

ACADEMIA COLLEGE

General Background

Academia is by far the largest of the ten islands that make up the independent state of Fehe. Its capital, Universe City, is also the State capital and the location of Academia College, the State's major further and higher education centre.

Local Government Background

Up to 31 March 2003, the State operated a two-tier local government system, comprising County Councils, responsible for provision of main and strategic services and District Councils responsible for local services. From 1 April 2003 under the Fehe Local Government Reorganisation (LGR) Act 2002, a unitary system of local government was introduced. On Academia, the County Council and the five District Councils were abolished to be replaced by three all-purpose authorities as follows –

- Teechingham County Council (41.3% of the former County)
- Studiland County Council (35.1%)
- Lerningshire County Council (23.6%)

Universe City is in Lerningshire, the smallest of the successor authorities.

College Background

As part of the 2002 LGR Act, the colleges in Fehe were also granted independence from their respective local authorities. Transition arrangements took place in the period 1 April 2002 to 31 July 2002, with incorporation taking place on 1 August 2002 to coincide with the commencement of the changed financial year (1 August to 31 July) operated by the newly independent colleges.

Despite independence, each college has tended to maintain a close working relationship with the successor local authority for its area. Whilst all developed their own finance directorates, certain functions, particularly payroll, were still provided by the successor local authority on economic grounds. All staff other than academic staff are also members of the Fehe Local Government Pension Scheme (LGPS), as colleges were granted admittance under the 2002 LGR Act. Academics are members of the State Teachers Pension Scheme.

Academia College Management

Policy making in Academia College is the responsibility of the Governing Body, which has several committees with delegated powers.

| <u>Committee</u> | <u>Responsible for</u> |
|------------------|---|
| Senate | Academic Activities |
| Academic Support | Library, IT (academic) |
| Student Services | Accommodation, Catering, Amenities, Careers, Welfare |
| Management | Planning, Legal, Finance, Personnel, IT (operational) |
| Audit | Systems Audit, Special Projects |

The Governing Body has thirty members representing the local business community, the public sector, educational and academic interests, and the arts. It is chaired by General Stu Dees, a retired headmaster from the local public school and a patron of the arts.

ACADEMIA COLLEGE

Departmental Structure

The Vice-Chancellor, Dr Polly Ticks, is the Chief Executive of the College and the main departments are as follows:

| <u>Academic Departments</u> | <u>Head</u> | <u>Name</u> |
|-----------------------------------|----------------|-----------------|
| Faculty of Applied Sciences | Dean | Mick Annicks |
| Faculty of Arts and Media | Dean | Corrie O'Graffy |
| Business School | Head of School | Ken Pewting |
| Faculty of Education | Dean | Lynne Gwisticks |
| Faculty of Humanities | Dean | Anne Thropology |
| Faculty of Nursing and Midwifery | Dean | Jean Netticks |
| Faculty of Health and Social Care | Dean | Cy Cology |
| Faculty of Sports Studies | Dean | Di Etticks |

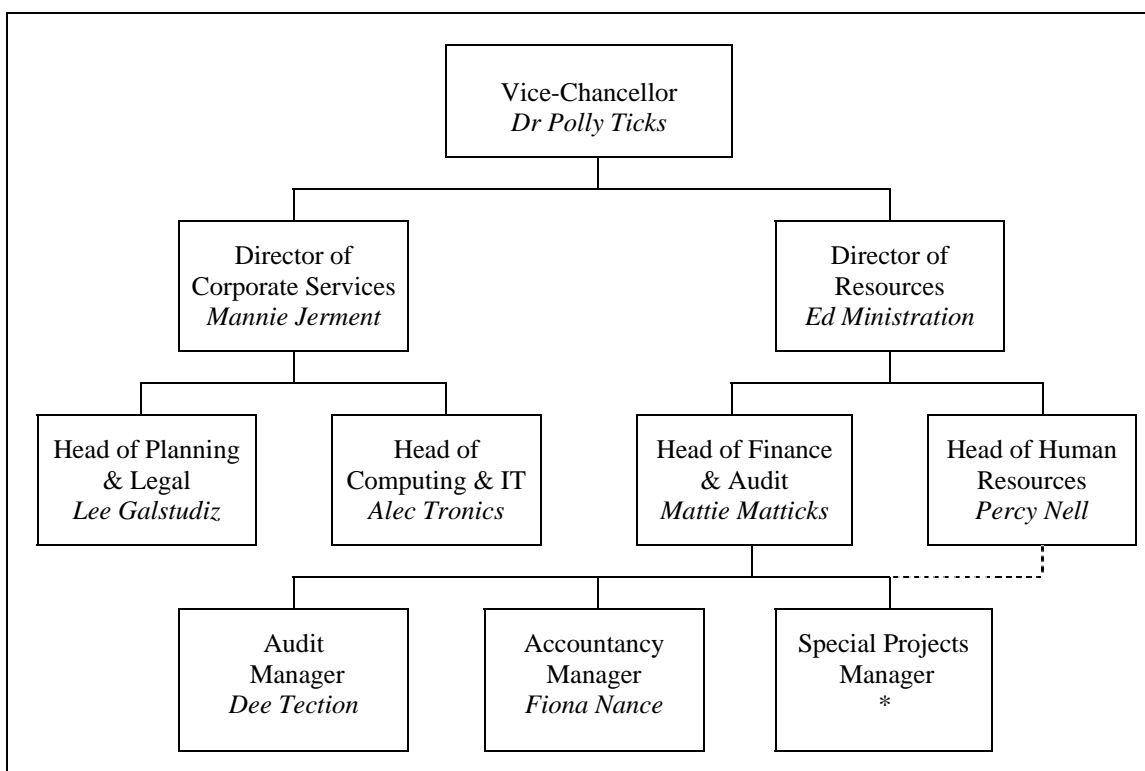
Central Departments

| | | |
|--------------------|----------|-----------------|
| Corporate Services | Director | Mannie Jerment |
| Resources | Director | Ed Ministration |

The College's Management Team is chaired by the Vice-Chancellor and comprises the eight academic department heads and the two central service directors.

Central Service Departments

The two central service departments are structured as follows:



The Special Projects Team undertakes specific exercises for the Director of Resources and Vice-Chancellor, covering both Finance and Human Resource issues. Whilst reporting through the Head of Finance & Audit, the team maintains close links with Human Resources and team members are selected on the basis of both Finance and Human Resource skills. You are Pat Hology (*), the Special Projects Manager. Ray Diograffie, a Technical Assistant, works closely with you.

ACADEMIA CENTRAL THEATRE

General Background

The Academia Central Theatre (ACT) is operated through Academia College and, for teaching purposes, forms part of the Faculty of Arts and Media. The former Academia County Council (CC) established ACT in 1986 on the Academia College site, with the agreement of the College Governing Body at that time. The primary aim was always to create a professionally operated Arts Complex, although Governors and Academia CC agreed that the ACT facilities and professional staff should also be used for teaching purposes.

ACT Facilities

The ACT contains the following main facilities:

- ❑ A main auditorium (Main Theatre) seating a maximum of 550 people;
- ❑ A small auditorium (Studio Theatre) seating a maximum of 220 people;
- ❑ An arts gallery, bookshop, function room & a small snack bar/restaurant;
- ❑ A dance studio and various rehearsal rooms;
- ❑ Wardrobe, set construction and lighting departments.

Whilst the facilities are used for teaching purposes, the ACT is also the major professional producing theatre in the islands and is recognised informally as Fehe's "national theatre". It also tours its productions to other receiving theatres throughout Fehe. The original plan for the ACT included the provision of a concert hall and conference centre, but funding constraints at the time meant that this was deferred, although the land for this remains earmarked on the Academia College site.

ACT Governance

Funding of the ACT was originally on the basis of a partnership between -

- ❑ Academia County Council;
- ❑ Academia College;
- ❑ The Government-funded Fehe Arts Council (FAC).

LGR and the demise of Academia CC meant that the ACT had to solicit funding from the three successor authorities covering the former Academia CC.

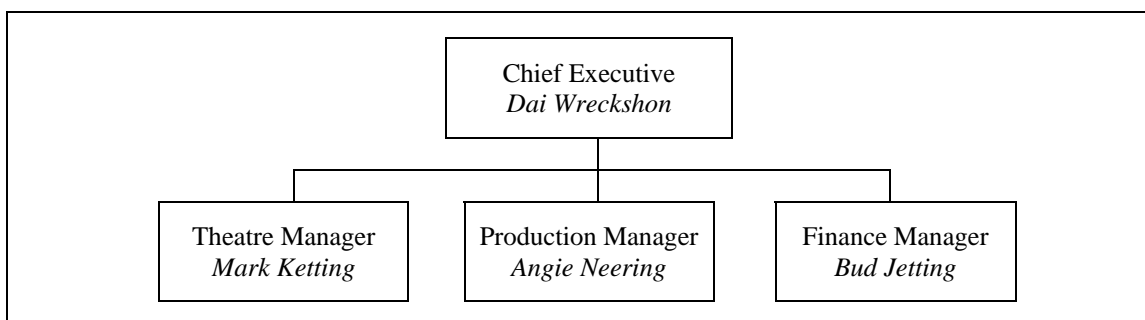
To reflect these joint funding arrangements, the ACT has its own constitution and is largely financially independent of the College. It has its own Board of Governors (BoG), although membership of this is not dependent upon financial contribution. Governing Body members from Academia College maintain a majority on the ACT and General Stu Dees is also Chairman of the ACT Governors. The ACT Chief Executive, whilst appointed by the ACT Governors and required to work very closely with the Dean of Arts and Media, has the Vice-Chancellor as line manager. Members from local authorities in the ACT's catchment area and FAC representatives also sit on the BoG, and both the Vice-Chancellor of Academia College and the Dean of Arts and Media are BoG members.

For most operational purposes, the ACT uses the facilities offered by the two central services departments of Academia College, and both the Director of Corporate Services and the Director of Resources are designated officers to the ACT BoG. The BoG's key areas of responsibility are finance, artistic policy and staffing. There is also a smaller General Purposes (GP) Committee to deal with detailed financial and personnel related matters in the main, although the BoG must ratify its minutes.

ACADEMIA CENTRAL THEATRE

ACT Staff Structure

The ACT staffing structure is as follows:



ACT Staff Responsibilities

The ACT Chief Executive (CE) is responsible for both artistic product within the theatre and overall management of the theatre's resources. Historically, the CE has also been the theatre's artistic director, responsible for devising the artistic programme, casting, production planning, managing the theatre's professional company of actors and personally directing a number of plays each year. The CE has a number of Artistic Associates who are brought in throughout the annual programme of activities to direct specific plays and to provide other artistic input. There are two artistic seasons each year, the Autumn season (August to January) and the Spring season (February to July).

The former CE left in December 2003 and his 2003/04 artistic programme was managed through a number of "guest" directors and producers. The current CE, a director of international repute, was appointed in April 2004 and became responsible for all artistic product from the beginning of the financial year 2004/05 (Autumn 2004 season).

The responsibilities of the CE's three managers are as follows:

- Theatre Manager Front of house activities, including box office, ushers, lettings, programme and other sales; publicity, marketing and sponsorship; galleries and bookshop.
- Production Manager All backstage and technical production activities including workshop and scenery, wardrobe, electrics and lighting as well as the setting and monitoring of production budgets for each show (with the Finance Manager).
- Finance Manager All financial matters including the setting and monitoring of the theatre's budget, the submission of FAC returns and liaison with other funding partners.

The restaurant and bar functions within the theatre are operated through external contractors on a franchise basis, with franchise income to the ACT calculated on the basis of turnover. Arrangements are reviewed every three years. A new provider, Kate Herring Limited, was appointed from 1 August 2003.

ACT – Accumulated Balances (Reserves)

As the ACT is financially independent of Academia College, any surpluses or deficits against budget are carried forward each year. The accumulated surplus carried forward at 31 July 2002 was £107,500.

ACADEMIA CENTRAL THEATRE**ACT Budget & Outturn Analysis (1 August to 31 July each year)**

| | 2002/03 | | 2003/04 | | 2004/05 |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|
| | Budget £ | Outturn £ | Budget £ | Outturn £ | Budget £ |
| <u>Income</u> | | | | | |
| <u>Grants & Subsidies</u> | | | | | |
| Academia College | 350,000 | 350,000 | 380,000 | 380,000 | 430,000 |
| Local Authorities | | | | | |
| Academia CC | 1,450,000 | 1,450,000 | 0 | 0 | 0 |
| Lerningshire | 0 | 0 | 385,000 | 385,000 | 560,000 |
| Other Local Authorities | 0 | 0 | 135,000 | 135,000 | 140,000 |
| | 1,450,000 | 1,450,000 | 520,000 | 520,000 | 700,000 |
| Fehe Arts Council | | | | | |
| Block Grant | 500,000 | 500,000 | 500,000 | 500,000 | 510,000 |
| Survival (one-off) | 0 | 0 | 200,000 | 200,000 | 0 |
| Arts for All (Lottery) | 0 | 0 | 0 | 0 | 350,000 |
| Additional | 0 | 0 | 0 | 0 | 175,000 |
| | 500,000 | 500,000 | 700,000 | 700,000 | 1,035,000 |
| <u>Sponsorship</u> | 100,000 | 100,000 | 100,000 | 92,000 | 150,000 |
| <u>Earned Income</u> | | | | | |
| Catering Franchise | 55,000 | 53,000 | 80,000 | 58,000 | 78,000 |
| Bookshop (net) | 10,000 | 4,000 | 2,000 | 2,000 | 2,000 |
| Front of House (net) | 30,000 | 39,000 | 15,000 | 15,000 | 19,000 |
| Facilities hire, etc. | 10,000 | 9,500 | 10,000 | 8,000 | 16,000 |
| | 105,000 | 105,500 | 107,000 | 83,000 | 115,000 |
| Total Income | 2,505,000 | 2,505,500 | 1,807,000 | 1,775,000 | 2,430,000 |
| <u>Expenditure</u> | | | | | |
| <u>Operational Activities</u> | | | | | |
| Administration Staffing | 385,000 | 387,500 | 365,000 | 363,000 | 380,000 |
| Production Staffing | 575,000 | 597,000 | 475,000 | 462,000 | 580,000 |
| Equipment | 25,000 | 29,000 | 25,000 | 0 | 25,000 |
| Publicity & Marketing | 375,000 | 367,000 | 300,000 | 292,000 | 300,000 |
| General & Other | 245,500 | 248,000 | 248,000 | 237,000 | 292,000 |
| | 1,605,500 | 1,628,500 | 1,413,000 | 1,354,000 | 1,577,000 |
| <u>Artistic Activities</u> | | | | | |
| Company Productions (net) | 800,000 | 855,000 | 350,000 | 422,000 | 800,000 |
| Visiting Companies (net) | 0 | 2,000 | 0 | -7,000 | 0 |
| Film (net) | -15,000 | -6,000 | -10,000 | -12,000 | -11,500 |
| Art Gallery (net) | 14,500 | 10,500 | 4,000 | 1,000 | 14,500 |
| Contingency | 100,000 | 0 | 50,000 | 0 | 50,000 |
| | 899,500 | 861,500 | 394,000 | 404,000 | 853,000 |
| Total Expenditure | 2,505,000 | 2,490,000 | 1,807,000 | 1,758,000 | 2,430,000 |
| Net Surplus/(Deficit) | 0 | 15,500 | 0 | 17,000 | 0 |
| B/F | | 107,500 | | 123,000 | 140,000 |
| C/F | | 123,000 | | 140,000 | 140,000 |

ACADEMIA CENTRAL THEATRE

ACT Financial Background

The ACT's financial year commences on 1 August and ends on 31 July each year. There is no Value Added Tax in Fehe and the Fehe Pound (£) is equal to £1 Sterling. The College and the ACT are both subject to statutory external audit and are required to comply with National Financial Reporting Standards, which reflect those applicable in the UK.

Under the ACT's constitution, the theatre is required to maintain accumulated reserves (surpluses carried forward) of £100,000-£200,000. There is also a requirement that if the theatre's accumulated reserves fall below the minimum level of £100,000 and, particularly, into deficit, the BoG must ensure that –

- All funding partners are informed immediately;
- The CE establishes a realistic plan to recover the position within three years.

Accumulated surpluses above £200,000 can be applied for the benefit of the theatre, but only with the approval of the FAC.

ACT Funding

As a result of LGR, funding of the theatre is currently in a state of flux. Whilst the former Academia County Council was the theatre's largest funding partner, the successor unitary authorities have other financial pressures and different priorities.

In 2003/04, the three successor authorities provided just £520,000, with most of this coming from Lerningshire, the authority in which the ACT is based. Studiland and Teechingham agreed to make a token contribution in 2003/04 out of goodwill, but have made no commitment as regards future years. In order to ensure continuation of the artistic programme, albeit at a reduced level, the FAC also provided a one-off "survival" grant of £200,000 in 2003/04, with a promise to review its grant level for 2004/05. Academia College also managed an above-inflation increase in its contribution base.

For 2004/05 and 2005/06, Lerningshire has agreed to increase its base 2003/04 provision by £200,000 (£175,000 in 2004/05 and a further £25,000 in 2005/06). The contributions from the other two local authorities remain uncertain, but discussions are ongoing. The FAC has agreed to submit a bid to the Lottery Commissioners under the "Arts for All" initiative aimed at generating additional funding of £350,000 in 2004/05 and £250,000 in 2005/06 for the ACT. The FAC has also indicated very informally its willingness to consider match-funding of the £200,000 from Lerningshire, and it has been assumed by the ACT that £175,000 will be provided in 2004/05 and a further £25,000 in 2005/06, thereby increasing its base provision by £200,000. At the same time, however, the Government is pressurising the FAC to review the allocation of its resources and particularly to reallocate monies to smaller arts organisations, at the expense of the major providers. This exercise is still ongoing and the ACT still awaits news of the lottery bid and the additional £175,000 for 2004/05.

ACADEMIA CENTRAL THEATRE

ACT Expenditure

The expenditure budget is split between Operational Activities and Artistic Activities.

- Operational Covering the ACT's fixed or semi-fixed operational costs, including the theatre's permanent staff, administration, equipment, marketing and the premises running costs of the theatre.
- Artistic Covering all production-related costs, including fixed contract staff such as actors, stage management, writers and artistic associates; royalties and other fees; as well as marginal costs such as non-permanent (casual) production staff, set and wardrobe materials.

It is traditional in theatres that net budgets are set for artistic activities since the balance between box office income and production expenditure can vary considerably from show to show and from event to event. Detailed budgets showing income and expenditure for each show or event, plus the cost implications of touring shows to other venues, are produced to agree with the net position shown in the overall budget.

Because of the risks inherent in production budgeting, particularly as regards box office, it is normal to build into the artistic activities programme a contingency provision to help cover unexpected variances against budget.

ACT Staffing

Technically, all the ACT staff are employees of the college. As a result of its very nature as a producing theatre, however, the ACT employs a wide variety of professional, technical and support staff. Terms and conditions of employment therefore vary, but are largely covered by the following three groupings (unions), with different terms and conditions.

- PARFIT Performing Arts Resource Fellowship In Theatres – This comprises actors, musicians and stage managers, etc. who are normally employed on a per production or seasonal basis. These staff, normally self-employed, have terms and conditions which very much reflect the nature of their work and their abnormal working hours.
- COSTS College Operational, Support and Technical Staffs – Non-teaching college staff are largely covered by the COSTS terms and conditions of service. These encompass normal office-based terms, including a 37 hour week, overtime, shift allowances and enhancements for working unsociable hours. For historic reasons, all the theatre's permanent employees are currently on COSTS terms and conditions.
- STAGE Stage Technical And General Employees – Most production staff in commercial theatres are on STAGE terms and conditions. These tend to be more flexible to allow for normal theatre working hours and practices. At present only seasonal or casual theatre staff are paid on STAGE conditions.

All staff employed under COSTS conditions of service are also automatically members of the Local Government Pension Scheme, whereas STAGE employees have no formal occupational scheme.

ACADEMIA CENTRAL THEATRE

Operational Background – Teaching Input

Whilst the Faculty of Arts and Media has its own lecturing staff and rooms within the college, it also utilises the facilities and staff at the ACT to enhance the performing and visual arts elements in its programme of courses. The Chief Executive, his artistic associates and other ACT production staff are all involved in providing a mixture of formal lectures, master-classes and workshops on the practical aspects of theatre and gallery operations for students.

With the growing popularity of arts and media courses, the number of such students at Academia College rose by 8% in 2003/04 and a further 10% in 2004/05. Early indications suggest a further increase of up to 15% in 2005/06. Whilst the Dean of the Arts and Media Faculty is confident that his academic staff can manage such an increase, the Chief Executive of the ACT is already expressing concern about the impact upon his facilities and staff.

Operational Background – Artistic Product

As well as producing its own programme of plays each year in both theatres, the ACT also schedules in productions by visiting professional theatre companies and by local amateur groups. Both theatres also have the latest projection and sound facilities and can be used for film screening, when not otherwise employed.

The financial arrangements with the visiting professional companies vary, but are aimed at minimising any net costs to the ACT, usually on a shared box office basis. As part of the funding arrangement with Academia CC, and now Leringshire CC, amateur companies also use the theatre facilities, again usually on a net nil cost basis to the ACT, with costs offset against box office income. The FAC, as part of its funding agreement with the ACT, must each year approve in advance the theatre company's programme and the number of weeks for which these plays will be toured. Under normal circumstances, FAC grant is conditional upon these commitments being met.

Operational Background – Artistic Programmes

The new CE set a very ambitious programme for 2004/05, comprising 6 Main Theatre and 5 Studio Theatre productions. Whilst the early plays in the programme have received widespread critical acclaim, this success has not so far been matched by the box office, and much now depends upon the second half of the programme.

Planning for the 2005/06 artistic programme is running late, as this is still dependent upon determination of the 2005/06 College budget and the overall level of funding from all sources in that year.

Operational Background – Proposed Theatre Extension

The CE has resurrected plans to utilise the spare land on the ACT site to extend the current theatre and create additional facilities from 1 August 2006. This would have no impact on use of the two theatres in 2005/06, but could cause disruption in some of the other public areas in the complex.

The College, with its growing number of registrations, would ideally like to use at least part of the spare land adjacent to the ACT for additional student accommodation.



ACADEMIA COLLEGE

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