



Australian Government



MAJOR PERFORMING ARTS BOARD
INFORMATION FOR COMPANIES
SEPTEMBER 2005

Dear Colleagues:

The Major Performing Arts Board (MPAB) of the Australia Council met in Adelaide on 12 and 13 September. Board Members asked that a summary of major discussions and decisions from the meeting be circulated to the MPAB companies, State funding agencies and Australia Council staff.

Issues discussed at the meeting included:

Review of MPAI Funding Model

The Executive Director of the MPAB, Cathy Brown-Watt, provided a summary of the major decisions taken at the 5 August meeting of the Cultural Ministers Council (CMC). One of these was the Ministers' agreement to the processes of the second review, which will encompass three components:

- A re-examination of the external environment pressures on the companies;
- A detailed examination of the companies' capacity to deliver agreed core outputs (including artistic quality) on current (indexed) base funding; and
- An examination of possible growth areas that would maximise the value of the companies' existing infrastructure to governments (ie education and access programs and other initiatives).

The Board was informed that throughout the review, meetings would be scheduled with the companies to ensure that their issues are fully understood and, where possible, are incorporated into the review of funding levels. In addition, State Governments would be kept informed of such discussions and would be consulted on any other emerging issues they wish to have considered.

The Funding Model would be reviewed by artform to enable benchmarking across companies, and to accommodate focussed consideration of specific artform issues. Meetings with companies are now underway.

The Review was expected to be completed by March 2006.

Orchestras Review 2005 implementation

The Board noted that the Department of Communications, Information Technology and the Arts (DoCITA) was responsible for negotiations with State and Territory governments to reach bilateral agreements on the recommendations of the Orchestras Review 2005. Once this was resolved, the MPAB would assume responsibility for implementation of the Review recommendations in accordance with the bilateral Government agreements. The MPAB is currently working with DoCITA on a number of implementation issues.

The Review did not resolve the issue of adequate financial resourcing for pit services in Sydney and Melbourne. It recommended that there be a further examination of this issue subsequent to the Review, to be managed by DoCITA as an extension of its management of the Review. DoCITA has advised the MPAB that it intends to have the examination undertaken by a major consulting firm, and that an industry specialist will be available as a reference point for the consultants. DCITA advises that it anticipates that the examination will be completed by the end of 2005.

MPAB strategic focus 2005 and beyond

In meetings from June 2004 to June 2005, the Board has given extensive consideration to its role and strategic focus post-MPAI implementation. In these discussions, the Board has agreed that MPAB's role from 2005 will continue to be framed by the MPAI guiding principles and the CMC-approved role statement for the MPAB.

The Role Statement covers five focus areas. These are:

- (1) Oversight of the definition of a MPAB company and ensuring transparency of the funding relationship with the MPAB companies through Tripartite Agreements;
- (2) Monitoring, and reporting to Governments on artistic, access, financial and governance outcomes of the MPAB companies;
- (3) Maintenance of the Funding Model as the basis for determining base funding levels for the MPAB companies;
- (4) Provision of advice to the Australia Council on general performing arts issues and specific major performing arts sector issues; and
- (5) Value-adding to the MPAB companies to improve their artistic, access and financial outcomes and improve management and governance practices. (The value-adding role of the MPAB was acknowledged and reinforced by the original Board in 2000.)

The Board has agreed that its responsibilities in relation to the first two focus areas and the management of matters falling into these areas are unlikely to change significantly. However, for the other three focus areas of the role statement, while the Board's responsibilities will not change, its strategic response to these areas, and the management of matters falling into these areas, could change significantly.

The Board considered and approved a workplan including the following strategic focus areas:

- Ensuring the ongoing sustainability of the MPAB companies by reaching agreement with Governments on a process to ensure base grant funding is sufficient to underpin the companies' ongoing sustainability;
- Evaluation and quantification of pressures on companies, including financial risks entailed in new product development; demonstration of financial pressures on artistic quality; and pressures arising from the external competitive environment;
- Identification of ways the existing MPA infrastructure can be utilised to deliver education and touring programs;
- Capacity building (including governance, income generation);
- Advocacy;
- Industry research (including benchmarking with comparable international companies).

Securing the Future 2004

The annual update of *Securing the Future* using 2004 data is nearly complete. It is expected that it will be issued to companies by the end of September.

Joint meeting of MPAB and AMPAG Boards

The MPAB and the Board of the Australian Major Performing Arts Group (AMPAG) met on 13 September to discuss a number of significant issues. These included the second Review of the MPAI funding model; general findings of the draft *Securing the Future 2004* update; progress on major issues identified by the 2004 meeting with MPAB companies, and risk management and governance.

Company issues

MPAB company issues discussed by the Board included:

Sydney Dance Company

The MPAB noted that agreement had been reached with the Board of Sydney Dance Company on the appointment of a management-consulting firm, TFG International, to undertake a review of the company's operations. TFG International began work with Sydney Dance Company on the project on 22 August, with an eight-week timeline for completion of the review. Once completed, the Review report will be provided to the MPAB and to the Board of Sydney Dance Company for further discussion and action. Sue Nattrass, former CEO of the Victorian Arts Centre and former Artistic Director of the Melbourne International Festival, has agreed to act as specialist consultant to the review.

Black Swan Theatre Company

The Board noted that Pamela Foulkes had been appointed General Manager of Black Swan Theatre Company, succeeding Bronwyn Eddinger. Ms Foulkes will take up the position in October.

OZPAC presentation

Craig McGovern, Chief Executive of the Queensland Performing Arts Trust, and Geoff Bishop, Acting Chief Executive Officer of the Adelaide Festival Centre Trust, spoke to a paper prepared for the MPAB to explain the role and responsibilities of the major Arts Centres, and their inter-relationship with the MPAB companies.

New Work with Festivals program

At its June 2005 meeting, the MPAB agreed to extend eligibility for the MPAB New Work with Festivals (NWWF) funding to all MPAB companies, effective immediately.

At the September meeting, the MPAB agreed to a further proposal that the NWWF initiative guidelines be revised to allow Australia's major arts centres to participate in the process of developing new Australian works that have potential for international exposure. This was a response to the difficulties that the MPAB companies have faced in the past three years in securing the involvement of two or more Festivals in new projects. It was also in recognition of the existing role of the Centres in developing and programming of new works

Under the new guidelines, MPAB companies can develop productions with NWWF support through partnerships with two or more Confederation of Australian International Arts Festivals; or one or more Confederation of Australian International Arts Festivals plus one or more OZPAC member arts centres. In the latter case one or more of the Festivals or OZPAC member(s) must be representative of city(s) other than the city of the eligible company.

The guidelines have now been revised accordingly and have been discussed informally with a number of the MPAB companies during recent half-yearly meetings. The companies indicated that they were enthusiastic about the change, and that if all parties were in agreement, the MPAB could expect to receive a number of applications for NWWF funding in the near future.

NWWF funds availability is currently \$800,000. Under a CMC-agreed allocation, these remaining funds must be allocated as follows: NSW: \$250,000; Victoria: \$150,000; Queensland: \$100,000; South Australia: \$150,000; Western Australia: \$150,000.

The revised guidelines have been submitted to the Confederation of Australian International Festivals for discussion at its November meeting. If the Confederation is in favour of the revised guidelines, all MPAB companies and Arts Centres will be informed accordingly, and the new guidelines will be put in place immediately.

Philanthropy mentoring

The MPAB noted that its pilot philanthropy mentoring program, a joint initiative of the MPAB and Artsupport Australia, was progressing well, with six MPAB companies participating.

Marie Siganto and Ian Roberts

The terms of Dr Marie Siganto and Ian Roberts as MPAB Members expire in October. The Chairman and other Board members thanked both for their great contribution to the MPAB's work over the past years.

Half yearly reports

MPAB Members expressed their appreciation to the MPAB companies for providing comprehensive half yearly reports, which had greatly assisted in Board Members' understanding of current issues facing the MPAB companies, and their progress during the year to date.

Next meeting

The next meeting of the MPAB will be on 24 and 25 November, in Sydney.

27.9.05