



An Grianán Theatre

Business Plan

2008 – 2012

*“Once you stand still, you’re going backwards”*

*Sean McCormack, Chairman*

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## 1. Introduction and Executive Summary

### 1.1 Introduction

*“Venues provide a solid infrastructure of critical importance for the arts nationally. As focal points for arts activities, they help communities to develop a voice and they provide opportunities for investment in the creative energies and skills of future generations.” – Arts Council*

An Grianán opened in 1999 and is now firmly established as an integral part of Donegal and Ireland’s cultural landscape. The company has worked tirelessly to build and maintain a reputation for artistic excellence and accessibility, providing a year-round programme of drama, dance, music, comedy and exhibitions.

### 1.2 Key Achievements

As the theatre approaches its **tenth anniversary**, the Board, staff, founding partners and supporters can reflect with pride on many great achievements:

- Three quarters of a million people have visited An Grianán since it opened, drawn from throughout the County and beyond.
- It is the only established producing theatre company in the North West region and a key player on the national touring circuit.
- The theatre has retained a loyal annual audience of over 40,000 in the face of increased competition for arts audiences within the wider region.
- It is widely regarded as an excellent resource for the local community, which has had a major impact at a social, cultural and economic level.
- It is viewed by peers and funders as a very successful model of good practice in terms of programme, professionalism, marketing and branding and customer service.

### 1.3 Financial Performance

The theatre's turn-over has grown to €■■■■■ of which over ■■■% is earned through ticket sales, rentals, merchandising, touring guarantees and sponsorship. Careful financial management has resulted in break-even annual budgets in recent years despite the many risks and uncertainties, which prevail in the sector. The main source of grant funding remains the FAS Community Employment Scheme, which contributed ■■■% of income in 2007. FAS clearly values the opportunities which An Grianán has to offer its learners and is pleased at the high level of progression which has been achieved over the years through this effective working partnership. Other key funding partners are Donegal County Council (■■■% of total income), Letterkenny District Council (■■■%) and the Arts Council (■■■%).

### 1.4 The Way Forward

*"Once you stand still, you're going backwards" - Sean McCormack, Chairman*

An Grianán's Board and staff are keen to set new goals and take on new challenges to ensure that the theatre's impact within the community continues to grow in the years ahead. They are determined not to become complacent. The purpose of this business plan is to consider current issues and to identify new ambitions and targets within a strategic plan of management for the future development of the theatre. Consultation with key stakeholders within the planning process has helped An Grianán to identify priority objectives, which will build on progress and achievements to date:

- Build on the company's successful track record as the only professional producing theatre company in the North West region, incorporating a stronger element of art form development and practice within the programme and increasing the involvement of professional artists and other creative partners.
- Grow and diversify audiences for the theatre's programme of activities including a special series of events to celebrate the theatre's tenth anniversary in October 2009. Also to increase the theatre's impact and nurture a greater sense of ownership throughout the whole County.
- Donegal is recognised as one of the most deprived areas in the country and An Grianan has a vital role to play in creating and delivering programmes which enable

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young people and disadvantaged groups and communities to develop new skills and increase self-esteem through participation in the performing arts.

## **1.5 Strategic Issues**

The greatest threat to An Grianán's ambitions, output and impact is the current economic climate and funding environment. Levels of grant support for the theatre have been at standstill for several years, which has put substantial pressure on its resources. Growth in the region's cultural infrastructure has, inevitably, created additional need and demand for revenue funding. But public funding for the arts has not increased, resulting in detrimental competition amongst key arts providers for a share of limited resources. Wider economic pressures have started to take their toll and the theatre's fuel prices have escalated. Increased competition for audiences in the region takes place against a backdrop of recession and reduced spending power which presents even greater challenges in terms of audience development and sustainability. The small core team of full-time professionals at An Grianan is stretched to capacity on planning and delivery of the current programme combined with training responsibilities inherent in developing the skills of fifteen FAS learners. There appears to be little scope to introduce and sustain additional activity within the current resource package.

## **1.6 Conclusion**

There is clearly huge potential for An Grianán to grow and flourish - to grasp new creative opportunities, to engage with new audiences, and to raise the profile of Donegal's vibrant cultural life on a national and international level. But the theatre currently lacks the necessary resources to support further artistic and operational growth. Achieving the exciting new objectives and increased outputs identified in the business plan will require careful strategic investment of additional human and financial resources. An Grianán has to increase and diversify grant funding and other income streams and will need the support of new and existing partners to achieve this.

## 2. Mission and Objectives

*“To be a centre of artistic excellence at the heart of the community.”*

- To provide access to the best local, national, and international drama, music, dance and comedy for the people of Letterkenny and its environs.
- To nurture artistic skills and creativity within the community by providing a programme of professionally-led classes and workshops.
- To create and tour high quality, professional theatre productions in order to reach new audiences and provide employment for artists.
- To develop younger and more diverse audiences for the arts through a programme of educational initiatives for schools and community groups.
- To provide a valuable resource for the community in terms of the building and its staff.
- To offer training and skills development opportunities for those seeking a career in the professional arts.

There are four main strands of activity through which An Grianan fulfils its mission and objectives:

- Year-round programme of high quality arts events across the art-forms.
- Education and training activities to encourage community participation in the arts.
- Creating, staging and touring professional theatre productions.
- Targeted audience development initiatives.

The core values which inform all aspects of An Grianán’s work are: creativity; best practice; partnership; communication; accessibility; accountability; and equality of opportunity.

### 3. Management and Governance

#### 3.1 Board of Management

The Board of Management is chaired by Sean McCormack and includes a wide range of arts and cultural expertise and cross-party political representation.

<b>Name</b>	<b>Occupation</b>	<b>Nominating Organisation</b>
<b>Kate Bond</b>	Head of Corporate Promotion & Development, University of Ulster	Arts Council
<b>Cllr Jean Crossan</b>	Elected Representative Fianna Fáil (Retired Teacher)	Letterkenny Town Council
<b>Phil Dalton</b>	Senior Teacher – Secondary Level (Drama, English and PE)	North West Theatre Project
<b>Cllr Dessie Larkin</b>	Elected Representative Fianna Fáil	Letterkenny Town Council
<b>Anne Mc Gowan</b>	Senior Teacher - Primary Vice Principal – Scoil Cholmille	Donegal CC.Culture Comm
<b>Sean McCormack (Chair)</b>	Retired Accountant	Donegal County Manager
<b>Terry McEniff</b>	Entrepreneur – Owner Mount Errigal Hotel, Letterkenny	Donegal County Council
<b>Bernard McGlinchey</b>	Retired Business Man and County Councillor	Donegal County Council
<b>Pluincead O Fearraigh</b>	Senior Teacher – Principal Dromore National School	North West Theatre Project
<b>Aideen Doherty</b>	Community Development Worker With Donegal C.C – Arts Background	Donegal County Manager
<b>Peter Coyle</b>	Entrepreneur – Property Investments And Publican	Arts Council
<b>Frances Friel</b>	Assistant Town Clerk Letterkenny Town Council	Secretary

### 3.2 Staffing

An Grianán's achievements would not have been possible without the hard work, enthusiasm and dedication of the theatre's staff, and it is important to note the very significant contribution played by the FAS Community Employment Scheme in this regard. An Grianán opened its doors in 1999 with just four full-time core staff, led by Director Patricia McBride. There has been a small increase in the number of staff to facilitate growth in activity levels and the theatre now employs seven full time staff plus three part time core staff. In addition there are sixteen FAS funded posts (fifteen part time plus one full time Supervisor) deployed across front of house, technical, box office and cleaning duties. The additional members of core staff have all progressed through the FAS Scheme. The current staffing structure of An Grianán is detailed at 3.5 below.

### 3.3 FAS

The theatre's continued involvement with the FAS project is essential to An Grianán's overall viability. There are sixteen FAS funded posts (fifteen part time plus one full time Supervisor) deployed across front of house, technical, box office and cleaning duties. Grant aid from FAS provides approximately █% of the theatre's income making it An Grianán's largest funding partner. Thankfully, concerns raised in the 2004 Business Plan about a possible reduction in FAS support did not materialise. This is, in no small measure, due to the successful partnership that has evolved between the two organisations. An Grianán has a very high progression rate through the scheme and is viewed by FAS as a role model in this regard.

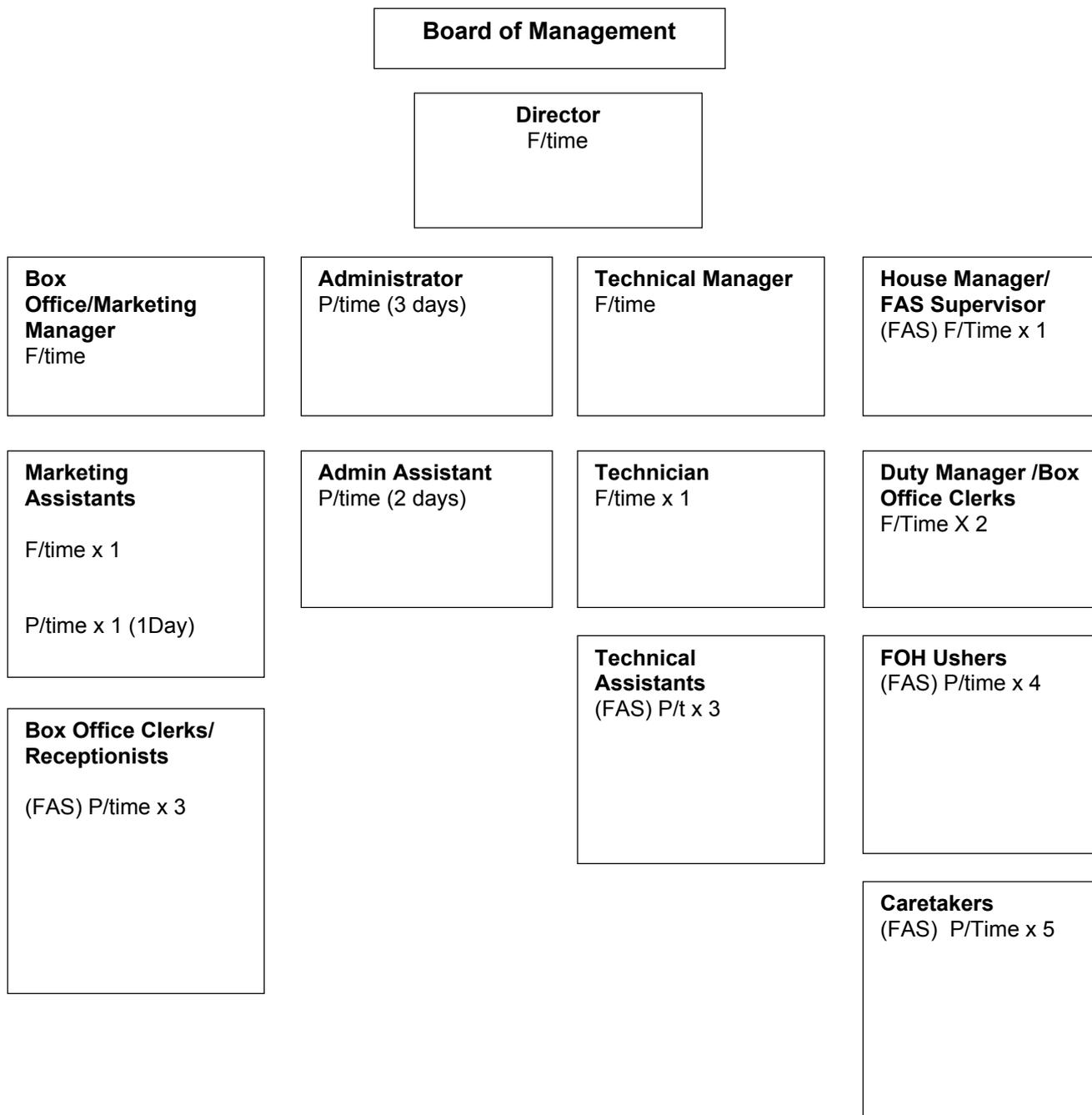
*"FAS have been working with An Grianán Theatre for the last nine years. FAS are happy to work in partnership with An Grianán to help learners gain skills and knowledge that have helped them progress to employment and further education. This has been demonstrated year after year with a high level of learner progression. FAS value the opportunities that An Grianán Theatre has to offer the learner."*

Michael Ferry, An Grianán Theatre, FAS Senior Development Officer

### 3.4 Bar and Cafe

An Grianán's bar and cafe facilities are staffed by the franchisee, Noel Jordan.

### 3.5 Staffing Structure



#### **4. Key Achievements 2004 - 2007**

There is consensus amongst stake-holders that An Grianán is a very successful operational model. Key achievements in recent years are:

##### **Artistic Development**

- \_ Provision of a balanced and diverse year-round arts programme which continues to maintain a high standard of artistic integrity. Over 40,000 people enjoyed performance events at An Grianan in 2007 with many more daytime visitors attending launches and exhibitions and enjoying the theatre's cafe bar facilities.
- \_ Continuing commitment to art form development and creative partnership by producing and touring professional theatre productions. An Grianán Productions in this period included Brian Friel's 'Making History' (2007) in association with Ouroboros and "Lonesome West" by Martin McDonagh in co production with The Lyric Theatre, Belfast (2005).
- \_ Successful new writing commissions including Joe Brennan's 'The Witchin' Well', which has completed two tours in Ireland and was performed by invitation in the Romanian International Theatre Festival for Children in Oct 2006 at the Ion Creanga Theatre in Bucharest, and Little John Nee's adaptation of 'Jack and the Beanstalk' which transferred successfully to the Civic Theatre, Tallaght.
- \_ Proactively working in partnership with other arts organisations including Donegal County Council's Arts Service, the Regional Cultural Centre, Letterkenny Institute of Technology (LYIT), Earagail Arts Festival, the Lyric Theatre Belfast and Donegal Music Education Partnership.

##### **Marketing and Audience Development**

- \_ Maintenance of a loyal audience base within an increasingly competitive local environment, which, in the last eight years, has seen new venues open in Omagh, Strabane, Derry and Ballybofey.
- \_ Quality customer service provision.

- \_ Successful re-branding exercise which won a European Design Award for best corporate logo. Carton LeVert Design and Communication, a design studio based in Rathmullan, Co Donegal, designed the logo. A jury of Europe's top design critics and journalists selected the studio's 'variable' logo design for An Grianán from a pool of work by some of Europe's best designers.
- \_ Development of the theatre's website and introduction of online ticketing. The online ticketing facility has also been made available as a service to third parties.
- \_ Improvements to exterior signage with the introduction of a high profile, kerbside digital display sign. This allows the theatre to promote up to date information on the theatre's events and activities to commuters and passers by.
- \_ Re-launch of and increased participation in the theatre's Friends Scheme, which currently has 23 Business members and 96 individual members.
- \_ Major capital works programme to create a second exit from the main auditorium and thereby ease congestion for patrons.
- \_ A redesign of the orchestra pit which retain the pit but allows seating for an addition 38 when pit not in use. Increases seating from 345 to 383.
- \_ Improved comfort and convenience for patrons with disabilities through the addition of extra seating in the main auditorium, installation of platform lift to foyer's upper level and improvements to Induction Loop system in auditorium and addition of Induction Loop to Box Office/Reception area, plus addition of a push pad release button for the front doors.
- \_ Installation throughout the building of new highly visual signage incorporating Braille print, which is more suitable for people with disabilities,

### **Education and Community Participation**

- \_ Inaugural community theatre initiative – The O'Neill Project – the first major community play organised by An Grianán, in partnership with the Earagail Festival. 19 local participants benefited from intensive skills training and development under the guidance of professional theatre practitioners.

- \_ High progression rate through the FAS scheme. An Grianán is viewed as a role model in this regard. Increased support from FAS based on continued success in delivering key outputs.
  
- \_ Development of Letterkenny Youth Theatre for students 14 plus.

### **Staffing and Financial Management**

- \_ Increased levels of financial support in 2005 from key funding partners the Arts Council, Letterkenny District Council and Donegal County Council.
  
- \_ Maintaining annual growth in key earned income streams including box office and rental income.
  
- \_ Success in accessing project and capital grants from European Programmes, with the assistance of Donegal County Council and other arts partners.
  
- \_ Achieving annual break-even position on operational accounts.
  
- \_ Significant improvements in terms and conditions for employees including salary review and introduction of pension scheme. This has undoubtedly contributed to the strong staff loyalty and good retention levels, which An Grianán enjoys.

## **5. Context**

### **5.1 Socio Demographic Profile**

Donegal is predominantly a rural county with only a few towns with a population in excess of 3,000. The population for the entire county is just under 150,000. Donegal contains the largest Gaeltacht area in Ireland, occupying almost a third of the County itself, and hosts a substantial island population. It has been identified as one of the most deprived areas in Ireland and is reported to have the third highest rate in the country of second level students leaving school early without completing Leaving Cert. Transport is a major issue for this predominantly rural county which has no rail service. The nearest rail stations are Derry and Sligo and the regional airport is located in Carrickfinn. Around 93% of the county borders Northern Ireland. Letterkenny is the largest town with a population 27,015 (2002 census). It has been designated as a Gateway in the National Spatial Strategy and is, therefore, of national significance in relation to achieving future economic growth.

### **5.2 Arts Infrastructure**

Donegal's arts infrastructure has experienced a transformational period of growth over the last decade. The County Council's Arts Service, An Grianán, the Earagail Festival, Letterkenny Arts Centre's development into the new Regional Cultural Centre and the thriving voluntary arts community are just some of the key players who have shaped the busy and vibrant arts scene currently enjoyed by locals and visitors alike. An Grianán, Donegal's first purpose-built professional theatre, opened in 1999 and was a welcome addition to the existing network of community-based performance venues including the Abbey Centre in Ballyshannon and The Balor in Ballybofey. The physical landscape continues to evolve with recent developments including the Regional Cultural Centre, a new purpose-built arts centre in Letterkenny, and a new home for The Balor Theatre in Ballybofey. The County Council and Arts Council are also supporting the development of an extension to poet Cathal O'Searcaigh's residence, which will house residencies and other literary events.

The wider arts infrastructure has changed dramatically since An Grianán opened in 1999 and venue provision in the North West region continues to evolve and expand. This changing environment has to be a key factor in the theatre's strategic and business

planning, particularly with regard to audience development and target marketing. A brief chronology of infrastructure development is detailed below:

- 1999 – **An Grianán** opens in Letterkenny.
- 2001 – Expansion of facilities at **Abbey Centre**, Ballyshannon.
- 2001 – **Millennium Forum Theatre** opens in Derry - a large-scale theatre and conference centre.
- 2007 – **The Alley Arts Centre** opens in Strabane - a purpose-built arts centre with a 270-seat theatre, visual art gallery, sound recording studio and workshop rooms. It also houses the Strabane Tourist Information Centre.
- 2007 – **Strule Arts Centre** opens in Omagh - a purpose-built arts centre incorporating a 398 seat auditorium, 125 seat studio theatre and conference room, dance studio, recording studio, print workshop, ceramics workshop, photographic studio, rehearsal rooms, exhibition space and Tourist Information Centre alongside a bar and cafe bar.
- 2007 – **Regional Cultural Centre** opens in Letterkenny providing a new purpose-built home for the Letterkenny Arts Centre with a Studio Theatre, gallery space and workshops.
- 2008 – New purpose-built home for the **Balor Theatre** in Ballybofey providing flexible performance and workshop spaces.

### 5.3 Policy and Funding

#### 5.3.1 Donegal County Council

The Council has a statutory duty to develop the County's cultural life in partnership with a range of other public and community agencies. It was one of the first local authorities to employ an Arts Officer (from 1988) and initiate its own Local Arts Promotion Service and has played a pivotal role ever since. The Council's arts service has expanded significantly over the last two decades and the impact of its direct intervention in this time has been enormous. It has been a key driver behind most of the major developments within the cultural infrastructure over the last decade and continues to roll out a programme of improvements and expansion. The Council's own arts service currently incorporates two County Arts Officers and two Public Art Officers. It also owns and manages the new Regional Cultural Centre, which currently employs seven core staff (Director, Asst Director, Education & Outreach, General Manager, Admin/Marketing, Digital Media Manager, Technical Manager).

### 5.3.2 The County Donegal Development Plan (2006-2012)

The Council seeks to enrich the lives of its people by developing the Arts to a standard which meets the public's needs, by developing a suitable arts infrastructure, by developing a County wide service and also by working in partnership with community and statutory groups and individuals. Its primary aim is to create a greater awareness of the Arts throughout the County and encourage greater public participation throughout all age groups in the Arts sector, by promoting and supporting the work of those engaged in the Arts, both Artists and Arts Organisations, in order to promote both traditional and contemporary Arts, in order to develop international audiences for Donegal artists, and arts projects, and support multi-cultural initiatives. Specific targets identified in the Plan include; the development of the County Arts Service in conjunction with other agencies, by developing structures for arts provision at a local level, the touring arts programme, arts grants and bursaries, arts infrastructure, the public art programme and arts festivals; further development of the Regional Cultural Centre as a regionally significant artistic and cultural resource.

### 5.3.3 Letterkenny Town Council

Letterkenny Town Council co-funds a number of cultural amenities including An Grianán, the Regional Cultural Centre and the County Museum. A number of tourism-orientated events are project funded from within the Council's Development Initiative such as the Pan Celtic Festival and once off events like the Rock and Roll Festival and the Comedy Festival.

### 5.3.4 Arts Council

The Arts Council's Strategic Plan, *Partnership for the Arts*, outlines the Council's goals and priorities over the five-year period 2006 - 2010. Key goals identified are to:

- \_ Affirm and promote the value of the arts in society.
- \_ Assist artists in realising their artistic ambitions.
- \_ Make it possible for people to extend and enhance their experiences of the arts.
- \_ Strengthen arts organisations countrywide so as to secure the basis of a vibrant and stable arts community.

The Plan is accompanied by an action plan for the three-year period 2006-2008, which outlines a programme of work across 23 policy areas. The strategy and goals will be delivered through 10 programmes which include new funding mechanisms and direct development initiatives. There are a range of policy areas for art form, for organisations (including venues and festivals) and for cross-art form practice areas: arts and disability; arts and health; arts in schools; international arts; local arts; arts participation; public art; young people, children and the arts.

The Arts Council's policy statement for venues states:

**“Venues provide a solid infrastructure of critical importance for the arts nationally. As focal points for arts activities, they help communities to develop a voice and they provide opportunities for investment in the creative energies and skills of future generations”**

The Council sees its role as an accessible development agency and partner, ensuring that:

**“There is a network of well-designed, well-maintained, well-managed and sustainable arts venues across the country capable of providing a wide-ranging and varied programme of high-quality arts activities.”**

The intention is to introduce direct initiatives in policy areas on a phased basis. Initiatives detailed in the 'Venues' Policy include:

- \_ Acknowledge the contribution of venues to art form development, and find ways of evaluating their work, which is relevant to art form practice.
- \_ Actively encourage organisations to collaborate, co-produce and produce.
- \_ Provide for audiences' needs by introducing an effective touring policy.
- \_ Encourage best practice in relation to participatory and education policies.
- \_ Develop a new and comprehensive policy on building for the arts that prioritises the development of art form-focused buildings that embrace studio, artist-led developments and exceptional art form spaces (across art forms), and promote partnership approaches to the development of these buildings that respond to artists' needs in local areas.

### **5.3.5 Cultural Tourism**

Cultural Tourism is a key industry in County Donegal with its unique culture focusing on language, arts and heritage. Well-established craft centres, a thriving traditional music scene, wide range of community festivals, major events, and Gaeltacht culture are all part

of this mix. The Republic of Ireland attracted 7.4 million overseas visitors in 2006, a 10% increase on the previous year and largely driven by increases in the market area of Mainland Europe, and this made a very substantial contribution to the economy. The 'Island of Unique Character and Characters' has been endorsed by key agencies as the new expression for the Island of Ireland Brand. Leading development agency Tourism Ireland has also identified 'Sightseers and Culture Seekers' as the main consumer segment that will deliver sustained revenue and visitor growth for the tourism industry and aims to focus on this segment over the next three years. This target group tends to spend more than the average visitor, is more likely to stay in paid accommodation, and enjoys visiting multiple areas across the island. Great Britain, Mainland Europe and North America are some of the main potential growth areas. Great Britain continues to represent Ireland's largest source market. Dublin, the South West and Northern Ireland were the most popular destinations in 2006 and the North West had the smallest percentage share of overseas visitors. Summer season continues to be the most attractive time for most holidaymakers to Ireland, although reports for 2006 note an extension of the season from May to August. British holidaymakers are more likely to travel during the off-peak season (September – April). Visiting places of historical and cultural interest remains the most popular activity.

### **5.3.6 Wider Economy**

Economic forecasts predict that the rate of growth in Ireland will fall sharply in 2008, mainly as a result of lower investment spending and more moderate private consumption growth. GDP growth is expected to return to trend of around 3.5% by 2011-12. Reports detail that a large and growing risk to this central forecast comes from high and still-rising levels of household debt and overvalued property prices. Predictions are that prices are set to fall further and, should the decline be significant, it could drag the economy into recession. A recent review in *The Economist* reports that the economy is weakening more rapidly than expected, with consumer and investment spending weakening sharply in the first quarter of 2008 – “Ireland’s rate of consumer price inflation, according to the HICP measure, picked up in the early months of 2008, reaching 3.7% in March before easing back to 3.3% in April. Recent increases were driven largely by global trends (particularly food and energy prices)”.

## 6. Strategic Goals 2008 - 2012

**Taking full account of internal and external stakeholder contributions, the following key ambitions have been identified for the company for the period 2008 - 2012:**

- **Artistic Programme**

To incorporate a stronger element of risk and innovation within the programme in relation to art form development and practice, facilitated by increased involvement of professional artists and other creative partners.

- **Audiences**

To grow and diversify audiences and participants for the theatre's programme of activities including increased impact and a greater sense of ownership throughout the County.

- **Creative Learning**

To establish An Grianán as a model of good practice in the planning and delivery of a year-round programme of education and outreach activities which enable young people and disadvantaged groups and communities to participate in the performing arts.

- **Finance**

To diversify and increase income streams in order to facilitate creative, physical and operational growth and development at An Grianán.

## 7. Strategic Issues

Research and consultation has identified a range of barriers and challenges which could impact on the theatre's ability to achieve its goals and ambitions:

- **Public Funding.** Recent growth in the region's arts infrastructure has inevitably created additional need and demand for project and revenue funding. If public funding for the arts does not increase in line with sectoral growth, there will be detrimental competition amongst key arts providers for inadequate resources. Without appropriate levels of subvention, arts organisations cannot achieve their full potential. Outputs and impact will be adversely affected and there will be limited scope for diverse and innovative arts programming.
- **Wider Economic Pressures.** An Grianán has had to deal with significant and unexpected increases in oil and fuel costs. A recession in the wider economy is predicted and the arts sector is likely to be a casualty. Most of the theatre's grant aid has been at standstill in recent years which places even more pressure on the theatre's finances.
- **Planning Horizon.** Most arts revenue funding is administered to clients within a twelve-month planning cycle. This makes it difficult for organisations to devise long-term programme and operational plans, which are essential to healthy growth and sustainability.
- **Reliance on FAS.** FAS is An Grianán's largest funding partner. As things currently stand, An Grianán's future would be in serious jeopardy without FAS input. It is unusual for an arts organisation to be reliant on non-arts funding for survival and clearly there is a significant element of risk attached to this.
- **Programme options.** Ongoing difficulty in accessing product as urban-based companies, which are willing to tour, are often unable, for logistical and financial reasons, to commit to split-week touring to venues far removed from their home base. Additional costs associated with attracting high quality arts events to the area. Increased competition from new venues for product. Seasonal variance in touring patterns affects choice.
- **Art form Development.** Creating and touring theatre productions involves a significant degree of financial risk. An Grianán's ambition is to develop and tour theatre productions. It has demonstrated great success in this regard and there is clearly a gap in provision in the

North West region. However, the theatre does not have sufficient arts subsidy to allow it to fully exploit this opportunity. There are also additional costs associated with attracting high quality visiting arts events to the area.

- **Staff Workload.** The existing team is working to full capacity on planning, promotion and delivery of the current programme combined with training responsibilities inherent in FAS participation. There appears to be little scope to introduce and sustain additional activity within the current structure.
- **Physical Environment.** An Grianán has a good auditorium and backstage facilities but there are no additional spaces, such as studio, rehearsal room or workshops, in which to house ancillary activities.
- **Market Share.** An Grianán faces increased competition for audiences from new arts venues in the wider region. Current global economic pressures are also having a demonstrable impact on spending capacity and arts audiences could be affected. This will present even greater challenges in terms of audience development and sustainability.

## **8. Art form Development and Practice**

### **8.1 Current Baseline**

An Grianán provides local and visiting audiences with the opportunity to enjoy many of Ireland's leading professional theatre companies. The theatre's primary focus is the presentation and development of drama, but its diverse twelve-month programme encompasses a wide range of other art forms including dance, opera, traditional and classical music, comedy, musical theatre and visual art. Visiting companies in the last two years have included Druid, Rough Magic, Ballet Ireland, Cois Ceim, Cork Opera House, Second Age, and the Abbey Theatre.

As well as providing access to high quality professional arts, An Grianán also provides an important platform for showcasing the talents of local youth and amateur companies. In 2007 these included Letterkenny Pantomime Society, Donegal Drama Circle, Letterkenny Musical Society, The Lifford Players, Letterkenny Music & Drama Group and the Letterkenny Caledonia Pipe Band. Two thirds (66.6%) of An Grianán's 2007 programme was made up of theatre performances. The remainder combined comedy, music, dance and variety. Of the theatre performances, 59% were professional productions and 41% were amateur/voluntary. Around two thirds (63.8%) of the total programme showcased professional arts and one third amateur/voluntary arts.

With ongoing difficulties in sourcing high quality touring product, An Grianán has always shown great enterprise, spirit and creativity in staging and touring its own professional theatre productions. It is distinctive amongst regional venues for its ambition and successful output in this area and many benefits have accrued as a result. An extensive portfolio of productions to date includes *Oiche Ghealrai* by Cathal O Searcaigh, *Translations*, *Dancing At Lughnasa* and *Making History* by Brian Friel, *Big Maggie* by JB Keane, *The Witchin Well* by Joe Brennan as well as numerous family friendly Christmas shows including *Alice*, *Red Riding Hood*, *Hansel and Grettel* and *Pinocchio* by Paul Boyd and *Jack and The Beanstalk* adapted by Little John Nee.

### **8.2 Ambition - To incorporate a stronger element of risk and innovation within the programme in relation to artform development and practice, facilitated by increased input from professional artists and other creative partners.**

An Grianán's Board and staff endeavour to maintain a high level of artistic integrity in the programme, but there are many influencing factors which have to be taken into account. In attempting to achieve financial viability, a careful balance has to be maintained between commercial and artistically challenging work. Taking account of track record and changes in the external environment, it is felt that An Grianán has probably reached a plateau in terms of the number of performances that can be sustained within the main programme. The challenge now is to monitor and review the content and balance and proactively generate more activities linked to art form development and practice.

### **8.2.1 An Grianán Productions**

The Board, staff and other key stakeholders are justifiably proud of the theatre's success in creating its own professional productions. Building on this commitment and track record is crucial to arts development in the region, particularly given the absence of any other established professional theatre company in Donegal and the wider North West region (the Arts Council of Northern Ireland reports just one established community theatre company, Sole Purpose Productions, in the Derry region). Producing 'In House' shows brings many benefits including:

- Employment for Irish artists, including actors, directors, and designers.
- Development and showcasing of local creative talent.
- Increased profile for the theatre at a local and national level.
- New audiences at home and on tour.

Key development agencies and funding partners, including Donegal County Council, are keen to see An Grianán continue to produce and tour. The challenge for all concerned is to find a way for An Grianán to fully develop this mandate whilst minimising the financial risk to the theatre and easing the additional pressure which production places on the core team. An Grianán is perceived, in the main, as a 'presenting' venue and figures suggest that it is funded accordingly. It needs adequate levels of subsidy to allow it to fulfil its potential as a producing company for the region and deliver the associated social, cultural and economic benefits.

### **8.2.2 Artists**

In supporting art form development and practice, An Grianán wants to explore ways in which professional artists can more fully engage with the company's planning and delivery.

Nurturing the longer-term involvement of professional artists, ideally theatre practitioners, will contribute greatly to An Grianán's creative development. Professional artists will also gain personally and professionally from the association. Most importantly, it will clearly reinforce the company's ethos and identity as an artist-led company with art form and artist development at its core and not simply a 'presenting' venue. The strategy for developing cultural tourism promotes "character and characters" as an expression of Ireland's unique brand. A stronger association between An Grianán and local cultural figures will also help to support audience development aspirations.

### **8.2.3 Creative Partnerships**

An Grianán has been proactive in developing partnerships with like-minded arts organisations resulting in a diverse range of co-productions and other joint initiatives. Creative partnerships enable the theatre to share resources, expertise and creative energy in order to achieve its goals and increase its outputs. Forging partnerships is increasingly important within the current funding climate where artistic ambitions might otherwise be curtailed through lack of resources. An Grianán will continue to identify and nurture creative partnerships on a local, cross-border, national and international basis and explore any funding avenues that might open up as a result of such co-operation.

### **8.2.4 Gaeltacht**

Donegal contains the largest Gaeltacht area in Ireland, occupying almost a third of the County itself. An Grianán has already produced and toured an Irish language production, *Oiche Ghealaj*, and is keen to explore other initiatives which will help to provide access to the arts for Irish speakers.

### **8.2.5 Artform Development and Practice - Specific Goals for 2008 - 2012**

- Set annual production targets and related outputs against current baseline including practitioner employment.
- Consider options for practitioner representation on the Board.
- Consider options for appointing one or more professional theatre practitioners as Associate Artists. Associates could act in an advisory capacity, serve as ambassadors for the company, or become involved in project delivery in a paid capacity. Continuity is a key factor to take into consideration.

- Consider options for appointing an Honorary Patron who has links with the local area, a high profile nationally/internationally and a reputation for significant artistic achievement.
- Consider potential partners for delivery of programme and projects.
- Lobby funding agencies for increased subsidy to support artform development and practice at An Grianán. Lobbying efforts will highlight An Grianán's track record including qualitative and quantitative outputs to date and the theatres social, cultural and economic impact within the North West region.
- Consider potential for delivering a regular drama class in a Gaeltacht town.

## **9. Audiences**

### **9.1 Current Baseline**

An Grianán's ongoing success in developing and maintaining audiences is evidence of an effective programming and marketing mix, and testimony to the huge appetite for theatre and the arts within the region. An Grianán has consistently achieved strong overall results at box office and sustained a loyal customer base. Annual attendance at events in the auditorium has remained steady in recent years at just over 40,000. An Grianán's touring productions also generate significant additional audiences, over 10,000 in 2007. Many more visitors participate in a busy programme of exhibitions, workshops, launches and conferences and enjoy visits to the coffee shop and bar facilities. Taking all this into account, the total number of beneficiaries of An Grianán's facilities and services in 2007 was 77,000.

An Grianán currently holds a database of 23,500 customers and has made regular improvements in its data capture. Direct mail of season brochures is targeted to 11,500 customers in Ireland - 87% in Donegal, 10% in Northern Ireland, and 3% in other Counties.

The most up-to-date analysis of An Grianán's audience and ticket sales can be found in "Theatre Forum's Benchmarking Report" by Heather Maitland. The report analyses information from 35 participating performing arts venues. It notes that the average frequency of attendance by ticket buyers is lower than at similar organisations in the UK so there is clearly potential for increasing frequency at all the participating organisations.

An Grianán's annual ticket sales remain above average and it was not alone in experiencing a slight reduction in overall sales which fell from 65% in 2006 to 57% in 2007. The average for the period fell from 60% to 54% (from 58% to 53% in venues under 500 seats). An Grianán enjoys a higher than average core audience with 13% of ticket buyers purchasing for six or more events in one year (compared to the average of 6% across all organisations). The 24% of new attendees recorded at An Grianán in 2007 is below the 37% average recorded for similar-sized venues. The number of lapsed ticket buyers (those who bought tickets in 2006 but did not purchase in 2007) has improved but remains high across the survey and the report notes that retention of An Grianán's lapsed ticket buyers would have earned an additional 58,075 in 2007. An Grianán has improved the overall percentage of tickets sold at full price and is just slightly below the average. Its average ticket yield of 15.87euros is slightly above the 14.59euro average for venues under 500 seats.

There is an increasing amount of information being gathered on discount types, which helps to analyse the type of audiences who are attending the theatre. An Grianán's figures note 11% of total tickets sold are to under 18s, 4% to schools and other groups, 4% to students and 5% to senior citizens. An Grianán sold 7% of tickets online in 2007 which is below the average of 11% for venues under 500 seats. The report notes that 'factors driving high online sales seem to be a high demand for tickets or difficulty of using other booking methods and less of a sense of relationship between organisation and customers'. Online ticket buyers are significantly more likely to be new customers. Some venues don't charge a booking fee online and this may be a contributing factor in greater uptake of online facilities.

## **9.2 Ambition - Increase and diversify audiences for the theatre's programme of activities and generate a greater sense of ownership throughout the County.**

A significant increase in venue provision in the North West over the last decade has resulted in greater choice and better access for arts patrons in the region. New theatres and arts centres have opened in Derry, Strabane and Omagh and improvements have been made to venue provision in Ballyshannon and Ballybofey. Inevitably this has, and will continue to have, an impact on An Grianán's programme and audiences. Performers and shows are touring to the new venues and this has stymied An Grianán's attempts to grow markets across the border. The relatively small population base in Donegal combined with potential attendance barriers linked to geography and demographic underscores the ongoing need to develop new audiences and build customer loyalty. In recent years the

theatre has concentrated quite effectively on developing its 'core' audience – those based around Letterkenny and within an hour's drive to the west. An Grianán does draw audiences from further afield, but increasingly this only happens when the programme features a show which is exclusive to the region.

### **9.2.1 Reaching Out**

Donegal can be divided into three distinct communities – the South/South West, the Middle Section (including Letterkenny) and Inishowen. An Grianán is an organisation of regional significance and the company is keen to ensure that the positive impact of its programme and related activities is felt throughout the County. Inevitably An Grianán's core audience is primarily concentrated around Letterkenny, but there is a large appetite for the arts in the south of the County and An Grianán is keen to explore ways to reach out to new constituents.

Development of a local touring portfolio will allow An Grianán to surmount existing attendance barriers, providing access to high quality arts provision for new audiences and reinforcing its County-wide remit. A number of options will be considered including shows geared towards younger audiences and delivered through the formal education system or small scale community tours which are designed for local halls and other multi-purpose community spaces. Enforcing a strong brand identity will be a key element in the marketing strategy for touring product.

An Grianán has already demonstrated a commitment to touring professional theatre productions at a national level and aims to continue this practice. It is currently involved in establishing NASC – a network of seven regional venues that are working in partnership to address gaps in touring provision in Ireland.

### **9.2.2 Customer Service**

Customer service is key to the development and retention of An Grianán's audience and a recent programme of major capital works resulted in significant improvements in access and services for patrons with disabilities. There are further improvements to facilities, which will be considered. Box office and marketing is one of the main interface areas between the theatre and customers and there is potential to make this space more welcoming for patrons and more fit for purpose in terms of staffing needs.

An Grianán will also consider the potential for improvements to the exterior landscaping around the venue. The establishment of the Regional Cultural Centre in close proximity to An Grianán creates an opportunity for a high profile public art partnership involving both venues and the County Council's Public Art service. There is a great opportunity to involve artists in creating a unique and permanent celebration of the County's rich cultural heritage which will physically link the flagship venues in this unique cultural cluster.

### **9.2.3 Promotional Events**

An Grianán's tenth anniversary in October 2009 is an ideal opportunity to celebrate the theatre's success at a social, cultural and economic level. Marking the occasion provides the opportunity to:

- Raise the theatre's profile locally and nationally.
- Produce and promote a special event or series of activities.
- Thank funders and other supporters.
- Announce future plans.
- Reward customer loyalty.
- Encourage new and repeat business.
- Attract corporate sponsorship and other funding.

There is a lot to celebrate in terms of achievements and it will give the organisation a renewed sense of energy.

### **9.2.4 Cultural Tourism**

Cultural tourism is a key development agenda for a wide range of agencies including Letterkenny Town Council, Donegal County Council and Failte Ireland. 'Sightseers and Culture Seekers' are viewed as the main consumer segment that will deliver sustained revenue and visitor growth for the tourism industry and this will be the priority target market within the industry over the next three years. An Grianán will explore the potential for developing new audiences within the cultural tourism market and consider how best to engage at a practical level with colleagues in the tourism industry. Product, planning and promotion are key and there are clearly opportunities for a strategic partnership approach involving other local arts providers such as the Earagail Festival and the Regional Cultural Centre.

### 9.2.5 Audience Development - Specific Goals for 2008 - 2012

- Set specific annual audience goals – number, target group etc.
- Develop detailed marketing and audience development strategy.
- Consider small scale touring options to develop County-wide audience impact and engage directly with those who do not or cannot normally attend the theatre.
- Set specific goals in relation to national touring and related audience numbers.
- Project plan for improvements to box office facility.
- Project plan for public art/landscaping initiative.
- Tenth anniversary celebrations – programme and marketing plans.
- Explore programme and promotional ideas, partnership options, and funding opportunities to develop tourist audience.

## 10. Participation

### 10.1 Current Baseline

An Grianán is a valuable community resource on many levels and has even greater potential in this regard. It provides a platform to showcase local talent, hosting visits by a wide range of youth and amateur companies including the Lifford Players, Letterkenny Musical Society, Letterkenny Pantomime Society and Letterkenny Music and Drama Group. Many local organisations also avail of the marketing, sales, administrative and technical support and training services which the theatre provides courtesy of its core team.

An Grianán also organises a regular programme of professionally-led arts workshops and classes and prioritises booking touring professional companies which can offer workshops or master classes in the local area. There is a regular programme of Saturday morning drama classes aimed at children aged from 7 years to 13 years plus regular youth theatre classes and projects for young people aged 14+. In addition a number of weeklong drama summer schools, which have been developed to achieve higher standards of participation and performance. In 2007 there were four week-long workshops specialising in dance, singing, drama and musical theatre involving 200 participants.

In 2007 An Grianán launched a major new community-based initiative, in partnership with Earagail Arts Festival. *The O'Neill Project* created the opportunity for 19 performers from

the local community to undergo intensive skills and training development under the supervision of professional arts practitioners. The project was deemed a resounding success by all involved. An Grianán is also working in partnership with the Letterkenny Institute to establish a third level vocational training course. Project proposals and budgets have been submitted and an outcome is expected later this year. It is anticipated that An Grianán's practical input to course delivery would grow from 30-40% in the first year to 60% in the final year. If the course is approved to commence in 2009, An Grianán's staff structure and workloads would have to be reviewed as a matter of urgency in order to accommodate the additional activity and ensure that other development ambitions can be achieved.

**10.2 Ambition - Establish An Grianán as a model of good practice in the planning and delivery of a year-round creative learning programme incorporating education and outreach activities which enable young people and disadvantaged groups and communities to participate in the arts.**

It is widely acknowledged that the arts can play a major role in improving quality of life, building self-esteem, and developing respect and mutual understanding. Drama is a particularly effective method for developing new skills and for engaging with young people to explore socially relevant and challenging issues. Donegal is one of the most deprived areas in Ireland with high levels of unemployment and has one of the country's highest rates of drop-out from secondary level education. Low levels of education as well as low self-esteem are seen as significant impediments to employment in Donegal, according to a report from the National Economic and Social Forum. As the County's only professional theatre company, An Grianán clearly has an important role to play in the planning, management and delivery of community-based participatory drama activities throughout the region. An Grianán has the potential to become a model of good practice and a central hub of policy development and activity.

Accessing additional funds and appointing experienced team members will be key to galvanising activities and fulfilling An Grianán's potential in this field. Creative partnerships will also help to ensure the efficient and effective use of resources.

### **10.3 Participation - Specific Goals for 2008 - 2012**

- Consider the resource implications and timeline associated with the planning and delivery of a comprehensive creative learning programme. A priority will be to create a dedicated post(s).
- Scope existing activity in the wider region, identifying who are the key players and what activities are currently underway.
- Identify potential target groups within the community through consultation with key stakeholders including community leaders, teachers, young people and elected representatives.
- Identify gaps in existing service provision and opportunities for An Grianan, alone or in partnership, to make a difference through the direct provision of participatory arts programmes.
- Research other models of good practice and funding opportunities.
- Develop and adopt a formal policy and detailed action plan.

## **11. Finance**

### **11.1 Baseline**

An Grianán's careful financial management has resulted in break-even status in recent years despite the many risks and uncertainties which prevail in the industry. Actual out-turns in the period 2004 – 2007 were closely aligned to Business Plan projections. Like most arts organisations, An Grianán is dependent on grant support from a small number of key sources in a funding environment, which is becoming increasingly competitive. The theatre's main goal is to access additional resources and develop earned income streams in order to expand activities and increase impact, particularly in the area of education and outreach. Ideally An Grianán would also like to achieve a 'comfort zone' in the accounts, which would allow it to mitigate against financial risks. But there are already signs that the downturn in the national economy is having a detrimental impact on arts funding and audiences. There is a real danger that sustaining current levels of operation may become the optimum goal in the short and medium term, rather than organisational growth.

## **11.2 Ambition - Diversify and increase income streams in order to facilitate creative, physical and operational developments and improvements at An Grianan.**

Many of the actions associated with delivery of An Grianán's core ambitions for the 2008 – 2012 period have financial implications. Development and implementation of a comprehensive fund-raising strategy will be key to progress and this will in itself require a substantial commitment of time and energy from staff and Board members over an extended period of time. The strategy must consider options for increasing earned income through sales and services and for raising additional funds from statutory sources, trusts and foundations, corporate sponsors, events and individual donors. Timeline and targets must be realistic and achievable.

## **11.3 Finance – Specific Goals**

- Consider options for development and delivery of a fundraising strategy. Options will include consideration of existing staff structure, a revised structure, and additional support/services.
- Explore how the Board can best contribute to the fund-raising effort.
- Identify, cultivate and appoint a high profile patron whose association and involvement with the theatre will have a positive impact on fund-raising ability.
- Identify and exploit commercial opportunities. This might include:
  - More aggressive competition to gain and maintain a stronger share of the lucrative Christmas shows market.
  - Occasional high profile exhibitions to increase sales commission.

## 12. Financial Performance 2005 - 2007

	2005	2006	2007
<b>INCOME</b>			
Box Office	██████	██████	██████
Rental	██████	██████	██████
Box Splits	██████	██████	██████
Touring	██████	██████	██████
Bar Franchise	██████	██████	██████
Programmes	██████	██████	██████
Other	██████	██████	██████
<b>SUB</b>	██████	██████	██████
<b>EXPENDITURE</b>			
Visiting Arts	██████	██████	██████
In House Shows	██████	██████	██████
Box to 3 <sup>rd</sup> party	██████	██████	██████
Ad/Mktg	██████	██████	██████
Prod/Tech	██████	██████	██████
<b>SUB</b>	██████	██████	██████
Administration	██████	██████	██████
Grant Income	██████	██████	██████
Sponsorship	██████	██████	██████
<b>Operating surplus/deficit after taxation</b>	██████	██████	██████

### 12.1 Commentary

Careful financial management has resulted in break-even status in recent years despite the many risks and uncertainties, which prevail in the sector. Actual out-turns in the period 2004 – 2007 were closely aligned to Business Plan projections. Like most arts organisations, An Grianán is dependent on significant levels of grant support from a small number of key sources and has to work hard in an increasingly competitive environment to demonstrate value for money and to argue for increased investment.

The theatre remains fully aware of the risks associated with high dependency on grant support, such as the FAS programme, and the need to consider strategic options to address any major uncertainties that might arise. The theatre's continuing goal is to find

additional resources to allow it to increase its outputs, particularly in the area of arts education and outreach, and to achieve a 'comfort zone', which would allow it to mitigate key financial risks.

## 12.2 Ticket Income

In 2007, box office splits, touring fees and other earned income accounted for over █% of An Grianán's total income, a slight increase on the previous year. Additional income from box office splits is channelled through to the community and professional promoters, which hired the theatre. This is treated under expenditure in the accounts as "Box Office to Third Parties". The theatre operates a mix of different financial deals including guarantees to visiting companies, box office splits, commercial rentals and community group rentals. The overall challenge for An Grianán is to create an effective balance, which will reduce financial risk to the theatre but maintain a high quality artistic programme. Professional arts programming, especially of Arts Council revenue client companies, generally requires the theatre to provide a guarantee. Commercial promoters usually opt to hire the theatre, and non-subsidized groups and other popular entertainments will work on the basis of a box office split. Most local amateur events utilize the theatre at a significantly reduced rental rate.

Staff feel that there is limited scope for increasing box office yield without either raising ticket prices or diluting the artistic quality of the programme. The theatre's catchment area is relatively small given the size and rural spread of the population. Affordable pricing remains critical in a County with a large number of low-income households. Ticket prices for schools shows are kept lower than the norm to encourage younger audiences, and prices have to be kept low for shows which are traditionally harder to sell but are, nonetheless, an essential part of the programming mix.

## 12.3 Other Commercial Income

Other sources of earned income include commercial and artistic rentals, bar and catering franchise, service level agreements and sales commission. The cost of the catering and bar franchise was reduced to the service provider by nearly █% in 2005 and no inflationary increase has been applied since. The rental charge for commercial users have increased from €█ to €█ per day and instead of a charge of €1 per ticket sold a new charge of 10% of box office is applied. 2007 saw a €█ increase in rental income, a █% increase on the previous year.

In terms of visual art exhibitions, An Grianán charges █% commission on sales. In return it sends out invites, includes the information in the programme, offers wine and refreshments for an opening night launch, and assists with exhibition hanging. The artist pays for transport and framing of art works. The track record for sales is very patchy. It depends on the profile of the artist and the nature of the work. There is scope to review this for the future.

#### 12.4 Fundraising and Sponsorship

Highland Radio continues to be one of An Grianán's most valuable supporters, providing "sponsorship-in-kind" in free radio advertising to the value of around €█ per year. There is a small stream of cash sponsorship in the theatre but the total amount of sponsorship has not increased significantly in recent years. The difficulties experienced by An Grianán in sourcing corporate sponsors are shared by other arts organisations in the area. Good progress has been made in building up the corporate membership of An Grianán's revamped Friends Scheme and it is hoped that there is further potential for growth in this area.

An Grianán has been successful in securing a number of one-off project grants in recent years, raising the funds in partnership with other key providers such as Donegal County Council, Earagail Arts Festival and the Cultural Centre. Grants secured included:

- Interreg IIIA funding for the theatre's production of Brian Friel's *Making History* which was central to the *Flight of the Earls* commemoration.
- Funding for *The O'Neill Project* – a major community theatre production.
- Exterior Digital signage – Task Force Funding.
- Marketing Initiatives for Cultural Tourists - Task Force Funding.
- Theatre Refurbishments – ACCESS II.

## 12.5 Grant Income

	<i><b>TOTAL INCOME (Accounts)</b></i>	<i><b>Arts Council</b></i>	<b>%</b>	<i><b>Donegal CC</b></i>	<b>%</b>	<i><b>L/kenny TC</b></i>	<b>%</b>	<i><b>FAS</b></i>	<b>%</b>
2004	██████████	██████████	██	██████████	██	██████████	██	██████████	██
2005	██████████	██████████	██	██████████	██	██████████	██	██████████	██
2006	██████████	██████████	██	██████████	██	██████████	██	██████████	██
2007	██████████	██████████	██	██████████	██	██████████	██	██████████	██
2008	██████████	██████████	██	██████████	██	██████████	██	██████████	██

\*Estimated

### 12.5.1 FAS Project Funding

FAS continues to be the largest source of grant income for An Grianán Theatre. FAS support for the staffing programme accounted for over ███% of An Grianán Theatre's total annual income in 2007. An Grianán applies to the programme in March and receives notification of the outcome in May prior to the commencement of the project in September. The large element of uncertainty, which existed in 2003 in relation to the future of FAS support for An Grianán, appears to have diminished. This is, in no small measure, due to the excellent results achieved in training and progression of learners through this working partnership. The nature of the scheme means that only a maximum of 25% of participants can carry over into the new scheme on an annual basis. The cross over between schemes is a particularly challenging period for all concerned and the theatre's core staff are required to input high levels of induction, training and supervision each year.

### 12.5.2 Arts Council

An Grianán received a 6.8% reduction in Arts Council funding in 2007 and standstill funding of €150,000 for 2008 which is tantamount to a cut in real terms. The current Arts Council grant is awarded from the Annual Funding measure but the theatre has been moved to the Annual Programme Grants funding strand for 2009. Other arts venues and organisations in the County which are in receipt of Arts Council funding for 2008 include: the Balor (€40,000), the Regional Cultural Centre (€240,000), Earagail Festival, and Donegal County Council which receives funding towards elements of its county-wide direct service provision.

### **12.5.3 Donegal County Council**

Support from Donegal County Council accounted for ■■■% of An Grianán's total annual income in 2007. An Grianán received standstill funding from the Council in 2008 which is tantamount to a cut in real terms. Traditionally there were valuable hidden subventions from the Council in the form of direct maintenance of the exterior of the building, building insurances, assistance with publicity distribution and IT support. This arrangement came to an end in 2005 and An Grianán's direct grant was increased at that time to compensate. The Council and An Grianán have worked together successfully to access European funding for one-off projects and capital improvements.

### **12.5.4 Letterkenny Town Council**

Support from Letterkenny Town Council accounted for ■■■% of An Grianán's total annual income in 2007. In addition the UDC does not charge the theatre ground rates. The Council is also a valuable source of earned income as it leases the theatre's car park to offer as public car parking.

## **12.6 Artistic Programming and Production Costs**

Many visiting companies will only perform for a guaranteed fee from the venue, and the theatre must then attempt to recoup its costs at box office. Some companies will negotiate a box office split which will be in the visiting artist's favour.

In-house production adds a significant overhead and associated level of risk. The challenge, as always, is to find a way of continuing with this important mandate, but minimising the financial risk to the theatre and easing the additional pressure which production places on the core team.

## 12.7 Overheads & Staff Costs

	2005	2006	2007
Wages & Salaries	████████	████████	████████
Employer's Contributions	████████	████████	████████
Staff Pension Costs	██████	██████	██████
Staff Training	██████	██████	██████
Heat, Light, Power	████████	████████	████████
Travel Expenses	██████	██████	██████
Hospitality	██████	██████	██████
Canteen	████	████	████
Telephone/Postage	████████	████████	████████
Printing/Stationery	██████	██████	██████
Computer costs	██████	██████	██████
Cleaning	████████	████████	████████
Legal & Professional Fees	██████	█	█
Audit	██████	██████	██████
Licences	██████	██████	██████
Repairs/Maintenance	████████	████████	████████
Bank Charges & Interest	██████	██████	██████
Depreciation	████████	████████	████████
Insurance	████████	████████	████████
Miscellaneous Expenses	██████	██████	██████
TOTAL	████████	████████	████████

As with most arts venues, there is a high level of fixed costs including wages, insurance, heat and oil. The most significant increase in overheads at An Grianán is in staffing costs and this is primarily as a result of improvements made to terms and conditions following a review of salaries and the introduction of a pension scheme. Difficulties in the wider economy have also taken a toll on the theatre, particularly with regard to fuel costs. Major capital works in 2007 accounted for a significant increase in 'repairs/maintenance'. The theatre raised European project grants to contribute to these costs.

## 12.8 Support 'In Kind'

An Grianán provides the central booking system for all Earagail Festival events. This important service has been critical in the development of the festival, which is now enabled to run a number of large-scale ticketed events at outdoor locations. This has led to a diversification of the Festival's programme on a number of levels. The theatre's contribution to the festival also includes advice on marketing and programming and the use of the theatre for the two weeks of festival. This contribution is worth in the region of €[REDACTED] annually.

**13. Financial Projections 2008 – 2010**

	2007	2008	2009	2010
<b>EARNED INCOME</b>				
Box Office Receipts	■	■	■	■
Box Office Splits	■	■	■	■
Sponsorship	■	■	■	■
Bar Franchise	■	■	■	■
Public Phones Income	■	■	■	■
Programme Sales	■	■	■	■
Theatre Rentals	■	■	■	■
Touring Guarantees/Projects	■	■	■	■
Other Earned income	■	■	■	■
	■	■	■	■
<b>GRANT INCOME</b>				
Donegal County Council	■	■	■	■
Letterkenny Town Council	■	■	■	■
Arts Council	■	■	■	■
FAS	■	■	■	■
European Funds	■	■	■	■
Other Grants	■	■	■	■
Capital Grant Released	■	■	■	■
	■	■	■	■
<b>DIRECT EXPENSES</b>				
Visiting Arts Programme	■	■	■	■
Box Office to Third Parties	■	■	■	■
Production/Stage Maintenance	■	■	■	■
Contract Hospitality	■	■	■	■
Advertising/Marketing	■	■	■	■
In House Productions	■	■	■	■
Touring	■	■	■	■
Education Programme/Classes	■	■	■	■
	■	■	■	■
<b>Gross Profit/(Loss)</b>	■	■	■	■
<b>OVERHEADS</b>				
Wages and Salaries	■	■	■	■
Employer's PRSI	■	■	■	■
Staff pension costs	■	■	■	■
Staff Training	■	■	■	■
Heat, Light, Power	■	■	■	■
Contract Services	■	■	■	■
Travel Expenses	■	■	■	■
Canteen	■	■	■	■
Hospitality	■	■	■	■
Computer costs	■	■	■	■
Telephone/Postage	■	■	■	■
Printing/Stationery	■	■	■	■
Cleaning Consumables	■	■	■	■
Public Telephone Charges	■	■	■	■
Professional Fees	■	■	■	■
Licenses	■	■	■	■
Repairs & Maintenance	■	■	■	■
Bank Charges & Interest	■	■	■	■
Depreciation	■	■	■	■
Insurances	■	■	■	■
Miscellaneous	■	■	■	■
<b>TOTAL</b>	■	■	■	■
<b>NET PROFIT/(LOSS)</b>	■	■	■	■

### 13.1 Projected Expenditure - Commentary

Measures to reduce expenditure over the period will include:

- Cutting down on hard copies of the theatre's advertising brochure and relying more on the virtual down loads of the brochure. In addition a reduction in the number of direct mails of brochure will assist with reducing stationery and postage costs.
- Replace existing lantern stock over a period of time and install LED lighting to aid reduction in power usage and contribute to lower electricity costs. This will take time unless a source of capital funding can be accessed.
- With soaring electricity prices the theatre has recently changed supplier from ESB to Bord Gais. More energy suppliers are entering the Irish market and the theatre will ensure that it is with the most competitive supplier at all times.

Additional projected expenditure over the period includes:

- Part-time Duty Manager and part-time Technician posts increased to full-time posts in 2008.
- Introduction of a new Education Officer post in 2010 dedicated to developing education and outreach activities.
- Introduction of a new General Manager post in 2010 allowing the Director to spend more time on strategic developmental work and fund-raising.
- Tenth anniversary celebrations will be reflected in an enhanced artistic programme in 2009, including three in-house projects - *The Home Place*, a large scale Youth Theatre Show and *The Snow Queen*.
- Increased artistic production costs in 2010 to include a new children's production, a new main stage commission and a Christmas show.
- Wage increases in line with national agreements for public sector pay.

### 13.2 Projected Income – Commentary

- Grant aid and box office projections are conservative in light of the global economic down-turn and gloomy predictions about arts funding over the next few years.
- The theatre will seek support from Failte Ireland and North West Tourism towards the development of long-term strategies aimed at attracting more cultural tourists to An Grianán.

- The theatre will seek European grant aid to assist with the capital works programme. The launch of the Access III fund has been stalled and the current economic climate in Ireland makes it unlikely that any capital grants schemes will be forthcoming in the foreseeable future. However the aim of the redesign of the box office is not only to improve working conditions for staff but also to make the reception area more accessible to people with disabilities. It may be possible that funds could be accessed to implement the works on this basis.
- Additional income of €[REDACTED] will be sought from a variety of sources to assist with the costs of implementing a comprehensive education and outreach programme by 2010.
- The theatre will strive to maximise earned income by offering box office service agreements and use of the theatre auditorium for commercial programming.

#### 14. Monitoring and Evaluation

An Grianán's performance is regularly monitored and evaluated by the Board, Director and Senior Management team using a number of quantitative and qualitative measures, including:

- Annual Financial Plan signed off by Board.
- Spreadsheets of each event maintained daily with audience and cost projections.
- Monthly Management accounts presented to Board including commentary by Director on significant variations against projections and remedial action.
- Actual audience figures and sales for each show against projections.
- Other revenue generated against projections.
- Monthly board meetings, addressing management and financial issues and strategic planning.
- Regular senior management meetings.
- Periodic 'Away Days' or staff meetings to assist with evaluation and longer term planning.
- Focus groups.
- Press reviews.
- Customer feedback.
- Spreadsheets for each event based on the Auditoria survey criteria in order to monitor and map trends in programme and audience.