Economic impact study of UK theatre

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Introduction

Theatre in the United Kingdom is admired throughout the world for its quality and creativity. The excellence of its plays, actors and performances are unrivalled.

To date there has only been one major survey on the economic impact of theatre as a sector. The Wyndham Report (Travers, 1998) focused exclusively on West End theatre in London. In December 2001, in partnership with key players in the theatre industry, Arts Council England commissioned Dominic Shellard from the University of Sheffield to conduct the most comprehensive economic impact study of theatre in the country, which includes all the building-based theatre in the UK.

The summary gives an overall view of the study showing the positive effects theatre can have on the local economy. There are comparisons between London theatres and the rest of the UK indicating the differences in income and how that income is achieved. The summary concludes with actual figures, and recommendations for individual venues to conduct further studies on the impact of theatre on their local areas. More detailed information is given under Key findings, which includes two formulas for defining economic impact and various tables with calculations examining that economic impact. Several theatres were selected to be looked at in more depth – the studies being completed by Dominic Shellard in the last few months – and the results can be found in the Appendixes, along with a list of the theatres included in the study, and members of the steering group.

This study marks the beginning of a more comprehensive look at how theatre has a significant impact on the economy.

Executive summary

Overall economic impact

Theatre has a huge economic impact in this country – it is worth £2.6bn annually. This is a conservative figure. It does not include, for instance, the impact of individual touring theatre companies or non building-based theatre activity.

There are 541 theatres that are considered to make up the building-base of UK theatre.[1] Data for this study were collected from 308 (259 from outside London and 49 West End theatres). These include commercially-run theatres, venues run by local authorities and subsidised theatres.

Key components of this economic impact figure are:

- spending by theatre audiences: in particular food bought outside the theatre, transport costs to get there and back, and necessary childcare costs

The study also takes into account spending by theatres, notably:

- expenditure on staff (including actors, directors and other creative team members) and goods and services
- subsistence allowances to freelance staff to enable them to stay in the area while a project is under way. This generates important income for local landlords and hoteliers

A more comprehensive formula also includes:

- income generated by theatres: including ticket sales, sponsorship, grants, donations, programme and refreshment sales, merchandise and catering sales
- income generated by working overseas: the fees received by sending productions abroad or any sponsorship or grants relevant to that work

Economic impact of theatre inside and outside London

The Wyndham Report in 1998 drew attention to the great economic impact of West End theatres – it calculated that West End theatre was worth £1.1bn to the national economy. The Society of London Theatre (SOLT) is in the process of updating this report, but our interim results calculated on data provided by SOLT show that the figure was at least £1.5bn in 2002/03.

1 The sample was compiled from information held by Arts Council England, the Scottish Arts Council, the Arts Council of Wales, the Arts Council of Northern Ireland, SOLT, TMA, ITC and the National Rural Touring Forum.

But theatre outside London also has a significant impact. One of the key findings of the current study is that the combined impact of the 492 theatres outside London's West End is hugely important to the national economy.

In terms of economic impact, there are some key differences between theatres in the West End and outside it. The biggest difference is in the amount spent by West End theatre audiences. Their spending patterns suggest the West End theatres are considered as major outings and events, and – in the case of overseas visitors – a good reason for making a major trip. London audiences are also prepared to pay a wider range of ticket prices.

As part of this study, three theatres undertook a detailed exercise looking at their local economic impact:

- Everyman Theatre, Gloucestershire – a medium-scale subsidised theatre – £4.1 million
- The Royal Centre, Nottingham – a large-scale commercial theatre – £9.4 million
- Derby Playhouse – a small-scale subsidised theatre – £3.9 million

Each theatre makes both direct and indirect contributions to the local economy. The direct impact: local spending on purchasing supplies; wages paid to staff who live locally. The indirect impact is the 'knock-on' effect generated by the direct impact, where spending money leads to more money being spent. When theatres purchase supplies from a local company, that income helps the company pay wages to its staff who then use it to buy other goods. All that expenditure is constantly circulating around the local economy, helping to preserve jobs, and boost economic growth.

The additional visitor spend (AVS) also demonstrates how audience spending can make a significant difference to the local economy. By attracting people into an area – where they might eat out, spend money on transport or buy local produce – theatres help sustain jobs, generate additional economic activity and act as forces for economic and social regeneration.

Additional visitor spend

It is to be expected that London theatre audiences have a bigger additional visitor spend than outside London. They spend more on transport, food and drink and childcare than non-London audiences.

The average AVS per audience member outside the West End is £7.77. In the West End it is £53.77.

Employment

This study did not ask for definitive figures on employment in theatre but has revealed some interesting statistics for employment outside London. Figures for employment by the London theatre sector will be available in autumn 2004.

A sample of 259 theatres showed that they employ 6,274 people on a full-time basis and offer 5,700 part-time contracts.

Report findings

Theatre has a huge economic impact: £2.6bn annually. This is a conservative figure. It does not include, for instance, the impact of touring theatre companies or non building-based theatre activity. This huge impact is generated by a minimal amount of public subsidy: £100 million in England, £12.8 million in Scotland, £6.4 million in Wales and £2.1 million in Northern Ireland.

Theatre has considerable impact on local economies, both in terms of direct spending on goods and services and in terms of visitor spending.

Theatre activity outside London has an economic impact of £1.1bn annually. By attracting audience members who undertake spending on food, transport and childcare, theatres make a significant contribution to their local economies. Audience members spend an average of £7.77 on food, transport and childcare when they visit a UK theatre outside the West End.

The economic impact of West End theatre is £1.5bn. Audience members spend an average of £53.77 on food, transport and childcare when they visit a West End theatre.

Theatre is a popular area for volunteering. There are at least 16,000 volunteers working in UK theatres.

Recommendations

- Encourage individual venues to include economic impact studies in their annual reports on a three-yearly basis
- Devise an impact formula for touring theatre

Key conclusions

- The theatre sector has not yet developed a framework for establishing its impact
- This study is an important part of a process to do so, and has encouraged individual theatres to carry out their own studies
- The study has commanded significant sector support

Key findings

1 Research for the study

1.1 Previous economic impact studies of theatre

Since the publication of *The economic importance of the arts in Britain* (J Myerscough, Policy Studies Institute, 1988), which calculated that the arts in total had a turnover of £10bn and employed 500,000 people, the arts sector has recognised the value of being able to quantify its economic impact for, among other things, the justification for continued public funding.

Employment in the arts and cultural industries: an analysis of the 1991 Census (J O'Brien and A Feist, Arts Council England, 1995), which identified 648,900 people employed within the cultural sector, continued this approach. And the *Creative Industries Mapping Document* (DCMS, 2001), established, in policy terms, the importance of being able to evaluate economic impact.

What is significant, however, is the relative scarcity of economic impact studies of local, regional or national theatrical activity. The Wyndham Report (T Travers, Society of London Theatre, 1998) is the most well known, but there are only a limited number of other studies.[2]

What characterises earlier studies is the different formulas they have employed to calculate the economic impact of theatre. The merits of all the formulas were looked at carefully and used to create the following models for the purposes of this study.

1.2 Definition of economic impact

This report uses two main ways of defining economic impact. The first formula defines economic impact as being purely what a theatre contributes to the local and national economy and ignores turnover and overseas earnings.

Formula 1: Calculating the economic impact of theatre venues

2[2] Examples include Theatre Royal Norwich: *Annual Survey (2001/2002);* Cambridge Arts Theatre: *Economic Impact Study (1998–2000);* Cambridge Arts Theatre: *Economic Impact Study (2000–01)*, Chichester Festival Theatre: *Economic Impact Study (2000)*, Arts Council of Northern Ireland: *The Economic and Social Impact of Theatre in Northern Ireland (April 2003).*

excluding turnover

(Additional visitor spend + salaries + subsistence allowances + goods and services expenditure) x a multiplier of 1.5

(The multiplier takes into account the knock-on effect in the local economy.)

Formula 2 can be used to define economic impact as the total economic activity generated by a theatre (in other words, what economic activity an area would lose in total if the theatre was not there). This second, more comprehensive formula, also includes turnover (income).

Formula 2: Calculating the economic impact of theatre venues including turnover

(Turnover + overseas earnings + additional visitor spend + salaries + subsistence allowances + goods and services expenditure) x a multiplier of 1.5

(The multiplier takes into account the knock-on effect in the local economy.)

Including turnover in this formula establishes the scale of the economic activity related to the theatre, and economic impact is viewed as inputs and outputs, rather than profit and loss. So, for example, turnover is made up of money from customers, funders and businesses, and produces a specific economic effect, while a theatre's expenditure on wages and supplies produces a completely separate economic effect. It is not a strictly linear model.

This defines economic impact as what a theatre contributes to the local and national economy.

This study would ideally like to employ this wider formula, which includes turnover. However, because it has been impossible to collect sufficient data from SOLT organisations – through no fault of their own – it has been decided to employ formula 1 to calculate the headline figure for economic impact. However, it should be noted that if sufficient data from SOLT were to be obtained in the future, a recalculation could be made, which would produce a larger figure for the overall economic impact of UK theatre.

To give an indication of the difference that the two formulas make, both formulas have been employed in the individual impact studies of The Royal Centre, Nottingham; Derby Playhouse; and the Everyman, Gloucestershire. These case studies can be found in the Appendixes.

Both formulas employ multipliers. Multipliers are used in impact studies to take into account the knock-on effect of spending by the theatre throughout the local economy. To ensure that this study produces a viable but cautious result, a multiplier of 1.5 has been used, the same as that used in the Wyndham Report.

2 Methodology

Questionnaires were devised to collect the following information from individual venue-based organisations for the 2002/03[3] financial year:

- turnover
- overseas earnings
- additional visitor spend (an estimate of what an audience member spends on food, transport and childcare)
- salaries
- subsistence allowances paid
- goods and services bought

A list of venue-based organisations was compiled from information held by Arts Council England, the Scottish Arts Council, the Arts Council of Wales, the Arts Council of Northern Ireland, SOLT, TMA, ITC and the National Rural Touring Forum.

The questionnaires were distributed from August 2003 to 492 UK venue-based organisations (excluding SOLT members) and were returned between August and December, 2003.

Data for West End theatres were provided by SOLT in February 2004. The Wyndham Report is currently being updated and these are interim figures.

3 Where data were not available for 2002/03, organisations were asked to supply data from 2001/02. This only applied to a statistically negligible number of venues.

A large number of activities were undertaken to create a good awareness of the study and to generate the highest possible response rate. These included:

- a seminar presentation to the ITC Summer Event by Dominic Shellard (July, 2003)
- an article in *The Stage* explaining the remit of the study (July)
- the distribution of questionnaires via hard copy and email (where appropriate) (August)
- the creation of a website to which organisations could respond electronically (over 50% of organisations chose to respond in this way) (August–December)
- the publicising of the study through Arts Council England (September)
- the sending of email reminders (September/October)
- telephone reminders (November/December)
- an address to the TMA Annual Conference by Dominic Shellard (November), with questionnaires being included in the delegates' packs.

3 Results of the study

3.1 UK theatres excluding West End theatres

Economic data were collected from 259 venue-based organisations out of a total sample of 492. This represents a 53% response rate.

Returns included 43 venues with a turnover of above £2,500,000. The most significant venues with the highest turnovers in the UK, outside London, were therefore included.

The following results from the venue-based organisations were used to calculate impact.

Table 1: The data returned by the 259 responding venue-based organisations

Venues supplying data (259)	£
Additional visitor spend	162,378,047
Salaries	145,062,460
Subsistence allowances	2,156,645
Goods and services	191,406,701
Total (for 259 venues)	**501,003,853**

Additional visitor spend is expenditure on transport, food and drink, and childcare, incurred by audience members as a result of a visit to the theatre.

The total AVS per venue was calculated by taking the mean (average) AVS per head as stated by the venue, ie £10–15 produces a mean of £12.50, then multiplying this by the number of tickets sold in the year.

The result gives an average AVS per audience member outside the West End of £7.77.

The results on additional visitor spend demonstrate how audience attendance can be significant for the local community. By attracting people into an area – where they might dine out, spend money on transport or buy local produce – theatres help sustain jobs, generate additional economic activity and act as forces for economic and social regeneration.

To check this figure, individual economic impact studies of the Everyman Theatre, Gloucestershire and the Royal Centre, Nottingham were undertaken.

Seven hundred and eleven audience members were surveyed at The Royal Centre and 2,378 at the Everyman. The AVS results were as follows, and include data from the Theatre Royal, Norwich, which undertook its own economic impact study and AVS calculation. Their results indicate that the study's estimate of AVS is robust.

Table 2: Additional visitor spend data

Venue	**Additional visitor spend per head (£)**
The Royal Centre, Nottingham	7.11
Everyman Theatre, Cheltenham	6.15
Theatre Royal, Norwich	6.16
Study	7.77

Thirty-three small-scale venues did not respond to the questionnaires, but will still have an economic impact that needs to be factored in. Because all the major venues took part in the study, however, it is **not** appropriate to scale up the figures pro rata.

Therefore, the following cautious method of calculation was adopted for non-responding venues.

Table 3: The calculation of the 'return' of the 233 non-responding venues

Total return for 259 venues	£501,003,853
Total return for 259 venues, minus the top 43 venues (£309,638,028)	£191,365,825
Therefore, average return per theatre for 216 sample venues	£885,953
Total of remaining 233 non-responding venues = **£885,953 x 233**	**£206,427,049**

3.2 West End theatres[4]

For the purposes of this study, SOLT released interim data, some of which will be used in preparation for an updated version of their 1998 Wyndham Report. This comprised total turnover and ticket sales data for major London theatres represented by the Society in 2003, as well as the additional visitor spend for London theatregoers on transport, food and drink, and childcare (extracted from a larger survey undertaken by MORI for SOLT in the year up to February 2004).

This permitted a calculation to be made of the economic impact for West End theatres, although it should be noted that the final figures for an updated Wyndham Report are likely to be significantly higher. The reason is that there are some additional elements of additional visitor spend that need to be factored in for SOLT organisations, such as spend on accommodation, souvenirs and London's congestion charge.

4 SOLT represents the larger subsidised and commercial theatres (including Lyric theatres) across London, so the term 'West End theatres' with its connotations of commercial enterprises in a specific area of central London is slightly misleading. It is, however, a useful shorthand for major London theatres.

The average AVS per audience member attending a West End theatre is £53.77.

The additional visitor spend is markedly higher for West End theatres than it is for the rest of the country because a visit is generally treated as a complete night out. The desire to have a good meal and the willingness to travel from afar greatly increase the figure, and the world renown of West End shows draws in a significant tourist market. The Wyndham Report showed that a high proportion of visitor spend was accounted for by overseas visitors.

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4 Calculation of economic impact

Two separate economic impact figures can be obtained from the data collected for this study:

- the economic impact of West End theatres (SOLT venues)
- the economic impact of UK venue-based theatre outside London

Using Formula 1: The calculation of the economic impact of UK theatre – SOLT venues

SOLT venues **Total ticket sales (used as proxy for expenditure) + AVS** **(£330,678,759[5] + £641,943,090[6]) x 1.5**	**£1.5bn**

Using Formula 1: The calculation of the economic impact of UK theatre: UK venue-based (excluding SOLT)

5 This figure is for total ticket sales in 2002/03. Given that this represents the bulk of turnover, it is the nearest approximation to expenditure that can be made with the data available. It should be noted, however, that in the Wyndham Report of 1998, expenditure was recorded as exceeding turnover.
6 AVS for transport, food and drink, and childcare, extracted from MORI survey for SOLT.

UK venue-based (excluding SOLT) **(£501,003,853[7] + £206,427,049[8]) x 1.5**	**£1.1bn**

To obtain an estimate of the overall impact of UK theatre, the two figures can be added together, bearing in mind that the figure for West End theatres is a cautious one.

Table 4: The calculation of the economic impact of UK theatre

SOLT venues	£1.5bn
UK venue-based theatre (excluding SOLT venues)	£1.1bn
Total	**£2.6bn**

Theatre outside the West End generates a significant economic impact. This reflects the vibrancy of theatre throughout the whole of the UK and is a very healthy balance. It also counters the perception of a sector dominated by theatrical activity in London.

In the study, 492 organisations outside London produced an impact of £1.1bn.

Forty-nine West End theatres produced an economic impact of £1.5bn.

The economic impact of UK theatre is therefore £2.6bn.

However, it should be noted that if we employ a formula that includes

7 See Table 1.
8 See Table 3.

turnover (see Formula 2, page 9), the total for UK venue-based theatres outside London rises to £1.8bn.

This is calculated in the following way:

Table 5: The data returned by the 259 responding venue-based organisations, *including* turnover

Venues supplying data (259)	**£**
Turnover[9]	360,769,092
Overseas earnings[10]	787,817
Additional visitor spend	162,378,047
Salaries	145,062,460
Subsistence allowances	2,156,645
Goods and services	191,406,701
Total (for 259 venues)	**862,560,762**

To take into account the non-responding venues, the following calculation was made:

Table 6: The calculation of the 'return' of the 233 non-responding venues,

9 Turnover is income from customers, funders and businesses.
10 Overseas earnings is income earned through overseas tours.

for the calculation of impact *including* turnover

Total return for 259 venues	£862,560,762
Total return for 259 venues, minus the top 43 venues (548,719,618)	£313,841,144
Therefore, average return per theatre for 216 sample venues	£1,452,968
Total of remaining 233 non-responding venues = **1,452,968 x 233**	**£338,541,544**

The economic impact of venue-based organisations (excluding SOLT organisations) including turnover was therefore calculated as follows:

Using Formula 1: The calculation of the economic impact of UK theatre: UK venue-based, excluding SOLT, *including* turnover

UK venue-based (excluding SOLT) **(£862,560,762[11] + £338, 541,544[12]) x 1.5**	**£1.8bn**

In the absence of hard data from SOLT on expenditure by theatres, any calculation of economic impact using the same formula is hazardous, but it is likely to be in the region of £2bn.

This would give an estimated total economic impact calculated using a formula including turnover in the region of £3.8bn.

11 See Table 5.
12 See Table 6.

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5 Number of volunteers in the sector

Organisations were asked to report on the number of volunteers who worked at their venues.

The responses showed that there are at least 16,000 volunteers working in the UK theatre sector.

This was calculated in the following way. Two hundred and fifty-nine responding venues reported 10,613 volunteers. National Rural Touring Forum organisations (who were not included in the calculations of economic impact) returned 4,750 of the total. As non-responding venues comprised 233 – approximately half – the total for sector volunteers was arrived at through the following calculation ((10,613 – 4,750) x 2) + 4,750 = 16,476.

The number of volunteers in the theatre sector represents a significant ‘invisible’ contribution by theatres to their local economies.

It is significant that, the smaller the organisation, the more volunteers it is likely to have.

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6 Recommendations for future work

There has been widespread sector support for this study.

To capitalise on this widespread enthusiasm for relevant economic impact studies – and to address the concern that up until now, economic impact studies have not adopted a consistent methodology for calculating impact – the following recommendations are made for future work:

- Individual organisations should be encouraged to undertake economic impact studies using a consistent formula for inclusion in their annual reports on a three-yearly basis
- Touring theatre and outdoor theatre make a contribution to economic impact but were outside the remit of this study. An impact formula needs to be devised to assess their contribution, while ensuring that the danger of double-counting is avoided

Appendix A

Economic impact study responses

Two hundred and fifty-nine responding venue-based organisations in the UK (sorted by turnover, in descending order) followed by the Northern Irish, Scottish and Welsh venues given again but listed separately.

Royal National Theatre
Royal Shakespeare Company
Theatre Royal, Plymouth
Birmingham Hippodrome Theatre Trust
The Royal Centre, Nottingham
Sheffield Theatres (Crucible and Lyceum)
West Yorkshire Playhouse
Royal and Derngate, Northampton
Cliffs Pavilion, Southend
Grand Opera House, Belfast
Festival City Trust, Edinburgh
Theatre Royal, Newcastle
Theatre Royal, Norwich
Royal Exchange, Manchester
Birmingham Repertory Theatre
Grand Theatre Wolverhampton
English Stage Company (Royal Court Theatre)
Belgrade Theatre
Churchill Theatre, Bromley
Bristol Old Vic
New Theatre, Cardiff
Warwick Arts Centre
Eden Court Theatre
His Majesty's Theatre, Aberdeen
Theatre Royal Brighton
Midlands Arts Centre
Poole Arts Centre
Reading Arts and Theatres
Oxford Playhouse Trust
Everyman and Playhouse, Liverpool
New Hull Theatre
Pavilion Theatre, Bournemouth
Aldeburgh Productions
Young Vic
Royal Lyceum, Edinburgh
Palace Theatre, Manchester (CC)
Malvern Theatres
Everyman Theatre, Cheltenham
Grand Theatre, Blackpool
Wycombe Swan
New Vic Theatre, Newcastle-Under-Lyme
The Hall for Cornwall
Almeida Theatre
Edinburgh Playhouse (CC)
Newcastle Playhouse and Gulbenkian Studio Theatre
Belfast Waterfront Hall
Donmar Warehouse
Derby Playhouse
Yvonne Arnaud
Bristol Hippodrome (CC)
Nottingham Playhouse
Theatre Royal Windsor
Brewery Arts Centre, Kendal
Liverpool Empire (CC)
Salisbury Playhouse
Citizens Theatre, Glasgow
Rothes Hall, Glenrothes

Queen's Theatre, Barnstaple
Colchester Mercury Theatre
Opera House, Manchester (CC)
Watermill Theatre
Opera House, Buxton
Theatre Royal York
Theatre by the Lake
Scarborough Trust Ltd - Stephen Joseph
Northcott Theatre, Exeter
Hull Truck Theatre
The New Wolsey Theatre
Nuffield Theatre, Southampton
Jersey Opera House
Theatre Royal, Stratford East
Derby Assembly Rooms
Regent's Park Open Air Theatre
Sherman Theatre, Cardiff
Octagon Theatre, Bolton
Haymarket Theatre, Basingstoke
Oldham Coliseum
Soho Theatre Company
The Millennium Forum, Londonderry
Hampstead Theatre
Traverse Theatre
Harrogate Theatre
Chester Gateway
Oxford Apollo (CC)
Sunderland Empire (CC)
Southport Theatre and Floral Hall
Corn Exchange, Newbury
Battersea Arts Centre
Blackheath Halls
The Castle, Wellingborough
The Playhouse, Harlow
Greenwich Theatre
Civic Theatre, Chelmsford
The Dukes, Lancaster
Lawrence Batley Theatre, Huddersfield
Watersmeet Theatre, Rickmansworth
Weston-super-Mare Playhouse
Contact Theatre, Manchester
Unicorn Theatre
Birmingham Alexandra (CC)
Key Theatre, Peterborough
The Brewhouse Theatre, Taunton
Theatre Royal Winchester
Stag Theatre, Sevenoaks
Orange Tree Theatre
King's Lynn Corn Exchange
Princess Theatre, Torquay (CC)
Tron Theatre Ltd
The Music Hall, Shrewsbury
Richmond Theatre
Gardner Arts Centre, Brighton
Minack Theatre, Penzance
Torch Theatre, Milford Haven
Library Theatre Company, Manchester
City of York Council/Arts & Entertainment Service
Woodville Halls, Gravesend
Epsom Playhouse
Bush Theatre
Taliesin Arts Centre, Swansea
Town Hall Studios, Swindon
Trinity Theatre, Tonbridge Wells
Wyvern Theatre, Swindon (CC)
Doncaster Civic Theatre
Leas Cliff Hall, Folkestone (CC)
Beck Theatre, Hayes (CC)
Theatre Workshop, Edinburgh
Spa Pavilion, Felixstowe (CC)
Princes Hall, Aldershot
Princess Theatre, Hunstanton
The Pavilion, Exmouth
Palace Theatre, Newark
Palace Theatre, Westcliff-on-Sea
Grand Opera House, York (CC)

Blackfriars Arts Centre
Salisbury City Hall
Maddermarket Theatre
Southport Arts Centre and Crosby Civic Hall
St Donats Arts Centre, Glamorgan
Tivoly Theatre, West Borough
Little Theatre, Leicester
Grimsby Auditorium (CC)
Half Moon Young People's Theatre, Tower Hamlets
The Maltings Theatre and Arts Centre, Berwick-upon-Tweed
Library Theatre, Solihull
Pegasus Theatre, Oxford
Neath Port Talbot CBC
The Met Arts Centre, Bury
Blackwood Miners Institute, Gwent
Havant Arts Centre & Bedhampton Arts Centre
Sphinx Theatre, London
Oakengates Theatre, Telford
Southwold Summer Theatre
Gracefield Arts Centre, Dumfries
Artsservice
Haverhill Arts Centre
The Quay Theatre, Sudbury
Tameside Hippodrome, Ashton-under-Lyne (CC)
Take Art! Ltd
Alnwick Playhouse Trust
Live and Local Ltd
Rosehill Theatre, Whitehaven
Borough Theatre, Abergavenny
Artsreach
Rotherham Arts Centre
Empire Theatre, Consett
New Greenham Arts
King's Lynn Arts Centre
Norwich Puppet Theatre
Dorchester Arts Theatre
ACW Community Touring Unit
Gate Theatre
Gilmorehill G12, Glasgow
Southwark Playhouse
Pier Theatre, Bournemouth
Palace Theatre, Kilmarnock
Norwich Playhouse
West End Centre, Aldershot
Arc Theatre, Trowbridge
Black Country Touring
Bridgwater Arts Centre
Nuffield Theatre, Lancaster
ADC Theatre, Cambridge
Electric Theatre, Guildford
Stantonbury Campus Theatre
Stoke-on-Trent Repertory Theatre
Worcester Arts Workshop
Thameside Theatre, Grays
White Rock Theatre, Hastings (CC)
Arts Alive
People's Theatre, Newcastle-upon-Tyne
Acorn Theatre, Penzance
Island Arts Centre, Lisburn
Maltings Arts Theatre, St Albans
Cheshire's Rural Touring Network
The Regal Theatre, Stowmarket
Northamptonshire Touring Arts
Secombe Theatre, Sutton
Highlights
The Old Town Hall Theatre, Hemel Hempstead
River Studios, Westacre
Congress Theatre, Cwmbran
Town Hall Theatre, Hartlepool
Luton Borough Council Library Theatre
Wokingham Theatre
Oxford Fire Station (CC)

Creative Arts East
Phoenix Arts Centre
Rural Arts North Yorkshire
Bonington Theatre, Arnold
Northbrook Theatre, Worthing
Rural Arts Wiltshire
The Ryan Centre, Stranraer
Carn to Cove
Essex on Tour
Plymouth Athaneum
Applause Rural Touring Ltd
Spot On, Lancashire's Rural Touring Network
The Charles Cryer Studio, Carshalton
Central Library Theatre, Sheffield
Arts in Richmondshire
Mid Beds District Council
The Rose Theatre, Ormskirk
The Webster Theatre, Arbroath
Alsager Arts Centre
Sleaford Little Theatre
The Playhouse, Walton-on-Thames
Skipton Little Theatre
Georgian Theatre Royal
Century Theatre, Coalville
Razzle - Rural Touring in South Gloucestershire
Arts at Large
Arts Development Team Lincolnshire
Bedford School
Caedman Hall, Gateshead
Garrison Theatre, Lerwick
Gateway Centre, Shrewsbury
Horndean Campus
Horsham Arts Centre
Isle of Wight Theatre
Kings Hall Theatre
Kings Theatre Southsea
Music Hall, Aberdeen
Palace Theatre, Watford
Pudsey Civic Hall
Regent Centre, Exeter
The Galtres Centre, Easingwold
The Riverside, Exeter
The Royal, Stoke-on-Trent
Theatre Gwynedd, Bangor
Torquay Riviera Centre
Town Hall, Braintree
Whitehall Theatre, Dundee
Wigan Pier
Worcestershire (NRTF)
Crosby Civic Hall
Shanklin Theatre, Shanklin
Bluecoat Arts Centre, Liverpool
Bideford Arts Centre, Bideford
Marine Hall, Fleetwood

Northern Irish venues responding (3 of the 259)
Grand Opera House, Belfast
Waterfront Hall, Belfast
The Millennium Forum, Londonderry

Scottish venues responding (18 of the 259)
Festival City Trust
His Majesty's, Aberdeen
Royal Lyceum, Edinburgh
Edinburgh Playhouse
Citizens Theatre, Glasgow
Rothes Hall, Glenrothes
Traverse Theatre
Tron Theatre
Eden Court Theatre, Inverness
Theatre Workshop, Edinburgh
Gracefield Arts Centre, Dumfries
Gilmorehill G12, Glasgow
Palace Theatre, Kilmarnock
The Ryan Centre, Stranraer
Garrison Theatre, Lerwick
Music Hall, Aberdeen
Whitehall Theatre, Dundee
The Webster Theatre, Arbroath

Welsh venues responding (11 of the 259)
New Theatre, Cardiff
Sherman Theatre, Cardiff
Torch Theatre, Milford Haven
Taliesin Arts Centre, Swansea
St Donats Arts Centre, Glamorgan
Neath Port Talbot CBC
Blackwood Miners Institute, Gwent
Borough Theatre, Abergavenny
ACW Community Touring Unit (NRTF)
Congress Theatre, Cwmbran
Theatre Gwynedd, Bangor

Appendix B

Economic impact study of the Everyman Theatre, Gloucestershire

Introduction

The Everyman is the largest theatre in Gloucestershire, situated in the heart of Cheltenham. Built in 1891, it was designed by Frank Matcham, the great Victorian theatre architect, and is unique in being the oldest surviving example of his work still in theatrical use. As such it is of national historic and architectural significance.

The Everyman has two auditoria – the main auditorium, seating 682, and The Other Space studio theatre which seats 55. There is also a catering facility comprising Cafe Everyman, the County Bar (with The Smart Space internet cafe), Matcham's Restaurant and the Langtry Room.

The Everyman is a successful theatre, with attendances at performances and events of 180,000 in the year to 31 March 2003, representing over 76% of capacity. A third of the audience comes from Cheltenham, 51% from elsewhere in Gloucestershire and 16% from further afield. The programme in the main auditorium is a mix of drama, musicals, ballet, opera, dance, music and comedy and the Christmas pantomime. The Other Space presents small-scale work of a more contemporary nature. The Everyman has an extensive lifelong learning programme and in the year to 31 March 2003 worked with over 34,500 people across Gloucestershire on a wide variety of community and education projects.

The Everyman building is also a resource for Cheltenham and Gloucestershire, for corporate and community use, in addition to being used for refreshments. It is estimated that there are 50,000 uses made of the building throughout the year in addition to performance and other arts activities. Overall over 250,000 people use the Everyman and its resources each year.

Economic impact

The Everyman Theatre makes a contribution to the worth of the local economy in two ways: direct and indirect. Its direct impact is made up of straight local spending; for example, the amount spent on purchasing supplies locally, or the amount spent on resident staff wages, which is then spent on items such as accommodation, food, and clothes locally.

The indirect impact takes into account the 'knock-on' effect which is generated by the direct impact, where money spent results in more money being spent. An example of this includes the purchase of supplies from a local company, which results in that company spending on their staff wages and purchasing other supplies. This expenditure is constantly circulating around the local economy, helping to preserve jobs, and boost economic growth.

The formula

The following formula was devised by Dominic Shellard of the University of Sheffield to calculate a theatre's economic impact, and to measure the economic impact of theatre across the UK.

Formula 1: Calculating economic impact

(Additional visitor spend + salaries + subsistence allowances + goods and services bought locally) x 1.5

(The multiplier takes into account the knock-on effect in the local economy.)

Components of the economic impact of the Everyman

1 Additional visitor spend

Additional visitor spend is the money spent by people attending a performance at the theatre, in addition to the cost of the tickets. It covers transport costs, domestic costs, eg babysitters, and any food and drink purchased outside the home.

A figure for additional visitor spend was calculated from the results of a questionnaire distributed between 8 September and 4 October, and 20 October and 22 November 2003. Five hundred and eleven questionnaires were returned, covering 2,378 audience members. The figures from these were used to calculate a total for the year.

For 2002/03, the amounts were as follows:

Transport costs:	362,570
Domestic costs:	21,604
Food and drink:	584,711
AVS total:	£968,885

Participants travelled to the Everyman by the following means:

Mode of transport	Number of users
Car	1,235 (52%)
Coach	980 (41%)
Public transport	74 (3%)
On foot	72 (3%)
Taxi	16 (less than 1%)
Bicycle	1 (less than 1%)

2 Salaries
£1,276,152 was spent on salaries in the year.

3 Subsistence allowances
Subsistence allowances are paid to some performers and support staff, who visit the Everyman with each production, to cover the cost of travel, accommodation, food and other living expenses. In the year 2002/03, a total of £13,924 was paid.

4 Goods and services bought locally
Supplies purchased locally totalled £478,166.

Calculation of the total economic impact of the Everyman
By feeding the above components into the formula, it was estimated that the total economic impact of the Everyman in the year 2002/03 on the local economy was:
(£968,885 [AVS] + £1,276,152 [salaries] + £13,924 [subsistence allowances] + £478,166 [goods and services]) x 1.5 = £4,105,691

If the turnover of the theatre for 2002/03 (£2,630,050) is included as well, the economic impact would be £8,050,766.

Appendix C

Economic impact study of The Royal Centre (Theatre Royal, and The Royal Concert Hall) Nottingham

Introduction

The Royal Centre is a two-venue site, with the Theatre Royal, a traditional Victorian theatre seating 1,186, and the 2,500-seat Royal Concert Hall. Formerly a Stoll Moss venue, the theatre was taken over by the City of Nottingham, refurbished to a high standard, and reopened in 1978. It houses touring product, such as opera, ballet, drama, musicals and pantomime. The Concert Hall, which opened in 1982, was primarily intended for the performance of classical music and presents the world's finest orchestras, but it also presents pop and rock concerts, ballet and opera, some weekly shows, feature films, conferences and sporting events.

Economic impact

The Royal Centre, Nottingham makes a contribution to the worth of the local economy in two ways: direct and indirect. Its direct impact is made up of straight local spending. For example, the amount spent on purchasing supplies locally, or the amount spent on resident staff wages, which is then spent on items such as accommodation, food, and clothes.

The indirect impact takes into account the 'knock-on' effect which is generated by the direct impact, where money spent results in more money being spent. An example of this includes the purchase of supplies from a local company, which results in that company paying their staff wages and purchasing other supplies. All that expenditure is constantly circulating around the local economy, helping to preserve jobs, and boost economic growth.

The formula

The following formula was devised by Dominic Shellard of the University of Sheffield to calculate a theatre's economic impact, and to measure the economic impact of theatre across the UK.

Formula 1: Calculating economic impact

(Additional visitor spend + salaries + subsistence allowances + goods and services bought locally) x 1.5

(The multiplier takes into account the knock-on effect in the local economy.)

Components of the economic impact of The Royal Centre

1. Additional visitor spend
Additional visitor spend is the money spent by people attending a performance at the theatre, in addition to the cost of the tickets. It covers transport costs, domestic costs, eg babysitters, and any food and drink purchased outside the home.

A figure for additional visitor spend was calculated from the results of a questionnaire distributed in the Theatre Royal during the weeks commencing 22 September and 3 November, and in the Concert Hall on 23, 24 and 26 September, as well as 1, 3 and 4 October, and 6 and 7 November 2003. The figures from these were then used to calculate a total for the year.

For 2002/03, the amounts were as follows:

Transport costs:	1,564,592
Domestic costs:	11,615
Food and drink:	1,359,581
AVS total:	£2,935,788

Two hundred and seven questionnaires were returned, covering 711 audience members.

Participants travelled to The Royal Centre by the following means:

Mode of transport	Number of users
Car	306 (43%)
Coach	280 (39%)
Public transport	98 (14%)
Minibus	15 (2%)
On foot	9 (1%)
Taxi	3 (less than 1%)

2. Salaries
£1,506,613 was spent on salaries in the year.

3. Subsistence allowances
Subsistence allowances are paid to all performers and support staff, who visit The Theatre Royal with each production, to cover the cost of travel, accommodation, food and other living expenses. In the year 2002/03, no subsistence allowances were paid.

4. Goods and services bought locally
Supplies purchased locally totalled £1,843,199.

Calculation of the total economic impact of The Royal Centre

By feeding the above components into the formula, it can be seen that the total economic impact of The Royal Centre in the year 2002/03 on the local economy was:
(£2,935,788 [AVS] + £1,506,613 [salaries] + £1,843,199 [goods and services]) x 1.5 = £9,428,400

If the turnover of £7,496,389 of The Royal Centre is included as well, the economic impact would be £20,672,983.

Appendix D

Economic impact study of Derby Playhouse

Introduction

Derby Playhouse is recognised locally and nationally as a producer of creatively diverse, innovative and exceptional theatre, attracting the highest attendance figures for a theatre of its size in the country. Its aim is to provide theatre experiences that are inspiring, entertaining and thought provoking.

Derby Playhouse was founded as an Industrial and Provident Friendly Society with charitable status in 1948 and moved to its present purpose-built site in the Eagle Centre in 1975. It is a regional repertory theatre serving the community of Derby and the surrounding counties of Derbyshire, Nottinghamshire, Leicestershire, Staffordshire, Lincolnshire and Yorkshire.

The Playhouse is financed by a combination of audience ticket sales, and revenue funding from Derby City Council (DCC) and Arts Council East Midlands, and increasingly through its own development department via sponsorship, trusts, foundations and government schemes.

What is economic impact?

Derby Playhouse makes a contribution to the worth of the local economy in two ways: direct and indirect. Its direct impact is made up of straight local spending; for example, the amount spent on purchasing supplies locally, or the amount spent on resident staff wages, which is then spent on items such as accommodation, food, and clothes locally.

The indirect impact takes into account the ‘knock-on’ effect which is generated by the direct impact, where money spent results in more money being spent. An example of this includes the purchase of supplies from a local company, which results in that company spending on their staff wages and purchasing other supplies. All that expenditure is constantly circulating around the local economy, helping to preserve jobs, and boost economic growth.

The formula for calculating economic impact

The following formula was devised by Dominic Shellard of the University of Sheffield to calculate a theatre’s economic impact, and to measure the economic impact of theatre across the UK.

Formula 1: Calculating economic impact

(Additional visitor spend + salaries + subsistence allowances + goods and services bought locally) x 1.5

(The multiplier takes into account the knock-on effect in the local economy.)

Components of the economic impact of Derby Playhouse

1. Additional visitor spend
Additional visitor spend is the money spent by people attending a performance at the theatre, in addition to the cost of the tickets. It covers transport costs, domestic costs, eg babysitters, and any food and drink purchased outside the home.

A figure for additional visitor spend was calculated from the results of a questionnaire distributed to audiences during 17, 18 and 19 February 2004. Two hundred and sixty-four questionnaires were returned, covering 755 audience members. The figures from these were then used to calculate a total for the year.

For 2002/03, the amounts were as follows:

Transport costs:	152,710
Domestic costs:	28,611
Food and drink:	365,971
AVS total:	£547,292

The AVS by an average audience member per visit was £5.70. Visitor spend was lower than would normally be expected. This may be explained by the theatre's geographic location. The theatre is ‘landlocked’ within a shopping centre, which is closed during the evenings and, with the exception of the theatre's own bars and restaurant, the theatre is disconnected from the wider night-time economy of the city. It may be that (based on the audience visitor spend of comparable theatres) if Derby Playhouse enjoyed a better location, the audience visitor spend and resulting economic impact would be significantly greater.

Participants travelled to Derby Playhouse by the following means:

Mode of transport	Number of users
Car	635 (84%)
Public transport	51 (7%)
Coach	50 (7%)
Taxi	10 (1%)
On foot	6 (less than 1%)
Bicycle	3 (less than 1%)

2. Salaries
£801,507 was spent on salaries in the year.

3. Subsistence allowances
Subsistence allowances are paid to some performers and support staff, who visit Derby Playhouse with each production, to cover the cost of travel, accommodation, food and other living expenses. In the year 2002/03, no subsistence allowances were paid.

4. Goods and services bought locally
Supplies purchased locally totalled £1,232,885.

Calculation of the total economic impact of Derby Playhouse
By feeding the above components into the formula, it can be seen that the total economic impact of Derby Playhouse in the year 2002/03 on the local economy was:

(£547,292 [AVS] + £801,507 [salaries] + £1,232,885 [goods and services]) x 1.5 = £3,872,526

If the turnover of Derby Playhouse of £2,361,348 in 20020/3 is included, the economic impact is £7,414,548.

This study has demonstrated, therefore, that Derby Playhouse is not just a major cultural presence but a significant economic power in the city of Derby, the East Midlands region and the wider UK theatre sector.

Appendix E

Members of the steering group

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