

Arts Council of Ireland

## **Review of the Abbey Theatre**

Report

June 2014

**Bonnar Keenlyside**

## Contents

	PAGE
1. Executive Summary	1
2. Introduction	6
3. Background	8
4. The Abbey's Operating Context	13
5. The Abbey's Current Operating Model	18
6. Potential Alternative Model	52
7. Evaluation and Monitoring	57
8. Funding	61

## Appendices

- A. Terms of Reference
- B. Market and Activity
- C. Comparative Staffing Structures
- D. Budget Structure
- E. Monitoring and Evaluation



## 1. Executive Summary

- 1.1. The Arts Council commissioned Bonnar Keenlyside (BK) to undertake an independent evaluation and analysis of the Abbey Theatre. The Arts Council recognises the significance of the Abbey as the national theatre and as one of Ireland's national cultural institutions.
- 1.2. The purpose of the review was stated as being to examine the current business model of the Abbey Theatre with the aim of identifying how available public funding might secure the best outcomes in the current environment.
- 1.3. BK has taken an evidence-based approach to the review. We analysed data from the Abbey and the Arts Council. We also analysed data from a number of national and international theatres as benchmarks and comparators: Gate Theatre, Druid, Royal Court Theatre, Bristol Old Vic, Glasgow Citizens and the Sydney Theatre Company, Australia. Whilst none are directly comparable, all offer useful reflections on the work of the Abbey. We consulted a number of writers, actors, directors and designers who had experience of working with the Abbey and also other national and international theatres. We met with the Abbey executive and board, and the Arts Council executive and also some Council members.
- 1.4. The Abbey Theatre is the national theatre of Ireland and holds an important place in Ireland, strongly associated with the establishment of Ireland as a free state. Over the 110 years since its creation, it has evolved and changed in multiple aspects of its governance, activities and operations. Since the major crisis of governance in 2004 the Abbey has prioritised the control and compliance aspects of its business. The business model it established in 2004 was predicated on the continued, and increasing, subsidy from the Arts Council. However, the recent recession has resulted in a reduction of public funding for the arts in general.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 1.5. The Abbey's operating context has changed during the course of its history and it now operates in a market where there are many other theatre companies both in Dublin and in Ireland, including the Gate and Druid and several others with international reputations. In Dublin, the opening of new venues has led to a doubling of theatre seats in the last four years at the same time as the demand for plays has fallen sharply, coinciding with significant shifts in the demographic profile of the population with increasing proportions of residents born outside of Ireland and the emigration of numbers of the population who would characteristically be likely to attend theatre.
- 1.6. The Abbey's core business is producing theatre in its Dublin base. It operates two stages, the Abbey (capacity 494) and Peacock (capacity 132). Over the last five years both the level of activity and number of attenders have declined. After a peak in 2010, the levels of attendances and average attendances in 2013 is now close to the levels of 2009, which can be viewed as an achievement in the context of the current market. During this time, new adaptations of classic texts have become consistently more successful in attracting audiences.
- 1.7. The Abbey is not a national cultural institution *per se* and is not subject to Government recruitment policies, setting its own pay rates, terms and conditions. Few of the Abbey staff, and none of the senior staff, are theatre artists or writers, directors or designers. This contrasts clearly with the chosen comparator theatres.
- 1.8. The Abbey Theatre building has many shortcomings which result in additional costs and inefficiencies as well as being cited as being less than ideal by artistic and creative professionals BK consulted as part of this review.
- 1.9. BK has reviewed and analysed all aspects of the Abbey's financial performance between 2009 and 2014. During this period, all revenues fell by 17%. Included in this figure, public funding fell by 26%, indicating that the Abbey has managed to offset some of the continuing reduction in Arts Council funding.
- 1.10. In terms of expenditure, the Abbey's production costs have fallen by 36% (or almost €2 million), with the largest reductions in staffing costs directly apportioned to productions, sets and costume budgets. Within this framework, the Abbey has performed better than its budgets for productions and reduced the net loss on producing over the same period.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 1.11. The Abbey's fixed costs (some €7 million) have fallen by 12.5% and within this there has been a 7% reduction in all costs associated with non production staffing including expenses, and a further 21% reduction in overheads. Including staffing costs apportioned to productions, there has been a 25% decrease in staffing costs overall.
- 1.12. Overall, the Abbey has found difficulty in finding a stable and sustainable financial structure, challenged as it has been by a changing environment and funding strictures. However, it can be seen that the Abbey has reduced the fluctuations in recent years, indicating it is latterly more in control of its operations and markets.
- 1.13. When compared to the international comparators, the Abbey has the highest level of public funding and the second highest revenues when all incomes are taken into account. The Abbey performs poorly against this group when fundraising alone is considered. When staffing levels and structures are considered, the Abbey has fewer employees directly involved in creative activities (for example, directing and design), which increases its direct cost of productions and arguably retains less in house creative custom and practice.
- 1.14. Although its current budgets and management reports are very detailed, in order to reflect and report more clearly on its activities and operations, the Abbey could change the manner in which it differentiates between operating costs and fixed costs. In particular, rather than apportioning permanent staff costs to individual productions, the total cost of permanent staff could be shown in fixed costs, making clearer the results of production activity.
- 1.15. The Abbey's current operating model when combined with its commitment to a wide range of activities and strands in pursuit of its mission, constrains it in several areas. In particular, it restricts its ability to support research and development (referred to as 'Studio') and to operate both the Abbey and the Peacock at the same time. Both of these limitations impact negatively on the use of the Peacock, cited by all of those consulted in the review including the Abbey board and management, as being the most serious and important concern. The Peacock should be the engine of the Abbey Theatre, supporting the development of Irish theatre artists, new work and innovation, and it certainly should have a full, vibrant and energetic programme of activity.

- 1.16. In the context of the evidence and analysis, BK is of the view that there is potential to modify the Abbey's operating model in a manner which would support increased development and production of new work, innovation, research and development and would see the Peacock function energetically. The Abbey would shift towards being more of a creative producing theatre supporting new writing in Ireland and less of a cultural institution.
- 1.17. In the context of the current financial and funding restriction, this would demand both reprioritisation of activities over this period and the rebalancing of resources. To be clear, this is a model in principle. It is not a plan. Should there be interest in considering this model, it would need detailed consideration by the Abbey with an assessment of achievability and a realistic time-frame.
- 1.18. The key elements of the BK modelling exercise are:
- the prioritisation of a number of strategic objectives over others at this time, specifically:
    - Irish writing and plays about Ireland, not only those commissioned and produced by the Abbey but also by visiting companies; this includes new adaptations;
    - Research and Development including use of the Peacock, artistic experimentation and engaging a wider range of artistic talent, using alternative aesthetics and models of production;
    - Engaging the people of Ireland primarily through touring and also community and education work where funding allows, particularly engaging 'new Dubliners';
    - Legacy and Leadership: the archive, talks and discourse and inviting other artists to work with the Abbey;
  - operating the Peacock as a space which is low-budget, with the main costs being the actors; creative teams largely provided from Abbey in-house creative professionals or collaborating theatre artists who are independent and/or are part of other theatre companies; with technical support limited, broadly, to a single technician most of the time;

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- some reductions in rehearsal time on the Abbey stage in some cases;
  - rebalancing the staff complement in the Abbey so that there are higher numbers of creative roles, able to direct, design etc., relative to non-creative and producing roles.
- 1.19. BK's initial modelling exercise suggests that this would be viable within current funding and income levels.
- 1.20. The arrangements for evaluation and monitoring of the Abbey by the Arts Council have been both inconsistent and contested between the two parties. In addition, communication between the two parties has not been sufficiently clear. The recent negative media coverage of the assessment reports made by the international assessors has been damaging to the relationship between the two parties.
- 1.21. Both parties are keen to establish a relationship of trust and respect and to agree a system and process of mutual value. We reviewed in detail the monitoring and evaluation processes and also the communication between the two parties over the last five years and compared the process with that undertaken for the national performing companies in Wales and Scotland. Over the last five years, the volume of information gathered has increased, as have the number of reports and the number of processes and along with this, the intensiveness of labour on both sides. This has not served to increase understanding.
- 1.22. We recommend the design of a system that is led and managed by the Arts Council in full consultation with the Abbey. An Arts Council officer would manage the process and system and be responsible for ensuring clear understanding, clear communication and an annual cycle. The Abbey would be fully consulted and fully engaged in the process. The process should be punctuated, with agreement reached as to the framework, objectives and timescale before committing to action. Both parties should commit to achieving this within a concise timeframe.
- 1.23. The Arts Council and Abbey Board would agree the process and the agreed objectives at the outset and both parties would agree to adhere to this system for an initial period before reviewing its fitness for purpose.
- 1.24. With regard to future funding arrangements, we recommend that funding for at least one national tour per annum is built into the Abbey's three-year funding.
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## 2. Introduction

- 2.1. The Arts Council commissioned Bonnar Keenlyside (BK) to undertake an independent evaluation and analysis of the Abbey Theatre. The Arts Council recognises the significance of the Abbey as the national theatre and as one of Ireland's national cultural institutions.

### **Terms of Reference**

- 2.2. The purpose of the review was stated as being to examine the current business model of the Abbey Theatre with the aim of identifying how available public funding might secure the best outcomes in the current environment.
- 2.3. The brief stated that, on the basis of the level of public funding the Arts Council has offered for the period 2014-2016, the review should consider whether and how the Abbey Theatre could deliver on its mission in a way that is more efficient and effective and whether resources might be redeployed to deliver more in terms of artistic and programming outputs.
- 2.4. It specified<sup>1</sup> examination of seven main areas:
- (1) Mission: the extent to which the Abbey achieves its mission, with particular reference to its role and responsibilities as the national theatre;
  - (2) Prioritisation of Activities: the range of artistic activities and principal areas of the Abbey's work and the extent to which these meet its mission; and the rationale the Abbey has adopted for prioritising activities;
  - (3) Operating Model: the principal characteristics of the Abbey's current operating model and the extent to which the Abbey's artistic outputs shape the organisation's income and expenditure; consider the current level and recent trends in costs and staffing resources; and consider alternatives;
  - (4) Earned Income: review and analysis;

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<sup>1</sup> Full terms of reference are included as Appendix A



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- (5) Monitoring and Evaluation: reviewing arrangements between the Arts Council and the Abbey Theatre for monitoring the Abbey Theatre and for evaluating the artistic quality, identifying opportunities for improving current arrangements;
  - (6) International Comparators: comparing the Abbey with other building based producing theatres;
  - (7) Funding Models: consideration of modifications to the current funding model.
- 2.5. BK was furnished with data and information from both the Abbey and the Arts Council and consulted around the aspects of the brief with: Abbey executive; Abbey board; Arts Council executive, Arts Council members; representatives of the Department of Arts, Heritage and the Gaeltacht; the Gate and Druid Theatres; a number of playwrights, directors, actors and designers; the international assessors; international comparator theatres and national funding agencies. A survey of touring venues was undertaken and a series of benchmarking exercises was undertaken. BK gave full interim reports on work in progress to Arts Council officers in March and April.
- 2.6. We greatly appreciated the Abbey's full cooperation with our requests for information and are aware that some of the detail we sought, and with which we were provided, involved a significant amount of work for the Abbey management within a short space of time.
- 2.7. This report includes:
- an analysis of the Abbey's mission, activities and current operating model;
  - a suggested alternative model;
  - recommendations as to future evaluation and monitoring and considerations as to funding arrangements.
- 2.8. A number of background documents are appended.

### 3. Background

- 3.1. The Abbey Theatre is the national theatre of Ireland and holds an important place in Ireland, strongly associated with the establishment of Ireland as a free state. Over the 110 years since its creation, it has evolved and changed in multiple aspects of its governance, activities and operations. It has consistently produced the work of Irish writers, adding to, and presenting the Irish repertoire. It has continuously been based in an Abbey Theatre building in Dublin<sup>2</sup>. It has also been subsidised by the state for most of its history, latterly through the Arts Council.
- 3.2. Reflecting its status as a leader ‘in furtherance of the national cultural interest’, the Director of the Abbey is a member of the Council of National Cultural Institutions (CNCI)<sup>3</sup>. The CNCI comprises:
- The directors of institutions designated as NCIs<sup>4</sup>: National Concert Hall, National Library of Ireland, National Museum of Ireland, Chester Beatty Library, Irish Museum of Modern Art, Crawford Art Gallery Cork, the National Gallery of Ireland and National Archives;
  - Director, Arts Council;
  - Chief Executive, Heritage Council;
  - Director, National Concert Hall;
  - Director, Abbey Theatre.
- 3.3. There are some differences between officially designated NCIs and other individual members of the CNCI with regard to buildings and the relationship with the Office for Public Works (OPW), staffing and recruitment policies and legislative status.

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<sup>2</sup> Apart from its exile caused by fire between 1951-1966, it has occupied the same location on Abbey Street.

<sup>3</sup> The Council of National Cultural Institutions is a statutory body established under the Heritage Fund Act, 2001.  
<http://cnci.ie>

<sup>4</sup> See the Department’s website for legislative context: <http://www.ahg.gov.ie/en/culture/>

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- 3.4. The Abbey specifically differs from the other members, most notably in having control over its own staff and pay rates:
- the Abbey's constitution is determined by its Memorandum and Articles of Association under the Companies Acts while most others are governed by specific legislation. The Minister for Arts, Heritage and the Gaeltacht appoints all of the Boards of most National Cultural Institutions (NCIs), but only the Chair and 2 of the 10 ordinary members of the Abbey Board;
  - there are no similarities in relation to current pay rates, pensions and terms and conditions of staff; the main difference between the Abbey and other NCIs is that the Abbey is not subject to the Government's Employment Control Framework. This means the Abbey sets its own wage rates and can make its own recruitment decisions while all other NCIs must seek permission to recruit from the Department of Public Expenditure and Reform. This permission has not usually been forthcoming during the current period of austerity. This is not to imply that the Abbey is not bound by agreements and contracts with staff and unions;
  - the buildings of other NCIs are owned by the Government and managed by the OPW; the Abbey owns and manages its own buildings and applies regularly for capital grants from the Government Department of Arts, Heritage and the Gaeltacht (the Department);
  - the Abbey receives its revenue funding from the Arts Council, while the others receive theirs directly from the Department. All receive their capital funding directly from the Department.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 3.5. The Abbey's purpose has been expressed in several iterations over the last century. The founding principle expressed by W.B. Yeats, Lady Gregory and Edward Martyn in establishing the Irish Literary Theatre, the precursor to the Abbey Theatre, at Coole Park, July 1897 includes several aspects that pertain today: notably the commitment to Irish plays of high ambition; the freedom to experiment; and the intent to explore issues concerning the people of Ireland.

*"We propose to have performed in Dublin in the spring of every year certain celtic and Irish plays, which whatever be their degree of excellence, will be written with a high ambition; and to make a beginning next spring with two plays, a play of modern Ireland and in prose by Mr Edward Martyn and a play of legendary Ireland and in verse by Mr W. B. Yeats. We hope to find in Ireland an uncorrupted and imaginative audience trained to listen by its passion for oratory, and we believe that our desire to bring upon the stage the deeper thoughts and emotions of Ireland will ensure for us a tolerant welcome, and that freedom to experiment which is not found in theatres of England, and without which no new movement in art or literature can succeed. We are confident of the support of all Irish people in carrying out a work that is outside all the political questions that divide us."*

- 3.6. The memorandum and articles of association of The Abbey Theatre / Amharclann na Mainistreach (2005) inherit these core commitments. The main objects for which the Company is established are:

1.To continue the tradition of the Abbey Theatre as the National Theatre of Ireland for the purpose of acting and producing plays in Irish and/or English, written by Irish authors or on Irish subjects, and such dramatic works of international authors as would tend to educate and interest the Irish public in the higher aspects of dramatic art.

2.To act as successor to National Theatre Society, Limited by receiving a transfer from National Theatre Society, Limited of its assets, rights, undertakings and liabilities.

3.To promote and encourage the staging, production and performance of dramatic art to the highest standards.

4.To stage, produce, co-produce, direct, hold and otherwise organise plays, rehearsals, shows, concerts, exhibitions and all other forms of performances of dramatic art.

5.To commission plays, works and all other forms of performances of dramatic art.

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*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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6. To further and promote educational and public knowledge, awareness, appreciation and enjoyment of drama and similar arts.
  7. To maintain, uphold, provide and run a prestigious national theatre for the purposes and main objects contained herein.
- 3.7. The Abbey has evolved to respond to the many changes in its operating context during the last century. From being the only subsidised theatre in Ireland, it is now part of a diverse and artistically vibrant Irish theatre sector that is internationally recognised.
  - 3.8. The Abbey has endured several crises, the most recent being in 2004 which exposed weak governance and management systems and skills and resulted in wholesale changes to its company structure, governance, operations and management systems. The current chair, director and senior management team are largely those who led the restructured Abbey in 2005. Since then, the Abbey has paid close attention to aspects of compliance and the minimising of financial and fiscal risk. In the period 2005 – 2008, it increased its staff particularly in administrative areas including finance and HR areas at the same time as being awarded significantly larger sums of funding from the Arts Council, coinciding with a period of growth in the funds available to the Arts Council. A period of growth was predicted.
  - 3.9. However the economic difficulties of the late noughties significantly reduced the funding available to the Arts Council and cuts were made across the whole theatre sector resulting in the demise of several companies and the reduction of funding to all companies.
  - 3.10. The Abbey responded to the continuous reductions in funding by reducing its activity, protecting what it believes to be the fixed costs essential to keep the Abbey solvent, operational and delivering its role and responsibilities as the national theatre. This reduction in activity and, in particular, the lack of a continuous programme in the Peacock, regarded by all those consulted in this review as a vitally important stage in Ireland and the engine of Irish theatre production, has disappointed and caused concern within the Arts Council.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 3.11. The Abbey has programmed new plays in the Peacock whenever it has been able to resource these. On several occasions, the Abbey has added plays to the Peacock when it has exceeded box office targets on the Abbey stage. However, the lack of a consistent, continuous programme and the practice of not advertising a full programme in advance has contributed towards a widespread perception that the Peacock is significantly under-used.
- 3.12. The Abbey board and management believe that with the reduced levels of funding it has had no option but to reduce activity.

## 4. The Abbey's Operating Context

### The Dublin Theatre Market

- 4.1. The market for attending plays in Dublin has decreased in recent years at the same time as supply of theatre has increased with the opening of the Bord Gáis Theatre. Theatre-going attenders and, more particularly, play-goers are heavily weighted towards the more educated and wealthier public. The major shifts in the population in Dublin over the last five years, with a significant number of what might be described as 'old Dubliners' residents leaving the city and the country, replaced by even greater numbers of 'new Dubliners' from all over the world, have coincided with a reduction in the traditional play-going market in Dublin<sup>5</sup>.

Dublin Market				
Attenders (once or more)	2009	2010	2011	2012
Play	325,460	271,090	310,100	269,870
Any performance in a theatre	405,850	335,690	368,150	339,090

*TGI Data supplied by Arts Audiences. All data ROI TGI (c) Kantar Media UK Ltd.*

- 4.2. At the same time, the number of theatre seats has almost doubled with the opening of the Bord Gáis Theatre with its 2000 seats.

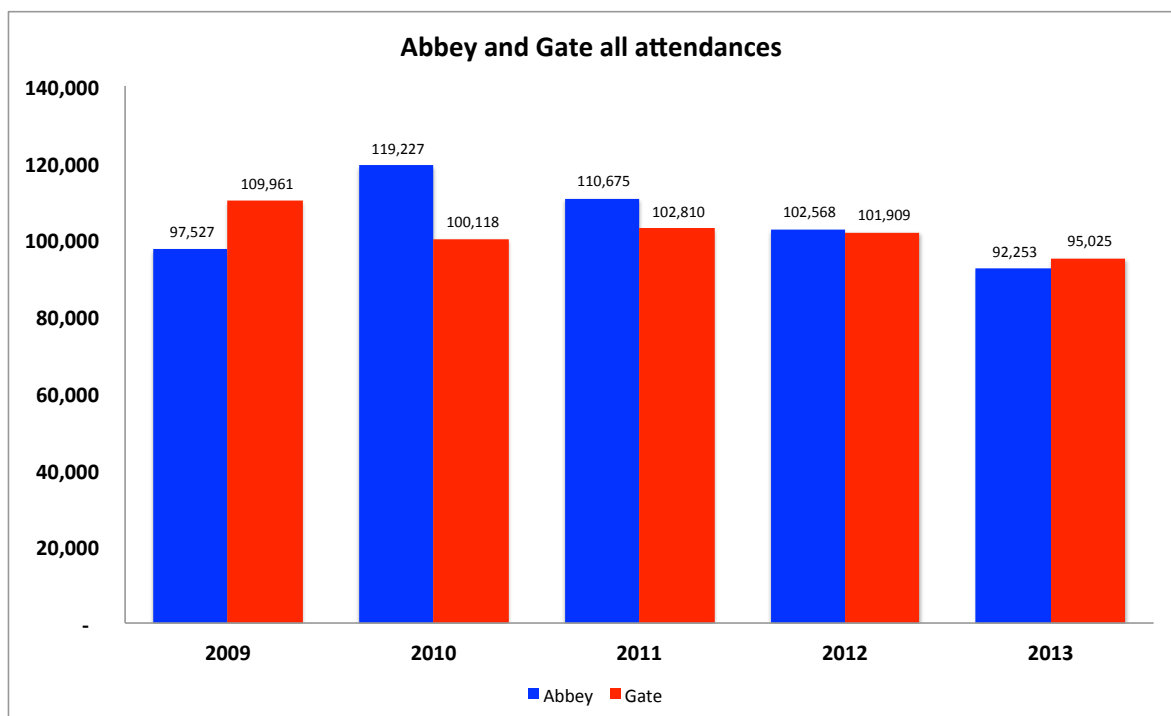
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<sup>5</sup> See Appendix A

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 4.3. The Abbey and the Gate together represent the major year-round producing houses in Dublin. They both produce plays from the Irish and international repertoire. The impact of the changes in the market contributed towards a reduction in the combined number of attendances from 207,488 in 2009 to 187,278 in 2013, a drop of 10%:

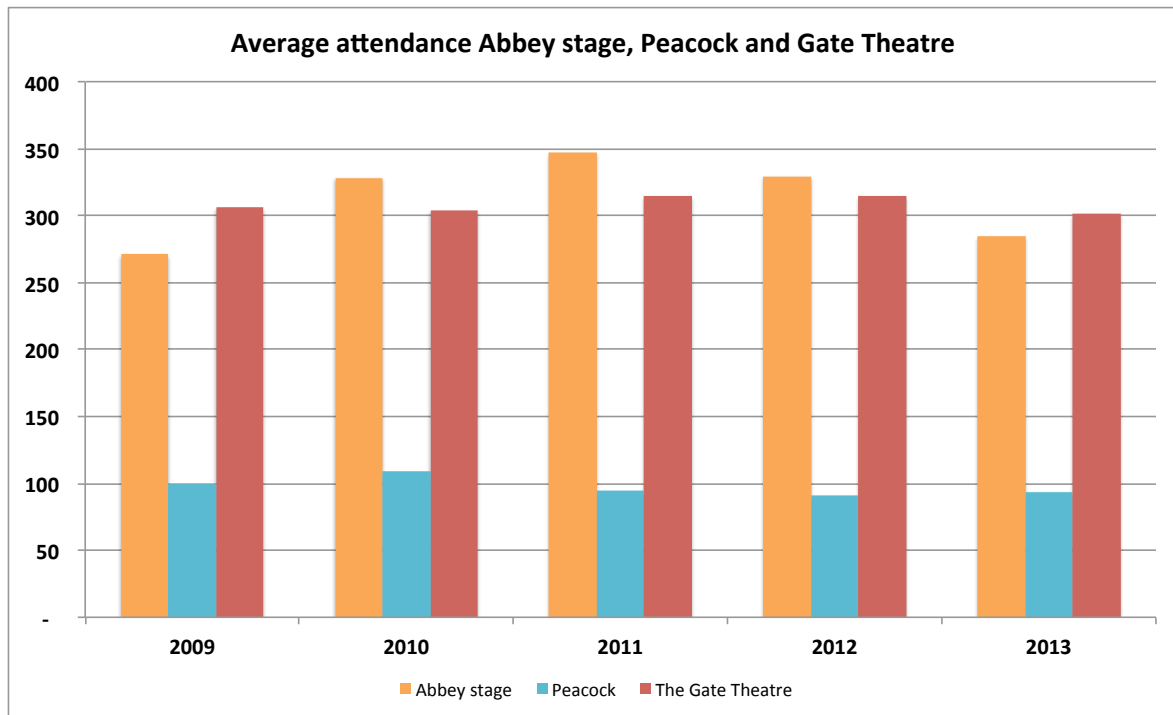


- 4.4. These attendances have varied over the period. Overall average attendances on the Abbey stage, Peacock and Gate are similar to those achieved in 2009 when the demand identified was at its highest, as illustrated overleaf:



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 4.5. The Abbey's performance as far as audience numbers are concerned can be viewed as reasonable, or good, in the context of a difficult market. The changing demographic begs the question as to what sort of theatre performances would engage new audiences in Dublin and Ireland over the next period.

### **Creative perspectives**

- 4.6. We consulted with a number of playwrights, actors, directors and designers to understand their experience of working with the Abbey in comparison to their experience working both with other theatre producers in Ireland and internationally. These were:

Annie Ryan	Director
Ben Ormerod	LX Designer
Cathy Belton	Actor
Elaine Murphy	Playwright
Eleanor Methven	Actor
Frank McGuinness	Playwright
Jane Brennan*	Actor
Lynne Parker	Director
Mark O'Rowe	Playwright
Patrick Mason	Director
Paul Wills	Set Designer
Sabine Dargent	Set Designer
Stacey Gregg	Playwright
Wayne Jordan	Director

\* also Board member

### **Irish Comparators**

- 4.7. Both the Gate Theatre and Druid Theatre shared with us specific data regarding their production practices, staffing, fees paid, production budgets, touring arrangements and contracts, income and expenditure. This was used to inform our analysis of the Abbey and specific details regarding fees to creative team, rehearsal times and production schedule and production costs were used when we considered alternative models<sup>6</sup>.

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<sup>6</sup> This information is commercially sensitive and as condition of the sharing of the data BK gave assurances to both the Gate and Druid that the specific financial information would remain confidential and not reproduced in detail in this report.

- 4.8. In terms of a general overview, the Abbey carries a much higher permanent staffing contingent and invests more directly into productions.

### **Comparator Theatres**

- 4.9. To compare and contrast the situation of the Abbey, we selected four other building-based producing theatres of national significance which share some similarities to the Abbey:

<b>Theatre</b>	<b>Capacities</b>	<b>Funding</b>	<b>Box office</b>	<b>CEO</b>
Abbey Theatre (2013)	494 / 132			Director as CEO
Royal Court, London (2012/13)	380 / 85 / 40			Artistic Director as CEO
Sydney Theatre Company, Australia (2011/12)	896 / 544 / 339 / 206 (2 larger theatres not run by STC)			Artistic Director with Executive Director
Citizens' Theatre, Glasgow (2012/13)	450 / 100 / 50			Artistic Director as CEO
Bristol Old Vic (2012/13)	650 / 145			Artistic Director with Executive Director

- 4.10. These theatres have been used as models and comparators for the Abbey and, whilst none of them are exactly commensurate, all offer useful perspectives on the operation of theatres at this level which are of a similar significance.
- 4.11. The BK team also contributed our direct experience of producing theatres internationally at all scales.

## 5. The Abbey's Current Operating Model

### **Mission, policy and strategy**

- 5.1. The Abbey states its mission and artistic policy as follows: "The Abbey Theatre's mission is to create a world-class theatre that actively engages with and reflects Irish society: we place the writer and the theatre artist at the heart of Ireland's national theatre. The Abbey Theatre is committed to:
- Sustaining and re-imagining the repertoire of Irish plays;
  - Presenting classic and contemporary world theatre;
  - Promoting and developing the long term success of Irish Theatre;
  - Touring nationally & internationally;
  - Engaging our communities in outreach and education programmes."
- 5.2. This is an ambitious and wide mission. Not only does it include a wide range of commitments but also it states a series of values and standards including being 'world class' and 'placing the writer and theatre artist at the heart of the theatre'. Both of these elements beg questions as to the success of the Abbey in achieving them:
- the concept of 'world class', while clearly representing an aspiration and intent congruent with a leading national theatre, is also difficult to evidence; this was demonstrated during the recent evaluation process;
  - while theatre artists and writers are regularly engaged by the Abbey, and actors and writers feel valued by the Abbey, this is not equivalent to being 'at the heart' of the Abbey.

- 5.3. Few of the Abbey staff, and none of the senior staff, are theatre artists or writers, directors or designers. This contrasts clearly with comparator theatres of national significance. Sydney Theatre Company was until recently led by the actor Cate Blanchett, in partnership with a writer and is now led by the writer Andrew Upton; the Royal Court, Bristol Old Vic and Citizens' Theatre are led by Artistic Directors and all have several artists/directors/designers among their senior team.
- 5.4. The Abbey's senior team are managers, setting it apart from other creative producing theatres of national significance. Further, it is common practice in other theatres that staff members will be involved in creative aspects of production, including directing, designing, light design and costume design. Second spaces, and studios in particular, are often viewed as opportunities for in-house creative staff.

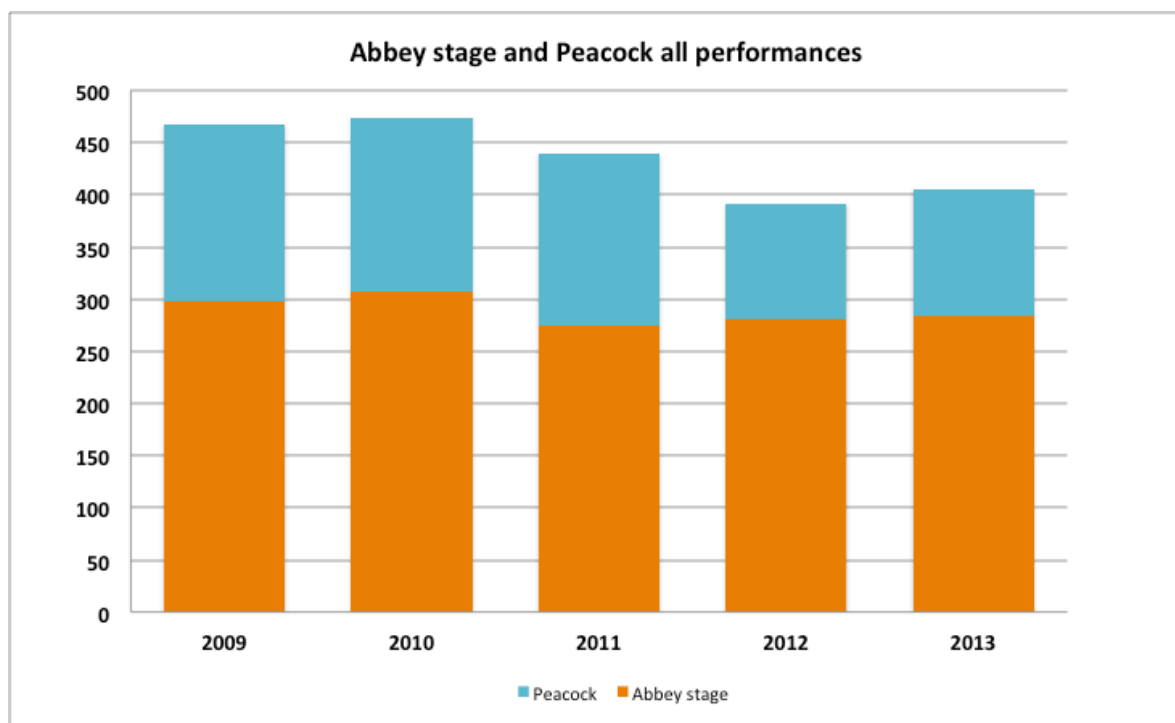
**Activity**

- 5.5. The Abbey's core business is producing theatre in its Dublin base. It operates two stages, the Abbey (capacity 494) and Peacock (capacity 132).

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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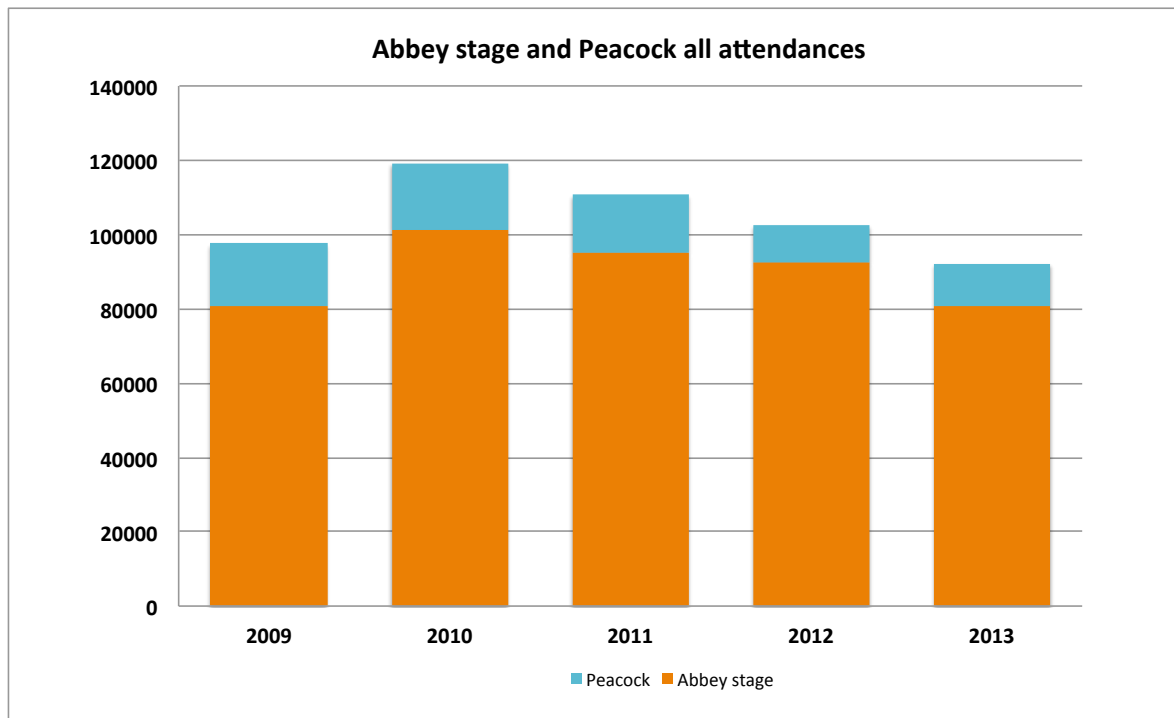
- 5.6. Over the last five years the number of performances has decreased, more so at the Peacock:



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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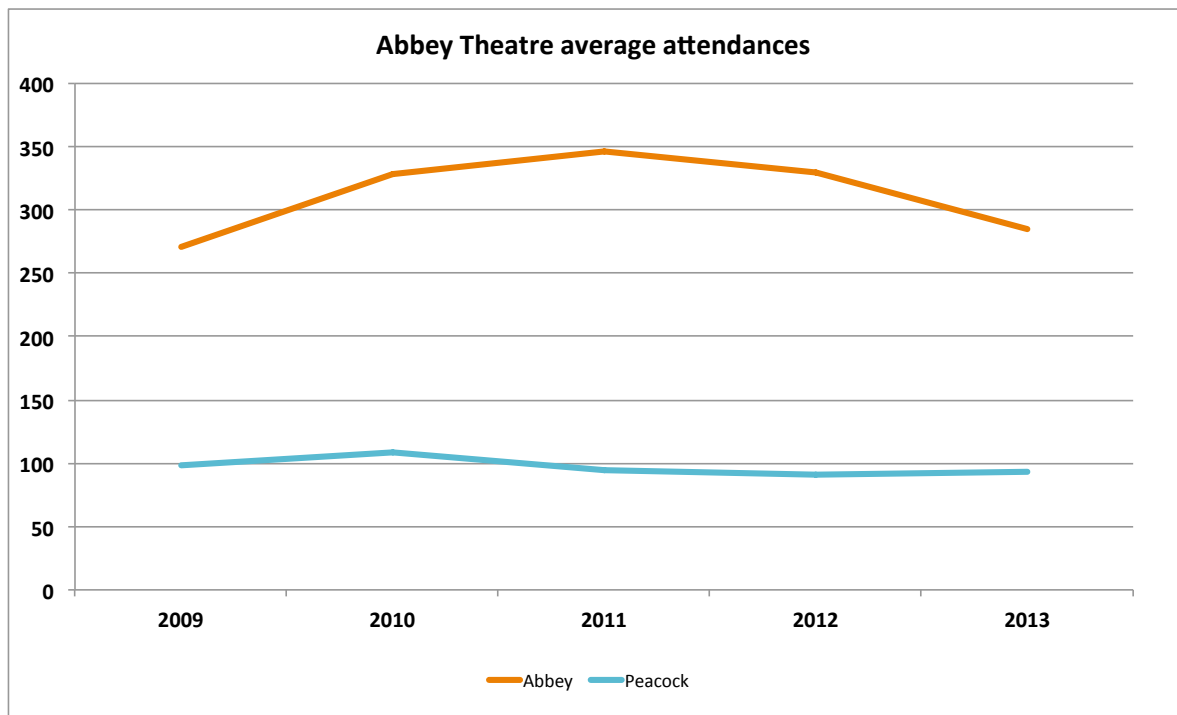
- 5.7. Similarly, there has been a downward trend in the number of attendances at the Abbey stage and at the Peacock:



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

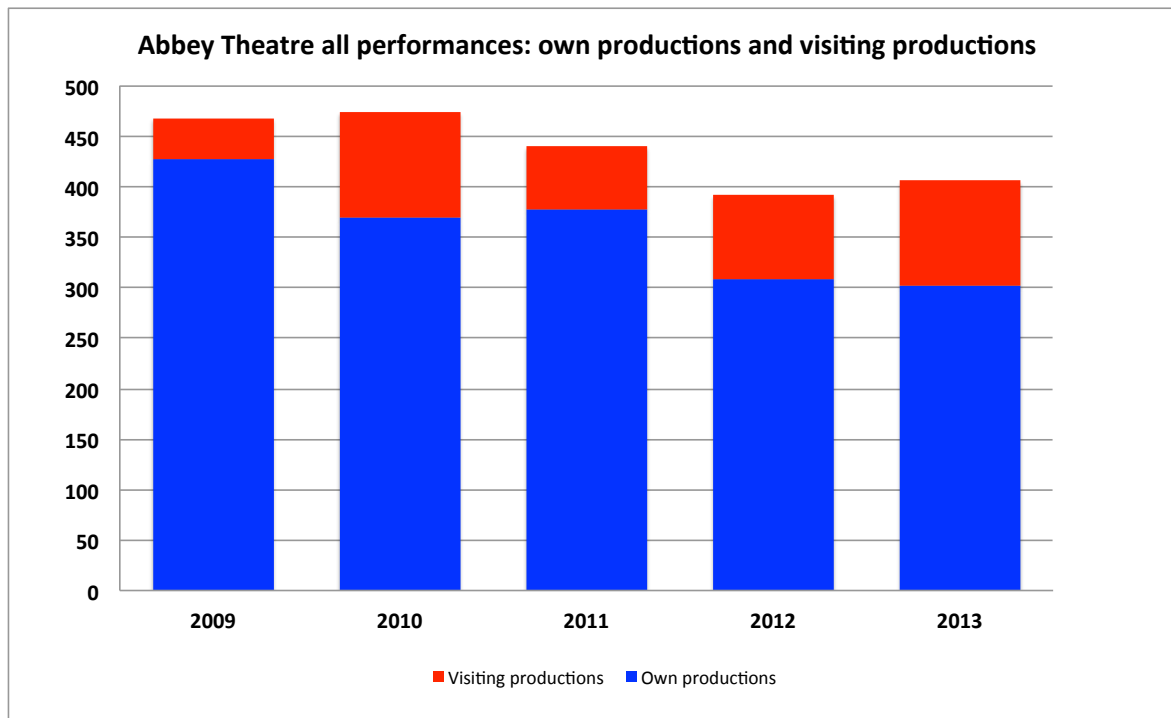
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- 5.8. The average number of attendances at performances at the Peacock has remained fairly constant, whilst the average number of attendances at performances at the Abbey peaked in 2011:





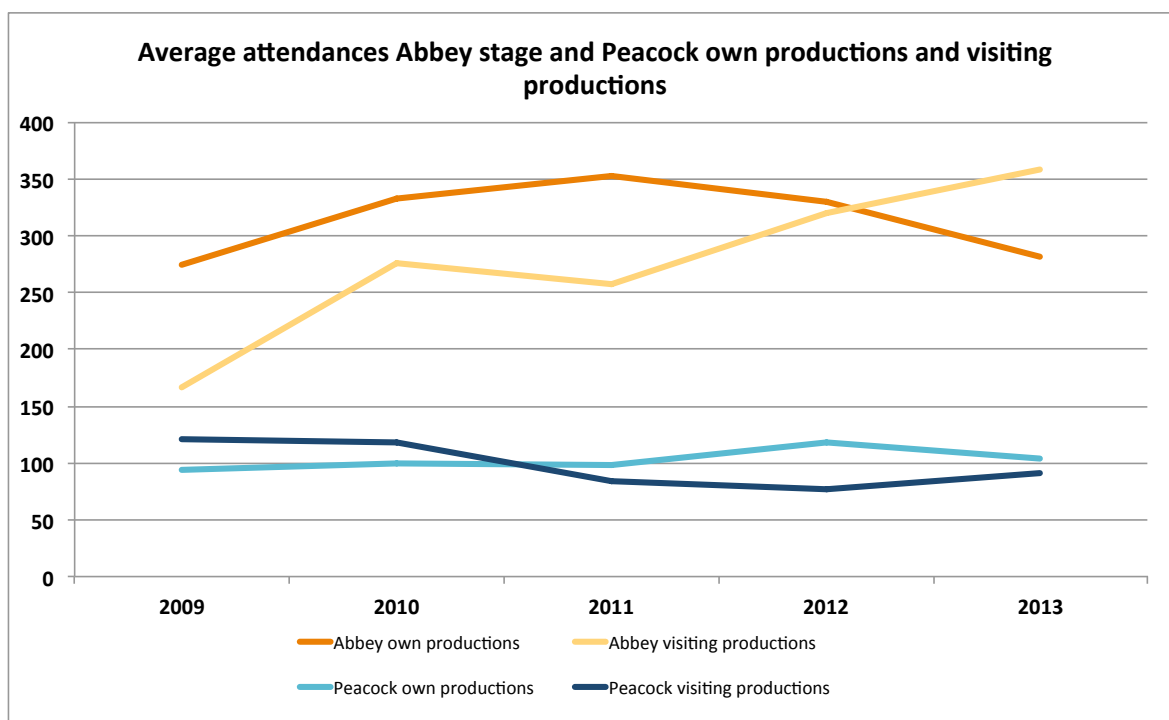
- 5.9. Whilst the number of the Abbey's own productions has decreased, there has been an increase in the number of visiting productions:



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 5.10. There are proportionately more visiting productions in the Peacock than on the Abbey stage. The average attendance at visiting productions at the Abbey stage has increased while the average attendances in the Peacock are similar for visiting and own work:



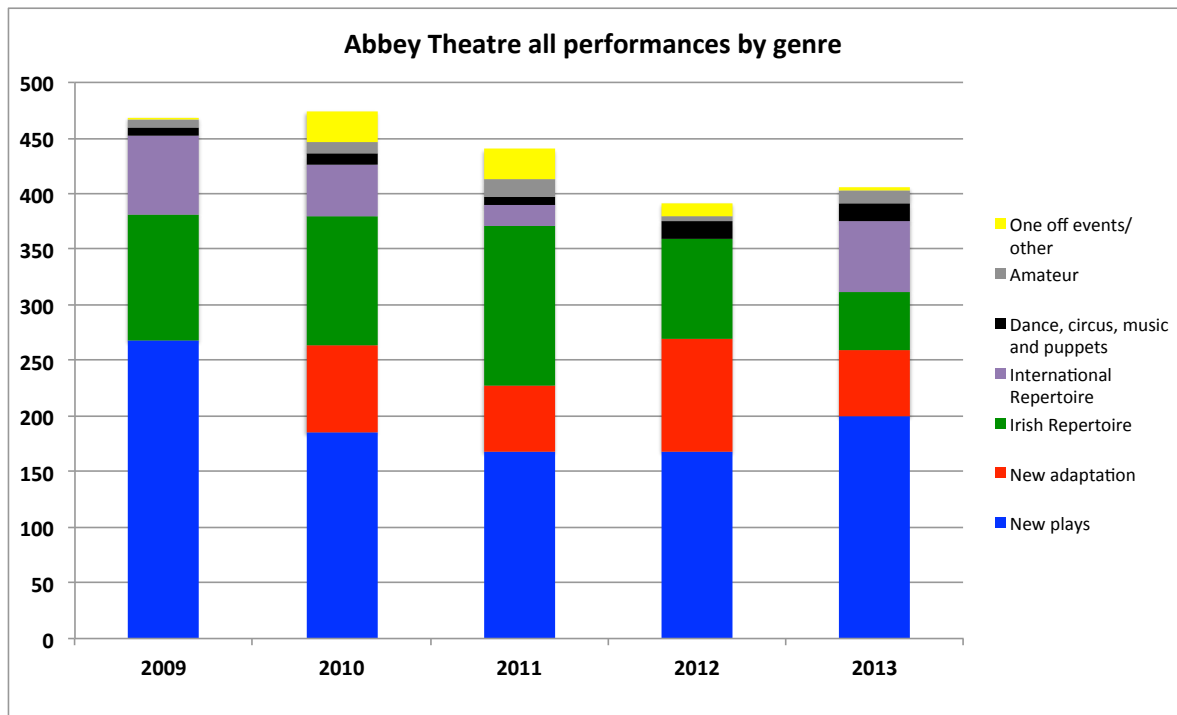
- 5.11. We also analysed the performances at the Abbey by genre. These genres are:

- new plays;
- new adaptations;
- Irish repertoire;
- international repertoire;
- dance, circus, music and puppets;
- amateur; and
- one off events/other.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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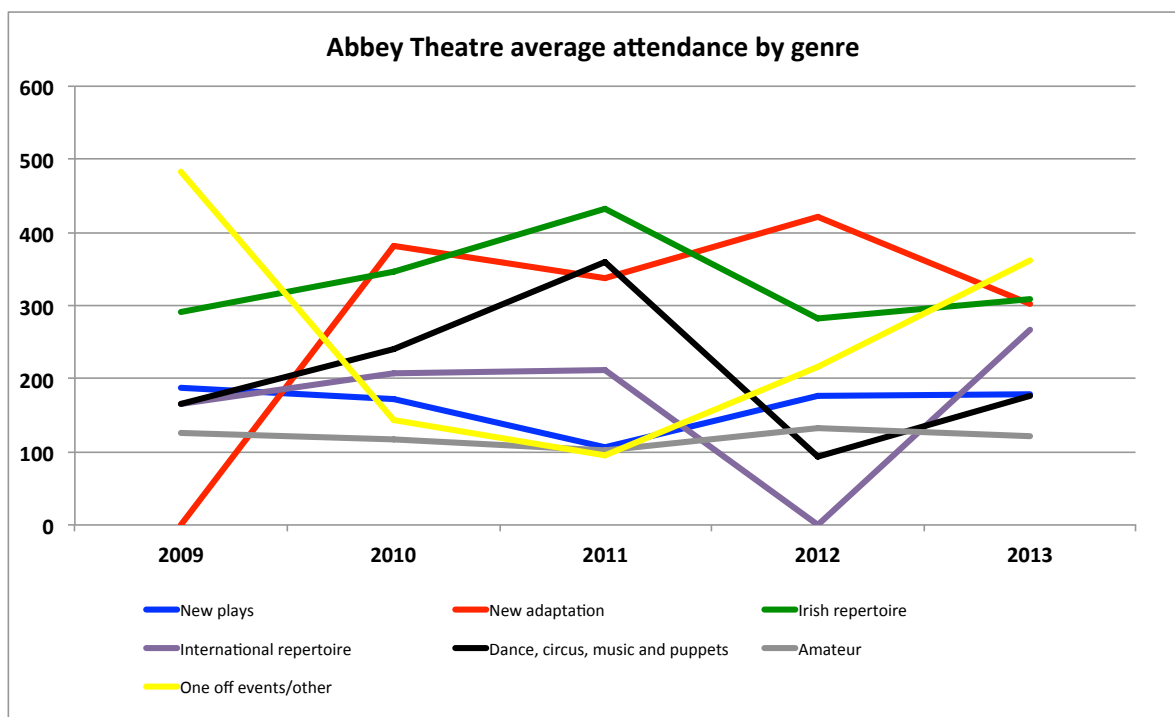
5.12. The programme's core is new plays and, more recently, new adaptations. This includes *The Risen People*, *John Gabriel Borkman*, *Dorian Gray* and *The Dead*:



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

5.13. A full analysis of performances and attendances by programme and type is included in Appendix B. Within the programme:

- average attendances to production by visiting companies are similar to those achieved for Abbey productions;
- the genre which has successfully increased its average attendances is the new adaptation;
- average attendances for Irish repertoire and new adaptations are the most consistently high;
- audiences for new writing are generally consistent;
- international repertoire, dance, circus and puppets and one-off events are less consistent.



### **Levels of Activity and the Production Process**

- 5.14. The levels of activity at the Abbey are low in comparison with the comparators. In 2012 Abbey presented 13 productions while the Royal Court presented 21 and Sydney Theatre Company presented 22. Similarly, the Abbey is often presenting work only in one space and has regular weeks when there is no work on at all, in marked contrast to the comparators. This is largely a function of its operating model and decisions on how to apply resources:
- the resources required to produce work in the Peacock in the current model are high, estimated by the Abbey as [REDACTED] per annum; the costs attributed directly to productions in the Peacock includes creative team fees, all of which are external to the Abbey, actors, staff costs apportioned to productions, sets & costumes and also direct marketing costs;
  - the Abbey's 'fixed costs' include employee costs, excluding overtime and staff costs apportioned to productions; [REDACTED]  
[REDACTED] the Abbey does not carry out fit-ups on Sundays or bank holidays to minimise overtime costs. Overtime restrictions have further constrained the Abbey's ability to allocate production and technical time to meet the needs of the creative production process:
  - the Abbey's production policy and practice mean that the Abbey stage does not present public performances for up to two weeks after the end of one production and the opening of another; this is partly a matter of policy, allowing the creative producing team 10 days to prepare the show for opening; and partly a matter of practice, relating to the overtime restrictions; (in other theatres, overtime might be paid in order to open a show sooner and this might be commercially advantageous where the income from box office would cover the costs of the overtime);

- the Abbey typically offers five weeks rehearsal time, a week more than most other theatres; Sydney Theatre Company has reduced to three and a half weeks; directors, designers and playwrights have mixed views about the Abbey's production practices and policy with some valuing the length of time for preparation and others believing that it is luxurious or it restricts a natural energy.

### **The Peacock**

*"The Peacock is unquestionably the most important stage in the Irish theatre"*  
Frank McGuinness

- 5.15. The lack of productions and activity in the Peacock emerged as the primary issue of concern during our consultation with the Abbey, Arts Council and the external consultees. Those consulted in this review shared the view expressed above although BK is aware that there are several other theatres in Ireland which offer opportunities for small scale and developmental work, for example Project Arts Centre in Dublin.
- 5.16. The Peacock was used as a signifier for research and development activities, which are believed to be essential for the Abbey as the national theatre of Ireland in supporting the development of new writing, new practice and artistic development.

## Studio

- 5.17. The term 'Studio' is associated with the Peacock but refers to an intent, process and methodology connected with research, development and experiment:
- at the Royal Court, studio is a term used for a concept and programme rather than a physical space<sup>7</sup>;
  - the Bristol Old Vic Ferment<sup>8</sup> programme encourages development work with other artists';
  - the Sydney Theatre Company actively seeks to bring in new artists<sup>9</sup>.
- 5.18. The Abbey has aspired to initiate formally a 'Studio' and set out clear intentions to do so in papers discussed with the Abbey board and submitted to the Arts Council associated with funding applications. However it has believed itself unable to implement these plans due to lack of resources.
- 5.19. The Abbey is involved in a significant programme of commissioning, playwright development and workshopping of new plays. This programme is highly valued by writers. It is constrained by resources and the lack of opportunities to present work in the Peacock. The costs of these activities, along with the commissions, are included within the fixed costs of the Abbey.

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<sup>7</sup> The Royal Court Studio "aims to seek out, nurture and support emerging playwrights, enabling them to develop innovative, original and exciting new plays"

<sup>8</sup> Bristol Ferment is the artist development department of Bristol Old Vic. It is also the name we give to the vibrant community of theatre-makers from Bristol and the South West with whom we support and develop exciting and adventurous new work. Within this 'ferment' it is our job to create a playful structure through which the best of these artists can explore their theatrical ideas in an ongoing dialogue with an audience.

Devisers, directors, writers, dancers, musicians, poets, puppeteers, live artists - you name it. The Ferment is a porous pool into which we invite artists who inspire us to forge new theatrical possibilities and make the theatre of tomorrow."

<sup>9</sup>The Sydney Theatre Company's artistic directors are proactive in asking artists to contact them. The website has a section for artists: "Although the artists who create work for our annual season are typically highly experienced, STC is also committed to supporting the professional development of emerging artists. If you are an emerging artist who wishes to be considered for opportunities at STC, it is critical that you invite us

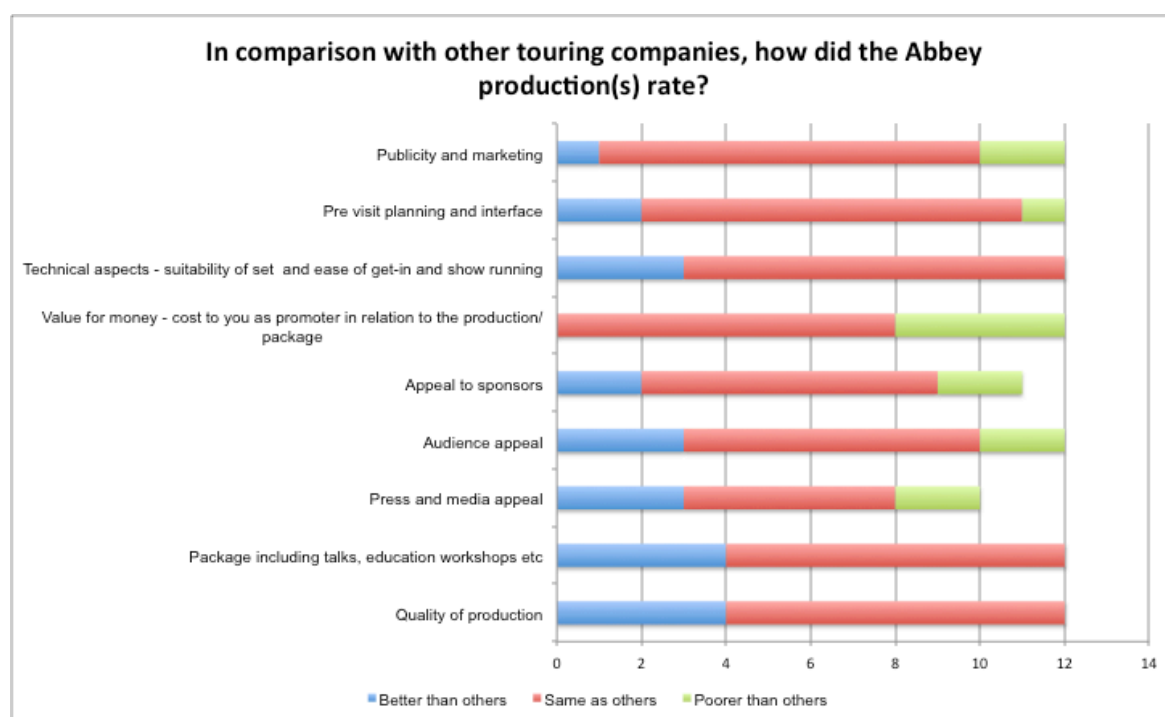
<http://www.sydneytheatre.com.au/about/information-for-artists/inviting-us-to-see-your-show.aspx>

to see your work. We see an enormous amount of theatre and are constantly searching for new talent that we can nurture and develop".

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## Touring

- 5.20. The Abbey depends to a large extent on additional funding from the Arts Council when undertaking touring in Ireland, although it has funded a number of national tours without additional funding. This funding is often granted close to the time of the tour and limits planning<sup>10</sup>. We surveyed touring venues in Ireland and found that there was strong demand for the Abbey on tour at all scales. The Abbey's status as the national theatre was viewed as beneficial and helpful in attracting audiences and media attention. Several promoters expressed concerns about costs and planning and sought a deeper relationship. Promoters were asked to compare the experience of promoting and hosting the Abbey with others they had hosted. In general, the Abbey was viewed similarly to others as illustrated here:



<sup>10</sup> The Arts Council also has an advanced planning touring fund which offers a longer lead-in time for the scheduling of touring, which may be more appropriate for the Abbey to explore.



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 5.21. The Abbey has toured extensively internationally, recently with *Terminus*, *John Gabriel Borkman*, *Juno and the Paycock*, *The Plough and the Stars* and *Quietly*. *Druid* and *the Gate* are perceived to have had a significantly greater presence at international festivals and other venues for several years and there have been many productions by other Irish independent theatre and dance companies in the UK, the US and across the world in recent years, for example Pan Pan and Fishamble. Many visits, particularly to official festivals are by invitation only. The Abbey has been in receipt of invitations which it has not been in a position, for various reasons, to accept, for example, its co-production of *Juno* with The National Theatre of Great Britain was invited to BAM in New York and its production of *Translations* was invited to the Edinburgh International Festival.
- 5.22. Both the National Theatre of Scotland (NTS) and National Theatre Wales offer alternative models of engagement with communities and arts organisations/venues, working in close partnership on projects within a specific place with local partners, sharing the risks and rewards. For example:
- NTS originates plays and productions in partnership with local venues in their locales; this includes agreeing plays, rehearsing and opening plays throughout Scotland, from Shetland to Fife; often with extensive and long term community engagement<sup>11</sup>;
  - in addition NTS is involved in co-productions<sup>12</sup>; its national and international touring programme generally involves remounting productions which have elicited demand from national and international promoters;
  - National Theatre Wales works with local communities and artists to produce work<sup>13</sup>.

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<sup>11</sup> for example, Elgin *Macbeth* a community play, *In Time of Strife* in Kirkcaldy , further examples on <http://www.nationaltheatrescotland.com/>

<sup>12</sup> for example the current *James* play cycle is a co-production with the Edinburgh International Festival and the Royal National Theatre

<sup>13</sup> for example *The Passion* with Michael Sheen in the mining community of Port Talbot  
<http://www.nationaltheatrewales.org/passion>

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### **Archive**

- 5.23. The Abbey is involved in an innovative partnership with the National University of Ireland, Galway (NUIG), which involves digitising the Abbey's significant and extensive archive. This partnership also involves NUIG providing significant financial resources to the Abbey for a limited period. This figure represents a major part of the income shown from fundraising and development in the Abbey's accounts.

### **Community and education**

- 5.24. The Abbey has recently developed its community and education activities delivering a wide range of projects in different contexts. There is potential to develop this, perhaps including generation of income.

### **Building**

- 5.25. The current premises are cited by artists as the greatest problem of working at the Abbey:
- the Peacock is a poor space in terms of theatricality and is restricted in terms of its get in;
  - the rehearsal room is constrained in shape and size. It does not represent the dimensions of the Abbey stage, which sometimes necessitates the hiring of larger rehearsal space.
- 5.26. The Abbey management team finds that there are significant additional costs associated with operating the current building:
- limitations with regard to the building's access, services and equipment prevent the use of some areas without additional staffing. For example, the Abbey bar area has no disability access and this led the Abbey to relocate the talks programme to the Peacock where there is disabled access. This, in turn, required the rostering of additional staff;

- the Abbey Theatre is located in a part of the city where there are problems with drug dealing and associated social issues. There have been incidents where the safety and security of the Abbey's artists and staff have been at risk. Additional annual security costs have been incurred;
- the lack of connection from the Abbey to the Peacock prevents efficiencies in Front of House and box office.

5.27. The Abbey is dissimilar to other national cultural institutions in that the OPW does not maintain the building.

#### **Finance**

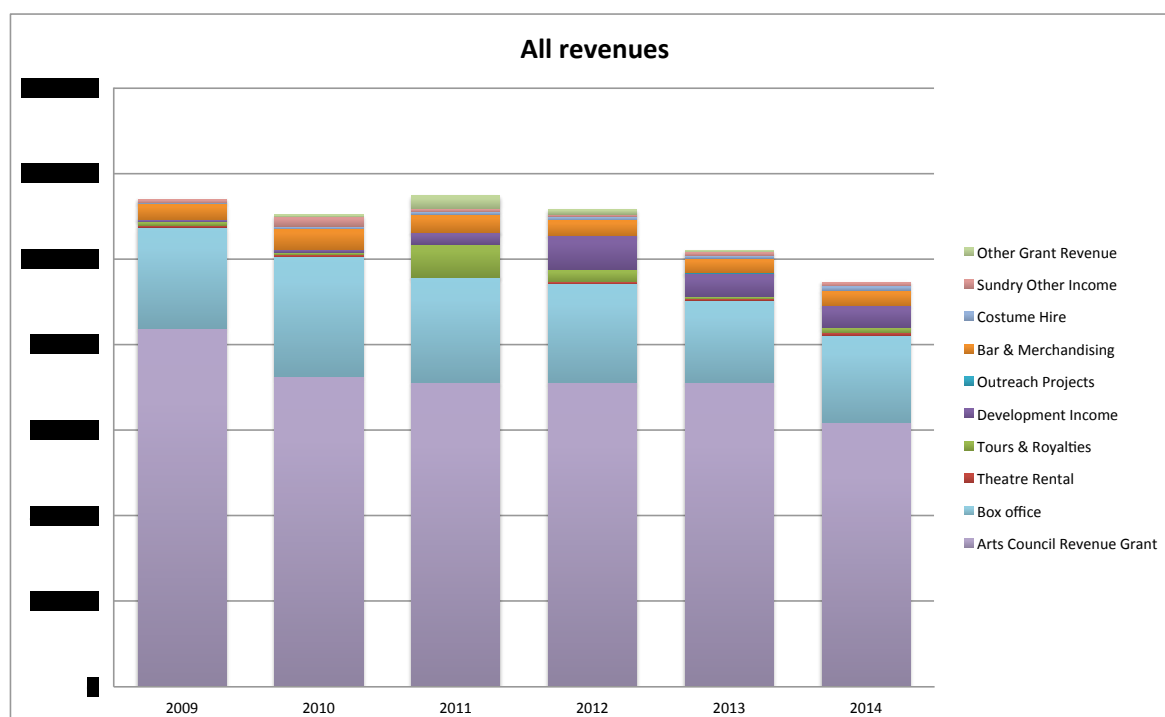
5.28. For the purposes of this review, BK has considered the Abbey's financial results from 2009 up to and including the projected budget for 2014. This has included income and expenditure overall, production costs, non production costs, fixed costs, budget variances. BK has also considered the Abbey's financial results taking into account the selected comparator theatres.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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## Revenues

- 5.29. The overall revenues of the Abbey have declined over the review period, commensurate with the decline in public funding, falling overall by some 17%:

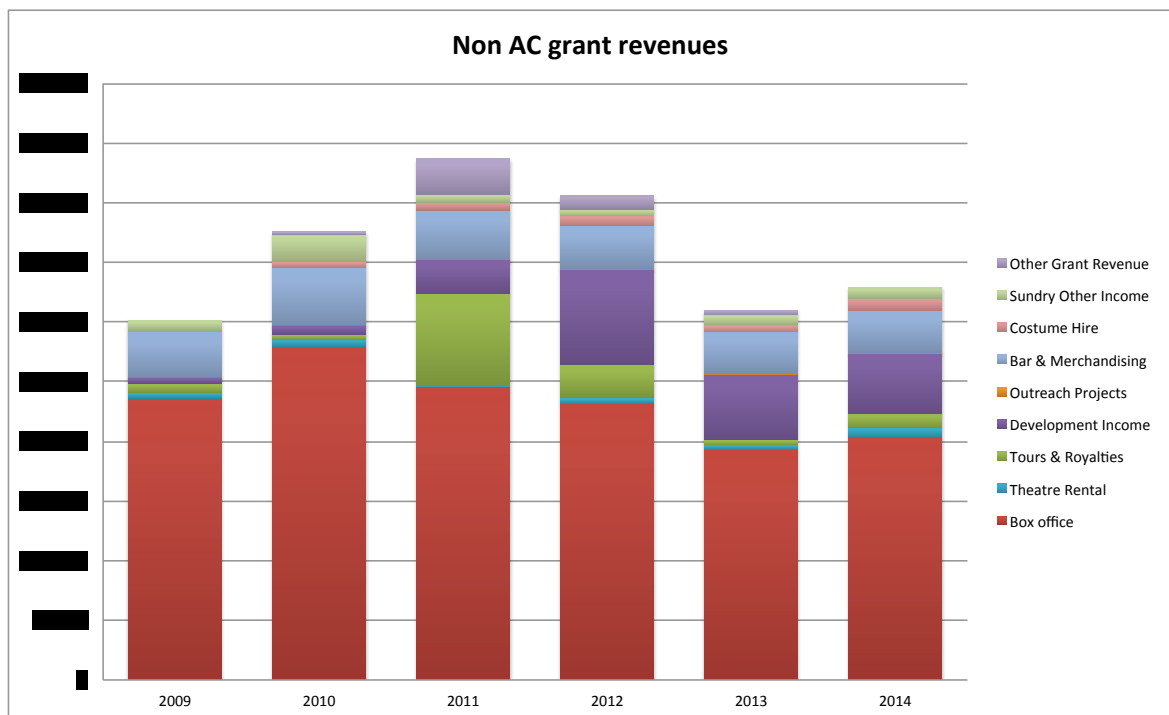


- 5.30. The drop in funding from the Arts Council over this period was 26%, therefore, the Abbey has somewhat managed to offset the reduction in core funding.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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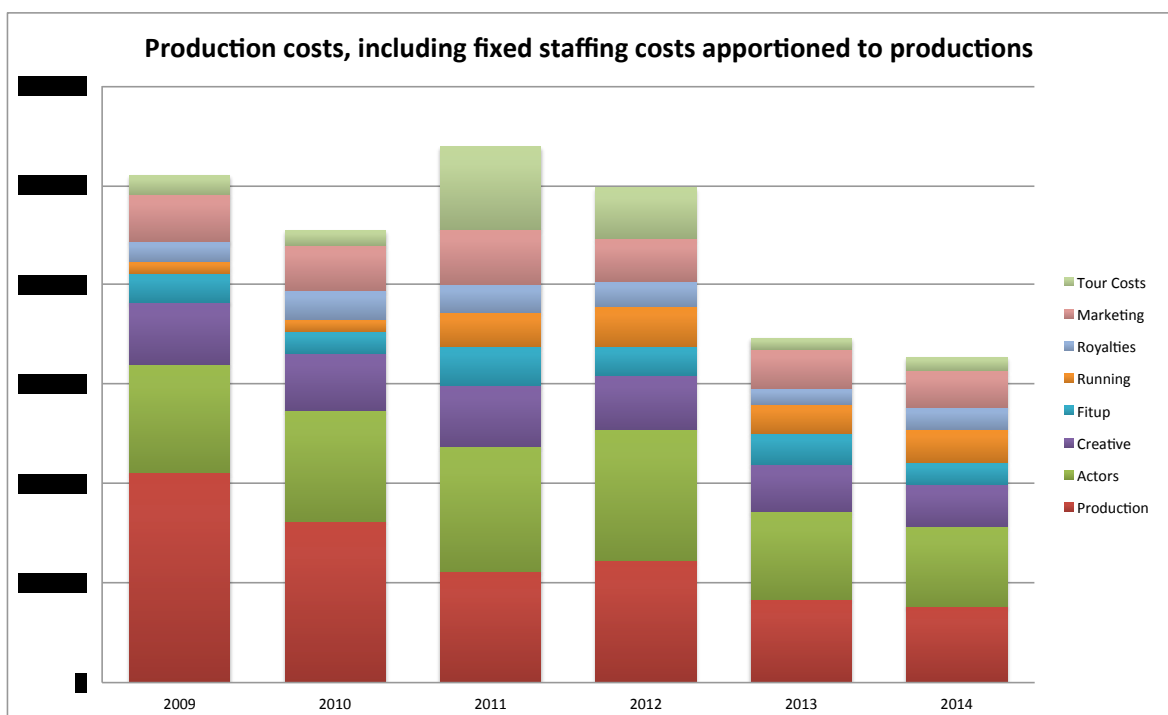
5.31. Whilst public funding steadily declined over the six year period, non AC funding fluctuated:



5.32. The significant differences here are the drop in box office income, effected by the number of productions and performances (as noted above) and income from tours which is sporadic and dependent upon available funding at the moment of opportunity.

## Production costs

- 5.33. Total production costs have fallen steadily since 2009, overall by some 36%, with larger drops in staffing costs directly apportioned to productions, actors and production costs:

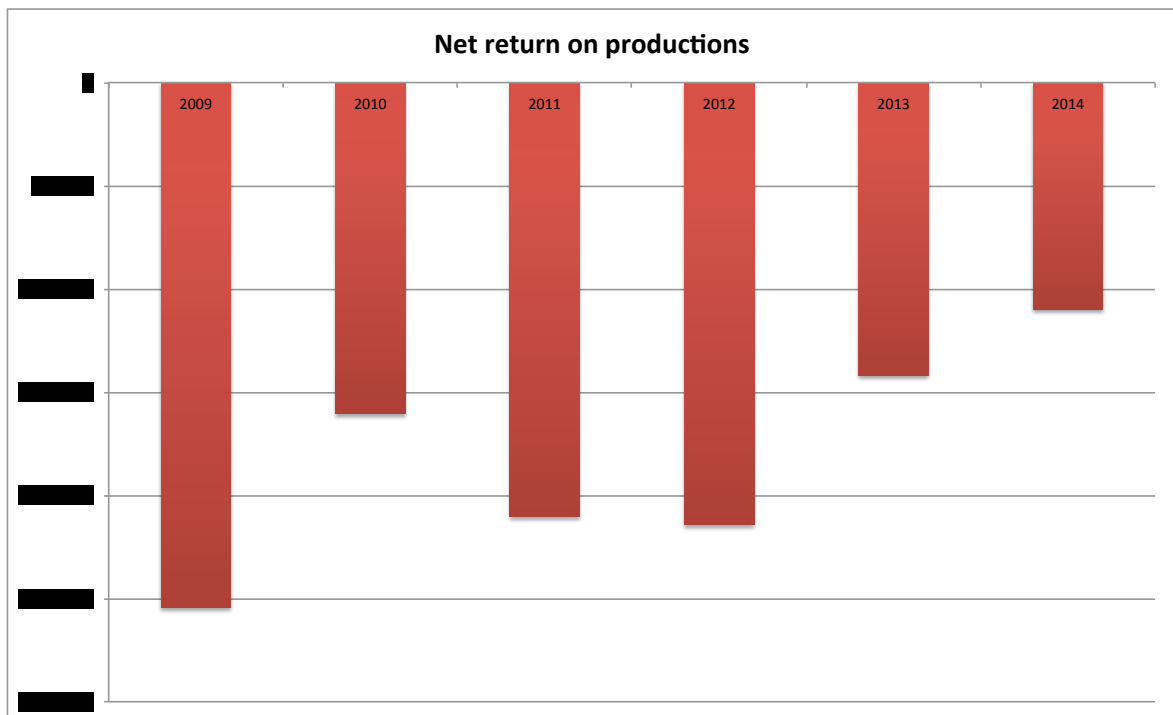


- 5.34. For the same reasons as given above, the fall in overall production costs is largely due to fall in the number of productions and performances reflecting the reductions in subsidy. Within this framework, production costs (sets, costumes etc.) have fallen by 64%, staffing costs apportioned to productions by 49%, whilst actors' fees have only fallen by 26% arising mainly from the engagement of smaller casts.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 5.35. The greater fall in production costs has resulted in a significantly lower net cost to productions (box office income against production costs), with the net loss improving by some 58%:



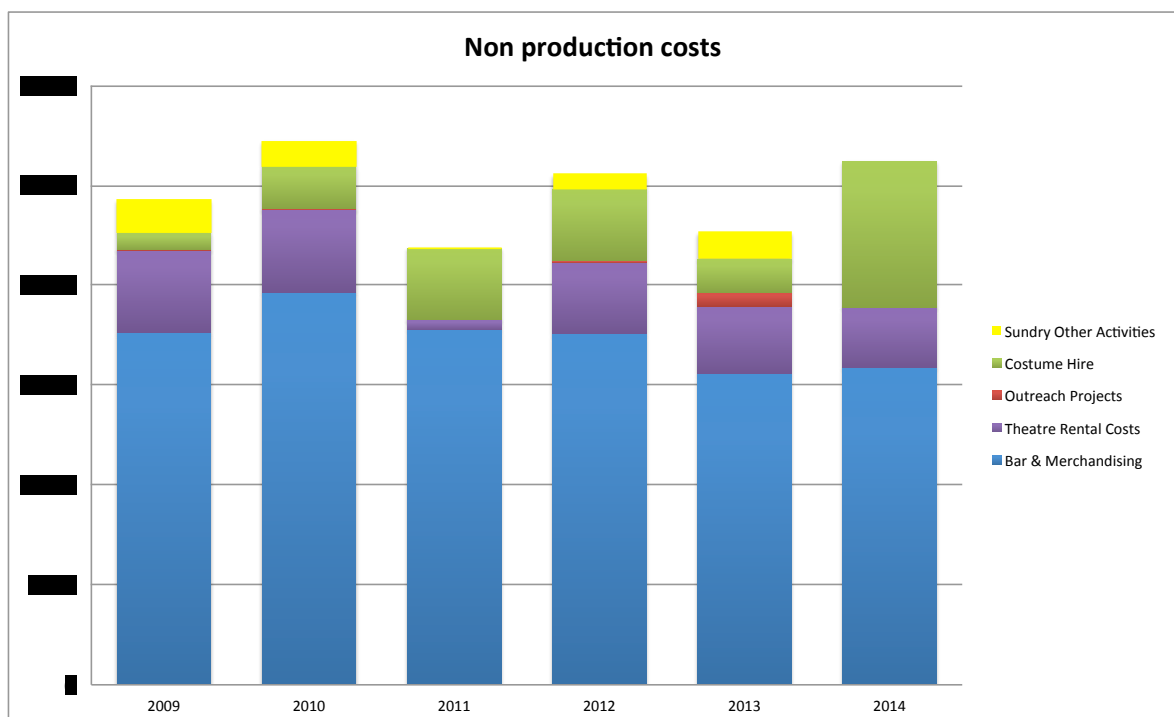
- 5.36. This illustrates that the Abbey has significantly improved its margins during a period of reduced funding.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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Non production costs

- 5.37. Non production costs (sundries, costume hire, outreach projects, theatre rental costs, bar & merchandising) have remained relatively stable:

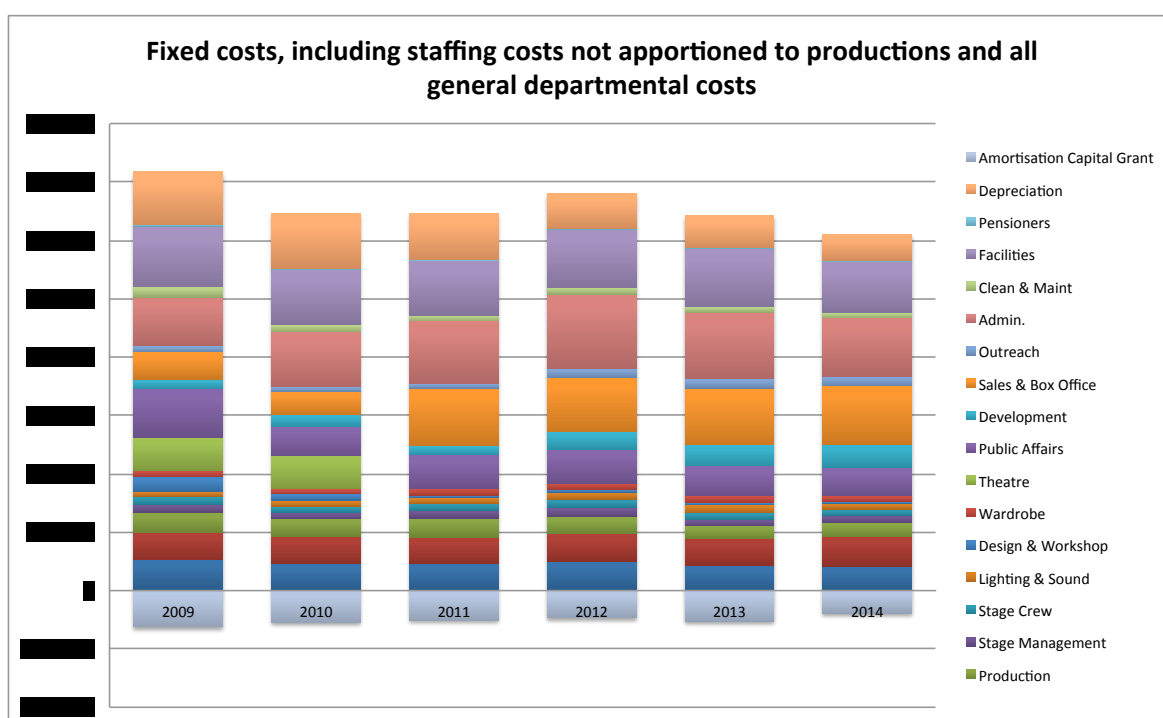


- 5.38. This reflects the fact that none of these items and activities are dependent upon direct funding and are also largely independent of production activity. The overall profile is effectively flat lining.



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

- 5.39. Excluding the amortised capital grants, the Abbey's nominated fixed costs have fallen by 12.5% since 2009, taking into account all the Abbey's currently identified fixed costs, which include, for example, all the theatre's employee costs by department not related to productions, expenses, administration costs by department and, for example, costs of play commissions:



- 5.40. Reflecting other observations made above, the Abbey has concentrated many items into its fixed costs that at other theatres would typically be accounted for separately. These include:

- staffing (all direct and indirect costs to identify the staffing establishment costs);
- administration costs;
- literary commissions, workshops, reader fees, rights and projects;

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

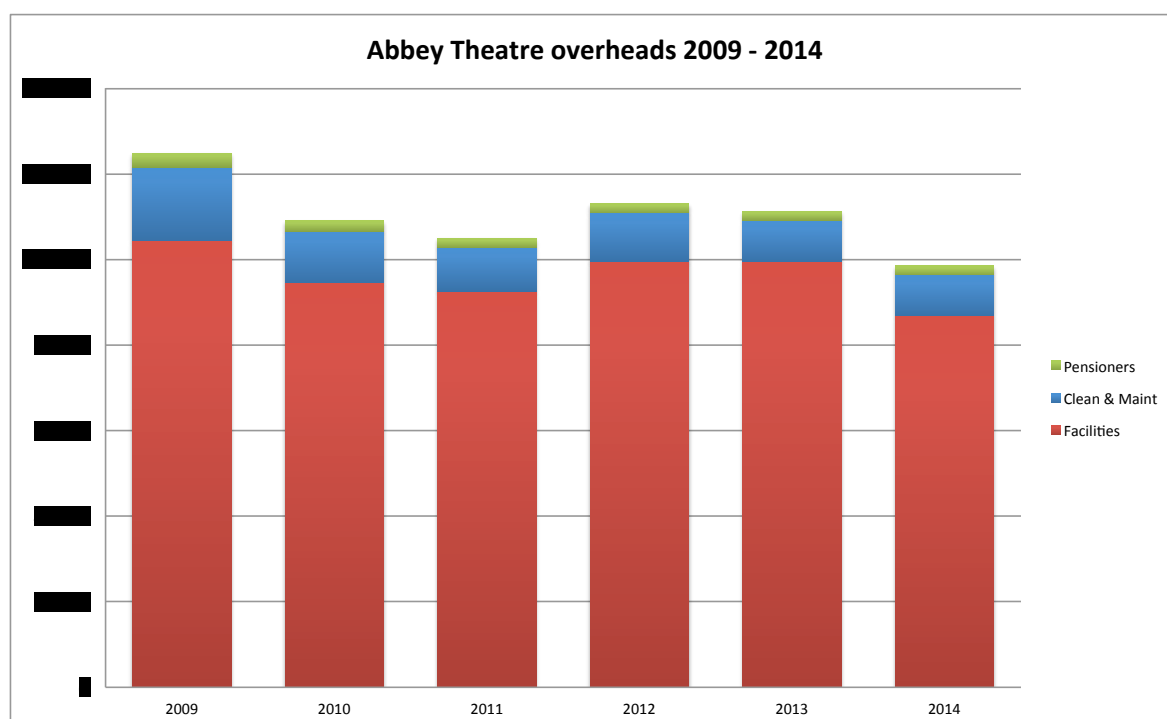
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- community, education projects, books and publications;
- advertising and promotions (whilst marketing costs are divided up amongst individual production budgets).

5.41. More typically, staffing would be a separate budget; literary commissions *et al* would be part of production budgets or the literary department; community & education would be a separate departmental cost; and equally marketing, advertising and promotions would be gathered together under a separate heading.

5.42. The presentation referred to in 5.41 would facilitate a more nuanced overview of the theatre's core costs, both fixed and variable.

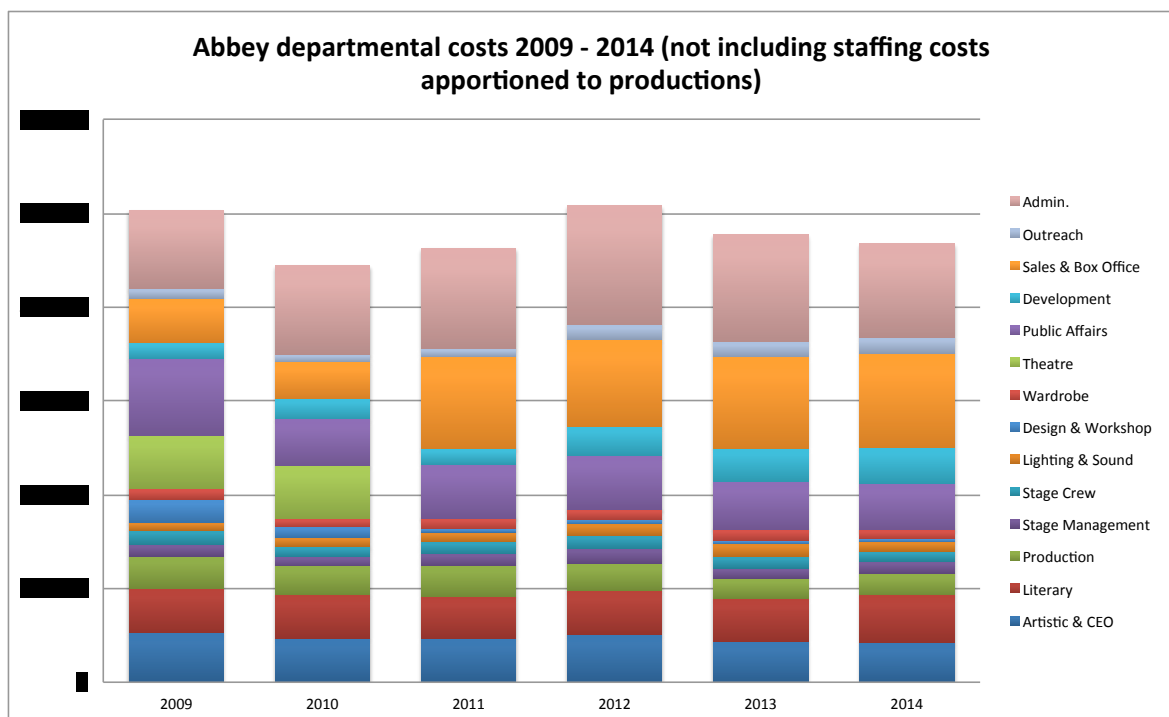
5.43. If the departmental costs are taken out of fixed costs and excluding depreciation and amortisation of capital grant, the profile becomes:



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

5.44. These costs therefore have fallen by 21% over the period.

5.45. When the departmental costs are considered separately, it can be seen that these have fallen by 7% over the six year period. These costs include all staffing related costs not related to productions, such as tax, training, sub contractors, casting expenses, travel and entertainment, commissions, workshops, maintenance, equipment and materials costs.



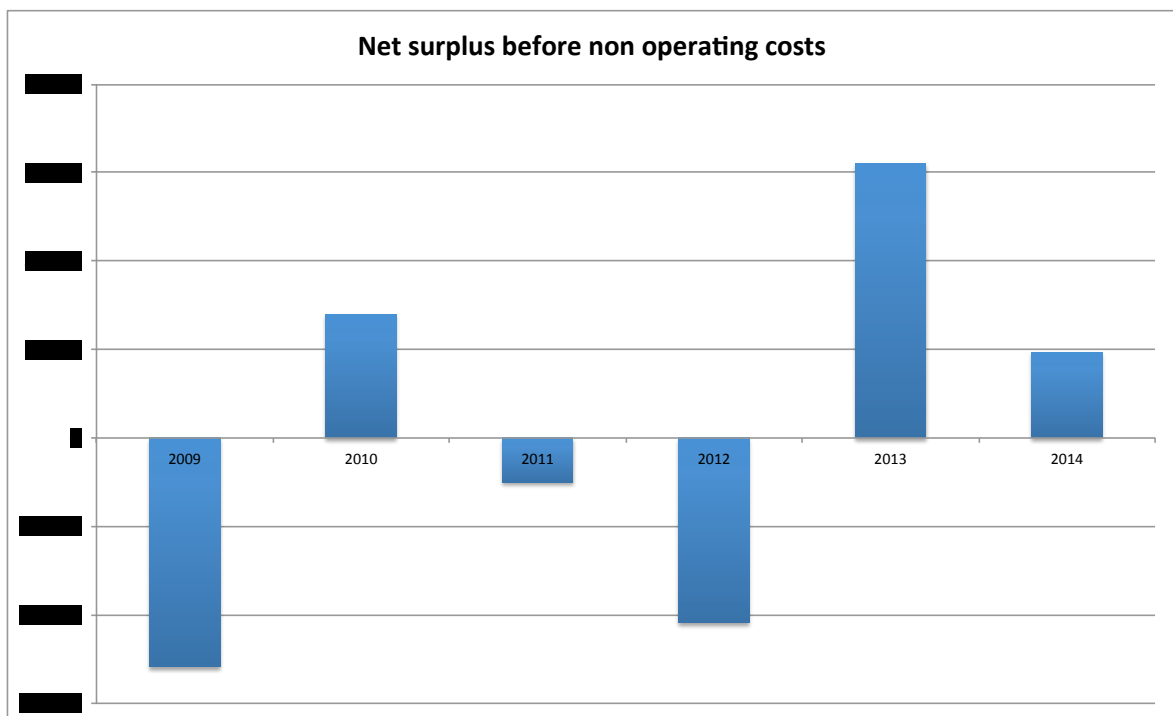
5.46. Since 2009, the number of posts has fallen and the overall staffing costs have fallen by 25%. This takes into account all staffing costs, including costs apportioned to productions.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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Overall results

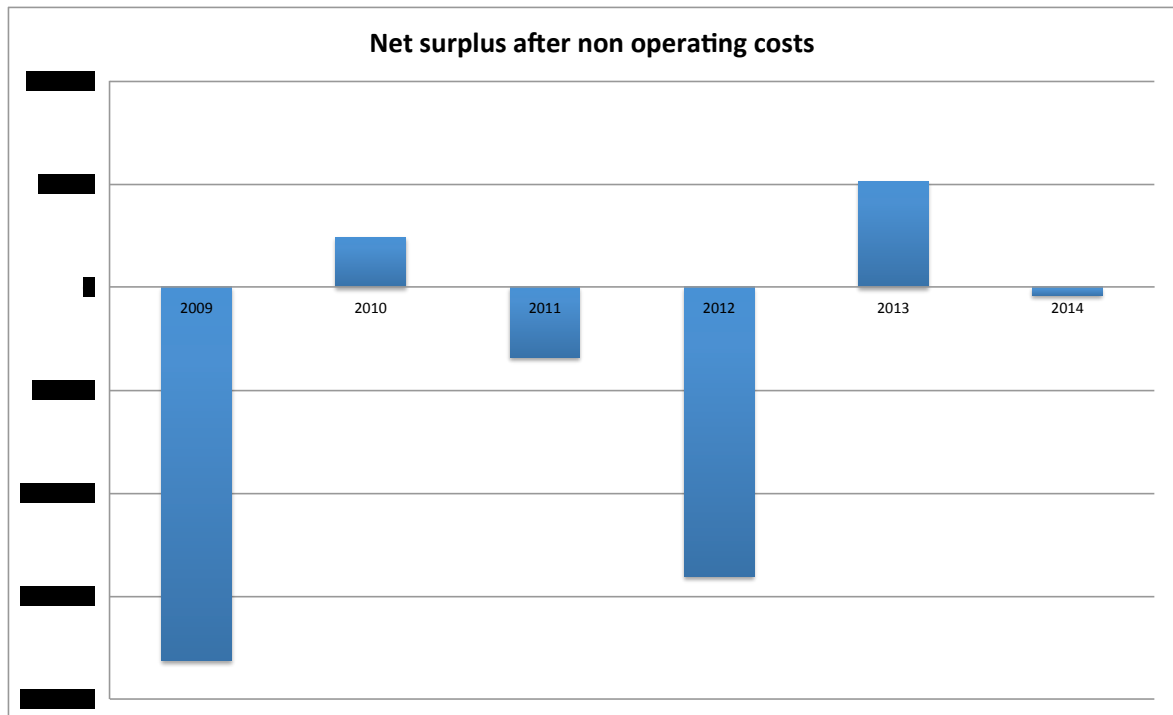
- 5.47. Overall, the Abbey has found difficulty in finding a stable and sustainable financial structure, challenged as it has been by a changing environment and reduced funding. This is reflected in its overall net surplus, before including its non operating costs (restructuring and new building costs):



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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5.48. Equally, once applying its non operating costs the same outcome is apparent:



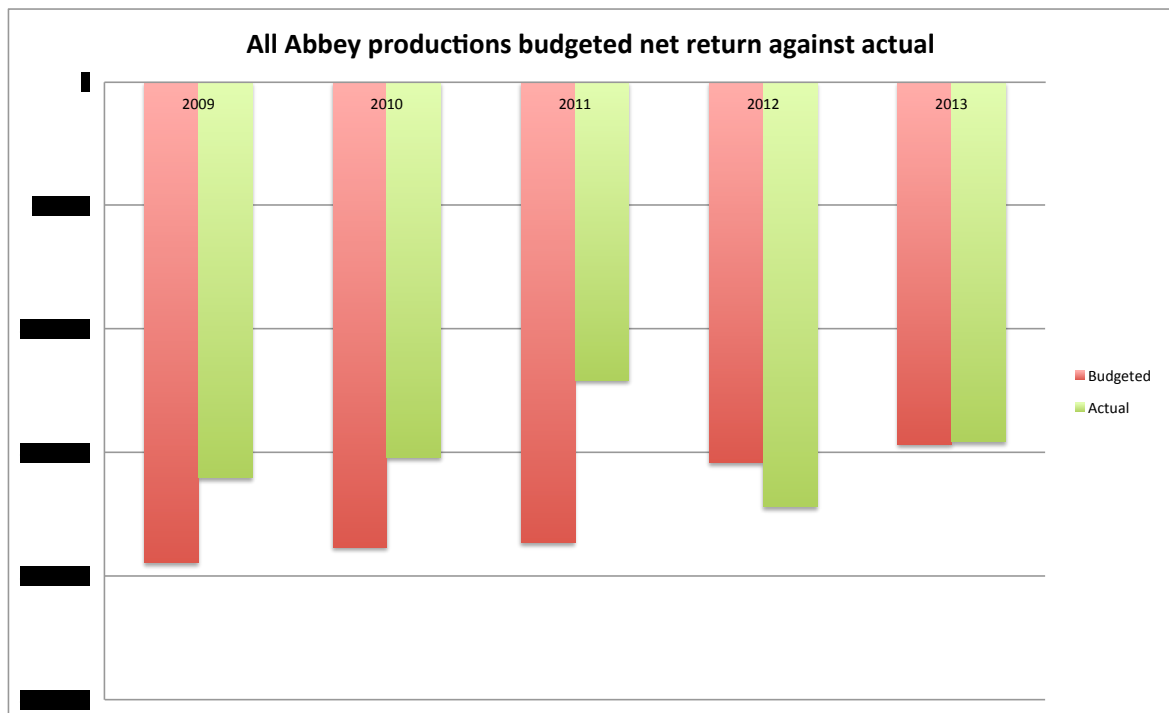
5.49. However, it can be seen that the Abbey has reduced the fluctuations in recent years, indicating it is more in control of its operations and markets.

5.50. It should be noted that the results in 2012 include an allowance of €969,394 for closure of a pension scheme.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 5.51. To reflect this and within this overall operating framework, the Abbey has managed its variable budgets relatively well, delivering outcomes better than projected budgets, for example, in terms of overall operating costs:

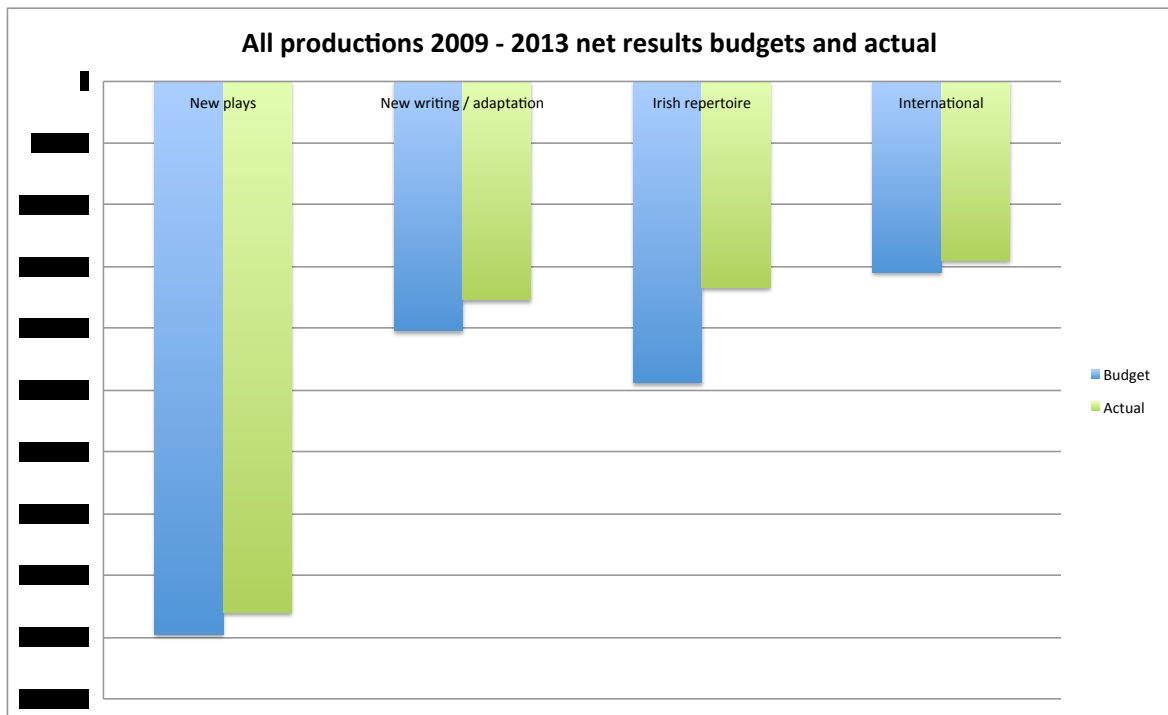


- 5.52. Only in one year, 2012, was there an overspend on original budgets. This was reflected in the net deficit for the year.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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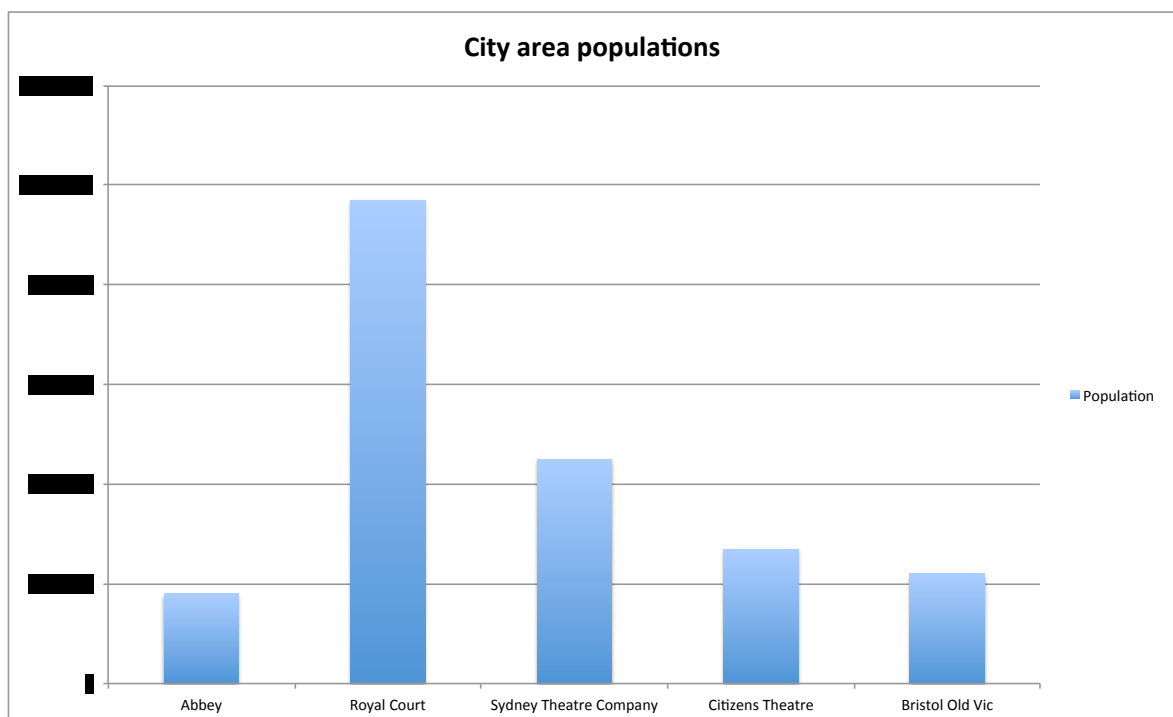
5.53. This is also true when analysed by type of production – new plays, new writing / adaptations, Irish repertoire and international works:



5.54. This chart takes the similar types of production together over the six year period and it can be seen that, for all categories considered over the timeframe, actual results have improved upon original budgets.

## Comparator Theatres

5.55. Of the group of selected international models, the Abbey has the smallest direct catchment area, although it is not dissimilar to that of Bristol Old Vic:

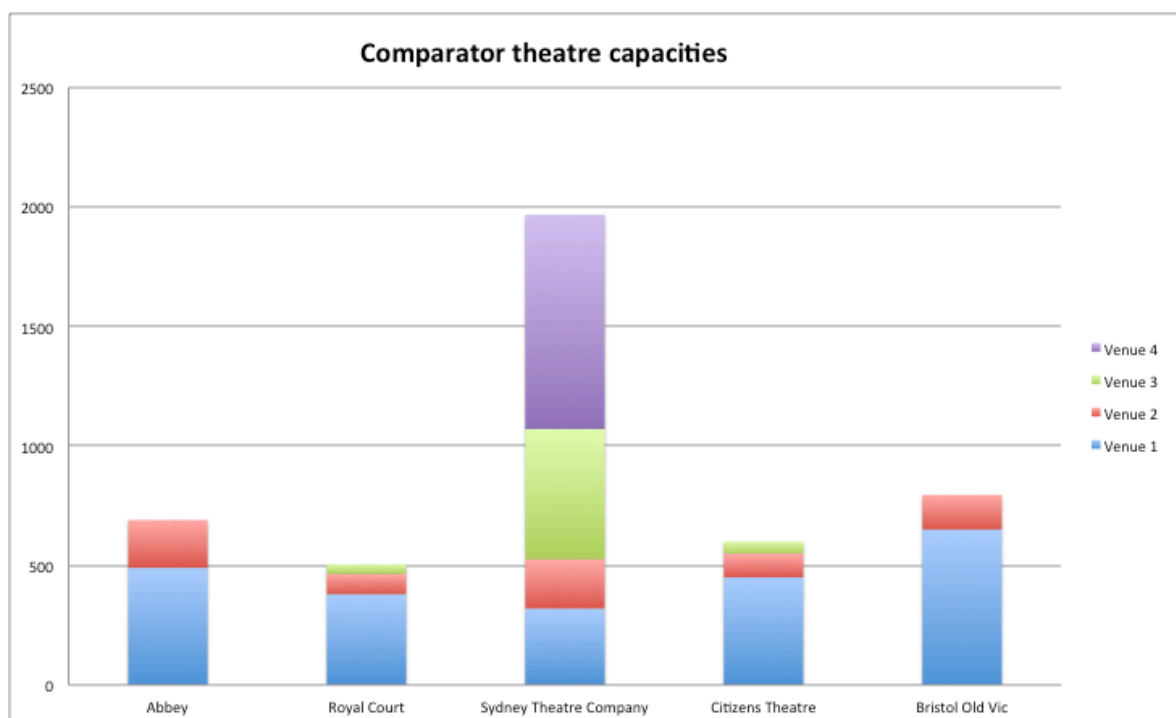




*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 5.56. The seating capacities of the theatres are relatively similar, with the exception of Sydney Theatre Company which occasionally, but regularly, uses larger theatres (Sydney Theatre and Sydney Opera House Drama Theatre) which it does not directly operate (the majority of its work is in its own two smaller Wharf theatres totalling 525 seats):

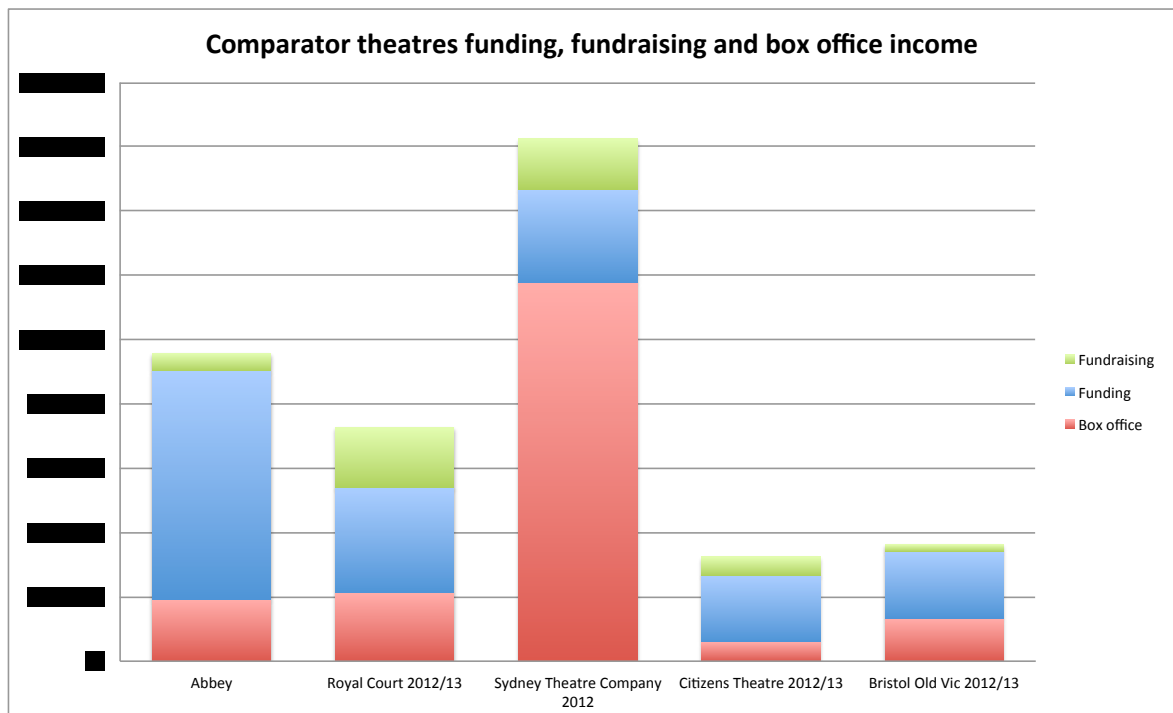


- 5.57. In this respect, the Abbey Theatre is directly comparable with the other theatres (the Sydney Theatre Company's own smaller theatres are shown here in red and blue) and, in fact, larger than the Royal Court, Citizens and Bristol Old Vic.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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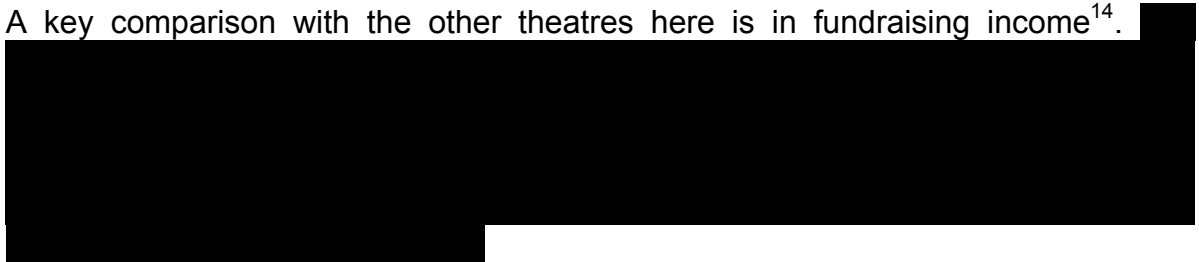
- 5.58. However, of the group, the Abbey has the highest levels of public funding by a clear margin (shown here in blue) and, overall, the second highest revenues from funding, box office and fundraising income taken together:



- 5.59. The Sydney Theatre Company achieves high box office revenues from its use of the larger Sydney theatres, which it performs in from time to time.

## Fundraising

- 5.60. A key comparison with the other theatres here is in fundraising income<sup>14</sup>.



- 5.61. Sydney Theatre Company has a separate foundation that is responsible for raising funds for the theatre. It publishes a detailed annual report, including a business plan with artistic and operating policies.
- 5.62. All the theatres taken in comparison categorise their fundraising income by genre and all identify learning and play development for fundraising sources.
- 5.63. Whilst the market in Ireland may be more limited and certainly depressed during the recent recession, it would appear that the Abbey underperforms when considered in this context.

## Staffing

- 5.64. The Abbey has made a number of changes to its staffing since 2005. It now has 92 full-time equivalent staff (FTEs) including permanent staff and those on fixed term contracts. It operates its own pay-scales and some of the staff are on historic (higher) rates. The series of contractions over the years have led to an apparent imbalance in the staffing structure, for example in the number of costume staff relative to other technical and production areas. The Abbey has an established IR process with which it complies with regard to consideration of any changes to staff, terms or conditions.

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<sup>14</sup> the Abbey has been compared with international comparators and not with other theatres or cultural institutions in Ireland

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

- 5.65. The most striking element when the Abbey is compared with the other theatres is how few of the Abbey roles are involved in creative practice. A full comparison is included in Appendix C and a summary of the total staff numbers, costs per post and staff described as artistic/programming is illustrated here. Posts for literary, education, development etc. are shown in the appendix:

Staffing Structures Abbey 2014	Royal Court 2013	Citizens 2013	Sydney Theatre Company 2012	Bristol Old Vic 2013
Total staff = 92	Total staff = 125 (17 catering)	Total staff = 58	Total staff = 300+	Total staff = 38 ft, 50 pt
Staffing costs (2014 budget):	Staffing costs:	Staffing costs:	Staffing costs:	Staffing costs:
Av cost per post:	Av cost per post:	Av cost per post:	Av cost per post:	Av cost per post:
Director	Artistic Director	Artistic Director / CEO Executive Director	Artistic Director Executive Director	Artistic Director Executive Director
PA to Director	Assistant to the Executive		Executive Administrator	Administrative Asst to Directors
Resident Assistant Director	Associate Director	Associate Director (Citizens Learning)	Director of Programming & Artistic Operations	Associate Director
	Associate Director		Co resident Director	Associate Director
	Associate Director		Co resident Director	
	Associate Director (p/t)			
	Artistic Associate (p/t)		Resident Designer	
	International Director			
	International Associate			
Assistant Producer	Executive Producer			Producer, BOV productions
	General Manager (producing)			Programming Coordinator & PA to Directors
	Administrator (producing)			
	Projects Manager (producing)			
Voice Director			Voice & Text Coach	
Casting Director	Head of Casting		Casting Director	
	Casting Deputy		Casting Coordinator	
			Senior Producer	
	Curator, The Big Idea (p/t)		Associate Producer	
	Trainee Director		Artistic Administrator	

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 5.66. This has both direct and indirect impacts upon activities and operations. For example, in the comparator theatres, creative staff are directly involved in productions such as in directing and design<sup>15</sup>. This means that there is an element of retained creative knowledge and house style within the theatres, as well as reducing the creative costs of some productions.
- 5.67. This is commented upon below when considering an alternative operating model.

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<sup>15</sup> Some of the Abbey staff members are designers in their own right and have designed Abbey productions.

## 6. Potential Alternative Model

- 6.1. The Abbey's current operating model when combined with its commitment to a wide range of activities and strands in pursuit of its mission, constrains it in several areas. In particular, it restricts its ability to support research and development (referred to as studio) and to operate both the Abbey and the Peacock at the same time. Both of these limitations impact negatively on the use of the Peacock, cited by all of those consulted in the review as being the most serious and important concern. The Peacock should be the engine of the Abbey Theatre, supporting the development of Irish theatre artists, new work and innovation, and it certainly should have a full, vibrant and energetic programme of activity.
- 6.2. In the context of the evidence and analysis, BK is of the view that there is potential to modify the Abbey's operating model in a manner which would support increased development and production of new work, innovation, research and development and would see the Peacock function energetically. The Abbey would increase its focus on being a creative producing theatre supporting new writing in Ireland.
- 6.3. In the context of the current financial and funding restrictions, this would demand both reprioritisation of activities and rebalancing of resources. To be clear, this is an outline model for consideration. It is not a plan. Should there be interest in considering this model, it would need detailed consideration by the Abbey with an assessment of achievability and a realistic time-frame.
- 6.4. BK recognises the difficulties encountered by the Abbey in trying to meet all of its requirements in terms of compliance while maintaining its operations in the context of reduced funding. In outlining a potential alternative model, we are aware of the challenges surrounding the implementation of such a model. Any alternative model would take a period of years to achieve.

6.5. Our alternative model has been informed by:

- detailed comparison of the activities and staffing structures of comparators, in particular the Royal Court, Sydney Theatre Company, Bristol Old Vic and the Glasgow Citizens' Theatre;
- consultation with writers, actors, directors and designers;
- review of production costs and schedules, rehearsal times and fees paid by the Gate and Druid.

#### **Mission, Policy and Strategy**

6.6. In the context of current resources and also the work produced by other theatre companies in Ireland, we recommend that, for this period, the Abbey would prioritise four main strands:

- Irish writing and plays about Ireland not only those commissioned and produced by the Abbey but also by visiting companies; this includes new adaptations;
- Research and Development including use of the Peacock, artistic experimentation and engaging a wider range of artistic talent, using alternative aesthetics and models of production;
- Engaging the people of Ireland primarily through touring and also community and education work where funding allows, particularly engaging 'new Dubliners';
- Legacy and Leadership: the archive, talks and discourse and inviting other artists to work with the Abbey.

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 6.7. Other aspects would be secondary at this time, particularly:
- Maintaining and refreshing the Irish repertoire: and
  - Producing international plays<sup>16</sup>.
- 6.8. For the avoidance of doubt, this is neither to diminish the overall importance in the longer term of maintaining the Irish repertoire nor to suggest that Irish and international repertoire should not be produced. In this model, we suggest that the areas in 6.6 above are prioritised as being essential to the role of the national theatre and which, broadly speaking, no single other theatre company in Ireland is resourced or mandated to perform. Further, in suggesting prioritisation, we strongly suggest that the Abbey would be producing Irish and international repertoire in order to present a balanced programme and for commercial reasons. In particular, we wish to emphasise that interpretation of priorities would be a matter for the Abbey and should not be associated with any directive from the Arts Council which could be seen as prescriptive. This relates to our commentary on the current relationship between the Abbey and the Arts Council later in this document.
- 6.9. In articulating its strategy, the Abbey might rephrase its mission to reflect its primary focus on Irish writing, research & development and engaging the people of Ireland. Leadership and legacy aspects might be considered more of the *modus operandi* associated with being the National Theatre and a member of the NCI.

### **Activities**

- 6.10. The Abbey would expect to have work on in both spaces for a significant part of the year, similar to the comparator theatres. Work playing simultaneously is a core characteristic of national theatres and theatres of national significance.
- 6.11. It would commit to a research and development programme building on current literary work and extended to include more theatre artists and experimentation of form and content; and the development of ideas ('Studio').

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<sup>16</sup> BK's categorisation includes Shakespeare within international repertoire



*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 6.12. It would run the Peacock with small production budgets with most of the creative team being in-house. Equally, it would welcome in other artists and companies to the Peacock and 'Studio' on a similar, low budget basis. As far as possible, a single technician would support the Peacock.
- 6.13. A new approach to marketing the Peacock would be considered involving less dependency on traditional (and costly) print media and advertising and the costs of marketing would be removed from the production budgets:

Production model activity assumptions

Abbey Theatre	6 productions
	Visiting productions
	Some smaller plays moving to the Peacock
	One week less rehearsal
Peacock Theatre	8 productions
	4 Abbey productions
	4 visiting artists
	Small production budgets
	Theatre run by a single technician
In addition	Regular visiting programme e.g. Dance Festival
	Regular amateur programme

- 6.14. There would be a greater number of performances in the Peacock, enabled by a different approach to productions (low budget, limited external creative team members, and one technician) and the opening up of the Peacock to other artists (with the Abbey providing a minimum level of technical support).

## **Finance**

- 6.15. The Abbey would restructure the budget to separate out operating costs from fixed costs. Equally, it would restructure production budgets in accordance with the restructured programme, reflecting particularly on introducing more in house creative posts to the core establishment. A clear budget for research and development would be identified.<sup>17</sup>
- 6.16. This would result in a financial structure that would better mirror operations and reduce overall production costs.
- 6.17. These changes would also serve to restructure the staffing model for productions, increasing in house creative capacity. This would require a rebalancing of the staff resources to increase the number of creative roles relative to administrative and management roles.
- 6.18. BK's initial analysis of this model indicates that this could be viable within current funding and income levels.

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<sup>17</sup> Potential Budget Structure Appendix D

## 7. Evaluation and Monitoring

- 7.1. The arrangements for evaluation and monitoring of the Abbey by the Arts Council have been confused and contested between the two parties. In addition, communication between the two parties has not been sufficiently clear. The recent negative media coverage of the assessment reports made by the international assessors has been damaging to the relationship between the two parties.
- 7.2. Both parties are keen to establish a relationship of trust and respect and to agree a system and process of mutual value.
- 7.3. We reviewed in detail the monitoring and evaluation processes and also the communication between the two parties over the last five years and compared the process with that undertaken for the national performing companies in Wales and Scotland.<sup>18</sup>
- 7.4. Over the last five years, the volume of information gathered has increased, as have the number of reports and the number of processes and along with this, the intensiveness of the labour on both sides. This has not served to increase understanding. The current system includes a number of elements:
- the reporting by the Abbey of its achievement of its own KPIs which relate to activity and financial indicators including the ticket yield, tour revenues and payroll costs;
  - quarterly monitoring reports: 10 reports from July 2011 – December 2013 recording in great detail, every aspect of the Abbey's operations and activities as well as finances;
  - supplementary reports requested by the Arts Council or submitted by the Abbey in relation to specific aspects, most notably the Peacock and programming policy;
  - the review by Arts Council officers of all Abbey board papers;
  - the international assessment process.

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<sup>18</sup> Appendix E

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- 7.5. The system lacks an overall set of agreed objectives. It also monitors some aspects of the Abbey, but not others. On the one hand, the KPIs are set by the Abbey alone and measure financial control and achievement of numerical targets; on the other, the international assessment process considers the achievement of high level statements for which there is not a shared understanding of meaning, such as 'world class theatre', as well as artistic quality. A simple set of shared objectives would be a good starting point for an evaluation process. These objectives would be those that would meet the artistic, cultural and business priorities of the Abbey and also deliver the outcomes required by the Arts Council in pursuit of its own objectives.
- 7.6. The concept of an International Evaluation Panel is sound and could be valuable to both parties. The recent process was unclear and inconsistent and suffered significantly both from a prolonged initiation process and a perceived loss of commitment to the process from the Abbey. The three assessors each had a different understanding as to the role, the process and who was the client for the work. A future process might involve a brief clearly setting out who the client was for the process, the expectations, the extent to which reports were shared and subject to Freedom of Information requests and a clear evaluation framework.
- 7.7. Consideration of the mix of panel members would also be helpful to ensure that the assessors were more diverse. The process developed by the Scottish Government (SG) offers some suggestions. In that case, the assessors are appointed by, and report to, SG, in consultation with the national performing company; there is a balance of gender, age, expertise and geographical base; the assessors meet with SG and the national performing company at an annual session to evaluate 'in the round'. This session brings together other SG officers who monitor the financial and activity data and activities and general oversight with the artistic assessors together with the senior team from the national performing company.<sup>19</sup>

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<sup>19</sup> The full SG process for monitoring national performing companies, including the evaluation criteria for the National Theatre of Scotland, is attached in Appendix E

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## **Recommendations**

- 7.8. We recommend the design of a system that is led and managed by the Arts Council in full consultation with the Abbey. An Arts Council officer would manage the process and system and be responsible for ensuring clear understanding, clear communication and an annual cycle. The Abbey would be fully consulted and fully engaged in the process. The process should be punctuated, with agreement reached as to the framework, objectives and timescale before committing to action. Both parties should commit to achieving this within a concise timeframe. The Arts Council and Abbey Board would agree the process and the agreed objectives at the outset and both parties would agree to adhere to this system for an initial period before reviewing its fitness for purpose.
- 7.9. This system would comprise:
- establishing a number of agreed objectives which meet both the Abbey's artistic, cultural and business targets as well as the Arts Council's objectives:
    - these should be no more than 10;
  - setting out a clear definition and set of criteria as to what is expected of the Abbey as Ireland's national theatre including:
    - leadership role;
    - standards of excellence;
    - commitment to new writing, research and development;
    - touring;
    - commitment to Irish repertoire;
  - the specific objectives agreed for a period would take into account these criteria and also the Abbey's business plan for the period in the context of available resources;

*Arts Council of Ireland: Review of the Abbey Theatre: Final Report*

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- establishment of an evaluation team and process to cover all the objectives involving Arts Council officer and an external international assessors panel. The Arts Council officer would ensure that expert assessment is undertaken on all of the agreed objectives, for example, finance/business as well as artistic;
- the composition of the international peer assessors would consider diversity and breadth of experience. The assessors would have clear terms of reference and be managed by the Arts Council. Critical evaluation report forms would endeavour to build an overarching assessment within the Abbey's artistic programme's context with some critical form of ratings rather than isolated scoring and judgements;
- there would be an annual, in camera, session with the whole assessment team and the Abbey to which the Abbey should commit, as a condition of funding.

## 8. Funding

- 8.1. We were asked to look specifically at whether a more nuanced funding arrangement with the Abbey would be beneficial, including the use of incentives.
- 8.2. Congruent with our recommendations above, towards creating a more mature partnership and moving away from the Arts Council scrutinising the detail of how the Abbey manages its business, we recommend a simpler and clearer approach.
- 8.3. Similar to the Arts Council of England and Creative Scotland, we recommend that, following agreement of the three year objectives and KPIs as outlined above, the Arts Council makes its three year award without detailed interventions unless there is significant unexplained deviation.
- 8.4. Further, we recommend that the Arts Council and the Abbey review the funding arrangements for touring. If community engagement through touring is to be central to the Abbey's mission, then the Arts Council should make touring a funding requirement and make sure funding is ring fenced specifically for that purpose, so that at least one annual tour by the Abbey is guaranteed.

### **The Abbey, the Arts Council and the Department**

- 8.5. It has been suggested by individual consultees at several points in this review that an alternative funding model might be that the Abbey is either directly funded by the Department or that the Department/OPW funds and controls the building and operating costs and the Arts Council funds and monitors the artistic work. Should the parties believe that such a model would have merit, then we recommend the conducting of an options appraisal. This would start with a clear set of agreed objectives as to what funding arrangements would seek to achieve, before modelling the options and assessing their ability to meet the objectives as well as issues of cost, benefit and risk.