

**9 March 2020**

**Gala Theatre Overview**

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**Joint Report of John Hewitt, Corporate Director of Resources and  
Geoff Paul, Interim Corporate Director of Regeneration and Local  
Services**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 To provide members of the Environment and Sustainable Communities Overview and Scrutiny Committee with background information relating to a presentation providing a follow up review of the Gala Theatre. The presentation will be provided by Helen Ross, Strategic Manager Culture.

**Executive summary**

- 2 At the scrutiny meeting on 8<sup>th</sup> March 2019, members of the Environment and Sustainable Communities Overview and Scrutiny Committee requested a review presentation by Gala Theatre a year after attendance at the 2019 scrutiny meeting.
- 3 The Gala Theatre was opened in 2000, as a purpose built 500 seat theatre that also includes a two screen cinema, café and meeting areas. In 2009, following local government reorganisation Durham County Council took over control of the Gala Theatre.
- 4 This report gives a general overview of the Gala Theatre that covers:
  - Programme and content;
  - Performance and impact;
  - Current pressures; and
  - Future approach and direction.

## Recommendations

- 5 Members of the Environment and Sustainable Communities Overview and Scrutiny Committee are requested to receive this report and consider and comment on the presentation.

## Background

- 6 The Gala Theatre was opened in 2000, as a purpose built 500 seat theatre that also includes a two-screen cinema, café and meeting areas. In 2009, following local government reorganisation Durham County Council took over control of the Gala Theatre.
- 7 Programme and content: The Theatre delivers a broad programme which includes comedy, music, performance, dance, opera, film, spoken word and more. The programme is curated to be a mix of both artistically challenging and commercially viable content, seeking to draw a wide audience in to the venue.
- 8 On this basis The Gala's delivery is a mix of:
  - Presented Work - the best touring work in: comedy, theatre, music, dance, spoken word, live screenings, opera, film and more.
  - Produced Work - theatre productions created at Gala.
  - Hires - community groups, schools and local amateur societies, who use the venue to present their own events.
- 9 Performance and impact: In 2018/19 the Gala staged 458 live events, presented 1,985 cinema screenings and sold 187,721 tickets. In 18/19 this was achieved based on an expenditure of £1,576,278 and an income of £1,618,671
- 10 Current Pressures:
  - Audience trends: UK Theatre's regional theatre data suggests a continuing decline in theatre attendance. Whilst Gala theatre sales have remain relatively strong against this trend for a number of years, a decline in audience is observable and demonstrated in reduced revenue.
  - Emerging competition: 2019 saw the opening of the new Odeon cinema in Durham City. Cinema forms a central plank in both the theatre's public offer and its financing and we have seen a considerable impact on this during the year. A reduced

ticket price brought in to remain competitive (Odeon Groupon ticket price of £5) has seen us maintain 75% of our audience, but with significantly reduced income. The new Everyman cinema will further compound this issue and a watching brief across cinema delivery is in place.

- Rising cost base: Whilst budgets continue to be reduced in times of austerity there are a number of significant costs associated with running the theatre that have risen significantly in recent years such as programme fees, pay awards, utilities and external contracts.
- As the Gala facilitates more events and festivals in support of the broader DCC offer, usually through the provision of space, revenue generating programme can often be impacted.

#### 11 Future Approach and Direction:

- From an operational perspective, in 2019/20 expenditure has been well managed and we anticipate an expenditure level of no more than 18/19. Income (although impacted by reduced cinema income) we anticipate to increase from 18/19 by a margin of £50-80k predicted. This stabilisation provides a foundation from which new developments can be rolled out.
- Pre and post show emails are now sent to all online customers and are an opportunity to review audience feedback and preferences across service delivery and programme. This data is providing us the opportunity to gather better quality audience data, to inform our future plans, support programme development, retain loyalty, reduced lapsed attenders, increase frequency of attendance and understand how our audience likes to be communicated with.
- The 'Gala Productions' (home produced theatre) will continue to be developed facilitating not only a stronger artistic programme capable of external support but allowing income to be maximised by not sharing income with agents and promoters. The potential in this area for co-producing, fundraising and collaboration with other theatres; thereby, sharing the risk, resource and reward, will also continue to be explored.
- A new EPOS (electronic point of sale) system has been deployed at Gala. Despite initial technical teething problems, it will allow for better stock control and management, analysis of audience preferences against show types, real time analysis of income to allow staff mobility during shifts and a new app will allow purchase of catering/bar items prior to attendance and whilst at seat in the venue.

- A programme review is being carried out by our new Gala Programmer to refresh our offer, including potential to host non-seated events (which increase capacity from 500 to approaching 1000).
- The introduction of new cinema facilities in the city has demand we maintain a watching brief regarding our delivery at Gala. We are exploring a number of opportunities with partners on this front to ensure that the facility remains sustainable in the longer term.

## Conclusion

12 The report and presentation provide an overview of the Gala Theatre.

## Background papers

None

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## **Appendix 1: Implications**

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### **Legal Implications**

None, this report is for information only

### **Finance**

Not applicable

### **Consultation**

Not applicable

### **Equality and Diversity / Public Sector Equality Duty**

Not applicable

### **Human Rights**

Not applicable

### **Crime and Disorder**

Not applicable

### **Staffing**

Not applicable

### **Accommodation**

Not applicable

### **Risk**

Not applicable

### **Procurement**

Not applicable