

Harrow Arts Centre Business Case

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Harrow Arts Centre Business Case

1. Introduction

Harrow Arts Centre (HAC) sits within Harrow Council's Arts and Heritage service which includes Headstone Manor and Museum and Harrow Music Service.

Headstone Manor and Museum has four historic buildings; the Grade 1 listed 14th century moated Manor House, the Grade II* listed 16th Century Great Barn, the Grade II listed 16th Century Small Barn, and the Grade II listed 18th Century Granary. The Museum holds a collection of approximately 16,000 items.

The Music Service is based in HAC and provides a range of musical activities both in and out of school to provide children the opportunity to experience music in all its cultural contexts.

Each service markets and sells artistic and cultural services to generate income, with funding invested into outreach and learning activities.

In 2017/18 over 230,000 people visited HAC for performances, exhibitions, classes and workshops. In 2018/19 Harrow Council invested in the theatre to increase opportunities for our communities to celebrate culture through performance. We also invested in the café and bar to improve the overall experience of visiting HAC.

Our intention is to use Good Growth Funding to meet the criteria in the Good Growth Fund prospectus to Share Culture, Develop Civic Infrastructure, Secure and Create Workspace, Build Skills and Employability, Enhance Public Space and Back Small Business. In doing so, funding will also meet the local strategic objectives outlined in section 2 of this business case.

Our business case to the GLA focusses on HAC as a sustainable business and therefore provides an overall picture of all its activities. This will enable the GLA to have a comprehensive view of HAC, rather than solely viewing it through the prism of an application for funding.

As a result of feedback from our Stage 1 application we seek funding to realise the strategic potential of the HAC site, deliver public realm improvements and invest in the creation of Meanwhile workspace. Council match funding will be invested in temporary new classrooms to "encourage participation in cultural activity" and "improve the existing cultural infrastructure". The Meanwhile workspace and temporary classrooms will then be reprovided within a future development of the site.

Our analysis of the market shows that we can increase participation in cultural activities to over 300,000 subject to investment in new classrooms. Our track record of creating new artists' workspace at Whitefriars Studios has demonstrated demand for space in Harrow.

2. Strategic Context

Harrow Council has and will continue to invest significant time in developing a cultural offer in the borough.

This section outlines the strategic importance of HAC, Harrow's past and future investment in improving our cultural and artistic offer, the importance of HAC in addressing deprivation, the demands of young people in the borough, and impending Cabinet decisions on a Harrow Cultural Strategy and Indoor Sports Strategy which will both have a significant impact on HAC's work.

HAC has a key role in the social, economic, cultural and physical regeneration of Harrow, in providing opportunities for residents and the potential to address Harrow's health, social, employment and business needs.

The strategic importance of HAC is outlined in Harrow's Ambition Plan (Corporate Plan), The Core Strategy, and Regeneration Strategy.

The Ambition Plan states the council will

- "Deliver a thriving cultural offer through regeneration and commercialisation projects."
- "Deliver more workspace for Harrow's enterprising businesses (including workspace for the Creative and Cultural Sectors)."

The Core Strategy sets out policy objectives to

- "secure the retention, enhancement and heritage of Harrow Arts Centre and associated complex"
- "maintain the viability of Harrow Arts Centre as the borough's principal performing arts facility. The building's setting will be safeguarded and any development in the grounds should not detract from its architectural or historic interest."

Over the last 5 years Harrow has experienced significant investment in creating an infrastructure for cultural celebration, creative workspace and in improving its offer to communities and businesses. GLA investment through the Outer London Fund, London Regeneration Fund and Good Growth Fund (Round 1) has been matched by council and private sector investment.

Our Good Growth Fund proposal will build on that investment to maximise the potential of the HAC site, participation in cultural activities, and create new workspace.

To date we have created

- space for drama, dance, music and markets in St Ann's Road in Harrow Town Centre,

- the borough's first affordable artist studios and gallery space at Whitefriars in Wealdstone,
- space for street entertainment and events on the Station Road corridor between Harrow Town Centre and Wealdstone.
- opportunities for artists and start-ups by bringing empty shop fronts back into Meanwhile use in Wealdstone

This investment has led a calendar of events delivered by business and community groups on improved spaces, and job creation, with vacant premises being brought back into use and vacancy rates dropping in Harrow Town Centre and Wealdstone.

In Autumn 2018 the Council will be implementing the designs to activate Wealdstone town centre through the Good Growth Funded Wealdstone Square. In May 2018 architects were commissioned to produce designs to ensure community and commercial use of the proposed Lyon Square abutting residential developments on Lyon Rd, and St John's Rd in Harrow Town Centre. (Good Growth Round 1 funded).

All of the above provide opportunities to host drama, dance, music and street entertainment and opportunities to excite audiences and encourage their own participation in the arts.

This year, the council worked with the University of Westminster, Stanmore College, ACAVA, Harrow and Uxbridge College to bid to the GLA to become one of 3 Creative Enterprise Zones in London. We are waiting for the result of that application for funds. In the meantime we are working with Barratts on a site to anchor the University of Westminster's unique archive of menswear to create a fashion cluster of research, design and production. This new cluster will complement the artists at Whitefriars Studios and HAC's work in celebrating the arts, increasing participation in cultural activities and our proposals to create new workspace.

The draft Harrow Cultural Strategy will be submitted to Cabinet for approval in December 2018. Subject to Cabinet approval, the strategy will go out to wider consultation in January 2019.

The Cultural Strategy sets out Harrow's vision to build on the opportunities provided by our heritage, diversity and economy and to **Celebrate** our cultural offer, **Involve** our communities in participating in artistic and cultural activities, and to support our communities and businesses to **Create** artistic and cultural works.

These strands are broken down as follows

CELEBRATE: Celebrating music, drama, dance, film, crafts, fine art, through live and screened productions, exhibitions, and promote Harrow's unique heritage and venues as tourist destinations.

INVOLVE: Engaging and involving our communities in cultural and artistic pursuits, through participation and learning. Celebrating diversity, promoting inclusion,

community cohesion and improving public health.

CREATE: Providing work spaces for the creative sector, from film makers, to musicians, to fine artists, and software designers, and providing spaces for creatives and artists to showcase their work.

HAC has a unique role in delivering the Cultural Strategy in its ability to engage and excite audiences in the arts, provide learning opportunities, and provide workspace for the creative and arts sector. It boasts Harrow's biggest theatre, the provision of over 10,000 classes and workshops in 2017/18 and the potential to provide sites for workspace.

HAC's location and its offer provide it with the opportunity to address deprivation, health and wellbeing and key concerns raised by young people.

There is a huge appetite for participation in artistic activities, but there is also an untapped market of young people and residents that would benefit from involvement in classes, workshops, volunteering opportunities and progression into employability provision.

HAC also has an important role in tackling social and economic exclusion. HAC sits in Hatch End which is not known for deprivation. However, Harrow's areas of most deprivation are concentrated in areas with higher levels of social housing, such as: the Rayners Lane Estate in Roxbourne; the Headstone Estate in Hatch End and Harrow Weald; the Woodlands and Cottesmore Estates in Stanmore Park; and the nearby former Mill Farm Close Estate in Pinner. HAC sits in one of 8 sub areas in Harrow that are in the bottom 20% nationally for deprivation affecting children. These are Roxbourne (2), Hatch End, Harrow Weald, Wealdstone, Greenhill, Marlborough and Stanmore Park wards.

Harrow Council commissioned a survey (June 2018) on "What is it like to be a young person living in Harrow? What are the challenges and pressures young people face? And what do the young people tell us would support them?" The results of that survey indicate a ready-made market for HAC.

The survey was the biggest engagement exercise the council has undertaken with young people, it included the views of 4,358 young people (around 15% of the Harrow 10 – 19 year-old population).

Of those 4,358 young people, 41% wanted support to increase confidence, 37% to improve social and communications skills, 23% more positive activities, and 23% to have volunteering opportunities.

Feedback from the focus group was that Young People included the following "wants"

- "mixed socialising with different young people

- experiences to help raise our aspiration
- more things that bring positive focus
- more team building activities
- fun weeks”.

The survey also revealed that only 51% of 18 year olds take 30 minutes of exercise each day compared with 74% of 11 year olds.

Participation in dance, music, drama, art, and singing can raise physical activity levels, improve health and wellbeing and build confidence. Participation in singing, music, dance and drama can be used to provide team building skills, promote socialising between different groups of young people and help provide a positive focus.

HAC can also provide routes into volunteering, and develop inter relationships between businesses based in the workspace and young people attending classes. This would include advice and guidance to raise aspirations and help young people, particularly from the most deprived areas, to progress into relevant training, apprenticeships and employment opportunities.

Increasing the capacity of Harrow Arts Centre to deliver drama, music, dance, art, photography, yoga etc will address an untapped demand and meet strategic demands to improve the health and well-being of Harrow’s community.

In November 2018 Harrow’s Indoor Sports Strategy will be submitted to Cabinet for approval. The Strategy outlines three key priorities which focus on increasing participation, working with partners in the development of new facilities and investigate options for the replacement and redevelopment of council leisure sites which includes the Hatch End Swimming Pool located on the HAC site.

3. Master planning

Harrow Site Allocations lists site G04 as Harrow Arts Centre Car Park and Ancillary Buildings Uxbridge Road Hatch End. The site is owned by Harrow Council, it contains Elliott Hall (which houses the borough’s only theatre), an Arts and Craft Block, derelict outbuildings (boiler house, workshop and studio theatre), Hatch End Swimming Pool (operated by Everyone Active on behalf of the council for 5 more years), GP surgery (lease to 2117), a nursery (freeholder) and the Metropolitan Police.

A business case for the development of the site to improve the cultural offer through the creation of workspace, and new rooms for learning and workshops has been approved by a Cross Party Members Group (Leader of the Council, Deputy Leader and Portfolio Holder, Leader of the Opposition and Shadow Portfolio Holder). The council’s business case submitted with Stage 1 Good Growth Fund application was supported by ward members, stakeholders and service users.

A Planning Policy Appraisal to inform the potential development of the site was undertaken in July 2018. The strategic importance of HAC is outlined in Harrow's Ambition Plan (Corporate Plan), The Core Strategy, Regeneration Strategy and Draft Cultural Strategy.

The Planning Policy Appraisal states

- Development should include art and leisure facilities or justify why such facilities are not proposed.
- Development should demonstrate it preserves or enhances the special character of listed, locally listed & curtilage listed buildings
- Development should demonstrate how the openness of the Green Belt would be preserved
- Development should demonstrate how existing biodiversity would be protected and how opportunities for biodiversity enhancements have been maximised
- Development should demonstrate that drainage at the site can be properly managed and the culvert would be removed, or that development avoided it and a 5m buffer alongside it
- An enabling development could be advanced that promotes enhancements to those buildings; but this would need to be kept to the minimum necessary to secure the long term future of the heritage assets affected (and is the only viable means of doing so).
- There are opportunities to improve the links between the site and playing fields
- The functionality of those playing fields should not be undermined by development

The Draft Cultural Strategy sets out HAC's role as a venue for performance, and as a primary driver to increase participation in artistic and cultural endeavours to increase physical and mental health as well as social and economic well being.

Harrow's Site Allocations Plan identifies that any work undertaken on Elliott Hall will need to recognise the conservation constraints on the Grade II listed building. There are limited conservation constraints to convert the derelict outbuildings into workspace.

Our business case is posited on maximising the short and long term sustainability of Harrow's cultural infrastructure.

In the short term we will use council capital (Community Infrastructure Levy) to invest in new temporary classrooms. This will increase participation in art, dance, drama, music, art, literature and also generate an additional income stream for HAC. We will use GLA funding to convert the derelict outbuildings into meanwhile artists studios.

In the long term, the master planning will enable the council to undertake site condition investigations, commercial and sales viability assessments and determine where our workspace, leisure offer and learning provision would best sit on site on a wider development. Subject to the results of the masterplanning and viability assessments that development could reprovide meanwhile workspace and temporary classrooms in a site that could include theatre, residential, nursery, health, leisure, learning, and a leisure offer.

In the interim, council investment in temporary classrooms and GLA investment meanwhile workspace and public realm improvements would deliver the following outcomes; job creation, skills development, business support, increased participation in cultural activities and improved mental and physical wellbeing.

4. Vision

Harrow Arts Centre's Vision is to be Harrow's cultural hub to inspire, create and celebrate the arts. We will provide an accessible environment showcasing and celebrating performances that will entertain and inspire our audiences. We will be known as the venue for communities to celebrate their own artistic talents through learning and participation in dance, music, drama, visual arts and performance. We will provide space for the cultural industries to create work, and be an exhibition space to celebrate that work.

We will be financially sustainable and dynamic. Our programming and offer will respond to the demands of our communities, as well as providing opportunities for innovation and change to meet an ever changing cultural environment.

5. Aims

Our request for capital grant funding from the GLA will help us deliver the Draft Cultural Strategy's ambitions to celebrate our communities' cultural offer, involve communities in the arts and create workspace for businesses. It will address Good Growth Objectives to **Empower people** through direct participation in cultural activities by expanding arts provision, and create workspace for the cultural sector to **Grow Prosperity**. We aim to Empower People by addressing obesity, inactivity & deprivation through participation in the arts to improve well-being & raise aspirations.

We will create meanwhile makerspace in the derelict buildings in HAC's curtilage to support businesses, create jobs & **Grow Prosperity**. We will bring empty spaces into use, increase the density of use, and improve HAC's public realm to **Make Better Places**. The expansion of HAC's campus to include workspace gives opportunities to enjoy cultural activities, and to raise aspiration, progress into volunteering and the council's employability, job brokerage & enterprise support provision into work & self employment, and to deliver GGF objectives to **Build Skills and Employability**.

The project will help HAC to deliver the following aims

- To provide the best possible arts experience in a centre where all Harrow's communities feel welcome and are represented in the programme of activities on offer.
- To be a centre where people from different communities and generations come together to enjoy the arts.
- To provide an environment where community groups, individuals, education providers and businesses can successfully deliver their own activities under the umbrella of the HAC site.
- To provide an environment where people can express their own culture and come to understand other cultures.
- To be recognised as discovering, nurturing, inspiring and showcasing local and national talent.
- The provision of affordable artists' studios.
- Provide opportunities for people to progress to further training, employment and self employment, acting as a spur to future artistes and producers.
- Reduce social isolation, and improve health and wellbeing through the arts and cultural activities.
- Engage with our audiences and communities to constantly reinvigorate our offer to meet ongoing changing demographics.
- To utilise new technology to enable our communities to access live performances from world renowned venues.

6. Staffing

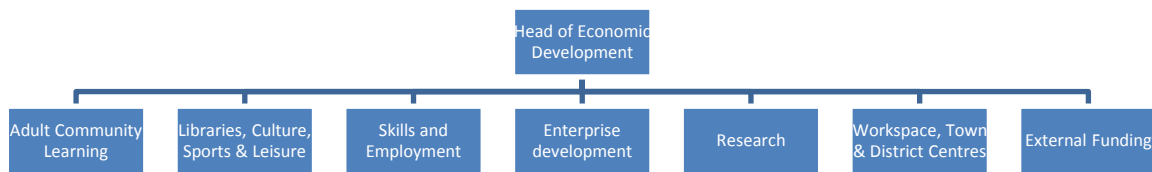
The organisation is being restructured to ensure that we deliver events and activities that respond to demand and are financially sustainable. The structure is as follows:

- Cultural Development Manager – overall responsibility for HAC and Headstone Manor and Museum.
- Operations Manager – with responsibilities for meeting commercial targets.
- Senior Programming Officer – responsible for artistic and community programming of events and performances
- Senior Marketing Officer – responsible for development and implementation of marketing and promotion plans
- Participation Programmer – development and delivery of outreach and participation projects
- 2 Specialist Support Officers – developing the customer base, supporting clients and the delivery of events, providing a point of contact for administrative and financial record keeping.

The Cultural Development Manager reports to the Service Manager responsible for Sports and Leisure, Arts and Heritage and the Library Service. He reports to the Head of Economic Development. This enables clear working relationships between

cultural provision with business support, skills, employment, apprenticeships and adult community learning.

A high level structure chart is shown below



7. Services

HAC'S current services can be currently broken into two distinct activities

- Classes and Workshops
- Performance and Exhibition

This Good Growth Funding project will enable HAC to expand its provision of classes and workshops and deliver:

- Workspace
- Skills, Employment and Self Employment

7.1 New Provision : Artists Work Space

In 2017/18 Harrow Council used London Regeneration Fund to work with the landlord of the former Colart building to develop Whitefriars Studios. These provide 14 affordable artist studios and gallery space. The landlord agreed to peg the rent for 5 years. The studios were all let within a month of opening.

HAC offers the opportunity to convert redundant space into Meanwhile affordable creative workspace, that space would then be reprovided as permanent space in a wider development (See Section 3).

HAC's curtilage includes a disused Boiler House, Studio Theatre and former Workshops. All of the buildings are in a decrepit state, and two have become dumping grounds for old stage sets and broken musical instruments. The three buildings have power and water, however, the boiler room contains exposed asbestos, and all 3 need repairs to their roofs and windows, and to be partitioned to create useable workspace.

The disused out buildings have been inspected by ACAVA and drawings have been submitted to convert these buildings into 12 studios that can be used for artists studios, creating up to 20 jobs and generating circa £50k income per annum.

ACAVA, the Association for Cultural Advancement through Visual Art, is an educational charity. It develops and delivers a wide range of educational initiatives, aiming to promote the development of visual skills in relation to school and university curricula and beyond, to provide work experience and promote career development. To meet these aims ACAVA provides a comprehensive range of visual arts services, including the provision of studios and other facilities for professional artists, the mounting of exhibitions, the development of public art and community educational projects, training in the use of digital technology and a consultancy service.

ACAVA was established in 1983 to support the development and practice of the visual arts. It provides studios for over 500 artists in 20 buildings mostly in London, technical facilities and training, and continuing professional development opportunities. It is a founder member of the National Federation of Artists' Studio Providers.

HAC's planning status means that artists and creatives do not need to fear a repeat of East London, gentrification, and increasing property values which drive them out of the area. HAC will retain its designation as an Arts Centre, which will protect rent levels for artists.

Council ownership of the site, and HAC's prescribed status as an Arts Centre, mean it will be easier to maintain rent levels at affordable levels, than if this were a joint venture with a private developer.

7.2 New Provision Skills, Talent Development, Employment, and Self Employment

The generation of a surplus as a result of capital investment will enable HAC to invest and grow its work to develop skills and talent in music and the arts which often leads to employment and self employment.

The implementation of this business case will enable HAC to expand a range of provision. This includes 100% Producers, Well-Being, Creative Roots Development and engagement with school and young people Not in Education, Employment and Training (NEETS).

100% Producers provides young people the skills and opportunity to identify young artists (music), and to produce and programme concerts. The project also provides training to Bronze Arts Award, and hosts industry speakers to talk to young people. Additional income would be used to expand the number of young people supported, provide training to Silver Arts Award and develop a 100% Dance initiative.

Creative Roots / Youth Theatre additional income generated from the implementation of this business case would be used to expand provision to 16-25 year olds. We will deliver 5-day intensive masterclass series on Devising, Writing, Acting and Directing. In addition a new theatre group would be established for 16-25 year olds (an audience currently not catered for). The Elliott Theatre (at HAC) would provide a platform for Scratch Theatre, to help showcase the work of the theatre group. This could lead to progression into the National Theatre's Connection programme which commissions theatre companies of young people to produce their work at the National Theatre.

Well-Being additional funding from implementing this business case would be used to develop social prescribing with MIND and local hospitals. The former would focus on the provision of freelance arts based practitioners in circus skills, spoken word poetry and textiles with MIND's Stepping Stone Project. The latter would tie in with Northwick Park Hospital's scheme to support patients to visit music/dance performances and art galleries.

Schools and NEETs we would develop and market a year round opportunity for schools and FE Colleges to bring groups to HAC and the artists studios for tours and to meet associated artists, artistic practitioners, and the technical/operational team at HAC. This will enable pupils to experience first-hand the performing arts industry and how it works. We would also work with the Young Harrow Foundation to engage with NEETS and deliver skills based workshops, encouraging NEETs to take part in accredited courses that take place at HAC. This would be linked to dedicated Information Advice and Guidance delivered by Harrow Council's Xcite team and progression into pre-apprenticeships and apprenticeship programs or direct placements into work by Xcite's job brokers.

The creation of workspace on HAC's site will also provide an opportunity to meet Good Growth Fund objectives to Build Skills and Employability and Back Small Business. Harrow Council has a successful track record in helping residents into work and apprenticeships and in supporting small businesses.

In 2017/18 the council's Xcite employment project directly helped over 300 workless residents into employment. In the same year it met the council's 4 year target to help 500 young people into jobs and apprenticeships.

Economic Development manages the council's apprenticeship levy, the delivery of social value targets by the council's main suppliers and the implementation of employment obligations in section 106 agreements. It is therefore well placed to deliver job brokerage.

Economic Development's Enterprise Officer will work with artists and creatives that lease the workspace. She will provide access to a range of business support workshops and networking opportunities. This will include working with the University of Westminster's Design, Creative and Media Faculty, which is based in Harrow.

7.3 Classes and Workshops

The largest proportion of HAC's income is raised from facility hire. The rates are graded to encourage arts organisations to base their activities at HAC and maintain the 75% majority of arts based activity. In 2017/18 over 10,000 classes and workshops were delivered for over 210,000 people using our facilities.

Demand for space can be broken down as follows; Fitness 24%, Dance 21.3%, Music 19.7%, Visual Arts 13.7%, Education and Training 8.7%, Community Meetings 4.7%, Drama 3%, Performance 2.3%, Functions 1.3%, Corporate Meetings 1% and Literature 0.3%

HAC has seen a long increase in participation in its classes and workshops. In 2017/18 attendance was 43% higher than in 2010. However, provision is being delivered from a site which has lacked long term capital investment. Despite the fact that 20% of the available space for provision is not currently fit for purpose, (2 buildings are in a severe state of disrepair), bookings for space in 2018/19 and for 2019/20 exceeds current capacity. Harrow Council CIL Funding will be used to build on and expand provision, so that overall HAC can deliver Mayoral objectives to increased participation in Cultural activities. Improved provision will be used to support over 300,000 users of classes and workshops.

Classes and workshops are currently being delivered from

- Elliott Hall – 4 small rooms and 2 large rooms
- Arts Block – 4 rooms
- Hatch End Suite – modular external building, which contains 3 rooms for hire.
- Greenhill, Weald and Grimsdyke – 3 modular buildings each containing 1 room for hire and all in a state of severe disrepair.
- Rayners – external building, which contains 1 room for hire, and is also in a poor state of repair.

Council CIL match funding will be used to replace Greenhill, Weald, Grimsdyke and Rayners buildings, with 6 new rooms for hire. (2 additional rooms). The existing occupied space would be reconfigured to provide opportunities for future development on the site.

The new provision would

- enable the number of classes and workshops to expand from 10,129 in 2017/18 to 14,285.
- Increase the beneficiaries using the premises from 213,600 to 300,000 per annum.

Income generated would increase from £341,890 in 2017/18 to £478,646.

7.4 Performance and Exhibition

In 2017/18, 26 HAC performances were sold out and 17,483 tickets were sold. Income from ticket sales was £215,047

Market research has been undertaken to assess our catchment area, competition within travel to leisure routes, and what is popular at HAC.

An analysis of performances highlighted that pantomime, established comedians, music reflecting our communities, contemporary music and community events (Srishti Summer Show, Disability Arts Festival) were the most popular shows.

An Audience Agency report on arts, culture and heritage engagement in Harrow was undertaken in February to inform both the main programming at HAC and, more importantly, the participation and outreach work across the borough for hard to reach communities.

In the past 12 months the arts activities presenting the highest levels of engagement were:

- Theatre: 46% attendance amongst the Harrow population
- Popular/rock concert: 37% attendance amongst the Harrow population
- Plays: 36% attendance amongst the Harrow population
- Cinema: 81% attendance amongst the Harrow population

Attendance has been increasing at HAC, 2017/18 audiences attending HAC programme events were 68% higher than in 2010. Harrow Council match funding is being used expand HAC's Elliott Hall theatre, café and bar to meet demand.

A new programming approach is in place, and the team are taking a more commercial approach to targeting artists and productions. An increase in seating capacity, matched by a more targeted approach in selecting artists and shows will significantly increase income from the theatre and also income from the bar.

HAC's experience is that being commercial means responding to a local market that demands hosting of community performances, artists that reflect our local community, and contemporary shows. (See Section 9.2).

In 2018/19 HAC will build on the appetite for theatre demonstrated by the Audience Agency and it will be staging live screening of National Theatre performances. This will be an excellent way to increase access of our residents to the finest theatre produced in London and the UK's. Not just physical accessibility, but also financial accessibility for many of our residents that cannot afford West End / South Bank ticket prices.

The council provides annual revenue subsidy to HAC, and capital investment for a new roof for Elliott Hall and the expansion of the main theatre, bar and café, in 2019/20 further capital will be invested in delivering new classrooms.

8. Finance

The following tables provide capital costs required for this project, council match funding, and financial projections.

GLA Funding		
Item	Amount £	TOTAL £
Creating creative workspace (12 artist studios) by: 1. Converting the derelict workshop into three artist studios. 2. Converting the derelict boiler room into three artist studios. 3. Converting the derelict studio rehearsal space in to six artist studios	400,000	
Creative Workspace Design Fees	40,000	
Artists Workspace Strand Subtotal	440,000	
Public realm improvements and wayfinding signage across the site	200,000	
Public Realm Design Fees	25,000	
Public Realm Strand Subtotal	225,000	
<i>Masterplan Fees (incl. site investigation, commercial fees (sales values, financial viability appraisals, delivery options assessments)</i>	50,000	
Masterplan Strand Subtotal	50,000	
Project Management Costs	40,000	
Evaluation	5,000	
Project Management & Evaluation Subtotal	45,000	
GLA Total Request		760,000
Harrow Council match		
Harrow Council - capital Elliott Hall infrastructure, Elliot Theatre Expansion, ICT/Satellite (SATELLITE TBI)	512,000	
Providing 5 flexible modular units	1,150,000	
Harrow Council Revenue grant for performance, classes, outreach, marketing, utilities, Facilities Management.	215,700	
Harrow Council officer time - Management and Administration	80,000	
Harrow Council IAG, Skills, Employment and Enterprise support provision (ongoing)	17,000	
Spend - Business support, stock, licencing	1,817,200	
LBH Match		3,791,900
TOTAL		4,551,900

Financial Projections

	2018/19 (baseline)	2019/20	2020/21	2021/22
Projected Income				
Performance / exhibitions	£248,000	£284,000	£312,400	£318,600
Classes and Workshops	£390,000	£480,300	£565,500	£678,600
Café & Bar	£63,028	£85,000	£90,000	£100,800
Creative workspace	£0	£0	£0	£50,000
Total Projected Income	£701,028	£849,300	£967,900	£1,148,000
Projected Expenditure				
Staffing	£439,540	£448,331	£457,297	£466,400
Agency staff	£100,328	£91,000	£80,714	£80,000
Utilities	£228,071	£232,000	£234,000	£214,000
Stock (Café and bar)	£31,000	£35,000	£37,000	£45,000
Marketing	£24,850	£28,850	£29,500	£42,500
Programming	£103,644	£98,000	£90,000	£90,000
Equipment & Maintenance	£65,675	£57,850	£50,850	£45,000
IT & Telephony	£30,790	£31,098	£31,409	£32,050
Total Projected Expenditure	£1,023,898	£1,022,129	£1,010,770	£1,014,950
Projected Net (Costs) / Surplus	-£322,870	-£172,829	-£42,870	£133,050

9. Market

9.1 Classes and Workshops

Over 10,000 workshops and classes were delivered to over 200,000 residents in 2017/18. The bookings for room hire for 2018/19 and 2019/20 are 35% higher than this time last year and exceed HAC's current capacity to provide space.

As mentioned in section 5.2 there is a commercial case for capital investment into expanding provision at HAC. The demand for space from voluntary sector groups and businesses that want to hire rooms exceeds HAC's supply. This is matched by a year on year increase in participation in classes and workshops.

The Youth Analyses Report demonstrated an untapped market and appetite for participation in cultural activities, mentioned in Section 2 of this Business Case demonstrated an untapped market for participation in artistic and cultural events.

The strategic context also outlined that there is a potential market that the council could tap into, residents that are physically inactive and who could benefit from participation in music, art, singing and the Good Growth Funds definition of Shared Culture.

9.2 Performance and Exhibition

Extensive research has been undertaken to determine the market for HAC's events. This includes an analysis of the catchment area for HAC, the artistic and cultural spending patterns of the market, a breakdown of the Audience Spectrum and Mosaic profile of Harrow's population and a mapping exercise of HAC's competitors.

There has been an increase in audiences attending HAC's performances this decade, which demonstrates an appetite for artistic and cultural activities. As a result the council is providing capital funding to expand the seating capacity of Elliott Theatre from 403 to 499 with a full stage and 438 to 568 with a half stage.

The location of theatres in Watford, Barnet, Hillingdon, and Radlett reflects the demand for arts rather than poses a threat to HAC. The total seating capacity of all of those venues would not reduce the audience base for HAC. In other words, if all of those venues were sold out, the demand to view performances at HAC would not be reduced.

HAC's capacity to ensure full houses at its productions is dependent on the strength of its programming. It is not dependent on what is being shown elsewhere. Even if every theatre within a 10-mile radius of HAC went dark tomorrow, HAC would be empty if its offer does not reflect local demand.

As mentioned above the Audience Agency report on arts, culture and heritage engagement in Harrow undertaken in February 2018 has been used to inform the main programming at HAC.

Arts attendance, amongst Harrow's population was broken down as follows:

Attended in past 12 months	Count	%
Cinema*	158,600	81
Theatre	90,000	46
Popular / Rock Concert	74,000	37
Plays	71,000	36
Contemporary Dance	26,000	13
Jazz	26,000	13
Opera	26,000	13

*Of the 81% that go to the cinema, 20% (39,560) go once or more a month.

HAC's programmed performances and workshops during the period April to December 2017 shows some alignment between performances at HAC with market demand in Harrow. With 31% attending theatre, 17.3% music, 12.3% comedy, 11.1% film, 4.9% visual arts, 3.7% dance, and 1.2% spoken word.

A quick glance at the above indicates that Harrow's film offer is far lower than market demand. However, a deeper examination of HAC's box office sales in 2017/18

shows that its film screenings often generated the lowest return. This should not be surprising as films screened at HAC must compete not just with Harrow's Vue Cinema and Safari Cinema, but also with Netflix, Amazon and Sky.

In 2017/18, HAC had 26 sold out performances. The most popular shows were professional pantomime, established comedians, popular music, and community events (Srishti Summer Show, Disability Arts Festival). There were 8 events with less than 60% of tickets sold. These included Brass Bands, Gershwin, Jacqui Dankworth and a Vera Lynn tribute. There was no correlation between ticket prices and ticket sales. The most expensive shows Pam Ayres (£23) and Paul Chowdhry (£20) sold more (436 and 432) tickets than the cheapest shows (Gershwin £8 a ticket sold 211 and the Grimsdyke Summer concert at £9 sold 123 tickets).

There is a market to ensure the expansion of the Elliott Hall theatre will be a commercial and community success. The increase in seating capacity, matched by a more targeted approach to choosing artists and shows, will significantly increase income from the theatre and also income from the bar. In 2017/18 the biggest bar sales came on the evenings with the most commercial shows. At those events, the income from bar sales equalled 44% of income from ticket sales. Correspondingly, the lower the audience at shows, the lower are the bar sales.

In the last financial year 17,843 tickets were sold, with the peak attendance on Friday and Saturday nights. Over the course of 104 weekends, that equates to 171 tickets per performance.

An increasingly targeted approach to commercial productions will generate a predicted increase from achieved income in 2017/18 income from ticket and bar sales of £126,753..

Being more commercial, means producing shows that the market wants. It does not necessarily mean showing Hollywood Box Office films. For example, in 2017/18 some of the most popular productions were community events, whilst the least popular were Hollywood films shown at the Baby Box Office, with La La Land generating £61 and Beauty and the Beast incurring a £12 loss.

The Audience Agency figures show that in the past 12 months the arts activities presenting the highest levels of engagement was Theatre, with 46% attendance amongst the Harrow population. HAC will never rival the West End or South Bank. However, it can bring live screened productions from internationally renowned productions to Harrow. In this financial year, the technology is being installed and a licence agreed to enable live screenings from the National Theatre.

Once the technology is installed there are opportunities to enter into similar agreements with other renowned theatres and potentially Opera Houses and

Concert venues. HAC's ambition is not to subsidise theatre prices for middle class audiences that will visit the West End, South Bank or Stratford Upon Avon to watch high-brow events. Our ambition is to make accessible performances that are out of the financial reach and travelling abilities of many of our residents. The Royal Shakespeare Company's all Black British production of Hamlet can bring alive Shakespeare to Harrow's GCSE subjects in a way that no other source is able to. We will be using digital technology to make the arts more accessible.

The council has provided an annual revenue subsidy to HAC and in 2017/18 and 2018/19 provided capital investment for a new roof for Elliott Hall and the expansion of the main theatre, bar and café.

9.3 Workspace

The creation of workspace on the HAC site would create a perfect campus which would include opportunities for Shared Culture through attendance at performances (music, drama, shows) and participation in music, art, singing, and dance lessons, for the creation and delivery of creative goods and services. This in turn provides the opportunity to develop employability pathways for interested residents that attend HAC. The Skills and Enterprise routes are outlined in section 10 below.

Harrow's Economic Development Needs Assessment (2017) showed there were 1,016 creative businesses employing 2,480 employees. These are largely micro businesses with an average workforce of 2.45.

9.3.1 Artists Studios

The need to replace lost arts studios and workshops in East London has been widely reported. The GLA have reported an anticipated loss of workspace for 3,500 artists in London. However, less is known of the demand for space in Harrow.

In July 2017 Whitefriars studios was opened. Within a month all 14 studios were let, and the managing agent (ACAVA) report a long waiting list for space.

Harrow's Economic Development Needs Assessment (2017) and Banksearch data (2017/18) on Harrow company formations both demonstrate that there is a growth in demand for artistic, cultural and creative workspace and a growth in Harrow based creative companies registering at Companies House.

10. Marketing and Outreach

A series of marketing actions have been agreed to increase attendance at HAC. The breakdown of attendees by ethnicity (see table below) shows a need to increase attendance of our Asian community, and our target to increase attendance is

reflected in the Value for Money section of HAC's application for Good Growth Funding.

Our Objectives are to

- Increase awareness of the Harrow Arts Centre amongst the people in Harrow and its surrounding areas.
- Bring different community groups to the Harrow Arts Centre to enjoy and experience the arts.
- Development of the Harrow Arts Centre's artistic reputation.

This will be delivered by the following actions:

- Outreach through Young Harrow Foundation (capacity building Community and Voluntary Sector Organisation), Ignite (CVS group working with gangs and young people), Youth Services, One Stop Shop, onto housing estates, Stanmore College, Harrow and Uxbridge College.
- Cross marketing with Headstone Manor and Museum, Harrow Leisure Service, Libraries, the council's Xcite employment project.
- Promotion of work space through ACAVA, Harrow Open Studios, Harrow Art Society and Usurp Arts
- Use data sources to inform programming and target priority areas for marketing – for example transport link mapping and cultural engagement mapping can inform what kind of cultural activity will attract particular demographic groups and how easily they can travel to HAC.
- Digital marketing – continue to utilise social media, and use the best platforms to use to reach different audiences, keeping up to date with new developments/apps as they emerge. (E.g. Facebook works well for the 30+ age group whilst younger people are currently more inclined to interact with Snapchat or Instagram.)
- Print and advertising – use of data on existing audiences and target groups to inform decisions around advertising. For example, the printed and online seasonal brochure is a good tool to promote HAC as a venue destination, high street poster sites work well for higher profile events such as the pantomime whilst articles and interviews in local press are a good tool for promoting theatre and musical theatre.
- Work with the Council Communications team to ensure that all Council channels are effectively utilised to promote Harrow Arts Centre.
- Strengthen partnerships with other local venues – for example reciprocal marketing of productions (known as PS swaps) between HAC and Watford Palace Theatre or presenting productions as part of a tour between venues which increases marketing reach and lowers the financial risk.
- Benchmark against competitors and partners – for example looking at good practice and the successes and failures of other venues to create exciting and engaging campaigns.

Audiences are generally diverse, 20% of audiences are under 16 and 16% over 60. However, attendance of the Asian community at HAC is under represented in relation to the local population, and our Good Growth Fund application seeks to increase attendance of this community from 53,000 to 123,000 (which will be 41% of our target of 300,000 attendees).

Ethnicity	HAC Audience	Harrow Population
White British	29%	31%
Asian	23%	41%
Black	18%	8%
White Other	12%	7%
Mixed	9%	4%
Chinese	1%	1%
Other	4%	11%

11. Conclusion

HAC's business case for capital funding draws on a successful track record which has seen year on year growth in attendance. GLA funding will be used to develop a Civic Infrastructure which is financially sustainable and addresses both commercial and community needs.

The council's level of match funding at a time of reductions in our spend and income reflect our commitment to meeting local needs and the GLA and LEAP's Good Growth objectives to develop civic infrastructure, Back Small Business, Secure and Create Workspace, Build Skills and Employability, Enhance Public Space and Share Culture.