

FEES AND CHARGES REPORT

APPENDIX 14 – TRINITY ARTS CENTRE (TAC)

1. Service Description

Trinity Arts Centre (TAC) is operated by West Lindsey District Council and is widely used by local and touring professional companies who stage shows at the centre. Alongside this, the venue maintains an active and full roster of community group activities across its secondary spaces and the main auditorium doubles up as a one screen cinema when not in use as a live entertainment space.

The venue is acutely managed and staffed by a small team of industry professionals who in recent years have increased the programme on offer, reduced annual subsidies and transitioned the venue to a more commercially viable operation whilst maintaining strong community links.

2. Prior years analysis, current financial year projections

Historically cinema has offered TAC the most cost effective and simple of operations. Post pandemic, cinema operations have been further streamlined to make the best use of staff time and skills.

There was no film income in 2020/2021 and 2021/2022. Film showing started again on the 29th of April 2022.

Cinema has been affected globally with attendance down by 41% compared to pre-pandemic levels. Industry discussions have cited streaming platforms and a lack of decent blockbuster releases being a primary contributor. Cinema attendance at TAC has been variable with hits like Downton Abbey and Top Gun attracting audiences of approximately 40% capacity whilst other releases have attracted capacities of 20% – 0%.

There was a national campaign to improve cinema attendance in 2022 with a campaign for £3.50 tickets with a noticeable increase in up-take across the UK.

Cinema income

Year	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 forecast
Cinema Income	£37,375	£34,038	£34,510	£0	£0	£8,000

During the pandemic, TAC room hire grew exponentially with almost all days being hired by one group or another. Over the last year, the number of regular hires has reduced slightly for a variety of reasons:

- **Fame Academy:** Business closed because of the pandemic.
- **Tsunami AllStars:** Business relocated to a larger venue to meet their growing student demand and the need for specialist gym style studio space.
- **High Fives Creche:** Business closed due to the lack of custom.
- **ALIVE Church:** Group have purchased their own venue in town where they will run their adult education classes. They will remain hiring TAC for their Sunday services.
- **CLIP:** Business has closed and taken over by ACIS.

Current hirers remaining include **Rhythm in Movement**, **DuckEgg Youth Theatre** and the **Arts Society** have confirmed their commitment but are borderline with hire fees as they are at the top of their threshold.

The closure of another venue in town has seen an increase in hire requests, but nothing coming to fruition with the groups citing the cost of hiring being a barrier due to the low customer base they are currently dealing with.

Year	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 forecast
Room Hire Income	£13,256	£10,125	£3,913	£4,175	£21,400	£19,000

3. Pricing

Demand

Below is a table comparing the Box Office forecast income for 2023/2024 to 2032/2033 against the budget agreed in the MTFP approved in March 2022.

The assumption is that fees and charges will increase by 2.5% year on year.

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Events forecast	139,900	143,400	147,000	150,700	154,500	158,400	162,400	166,500	170,700	175,000
Box office takings	135,800	135,800	135,800	135,800	135,800	135,800	135,800	135,800	135,800	135,800
	4,100	7,600	11,200	14,900	18,700	22,600	26,600	30,700	34,900	39,200

We are expecting venue hire demand to remain unpredictable as the lasting effects of the pandemic and the new cost of living crisis takes hold. Our hiring groups rely on having a strong customer base which we are aware presently is on a fine threshold with little room for movement. A slight drop in custom or increase in expenditure could make or break groups in the current climate.

Below is a table comparing the room hire forecast income from 2023/2024 to 2032/2033 against the budget agreed in the MTFP approved in March 2021. The assumption is that fees and charges will increase by 2.5% year on year.

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Hire of room forecast	18,100	18,600	19,100	19,600	20,100	20,600	21,100	21,600	22,100	22,700
MTFP Hire of rooms	21,000	21,500	22,000	22,600	22,600	22,600	22,600	22,600	22,600	22,600
	- 2,900	- 2,900	- 2,900	- 3,000	- 2,500	- 2,000	- 1,500	- 1,000	- 500	100

4. Understanding Customers and Markets

With the advent of a new cinema being built in the centre of town, TAC's focus is on establishing itself with a high-quality live programme.

The market is variable and unpredictable and for TAC to be successful, the centre will require a degree of flexibility to meet the demands of the market and compete with its competitors.

5. Proposed Charges

All fees included in the fees and charges schedule have been frozen, to remain competitive and increase customer base.

All other fees & charges generated by the centre are Price on Application (POA) to assist officers in developing a price range, based on the individual requirements and specifications of the customer.

6. Impact on Medium Term Financial Plan (MTFP)

	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)
Current Budget in MTFP	(21,000)	(21,500)	(22,000)	(22,600)	(22,600)
Venue Hire - Performance	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Proposed Budget - Venue Hire Studio	(17,000)	(17,000)	(17,500)	(18,000)	(18,600)
Impact on MTFP 2023/24 Pressure/ (Saving)	-	500	500	600	-

7. Recommendation

Members are asked to approve charges for the 2023/2024 financial year as detailed in the schedule below.

Prosperous Communities Committee

Trinity Arts Centre

2022/23	Proposed Increase / (Decrease)		2023/24	VAT Amount	2023/24 Charge Inc. VAT	VAT Rate
	% Type	or £				
£			£	£	£	

Theatre (rehearsal) (Mon-Thurs)	per hour	£58.50	0.0%	£0.00	£58.50	£0.00	£58.50	X
Theatre (rehearsal) (Mon-Thurs)	per half day	£192.50	0.0%	£0.00	£192.50	£0.00	£192.50	X
Theatre (rehearsal) (Mon-Thurs)	per full day	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	X
Theatre (rehearsal) (Fri-Sun)	per hour	£58.50	0.0%	£0.00	£58.50	£0.00	£58.50	X
Theatre (rehearsal) (Fri-Sun)	per half day	£231.00	0.0%	£0.00	£231.00	£0.00	£231.00	X
Theatre (rehearsal) (Fri-Sun)	per full day	£363.50	0.0%	£0.00	£363.50	£0.00	£363.50	X
Theatre (performance) (Mon-Thurs)	per hour	£69.50	0.0%	£0.00	£69.50	£0.00	£69.50	X
Theatre (performance) (Mon-Thurs)	per half day	£246.00	0.0%	£0.00	£246.00	£0.00	£246.00	X
Theatre (performance) (Mon-Thurs)	per full day	£401.50	0.0%	£0.00	£401.50	£0.00	£401.50	X
Theatre (performance) (Fri-Sun)	per hour	£69.50	0.0%	£0.00	£69.50	£0.00	£69.50	X
Theatre (performance) (Fri-Sun)	per half day	£294.50	0.0%	£0.00	£294.50	£0.00	£294.50	X
Theatre (performance) (Fri-Sun)	per full day	£481.50	0.0%	£0.00	£481.50	£0.00	£481.50	X
Room hire(Mon-Sat) (educational/charity)	per hour	£14.50	0.0%	£0.00	£14.50	£0.00	£14.50	X
Room hire(Mon-Sat)	per hour	£21.50	0.0%	£0.00	£21.50	£0.00	£21.50	X
Room hire(Mon-Sat)	per half day	£72.00	0.0%	£0.00	£72.00	£0.00	£72.00	X
Room Hire (Mon-Sat)	per full day	£126.50	0.0%	£0.00	£126.50	£0.00	£126.50	X
Thomas Johnson Room (Mon-Sat) (educational/charity)	per hour	£8.50	0.0%	£0.00	£8.50	£0.00	£8.50	X
Thomas Johnson Room(Mon-Sat)	per hour	£12.50	0.0%	£0.00	£12.50	£0.00	£12.50	X
Thomas Johnson Room(Mon-Sat)	per half day	£55.00	0.0%	£0.00	£55.00	£0.00	£55.00	X
Thomas Johnson Room(Mon-Sat)	per full day	£65.00	0.0%	£0.00	£65.00	£0.00	£65.00	X
Duty Manager/Technician	per hour	£14.00	0.0%	£0.00	£14.00	£0.00	£14.00	X
Booking Fee (face to face / phone)		£1.00	0.0%	£0.00	£1.00	£0.00	£1.00	X
Ticket insurance per ticket	£2 incl VAT							S
Film showings - adult		£5.42	0.0%	£0.00	£5.42	£1.08	£6.50	S
Film showings - concessionary *		£4.59	0.0%	£0.00	£4.59	£0.92	£5.51	S
Film showings - TAC member	10% discount on eligible tickets							S

Box office commission for community production hire agreements is 10%

Box office commission for professional production hire agreements is 15%

* concessionary prices eligibility are school children, those on income support, senior citizens, students, those on disability allowance, Military id card and Blue light card