

Gwent Ballet Theatre Limited
A public benefit assessment report by the Charity Commission



The Charity Commission

The Charity Commission is the independent regulator of charities in England and Wales. Its aim is to provide the best possible regulation of charities in England and Wales in order to increase charities' effectiveness and public confidence and trust. Most charities must register with the Commission, although some special types of charity do not have to register. There are some 180,000 registered charities in England and Wales. In Scotland the framework is different, and the Commission does not regulate Scottish charities.

The Commission provides a wide range of advice and guidance to charities and their trustees, and can often help with problems. Registered charities with an annual income over £10,000 must provide annual information to the Commission. The Commission has wide powers to intervene in the affairs of a charity where things have gone wrong.

More information about the Commission together with a range of guidance for charities can be found on our website **www.charitycommission.gov.uk**.

All Commission publications referred to in this publication may be viewed on, or downloaded from, our website.

Contents

Section A: The purpose of this report	2
Section B: Key details about the charity	2
Section C: Does the charity have an aim which is capable of being charitable?	4
Section D: Is the charity's aim for the public benefit?	5
D1: It must be clear what the benefits are (sub-principle 1a) The benefits must be related to the aims (sub-principle 1b)	5
D2: Benefits must be balanced against any detriment or harm (sub-principle 1c)	6
D3: The beneficiaries must be appropriate to the aims (sub-principle 2a)	7
D4: Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions (sub-principle 2b)	7
D5: Opportunity to benefit must not be unreasonably restricted by the ability to pay (sub-principle 2b) and people in poverty must not be excluded from the opportunity to benefit (sub-principle 2c)	7
D6: Any private benefits must be incidental (sub-principle 2d)	9
D7: Conclusion: Is the charity's aim for the public benefit?	9
Section E. Overall conclusions and required or recommended actions	10

The Charity Commission is the independent regulator of charities in England and Wales. In November 2009 we started a public benefit assessment in relation to Gwent Ballet Theatre Limited. This is a report of our findings.

Section A: The purpose of this report

This report sets out the Charity Commission's findings from its public benefit assessment for Gwent Ballet Theatre Limited which is also known as (and referred to in this report as) Independent Ballet Wales ('the charity'), registered charity number 1000855. You can find further information about what public benefit assessments are, how we carry them out, a glossary of terms used and other details on the public benefit pages of our website.

Section B: Key details about the charity

Charity registration details

Independent Ballet Wales ('IBW') was formed in 1986 as a touring classical ballet company. It was incorporated as a company and registered as a charity in 1990. Its objects are:

'To promote, maintain, improve and advance the education of the public in the arts and sciences in particular the art and science of dance by the presentation of public performances and other similar activities.'

Location and operation

The charity is based in Newport, Wales. It is a touring ballet company and it presents and performs productions in the classical ballet tradition. It offers classes and workshops in ballet and other forms of dance, led by trained dancers.

The dance company tours extensively throughout the United Kingdom and Ireland: between April 2007 and July 2009 it gave 166 performances, reaching a total audience of almost 32,000. The charity aims to work with venues on a long-term basis, in particular those in locations that might otherwise not have access to high-calibre dance performance.

The charity runs workshops at the venues at which it performs as well as at schools, colleges and community centres in Wales: over 4000 people took part in these between April 2007 and July 2009. In addition, they provide residencies where dancers from the company are based at the theatre or other venue for several days and provide dance training and workshops.

Around 53% of the charity's income in 2008 was self-generated, through the sale of programmes and fees to the theatres for performances and workshops. The remaining 47% came from external sources, including grants from Arts Council England, Arts Council of Wales, Newport City Council and the Welsh Assembly.

Admission prices

Between September and December 2009, ticket prices charged by venues for performances by IBW ranged between £6.50 - £24, with the average ticket price being £14.40. In 2008 figures for a typical performance show that full priced tickets cost £12.50.

Workshops and residencies

The benchmark charge to venues, schools and colleges is £200 per two-hour session, although in practice most are provided free of charge.

Charges for residencies vary. In 2009, these ranged from £5 for one class to between £20 - £80 for a week of specialist workshops.

Free access to services

- 90% of workshops are provided free to those attending
- IBW offers the daily classes for its own dancers to any professional dancer free of charge.
- Bursaries covering the full fee are available to dedicated individuals who might not be able to attend. In 2009 eight bursaries were awarded.

Subsidised access to performances

- Prices of concessionary tickets vary. We considered the concessionary prices for a typical performance, and found that these ranged from £7.50 - £10.50. 66% of the tickets were sold at concessionary rates.

Financial summary for the year ending 31 August 2009:

Total income	£293,296
Total expenditure	£233,983
Net incoming resources	£59,313
Total net assets	£113,175

Section C: Does the charity have an aim which is capable of being charitable?

In this section, we report on the charity's aim and whether it falls within the list of descriptions of purposes within section 2 (2) of the Charities Act 2006 that are capable of being charitable purposes.

The charity's objects* are as follows:

'To promote, maintain, improve and advance the education of the public in the arts and sciences in particular the art and science of dance by the presentation of public performances and other similar activities.'

The charity's objects read as expressing an aim for the advancement of education. Since these objects were adopted, the promotion of the arts has been recognised in its own right as an aim which is capable of being charitable¹. Using the information about the charity's activities, we considered that the charity's objects, as properly understood in a modern context, express an aim for the advancement of the arts and that it pursues this aim by a number of means, including the presentation of public performances and workshops, and the training and development of dancers. Our assessment found that the charity's operation was fully within this aim.

We concluded that the charity's aim falls within s2(2)(f) of the descriptions of purposes in the Charities Act 2006 - the advancement of the arts, culture, heritage or science - and is capable of being charitable.

* set out in its articles of association, incorporated on 29 August 1990

¹ Report of the Charity Commissioners for England and Wales, 1991; s.2(2)(f), Charities Act 2006

Section D: Is the charity's aim for the public benefit?

Having established in section C that the aim falls within the descriptions of purposes at s2(2) of the Charities Act 2006, we consider here whether that aim is for the public benefit and, consequently, whether Independent Ballet Wales is a charity. We also consider whether the trustees are complying with their duty to administer Independent Ballet Wales for the public benefit.

We considered these issues against the two public benefit principles. These are:

Principle 1: There must be an identifiable benefit or benefits

Principle 2: Benefit must be to the public, or section of the public

We looked at the sub-principles within each of these.

- Sections D1 and D2 set out our findings for those relating to principle 1.
- Sections D3 – D6 set out our findings for those relating to principle 2.

We set out at Section D7 our conclusions on whether the aim of Independent Ballet Wales is for the public benefit and whether the trustees are administering it for the public benefit.

Section D1

We looked at the first two sub-principles together:

- **sub-principle 1a - it must be clear what the benefits are**
- **sub-principle 1b - the benefits must be related to the aims**

Relevant benefits

The charity's identifiable benefits fall into a number of categories:

- *The public performance of ballet.* The company tours the United Kingdom and Ireland, performing works and interpretations drawn from literary classics and specifically designed for smaller venues. It adds one new work a year to its repertoire, and revives an existing one. The staging of public performances of high quality art, such as ballet, is a recognised means of advancing the arts and the quality of performance is indicated by a number of national arts awards, critical acclaim in reviews in the national and sector press and successful applications to arts funding bodies in England and Wales.
- *The provision of workshops for the public.* The charity runs around 50 free workshops a year, at venues which host their performances as well as at schools, colleges, universities, arts centres and community centres. The workshops are led by the company's trained professional ballet dancers. They are open to the public and enable them to learn about the choreography and work that is being presented. The educational merit of these workshops is established by the subject matter, and by the process which involves structured workshops delivered by professional dancers.
- *The provision of residencies and classes for young people.* The charity undertakes week long residencies and summer schools, as well as one day intensive courses, led by the company's trained professional dancers. These are largely open to children and young people, although a few do not have an age limit. Participants learn about ballet and dance in general, and their creativity is encouraged through story telling and step structure. They also allow opportunity to choreograph and express themselves without restriction thereby developing artistic creativity.

All the dancers of the company receive mentoring and training in delivering workshops and actively participate in their execution. The charity's workshops are constantly monitored and evaluated to maintain high standards and maximum safety. All dancers are CRB checked and the charity maintains up-to-date policies in relation to child protection and health and safety.

The charity's education work is co-ordinated by an Education Officer, whose post is funded by an external charitable award made to dancers wishing to transfer their skills to dance education.

The merit of the programme is established by both the structure of the programmes and the quality of the content. There are clear and identifiable benefits to participants in the courses offered.

- *The training of professional dancers, including those who are part of the company.* The charity provides technical development for its own and other professional dancers by offering daily master classes. These provide opportunities to benefit for dancers by helping them to develop their skills and techniques as individual and company performers. The training promotes and maintains high standards in dance for the public benefit.

Taken together, these benefits indicate that the charity advances the arts through a combination of performances of artistic merit and educational workshops and classes about ballet and other forms of dance. These are all relevant to the charity's aim.

We concluded that there are clear, identifiable benefits that are related to the charity's aim. The benefits are sufficient to enable us to conclude that the charity does meet sub-principles 1a and 1b.

Section D2

Sub-principle 1c: Benefits must be balanced against any detriment or harm

We explain in *Charities and Public Benefit* our approach to assessing this sub-principle.

Based on this, we found no evidence or indication of detriment or harm in relation to this charity.

We concluded that there was nothing under sub-principle 1c that would affect the assessment of public benefit in this case.

Section D3

Sub-principle 2a: The beneficiaries must be appropriate to the aims

The charity's beneficiaries are the general public. The charity aims to be as inclusive as possible and produces work that encourages people from all ages and backgrounds to appreciate dance and the arts.

We concluded that the beneficiaries are appropriate to the aim and that this sub-principle is met.

Section D4

Sub-principle 2b: Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted

In this section we consider geographical and other restrictions. In section D5 we consider restrictions arising as a result of the fees charged.

There are no restrictions applied to the opportunity to benefit. In practice, the charity's residencies are confined to Wales, but its performances and workshops are toured around the United Kingdom and Ireland.

We concluded that the opportunity to benefit is not unreasonably restricted by geographical or other factors outlined above and that the charity does meet sub-principle 2b in relation to restrictions other than fees.

Section D5

We considered the remaining element of sub-principle 2b together with sub-principle 2c:

- **sub-principle 2b (the opportunity to benefit must not be unreasonably restricted by ability to pay any fees charged); and**
- **sub-principle 2c (people in poverty must not be excluded from the opportunity to benefit)**

Taken together, these sub-principles mean that the charity must be able to show that there is sufficient opportunity to benefit in a material way that is related to the charity's aim for those who cannot afford the fees, including those in poverty.

We describe in section C of *Public Benefit and Fee-charging* the principal factors derived from case law which we use to assess this.

Our assessment of these sub-principles looked at whether the level at which fees are set has the effect of preventing people who are unable to pay the fees from benefiting from the services or facilities. We took into account the nature of the benefit, including whether it was a one-off service or facility, or one that people would want to use regularly or that is usually provided on a longer-term basis.

We set out below how these factors apply to the circumstances of the charity.

Public performance of ballet

- Ticket prices are set by the venues, which are charged by the charity to cover its costs. The charity's aim is to charge a benchmark of £2,000 to venues to cover its touring costs based on three tour performances a week, but in practice they negotiate a suitable fee for each venue. The charity works with each venue individually to encourage ticket prices to reflect this relatively low charge.
- Figures for a typical performance in 2008 indicated that full priced tickets cost £12.50 with prices of concessionary tickets ranging from £7.50 to £10.50. Full priced tickets accounted for 34% of the tickets sold, with 66% being sold at concessionary rates.

Workshops and residencies

- The charity runs workshops in the venues which host its performances, and in colleges, universities, schools, art centres and community centres. 90% of workshops have been provided free to those attending, with the costs being met by funding from Newport City Council, the Arts Council of Wales and Arts Council England. Over a two year period these attracted over 4000 participants. In 2009 there were 918 participants across 46 sessions.
- The charity offers residencies which can be in the form of one day intensives, week long courses or summer schools. Fees in 2009 ranged from £5 for one class to between £20 and £80 for a week of specialist workshops. The charity has a policy of keeping these fees low, and sets them on the basis of collaborative advice from the local authority (which is also a funder) and a charitable community dance organisation with which the charity works closely. Although not specifically targeted at individuals who are unable to pay the fees, the charity's general policy is to keep its charges to a level which is within reach of its target audience, taking into account the social and economic circumstances in which it carries out its work.
- Bursaries covering the full fees for residencies are available to dedicated individuals who might not otherwise be able to attend. Eight such bursaries were awarded in 2009 across all the courses.

The charity furthers its aims in a range of ways. It covers its costs partly through charges (tickets to performances, charges for classes) and partly through grant funding.

In terms of sub-principle 2b, the most expensive tickets cost £24, and the highest charge for a week of classes is £80. Whilst the effect of charges at these levels might be to restrict the number of people who could afford to benefit, there is a range of lower charges which mean that there are opportunities to benefit for those who cannot afford these highest fees. The price tariff offers a range of concessionary tickets. For residencies, the lowest charge for a single lesson is £5 which is likely to be affordable for most people.

In terms of sub-principle 2c, 90% of the charity's workshops are provided free of charge as a result of grants from arts funding bodies. Access to these workshops is through schools, colleges, community organisations and venues at which the company performs and the opportunities are therefore widely available to the public.

The availability of so many free or low cost places at the charity's workshops in conjunction with the influence the charity uses to ensure that there are some reduced priced tickets available to its performances indicate that there are many opportunities to benefit from the services of the charity at no, or low cost.

Many of the charges are within the reach of most people, and would therefore fall within the definition of 'low fees' in *Public Benefit and Fee-charging*. Additionally, to ensure that those in poverty are not excluded from the opportunity to benefit, the charity makes further concessions.

We concluded that, taking into account what is reasonable and appropriate in the circumstances of this charity, it does provide sufficient opportunity to benefit in a material way for those who cannot afford the fees, including people in poverty, and that the charity meets sub-principles 2b (in relation to fees) and 2c.

Section D6

Principle 2d: Any private benefits must be incidental

The ticket prices for performances are set by the venues at which they take place. Although there is the potential for owners of those venues which are not charitable to benefit from hosting the charity's performances, there is no evidence that this is the case. In practice, the charity encourages venues to keep ticket prices as low as possible and monitors box office returns from the performances. Its use of venues depends on there being affordable access for its target audience. Many of the venues are themselves charities.

The skills training may benefit professional dancers personally in terms of career development and profile, but this would appear to be an inevitable and incidental benefit arising from the carrying out of the charity's aims.

We concluded that private benefits are incidental and that this sub-principle is met.

Section D7

Conclusion: Is the charity's aim for the public benefit?

We concluded that all of the sub-principles are fulfilled, that Independent Ballet Wales's aim is for the public benefit and that the trustees are administering it for the public benefit.

Section E. Overall conclusions and required or recommended actions

We concluded that Independent Ballet Wales is a charity and that the trustees are administering it for the public benefit.

We note in this report that the charity develops relationships with venues and seeks to influence their admission prices to the charity's performances. Building on this, we recommend that the charity should establish a formal fee strategy with venues so that the charity can readily demonstrate that it has a planned system for ensuring that its benefits are widely accessible to those who cannot afford its fees, including those in poverty.

This publication can also be accessed at the Charity Commission's website: www.charitycommission.gov.uk

© Crown copyright 2010. This publication may be reproduced free of charge in any format or medium provided that it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the publication specified.

**You can obtain large-print versions
of this publication from the Charity
Commission on 0845 300 0218**