to take on additional functions following the merger of Youth Theatre Yorkshire with the Theatre Royal. This is reflected in the uplift in funding for 2003/4. Whilst the youth theatre function has continued the additional funding was removed in 2005/06 when the Theatre's grant was cut by 9%.
3. Note 1 in Table 1 shows that the Arts Council support on the other hand has increased by 47.98% over the same period.

4. Note 2 in Table 1 shows the annual income that the Theatre has recorded. In 2007/08 the theatre undertook a three year budgeting plan and the resulting projections are shown for 2008-10. It should be noted that the income for 2008/09 is increased to reflect the plan to stage the Railway Children at the NRM this summer (with commensurately increased costs).
5. Note 3 in Table 1 demonstrates that grants as a percentage of income have fallen from 42% in 1999 to a projected 30% in 2008/9.
6. Comparative figures for other theatres for 2005 are attached and show the Theatre Royal's healthy performance. Provisional Figures obtained from theatres in this region for 2007/8 suggest that whilst the Theatre Royal drew just 32% of its income from grant, the Hull Truck Theatre received 38% of its income in grant, the West Yorkshire Playhouse 40%, and the Stephen Joseph Theatre 42%.
7. The Theatre has recently been asked to join a more formal 'benchmarking' study with ACE on the 'midscale producing theatre' and more information on this will be made available on a regular basis in the future.
8. The Theatre has also commissioned consultants Bonnar Keenlyside to undertake a financial 'health check' together with some benchmarking and this will be made available to the Council as soon as it is formally adopted by the Theatre trustees.
9. Note 4 in Table 1 shows that performances have risen over the period from 263 to 580 per annum.
10. Note 5 in Table 1 shows that attendances have risen from 118k in 1999 to 150k projected for this year. The SLA provides for an increase to 160k by the end of the next 4 year period.
11. Notes 6 and 7 in Table 1 demonstrate increasing concessionary ticket sales including to young people with a very high number of young people using the £5 ticket prices (19% of total audiences).
12. Notes 8 and 9 in Table 1 show the increased education and youth provision.

PRICING POLICY

13. The Theatre offers a wide range of pricing policies to ensure that access is available to all, and a more detailed document setting these out is available if required. The 52% of tickets sold at a concessionary rate last year clearly demonstrate the need for this.
14. Regarding concessions for the Pantomime, the Theatre does offer a YorkCard discount for most productions, and discounts for all concessions, but is unable to offer the young persons ticket price on this production. However, the cheapest tickets are set at £10, and Partnership schools are able to come for £8. The theatre has 4.30 pm Friday performances in January at a reduced price from £10 and these performances are very popular with families.

15. It should be noted that the Pantomime audiences have increased year on year, and the matinees (especially on Saturdays) are the first performance to sell out.
16. The Theatre also gives 800 tickets to the local Roundtable to sell at a public dress rehearsal and over half of these tickets are given to young people, and 'hard to reach' groups – the Round table also makes donations to local charities from the proceeds of the performance. The Theatre gives most years tickets to the Lord Mayor to sell to support their chosen charities.
17. In discussions with the Theatre, it is clear that there is concern about reducing ticket prices for the pantomime at the same time as we are asking them to be less reliant on public funding and more reliant on generating income for themselves. However, it should be noted that the Theatre has not raised the prices for the 2008 Pantomime as it is concerned that customers may become price resistant in light of the current economic outlook.
18. Regarding the profile of the audience compared the local population (and with other theatres) has been undertaken by Audiences Yorkshire (the ACORN profiling). The analysis is attached. A map showing where the audience is drawn from is also attached.

CUSTOMER SATISFACTION MEASURES

19. As part of its newly adopted Customer Service development policy, the Theatre has plans for focussed customer service questionnaires as well as a wider consultation. The new Theatre membership scheme with 450 members shows that people have a desire for a closer relationship with the Theatre. The loyal and devoted panto. audience also demonstrates this. The Theatre currently deploys various ways of gathering feed back through emails, letters and phone calls.
20. The CPA measure for resident satisfaction with theatres and concert halls has remained fairly static during this period falling from 72% in 2000 to 70% in 2007/8 despite the fact that the Barbican has not been operating during much of this period.

OTHER INFORMATION

21. Using the Council's multipliers the economic benefit to the city from visits to the Theatre Royal is £11.3m per annum.