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What is the most appropriate form of leadership required to achieve artistic excellence in programming a British regional theatre?

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**What Are the Most Important Factors
in the
Governance of Contemporary British Regional Theatres
as they pursue
Artistic Excellence ?**

A Dissertation for the Clore Leadership Programme

by Colin Bell

August 2006

WHAT ARE THE MOST IMPORTANT FACTORS IN THE GOVERNANCE OF CONTEMPORARY BRITISH REGIONAL THEATRES AS THEY PURSUE ARTISTIC EXCELLENCE ?

Introduction

Are British regional theatres well run ? Do they consistently present productions of high artistic merit to wide cross sections of their local audiences in an inspirational manner ? Do their management structures and staffing contribute positively and efficiently to ensure the highest quality artistic output ? Are they financially solvent, or underfunded ? To what degree do financial constraints impinge upon matters of artistic choice ? Should they be led by an Executive or Artistic Director ? In their overall governance, ownership and trusteeship is the ongoing artistic welfare of the theatre the prime concern of those entrusted with its responsibility? How relevant and active are our theatre boards? Who do they consist of and have they any real relevance to the effective running of the theatre ? What role do local politics play in the running of a theatre ? And underlying all this is the question whether we are on the verge of another funding crisis such as that addressed by the Boyden Report and the Theatre Review of 2000 – are theatres about to hit another financial brick wall ?

This is obviously a huge and multifaceted question, and a fully comprehensive study of these issues lies outside the remit of this limited research project. However over the last few months I have visited many, but not all, of the subsidised producing theatres in Britain gathering information about their programmes, their audiences, artistic and management structures and issues of overall governance. In nearly every theatre I visited I made a point of seeing at least one production, and often more. I met and interviewed the Chief Executive, some from an Artistic background and some not, providing a useful set of comparative priorities. In most cases I was trying to get a flavour of their views of the major issues confronting their theatre, as well as a sense of whether our theatres are in good hands. Most of this was undertaken against the background of some understanding of the financial circumstances as recorded in their Annual Returns to Companies House, as well as in many cases open access to their day to day management accounts.

This short dissertation then attempts to provide a snapshot of some of the current

factors facing theatres in pursuing artistic excellence. I have tried to put this analysis within an historical context as well as that of current Arts Council policy so that each theatre may be seen on its own merits but also within the wider picture. My original intention in writing this had been to undertake a detailed analysis of a large number of theatres, but whilst many were able happy for me to visit, issues of management touch many sensibilities. I therefore have relied on research I have been able to undertake at West Yorkshire Playhouse on a three month secondment, and on the benefits of visits and interviews and discussions with Braham Murray and Pat Weller at the Royal Exchange in Manchester, Adrian Williams at the Manchester Library Theatre, Adrian Vinken at Plymouth Theatre Royal, Stephanie Sirr at Nottingham Playhouse, Simon Reade at Bristol Old Vic, Joanne Gower at Hulltruck and Thom Stanbury at the Queens Hornchurch. Between them they represent different strands in the many headed animal and patchwork quilt that is British regional Theatre. The Arts Council happily gave time access to their internal library. In addition I wish to thank Isobel Hawson, Acting Head of the Theatre and Dawn Langley, Head of the Recovery and Stabilisation programme and Richard Pulford of the TMA, all of whom gave me valuable time.

Historical Background

The Repertory Movement in Britain originated at the turn of the nineteenth century in the double “revolt against the dramatic fare offered by London managers and actors against the exploitation of the provincial theatre as a market for metropolitan products”.(*1) Led by the Royal Court under the directorship of Harley Granville Barker and William Archer theatres such as the Abbey Theatre in Dublin, the Gaiety in Manchester , and the Glasgow Repertory Theatre were formed. Many of these companies failed to survive the first world war but others sprang up to strengthen the movement between the two world wars; Liverpool, Oxford, Cambridge, Plymouth, Sheffield, Northampton, Birmingham.

The movement was influenced by such European companies as the Comedie Francaise, the Moscow Art Theatre, the Meiningen Conmpany, the Berlin and Dusseldorf Schauspielen and the smaller French amateur subscription funded Theatre Libre exclusively devoted to new writing. They were particularly impressed not only

by the organisations and their state subsidies but also by their rotating performance schedules. Archer voiced the views of many, “When we speak of repertory, we mean a number of plays always ready for performance,.....which, therefore can be, and are, acted in such alternation that three, four or five different plays may be given in the course of a week.” (*2). Shaw concluded “We must discard our idea that it is the business of the people to come to the theatre, and substitute for it the idea that it is the business of the theatre to come to the people” (*3).

An early attempt to run a commercial rotating repertory at the Duke of Yorks Theatre had floundered financially, underlining the need for subsidy, so that Barker at the Royal Court resorted as a second best to a “short run system” to keep the plays fresh and alive. He was also unable to put in place a really permanent company of players although he was able to draw upon many of the leading actors of his generation striving for “unity of effect” – “the subordination of the individual to the total pattern” – as Lillah McCarthy observed “there were no stars”>(*4)

Right from the start it became clear that the growth of the repertory movement exhibited little sense of homogeneity. It was driven by a series of dynamic individuals, both artists and administrators, all of whom pursued individualistic artistic goals, sometimes related to their audiences, and sometimes their own missionary vision. The Abbey in Dublin, although strictly outside the remit of this dissertation, and driven by W.B.Yeats and Lady Gregory, was from the start part of a political movement with an emphasis on new nationalist (and by no means uncritical) writing, premiering the plays of Sean O’Casey and J.M.Synge as well as the dramatic works of W.B.Yeats. In Manchester, the Gaiety became the centre for a “Manchester school” of playwrights – Harold Brighouse and Stanley Houghton in particular. Glasgow premiered Chekhov’s “Seagull” and James Bridie would go on to become the first Chairman of the Citizens Theatre in the Gorbals. In Birmingham Barry Jackson was able to indulge his own taste for “imaginative and poetic” drama, including modern dress revivals of Shakespeare and the premiere of John Drinkwater’s Abraham Lincoln. In Cambridge Terence Gray created the first open stage for a determinedly experimental programme embracing Aeschylus, Sophocles, Euripides, Roman Comedy, German and American Expressionism, Toller, Elmer Rice, O’Neill and even a “Twelfth Night” on roller skates. ! J.B.Fagan in Oxford ran a

distinctly highbrow repertoire including Ibsen, Strindberg, Sophocles, Shakespeare, Synge and Shaw. His presentation of “The Cherry Orchard” with Gielgud as Trofimov is often considered the point of acceptance for Chekhov’s work in England.

Significantly those companies which took the greatest artistic risks were more likely to find themselves financially extended, and many of the real innovators had private financial backing. The tea heiress Annie Horniman financed the Abbey and Gaiety Theatres. The Scottish Repertory Theatre was formed with subscriptions – they hoped for £3000 but only £1000 had been taken up when the company began operations, running for 5 years at a diminishing loss, but accelerating deficit, until ironically running into profit at the beginning of the first world war – but too little too late. In Liverpool the newly titled Liverpool Repertory Theatre in Williamson Square was financed by 900 citizens and run by a Board of 12 representatives of the city’s commercial and professional classes, whose taste in programming had to be taken into account – inevitably commercially “cautious”, embracing the established and popular names of Wilde and Pinero as well as some “experimental” work from Shaw, Galsworthy and Barker. In Birmingham Barry Jackson spent £100,000 of his own (considerable) fortune before seeking help and forming a Board of Trustees theatre to help shoulder the financial burden.

The Times noted that in Bristol the Lesser Colston Hall became “the first repertory theatre in the country which has started with direct civic encouragement” (*5) – a reference to the fact that it was made available at a non commercial rent although the artistic policy was in return subject to the authorization of a large executive Council culled largely from local dramatic societies. Sir Arthur Pinero pointed out on opening night that the theatre would be run “on commonsense lines (*6) (ie: not highbrow).

Liverpool would survive however. The management team of actor William Armstrong and business manager Maud Carpenter ran Liverpool playhouse from 1922 until the 1950’s with a strong concentration on the British or American playwrights (ie; ex West End or Broadway hits !) with 3 and occasionally 6 week runs throughout the era of the thirties and forties when weekly rep (with its homely sense of identification between the audience and regular performers) was at its height around

the country in marked contrast to the burgeoning mass palaces of entertainment cinema chains.

Ironically the advent of the second world war encouraged the growth of regional theatre with the formation of the Council for the Encouragement for Music and the Arts on 19th January 1940, and later ENSA (“Every Night something Awful”), but collectively introducing under the influence of economist and Treasury mandarin J.M.Keynes the concept of government subsidy for the performing arts. At around the same time as a group of repertory theatre joined up to form what would become CORT “the Council for Repertory Theatres”, (later to evolve into the TMA, Theatrical Management Association). CEMA was transformed on 9 August 1946 into the Arts Council of Great Britain. In 1948 the Attlee Labour Government which had introduced the National Health service, passed an Act of Parliament authorising rates expenditure on cultural activities. By 1956 over thirty reps were receiving Arts Council help.

Arts Council support would grow through the late fifties until with the opening of the new Belgrade Theatre in Coventry in 1958 followed by Nottingham Playhouse in 1963 heralded an era of building new and glamorous purpose designed buildings to house the companies. In due course Manchester, Birmingham, Sheffield, Leeds, Leicester and Plymouth along with many others would build large and prestigious theatres which would prove ever more expensive to maintain requiring large permanent staff overheads. It was a bold and visionary period which was to backfire as the austerity of the seventies gave way to Thatcherite fiscal policies in the eighties.

Both Coventry and Nottingham had opened with a regular company performing productions in repertoire, as Archer had envisioned, and whilst John Neville at Nottingham attempted to continue in this vein, even with 80 % attendances it ultimately proved too expensive for the level of subsidy at the time. By the seventies major repertory theatres had become “regional” theatres, since for the most part they could no longer be described as “repertory” in the true sense of the word. As the eighties progressed Arts Council cutbacks virtually eliminated the resident company.

In reaction to the new “establishment” of regional theatres a fringe movement of peripatetic companies grew up throughout the seventies with Arts Council support. They were often based around particular theatrical visionaries, groups of artists, or shared political aspirations. Companies such as Belts and Braces, Gay Sweatshop, Monstrous Regiment, 7:84 and The People Show were early progenitors in a movement which later spawned such companies as Declan Donellan and Nick Ormerod’s Cheek by Jowl and Simon McBurney’s Theatre de Complicite.

Smaller theatres also proliferated – some such as Peter Cheeseman’s Victoria Theatre (in the Round) at Stoke on Trent and the Liverpool Everyman tried to work as closely to the ethos of the progenitors of the repertory movement with permanent or semi-permanent companies, and sometimes (at Stoke certainly) rotating performances. Contact in Manchester, adjacent to the deprived areas of Rusholme and Moss Side was specifically opened by Manchester University as a Young Peoples’ Theatre.

To-day without permanent companies, but with a proliferation of film, advertising and television work in London as well as improved transport links, many theatres prefer to maintain a loose but impermanent pool of actors from which they regularly cast productions. Some theatres, particularly those within easy reach of London obviously prefer the greater opportunity to cast appropriately for each production, although it is ironic that the 2 permanent companies, apart (for now at least) from the RSC, are to be found easily within range of London, the Queens Theatre, Hornchurch, and Mercury Theatre, Colchester.

By 2000 many of the municipal theatres, including the West Yorkshire Playhouse, were struggling with sizable deficits. Some had crumbling buildings, and were reducing the number of productions they could afford to stage, as part of the price for keeping the buildings alive. Despite warnings in the Cork report of 1986 and the Arts Council’s 1996 “Policy for Drama of the English Arts Funding System” that a crisis in British Theatre was imminent if not underway, the Tory solution to reduced subsidy in the eighties had been to improve the box office yield and increase income from private sponsorship and other trading activities. Whilst many theatres did succeed at raising some funds, they were often specifically earmarked for particular activities (or even related to artistic choices) and as the staff overhead increased in

order to chase the income, the ability of the theatre to pursue a risk taking artistic policy declined.

For members of theatre boards facing on the one hand the threat of insolvency, and on the other the difficulties imposed (and still imposed) by the requirement to comply both with company law and charity law and the corresponding need to comply with both Companies House and Charity law legislation, the cumulative effect was to discourage risk – a necessary component of art and especially innovation an essential component of excellence in theatrical production. It became almost impossible to be groundbreaking both commercially and economically.

Nowadays most theatres incorporate varied levels of sponsorship in their overall funding package, although it is probably true to say that for industry the benefits are seen most often in being seen to be socially concerned in the local community than any real belief in the marketing advantages to be gained. The reality was as grants failed to keep pace with inflation over a twenty year period resources had been concentrated “on the survival of buildings and institutions. Investment in the art form and people had become secondary” (*7)

A National Policy for Theatre

When the Labour Government came to power in 1997, Secretary of State for the Arts, Chris Smith encouraged the Arts Council to commission an audit of regional theatre in England. The Boyden report of May 2000 “Roles and Functions of the English Regional Producing Theatres”, swiftly followed in July of that year by “The Arts Council of England’s National Policy for Theatre in England set out clearly the critical need for investment and vision in a sector which by then had “poor morale, reduced productivity, lowered standards and declining audiences” (*8)

The policy proudly announces its aim “to enable all those involved in theatre to produce high quality work that touches the hearts and engages the minds of a greater number and a wider range of people than is currently the case.” (*9) It calls for the theatre community to change and embrace “ambitious thinking and new ways of working which ensure that their work is available to as wide a constituency as

possible”(*10). Sensitive to the political dimension of an increase in funding it proclaims that education is to be at the heart of most forms of funded theatre, as is the need to engage with audiences and artists of a broader more diverse range of backgrounds, “we want to see an increase in the workforce from the non white population ; a greater percentage of the audience for all theatre coming from a wider range of backgrounds” (*11) expecting “increased co-operation between the Arts Council, local authorities, the education sector, and the commercial sector”(*12). The theatre should ensure the nurturing of talent, providing better pay and conditions for artists, technicians and managers.....in particular working with other key partners to make it more possible for talented people to work outside London. The Arts Council will support the profession in making the changes necessary for this to happen”. The Boyden report had spoken of the serious risk of a talent drift away from theatre towards TV and film, rendering the decline of the subsidised theatre system a self fulfilling prophesy. The policy looks for work of international quality and encourages international collaboration, but at the same time recognizes “the unique local voice of a theatre that combines quality with the edge that comes from making work in, and for a particular community”(*13).

The Arts Council defines a role for itself maintaining an overview, acting as an advocate and arguing for the necessary funds, encouraging increased co-operation from the voluntary sector, local authorities, the educational sector and the commercial sector. The policy was not just about “not just about doing more better, it is also about doing things differently. It is not just about investing more money in theatre. Money alone never produced great art.”(*14) The policy and the accompanying funding aimed by taking a genuinely strategic, long term view of the country’s theatre needs, to be the “start of a journey” for subsidised theatre that would bring stability and growth (*15).

On 8th March 2001 the Arts Council announced an injection of an extra £25 million to be spread across 194 organisations. The overall theatre budget was almost doubled increasing from £40 million to £70 million by 2003/4 with many organisations receiving increases of over 30%. It was not uncommon for particular increases to be over 50% and sometimes 100%. 83% of this money was earmarked to go to producing companies. The outcome of the new funding package was to be “more

theatre and better theatre for audiences across the country, more actors, directors and writers able to develop their careers in theatre, more new writing and new work...more theatre for children and young people, more theatre produced by black and Asian practitioners and more touring – including more large scale work, more touring to schools and rural areas”(*16).

The result of the Theatre Review has been that by 2005 248 theatre companies were receiving core funding from the Arts Council, including producing, touring and presenting theatres. The review solidified a status quo, indeed an acknowledged establishment, of major regional producing theatres throughout England. They exist in a clear hierarchy of grant scale which varies from the £2,135,322 of the Royal Exchange in Manchester to the £117000 awarded to the Theatre Royal Bury St Edmunds. There are a number of pre-eminent regional theatres receiving grants of between £1,000,000 and £2,000,000 per annum and located in large, for the most part comparatively recently built purpose built theatres; Manchester, Birmingham, Liverpool (Everyman and Playhouse), Leicester, Newcastle, Leeds, Nottingham, Leeds, Sheffield, Plymouth, and Bristol. Behind this come a series of “mid sized” repertory theatres receiving varying grants of up to £926,000; Coventry Belgrade (£926000), Stoke “New” Victoria (£835031), Manchester Contact (£811000), Ipswich Wolsey and New Wolsey (£776984) Salisbury Playhouse (£773055) Colchester Mercury (£752994), York Theatre Royal including in house Pilot Productions (£732,000), Derby Playhouse (£677597), Watford Palace (£663172), LIVE Theatre Newcastle (£653463), Scarborough Stephen Joseph (£609500), Northampton Theatres (£600487), Bolton Octagon (£540376), Southampton Nuffield (£531873), Lancaster Dukes Playhouse (£481752), Harrogate Theatre (£417700) , Oldham Coliseum (£391956), Hull Hulltruck (£380000), Keswick Theatre by the Lake (£366000), Yvonne Arnaud Guildford (£350000), Gloucester Everyman (£345692), Exeter Northcott (£511592), Oxford Playhouse (£293365), Watermill Newbury (£268500), Hornchurch Queens (£240000) and the Theatre Royal Bury St Edmunds (£117502) (*17)

There are therefore approximately 37 producing theatres in England, although the number of productions per annum varies enormously from theatre to theatre and most of all of the leading regional theatres (all of those receiving over £1m) have in

addition to the main auditorium a smaller space which is largely but not exclusively used for the work of new playwrights and directors and other experimental drama. The initial results of the theatre review as published in the December 2003 MORI report suggest that the average number of in house productions per annum per theatre is 6.5.

Apart from the major National companies, (the National, the RSC, the Royal Court, Chichester who between them take up £31,901804, and a series of London theatres (Hammersmith Lyric, The Almeida, Hampstead, the Donmar, the Tricycle, the Gate, Orange Tree, Stratford East, Young Vic, Soho – all of which represent a unique part of the central city theatre diaspora) the balance of the Arts Council grants of over £100,000 go to a myriad collection of venues but more significantly to a varied collection of non venue based independent alternative theatre companies (“fringe ?”) which have either developed around particular individuals or groups of individuals pursuing specifically unique artistic visions (Improbable, Cardboard Citizens, Frantic Assembly, Forkbeard Fantasy, Forced Entertainment, Kneehigh, Paines Plough, Pop Up Theatre, Red Ladder, Red Shift, Shared Experience, Sphinx, Talawa, Complicite, Trestle, Welfare State, Yellow Earth, Graeae,) or have specifically been created to fulfil those parts of the theatrical market other companies do not reach (English Touring, OSC, Northern Broadsides, Talawa, Unicorn, the Bubble, Kali) although the distinctions are often blurred (Talawa, Kali, Northern Broadsides).

However the euphoria of this new dawn in theatre funding was to be short lived. Chris Smith was ejected as Secretary of State by the Prime Minister and the Arts Council found itself in front of a Government enquiry into theatre by 2005 after the government announced a year of “standstill” funding in 2004. It stated it’s “concern that standstill funding could de-rail that journey and upset the fragile stability that has now been achieved” (*18).

The reality was that the increase had not yet redressed the erosion of arts funding of previous years. Between 1993/4 and 2001/02 the total core grant-in-aid received by the Arts Council was some £120m less (at 2001/2002 prices) than it should have been had it simply kept pace with inflation. The increased grant in aid had not been enough to secure the future; a large proportion of the funding had gone into stabilisation and

recovery programmes for theatres on the verge of insolvency. From April 1996 until the end of March 2004 £39m had been invested in this programme to stabilise and if need be, re-align in order to secure growth for troubled theatres. The Arts Council submitted that cash standstill in its grant aid would mean a drop in real terms in funding of £33.8m over the period of the spending round 2005/2006 and 2007/2008.

The Arts Council drew attention to its own research into the effect of the National Policy published in “Implementing the national policy for theatre in England”, baseline findings published by MORI in December 2003 - the improved quality, creativity and growth in diversity of the work, its educational impact, whilst drawing attention to the continuing importance of larger casts and longer rehearsals. In particular the Council stated the need for continued investment in the fabric of theatre buildings, noting the devastating impact that the Arts Council ceasing to be a National Lottery distributor would have upon the infrastructure.

The West Yorkshire Playhouse

Ironically, the building of the West Yorkshire Playhouse in 1991 was a direct response to the Conservative government’s closure of the major metropolitan authorities – which had been politically opposed to the Central Government’s spending (or rather lack of spending !) priorities. In Leeds Labour Councillor Bernard Atha seized the opportunity to direct remaining West Yorkshire Council Funds before the obliteration of the Council to rehouse Leeds Playhouse in its current dual auditorium (The Quarry Theatre – 750 seat and the Courtyard – 350 seats) home on Quarry Hill, a run down close to central Leeds area – and now a centre of urban regeneration. In recognition the theatre was renamed the West Yorkshire Playhouse ! Of a total of £13.5m a further £5.4 million came from Leeds City Council and around £1 million from the Arts Council, leaving no one in any doubt who the major stakeholder is in this theatre.

Out of a Board of Governors of 21, 9 are actively members of Leeds City Council although only four are active nominees – the balance having been elected in their own right at the Annual General Meeting having previously been nominees. The composition is therefore subject to political change within the council. With three

artists and three academics it is hard to see any depth of professional theatre experience or professional advisors on this board. With 21 members, despite some infrequent attendances, it is considered unwieldy by the staff for detailed management analysis and discussion, so much of the actual decision making devolves to the Finance and General Purposes Committee. Both are dominated by the authority of Councillor Atha. Under the feisty directorship of Jude Kelly, it has been branded by some the “National Theatre of the North” - although for many the more appropriate designation of that epithet might have been the Royal Exchange in Manchester which had flourished on its opening in the late seventies under a group of directors led by Michael Elliott, or in recent years the Crucible in Sheffield under the dynamic artistic director, Michael Grandage. And yet dynamic critically eye catching productions which build personal reputations do not necessarily mean a theatre is financially secure. John Harrison, Jude Kelly’s predecessor as Artistic Director of Leeds Playhouse writes in his autobiography how his agent “advised me initially not to bother too much about Leeds. Just do productions that drew attention to themselves”.(*19)

Today the West Yorkshire Playhouse remains a thriving hub at the centre of the artistic and social fabric of Leeds. With its dominating red brick fly tower, ringed in by motorway intersections but towering over its surroundings its rather unprepossessing frontage is still clearly visible down Eastgate. It still exists in the shadow of Jude Kelly’s 12 year incumbency as Artistic Director.

Over that period she dynamically programmed a broad cross section of classic drama, West End plays, children’s shows, Shakespeare and new work as well as developing a reputation for directing a series of musical theatre revivals which caught the attention of the national press as well as drawing audiences to the theatre. The theatre energetically produced between 12 and 15 new in house productions per year, very occasionally with outside partners subsidising production budgets usually in the form of commercial managements, (eg: Cameron Mackintosh with “Martin Guerre”). West Yorkshire blazed a trail reviving musicals each Christmas, and programming a mixture of classics – in particular usually one Shakespeare production per annum, as well as the best of popular modern drama including West End successes and a healthy

dose of both British premieres and new work. Many up and coming young artists both on and off stage worked there as well as a surprising number of major stars – from Jude Law making his professional stage debut to Alan Rickman, Ian McKellen, Timothy West, Prunella Scales and Patrick Stewart amongst others. Although the theatre did not maintain a resident company except for a three production season featuring Ian McKellen, it has developed various pools of artists who have returned to work there.

Over the years a sizeable audience had built up for this catholic programme, rarely dipping below 60% attendances and occasionally over 70%. However reduced tickets for a broad range of groups and individuals – under 16 years old, pensioners, unemployed, disabled, arts card holders, group bookings and standby tickets ensured (and generally still does ensure in most subsidized theatres) that the ticket yield runs at approximately 10% behind attendance percentages.

When Jude started as Artistic Director she had reported to Executive Director, Will Weston (who would go on to run the Royal Shakespeare Company), who in turn reported to the board chaired by Councillor Bernard Atha. She eventually coupled the role of Artistic Director with that of Chief Executive – able to over-rule any financially based objections to the size of production budgets. Within the management structure she was partnered by an in house producer and an executive director, both whom reported to her. By all reports her ability to galvanise the staff of the theatre was second to none and whilst reports both inside and outside the Playhouse on the quality of the productions vary, no one denies Jude's ability to create activity and focus attention in and on the theatre, despite the fact that the theatre faced a series of deficits throughout the nineties. Each season traditionally included her speciality, a Christmas musical. Financial necessity encouraged a series of astute couplings – such as two productions sharing the Courtyard stage over Christmas 1998 (“Present Laughter” and “The Nutcracker”), the presentation of the heavily financed Cameron Mackintosh “Martin Guerre” and a series of 3 Alan Ayckbourn plays “Intimate Exchanges” with all the parts played by two actors. Eventually a one week transfer to the National Theatre in London with “Singin in the Rain” co-incided with Jude Kelly leaving the Playhouse, and handing over to her nominated successor, Associate Director Ian Brown.

Her legacy is formidable and the theatre still buzzes with activity; old age pensioners, members of the “Heydays” club throng the foyers every Wednesday involved in a series of activities from singing to basket weaving. A large education programme brings children of all ages into the building from the age of 2 upwards, as well as sending custom made productions into schools.

However, The West Yorkshire Playhouse, as the 1990’s progressed, gradually amassed a sizable deficit so that by the beginning of the 21st century, after Leeds Town Council had continually stepped in to rescue the theatre’s precarious finances, the Arts Council admitted the theatre to its stabilisation process. The theatre is therefore a classic example of a brand new regional theatre opening with high aspirations, as well as an ambitious programme amassing a rolling deficit despite attempts to control spending.

Recovery and Stabilisation

Dawn Langley, the Head of the Recovery and Stabilisation Programme at the Arts Council, has not been involved with the particular issues at West Yorkshire Playhouse “before my time...I’m not familiar with it”, but whilst unwilling to be drawn on specific cases, she outlined the history and approach of the programme which is now ending – there are to be no more admissions to the programme – no more Arts Council sponsored rescues. She is uniquely placed in Britain to have an overview of the financial challenges which lie ahead.

For most organisations, the programme is a three year process (there have been no admissions for 2/3 years), which commences with an organisational review and an insolvency report from an insolvency practitioner before entering the second developmental stage “the process of looking at what the current issues are, looking at where the organisation is trying to get to and putting together a recovery plan. It’s effectively a corporate turnaround approach”. Emphasising that every organisation faces its own problems in a different way, the Arts Council’s approach is an holistic one, “Some re structured, some didn’t. Some changed their senior management, some didn’t. Some changed their board, some didn’t, it was very much case by case”.

Starting out from the point of view “What is your core business?..... what we were using was something we called the three legged stool and that’s about having your artistic, your finance and your management elements in balance with one another. If one of the legs is out of kilter then the stool is unbalanced”. The effect of this is that every theatre must be examined in its own circumstances, “some will do it by smaller production sizes, and more co-productions. Some may reduce the number of productions in a year. It’s basically how the economics work at the same time as maintaining your artistic integrity... and some will choose not to do it because they can’t bear to lose the quality and the rest of it so they may choose to stick with a model that’s about their own productions and some co-productions and that’s fine if they can manage the artistic within the financial envelope.” Dawn also recognises the “complicated web” that exists around every theatre – the balance of the board, the main stake holders and of course the political environment, “we all know that arts funding through local authorities is discretionary and you’ve got constituents and councillors who are focused on social services, education, policing and other things ... seldom the arts.....” In particular whilst Arts Council funding of particular theatres has increased, she cannot cite any example where a local council have reduced their funding although some, including Leeds having been extremely supportive throughout the nineties, have stood still. With perhaps a nod to the future Dawn adds we now enter a period “where settlements are going to be very difficultmy sense is on a whole the local authorities do come in with us on the basis of partnership – in most cases they do recognise the economic impact, they also recognise the artistic benefit and we’re seeing that more in inclusion areas if you like.” All of this begs the question whether the Arts Council’s “National Policy for Theatre” has borne enough fruit to encourage local authorities to increase their contribution to theatres in the future.

Examining the finances of West Yorkshire Playhouse to-day there can be no doubt that the theatre has established a fragile stability under its current management. The chairman in 2006 is still Councillor Bernard Atha, having weathered many storms, battling for funding from the council throughout the 1990’s - he has been a Labour councillor for over 40 years . Atha has experienced both the highs and lows (about which he is uncannily forthright!) of the artistic output. Over seventy now he is

quietly and modestly proud of the theatre, particularly under the helmanship of Ian Brown who he rates at least as highly as a Chief Executive as a Director.

Interestingly Ian heads a flat structured management committee of 8, all of whom coincidentally are women, although central roles are played by Caroline Harrison (Finance Director) and Henrietta Duckworth (Producer) echoing Dawn Langley's image of the three legged stool. Within this structure there is certainly a balancing act between departments to take place when considering the deployment of resources. Ian has responsibility for over 150 full time staff, (and approximately a further 80 part time staff) including scenic and costume workshops, production and technical Departments, but excluding any full time actors, and with limited help on the Artistic side. There is a literary Manager, a Young People's Theatre Director and a creative Technology Associate Director. As occasional sponsors (ie:Provident Financial) prefer to specify exactly how their funds are applied, it remains important to keep the Artistic vision at the centre of activity.

Since the Theatre Review and its stabilisation, the West Yorkshire Playhouse has quietly re-orientated itself. In some respects it is a model for what a National Theatre of the North might be. Whereas under Jude Kelly, the theatre mounted 481 performances of its own twelve major productions and two co-productions a year and played host to seven subsidised touring theatre companies (in 98-99 Improbable, Cultural Industry, Out of Joint twice, Shared Experience and Northern BroadSides), in 2005/6 the number of in house performances has reduced by around 30%. The theatre gave 328 performances over 9 major in house productions with a variety of co-producers and sponsors sharing the original productions costs. In 1998 the only producing partner had been Cameron Mackintosh for "Martin Guerre".

In a vivid illustration of the Arts Council's strategy of creating new partnerships, West Yorkshire co-produced over the season 2005/6 "Hedda Gabler" with Liverpool Everyman and Playhouse, "The Wars of the Roses" with Northern BroadSides, it's Summer musical "Bad Girls" with a commercial management, and its Christmas show "Alice in Wonderland" with Birmingham Repertory Theatre. In return Leeds will host Birmingham's "Wizard of Oz" in 2006/7. In 1998 the Christmas show, "Martin Guerre" had become the Playhouse's longest running production playing to 68 %

capacity. In 2005/6 attendance “Alice in Wonderland” played for 89 performances to over 90% capacity, It’s predecessor in 2005 “The Lion the Witch and the Wardrobe” had broken all box office records grossing £954,000 of the theatre’s annual turnover of £5,755,555. The Christmas show had become the bedrock on which the financial stability of the theatre depended.

The cross fertilisation between the regional theatres is not only a method of sharing initial production costs, it is also a means of artistic fertilisation; it allows audiences in Leeds to get a flavour of the work of the other regional theatres as well artists the opportunity to experience a wider cross section of influence. Not only did the theatre work with other regional theatres, it also presented a wider cross section of subsidized touring companies than was previously the case. In 2005-6 West Yorkshire Playhouse played host to Asian Theatre School, Northern Ballet, Shared Experience, Mind the Gap, Ridiculmus, Wee Stories, Kneehigh (twice), Schtanhaus, the Positive Afro-Caribbean Festival, Liverpool Everyman, Northern Broadsides, En Masse, Blind Summit, the Eclipse production of “The Three Sisters “ co produced by Bristol Old Vic, Nottingham Playhouse and the New Wolsey, Ipswich In particular the diversity of the companies performing includes artistes across the cultural spectrum as well as a number of children’s companies. The West Yorkshire Playhouse presented a total of 577 performances in 98/99 and in 2005/6, 581 performances with a year end financial result showing a small surplus. By playing host to such a wide range of companies the theatre attracts “the widest possible” audience (Annual Report) and is frequently able to capture data to enhance its own marketing activities for in house work.

It is no surprise to discover that education and new writing play a major part in the life of the Playhouse. Ian Brown is not only an ex teacher, he was previously Artistic Director of Scotland’s pre-eminent theatre for new writing, the Traverse in Edinburgh. The education department has spawned a new Arts facility for disadvantaged young people First Floor, whilst the theatre’s festival of new plays, “Northern Exposure” produces 3 new plays by local writers each year. In addition now a third production, specially for very young children, runs each Christmas in the theatre’s main rehearsal room specially converted for 49 performances.

This massive amount of activity is a precarious financial balancing act. Whilst in 2003-4 the theatre broke even, it slipped slightly into deficit in 2004/5 (£80,000) before recovering in 2005/6. Whilst, most of the key management personnel have joined the theatre within the last 6 years and so are relatively fresh – including the core triumvirate, many of the staff, locally based, have worked at the Playhouse throughout the nineties, and a surprising number since the theatre’s opening in 1991. There has been a gradual transition towards different ways of doing things. As Ian Brown puts it, “Running a big theatre like this is a little like navigating an ocean liner... you have to ease it slowly, very gently, out of port.”(*20)

Whilst the scope of the operation is statistically impressive, the inherent danger is in the quality and impact of the theatre’s core activity; its main theatre productions. The Quarry Theatre has a huge stage to fill and 750 seats to sell every night. It is at its best with large scale spectacular shows incorporating impressive production values. Whilst the proliferation of touring productions are profitable, the ability or willingness of the theatre to take the risks involved in mounting productions with large sets and casts is in decline by necessity. Councillor Bernard Atha who has resolutely chaired the theatre’s Board since its inception sees his pre-retirement task to be protecting its financial future by the setting up of an endowment fund. With a target of £2m, being the sum required “sufficient to cover its overhead costs for a period of one year”(*21) The first stage of this is to be the erection of an apartment block over the theatre’s staff car park which will bring a capital sum of around 1 million pounds to the theatre at the Council’s bequest (since ultimately they own the land).

Bristol Old Vic

Whilst the objective of the West Yorkshire Playhouse as set out in its annual report is “to promote, maintain and advance the education of the public in the performing arts...through the provision of a theatre, the West Yorkshire Playhouse, and the presentation of public performances” the mission of the oldest established regional theatre in the country, the Bristol Old Vic leaves no doubt that in house producing is at the core of its activity “To produce year round seasons of high quality, exciting drama in the historic auditorium serviced by a fit-for-purpose 21st century facility”(*22). With a strong emphasis on educational work as part and at the heart of

the programme as well championing cultural diversity “ensuring that the aims of the whole company are geared towards the singular goal of achieving artistic policy”(*23). The Bristol Old Vic was actually bought by the government for the nation at the end of the second world war and was therefore the first Arts Council subsidized theatre.

The Bristol Old Vic was admitted to the Arts Council’s Stabilisation and Recovery programme, on acceptance of its business plan in September 2004. The theatre was stabilised with an additional grant of £349,878 in 2004 which continued in 2005 with a further £95,000. In total the amount committed by the Arts Council to the theatre was £514,000. Chaired by the ex Theatre Manager of the National Theatre at the Old Vic and ex Chief Executive of the Society of West End Theatres, Rupert Rhymes OBE, (he also chairs the Theatres Trust), the recovery has been undertaken by changing all aspects of the organisation. Prior to the arrival of David Farr and Simon Reade the theatre had been run by an Executive Director. On arrival at Bristol they protested to the Board that the Executive Director had Chief Executive powers, feeling it was totally inappropriate in modern British theatre.....”there was a fear that artistic directors were irresponsible people or the answer to all ills.” Eventually during the 2003/4 season the Board appointed the triumvirate of Artistic Directors David Farr and Simon Reade, together with Rebecca Morland as Administrative Director to lead the company. Soon new Finance and Marketing Department Heads were in place.

Six new directors joined the board of eleven in 2004 where “ a wide range of skills and experience are now represented” Unlike Leeds, there is little council representation although there is a Council appointed “Board Advisor”. Even the theatre, owned by the Nation still, is owned by a separate body, the Theatre Royal Trust. This separation of building and the artistic company protects both financially.

Whilst the mission, the board and management structure of the Bristol Old Vic are very different from West Yorkshire, the approach to programming has a few similarities. Following the Arts Council’s National Policy for Theatre, the theatre now co-produces with other regional theatres from time to time, as well as hosting a few

selected tours. Every May it presents “Mayfest” a festival of mainly physical and visual theatre. Companies who have performed at the Old Vic under this very new management include Salisbury Playhouse, Theatre Alibi, Kneehigh, the RNT (“Elmina’s Kitchen”), Shared Experience, Pickled Image, En Masse and, in the studio a host of locally based youth groups including major drama schools, led of course by the Bristol Old Vic Drama school.

An eye catching production of “Paradise Lost” by David Farr initially put the theatre back on the critical map again. This was followed in the next season by “The Odyssey” and an ambitious and artistically impressive production of Marlowe’s rarely performed “Tamburlaine” in co-operation with David Lan and the Young Vic which transferred successfully to the Barbican in London.

. For the first time in many years the box office income for the season 2004/5 was above target with the result that the company broke even. The theatre had mounted 7 main house productions, playing to 92,709 people. Over the two theatres there were 641 performances with 143,061 attendances. Alongside this it had delivered 471 sessions of participatory activity to 7,990 mainly young people. However with success, David Farr resigned to head the Lyric Hammersmith leaving Simon Reade and Rebecca Morland as co-directors

What is so interesting about Bristol Old Vic is the Artistic Director’s vision for his theatre. The figures support the idea that it is an artistic renaissance at the heart of Bristol’s new found success. Simon Reade, an ex Royal Shakespeare Company dramaturg, inherited the role of Artistic Director is in no doubt about the role of his theatre. He is particularly proud of the fact that over 50% of the theatre’s revenue comes from ticket sales.

He believes in the pre-eminence of the Artistic Director although with a marked preference for the idea of artistic teams running theatres - he cites the Citizens Glasgow with the actor/director Giles Havergall, designer/director Philip Prowse and playwright Robert David Macdonald or Jonathan Kent and Ian McDiarmid at the Almeida, so that a creative tension coupled with a set of shared values and beliefs can lie at the core of the theatre’s being. Simon does however readily admit that it works

having a Joint Chief Executive, one artistic and one administrative adding “how you lead an organisation has to be from the front.....now there is a whole generation of us who are financially savvy”.

He is clear about the pre-eminence of a truly *artistic* policy. “I try to take the big titles and put them on here but not in conventional orthodox productions. We also put on new work in terms of new versions, new adaptations of great myths, or great stories. We do a lot of family theatre. In the studio we do new plays *occasionally*. We do a lot of physical and visual theatre because Bristol in my view has more of a striving street theatre circus avant garde culture than in does in distinctive new writing.” As well as the main theatre we mount four productions a year in the studio theatre “Everything we put on in there (the studio) has to pay for itself. I don’t put any of our subsidy into above the line costs in the studio. What I am dead against is star casting. For me the play is the star and we try and work with actors and directors that I am excited by. In terms of nurturing peoples’ careers...I don’t really see that as a role. In terms of actors we offer 7,8,9,10 week contracts with a different cast for each show. We do 775 actor weeks. I don’t know we have 80, 90 actors a year. That is more than if you have a full time company of 25. You are giving more opportunities for people to dip in”.

Although he obviously accepts the need for co-productions from time to time, he does see disadvantages, “there is a homogenisation of theatre which means that whereas it used to be you would get a production in Birmingham and you would get a production in Leeds ...over 9 months you would get 9 productions all together, now you probably have got 2 or 3 of those productionsyou are therefore limiting the opportunities for people to work.” The idea that a subsidised theatre would put on a co-production with a commercial management horrifies him, “Recently I was offered a production. I liked the play and the creative team but they were not prepared to let us market it with national press and a huge build up etc., I was horrified to see another subsidised theatre doing this very project. They don’t give two hoots about the fact that they basically had a production shipped into them that they are totally paying for it. There has been artistic growth here...The theatre has been renewed, rejuvenated and moving, we hope one day towards efficiency”.

Simon's idea that the art is pre-eminent is by no means uncommon. It is shared by The Royal Exchange Theatre in Manchester, which just happens to be in the round rendering their productions difficult to tour or transfer. It was founded by a group of "like-minded" creative theatre practitioners and Braham Murray, whom Simon sees as an elder statesman amongst regional theatre directors, still holds true to this approach. As with Bristol there is a risk that the most talented directors may leave to further their careers in London – the most notable being Nicholas Hytner. Braham likens his view of the role of a regional theatre in any community to act, as the Ancient Greek theatre did, as an outlet reflecting and mirroring the concerns of its community at the particular moment in time.

Simon believes that the "Boydon report injected a lot of money into theatres around the country which made them attractive again to my generation of potential artistic directors. We had watched what Michael Grandage was doing at Sheffield, interestingly not as an artistic director but as an associate director, but somebody thought oh actually we can go out of London and it will be exciting. There is a new generation of creative talent who preferred to work in other media in the latter years of the nineties."

Whilst the early signs at Bristol are encouraging, the theatre has a long way to go. The theatre has a very "intellectual" middle class audience although 35% are under the age of 26. Although there is a relatively small ethnic community (8%), there are grave problems of social deprivation and integration facing the City. The council grant at £277,000 is the second lowest of the major regional theatres, and the old building is in urgent need of a second refurbishment – the seating is uncomfortable with 75 "very restricted view" view seats, no disabled access, and the sewage, electrics, heating and stage machinery are all in desperate need of renewal. A campaign is underway backed by the elite of the theatrical profession to raise the £4.8 million required to add to the £2 already committed by the Arts Council.

Nottingham Playhouse

Nottingham Playhouse is just completing the Arts council's three year stabilisation and recovery programme which it commenced with a three year plan in 2003. Now it

boldly announces its mission on the front page of its website “At Nottingham we make bold and thrilling theatre. It is world class, made in Nottingham and as diverse as our community”.

However, in 2001/2 its year end result had been a deficit of £418,455. The recovery process paid off an accumulated deficit of £305,291. By 2005 the theatre was able to show an operational surplus £224,872. The three year programme was more of an artistic and marketing evolution than the discreet policy evolution at West Yorkshire or the artistic and personnel revolution at Bristol . It’s starting point was a gradual and detailed analysis of the theatre’s weaknesses which involved both quantitative and qualitative (focus groups) market analysis so that “it is possible for Playhouse to balance its books without compromising its artistic ambitions”. It noted its outstanding artistic past but noting recent artistic achievements; 4 world premieres (including 2 pantomimes), seven theatre award nominations, representation of the UK at the European Theatre Convention with the Roundabout TIE production “The Night Maze”, and the first acclaimed Eclipse production, “Moon on a Rainbow Shawl”, mounting Roundabout Productions, and two pantomimes playing to 98% capacity. Furthermore the Arts Council Heritage Lottery had just granted the theatre £1.8 million towards renovating the theatre’s facilities

The three year plan sets out in detail how the Business and Artistic Model for the theatre must work in tandem and in particular how both sides of the equation must work together by analysing and setting out specific targets to achieve success . A target was set to increase audiences by bringing around 110,000 people to nine productions addressing the needs of many communities its serves and selling more seats, noting the local community is our major stakeholder, “this has not been a high enough priority in the past”. Artistically the theatre seeks maintain its artistic heritage and continually refine its artistic policy cultivating the leading talent of the future, continue increased level of in house productions, as well as its unique commitment to International Theatre through the theatre’s membership of the European Theatre Convention. It will maintain a firm commitment to commissioning and producing new work – the theatre had staged eleven world premieres and three British premieres on the main stage since 1999 and had commissions in development from Jonathan Holloway, Amanda Whittington and Roy Williams with plans to mount the next

Eclipse production. As well as an Othello directed by a black director, the theatre has a “trail blazing” commitment to cultural diversity and education work.

The Chief Executive is Stephanie Sirr who although she post dates Artistic Director Giles Croft’s arrival at the Playhouse, has developed a close working relationship with him. Since Nottingham had developed under previous Artistic Director, Martin Duncan, a strong European orientation as the only British member of the European Theater concentration she notes how most other members have “core” full time companies, and that “it’s limiting actually not having a core company” but “we have our people that work for us a lot but we don’t give them the benefit of a full time job”. Over there “the model is so different, the level of funding is so vastly different and with subscriptions they don’t have to do marketing the way we do marketing, but they are now having to look at marketing, so they are now coming to us. We want to do an exchange so they will send people over to us.”

Looking back she says of Nottingham, “One of the things that has happened here is to concentrate on core activities. What has happened is that a lot of people go chasing funding, and then making projects that weren’t part of the core activity, weren’t part of the main stage presence. It’s a big stage, a big auditorium and a major British Theatre. The main stage did not have enough investment but then you’re running drumming workshops or whatever.....so we changed the structure. More directors and a clear identity.” The theatre tries now to present 3 new plays a year, although some may be adaptations (less eclectic) apart from the pantomime with a distinct emphasis on classic Modern British post war theatre and a Shakespeare every 18 months. We’re doing “The Caretaker” which has a cast of 3. The trouble with Shakespeare is that it sells brilliantly but it costs an arm and a leg to do. There is no Shakespeare that you can do with fewer than 12 people really. You might get all the schools in but at reduced rates so you would expect to take about £85,000 at the Box Office but it will cost £120,000”.

With its specially written (by Kenneth Alan Taylor) home grown pantomimes as the financial hub of its season selling 97% of seats, and representing 51% of attendance to all Playhouse productions and so being the theatre’s second largest funder, the theatre decided to work hard to differentiate the quality of its own house work locally

branding its own in house productions “The Nottingham Playhouse Company”. Attendance overall averages 68% but Stephanie points out the disparity in this figure and the rest excluding the pantomime – 52%. Stephanie analyses in detail the audience and Box Office figures for every kind of genre as a tool for artistic planning. The theatre also mounts a distinctive children’s production on its mainstage every Summer, this year “Tracy Beaker gets Real” based on Jacqueline Wilson’s book to back up the work of its TIE company Roundabout, as well providing a touring vehicle and income generator.

It’s distinctive niche for presenting world class touring, with a focus on dance, continues for a limited number of weeks each year with such companies as Stephen Petronio, Grupo Corpo, Richard Alston, the RSC and the Young Vic under the careful watchful eye of both Giles Croft and Stephanie Sirr. There is a strong recognition in the value of touring out in house productions in financial and branding terms and this remains an important facet of the theatre’s activity.

Nottingham has analysed using MOSAIC software the profile of all those who book seats at the theatre; they undertook a pro-active campaign to increase the number of patrons, not only from the inner city but from the theatre’s wider reach, and at the same time increase the number of full price ticket buyers so that box office will no longer lag behind attendance figures as dramatically as it does (20%).

Focus groups were commissioned by the Arts Council and it became clear that improvements were required in all areas of the Playhouse’s work “Place”, “Product” and “Promotion”. A new restaurant complex was added and improvements made to the building, the output was improved by appointing an Associate Director as well as increasing Giles Croft’s number of productions and inviting talented and visionary directors to work at the theatre, Paulette Randall, David Farr, Josette Bushell Mingo, Andrew Breakwell, Marcus Romer, Nicholas Kent and Michael Buffong amongst others. Plans to lead bookers (especially for pantomime) as well as lapsed attenders to move on and try other productions were actively pursued and to try and inculcate trust in the brand within the increasing audience. A number of initiatives underlined this approach; free tickets to another performance if you didn’t enjoy one, improved distribution of publicity material both on the web and on the street, special audience

nights, and above all a commitment to put customer service at the centre of every member of staff members approach to the theatre's audience; improving telesales, ushers, off site selling, high quality catering, better sales points.

The theatre has changed its board structure. "Until 2005 it was a board of 24 members and they met every two months. The structure is that there are now eleven members and they meet every month. There is a development board of maybe 50 members and the trustees are part of the larger group as well and the idea is that you recruit from the larger board to the small group and it works fine you know. The larger board is mostly by recommendation, but clearly there is a shopping list of people of people you want at some point to become a trustee, or you want to have some kind of responsibility, but people who wouldn't have time to become a trustee so we keep on the larger board people like that. We try to represent the wider community on that board so we avoid the board being a lot of people who know each other. The fundamental requirement is that they are interested in theatre, You might have someone from education, someone with strong community ties, someone with legal ties. We have a financial person, someone who works in Human Resources, 2 council representatives from different counties. It's essential to have someone with a legal mind, an accountancy mind, people who understand how theatre works and how our money works. In an ideal world you would also have someone who works in theatre for a living but not necessarily an actor or director. We have no theatre practitioners. For the larger board we haven't yet identified all the people to go on it so at some point we might advertise. We don't necessarily want people with money on the board though because they can't actually sponsor us. If you are a proper trustee you shouldn't really sponsor. That thing about having someone rich on the board with a cheque book when things go wrong is a less easy way legally now than it used to be, but we do have people like that on the larger board."

Nottingham's recovery has mainly been as a result as a detailed refocusing of their vision rather than radical overhaul. Audiences for in house work have gradually improved from 88,210 in 2002 to 103,700 in 2006 (18%) whilst income has increased by 23% and now stands at over £1m. The number of actor hours the theatre utilised has increased from 450 (almost the equivalent of a full time company of 9) to 504

(nearly a full time company of 10) with an increase in average weekly salary from £300 in 2002 to £404 in 2006, and an increase in BECTU salaries by 27 %.

As the theatre reflects on its new found stability in the Summer of 2006 it is about to embark on its own newly created “3 year plan” to continue its progress through until 2009. “One of the problems I encountered here was there wasn’t any particularly good business management going on. One of the things going on was sponsorship would be drawn to the bottom line but the obligation to deliver deferred to the next year increasing that year’s costs. We could have tried to trade out of the deficit over about 4 years but it would have meant dramatically changing what we did and it would have been quite sad.”

The Theatre Royal, Plymouth

Although Nottingham City Council supports the Playhouse actively there is no direct linkage between its ownership of the Royal Centre, which includes the principal commercial touring theatre, the Theatre Royal and the Playhouse, unlike the approach of Plymouth City Council. The view and background of the Chief Executive of Plymouth Theatre Royal is in quite marked contrast to that of West Yorkshire, Bristol and Nottingham. Adrian Vinken inherited the role of Chief Executive of the 1300 seat largest regional subsidized producing theatre in Britain from Artistic Director Roger Redfarn, a specialist in musical theatre. It had a deficit of around a million pounds. Coming from the background of running Sheffield Leadmill, a popular Arts centre in Sheffield which happened also to be a thriving rock venue, Adrian has always understood that the blatantly commercial can subsidize the artistic and uncommercial. In the way that the profitable Sheffield Lyceum can subsidise its neighbour, the Crucible Theatre, the Theatre Royal acts as a Number One touring theatre with a difference. Not only does it play host to major touring productions; it celebrated its 21st birthday by opening a huge newly built rehearsal, workshop and education facility, TR2, in which to create them before sending them out on tour in turn bringing increased revenue to the Theatre Royal.

As he puts it, “We are the only number one auditorium between Bristol and New York. If we don’t programme a work then the South West doesn’t have access to it. The reach of the theatre is about 100 miles in either direction. In a good year one in

15 people living from Taunton to Penzance will come and see our pantomime, and that holds true for the big musicals. Last year we co-produced Miss Saigon with Cameron Mackintosh which ran for 5 ½ weeks. The level that we operate at necessitates the theatre fundamentally being driven very commercially. We've managed to achieve that by forming partnerships with established producers or with consortiums of other theatres. We started up "The Touring Partnership" which is a company made up of Number One receiving houses around the country. At the moment we are producing "Me and My Girl" and later in the year "White Christmas" ...that should be a European premiere and next year we could have a couple of world premieres. With drama we can only support just over a week's run in the main theatre hence the need to work with commercial producers or the consortiums because clearly you are not going to assemble a company of good actors if you are only going to get about 10 performances. We also programme the large lyric companies, Welsh National Opera, Glyndebourne, Ballet Rambert. The Theatre Royal is charged with delivering, before production costs, four or five hundred thousand pounds. But perhaps unlike Sheffield we've never seen the Theatre Royal purely as a cash cow. Last year we presented for the third time the Ninagawa Company from Japan – magnificent International Theatre but it cost us a six figure sum !"

So successful has his approach been that the Theatre Royal management also run on behalf of the council, Plymouth Pavilion, a concert and sports centre using the income to further cross fertilize the central Theatre Royal and its studio subsidiary, the Drum Theatre. The financial contribution from the Pavilion of around £200,000 almost covers the entire cost of the Drum Theatre's productions (around £240,000).

The Drum Theatre has an artistic director reporting to Adrian, Simon Stokes, who specialises in developing new writing. He had previously programmed the Bush Theatre in London and has over the last six years developed a reputation for the Drum as one of the leading new writing, new performance spaces in the country. As Vinken proudly emphasises, " We're up there with Hampstead, Bush, Traverse and Royal Court. We have been nominated for the last two years for the Peter Brook Empty Space Award. The quality of work is consistently wonderful. I mean, you know adventurous and challenging theatre." When I visited Plymouth the Drum had just completed a sold out run of "NHS – The Musical".

The Theatre Royal not only enjoys the highest attendance of all 51 English Regional Producing Theatres, it has the lowest subsidy per attendance operating with the highest earned income to subsidy ratio, with public funding from the Arts Council and local authority contributing between 18 and 20% of the annual income.

Despite the scale of this operation, the largest in the country with over 200 full time staff, many of whom service profitable commercial operations such as the cafes, bars and restaurant within the complex, and the fact that because the Box Office can often hold at any one time between £1 and £2 million in advance ticket income, the theatre sits on a financial precipice.

When Vinken arrived there was a deficit of around a million pounds. He undertook a lot of detailed analysis, business planning, changing both the management team and the culture, but points to deal-making as the single most decisive factor in the turnaround, which incidentally was effected before the Arts Council's stabilisation and Recovery plan existed. "Before when we co-produced musicals we ended up investing £60,000 for the privilege as well as building them and production managing them and so on. Now we provide the facility and the producer pays for the show – we need to earn about £28,000 to £30,000 a week from a big musical and around £10,000 from a play just to pay for our overhead".

In 2004/5, as in recent years the board has been forced to enter each year with deficit revenue budgets in order to maintain the company's educational and artistic policies. Fortunately in that year Miss Saigon performed better than expected and the year end result was a small surplus. When Vinken arrived at Plymouth one of his driving factors to create productions had been the shortage of available touring shows, but, as he puts it, this is an "opportunistic" approach to programming, dependant on projects and available partners.

The theatre can no longer increase prices, having done so three years in succession ahead of inflation. The global situation has increased the theatre's insurance bill by £115,000 per annum, the annual expenditure on gas and electricity has increased over the last 24 months by £212,000, the Treasury's increases in the minimum wage and the increase by 1% of the Employers National Insurance contribution, together with

the impact of the Theatre Review on pay settlements – after years the pay increases had to exceed RPI to “catch up” by between 2 and 3%. The theatre has also re-negotiated and increased retention margins in its dealings with visiting and co-producing managements. The impact of these cost drivers has severely eroded the actual value of annual local authority support to the Theatre Royal by over £390,000 per annum, leaving as the only available option left for the theatre a cut in its investment in core theatrical production and education. As Vinken puts it in pragmatic businesslike terms, “We sweat the asset we drive as commercially as we can.”

In particular, Adrian Vinken finds the structure of the Board anachronistic. Historically he notes that the council decision to build the theatre was marginal so local antagonism towards it existed from the start. As he puts it, “We have a board of 13 members, 6 of whom are nominees of the local authority, 7 of whom are chosen from the wider community. When I came there was a board of 17 and an executive committee of 16 so you couldn’t distinguish between the two. So early on we reduced the board to around 13 and the executive committee to 6/7 members who are there by virtue of the skill base they have; an accountant, a solicitor, a marketeer, a human resources expert, a successful local business man – all from the private sector”. He dismisses the role of the council representatives making a point of excluding, until recently Deputy Chairman, Ralph Morell, who, like Bernard Atha in Leeds played a crucial role in securing the original decision to build the theatre, but ironically, having lost his council seat, is no longer on the board.

Every year the council nominees would change and “we’d organise an induction day with presentations by the senior staff, tours of the theatre, the Pavilion, TR2, an examination of the management accounts and how they are modelled, our capital needs as well as our objectives and policies and the strategic issues facing the theatre . Speaking frankly, you could be talking to any group of muppets who really didn’t understand what the hell we’re talking about. It is the serendipity of local authorities, you know, somebody might fancy being a chair of a theatre company, so they get the chair of a theatre company.”

He describes a board meeting agenda: the Chief Executive’s Report, The Artistic Directors Report, and the Management Accounts. “ I bring attention to any issues of

policy or strategy and commitments such as refurbishment of the theatre or a big fundraising campaign. The Artistic Director then gives a report and there is a discussion of the work on stage...not I have to say a particularly informed discussion although we do have David Brierley who is very good news". Brierley was a long serving General Manager of the Royal Shakespeare Company, and as such is the only theatre professional and Art sector representative on the board.

So what does the future hold for this largest of regional producing theatres ? Despite a turnover of some £14 million (approximately £9 million from the Theatre and £5m from the Pavilion) , and around £2 million of public subsidy, it is the marginal £650,000 on the precipice which is now threatened by increased overhead costs, which is the budget responsible for fulfilling the theatre's mission to innovate, involve and educate. At risk are the Drum Theatre programme (£225,000), the Theatre Royal's non-commercial drama (£200,000) , artistic projects including commissioning and in house productions £84,700, and the education Department programme £143,000. It could be said it is a theatre on the edge despite the fact that the Board, of whom almost 50% are council members committed to a five year visionary plan in May 2005 which pledged that "all spaces, facilities and resources are made available to meet our aims and realise our vision".

Hulltruck

One theatre where local council support is forthcoming to the extent that builders are being appointed to build a brand new £14 million 444 seat theatre together with a 138 seat studio, state of the art production facilities, rehearsal rooms, an education centre and a café/bar, is Hulltruck. Financially robust Hulltruck is one of two theatres in the country which have been built around the work of a contemporary playwright, John Godber, although its output incorporates the work of a cross section of new playwrights together with some classics.

Joanne Gower, the Executive Director is in no doubt that the theatre would not exist without Godber's plays but Godber is not a full time employee. He is commissioned from time to time "in the normal way" to write plays, and is a member of the board of Directors. He is an ambassador, but the programme for each season is put together by

Gareth Tudor Price, the Artistic Director and is ultimately a consensus decision which can involve not only Joanne, but also the marketing director (!) and of course John Godber.

Hulltruck has transformed itself since 1999 when it had a total audience of around 28,000 over the season until 2004/when it had an audience of over 60,000 people which represented an average capacity of around 68% through its small but homely 292 seat Spring Street base which is actually a converted Methodist church hall. The theatre was originally set up by Mike Bradwell (who later went on to run the Bush Theatre in London) in 1971 as a touring company based in Hull primarily devoted to new writing. Developing new writing remains at the core of everything the theatre does. However, as Gower points out, “We are in the business of breaking down barriers to theatre, so introducing people to theatre that wouldn’t normally come along so we have a number of writers that work with us and we commission them to write pieces that we feel will reach out to people of the region – usually about issues that matter and have affected them.” The approach is unashamedly populist but with a serious heart.

Since Joanne Gower became executive director the theatre has turned a sizeable deficit of around £300,000 into a surplus of over £300,000 in 2004/5 with accumulated reserves from previous years of around £500,000. It has also established a unique brand through its continued touring, mainly of Godber’s plays, with the result that in both 2004 and 2005 it earned around £470,000 from touring as well as the Box Office income of around £330,000. With a grant of around £380,000 from the Arts Council and £286,000 from the City council and a total turnover of £1.6 million the theatre is on a smaller scale than any of the operations we have examined but it is nevertheless tightly and efficiently managed.

“Before I came here Hulltruck were producing 6 shows a year and achieving something like 45% because they were running for 6 weeks at a time. When I looked at the booking patterns everyone was coming in the last 2 weeks. Nobody was coming in the first 4 so we took a fairly radical and loony decision that we would produce more products and put them on for less time.” Hulltruck now mounts 12 productions a year for 3 ½ weeks each. In the 2004/5 season 6 were written or adapted by John

Godber including pre-tour revivals of “Teechers” and “Up’n Under” and 5 (not all by Godber) opened in Hull before touring. Other playwrights represented include Alison Watt, Amanda Whittington, Alan Plater, William Shakespeare, Gordon Steel, Nick Lane (both Christmas shows) and Martin McDonagh. It is a judicious balance of the familiar and the unfamiliar, but planned for small casts (up to 8 actors maximum) with an eye for future touring revenue as well as early booking, “Last year we commissioned Amanda Whittington to write “Ladies Day”. It did 85% business, received very good reviews which meant that in terms of packaging we could send that package out”. Joanne believes that the most useful marketing tool she has is word of mouth (“I am very confident in the product...we have got a brand and we have got a reputation and we do attract people” and believes that for a production to succeed the marketing task is to sell 200 seats for the first 5 performances and word of mouth will do the rest.

Critical to the theatre’s success is the personal chemistry which exists between the three principals. “I came here with no experience in theatre. My background is in personnel, finance and marketing. I only knew how a business worked, so I just thought, they have left me in charge so I will run it as a business. I was very unpopular but John gave me his support .You know we have had some fraught conversations, tears and tantrums and all the rest. I have gone home and thought I can’t possibly work with John or Gareth has driven me nuts. I am not a believer in putting on art for arts’s sake. I think if we are not speaking to the local community and the local community is not interested in what we are producing then why the hell are we doing it, because it is public money at the end of the day. You know John’s (Godber) passion is German Expressionism but if I put that on one there would be a big huge financial hole and John appreciates that, likewise Gareth. I never say to them we won’t do it, but I will say that will be difficult to sell. The bottom line for me is I am running a business and when we sit down and decide what the next twelve shows will be we look at what is going on in the world in the wider sense. We took the decision to do Julius Caesar when there was a lot of fighting in the Labour party.”

There are 16 people on the Hulltruck board, two of whom are councillors, one Labour and one Liberal Democrat, but both active and committed supporters of the theatre so that political change has little impact, but Joanne has worked hard at lobbying the

council, “I am a Hull girl, I was born and brought up in this area but I have lobbied hard for seven years. I am probably or at least have been at times one of the most unpopular people in the city.” The balance of the board are business people who have been nominated, but who are interviewed before appointment, and can serve a maximum of three terms of three years, “When I first came here we had a board that didn’t refresh and renew which was a bit of an issue because you never get things to change, things were always done the same way, which given we had a deficit.....” Then about three years ago I figured if we are going to put this new theatre up in terms of fundraising and lobbying I needed the great and the good to support us. So I invited anybody who is anybody in the city, either politically, or in business or financially and did a presentation. I begged for help and was staggered there was a queue of people waiting for me when I came out of the auditorium which was heart warming. Now I would like some young people on the board developing their knowledge not just about theatre but about business.” The Theatre has delegated responsibility to for the new building to a separate board, the Hulltruck Enterprises Board which consists mainly of experts - quantity surveyors, people from the construction industry, project managers etc., “I have had the right people there giving me their right level of support for free”.

So with £4m from the Arts Council Lottery Fund, £4 million from the City council and sizable sums from a commercial developer (£1.6m), the local regeneration agency (£1.9m) and the European Regional Development Fund (£1.9m) as well as a public fundraising campaign building is about to commence on Britain’s newest purpose built professional theatre. “It is a lot to take on and it has been tough. I have been to hell and back several times. It is the hardest job I have ever had in my life but it matters such a lot to me not to fail.”

Conclusions

There are no easy solutions to any of the questions posed at the beginning of this short series of examples demonstrating the different approaches five theatres have taken to find a sense of stability in the toughened climate of restricted arts funding, beyond a sense of commercial and artistic pragmatism to suit their own particular

circumstances. Underlying each is the quest to find the three legged chemistry between the artistic, the executive and the financial which is largely the function, not only of the board appointed senior executives, but of the trustees as well. For now the theatres we looked at have found a balance which suits each environment, but there is no plan going forward to help them when times toughen again, as they will. They are all driven by capable ambitious realistic and inspirational leaders who clearly try their hardest in difficult circumstances. In this sense our theatres are in very good hands. However, whilst productive professional theatres have in common strong inspirational managers and teamwork at their core, the role of the boards and their composition vary in every case.

Generally, as companies limited by guarantee with charitable status, the boards are relatively unaccountable to anyone but constrained under the law. Unlike private companies there is no legal requirement to hold annual shareholders or even stakeholders meetings. Charitable law whilst conferring tax exemptions also confers restrictions on non charitable trading. At the same time trustees are, as company directors, protected by limited liability so evading any real financial responsibility for their actions. One councillor in Leeds explained to me that he felt his main role was to ensure the theatre did not run up any future deficits which would require increased funding from the City Council.

This focuses us on the question of how the wider public and our local authorities value our theatres. There remains an element of serendipity around the question of how trustees become elected or co-opted because the system/tradition for each theatre is different with representation ranging from council nomination to being a “friend of a friend”. The main duty of each board is to appoint the senior executive and senior artistic staff, to keep the theatre true to its mission and to operate within its financial and legal framework. . The question of whether an Artistic Director or an Administrator should lead a theatre should by now be almost an irrelevance. The team should work together creatively and seamlessly. Seniority can only be an issue when they have a serious issue and then it must affect both roles. There will always be failures in this complex creative process and business. Simon Reade’s bold vision may not be the solution for Bristol Old Vic, or he may experience a significant failure within his season which the rest of the planning cannot mitigate, despite the finest and

most detailed management. It is intrinsic to the process of backing talented individuals to create.

The problem is that ending the recovery programme at the Arts Council is withdrawing the fourth leg of the table which you may need to prop it up from time to time. And where do you go from here if Bristol's revitalisation of Bristol Old Vic does not turn out to be its new dawn? The Arts Council operates an assessment system whereby each theatre is assessed on all aspects of its work annually, but it has no legal power to intervene beyond the ultimate and devastating sanction of grant withdrawal. This combination of factors has contributed to a "boom and bust" reliance on individual leaders or artists such as Adrian Vinken or John Godber who often move on without any real clear succession plan or even balanced management model. Theatre boards inevitably contain some committed and inspirational individuals but equally they may be unwieldy and unbalanced in the levels of experience, commitment and training, although they may be expert politicians, lawyers, accountants or whatever. As the level of Arts Council funding stabilises, the need for a theatre board to inspire trust in its local community and so attract more funding and support is greater than ever.

To most professional Arts leaders this is obvious and strenuous efforts are being made to find new approaches to financial sustainability in the cultural sector by such organisations as Arts and Business, the Jerwood Charity, the National Council for Voluntary Organisations and the even the government with its informative website www.governancehub.co.uk. The N.C.V.O. has developed a code of governance for the not for profit sector, "Good Governance, A Code for the Voluntary and Community Sector" which makes valuable suggestions about how boards are composed and how they are accountable, whilst the "Mission Money and Models" symposium will shortly organise a roadshow for trustees and senior managers in non profit and cultural organisations noting in a recent paper there "has been no real strategic investment in the development of governance of the charitable arts and cultural sector"(*24). MMM plan to interrogate three main areas; Artistic Risk, Business Model, and the relationship between board members and the executive.

As Richard Pulford of the TMA commented “Money doesn’t make a theatre good or make a good theatre company. It just makes it a richer one”. Pulford has sat on a number of boards and believes theatre needs to improve the marketability of the remarkability of the live experience with theatre working at the cutting edge of technology. Boards must set exacting standards and be prepared to demand them.

From our snapshots of five theatres despite the fact that the composition of the boards across all five theatres varied considerably a pattern of usefulness may perhaps be drawn: most executives find board members with a background in theatre administration a useful board qualification giving much needed overview of the theatre’s achievement - such men as Rupert Rhymes in Bristol and David Brierley in Plymouth. Professional skills in law, accountancy, human resources, and (say) marketing along with a few senior local businessmen should be added to a non partisan and not overburdening political representation. This political representation should be restricted to those who are enthusiastic advocates for the theatre and prepared to battle for, and deliver, additional funding. By having representatives from the major political parties it should avoid continuous change and conflict and so serve the theatre (as in Hull). The idea of re-generation by re-elections to a board every three years with a maximum number of terms allows for change, although it must be admitted there is probably a role for the long-staying trustee who having played a crucial role in the theatre’s existence may continue to purposefully exert influence on behalf of the theatre (ie: Ralph Morell in Plymouth and Bernard Atha in Leeds). There is merit in some form of public accountability with local advertising for board members, as in Hull and Nottingham –the idea of the main board being restricted in size gives it practical value to the management team whilst a system of advertising, invitation and initiation which involves a larger body as now exists in Nottingham, is a way of really involving a broader mix from the community and potentially a wider mix of expertise attracting those with less available time, as well as financial contributors. It also really centres the theatre in its community, and allows future board members to be drawn from it. Above all theatre trustees are there to serve the theatre so they should have an abiding love and passion to act as its ambassadors in the community.

Richard Pulford, the Secretary General of the TMA is in no doubt that trustees must be able to voice the unpalatable: they should not be “nice” people but fully prepared to criticize the artistic and executive work of the management team but from a constructive understanding of the problems. They may not be the final arbiter of theatrical taste, but they should nevertheless be prepared to discuss quality on stage. Whilst theatres are entering a tough period for funding, boards will be looking to local councils whose contributions have fallen behind those of the Arts Council in recent years. It is all the more important for theatres to be pro-actively visible locally. Experienced senior Executives such as Adrian Vinken are able to manipulate the decisions of the board, and indeed over time its make up, valuing the role to be played by a series of professional advisors, but with a rather contemptuous attitude to some of the local politicians who may be on the board for reasons of prestige. Clearly local politicians have a stake to play in local theatres, but perhaps the make up should be avowedly non partisan and above all, as regional theatres enter another period of restricted Arts Council funding increases, trustees from local Councils will have to act more assertively in obtaining increases in local theatre grants. Although some councils contribute more than others few have responded to the Theatre Review in reaching any kind of funding parity with the Arts Council.

The theatre review undoubtedly gave British regional theatre a real a sense of confidence and allowed it to modernise its approach at the turn of the century. It has a renewed sense of vibrancy with many new and enriching partnerships with a healthy concentration on new work and diversity, but as grants stand still both from the Arts Council and local authorities, it’s future is once again undermined and in the hands of a myriad assortment of different board structures across the nation.

