



Cumbernauld Theatre Annual Report November 2021

Cumbernauld Theatre Objectives

- To develop the conditions and skills for culture to thrive in Cumbernauld, to nurture, produce and present all forms of performing and visual arts, film and media arts, moving image visual arts, live arts streaming and recognised arts genres with critical content, exhibitions and such other similar events for the appreciation and enrichment of the communities of Cumbernauld and North Lanarkshire and visitors to the area.
- To work with our creative community to deliver artistic activities that promote artistic skills acquisition, creative confidence, creative participation and belonging and which in the long term, empowers our community through creativity.
- To advocate and support arts programming, arts creative learning and community engagement in partnership with public bodies, other charities and community organisations who use art to support policy areas for health and wellbeing through art therapy, education, reducing inequality, encouraging diversity, and realising an environmentally sustainable future.
- To produce and present a performing arts programme that celebrates cultural excellence, the innovative, critically challenging, the original, ever-changing, and dynamic forms of Scottish Culture.
- To engage with our local community on our arts program decision making in an open and inclusive way to ensure that it reflects and meets the needs of our community.

Theatre Production Strategy

Cumbernauld Theatre has developed a new strategic approach to the commissioning of new theatre performance work for the stage. The process starts with drivers for change derived from community research with the drivers identified as local needs and aspirations form the basis of a creative response. The creative response is created in a collaboration of professional performance arts practitioners and community representatives and is developed into a commissioning brief which is then openly advertised as a commission opportunity. Cumbernauld Theatre recruit a creative team to deliver the creative brief and manage the process of socially engaged practice.

We are aiming to create open and accessible opportunities for Theatre, increasing diversity and inclusion in production, creating original work that is representative of the community and engaging.

We are aiming to empower artists, theatre practitioners, theatre designers and performers to be engaged in the production process, in making decisions about how resources are allocated and the scale of resource allocation within an agreed budget.



The Theatre production process is designed to achieve cultural empowerment for creative practitioners, for employees and for the community we serve in Cumbernauld achieving Creative Scotland's 10-year plan – Ambition 3: Places and quality of life are transformed through imagination, ambition, and an understanding of the potential of creativity; Encourage socially engaged practice that stimulates public engagement and value.

Theatre Programme Production Delivery

Cumbernauld Theatre, working with community representatives, commissioned 4 artistic directors for the production of 4 new works for stage alongside writers, actors, musicians, lighting designers, sound designers, set and costume designers, video designers, choreographers and commenced production management for an opening season Autumn 2021.

The Theatre production process for programme delivery is achieving Creative Scotland's 10-year plan – Ambition 1: Excellence and experimentation across the arts, screen and creative industries is recognised and valued; Support individuals and organisations across Scotland to develop and produce high quality work.

Community Arts Programme Delivery

Cumbernauld Theatre recruited 20 freelance artists from multiple disciplines to deliver 16 projects situated in the community and delivered in partnership with community agencies and groups.

Despite being without a venue and with the challenges of covid we have still managed to create cultural experiences for under-represented and at-risk members of our community to engage with us.

We have set up projects with a number of local community groups such as Who Cares Scotland, Care of Elderly in Cumbernauld CACE, Hope for Autism, REACH, Glencryan Special Needs School, alongside local schools.

The programme was designed to achieve Creative Scotland's 10-year plan – Ambition 2: Everyone can access and enjoy artistic and creative experiences; People of all ages and from different types of communities can have deep and meaningful engagement with arts and creativity. Organisations support work collaboratively and imaginatively to increase opportunities for people to engage and participate. They explore new ways and platforms for people to access artistic and creative work and help audiences to engage with a diversity of experiences.

This programme directly responded to the Scottish Government Performance framework and National Outcomes for People are creative and their vibrant and diverse cultures are expressed and enjoyed widely and was funded through The Scottish Government Investing in Communities programme.



Community Research Consultation

The charitable company commissioned Culture Croft research to undertake community research and develop a framework for the Theatre to use to embed community issues and priorities into our own creative strategy so that our productions and programmes are responsive and relevant. The framework identified indicators of impact and developed a set of measurement tools for the team to use to begin to work strategically in a more collaborative way, designing and implementing in an engaged way, then reviewing and responding through an impact/benefit lens. This work was part of our Art Changes Lives Theory of Change in our Business Plan as a long-term strategic approach to culture change, within our organisation and with our community to transition to a model of operating that is empowered, shared, democratic. The work is responding and leading in a field of debate that is live and critical to the sector and therefore represents strong sector leadership. The work builds on theories of practice led change presented through Creative Scotland's Performing Artists Audience Workbook exploring creative approaches to building impact on audiences through early-stage engagement in the creative process.

Company Development

We have completed a significant Company Systems review, switching from manual to digital systems including Xero and DEXT, designed and implemented a new Spektrix box office and community membership database and communications system, designed, and implemented a new website for the charity with integrated functionality for managing diversity and inclusion, access, and participation.

We have developed a modern, fresh brand identity for Lanternhouse and prepared tools functionally and graphically for the launch of cultural programming in the Autumn 2021.

We have prepared our team of staff and volunteers with branded uniforms and communication tools to promote awareness and participation, in a fun and welcoming environment.

Digital Development: We achieved a complete IT system overhaul, moving all charitable company records and data into a cloud-based data storage facility, we adopted MS Teams for online communications.

Capital Venue Launch: We have researched and designed new services and the plans for operation, prepared and managed tenders for supply of equipment to run the Main Theatre, Studio, Dance Studio, Cinema, Office, Box Office and Café Kitchen operations. We have prepared to manage cashflow and maintained relations with funders to secure funds of £475,770 for capital procurement. We moved out of the Cottage Theatre in March 2021 and commenced fit-out of Lanternhouse in June 2021 to launch the venue in October 2021.

Partnership working: We have negotiated and agreed a Joint Operating Model with North Lanarkshire Council for the shared management of Lanternhouse as a cultural amenity for the community.

The agreement is a long-term commitment by both parties to work towards achieving a cultural and community venue which presents a varied and quality cultural programme and supports the creative



industries. The venue will provide access to the community, provide an asset to schools, community groups and colleges and improve employability opportunities in North Lanarkshire.

Fundraising activities

Direct fundraising activity took place in December 2020 via The Big Give Platform in a campaign to raise funds for professional musical theatre signing tuition for the young people of Cumbernauld. The campaign attracted 7 new major donors and 12 online donors and raised £1,174.

The Cumbernauld Theatre Friends donated £380 and further £149 was raised in small one-off donations to the Theatre.

Funding from Trusts and Foundations for the capital project was donated by The Levenseat Trust, Robert Barr Charitable Trust, Equity Charitable Trust, Hugh Fraser Foundation, Foyle Foundation, Campsies Cumbernauld (NLC), The Land Trust, The Robertson Trust, Trades House of Glasgow, Garfield Weston and Creative Scotland Screen Scotland.

Revenue activities funding was awarded by Garfield Weston Culture Fund for re-start activities in response to covid. The award of £186,821 has been spent in 2021-2022 on creative production. £9,828 was awarded by The National Lottery Community Fund to be spent in 2021-2022 due to covid restrictions on delivering community engagement taster or come and try activities in schools and hard to reach groups.

An annual revenue award of funding from NLC of £100,320.

In addition, NLC have made a grant uplift commitment towards the Licence to Occupy fee for Lanternhouse.

- 2021/22 – Year 0 – additional grant of £22k – this reflects the shortfall indicated for the current financial year. It's also on the basis that we'll pay the £100k current grant despite not opening until September.
- 2022/23 – Year 1 – additional grant of £22k – difference between £50k and £28k, first full year of operation
- 2023/24 – Year 2 – additional grant of £14.5k – 66% of difference between £50k and £28k
- 2024/25 – Year 3 – additional grant of £7.3k – 33% of difference between £50k and £28k

As a response to covid the Theatre was granted £25,000 Retail, Hospitality and Leisure Sector Rates Grant which was used towards the overhead of the Cottage Theatre building during the year. In 2020-2021 the total level of NLC funded support was £128,879.

The award from Creative Scotland Regular Funding Programme of £268,000 has been maintained.

Significant new funding was awarded by The Scottish Government Programme Investing in Communities. The award for 2020-2021 was £132,954 and used to support capacity, company development and delivery of community participatory arts activities and creative learning. Due to covid some activities were delayed and the award for direct delivery of £31,369 from Scottish



Government was deferred to be spent in 2021-2022 on community participatory arts projects and activities programming.

Financial review

Last financial year 2020-2021, total income amounted to £804,488 (2020: £680,839), whilst expenditure amounted to £347,723 (2020: £774,152). The tax credit in relation to Theatre Tax Relief amounted to £3,384 (2020: £10,588). Consequently, a net income of £456,765 (2020: net expenditure of £109,813).

JRS Furlough Claims amounted to £40,095 in the year a vital source of support to sustain key operational posts during lockdown. In the final quarter of the year a Theatre Tax relief claim was made for eligible expenditure from 2019-2020 of £3,384.

Increased expenditure on accountancy capacity of £18,708, which was grant funded, was made to move the charitable company financial management systems from Sage to Xero, to introduce DEXT and manage financial processes digitally. Investment in IP phone system and digital working was also grant funded. The digital development capacity was provided via a freelance contractor.

In the year, staff costs were reduced by £203,914; one off redundancy payments made to those operational staff made redundant amounted to £18,018. Building and overhead contract costs were reduced as the building was empty all year, which enabled a saving of £54,134. Marketing costs of £41,849 were an increase of £27,619 compared to 2019, most of which was due to investment in new brand and website development delivered through marketing consultant and freelance contract capacity. This increase was offset by a grant awarded to deliver the new marketing brand tools.

Overall, the financial position has improved in comparison to 2019-2020 where the charitable company experienced a loss of £109,813. The improvement is due to considerable cost control measures, the case for support to deliver organisational development during covid and associated funding, and the access to support funds such as the JRS Furlough scheme and the Retail, Hospitality and Leisure Sector Rates Grant.

The continued support from core funders such as Creative Scotland and North Lanarkshire Council were principally the reason the organisation remained in a controlled financial position, had capacity to retain key staff and manage overheads and with additional support from the Scottish Government Investing in Communities fund the charitable company was able to develop systems and assets for re-start of business in 2021.

Reserves policy

The charitable company aims to retain sufficient free reserves (i.e unrestricted funds not tied up in fixed assets) to meet expenses for three months which equates to approximately £150,000 in 2021. As the activities resume to a higher level of turnover and productivity, this reserve will need to increase to £200,000.

Total reserves on 31 March 2021 amounted to £688,336 (2020: £231,571), comprising £436,687 (2020: £201,571) of unrestricted funds and £251,649 (2020: £30,000) of restricted funds. The charitable company's free reserves were £100,497 (2020: £3,169).

Cumbernauld Theatre had an unrestricted reserve Building Development Fund for the launch of the new arts centre, the fund was deemed essential for the capacity of the organisation to re-start operations in the new arts centre and therefore the decision was made to ring fence and protect the fund and not utilise it to manage the extended closure.

Plans for future periods

Cumbernauld Theatre plans to deliver the Business Plan for 2020 to 2025 going forward. The model consists of 4 in-house original Theatre and Musical productions of a significant level of financial investment in professional cast and creative crew. For each production a freelance Artistic Director is recruited via an open commissioning process. The Board are engaged in designing and delivering the commissioning process supported by the companies professional Creative Producer, CEO, Communications and Engagement team and members of the Production Management team. It is a collaborative and inclusive process that is designed to open up creative opportunities at the highest level in the industry, to design work that is responsive to local community needs and engaged with Cumbernauld as a place, be encouraging buy in at Board level, throughout the staff team and with the community.

Once recruited and contracted the productions operate as teams within the wider company, they are supported by the Creative Producer and from 2021 we are focusing on principles of Fair Work Convention. Fair work is work that offers effective voice, opportunity, security, fulfilment, and respect; that balances the rights and responsibilities of employers and workers that can generate benefits for individuals, organisations and society. Within this framework we are also actively and positively supporting inclusive recruitment, drawing on the resources in our network to understand and support the needs of artists with assistance needs and drawing on resource to fund additional support needs available from organisations like Federation Scottish Theatre or schemes such as Department for Work and Pensions Access to Work.

Alongside the 4 main in-house original Theatre productions where we aim to deliver approx.. 90 performances, we are planning a step-change in the promotion of visiting companies across a range of artforms. We plan a sizable increase in Music of different styles such as instrumental, alternative indie rock, jazz and blues, easy listening, singer songwriter and we are focusing specifically on building an audience for Scottish Traditional Music and the various contemporary forms it now celebrates in the genre of Celtic Folk. The visiting programme for 2021 is 22 Theatre productions for adults, children and families and 25 music performances, 3 contemporary dance and 3 comedy performances.

In partnership with NLC we are supporting the capacity of our community arts producers with a number of high-quality voluntary arts productions in the Spring, Summer and Autumn. A highlight of this programme will be the musicals produced by Cumbernauld Musical Theatre Society whose

hybrid model of volunteers and professionals within the performance receives outstanding local support.

Investing in Communities is a key segment of our arts development activity, encompassing creative learning and partnership work with local schools, expanding our links with local charities working with senior community, or social care target groups. During 2021 we are working with Young Care Experienced People, Seniors, Under 4's, and with SIMD target postcode residents of Carbrain, Abronhill and Kildrum. We are building links to support work in the community with people with long term ill-health and disability. Our work is through the medium of drama, dance and movement and creative play. We plan to expand into development of activities using music once all of our capital funds have been secured and we can procure the equipment necessary.

We had planned to launch a mainstream cinema in 2021 but due to external equipment supply issues and external conditions for fabric changes to the venue inherent in our licence to occupy model, the roll out of this service has been delayed until 2022. The cinema will screen 6 days per week, 4 screenings per day using an independent cinema management service, with ticket sales and customer care managed through our main Box Office. The Main Auditorium will be used as a second screening facility, particularly for live event cinema.

To ensure the effective marketing of our programme we plan to continue to develop the new Lanternhouse website and brand marketing. The website is performing well with significant new sign ups to our mailing list and alongside effective newsletter promotions for events with investment in digital communications proving an effective audience development tool. Plans for development in this area include producing content such as filmed performances to be available online, film clips of forthcoming programme events and photography, film and audio outputs from our community engagement programme. Data analysis from the new Spektrix Box office system is continuing to enable identification of audience demographic information and targeted marketing planning for audience development through the setup of focus groups to research and build contacts, offer experiences and come and try opportunities, collate feedback and build customer loyalty.

The charitable company continues to build the staff capacity to Business Plan levels for delivery of the full programme and infrastructure to support customer care. During 2021 staffing levels are increased back to 2019 comparable levels with growth planned in line with a managed growth in the scale of the programme, to reach by 2023 a full capacity schedule.

Working in partnership with NLC, Cumbernauld Theatre plans to launch a new community café. The café will support assisted-needs training in hospitality management and will deliver a service 6 days per week including evenings, weekends, and holiday periods, to aim for an annual surplus of 10% to be reinvested in capacity across the charitable company.

Across the programme during 2021 and ahead we are looking to diversify our grant income streams to increase resilience and capacity, we are listening to our core and major funders and working responsively to key strategic drivers for change such as the fair work framework, mentoring for employability and routes to work in creative industries, equalities, diversities and access, reducing our carbon footprint, hybrid working models, digital development and our targeted Creative



Strategies for quality production, audience engagement and access, creative learning and supporting artists.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

We have developed through collaborative working a new set of Articles of Association that aims to broaden our engagement of professional creative practitioners in producing and creative capacities; it aims to shift commissioning power, through a high quality consultative, collaborative process. The new set of M&AA are a modern, fit for purpose governing toolkit that has left inequality, prejudice, and outdated modes of operation in the past enabling the charitable company to operate efficiently and effectively. A Good Governance outcome in line with Scotland's 3rd Sector Governance Forum Governance Code.

Recruitment and appointment of new trustees

The Board has the power at any time, to appoint any person to be a member of the Board either to fill a casual vacancy or as an addition to the existing members of the Board.

Organisational structure

The trustees are all volunteers and are drawn from different backgrounds to ensure that the charitable company has the best mix of business, financial HR, fundraising, marketing, technical and arts advice. The trustees meet at least quarterly and are supported by Councillors and Officials of North Lanarkshire Council (NLC) and day to day running is delegated to the Chief Executive Officer and Operations Director.

We have prepared a new Staff Handbook with a full set of up-to-date best practice policies for staff management. We have implemented a new digital HR portal for the management of HR, with access to all staff the portal is a central location for all staff documents, training, work records, sickness absence and performance management.

The CEO has designed a structure of Board working groups, with delegated performance development responsibility, these task groups operate within a new meetings framework for internal communications and collaborative working with the Board; there are 5 Board and staff working groups:

- 1) Finance and Fundraising,
- 2) Programme and Artistic Policy,
- 3) People and Transformation,
- 4) Health, Safety and Risk Management
- 5) Board General Meetings

Each group has a role in identifying priorities for development and formulating an annual set of targets tied to business performance and meets at least quarterly, each report to the Board. This

approach has driven progress and been an effective way for the Board to be engaged in transparent leadership of the charitable company strategically, effectively sharing responsibility, leading to enhanced Board performance. The groups are a channel for staff to be involved and influence the governance of the organisation. The charitable company has achieved a Fair Work First strategy goal delivering a safe environment where dialogue and challenge are central to the organisational culture, are dealt with constructively, and where employee views are sought out, listened to, and acted upon, and can make a difference.

Induction and training of new trustees

New trustees who are invited to join the Board are provided with the appropriate guidance in relation to their responsibilities through the provision of written materials outlining due diligence.

Key management remuneration

The Board formally review the pay and remuneration of the senior management team on an annual basis. Consideration is given to the performance of the individual in their role, the financial position of the charitable company, and comparisons with both charitable Arts focussed organisations and comparable Local Authority posts. A formal Board decision is taken every year to maintain or adjust the pay and remuneration of key management personnel.

Wider network

The charitable company is a voluntary member of The Federation of Scottish Theatre, a nationwide network and maintains pay scales in accordance with Equity / ITC – Independent Theatre Council / Bectu.

Risk management

The trustees identify and review the highest risks to which the charitable company is exposed and ensure appropriate controls are in place to provide reasonable assurance they are managed.

The charitable company identifies key risks and maintains an appropriate risk register. During 2020-2021 due to covid and the impacts on business as usual the Board met to review risks on a monthly basis from May 2020 to March 2021.

The primary risk to the charitable company relates to ensuring continuing financial support from Creative Scotland in relation to delivering outcomes that respond to the national objectives of the governing body for the arts in Scotland.

Of equal importance to the charitable company, is the responsibility to deliver agreed partnership objectives with North Lanarkshire Council, to retain core NLC funding support and effective partnership working in the delivery of Lanternhouse as a collaborative community led arts centre.

On an annual basis funding is achieved from other sources, both public and private on the basis of planned delivery of outcomes such as participatory arts activities. The project management and delivery of outcomes, in line with the articulation of intent made in writing on behalf of the Board is monitored by the Board through the Programme Working Group, Finance Working Group, Health, Safety and Risk Group and People Group. These Board sub-committees attended by staff all take

place on a quarterly basis and ensure complete transparency of risks arising and management actions. The Board review the wider risk register on a quarterly basis where all major risks are identified and plans for management articulated to be managed by the staff team.

High Risks Identified Nov 2021	Impact	Action
Securing NLC Licence to Occupy Agreement	Future Funding is a dependency, legal security.. CS Revenue Funding for the Year. Having an agreement that confirms responsibilities, to enable Business Planning.	Work with NLC Senior Staff and NLC lawyers to resolve – CEO & Board
Venue – Operational Issues – Examples of issues we’ve had this month.... Heating system Opening hrs reliability Alarm control Cleanliness Functioning lift Internet Café facility Speed of response for facility management issues	Customer experience Staff morale and wellbeing, Partnership with NLC – communications stress actual facility management services are causing stress – eg heating is a major issue, venue is very cold or very hot.. FES do not appear to know how to operate the system	Prioritise positive internal communications Internal comms protocol with NLC staff Re-assert protocol for issue management Re-assert protocol for facility management Re-assert partnership approach – joint facility management meetings.. where CT are in the meeting
New venue – changes in delivery plans – such as who will run café - café operating model – staffing, opening hours etc	Business planning is dependent on having an agreement that will be followed – timeline, resources, etc	Arrange a meeting with NLC Senior Staff to agree to a mini project plan for revised café service delivery
Loss of key staff; Level of stress and challenges, level of support	Ability to deliver services, Failure in service delivery Customer experience and reputation loss of key staff is seen as a risk to funders investment.	Board support Senior Staff Senior staff support all other staff to undertake regular check-ins to understand staff challenges Keep a Planner Board on staff challenges to register and to track - to promote actions to address issues arising – and transparent awareness of shared problems

		<p>Ensure issues are discussed in People Group</p> <p>Team building work – CEO operations meetings – OD</p>
High Risks Identified Nov 2021	Impact	Action
<p>Start-up of new business activities, café and cinema in a very uncertain environment re covid, NLC management model:</p> <p>Business Viability Café – loss of potential income to subsidise overhead costs.</p> <p>Business Viability Cinema-loss of potential income to subsidise overhead costs, loss of additionality to programming</p>	<p>Sustainability risk</p> <p>Capacity risk</p>	<p>Controlled start-up – business planning and continued review</p> <p>Regular communications with NLC link officer – CEO</p>
Business partnership – commercial hires by NLC	<p>Capacity risk – staffing model does not have capacity for additional 3rd party hire servicing</p> <p>Communications risk – leadership on operating the model</p> <p>Customer experience risk – due to failure of communications with CT and NLC</p> <p>Clash of priorities – reputational risk – relationship with the community</p>	<p>Plan with NLC</p> <p>Prepare clear information guides. Manage communications with SW</p> <p>Ensure NLC staff understand inter-dependence on CT for sustainability of venue and promote value to support where possible both CT programme and community use...</p> <p>CT to clearly signpost in internal communications and demonstrate willing where possible to try and accommodate the partnership to make it work for community partners</p>

High Risks Identified Nov 2021	Impact	Action
Production Management		
Realisation of quality performance outcomes from defined budget	Customer expectation, reputation sales	Theatre Director from APSG sits on commissioning panel for new work, interrogates budget against Directors vision, checks capacity to deliver in view of CTT resources
Relationship management with creatives	Unrest in production, risk to production, potential cancellation of production, loss of investment. Reputational damage. Industry credibility.	Contract review and amendment for relationship management Defined key stages / outcomes agreement Company Terms and Conditions Issued and Discussed at contracting stage Clear communications throughout the process with production management staff and check in with APSG Theatre Director to Exec produce the show
Unrealistic Expectations of creatives	Over stretched crew or cast Creatives – dissatisfied with outcome – reputational damage	Budget interrogation at outset Test budget assumptions Experienced consultation in advance Key milestones – ASPG role
Keeping to the timeline, schedule – production is ready on time	Not keeping scheduling, loss of performances Audience dissatisfaction, sales income, loss of customers	Production Manager – production management exec producing – contractual penalties/consequences of failure to deliver – ASPG role
Quality management of creative ‘material’ outputs – scripts, music, lighting, costume, set	Audience dissatisfaction, sales income, loss of customers Reputational damage. Risk to funding	Production Manager – production management exec producing Talent recruitment checks Mentors for less experienced creatives – ASPG role
Quality management of creative ‘performance’ outputs – choreography, performers oral and physical stage presence, movement direction, characterisation, energy, confidence, delivery, dramaturgy,	Audience dissatisfaction, sales income, loss of customers Reputational damage. Risk to funding	Production Manager – production management exec producing Talent recruitment checks Mentors for less experienced creatives – ASPG role