



MERCURY

Presentation

Colchester City Council Scrutiny Committee



European Union
European Regional
Development Fund



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP



Essex County Council



Colchester



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Arts, Culture and The Creative Industries

The UK has a long-standing legacy and reputation as a cultural powerhouse.

The Creative Industries have been identified as one of the UK's key growth sectors by the Chancellor, and together with culture they make a significant contribution to the UK national and local economy.

Culture and creative industries are worth approximately **7%** of the UK's GVA, at around **£160bn**.

There are **3.2 million** jobs in the sector with growth of **13.5%** since 2019, compared with **0.9%** growth across the whole UK economy.

Between 2019 and 2022, the GVA contribution of the creative industries alone grew by **12%** relative to **2%** across the UK economy as a whole.

The cultural sector grew at **5%** over the same period.

Given that the sector was significantly impacted by COVID this builds a picture of a highly resilient sector, with potential to grow further.

Inclusive Growth Network/Local Government Association Jan 2024

Impact of the Cost-of-Living Crisis

- The Mercury faces the same financial pressures as the Council -
 - Increases in staffing costs - minimum wage, inflation
 - Cost of raw materials and stock
 - Utility costs (increased last year by **£80,000** alone)
- There are a finite number of seats and available days/shows - increasing ticket prices would exclude audiences – tickets still available from £10
- Our contingency for 2022/23 on a turnover of **£5.4 million** was just **£15,000!**
- We spent reserves in 2022/23 to balance the budget (and continue this year)
- We issued a financial statement warning of the challenges in April 2022
- All public sector grants remain at standstill (real term reduction of **7.8%**) – approx. in year loss in real terms of **(£82,000)**

Together we face the most severe challenges in our history!

2022/23 Context

2022/23 was the first full year of being in our new building.

However, audiences were slow to return post pandemic in common with the wider leisure, culture and heritage sectors.

- **497** performances achieved (target of **400**).
 - **60%** capacity - national average of **48%**.
 - **105,580** attendees (target **100,000**).
 - **5** national tours visiting Derby, London, Salisbury, York and Coventry.
- Total performances -**141 (12,316)**
- Free Un-ticketed Events – **368**
 - **38,186** attendees (target **20,000**)



Audiences and Users

Audience Feedback – rated the Mercury as **4.3*** out of **5***

Google Reviews - **4.7*** out of **5***

63% of audiences were local (CO postcode) – **37%** beyond

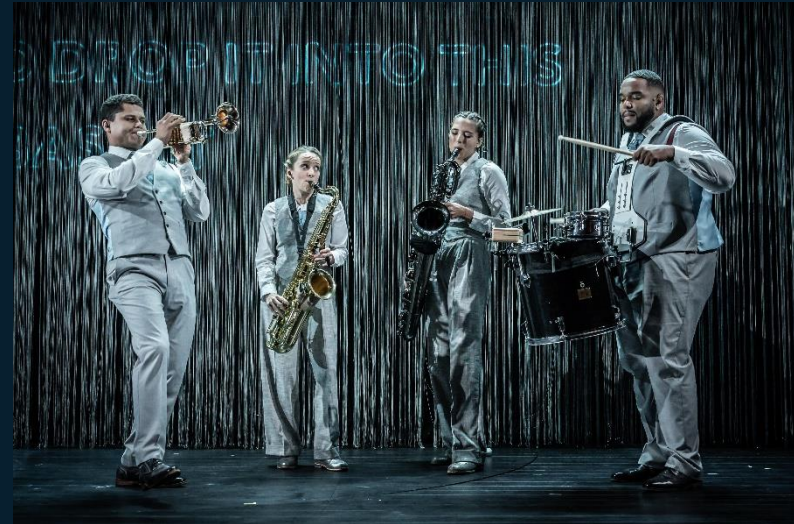
8% of tickets sold to disabled people (target **7%**)

27 Access Performances - sign language interpreted, audio description, relaxed (target **16**)

Audience Diversity – **12%** global majority, **8%** disabled, **77%** women

6% lower socio-economic areas of Colchester (**10%** target)

16% tickets sold as concessions (target **10%**)



Creative Engagement

36,027 children, young people and adults took part (target **30,000**)

3,467 sessions (target **800**)

Teachers Forum – **42** local schools engaged

Mercury Young Company – **487** children and young people (target **150**)

Senior Social Club – **83** sessions engaging **1,079** older residents

Talent and Professional Development

2,788 artists engaged in the programme (target **60**)

Mercury Creatives

116 creative businesses supported

124 new jobs created

132 new products

£2.2million of new investment into Colchester and Essex



Mercury Rising



Mercury Rising

New building reopened in June 2021 as one of only **5** new capital projects in the UK.

The challenges of Covid had a significant impact on the project resulting in the project being 10 months late.

Project costs increased due to Covid to **£11.9 million (£14.2m gross)** but *all* funds and increased costs were secured.

The building has a **VERY GOOD BREEAM** rating it in the top **25%** of sustainable public buildings in the UK.

For the first time in our history, we are now fully accessible both front of house and backstage.

Additional Activities

The Mercury continues to be active in the civic life and well-being of the City through forums and events such as:

- Covid Memorial Event
- Queen's Jubilee Celebrations
- Death of the Queen
- Kings Coronation
- Creative Colchester
- Local Cultural Education Partnership (LCEP)
- Development of the new Cultural Strategy
- Colchester Business Improvement District (BID)
- Visit Essex
- Colchester Ambassadors



Recent Highlights

Unbelievable – first West End transfer last summer

Mercury Creatives – additional **£440k** funding approved for the next 3 years along with new investment from ECC, Tendring and Harlow

SELEP - **£500k** recently approved for capital works - **£400k** to be spent locally

Awards - Shortlisted for The Stage Newspaper National Innovation Award

Associate National Companies – English Touring Theatre, Paines Plough, Graeae Theatre Company and Frantic Assembly

Stage Text – ACE NPO - charity for D/deaf and hard of hearing people to access arts and culture – the Mercury is now their national headquarters

Graeae Associate Artist – first disabled artist for the Eastern Region

Theatre of Sanctuary – one of only 16 theatres in the UK to be given this status

Coming Up in 2024/5.....

Importance of being Earnest by Oscar Wilde

MidSummer by David Greig – new musical this Spring

Here On – site specific show with Good Chance and Geko in Harwich next summer celebrating the 85th anniversary of Kinder Transport. Engaging a local community cast with partners in London, Berlin and Holland.

Manningtree Witches - new world premiere of AK Blakemore's award-winning debut novel

The Green Mile by Stephen King – worldwide rights – premiere in Colchester

Radio Caroline – new stage musical celebrating the 60's and 70's musical sensation

Peter Pan – Panto Christmas 2024

Economic Impact

It costs approx. **£5.4 million** per year to run the Mercury (turnover has more than doubled in 10 years)

The Mercury remains as the largest and only full time producing theatre in Essex serving 1.8m people.

We employ **143** staff (across full time, part time and casual) the majority of whom are Colchester residents.

Just **20%** of our annual turn-over is from public sector grants (Colchester City Council, Arts Council England and Essex County Council).

We cost each Colchester resident just 87p per year!

Arts Council England is currently a **4 -year** funding agreement and is a *highly* competitive process. They would not invest locally without the support of CCC and ECC.

We generate **80% - £4.4 million** of income through ticket sales, bar, catering and merchandise sale and fundraising).

Economic Impact

For every **£1** invested in grant income we generate a further **£4** in Colchester.

As an organisation we spend at least **£4.7 million** in the local economy each year (including our local purchasing and our annual wage bill).

We prioritise support for local businesses:

- **Food and drink suppliers** (our bar and catering operations source local products as a priority)
- **Printing and design**
- **Wood merchants** for our sets
- **Paint, tools and equipment** for sets and **maintenance, fabric suppliers** for costumes
- **Cleaning supplies and contracts**
- **Ice cream!**
- Annually our audiences and visitors spend **£3.6 million** in the city centre (evidence taken from surveys).

Economic Impact – Mercury Rising

The project has generated:

- **52** jobs in the last four years (especially through an international pandemic).

Of our **£11.9 million** capital budget we have:

Spent **£10.6 million** in the local economy with companies such as:

- Colchester Borough Homes
- Phelans
- Colchester Construction
- Colchester Electrical Services
- Essex Mechanical Services
- Purcell's Architects

We employed **12** local young unemployed people through the Government's Kickstart Scheme.

3 Apprenticeships currently in partnership with Colchester Institute.

Mercury Rising brought **£9.5 million** of new investment into Colchester that would not have been possible by CCC alone.

Questions and Comments

