

Funding Agreement between Colchester City Council and The Mercury Theatre

1.0 Introduction

- 1.1 Colchester's vibrant cultural sector is one of the city's key strengths and something that Colchester City Council (CCC) aims 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 established Arts Council England (ACE) National Portfolio Organisations (NPOs) Colchester Arts Centre (CAC), The Mercury Theatre 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 CCC provides core revenue grants to these organisations under the Strategic Arts Partner programme: to enable them to contribute to the delivery of the Council's Strategic Plan and actions within the [Cultural Strategy for Colchester](#); support Creative Colchester, a partnership for furthering and enhancing the impact of the arts and creative industries on the local economy; and to contribute to initiatives which help reduce inequalities and support health, wellbeing and community cohesion across the City area.
- 1.4 As part of the Council's commitment to transparency, quality and performance management systems, the organisations that receive CCC funding must set out clear objectives and provide performance and sector data so that the service provided through partnership working can be measured, evaluated and improved. This document defines the annual performance objectives and monitoring process, and confirms the funding amounts currently agreed.

2.0 Scope and Financial Arrangements

- 2.1 Between 1 April 2023 and 31 March 2024, the Council will fund the Mercury Theatre to the amount of £168,175. This is a funding settlement agreed by Cabinet in line with budget strategy to support the core operations of the organisation, as set out in the business and operations plan and to meet the targets for performance set out in section 9 of this Agreement.
- 2.2 Upon signature of this Agreement, the Council will release the funding in quarterly instalments.
- 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 the Mercury Theatre holds are considered to be within this agreement.
- 2.4 On signing this Agreement, the Mercury Theatre recognises that it is in receipt of public funding and accepts responsibility for showing proof of eligibility,

Colchester City Council strategic funding for arts organisations 2023/24

meetings the targets for performance, and collecting qualitative and quantitative performance data to provide evidence of the service standards. The Theatre also agreed to provide available sector data to assist with monitoring and performance assessment.

- 2.5 Where appropriate and possible within current resources, Colchester City Council will provide non-financial support to the Mercury Theatre 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, the Mercury Theatre 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 the Mercury Theatre must supply 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 The Mercury Theatre must submit an up to date Business Plan and operations information to CCC, including a budget to cover the same period as the funding agreement and a copy of the audited accounts from 2022-23 when available.
- 4.2 As a minimum throughout the term of the agreement, the Mercury Theatre 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 to evidence the organisation's turnover, audience and participation levels as well as contribution to the Council's strategic priorities.

5.0 Annual review process

- 5.1 A review meeting will take place between Colchester City Council and Mercury Theatre 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 the Mercury Theatre.

Colchester City Council strategic funding for arts organisations 2023/24

5.2 The Portfolio Holder and the Executive Director of the Mercury Theatre may be asked to sit before the CCC Scrutiny Panel to monitor performance and achievements. As such, the 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 The Mercury Theatre will acknowledge its financial assistance from CCC in all marketing and communication materials in print, electronic, broadcast and other formats.

6.2 The organisation is asked to specify particular steps that it will take 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 in the course of delivering the Business Plan and agreed performance targets.

7.2 This agreement does not constitute the Mercury Theatre 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 Mercury Theatre Board.

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 Mercury Theatre
- ii. A breach of the law by Mercury Theatre
- iii. Petitioning the court for the appointment of an administrator
- iv. Having a receiver appointed over all or any part of the Theatre's assets
- v. Being the subject of a petition or resolution for the Mercury Theatre'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 the Mercury Theatre notifying the other in writing of a breach in this agreement, the parties shall meet to discuss the alleged breach within 21 days.

8.2 Both the Council and the Mercury Theatre 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.

Colchester City Council strategic funding for arts organisations 2023/24

9.0 Specification of performance targets

9.1 The specification of performance targets is developed collaboratively between the Council and the Mercury Theatre. The information provided here substantiates the Council's decision to invest public funds and helps to strengthen the partnership delivery model.

9.2 The information is set out to help to convey to Members, officers and partners how the Council's annual grant supports the Strategic Arts Partner organisation to operate effectively, deliver to residents and to contribute to wider strategic aims

9.3 Programme and Performance

Target	Outputs/Report
Annual target to put on 369 performances with 90,000 people attending.	
Annual target for non-ticketed performances/events to the café bar and outdoor space – 20,000 .	
Collate and report audience feedback about the artistic programme with a minimum of 60% approval rating.	
Collate and report media feedback about the artistic programme.	
At least 50% local audience and 50% audience supporting tourism economy.	

9.4 Community and Audience Development

Target	Outputs/Report
Annual target of 724 community and education sessions with 21,000 participants.	
Maintain rate of 7% of tickets sold to disabled people and carers.	
Maintain level of accessible performances for disabled and D/deaf people – 10 performances.	
Maintain methods of seeking audience and user feedback 75 surveyed events per year.	

Colchester City Council strategic funding for arts organisations 2023/24

Continue to be the Secretariat for <i>Colchester Creative Pathways</i> . (LCEP).	
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9.5. Governance and Management

Target	Outputs/Report
<p>Mercury Theatre Board of Directors to continue to implement and review a new three-year business plan for the period 2023 - 2026 to include:</p> <ul style="list-style-type: none"> • Activity Plan • Artistic Programme • Financial Projections • Cash Flow 	
<p>Mercury Board to review and update all policy statements annually, to include:</p> <ul style="list-style-type: none"> • Equality and Diversity Strategy and action plan • Digital Plan • Audience Development Plan • Risk Management • Health and Safety • Sustainability and Environmental Strategy 	
<p>Annual review all equality action plans and policies.</p>	

9.6. Diversity and Access

Target	Outputs/Report
<p>Continue to encourage more diverse audiences and participants engage with the Mercury across all equality groups.</p> <p>Target: 10% of audiences.</p>	
<p>Continue to ensure the Mercury recruits and attracts a diverse workforce.</p> <p>Target:</p> <p>70% female 10% disabled 5% global majority 16% LGBT.</p>	

Colchester City Council strategic funding for arts organisations 2023/24

Continue to attract those from lower income and modest income households, proactively engaging with those from disadvantaged backgrounds and deprived areas of Colchester. Target: 10% of users and audiences.	
Continue to engage with senior residents through Senior Social Club, senior matinees and other specific activities.	

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

Target	Outputs/Report
Deliver 10 work experience placements during the year.	
Deliver 2 apprenticeship across all areas of the Mercury and 3 internships.	
Provide evidence and support for new and emerging regional talent and companies. Target: 80 participants	

9.8 Children and Young People

Target	Outputs/Report
Maintain rate of 10% all tickets sold as concessions for young people.	
Continue to create opportunities for access to the arts particularly for children and young people. This includes community involvement in Mercury Company productions and an ongoing commitment to overall community activities.	
Maintain level of 266 children and young people enrolled weekly in Mercury Young Company and holiday activities.	
Maintain Teachers Forums for Primary and Secondary Schools.	

Colchester City Council strategic funding for arts organisations 2023/24

Target: 40 members schools.	
Continue to partner with Essex Music Service to provide term-time music workshops for children and young people from low income backgrounds.	

9.9 Action on Climate Change and Environmental Sustainability

Target	Outputs/Report
Review and implement new Sustainability and Environmental Policy and Action Plan.	
Collate and publish targets to reduce carbon footprint and provide evidence of improvement at regular intervals.	
Monitor the usage of green energy.	
Prioritise the use of local suppliers within procurement and purchasing.	
Continue to implement The national <i>Green Book</i> standard within the performing arts industry.	

9.10 Health and Wellbeing of Colchester's communities and residents

Target	Outputs/Report
Continue to develop relationship with Colchester Refugee Action hosting joint workshops and events.	
Continue to offer dance and movement workshops for targeted community groups (Parents and Tots, Seniors, Disabled people).	
Aim to offer workshops and after school activities for disabled children and young people. <i>This programme is subject to additional funding being secured due to the ending of ECC contract (31/3/23).</i>	
Continue to host targeted events such as – Black History Month, World Aids Day, Diwali, International Women's Day, Pride	

and Cocktail Cabaret (LGBT).	
Continue to host and develop Senior Social Club for Elders	
Continue to offer Mental Health and Well-Being Workshops and sessions to local schools.	
Continue to be active members of One Colchester and Community 360 to deliver targeted programmes around Health and Well-Being.	

9.11 How the organisation is applying the Social Value Model:

The Mercury is applying the Social Value Model as follows and will continue to offer programming and events that positively reflect and address the needs of our residents:

1. Covid Recovery

We continue to support our community partners (Community 360 etc) with their programmes to enable our residents to recover from the impact of Covid through our membership of One Colchester. This includes workshops and physical activities with those people impacted by long-covid and other conditions.

2. Economic InEquality

The current cost of living crisis has impacted our audiences and users substantially. We have reviewed our ticket pricing and have reduced our entry level ticket price and made additional standby tickets available from £7 on the day of a performance. Alongside ticketing, we have fundraised to ensure more bursary places are available for children, young people and those on low incomes can access our workshops and classes.

Last Winter we became a registered ‘warm space’ for residents with discount food and hot drinks. We will offer this once again next Winter if required.

We continue to ensure all of our Lates Programme in our bar/café are free for audiences.

In addition to the above, we target our outreach and community engagement programme to work with those with least access to the arts and culture.

3. Climate Change

We are proud to be the most sustainable building in Colchester. We will continue to strive to reach net zero through careful management of our facilities and programme.

We are continuing to implement the national standard – The Green Book – that offers support to ensure that producing and touring work is as sustainable as possible.

The Mercury retains its membership of Julie’s Bicycle and is able to access bench-mark data for the sector to compare our work to other similar sized venues.

We will continue to embrace new technologies that enables us to reduce our carbon footprint (for example such as the installation of additional batteries to store the solar energy generated).

4. Equal Opportunity

We will continue to be a proud equal opportunities employer during the year across our permanent staff and ensuring that our casting is integrated.

We strive to ensure our programme is accessible to everyone across all protected characteristics. This includes programming events and shows that support and profile particular communities including the LGBTQ community, women, a new Lates series of events with the South Asian Community, older people and our work with those from the Global Majority.

5. Wellbeing

As noted above from our activities last year we will continue to offer workshops and activities at the Mercury, in schools and other community settings that encourage health and wellbeing (such as dance with older people, activities for SEND children and young people) and community choirs.

We actively support our own staff's health and well-being and are active members of Parents in Performing Arts (PIPA) offering flexible working for parents and those with caring responsibilities and support for staff through trained Mental Health First Aiders.

We have a staff Wellbeing Committee that offers a forum for feedback and monitoring of all of our policies and procedures.

Finally, we have established a Staff Hardship Fund offering small grants to those facing significant financial challenges (due to the cost of living or other life event) and access to interest free loans.

9.10 How the organisation will promote the support that the Council provides during the period of the agreement:

The Mercury will continue to promote the support of the Council as follows:

Partnerships

Development of community, youth and educational partnerships across the City, County and region.

National Touring of Mercury Productions

Ensure clear credit on all publicity and press material promoting Colchester.

Regional and National Conferences and Events

Acknowledgement of support in materials and in person.

Brochures/Newsletters/Social Media/Website

Ensure clear funding credit and acknowledgement in partnership with Arts Council England and Essex County Council.

Press Conferences and Events (online and face to face)

Ensure credit on materials and in presentations.

Annual Civic Night

Annual event for Councillors and local VIP's to acknowledge the Council's support

9.12 How the organisation will contribute specifically to achieving actions within the Colchester Cultural Strategy, wider objectives within the Colchester Borough Council Strategic Plan and other relevant local, regional or national strategies:

During the year, the Mercury will continue to:

- Develop partnership working with the other NPO's and key arts, cultural and heritage organisations in the City (such as Colchester Fringe)
- Support Colchester achieving City Status through contributing to the Year of Celebration and leading on a legacy project engaging young people with the aim of putting their voices at the heart of future developments.
- Work in partnership with Amphora around key events (such as the Christmas Lights Switch On).
- Work in close partnership with the Civic Office to support key local events.
- Work in partnership with the Colchester BID to promote the economic recovery of the City centre.
- Work in partnership with the Council to promote tourism and the visitor economy.
- Support the continued development of Creative Colchester.
- Work in partnership with Colchester Borough Homes through outreach work to local care homes, activities and competitions for residents and hosting their annual conference.
- Work in partnership with schools and other education providers (University of Essex and Colchester Institute) to provide formal and non-formal educational, learning, work experience and employment opportunities.
- Work with local charities and the Job Centre to provide employment opportunities for local unemployed people.
- Work in partnership with the Council to promote Climate Change and sustainability (as a founder member of the Colchester Sustainability Group and Active Travel Group).
- Work in partnership with the Council to ensure all our activities are accessible ensuring that marginalised communities and equality are at the centre of our work.
- Work in partnership with the Council to promote partnership working across the public, private and non-profit sectors (e.g. through working with the Colchester BID).
- Our Executive Director is a Colchester Ambassador and attends regular meetings to work across all sectors to promote and embed economic regeneration.

The Mercury will continue to develop the Cultural Strategy by:

- As above support the development of Creative Colchester and host the secretariat of Colchester Creative Pathways, the Local Cultural Educational Partnership (LCEP) for Colchester City area.
- Working in partnership with the Town Deal to support the development of new facilities and programmes for young people (such as Greenstead).
- Produce and host site specific events to animate the public realm within the town centre and elsewhere (such as our monthly Farmers Market and other

community events).

- Working in partnership with the other NPO's and CCC to review and implement the Cultural Strategy.
- Supported new and emerging events, festivals and artists through programming in our studio, in our Café/Bar and elsewhere (such as Colchester Fringe, Packing Shed Theatre Company and others).
- Developing and implementing shared training and capacity building for the wider cultural sector (including Diversity and Inclusion, specific skills – e.g. fundraising and event management).
- Developing shared marketing and publicity opportunities to highlight and promote Colchester's culture and heritage offer.
- Offering:
 - Talent Development Programmes
 - Apprenticeship Programme
 - Volunteer Programme
- Re-Launch our Mercury Creatives Programme to support freelancers, artists and those working in the creative industries (subject to additional funding for the period September 2023 – August 2026).