

**South Ayrshire Council**

**Report by Director of Strategic Change and Communities  
to Service and Partnerships Performance Panel  
of 16 May 2023**

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**Subject: Ayr Gaiety Partnership Performance Report**

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**1. Purpose**

- 1.1 The purpose of this report is to outline the work of the Ayr Gaiety Partnership and its impact within South Ayrshire, and to provide the opportunity to identify any areas for further discussion or development of partnership activity.

**2. Recommendation**

- 2.1 **It is recommended that the Panel considers the work of the Ayr Gaiety Partnership (AGP) in delivering activities within South Ayrshire.**

**3. Background**

- 3.1 On 22 March 2012, the Council agreed to support a partnership between the Council, AGP and the University of the West of Scotland. As part of this agreement and working to lever in other external funding, AGP were asked to deliver:

- the theatre as a community resource and a performance and display space for local arts organisations;
- a centre of excellence for education and training;
- links with UWS to deliver an education programme and re-enforcement of Ayr as University town; and
- volunteering opportunities.

- 3.2 In December 2017, Council agreed a 3-year funding package for AGP:

- 2018/19 £125,000;
- 2019/20 £115,000; and
- 2020/21 £100,000.

- 3.3 In addition to this previously agreed financial support and due to the impact of the Covid-19 pandemic, the Council agreed to provide £100,000 to the Gaiety Theatre from the Covid-19 Business Support discretionary fund plus a further £200,000 from Council general reserves.

- 3.4 The Council previously agreed a secured loan of £650,000 at a rate of 2.5% over 5 years. Given the unprecedented effects of the Covid-19 pandemic the Council agreed to amend the repayment terms and period of the loan. A payment holiday was in place until April 2022 and AGP then began to make loan repayments on a monthly basis.
- 3.5 In March 2022, the Partnerships Panel discussed a funding request from AGP and referred the matter to Cabinet for consideration. In November 2022, Cabinet approved the request for funding of £150,000 to the Ayr Gaiety Partnership from uncommitted Covid-19 reserves for the year 2022/23; and that the request for future funding for the years 2023/24 and 2024/25 would be considered as part of the budget setting process in the year 2023/24.
- 3.6 In March 2023, Council agreed that instead of providing ongoing annual revenue funding, the Council would allocate resources from its General Reserves to enable the loan debt owed by the AGP (as of 1 April 2023) to be extinguished. This approach would therefore negate the need for AGP to make any further loan repayments, significantly reducing the financial burden on the Partnership. As of 1 April 2023, with all repayment amounts due on loans 1 to 4 up to that date being met, the remaining amount outstanding, inclusive of both principal and interest for each loan, totalling £574,556.98 it was agreed that the Council would seek to agree the discharge of the loan agreements with AGP so that no further repayments would require to be made by AGP to the Council. This will provide a sound financial footing for Partnership and AGP will not seek further annual revenue funding from the Council.

#### **4. Proposals**

- 4.1 The AGP is an important partner in delivering the Council's strategic objectives to increase access to arts and culture in South Ayrshire. Officers have been working with them on aligning their activities with the Council's strategic objectives and the vision, aims and objectives of the Tourism and Events Strategy. A summary of progress AGP has made for the year 2022 to 2023 is set out in [Appendix 1](#).

#### **5. Legal and Procurement Implications**

- 5.1 Legal will require to enter into an agreement with AGP to discharge the existing loan agreements with the Council and the existing standard security referred to above..
- 5.2 There are no procurement implications arising from this report

#### **6. Financial Implications**

- 6.1 There are no direct financial implications arising from this report.

#### **7. Human Resources Implications**

- 7.1 Not applicable.

#### **8. Risk**

##### **8.1 *Risk Implications of Adopting the Recommendations***

- 8.1.1 There are no risks associated with adopting the recommendations.

## 8.2 **Risk Implications of Rejecting the Recommendations**

8.2.1 There is a risk that rejecting the recommendations will mean that the Council misses the opportunity to scrutinise an external body that it provides funding to.

## 9. **Equalities**

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

## 10. **Sustainable Development Implications**

10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## 11. **Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## 12. **Link to Council Plan**

12.1 The matters referred to in this report contribute to Priority 2 of the Council Plan: Live, Work, Learn (Outcome 2: Work and economy – Everyone benefits from a local economy that provides opportunities for people and helps our businesses flourish) and Priority 3 of the Council Plan: Civic and Community Pride (Outcome 1: Pride in South Ayrshire – Everyone (residents, visitors and tourists) can enjoy attractive destinations and people are proud to live in our towns and villages and celebrate our culture and heritage).

## 13. **Results of Consultation**

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Alec Clark, Portfolio Holder for Tourism, Culture and Rural Affairs, and the contents of this report reflects any feedback provided.

**Background Papers** **Report to Partnerships Panel of 23 March 2022 – [Ayr Gaiety Partnership Performance Report and Funding Request](#)**

**Report to Cabinet of 29 November 2022 – [Ayr Gaiety Partnership Funding Request](#)**

**Report to South Ayrshire Council of 1 March 2023 – [Revenue Estimates 2023/24, Capital Estimates 2023/24 to 2034/35 and Carbon Budget 2023/24](#)**

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**Date: 3 May 2023**

### Annual report to SAC Partnerships Panel for 2022-23

This report summarises AGP activity and impacts over the financial year 2022-23. It provides the wider context of what the organization delivers for the Council and notes current and planned activity in 2023-24.

#### Key results

During 2022-23 South Ayrshire Council investment returned (from the higher level over the second year of the pandemic) to its historic level of £150,000 over the year. This enabled Ayr Gaiety Partnership to continue to run The Gaiety theatre and to continue and extend its work in communities. Over the year, AGP delivered

- Over £10 income for every £1 of Council support

- Economic impact of over £2m per year<sup>1</sup>

- 14 permanent jobs retained

- Almost 100 freelancers employed

- 61,700 audience members entertained and inspired

- Over 40% of audiences from visitors from outside South Ayrshire, spending in the town

- Around 1,000 people in the community engaged

- Regular national attention and media coverage for Ayr and South Ayrshire

#### AGP's delivery over 2022-23

The main benefit of AGP activities is in delivering on the National Performance Framework Culture Outcome: *We are creative and our vibrant and diverse cultures are expressed and enjoyed widely*. This links closely with South Ayrshire Council's own priority around *Civic and Community Pride*.

In addition The Gaiety and our wider activity support and link to other Council priorities, including:

*Work and economy*: as a social enterprise and employer we directly create jobs in the town. But we also bring visitors to the town and (through our Gaiety on Tour) to other venues around South Ayrshire – and in turn help build the wider tourism offer. Notably this year it is clear that many people are coming to Ayr rather than travel to theatres in Glasgow and beyond.

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<sup>1</sup> We have not carried out a fresh impact assessment for 2022-23, but the theatre was directly responsible for over £2 million spend, and while some of this was paid to touring companies the majority was to local suppliers, locally resident staff and freelancers. Additional impact from the Stage Door and Additional Visitor Spend will have at least equalled the external purchases. Local multiplier effects will mean the total economic impact is almost certainly in excess of this figure. And other benefits such as supporting Tamfest and raising the profile of the area would be quantified in a full impact study

*Reducing inequalities and improving outcomes:* our work to provide opportunities in rural areas and to support people in our poorer communities to gain confidence and re-engage with positive activity is core to our purpose.

*Education and Lifelong Learning:* increasingly our work with schools supports educational achievement, again with a particular focus on schools where pupils face particular challenges.

Within these broad areas, key achievements during the year included:

**Over 60,000 live audience experiences** with an average feedback 'score' of 4.7 on a 5 point scale. Audiences returned to the theatre over the year, with new favourites like the sell-out Ukrainian National Opera, long delayed premium shows such as Strictly's Giovanni Pernice and local amateur group AAOC filling the auditorium for a week.

**Our first five star pantomime** "*Sleeping Beauty*" was created especially for Ayr, with a Scottish creative team and cast. In economic terms this keeps more of the benefit locally. And the increased artistic quality was recognized nationally with The Gaiety pantomime garnering one of only two five star reviews for Scottish pantomimes in The Stage magazine and a nomination at the UK panto awards.

**Gaiety on Tour** – shows varying from the play *549 Scots of the Spanish Civil War* through *Murder Mystery* evenings to French music with *FIFI la Mer* touring Troon, Girvan, Maybole, Kirkmichael, Ballantrae, Barr, Mossblown and more.

**Wallacetown** initiatives including collections for the local foodbank a regular theatre group for primary pupils and a writing group supporting recovery and generating a new play and at least two new novels. All example of our growing track record of success in creative engagement that is gathering national attention.

**Events including Tamfest** and the **National Festival of Youth Theatre** where The Gaiety acted as a key partner to enable both events to happen, bringing local people into the street and visitors to the area.

## 2023-24 and beyond

The Gaiety has emerged from the pandemic as a stronger organization with a much enhanced and expanded range of activity. Our new Creative Engagement wing, involving some of Scotland's most exciting theatre-makers, is all about working in and with communities. Our new agreement with South Ayrshire Council will underpin our activity for the next four years and should enable us to secure backing for developments including:

A continually developing programme of activity on the main Gaiety stage.

A much enhanced programme of shows and events in our upgraded studio theatre.

Gaiety On Tour delivering 50 or more performances across South Ayrshire.

# THE GAIETY

More projects and developments in communities – particularly in North Ayr and in rural communities and leading on South Ayrshire's part of the national *Remembering Together*.

Collaboration with Destination South Ayrshire team to boost the tourism offer.

Collaborations with many more schools to support learning in the curriculum.

Partnering with the Council team to deliver a refreshed *Tamfest*

A new production of *Cinderella* – set to maintain Ayr as delivering one of best pantomimes in Scotland.

AGP 24<sup>th</sup> April 2023