

FEES AND CHARGES REPORT

TRINITY ARTS CENTRE SERVICES

1. Service description

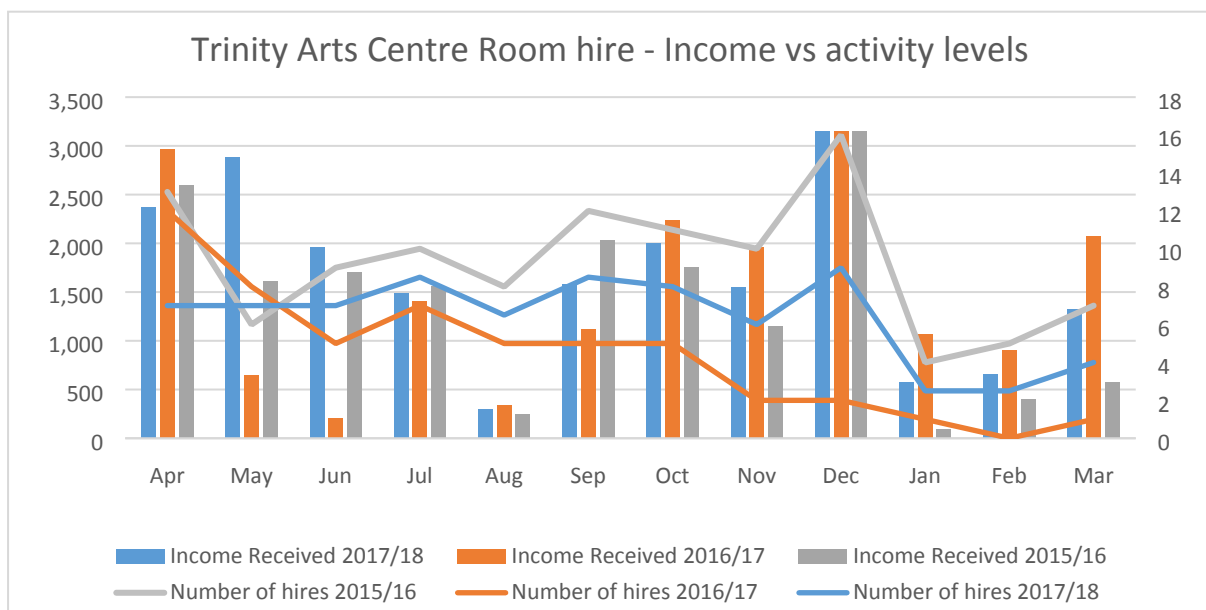
Since the introduction of a new model of operation in 2011 the offer and financial performance of Trinity Arts Centre has continued to grow. The Centre now operates on a commercial basis which has delivered growth in income and controlled costs.

The artistic programme is booked on a commercial basis and acts and films are secured to ensure the best return possible. All performances are monitored to ensure they positively contribute to the bottom line and loss making performances are removed from the programme. Profitability of the programme has been increased by the introduction of a hire package for touring shows and concentration on a split percentage of takings. Previous to 2011 the booking policy for shows was to offer visiting companies a guaranteed fee for performing. In some, if not most, cases the ticket sales generated were less than the guaranteed fee resulting in the performance running at a loss.

The only area of the business which is affected by fees and charges are room hires within the building. This is a very small area of the business and having these included within the fees and charges is restrictive. It would be ideal if room and auditorium hires could be booked on a booking by booking basis to ensure a financial return. For example the current set charges take no account of whether additional staffing is required or whether the Centre is open. Flexibility would allow a greater financial return for the arts centre and would allow this to be balanced with the current staffing structure.

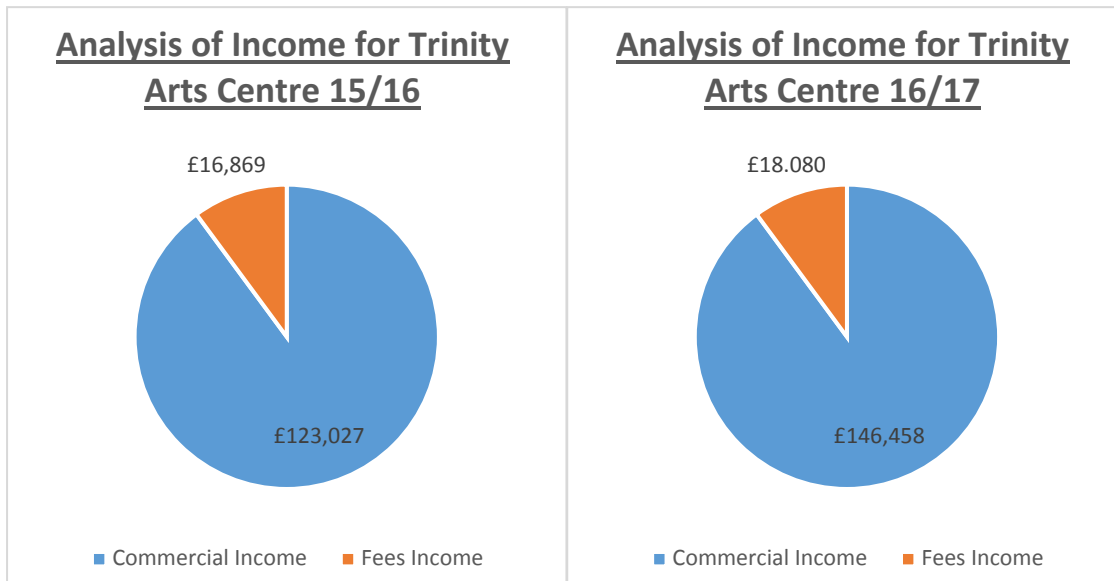
2. Prior years analysis, current financial years projections

Please note that figures for 2017/18 are the predicted out turn



3. Pricing

The fees and charges income element makes up a very small portion of the overall income taken at Trinity Arts Centre. The following charts for the last 2 years illustrates this:



It is therefore proposed to remove the room hire from the fees and charges review and make it a price on application process as there are a variety of different customers and the Trinity Arts Centre Manager makes commercial decisions on the fee to charge based on the customer. Hourly rates for staff have been established by Finance to ensure that costs are recovered.

4. Understanding Customers and Markets

Whilst the income from the programme has grown the income from hires has reduced. At the height of the recession many companies would bring a show to Trinity on a hire basis as this was the only way they could get into theatres. However, over the recent year the trend has been more towards a split of the takings. This still represents good value for Trinity Arts Centre with limited financial risk.

Customers have responded well to the increased offer at Trinity Arts Centre and positive feedback has been received regarding the programme. This has had a significant impact on income during recent years.

5. Proposed Charges

It is proposed that Trinity room hire fees and charges are removed from the fees and charges process and provided on application.

6. Recommendation

Members are asked to approve the removal of the room hire fees and charges from the fees and charges schedule. Fees will be price on application as decided by the Trinity Arts Centre Manager as detailed within the report.