

Minutes

Gorman Arts Centre Resident Advisory Group

Meeting #G-21-002-G

Date: 23/06/2021 Venue: Main Hall, Gorman Arts Centre
Start time: 12:08 pm End Time: 1:22 pm
Meeting Chair: Yolenthe Daly (Rebus Theatre)

Residents attending:

Hugh Withycombe
Debora Di Centa (Ausdance ACT)
Cathy Mauk
Liz Lea

Arts Capital board/staff attending:

Mark Van Veen, Board Chair
Joseph Falsone, CEO
Adelin Chin, Business Manager
Lachlan Johnson, Strategic Planning Officer

Apologies:

Kirsten Biven

Agenda Item

Item 1 Welcome and apologies

Yolenthe (YD) acknowledged the traditional owners of the land, welcomed everyone to the meeting and then led the group in brief introductions.

Item 2 Conflicts of interest (if any)

No conflicts of interest were identified.

Item 3 Update from the CEO

Joseph (JF) gave an overview of the year-to-date financial position, noting that we had entered the year with larger than usual reserves but with a large deficit predicted for 2021 following the expiry of Commonwealth and ACT Government COVID support. There have been positive signs of return to "normal" activity at the arts centres, with venue hire in particular returning strongly in the second quarter of 2021. JF also noted that we have been successful in securing numerous project grants that will support residencies, public performances, the artist toolkit

program, and participation in local festivals. Arts Capital has also managed to negotiate bridging funding for 2021, pending reform of the ACT Arts Fund, which has been postponed until further notice. JF also acknowledged the importance of the resident campaign during 2020 to lobby government for additional support for the centres, and noted with optimism the ACT Government's numerous signs of ongoing support for the centres including the commitment to planning for major centenary renovations.

Moving on to facilities, JF discussed the major HVAC (heating, ventilation and cooling) upgrade that is scheduled to occur in A Block, which is sub-licensed to QL2 Dance and will address a longstanding need. The ACT Government is gradually phasing out gas in its facilities, and this project will replace inefficient and failing 1980s era gas furnaces with electric heating and cooling, save energy, and improve comfort for users.

The project has been delayed significantly due to Arts Capital insisting on dates and support arrangements to ensure that works carried out by the ACT Government would have minimum impact on QL2 Dance and would be suitable to their needs.

Hugh Withycombe (HW) asked whether Arts Capital was meeting the cost of the project.

JF explained that the HVAC improvements were funded by the ACT Government entirely, the direct costs of relocation and disruption were being met by artsACT, and the labour cost of coordinating and facilitating the relocation was being met by Arts Capital.

HW asked if this has set a precedent for all residents or only for key arts orgs. JF noted A+G's track record for supporting, and advocating for support, for residents affected by capital works or improvements in the past, most notably during 2014/15 renovations and that this was driven by our sub-licence obligations and our aim to support residents, regardless of key arts org status.

Moving onto sub-licences, JF advised that Arts Capital is confident that our request for a longer head licence term is being considered by the ACT Government. The current head licence holding over period is likely to continue for some time, however, as artsACT is negotiating a zoning issue related to permitted uses within community facility zoning. Certain uses (restaurant, workshops, accommodation etc.) that have always been permitted in practice at Gorman Arts Centre are explicitly not allowed under "community facility" zoning unless they are classed as "ancillary" uses. As "ancillary" is not defined in the territory plan, and there is little by way of guiding precedent, artsACT is working with the ACT Government solicitor's office and ACT planning authority to agree on a definition of ancillary that encompasses the arts centre's activities.

HW questioned if this same situation hadn't occurred 5 years prior.

JF replied that the head licence negotiated in 2016 included "ancillary uses" under the permitted uses but that this had never been required to be defined and permission was directly from artsACT. What has changed this time is that artsACT has been asked to explain its position to other the ACT Government Solicitor and ACTPLA.

JF explained that Arts Capital has in the meantime engaged lawyers to amend our sub-licence template so that we have a workable sub-licence to offer new residents during the holding over period. JF explained there a number of prospective residents wanting to move in and a number of existing residents wanting to move spaces that currently cannot because of the head licence status – this sub-licence draft will enable them to move or move in before the head licence issue is finally resolved.

Liz Lea (LL) asked about the upcoming renovations and if they were separate to the A-Block HVAC upgrade project.

JF advised they were and would be discussed in more detail later in the agenda.

HW asked about the new Head Licence and whether or not artsACT would keep the one month cancellation clause.

JF replied that while the facilities remain owned by the ACT Government, there will always be overriding clauses that give the government maximum flexibility and control in the public interest, including the right to cancel the head licence. In practice, we need to balance against this potential threat our confidence in the signs of long-term investment and commitment, including the commitment to renovate, and note that there is absolutely no indication of anything other than support for our continued use and occupation of the facilities as arts centres.

Item 4 Presentation: Arts Capital 2020 Annual Report & Audited Financial Statements

YD invited the meeting to move to the next agenda item.

Mark Van Veen (MVV) offered reflections on the past year on behalf of the Arts Capital board, discussing the impacts of COVID, the formation of the new company, as well the process of recruiting four new board members. MVV encouraged everyone to read the annual report, in particular noting the record of impact in the five-year summary section and communicated the positivity and hope he saw for the future of the centres as well as the good faith demonstrated in 2020 by the ACT Government.

JF gave an overview of the annual report, and explained that the five-year summary section reflects the work undertaken to diversify offerings and opportunities and to grow the amount of support for artists and arts organisations. It highlights how much Arts Capital has grown and the value it generates for every dollar of government investment, strong evidence to demonstrate a case for ongoing support.

JF also discussed the impacts of COVID as detailed in the annual report, noting Arts Capital's early response and commitment for rent relief before receiving government backing. There was an acknowledgement of the frustrations caused by restrictions and facility changes during the pandemic such as the use of QR codes and locked doors, whilst also recognising the work that staff and residents had done to serve public safety. A number of positives from the Covid Response are also reflected in the annual report; Arts Capital's Covidsafe Plan was endorsed by the chief health officer, artist toolkit program was successfully adapted to be delivered digitally, the Post Art project helped connect the community whilst the centres were shutdown.

JF also discussed the governance restructure, noting the immense amount of work by the board and residents undertaken in 2019 and how this paid off in 2020 with Arts Capital being registered as a company on the 10th of March, and then successfully registered as a charity with the ACNC. This restructure saw Arts Capital eligible for additional JobKeeper support that it otherwise would not have received. The first Resident Advisory groups were also held in 2020.

The 2020 ACT election also saw an \$8 million commitment materialise for Gorman Centenary Renovations to be completed by 2024.

LL acknowledged the support given by Arts Capital during COVID, noting that this support has been core to her practice. LL added that she was very appreciative and thanked Arts Capital for the work they did last year to help artists.

HW seconded this appreciation, noting in particular the rent relief and artist toolkit program as valued support. HW then raised a question regarding the 2020 surplus listed in the annual report, noting that while substantial work has been done for visiting residents and external artists, what the intention was for using this surplus to benefit residents.

JF explained that it was premature to allocate the reserves for spending, as they are set aside primarily to ensure we remain viable, as well as for maintenance and asset replacement. The 2020 surplus has been almost entirely due to Commonwealth COVID support programs including JobKeeper and the ATO cashflow boost. Our 2021 budget anticipates that without further COVID support or funding there will be large losses that will erode those reserves. JF also noted that our key arts funding deed expires this year, and there is no funding secured for 2022. There would be a mid-year budget review but the board is also being naturally cautious as we do not know what lies ahead with COVID, earned income, or with future funding.

JF also noted that Arts Capital had secured funds for their planning work with Ellis Jones and that future spending would be shaped by a new strategic plan, and take renovation plans into account. How best to support residents was naturally a question being considered in that planning in line with our objects as a company.

Item 5 Centenary Renewal Planning Project

JF provided some background on the centenary renovations explaining that last year the ACT government engaged Philip Leeson Architects to draft final sketch plans for both centres.

Arts Capital advocated for the importance of a structured process to ensure the renovated buildings will be fit for purpose and of benefit to the community. Arts Capital engaged Ellis Jones to collaboratively design this process, ensuring it centred around resident and community consultation. The process is being jointly funded between Arts Capital and the ACT Government.

We're currently at the end of the first stage of this project, the investigation stage, which included desktop research, surveys and stakeholder interviews.

YD asked about the resident questions included in the meeting papers.

JF explained that this was an additional moment of resident engagement and represents an opportunity to express the specific needs of individuals and organisations, and for residents to identify any issues that are of particular importance to them in an open-ended way. The written submissions are due on Friday 2 July.

The project is now moving into the strategic planning phase which will take place across July and August. This stage will involve a co-design process. JF explained that by September there will be a full and detailed brief for the Architects, which is when a separate process will begin to look at the details of renovations, leading to staged and costed plans.

The renovation project itself would be run by Major Projects Canberra and artsACT and subject to a Territory budget commitment no earlier than July 2022. Arts Capital would likely participate in a project control group during the period of works. JF noted that more would be known about this process later in the year and noted that the Resident Advisory Group Meetings would continue throughout.

HW asked if the written submissions were focused more on strategic planning or renovations.

JF explained the two are closely linked and the submissions are designed to capture input on both.

HW asked if there would be an opportunity for residents to participate in the co-design process. JF confirmed the co-design group, which is around general vision setting, place identity and informing the strategic plan, would see selected residents invited alongside government and community representatives.

YD asked if JF had any comments to make about how decisions would be made.

JF explained there was inevitably an element of trust and noted the reality of renovation is that not all needs and preferences will be met in a shared environment with so many diverse users, and in government-owned facilities the capital works decisions are ultimately for the ACT Government to make on behalf of the community. JF emphasised that the planning process is being driven from the ground up – Arts Capital has deliberately taken on the work of consultation and engagement, even though the buildings are government-owned, to ensure that as far as possible the needs of residents, users and the community are considered before plans are drawn up.

Item 6 Sub-licence update and resident questions

The question whether monthly sub-licence fees should also include costs for internet, printing/photocopying and phone would be a suitable way forward for residents was discussed. JF explained that there are different ways to structure outgoings in sub-licenses and that we had historically not itemised or charged a percentage for outgoings. While this could be an option in future, there is no intention to review those arrangements this year.

In answer to the question around invoicing arrangements, JF noted that currently, sub-licence fees are due one month in advance, and ancillary costs are invoiced in arrears based on actual usage. We will retain this method of billing in the short-term. It was noted that payment preferences vary, with some residents on monthly direct debit, others paying by EFT, and others paying cash. Residents were encouraged to contact the office should they require flexibility around invoicing and payment options.

Further information was given about the current state of broadband and VOIP infrastructure. A major capital investment in infrastructure has been made by Arts Capital, which we are not seeking to recover through usage fees. The ongoing service is heavily subsidised. We currently subsidise 70% of the broadband service cost to residents and 50% of the VOIP phone service.

Unlimited broadband plans are currently used by 40% of residents, with numerous other residents choosing to purchase wi-fi vouchers as needed and as budget permits. 20% of residents use the VoIP phone network.

Item 7 Next Meeting

Liz Lea volunteered to chair the next meeting. Yolante concluded the Meeting at 1:22 pm.