

Section 6 – Delivery Options

DfC has undertaken an options analysis of how delivery of the Arts Centre could work and wish to consult with relevant stakeholders and experts to help inform which is the best to pursue.

A summary of the options analysis can be found in the table below:

No.	Option	Summary	Pros	Cons
1	Existing delivery structure remains	Keep existing delivery structure as it is. Transfer of all staff to DfC.	<ul style="list-style-type: none"> • Allows continuity. • No staff liabilities for Darlington Council. 	<ul style="list-style-type: none"> • Little scope for cohesive management of the Arts Centre or strategic sustainability planning. • Transfer of all staff liabilities to DfC and related TUPE implications. • Harder to re-shape the service.
2	Re-shaped collaborative structure	Darlington Council second some staff to DfC. DfC create new roles (including a Director of the Arts Centre) and employ these posts directly. Potential for transfer of existing staff in the long-term.	<ul style="list-style-type: none"> • Allows for some continuity and transitional arrangements. • Ensures central leadership and sustainability planning. • Much reduced TUPE implications, at least in the short-term. 	<ul style="list-style-type: none"> • Potentially too costly. • Some TUPE implications, especially in the longer term.
3	Re-shaped independent management structure	DfC create a completely new management structure. All staff employed directly by DfC.	<ul style="list-style-type: none"> • Ensures central leadership and sustainability planning. 	<ul style="list-style-type: none"> • No or little continuity. • TUPE implications.
4	Shared management structure	A number of arts centres and theatres share core services. DfC or shared management company employ Arts Centre staff.	<ul style="list-style-type: none"> • Ensures central leadership and sustainability planning. • Reduces costs. 	<ul style="list-style-type: none"> • No or little continuity. • TUPE implications.

Section 7 - Marketing and engagement

DfC has undertaken a great deal of marketing and engagement activity to date. Via public meetings, email, social media, market stalls, events and a website DfC has already directly engaged with over 1,500 people. In addition DfC have featured very heavily in the local press, appearing on the front page of all of the local papers, and so indirectly reaching tens of thousands of others.

Marketing

In taking on the management of the Arts Centre DfC would tender the marketing functions out to benefit from a high degree of external expertise, selecting those activities, which could be better performed by another supplier.

A key aspect of the marketing strategy would be to create a strong brand identity for the Arts Centre, enabling it to come out of the shadows of the Civic Theatre and build an image of inclusivity and high quality arts and craft.

Engagement

DfC recognise that the location of the Arts Centre can be a barrier to everyone in the town accessing its diverse cultural offer. A full outreach and engagement strategy would be created based on working with schools and community groups, taking activities out into the community (with Arts Centre branding), considering access and services for all equalities groups, and building on those activities that already involve people from a diverse range of backgrounds (e.g. Arts Sparks).

DfC would continue to engage with the public and members via meetings, social media and email. It would engage with user groups via a forum as well as a management committee formed of all leaseholders, key tenants and representatives of user groups.

Section 8 – Key milestones

Date	Milestone/activity
November 2011	Regional conference re: cultural sustainability and sharing services at the Arts Centre
November 2011	Delivery option selected
December 2011	Revised Business Plan produced
December 2011	Initial budget set by Darlington Council
February 2012	Final business plan and DfC prospectus produced
March 2012	Final budget set by Darlington Council
July 2012	Temporary closure of Arts Centre?
October 2012	Re-opening of Arts Centre?
October 2012	Management of Arts Centre by DfC and partners

Section 9 – Key risks

No.	Description	Likelihood	Impact	Rating	Response
1	Failure to adequately address TUPE issues leads to unaffordable liabilities for DfC and/or personal liability for committee members.	Medium	Very High	Red	Seek independent legal advice. Continue to seek information and advice from Darlington Council.
2	Loss of existing arts tenants harms sustainability.	High	High	Red	Continue liaising with existing tenants and build robust partnerships based on clear agreements. Create an arts centre management committee.
3	Impact on business continuity – dip in arts programming and revenue – harms sustainability and cultural offer.	High	High	Red	Detailed planning for transitional period.
4	Failure to address health & safety and public liability issues for operational management of building leads to unaffordable liabilities for DfC and/or personal liability for committee members.	Very Low	Very High	Amber	Adopt appropriate policies. Ensure staff and committee member with clear responsibility in this area. Seek specialist support and advice. Ensure insurance is suitable.
5	Inability to attract sufficient income through tenancies harms sustainability.	Medium	High	Red	Undertake market research and testing. Identify a specialist property company to partner with.
6	Impact of lack of investment in building on repairs and maintenance leads to lack of sustainability.	Low	High	Amber	Build responsive repairs into short / medium term business case. Darlington Council has offered to provide technical support for funding bids and fundraising.
7	Failure to obtain performance licence leads to inability to operate.	Very Low	Very High	Amber	DBC has offered to provide technical support for application for licence.
8	Failure to obtain liquor licence leads to loss of revenue.	Very Low	High	Amber	DBC has offered to provide technical support for application for licence.
10	Failure to make services for equalities groups and wider community harms reputation of DfC and affects cultural	Low	High	Amber	Full engagement and outreach plans to be established. Ensure staff

	offer to the town.				and committee member with clear responsibility in this area. Seek specialist support and advice.
11	DfC do not have operational capacity and governance arrangement to manage an organisation operating a building and ancillary services leading to lack of sustainability and/or halt to management transfer.	Medium	Very high	Red	Work with specialist partners. Ask eVOLution to undertake an organisational assessment using their health check and provide additional support/advice.
12	Subsidy from Darlington Council is too low and/or other revenue too low to allow for sustainability.	Medium	Very High	Red	Continued liaison with Darlington Council. Exploration of other sources of funding and cost savings. Continual refinement of financial projections. If figures do not stack up then DfC to withdraw from any management transfer.

Appendix 1 – The DfC Committee

Committee Members

Nick Brewster – Chair

Nick now works as an education and training consultant. He has spent most of his working life in further education; most recently he was vice-principal at Bishop Auckland College where he had responsibility for the curriculum and external liaison. Nick is chair of a number of education committee and organisations, including the County Durham Adult Skills and Employment Group, County Durham Learning and the Prince Bishop Agency.

Nick spent some years working for the then Department of Education and Science when he was involved in research and development in further education and qualification design.

Matt Roche – Secretary

Matt works for a non-departmental public body and manage over 30 staff. Previously to this Matt worked in the community engagement and regeneration field, which included providing capacity building support for community groups, co-ordinating community consultation, as well as distributing and managing regeneration funding. Matt also had paid employment in the mental health field and for a national cinema chain.

Matt has a wide range of voluntary work experience including being the director/chair of a community arts organisation (with paid staff), founding and being chair/secretary of a tenants and residents association (whose activities included youth provision and the opening of a community shop), as well as being the member of a Parochial Church Council and a Deanery Synod. He has an MA in Social Anthropology from the University of Cambridge and is a registered PRINCE2 Practitioner.

John Dean – Communications Officer

John Dean is a journalist and the director of Darlington-based Inscribe Media, which specialises in journalism and public relations. He writes on subjects including Information Technology, science, business/e-commerce, industry, aviation/travel, recruitment, criminal justice, the arts and the environment. He has done work for publications as diverse as Retail Newsagent, The Sunday Telegraph, Daily Express, Police Review, Farming in the North, The Northern Echo, The Sunday Post, Way2Go, BC, Close Up, Networks and Darlington Today.

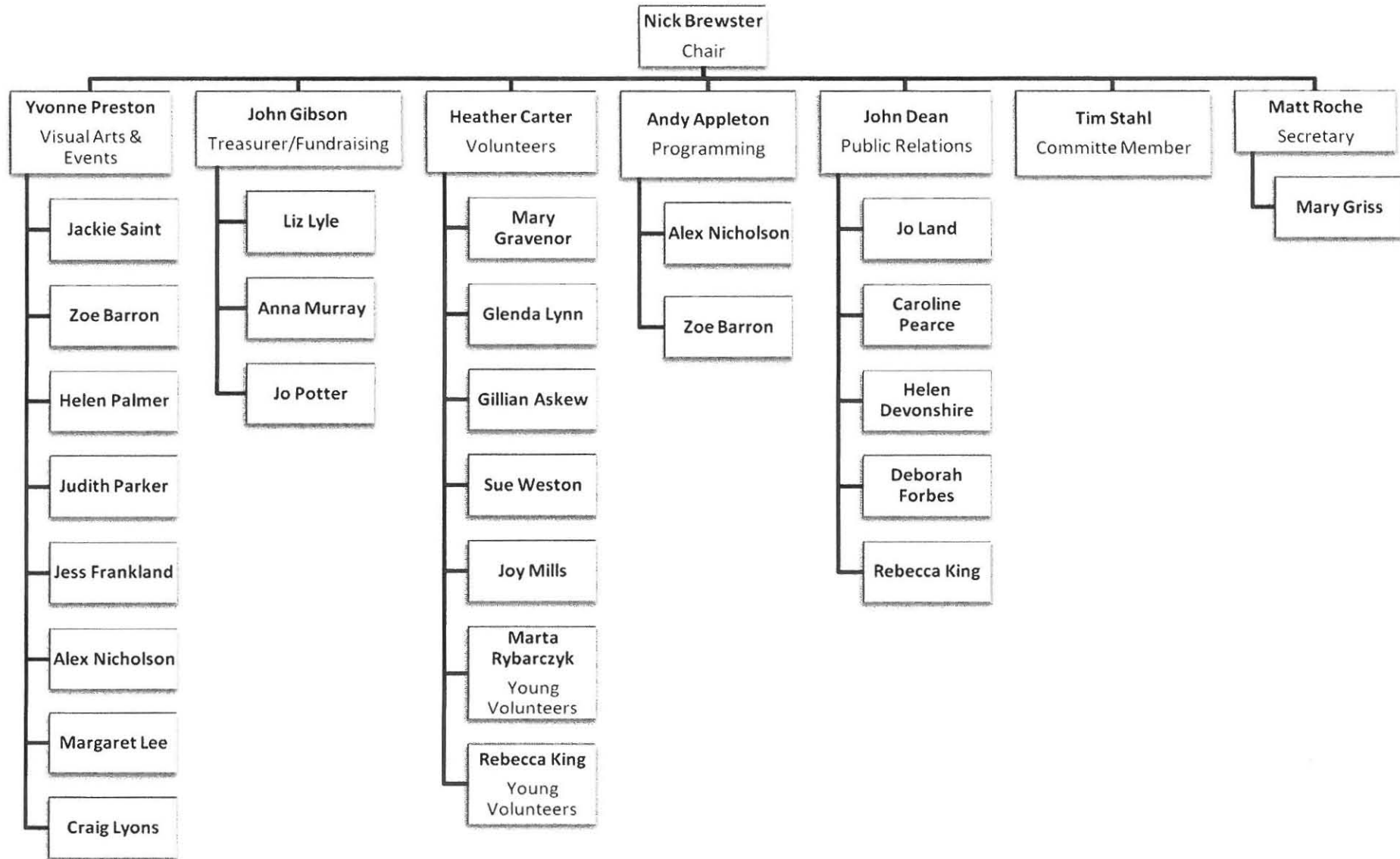
John is also a crime novelist with ten novels published by Hale and has been a creative writing tutor at Darlington Arts Centre for seven years. He is a director of Certys Limited, which runs the Global Short Story Competition.

Yvonne Preston – Visual arts and events officer

Yvonne has a very rich arts and teaching background having a Fine Art BA and PGCE. She is a Freelance Artist and has run her own business for the past 12 years.

Yvonne is involved in teaching and facilitating many Art forms, planning, designing, delivering and evaluating workshops and projects. Working in the community, with and through the Arts Centre, in Open Arts Studio, schools, Youth Services and other organizations catering for all ages. Through all her work Yvonne aims to use the arts to promote creative thinking, improve self esteem and raise awareness

Committee and sub-group Structure – See over the page



	Buildings	Productions	Employees	Bar/Catering	TOTAL
	£000	£000	£000	£000	£000
Income:					
Room hire	110				110
Admissions / Rent		130			130
Arts Council Grant(Matched funding of £35k)		70			70
Bar sales				170	170
Catering sales				200	200
Other income, sponsorship and joint ventures.				50	50
Total Income	110	200	0	420	730
Expenditure:					
Staffing:-					
Technical staff		60			60
Reception			60		60
Management / Duty Mgt.			120		120
Casual / Other			47		47
Sub-Total - Staffing		60	227		287
Premises	200				200
Supplies	29				29
Other	10				10
Marketing		15			15
Payment to Artists		90			90
Ticketing / Licencing		10			10
Bar / Catering				240	240
Total Expenditure	239	175	227	240	881
Subsidy	129	-25	227	-180	161
Subsidy / additional income required 2012-13	129	-25	227	-180	161
Loss of Sixth Form College income partially replaced by other educational bodies.	0				0
Subsidy / additional income required 2013-14	129	-25	227	-180	161

This includes salary for professional experienced person as MD.

1) Potential Reductions In Costs

Potential rate relief on building
 Review staffing costs (subject to TUPE issues)
 Break-even on Productions, following loss of Arts Council grant

2) Potential Additional Income Generation

Seek sponsorship and grant income
 Enhanced letting and tenancy arrangements - to offset loss of Sixth Form College income.
 Enhanced trading income from bar and catering functions
 Social investment / asset funding, such as North American annuities/endowments.
 Sell building to pension fund with a 50 year lease £1 p.a. and either lump sum or yearly payment to DBC.

3) Issues and risks to be resolved, which will impact on opportunities to reduce the future subsidy required.

Level of subsidy from local authority
 Building maintenance responsibility
 Capital investment available for building improvement
 Community asset transfer options
 Staff TUPE liabilities
 Governance arrangements