10 Performing Arts

Core activities:

Content origination

Performance production

Live performance of ballet, contemporary dance, drama, music-theatre, and opera

Touring

Costume design and making

Lighting

Related activities:

Tourism

Pubs and restaurants

Business sponsorship

Festivals management

Management of venues – theatres, halls, places of public entertainment

Education, community music

Merchandising

Catering

Sound tracks

Programme publishing

Related industries:

Music

Television & Radio

Design

Film & Video

Publishing

Special effects

10 Performing Arts

Revenues Gross: >£470 million (1998-99) [a]
Exports >£80 million (1998-99) [b]
Employment 75,400 (1998) 74,300 (2000) [c]

[a] *Cultural Trends 134, July 2000; Association of British Orchestras (ABO) 2000: Knowing the Score.* [b] *Wyndham report, 1998: The Economic Impact of London's West End Theatre; Arts Council of England; Scottish Arts Council; National Music Council, 2000: A Sound Performance.* [c] *ONS, 2000: Labour Force Survey, summer 1998, 2000.*

This section deals with live performance of ballet, contemporary dance, drama, music-theatre and opera: it also identifies work presented by British orchestras. The core activities are concerned with production and with performance whether in one place or on tour in the UK and/or abroad. Both are heavily people-intensive, with relatively little opportunity to substitute capital equipment for personnel.

MAJOR INCOME SOURCES, 1998-1999

	£ MILLIONS	% OF TOTAL
TICKET SALES	*450*	*49*
FEES (ONLY FOR MUSIC SECTOR)	*20*	*2*
NET PROFIT FROM ANCILLARY TRADING ACTIVITY: CATERING, RENTALS, LICENSING OF IPR, ETC.	*N/A*	*N/A*
BUSINESS SPONSORSHIP/PARTNERSHIP	*142*	*15*
ARTS COUNCILS	*124*	*13*
REGIONAL ARTS BOARDS	*30*	*3*
LOCAL AUTHORITY EXPENDITURE	*158*	*17*
SUPPORT FROM THE BRITISH COUNCIL FOR TOURING OUTSIDE UK	*3*	•
TOTALS	*927*	*(100)*

Note: n/a signifies that a figure is not available.
Sources: SOLT, TMA, ABO (Knowing the Score); A Sound Performance; Arts Councils & Regional Arts Boards Annual Reports; COSLA Leisure Estimates; COSLA Scotland (Rating Review); British Council.

These figures include annual revenue and short-term project funding: they do not include funding for capital development, audience development grants or 'stabilisation' support.

INDUSTRY REVENUES

Ticket Income

In 1998 the value of ticket sales for dance, drama, musicals, music theatre, opera and classical music was over £470 million.[1]

Data for the sector are collected independently by the various management associations. For theatre buildings and companies, two of these associations, SOLT (Society of London Theatre) and TMA (Theatrical Management Association), carry out robust analysis of ticket revenues and audience numbers.

SOLT membership includes the 52 theatre buildings (1998-99) in and around the West End of London, subsidised as well as wholly commercial, as well as a large number of touring producers. TMA represents theatre buildings and larger production companies throughout England, Scotland, Wales and Northern Ireland: it has 400 members, of whom around 230 produce work regularly. The third management association, ITC (Independent Theatre Council), represents smaller touring companies in a field where information is harder to assess.

On a like-for-like basis, ticket revenues for performances in theatres belonging to the two major management associations, taking together the West End of London and the rest of the UK, rose from £325 million in 1996 to £370 million in 1999,[2] an increase of 14%. This represents a CAGR (Compound Annual Growth Rate) of 4%.

The bulk of this ticket revenue for work in theatres is in the West End of London (£246 million in 1999) and it is here that the revenue growth is focused, at a CAGR of around 4% compared with 2.5% in the rest of the UK.

Ticket revenue from concerts by the major orchestras was around £50 million[3] in 1998/9, and of that ticket sales for the four major London orchestras were estimated at £11 million.[4]

In 1999 the Arts Councils and Regional Arts Boards spent £124 million on the performing arts. Revenue spending by local government on the arts was around £158 million in 1998-99.[5] This expenditure is split between facilities run by local government and grants to independent organisations. For the year 1999-2000 proposed net expenditure on the performing arts[6] was reduced to £136 million (England and Wales) as planned grants to arts organisations fell by 18%.

In 1998-99 the value of Business Sponsorship for the performing arts in the UK was £39 million.[7]

Funds from the National Lottery allocated in 1998-99 amounted to around £176 million. This includes funding for capital development as well as for activities such as audience development, the "stabilisation" of some organisations, some education and training, and Millennium Festival activities, as well as delegation to Regional Arts Boards in England under the Regional Arts Lottery Programme.

1 *Cultural Trends* **134, July 2000; Association of British Orchestras (ABO), 2000:** *Knowing the Score. The figure is derived from extensive surveys of the field, with an allowance for non-response.*
2 **Society of London Theatre and Theatrical Management Association.**
3 **National Music Council, 2000:** *A Sound Performance.*
4 **Association of British Orchestras (ABO), 2000:** *Knowing the Score.*
5 **CIPFA Local Authority Estimates:** *CIPFA Scotland Rating Review.*
6 **CIPFA Local Authority Estimates.**
7 **Arts & Business, 2000:** *Business Investment in the Arts.*

EXPENDITURE ON THE PERFORMING ARTS BY LOCAL GOVERNMENT, 1998-1999

EXPENDITURE ON	(£ MILLIONS)
THEATRES, HALLS AND PLACES OF PUBLIC ENTERTAINMENT, ENGLAND AND WALES	*81*
GRANTS TO ARTS FUNDING BODIES, ENGLAND AND WALES	*5.9*
PROFESSIONAL ARTS ORGANISATIONS, ENGLAND AND WALES [(a)]	*60.5*
TOTAL, ENGLAND AND WALES	*147*
SCOTLAND	*13.7*
TOTAL, ENGLAND, WALES AND SCOTLAND	*157.7*

Source: England & Wales: CIPFA Leisure Forecasts.
Scotland: CIPFA Scotland Rating Review (outcomes).
Source: CIPFA Leisure Estimates.

(a) Includes organisations outside the Performing Arts, but the total of sums paid to them is a small proportion of the whole.

Accumulated Deficits

The sector is trading with substantial accumulated deficits (debts built up over recent years). At the end of 1998/99 they amounted to over £24 million (the subsidised sector in England).[8]

UK market size

In 1998 around 33.5 million tickets were sold for professional performances for dance, drama, musicals, music theatre and opera, and music: an average of almost 110,000 tickets each working day.[9] Of these, an estimated 3.5 million tickets were sold for the music covered in this section of this report[10] and 30 million for performances of plays, opera and music theatre and dance in theatres.

Performances in Theatres

Between 1996 and 1999 the number of (SOLT & TMA theatre) tickets sold remained almost static, at around 20.5 million, with a marginal increase in number of performances to 40,000. However, an increase in the West End masked a decrease in numbers elsewhere in the UK. Regional attendances had fallen by around 11% since 1993: however, this is in line with a drop in the number of performances, and regional theatres consistently sell some 58% of the tickets available.[11]

8 ***Hacon, Dwinfour, Jermyn and Joy, 2000:*** *A Statistical Survey of Regularly and Fixed Term Funded Organisations based on Performance Indicators for 1998/99, London, ACE.*

9 ***Cultural Trends 134, citing data from SOLT and TMA; ABO, 2000:*** *Knowing the Score.*

10 ***ABO, 2000:*** *Knowing the Score.*

11 ***SOLT Annual Box Office Data report; TMA data (unpublished).***

PERFORMANCES (DANCE, DRAMA, MUSIC THEATRE, OPERA), 1996-1999

	1996	1997	1998	1999
SOLT MEMBERS	*16,084*	*15,568*	*16,018*	*17,089*
TMA MEMBERS	*23,297*	*24.535*	*24,431*	*22,581*
ALL	*39,381*	*40,103*	*40,449*	*39,670*
RATE OF CHANGE	•	*+1.8%*	*+0.9%*	*-1.9%*

Source: SOLT Box Office Data Report, 1998, 1999;
TMA Audience Data analysed to matching periods.

TICKET REVENUES (DANCE, DRAMA, MUSIC THEATRE, OPERA)

(£ MILLIONS)	1996	1997	1998	1999
SOLT MEMBERS	*229*	*246*	*258*	*266*
TMA MEMBERS	*96*	*103*	*110*	*102*
ALL	*325*	*339*	*368*	*362*
RATE OF CHANGE	•	*+4.3%*	*+8.6%*	*-1.6%*

Source: SOLT Box Office Data Report, 1998, 1999;
TMA Audience Data analysed to matching periods

Concerts

Attendances were estimated at 6.1 million by the BBC/Arts Council Orchestra Review in 1994.[12] The Association of British Orchestras (ABO) survey in 2000[13] reported an estimated audience of 3.5 million for all activities in 1998/99, but the basis of estimation is different and it is not appropriate to compare these figures. The ABO 2000 Survey is the beginning of a sustained effort to map longitudinal data, recognising that no consistent data have previously existed.[14]

As part of the 2000 survey, the ABO identified 20 orchestras which provided full data for four years of their activities, and this group was used to indicate year-to-year trends. It includes independent contract, BBC, chamber, freelance and period instrument orchestras. The table shows an overall expansion of activities: there is a particularly large growth in educational activities (which includes school concerts as well as in-school education activity) and community activities which, together, grew from 515 in 1995-96 to 1,243 in 1998-99, an increase of 141%, the majority of this growth falling in the two most recent years.

Overall, the estimated total number of orchestra events was 5,652[15]: that amounts to 15 for each day of the year, of which 8 were concert performances in local authority-managed concert halls in England and Wales.

The market for the performing arts is derived from a wide community, but it is still drawn predominantly from the older age-ranges, though this varies from one sub-sector to another.

12 ***National Music Council, 2000:*** *A Sound Performance.*
13 ***ABO, 2000:*** *Knowing the Score.*
14 ***The Association of British Orchestras (ABO)*** *has just over 60 members and represents the more established professional orchestras.*
15 ***ABO, 2000:*** *Knowing the Score. This figure is extrapolated from all survey responses, not only the 20 which were able to supply four-year data.*

ACTIVITIES FOR 20 ORCHESTRAS, 1995-96 TO 1998-99

	1995-96	1996-97	1997-98	1998-99
CONCERTS IN REGULAR ANNUAL SEASON	*357*	*424*	*409*	*408*
PERFORMANCES AS PART OF RESIDENCIES	*120*	*97*	*110*	*134*
OUT OF TOWN CONCERTS/ENGAGEMENTS	*421*	*389*	*388*	*386*
BALLET/OPERA PERFORMANCES	*38*	*20*	*21*	*27*
CHAMBER MUSIC PERFORMANCES	*38*	*56*	*76*	*73*
IN-SCHOOL EDUCATION PROJECTS, SCHOOLS CONCERTS, COMMUNITY MUSIC ACTIVITY	*515*	*568*	*901*	*1,243*
PERFORMANCES ON OVERSEAS TOURS	*66*	*73*	*69*	*80*
OTHER [a]	*573*	*521*	*513*	*434*
TOTALS	*2,128*	*2,148*	*2,487*	*2,785*

(a) Includes studio recordings for BBC broadcast, summer concerts outside the normal season, performances on UK tours.
Source: Association of British Orchestras: Knowing the Score.

VISITORS TO THE PERFORMING ARTS (% OF ADULTS WHO ATTEND)

AGE	ANY PERFORMANCE IN A THEATRE	OPERA	BALLET DANCE	CONTEMPORARY	CONCERTS
15-24	*31.9*	*4.6*	*5.1*	*6.7*	*7.8*
25-34	*35.0*	*5.4*	*6.0*	*4.8*	*8.2*
35-44	*39.2*	*4.9*	*5.8*	*4.9*	*11.5*
45-54	*41.2*	*7.8*	*8.4*	*5.4*	*15.7*
55-64	*38.2*	*8.6*	*7.8*	*3.5*	*15.8*
65+	*29.2*	*5.9*	*5.5*	*2.3*	*13.8*

Source: Target Group Index, © BMRB 1998: cited in Lifestyle Pocket Book 1999.

Development of New Work

All funding agencies commit funds to the development of new work. As examples, in 1998-99 in Scotland, the Scottish Arts Council provided funds specifically for the support and/or commissioning of 24 new works in drama and 12 new dance works. In the same year, the Arts Council of England committed £160,000 to the generation of new writing in drama, around £230,000 to development in opera and music; and around £153,000 to development of new dance work. This is funding directly and specifically towards new work: in addition, most companies and orchestras are expected, and want, to commit themselves to new work as a feature of their revenue grant. Similar commitments are undertaken by the other Arts Councils and by the Regional Arts Boards.

Creativity in the sense of new writing and choreography is not restricted to the subsidised sector: in 1999, in the West End of London, dominated by the commercial sector, 17% of performances were of work originated in the previous five years, attended by 8% of total audience numbers (though many such productions will have begun life in the subsidised sector).

The Soho Theatre was reopened in 2000 in its new lottery funded premises and in its first season 80% of seats were sold for each production of new, specially commissioned plays; 73% of the audience were under the age of 35. The Royal Court is Britain's leading company dedicated to new work by innovative writers from the UK and around the world. It stages premieres of new work by many of today's new playwrights.

The Royal Court Young Writers Programme also works to develop new voices with their bi-annual festival and year round development work for writers under the age of 26.

Among ABO members, 47% of the works performed were from the twentieth century repertoire. In terms of wholly new work, two-thirds of orchestras were involved in commissioning new work in 1998-99, 70 works being commissioned from 58 composers.

Number of Venues/Companies

Over 800 formal venues in the UK are used for the presentation of professional theatre performances (and often amateur performances as well).[16] These include formal theatre spaces, as well as multi-purpose venues, arts and community centres, and a small number of regularly used open-air sites. Of these, over 60 are managed by companies which make their own productions for at least part of the year.

The *British and International Music Yearbook 1999* lists 228 symphony and chamber orchestras, though only a proportion have professional management and fewer offer full-time employment for their musicians.

While the number varies from year to year, between 500 and 550 companies produce professional drama, dance, opera and music theatre.[17] These range from national opera companies to small partnerships. Not all are active through the whole year.

There are around 2,750 amateur companies concerned with providing drama and musical/opera work.

In the three years 1995-96 to 1997-98 substantial sums were committed from National Lottery funds to improve or develop existing facilities, and in some cases towards new-build. Recipients range from the Royal Opera House to the Byre Theatre in St Andrews; from the Torch in Milford Haven to the Lowry Centre in Salford. Since then, the allocation of National Lottery funds controlled by the Arts Councils has changed. The funds are now being used in addition for developmental work (stabilisation of organisations with financial problems, audience development, and in some cases training of personnel).

16, 17 ***British Performing Arts Yearbook 1998-99,***
cited in Cultural Trends 134.

CAPITAL GRANTS AWARDED TO SELECTED ART FORM FACILITIES, 1995-96 TO 1997-98

(£ MILLIONS)	DANCE	DRAMA	OPERA
ENGLAND	47.9	287.4	57.1
SCOTLAND	5.5	19.1	6.1
WALES	1.2	6.7	0.7
NORTHERN IRELAND	0.3	1.3	0.1
TOTAL	54.9	314.5	64.0

Source: Distribution of Arts Lottery Funds by Region & Genre, E. L. Webb, Southampton (unpublished PhD Thesis).

BALANCE OF TRADE

Orchestras based in the UK earned over £6.5 million in 1997-98 from concerts overseas. A further £3 million was earned from the recording in the UK of film soundtracks for overseas companies; no account is taken here of subsequent royalty or similar fees.

There are many commercial out-bound tours from theatre organisations and, in addition, the major subsidised national companies (such as the Royal National Theatre, Royal Shakespeare Company) travel, as do subsidised regional companies of various kinds, often with support from the British Council. In 1997 the value of exports from the West End alone was around £280 million,[18] made up of earnings from West End productions touring abroad (between £40 million and £60 million)[19] with additional spending in the UK by incoming tourists on theatre and ancillary services.

As further examples, by the spring of 1998, lifetime earnings from *Phantom of the Opera*, in the UK and from overseas productions, had exceeded earnings from *Titanic*, the film which has earned the most revenue ever. The income stream from the film has now slowed down, while those from *Phantom* continue, and the stage musical continues to generate employment through continuing performances. Overseas tours of *Les Miserables* had achieved overseas earning of £938 million by August 2000.[20]

Not all of the earnings from overseas performing arts come back to the UK: the majority of royalties will do, and a substantial part of performers' and staff fees, although the subsistence payments made to them tends to remain overseas as does the share of ticket revenue, which falls to the host venue.

Subsidised companies, whether based in London or elsewhere in the UK, also tour abroad. Total net revenue from this source is not aggregated, but an overseas tour with fees paid by the host country is often seen as a financial lifeline for these companies, especially if it also attracts financial support from the EU in Brussels.

Touring of work out from the UK can receive financial and other support from the British Council. Around £3 million is spent by the British Council[21] on assisting British performing arts to travel outside the UK: this money is spent partly from London and partly from the Council's local offices.

18, 19 ***Wyndham Report*, *1998:*** *The Economic Impact of London's West End Theatre.*
20 ***Cameron Mackintosh Ltd.***
21 ***British Council, Performing Arts Department.***

OVERSEAS PERFORMANCES BY UK-BASED ORCHESTRAS

	CONCERT NUMBERS	TOTAL ESTIMATED INCOME (£ 000)
REGIONAL CONTRACT ORCHESTRAS	*43*	*651*
LONDON ORCHESTRAS	*91* [a]	*3,555*
BBC ORCHESTRAS	*N/A*	*N/A*
NON-CONTRACT REGIONAL ORCHESTRAS	*215* [b]	*2,290* [c]
TOTAL	*349*	*6,496*

Note: n/a signifies that a figure is not available.
Source: Arts Council of England; Scottish Arts Council; National Music Council, 2000: A Sound Performance.

(a) the four London orchestras and the London Sinfonietta.
(b) based on data from 22 orchestras responding to a survey.
(c) calculated on the basis of averaged fees from the BBC/Arts Council Orchestral review, 1994, uprated for inflation.

Festivals

There are up to 550 festivals each year, of which 40[22] have a strong commitment to the performing arts. Many other arts festivals include the performing arts amongst a wider portfolio. The Edinburgh International Festival is by far the largest festival of performing arts: in 1999 its turnover was £5.7 million. Of this, 35% was public grants, 33% represented ticket sales, 28% income earned from sponsorship and donations and 4% other commercial income.[23] The Edinburgh Festival Fringe describes itself as "the world's largest arts festival", where some 600 companies from all over the world stage over 1,000 different productions, selling 400,000 tickets. In all, the city stages 10 festivals, including the summer Edinburgh International Festival; between them they generated £125 million of additional spending in the city and supported around 2,500 full-time jobs.[24]

EDINBURGH INTERNATIONAL FESTIVAL: OUTLINE STATISTICS, 1999

	(£ MILLIONS)	(%)
TICKET SALES REVENUE	*2.1*	*33*
SPONSORSHIP & DONATIONS	*1.5*	*28*
OTHER COMMERCIAL INCOME	*0.2*	*4*
TOTAL EARNED INCOME	*3.9*	*65*
PUBLIC SECTOR GRANTS	*1.9*	*35*
TOTAL TURNOVER	*5.7*	*100*
NO. OF TICKETS SOLD	*400,000, 76% OF CAPACITY*	

Source: Edinburgh International Festival, Annual Report, 1999/2000.

22 ***British Performing Arts Yearbook.***
23 ***Edinburgh International Festival:*** *Annual Report.*
24 ***Scottish Arts Council, 1998-99:*** *Annual Report.*

EMPLOYMENT

Employment in the performing arts is divided between employees and those who are self-employed. Employees include those working in a range of support activities (administration, building maintenance) as well as those who are engaged in other creative work as, for instance, some stage crew and other technical staff and some directors.

Because of the freelance and temporary nature of much of their activity measurement of the number of other workers is made difficult; for example, the self-employed are not included in the ONS Annual Employment Survey.

However, the Labour Force Survey (Summer 2000) records almost 75,000 people with the occupation "actors, entertainers, stage managers, producers and directors". The table shows the split between employees and self-employed and a comparison with 1998.

Many performers work for a small number of weeks in the year. Most actors and dancers and many stage management personnel belong to British Actors' Equity Association, their trade union.[25]

The majority of Equity members (60%) take employment outside their professional activity. Around 12% take additional work in Education, 11% in Hospitality/Catering/Tourism, and 10% in Retail.

In 1999-2000 the 50 Regional Producing Theatres generated about 24,000 actor-weeks,[26] many in separate engagements of around 8 weeks each. The commercial theatre sector and ITC membership will increase this number considerably.

The number of musicians employed by the orchestras is difficult to assess accurately because of the nature of their employment, a mixture of contracted core salaried, freelance, and additional/supplementary musicians who may be required only for specialist parts of the repertoire.

There is direct employment in and around productions, for actors, musicians, dancers and singers, through technical production teams and on to management and front-of-house personnel. There is ancillary employment in relation to bars and catering. A theatre with an acting company of 6-10 actors will often be providing direct employment for 30 or more FTE staff, and many more through part-time contracts.

25 ***British Actors' Equity Association, 1999:*** *Report on a Survey of Members. In 2000, 54% of Equity's membership were actors, 14% "support artists", 7% dancers and choreographers and 8% stage management. Of these, only 33% of actors and of dancers had undertaken their professional work for more than 10 weeks in the year; 44% of stage managers had done so.*

26 ***Equity, November 2000.***

EMPLOYMENT IN CREATIVE OCCUPATIONS: ACTORS, ENTERTAINERS, STAGE MANAGERS, PRODUCERS AND DIRECTORS

	SUMMER 1998	SUMMER 2000
EMPLOYEE JOBS	*32,600*	*32,200*
SELF EMPLOYMENT	*42,900*	*42,200*
TOTAL	*75,400*	*74,300*

Source: ONS Labour Force Survey, Summer 1998, 2000.

Note: Not all of these performers were working in live performance.

INDUSTRY STRUCTURE

The performing arts sector is made up of a number of interlocking groups. A strong commercial sector, predominantly in London, is matched with a subsidised sub-sector in the regions as well as in London.

In terms of quantity of performance and production, the majority of work is carried out in the sector which receives public investment: in terms of revenue from the public, the greatest part of the turnover comes in the commercial sector sources. The supported sector, however, provides a steady feed of people and product into commercial for-profit activities, whether directly within the performing arts or outside, for instance, into film and television.

There is considerable mobility between the subsidised performing arts and the commercial performing arts, and onwards into other media (for example, broadcasting and film), with each area of activity recognising the strength of their interdependence. The mobility is partly due to the greater financial rewards which are available away from subsidy.

REGIONAL DIMENSIONS

The balance of work in theatres as between different types of work varies from West End to the regional theatre: it also varies between the regions. London's West End shows a high presence of musicals; the regional theatre displays a high commitment to work for children and families. The two following tables show the balance of types of work.

The greatest quantity of output tends to be found in the largest centres of population: there are resident opera companies in London, Birmingham, Cardiff, Glasgow and Leeds, and major orchestras in Birmingham, Belfast, Edinburgh, Glasgow, Liverpool, London, Manchester, as well as Bournemouth and Derby, both serving an extended region. Theatres and theatre companies are found in all regions, and touring work reaches almost all parts of the country.

NUMBER OF PERFORMANCES AT THEATRES BY VARIOUS PERFORMANCE STYLES, 1999

	SOLT MEMBERS	TMA MEMBERS	ALL
DANCE	*434*	*1,038*	*1,472*
OPERA AND MUSIC THEATRE	*240*	*713*	*953*
MUSICALS	*7,721*	*2,909*	*10,630*
DRAMA / PLAYS	*7,450*	*8,900*	*16,350*
WORK FOR CHILDREN AND FAMILIES	*163*	*6,180*	*6,343*
OTHER [(a)]	*1,081*	*4,413*	*5,494*
TOTAL	*17,089*	*24,153*	*41,242*

Source: SOLT Box Office Data Report; TMA unpublished data.
(SOLT figures represent the larger theatre buildings of the West End of London; TMA figures represent theatres outside London and some smaller central London theatres).
(a) Includes a range of activity, from work for children and families to ice shows, stand-up comedy and "tribute shows".

TICKET REVENUES AT THEATRES BY PERFORMANCE STYLE, 1999

(£ THOUSANDS)	SOLT MEMBERS	TMA MEMBERS	ALL
DANCE	*10,663*	*10,019*	*20,682*
OPERA AND MUSIC THEATRE	*11,743*	*8,136*	*19,879*
MUSICALS	*178,402*	*22,419*	*200,821*
DRAMA / PLAYS	*54,859*	*27,300*	*82,159*
WORK FOR CHILDREN AND FAMILIES	*1,887*	*23,316*	*25,203*
OTHER [(a)]	*9,011*	*15,416*	*24,427*
TOTAL	*266,565*	*106,596*	*373,161*

Source: SOLT Box Office Data Report; TMA unpublished data.
(a) Includes a range of activity: from work for children & families to ice shows, stand-up comedy and "tribute shows".

INTERNATIONAL CRITICAL ACCLAIM

The live performing arts continue to be highly respected abroad, with entire productions, individual performers, as well as other creative personnel in demand. Plays, particularly, are often taken up abroad with a flow of royalties back into the UK.

A current example is Michael Frayn's *Noises Off* which enjoyed a long run on Broadway. At one period there were two productions of the musical *Five Guys Named Mo*, originated at London's Theatre Royal Stratford East, on tour in the US.

Christopher Hampton's translation of Yasmina Reza's *Art* opened in London in 1996. The same production has been performed in Chicago, New York, Sydney and Buenos Aires, and in autumn 2000 toured the US.

British theatre directors have been acclaimed as film directors with successes such as *Billy Elliott*, directed by Stephen Daldry.

David Edgar's monologue *Via Dolorosa* was intended for a six-night run at the Royal Court Theatre Upstairs: it transferred to the West End, ran on Broadway, and has more recently been filmed for television with the writer in the solo part, directed by Stephen Daldry.

Critical acclaim is also seen in the fact that international film actors are keen to work in the UK, often for little more than the Equity minimum weekly wage: in 1999 – 2000 these have included Nicole Kidman in *The Blue Room*, Kathleen Turner and Jerry Hall in *The Graduate*, and Macaulay Culkin in *Madame Melville*.

SECONDARY ECONOMIC IMPACT

Inbound tourism – whether to London for its cultural provision or to the major festivals – has been referred to above, and there is also much arts related tourism within the UK. A further tangible secondary impact remains the flow of product and personnel from the live performed arts into broadcasting and film.

There is indirect employment in a chain of directly related companies, from costume and prop manufacturers and suppliers, through suppliers of various kinds of merchandise, and on to external publicity, marketing and sponsorship consultancies.

In addition, a range of sectors benefit from customers for the performing arts: public transport, bars and restaurants, as well as hotels and shops.

Initial economic impact research was carried out by John Myerscough in 1988.[27] More recent research in London's West End shows that with ticket revenues of £246 million in 1997, theatregoers spent a further £49 million on programmes, drinks and theatre-related souvenirs and £107 million in restaurants.[28]

27 ***Myerscough, 1998:*** *The Economic Impact of the Arts in Britain.*

28 ***Wyndham Report, 1998:*** *The Economic Impact of London's West End Theatre.*

There are around 20 large (over 1,000 seats) receiving theatres in the regions of Britain which bring stage performances on tour onto their stages; concert halls do the same. Their contribution to the local economy can be seen from the example of Norwich. In the year 1998-99 over 1,500 artistes and support staff performed at the Theatre Royal, some from supported companies, some from wholly commercial companies. Staying in Norwich, they averaged four nights per person and brought more than £250,000 into the area. The theatre earned £3.8 million in ticket sales and spent 30% of that on wages and salaries.[29]

A similar review for a smaller theatre, Cambridge Arts Theatre, was carried out for 1998-2000. This 671-seat theatre brings into its city a range of touring work, including drama, dance, opera, music, comedy and light entertainment. With audiences of 126,000 in 1998-99, it spends annually around £450,000 with local suppliers, and £424,000 on salaries for its staff: it brings into Cambridge around £100,000 in personal subsistence allowances for performers and touring support staff.

In the last few years, increasing recognition has been taken of additional secondary impact. The performing arts are a substantial source of creativity. There is evidence now that commerce and industry are finding training resources for their staff among the performing arts, and major companies such as McKinsey, WPP and Diageo have used theatre and other arts events to promote team building and development.

STATISTICS FOR SAMPLE OF 20 SIMILAR LARGE RECEIVING HOUSES, 1998[30]

NUMBER OF TICKETS SOLD	*220,472*
% OF TICKETS SOLD	*55.5%*
AVERAGE YIELD PER TICKET	*£9.28*
LOCAL AUTHORITY SUPPORT PER TICKET SOLD	*£2.10*

Source: Norwich Theatre Royal, Sixth Economic Survey, 1998-99.

29, 30 ***Norwich Theatre Royal, 1998-99:*** *Sixth Economic Survey.*

POTENTIAL FOR GROWTH

It is plain that capacity exists. Many organisations have been re-equipped and many arts buildings have been refurbished with National Lottery money, making the latter more comfortable, with new facilities to offer their users. There is capacity in terms of performers. The reputation of British performing arts is high. The live performing arts feed easily and readily into the more technical media, but since their immediate earning power is limited they are at present held back.

IMPACT OF E-COMMERCE/ INTERNET/TECHNOLOGY

Computerised ticket-selling is now commonplace for all but the smallest companies, and most theatre buildings maintain their own websites to provide underpinning information about the organisation, and background information about particular events. Few have developed applications beyond this, though there are some initiatives towards allowing interactive observation of work in development, and there are some performers using computer-and film-enhanced techniques.

The potential for development is indicated by the example in November 2000 of a performance of *Katya Kabanova* at the Royal Opera House in London broadcast live both on radio and from the BBC website with web pages providing a full translation of the opera, additional information and pictures.

GROWING THE SECTOR – POINTS FOR CONSIDERATION

There is a need for more consistent and timely data on the sector.

Substantial capacity-building has taken place: investment from the National Lottery has provided better physical facilities for performance, but the employment of highly trained and competent creative artists at all levels remains at risk from low investment in the use of their skills.

The need for increasing reliance on the market, especially as compared with any other European country, brings some reduction in creative risk-taking.

The sector is typified by organisations with small and tightly run administrations with little spare resource to allocate to the procedures for obtaining and reporting on public support, which often involves different and independent agencies with separate criteria.

Audiences/attenders at the performing arts tend to be in the upper age ranges. Greater investment in education programmes will encourage audience development in these sectors.

Access to additional finance for the benefit of the sector might be aided by a dedicated source of venture capital to provide initial finance and re-invest net profits.

Commercial sponsorship is still directed more towards the larger and more prestigious organisations than towards the smaller and often more innovative. Encouragement of support for innovation and experiment might be strengthened.

Greater access to overseas markets could be facilitated by readier access to go-see grants and to additional tour support from the British Council. This would also open the door to collaborative international work, which would in turn enhance creativity in the UK.

Private support for the sector is of a low (relatively static) order. New measures have been taken to encourage tax relief for individual gifts. The extent to which tax relief is an important motivator should be explored.