

Culture and Sport Committee

10.00am, Tuesday, 23 August 2016

Usher Hall Annual Report 2015/16

Item number	8.3
Report number	
Executive/routine	
Wards	

Executive Summary

This report provides an update on the Usher Hall's trading and programme performance in 2015/16.

Links

Coalition Pledges	P24 , P31
Council Priorities	CP6
Single Outcome Agreement	SO4

Usher Hall Annual Report 2015/16

1. Recommendations

- 1.1 It is recommended that Committee note the contents of this report.

2. Background

- 2.1 This has been another positive year for the Usher Hall, with the trend of consolidation across a number of key areas since reopening in 2010. Income from rentals rose again, as did income from bars and catering. The overall income of over £4 million put the performance ahead of the business plan target. The income achieved is in line with the targets set for 2016/17.

3. Main report

- 3.1 The Hall usage has been steady with 203 events in the year. Whilst slightly down on last year (217) this is due in part to some rehearsal and recording cancellations in the year owing to a conductor falling ill. In the first full year of re-opening in 2010 the number of events was 174 an increase of 17% on that period. This resulted in a rental income and charges of £955,513 which has been steadily increasing since 2010.
- 3.2 The ticket income through the Usher Hall box office was £2,461,794, with a further £2,237,065 being sold through agents and other organisations such as the Edinburgh Festival Society for events taking place in the hall. While ticket and rental income are clearly significant as key financial outputs, it is the income generated through secondary spend on items such as bars & catering, ticket service charges and merchandise that the Hall has been working hard to maximise.
- 3.3 A number of business planning sessions were held involving the Usher Hall team and Finance to analyse the types of event and the income that they generate. Secondary income is a key factor in the higher venue's turnover and the trend for the Usher Hall is one of growth. In 2010/11 secondary income was just over £390,700. In 2015/16 secondary income was £617,335 which was 65% of the total rental income. With the additional income targets this has been a successful growth strategy and enabled the Usher Hall to meet the increased income target objectives.

- 3.4 The Usher Hall business model is to derive the majority of income from the direct rental of the venue and subsequent secondary spend that this generates but also invest in areas of direct programming itself. It is felt that this offers a sustainable model for presenting a high quality and diverse international programme of events. The ratio of hires to own promotions aims to be 75%/25%, a figure that is consistently achieved with minor deviations (78%/22% in this year).
- 3.5 Over half of the Usher Hall's artistic programme is classical music represented by the Edinburgh International Festival programme, regular concert series by the Royal Scottish National Orchestra, the Scottish Chamber Orchestra and BBC Scottish Symphony Orchestra.
- 3.6 In addition, there is the Hall's own international season, which has performed well with an increase in average attendances, and garnered positive media coverage, a trend which has continued into 2015/6. It is felt that this programme adds to the city's reputation as a great place to live and work, as an international visitor destination, and brings a flavour of the festival to the rest of the year. Edinburgh welcomed orchestras such as the Moscow State Symphony, the Czech Philharmonic, Philharmonia and Dresden, along with stellar soloists and conductors. The move to a Sunday afternoon has been a success with all concerts well into four figure attendances and offering great music at a sociable and accessible time.
- 3.7 There was a growth in the number of rock and pop shows featuring the likes of Hozier, Jess Glynne, Bryan Ferry, a 2 night run of the reformed Bay City Rollers, a special event by the Manic Street Preachers performing their classic album *The Holy Bible*, King Crimson, Stereophonics and Garbage to name a few. Within the hall's own programme it has also reached in to fresh territory through co-promoting events such as an evening with Colonel Chris Hadfield which sold out and brought in a new audience.
- 3.8 One of the growth areas since re-opening has been with non arts hires, hosting events such as graduation ceremonies, recordings and conferences. It is felt that this is a direct result of the investment made in refurbishing the venue, providing new spaces and also the improvement in our customer service delivery – the Hall maintained its 5-Star Visit Scotland rating. There has been a near doubling in the number of such events compared to the period before the Hall was refurbished and they provide a welcome and complimentary addition to the artistic activity.
- 3.9 Increasing the Hall's income from these sources allows for investment in a range of education and community activity. The Hall continues to present a series of concerts presented in association with Live Music Now, which offers young, emerging artists the opportunity to perform on a major stage. The *Lovesinging Choir*, aiming to be Scotland's most ambitious community choir; working in partnership with Love Music Ltd has proved to be a real hit with over 200 people attending rehearsal on Tuesday evenings, a CD has been recorded and the choir has performed a number of live concerts. In a new development, a children's choir is planned to be introduced over the coming year.

- 3.10 One of the key changes since reopening the Hall has been the use of digital marketing, an area that both grows and changes at astonishing rates and presents a number of challenges and opportunities for selling tickets, marketing events and communicating the Hall's work. 50% of the Hall's tickets were sold online in 2015-16, which is high when benchmarked across other venues in the city. It is a trend that the Hall wishes to consolidate and grow. There have been substantial increases in website hits as well as Facebook, Twitter and 'e-flyer' fans. Investment in future service and research is paramount in order to keep up-to-date with the public's use of IT, for instance the move to hand-held devices to make purchases, organise social activity and access content. To ensure that the Usher Hall keeps pace with on-line innovation upgrading of the website was completed in the first quarter of this year.

4. Measures of success

- 4.1 Success is measured through positive feedback from audiences, hirers, critics and commentators in the arts, amongst others, and against a variety of other factors, some of which are listed below
- 4.1.1 maintain the ratio of hirers (75%) to own productions (25%)
 - 4.1.2 maintain audience numbers attending artistic events
 - 4.1.3 maintain or improve on the level of community engagement
 - 4.1.4 monitor, evaluate and review marketing
 - 4.1.5 achieve income targets
- 4.2 Success is also measured against the following objectives within the Culture Plan;
- 4.2.1 ensure that everyone has access to world class cultural provision;
 - 4.2.2 encourage the highest standards of creativity and excellence in all aspects of cultural activity;
 - 4.2.3 articulate the positive impact of culture in Edinburgh and promote Edinburgh's cultural success locally, nationally and internationally; and
 - 4.2.4 invest in artist and practitioner development, and support and sustain the local artistic community.

5. Financial impact

- 5.1 There are no financial implications resulting from this report
- 5.2 The Usher Hall will continue to increase the ratio of marketing spend towards digital outlets and invest in upgrades to ticketing systems through its core budget and realising additional funding streams.

6. Risk, policy, compliance and governance impact

- 6.1 The Usher Hall's operation is one of the many ways in which the Culture Service implements the Council's Culture Plan. There are no risk compliance or governance impacts arising from this report.

7. Equalities impact

- 7.1 The Usher Hall programme offers a wide range of events and musical styles that appeal to the broadest audience such as rock and pop, jazz, world, classical and folk music. These can be for attendees as well as those wishing to participate in activity. It offers reduced rental rates to charitable and amateur organisations. It targets disadvantaged people through applying its own Fair Price Policy to ticketing which offers a number of benefits. It also offers tickets to events through the Corporate Parenting initiative.

8. Sustainability impact

- 8.1 There are no sustainability impacts as a result of this report

9. Consultation and engagement

- 9.1 N/A

10. Background reading/external references

- 10.1 [Usher Hall](#) website

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11. Links

Coalition Pledges	P24 – Maintain and embrace support for world-famous festivals and events P31 – Maintain our city’s reputation as the cultural capital of the world by continuing to support and invest in our cultural infrastructure
Council Priorities	CP6 – A creative, cultural capital
Single Outcome Agreement	SO4 – Edinburgh’s communities are safer and have improved physical and social fabric
Appendices	N/A