

Funding Agreement between Colchester Borough Council and Firstsite

1.0 Introduction

- 1.1 Colchester's vibrant cultural offer is one of the Borough's unique selling points and something that Colchester Borough Council (CBC) looks to support and sustain, working with partners to align policy and funding to help deliver key social and economic outcomes through investment in the arts.
- 1.2 As Arts Council England (ACE) National Portfolio Organisations (NPOs) The Mercury Theatre, Colchester Arts Centre (CAC) and Firstsite are key partners, together providing leadership, capacity, and innovative programmes of delivery that contribute to making Colchester a great place to live, learn, work and visit.
- 1.3 CBC provides core revenue grants to these organisations under the Strategic Arts Partner programme; to contribute to the delivery of the Council's Strategic Plan including the development of a new Cultural Strategy for Colchester; and to support Creative Colchester, a framework for enhancing the impact of the arts and creative industries on the local economy.
- 1.4 As part of the Council's commitment to transparency, quality and performance management systems, the organisations that receive CBC funding must set out clear objectives and provide performance and sector data so that the value provided through this partnership can be measured, evaluated and improved.
- 1.5 In normal circumstances in addition to confirming the monitoring process and funding, this document sets out pre agreed performance targets for the year. However due to the impact of Covid 19 on Firstsite's operations it is acknowledged that some planned activity will be curtailed and setting performance targets in advance for this unprecedented and uncertain time is unrealistic. Instead this document will record retrospectively the activity undertaken by the organisation during the funding period to secure its future; deliver alternative programming and other provision adapted to the conditions, and, in collaboration with the Council and One Colchester partners, towards the community response to Covid 19.

2.0 Scope and Financial Arrangements

- 2.1 Between 1 April 2020 and 31 March 2021, the Council will fund Firstsite to the amount of £97K. This funding was agreed by the Cabinet and full Council in line with the budget strategy to support the core operations of the organisation.
- 2.2 The Council has released this funding upfront in the first half of the year to support the organisation through the disruption to operations caused by Covid 19.

- 2.3 Any financial investment that the Council needs to make under its obligations as the owner of the theatre buildings is deemed to be outside of this agreement. However, any tenant responsibilities that Firstsite holds are considered to be within this agreement.
- 2.4 On signing this Agreement, Firstsite recognises that it is in receipt of public funding and accepts responsibility for providing evidence of eligibility and collecting qualitative and quantitative performance data where applicable to the current circumstances.
- 2.5 Where appropriate and possible within current resources, Colchester Borough Council will provide non-financial support to Firstsite where it seeks to develop additional services that contribute towards meeting the Council's strategic priorities. If these additional services are developed to a point that requires additional funding, Firstsite may request such funding formally, and the Council may issue a separate funding agreement if applicable. If this circumstance arises, the services will be deemed to fall outside of this agreement.

3.0 Eligibility and Criteria for Acceptance

- 3.1 In order to be eligible for funding Firstsite must supply on request evidence to demonstrate that it is:
 - a. Properly constituted
 - b. Financially viable
 - c. Able to manage its work effectively, monitor and manage risk, and seek necessary professional financial, legal and insurance advice
 - d. Operating with effective policies and procedures in equal opportunities, health and safety, equality and diversity, access, and protection of children, young people and vulnerable adults.
 - e. Delivering on the current strategic priorities of the Council.

4.0 Performance monitoring framework

- 4.1 Firstsite must supply on request operations information to CBC, including a budget to cover the same period as the funding agreement (it is acknowledged this may be subject to amendment during the year as a result of Covid 19) and a copy of the audited accounts from 2019 - 20 when available.
- 4.2 Throughout the term of the agreement, Firstsite must submit quarterly budget reports if required and invite a Council representative to observe Board meetings if appropriate. The organisation will also participate in an annual review meeting, as outlined below.
- 4.3 At the end of the agreement period, the organisation must provide audited accounts and submit performance data (it is acknowledged the latter will be impacted by Covid 19) and other evidence in support of the organisation having delivered value for the Council's investment in this financial year.

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5.0 Bi-annual review process

- 5.1 A review meeting will take place between Colchester Borough Council and Firstsite at least once during the period of the agreement. The meetings shall be attended by the Portfolio Holder (PFH), relevant officer(s) of the Council and Executive staff of Firstsite.
- 5.2 The Portfolio Holder and Firstsite Management may be asked to sit before a Scrutiny Panel to monitor performance and achievements. As such, the bi-annual review process should be seen as an opportunity to ensure that the Portfolio Holder can evidence performance within their area of responsibility.

6.0 Acknowledgement of funding

- 6.1 Firstsite will acknowledge its financial assistance from CBC in all marketing and communication materials in print, electronic, broadcast and other formats.
- 6.2 The organisation is asked to specify steps that it has taken within the period of this Agreement to promote the support that it receives from the Council in Section 9.

7.0 General conditions

- 7.1 The funding provided under this agreement may not be assigned to any other person, association, or company other than while delivering the Business Plan and agreed performance targets.
- 7.2 This agreement does not constitute Firstsite as an agent of the Council or otherwise make the Council liable to any person who may take proceedings against the Theatre.
- 7.3 The Council reserves the right to nominate annually a councillor to be a director on the Firstsite.
- 7.4 Funds will be repayable in full to the Council in the event of any of the following:
- i. Misuse of payment received from the Council by Firstsite
 - ii. A breach of the law by Firstsite
 - iii. Petitioning the court for the appointment of an administrator
 - iv. Having a receiver appointed over all or any part of Firstsite's assets
 - v. Being the subject of a petition or resolution for Firstsite's 'winding up'
- 7.5 The Council should be consulted where any change or development in the direction of the organisation's affairs might affect this Agreement.

8.0 Breach in agreement

- 8.1 In the event of either the Council or Firstsite notifying the other in writing of a breach in this agreement, the parties shall meet to discuss the alleged breach within 21 days.

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- 8.2 Both the Council and Firstsite agree that they have an equal responsibility to reach a practical and reasonable solution to the breach, but if after 12 weeks a solution has not been agreed then the parties mutually agree to arbitration.

9.0 End of year performance review to be completed Apr 2021

Programme

Target	Outputs/Report
Deliver 4 seasons of exhibitions	Partially complete – 3 out of 4 will be delivered
Deliver between 130,000 and 150,000 visitors	Not complete – 23,294 visitors to the building. 17% of previous and approx. daily average of 151 visitors per day – approx. 50% of previous year. However! Subscribers to our email database have increased by 297% from 11,862 to 47,166. The Art is Where the Home is Activity packs have been downloaded by 89,199 households (accessed by 180-250,000 individuals) and the Great Big Art Exhibition has generated 4,000 artworks and 20,000 pack downloads to date.
Deliver a film programme with average 20% occupancy	Not complete due to Pandemic.
Continue to deliver Firstsite Holiday Fun to support vulnerable families in Colchester.	Complete – significant increases in provision here. In 2021 we have provided 2777 meals. This is equivalent to 40% of the total provision over the previous 3 years. 1029 of these were delivered in summer holidays alone. Introduction of takeaways and doubling indoor capacity has led to major increase in uptake.

Community and Audience Development

Target	Outputs/Report
Produce an audience development plan which focuses on x4 key demographics in line with ACE audience finder segmentations.	Complete – see above note. Audiences have been massively increased online, leading to 15-25% new visitors when we have been able to open.
Deliver new CRM system connecting to revised website	Complete
Continue to keep Firstsite's profile up throughout the Pandemic	Complete – Firstsite has achieved more press coverage both locally, nationally and internationally during the Pandemic than in the last two years combined. The

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	Great Big Art Exhibition has been featured on The One Show and is due to be profiled on Blue Peter.
Awards and recognition	Firstsite's Director was awarded an MBE for services to the Arts as a result of the gallery's response to the Pandemic. The Gallery has been invited to apply for both the Freeland's Foundation Award and Museum of the year.

Governance and Management

Develop new Strategy for 2022-26	In progress – Strategy away day delivered in December 2020, on-going strategy in progress factoring in pandemic lessons
Develop strategic funding plan for ACE G4A and National Projects Funding for Holiday Fun	Complete – applications due for submission March 2021 and May 2021
Apply for All forms of emergency support to maintain Firstsite's viability during lockdown	Complete - £250k emergency funding sort and received in Q1 of 2020. CRF funding applied for in Q4 with outcome due end March 2021
Successfully navigate the global pandemic and keep all staff in place without redundancies	In progress – year-end re-forecast suggesting surplus of <£100k which will be added to reserves to support next financial year. All staff retained. Senior Management Team kept in circulation throughout whilst majority of delivery team furloughed during each lockdown.

9.6. Diversity

Target	Outputs/Report
Ensure full Board membership reflects national demographics especially with regards disability, age, gender, sexuality and BAME background of Trustees	Partially complete . X3 new appointments to be made next year – Disability and other protected characteristic groups are a priority.
Appoint a new Senior Management Team member from a protected characteristic group and Arts Council Collection from	Not complete due to pandemic
Appoint one new member of the team from a BAME background	Complete – Finance Director appointed.
Increase diversity of our audiences from protected characteristic groups overall by 1%	Mixed results here , Main audiences have become less diverse. Audiences for Holiday Fun initially became much less diverse down from 20% BAME previous year to 7% in summer hols. These went back up to 17% when we introduced takeaway in October and Xmas.

Children and Young People

Target	Outputs/Report
Attract x10 new schools increasing our engagement from x50 to x60 with a focus on schools from low socio-economic areas	Not complete due to pandemic
Engage x5 young artists and curators in first-hand exhibition making experience over the course of the year	Complete – although outcome delayed to 2021/22
Attract 25% of volunteers with age range below 25 years	Not complete due to pandemic
Continue to deliver the Firstsite Holiday Fun programme with a view to confirming long-term sustainability funding for the next two years	Complete – massive increase in delivery here as we added takeaways and additional days leading up to xmas. See above. We are aiming to confirm funding for the next three years through ACE to develop a major region-wide organisational development programme by replicating holiday fun in other venues.

Older People

Target	Outputs/Report
Attract 20% of volunteers age over 60 years old	Not complete
Attract 10% audiences 60+	Not complete
Deliver one event in collaboration with Will Quince MP to support the work of elderly people	Not complete

Job Creation, sector skills development and contribution to the local economy

Target	Outputs/Report
Deliver x3 Work Experience placements over the year	Not complete
Create one new Senior Management post for three years	Complete – HR Manager appointed mid pandemic.
Continue to support volunteers into paid employment at Firstsite	Not complete.

Environmental and Economic Sustainability

Target	Outputs/Report
Complete capital application to ACE for	Partially Complete – some lighting

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remaining lighting system funds	upgrades due March 2021
Continue to develop plans with NHS to draw in funds for culture to the region	Not complete – now completing applications to ACE for G4A and National projects funds to continue Holiday Fun
Significantly improve performance of Firstsite's commercial activities to meet and exceed year end targets	Not complete . Although Christmas Ice Rink was hugely successful. We broke even and at 50% of visitors were new to Firstsite. Significant contribution to High Street Christmas offer.
Deliver x3 high-level fundraising dinners / events which attract new sources of funding to Firstsite	Not complete . However donations are up 300% in line with online audience increases.

20/21 Performance Overview

Continued to raise the profile of Firstsite and CBC via nationally and internationally significant projects throughout this year that promote our cultural resilience and regional agility and positivity.

Continued to develop and promote the Firstsite Holiday Fun programme as a very Colchester specific response to a national crisis, promoting Colchester as the home of equality in light of the John Ball Society aims and objectives.

Continued to promote Firstsite and Colchester on the national and international stage by speaking at and representing the gallery and its innovations as a consequence of CBC support and encouragement

Firstsite has a proactive role in the delivery of project outcomes for the Creative Colchester Strategy and Board.

Firstsite is now a member of the Visit Essex Consortium, the One Colchester Volunteer strategy group and University of Essex LGBT Action Group. Sally Shaw is a Fellow of the Human Rights and Law Centre and Vice Chair of the Chelmsford Cultural Development Trust.

Firstsite is developing a region-wide organisational development programme through Holiday Fun in collaboration with ACE and Tendring District Council and Tate Modern, London

Firstsite's Art is Where the Home Is activity packs have been downloaded by 90,000 families nationally and internationally.

Firstsite's Great Big Art Exhibition pack includes all the major national Museums And has been downloaded by 20,000 Households nationally. The project has been featured on the BBC's One Show and on Blue Peter

11.0 Acceptance

- 11.1 Upon signing this agreement, the organisation agrees to the terms and conditions of funding and use reasonable endeavours to meet the performance targets and monitoring framework that have been outlined above.

On behalf of Firstsite	Date	
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Signed (Director)

Name (please print)

Signed (Portfolio Holder)

Name (please print)

On behalf of Colchester Borough Council	Date	
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Signed (Officer)

Name (please print)
