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19 June 2017

Dear All

Thank you for your letter regarding Free Theatre's use of The Gym facilities at the Arts Centre. While Trustees appreciate that so many of you have taken time to respond to Free Theatre's request for support, we think it is important that you have a more complete understanding of the current situation regarding Free Theatre's tenancy.

For many months, Free Theatre has been unable to meet its rental commitment to the Arts Centre and the Arts Centre can no longer sustain this situation.

When it became clear that Free Theatre (or any organization of its size) would not be able to cover the entire costs for the space, we informed Arts Centre Chief Executive Andre Lovatt. Free Theatre was totally transparent about its financial situation.

Free Theatre were encouraged to stay and continue producing its programme. The company was told it was exactly what the Arts Centre wanted to achieve in terms of the Trust Deed and the new Arts Centre vision and that the company had gone "above and beyond expectations". Free Theatre was told to cover Arts Centre opex costs as it could from rental revenue and income from its programme as it worked towards a new partnership that would allow it to produce a distinct programme for the Arts Centre and pay its way within its means. As is well documented, it has been a challenging time to get people into the city and the Arts Centre. Free Theatre's efforts here while much of the site was being restored seems to be unknown to the current management or ignored. It also seems to be ignoring the very long history between the two organisations.

As a result, Trustees and the Arts Centre management have been working closely with Free Theatre management to find a mutually agreeable solution.

Correct.

The Arts Centre has offered several concessions to Free Theatre during this negotiation process, but Free Theatre has chosen not to accept any of these options.

Incorrect. Shortly after Andre left in February, a proposal was tabled that would see the Arts Centre take over hires of the space and Free Theatre produce its programme.

Free Theatre was keen to go ahead with this Heads of Agreement but there was included an expectation for the company to back-pay a sum that it couldn't cover with income from its programme.

However, the company began searching for a solution to cover the cost, which it has since found despite the Arts Centre board in the meantime resolving to discontinue the new Agreement.

Free Theatre still hasn't had a clear and direct answer as to why, if it has found a way to meet all the Arts Centre's expectations, would the Arts Centre not enter into this Agreement. Was the Arts Centre not expecting Free Theatre to meet the terms and has other plans for the building?

Can Jane detail the "several concessions" and "options" she says were offered to Free Theatre and rejected by the company during this negotiation process?

As an independent charity, the Arts Centre relies on income from tenants to maintain the site on behalf of the Canterbury community. We must be consistent in the way in which we manage all our tenants, and all our tenancies, and to deliver on our obligations to the community we serve. The solutions that we have offered Free Theatre are aligned with the requirement to deal with all our tenants in an equitable way.

What is the future of the Arts Centre if an arts organization with such a long history on the site (since 1982) that built such a warm, respectful, mutually beneficial relationship under the leadership of Andre Lovatt can be so easily dismissed? The new management have simply ignored the hours of goodwill, passion and arts community commitment (not to mention public funding) that has gone into making this a successful project for the Arts Centre. To inspire the investment required to restore a fully functioning Arts Centre, it makes sense to invest in more (not less) arts organisations and artists that can provide a point of difference.

Despite significant efforts, Trustees have been left with no other option than to end the Free Theatre lease and ask them to remove their chattels.

The "chattels" that the Arts Centre is asking Free Theatre to remove, are those of a functioning arts space in keeping with the Trust Deed and that has been implemented with considerable expense and arts community goodwill. A plan was made with the Arts Centre for this design to help illustrate the relevance of this site for a 21<sup>st</sup> Century city – we cannot understand why this is being tossed out with no viable alternative. It has been developed with support from the Arts Centre, CCC, Rata Foundation, Creative NZ and a range of sponsors, in-kind support and significant voluntary labour – this was an investment in the Arts Centre via a proven arts organization – and it is this which the Arts Centre is asking to be removed.

Free Theatre were given the minimum 20 working days to completely dismantle a theatre that had taken over three years to build and to find storage – having only just finished a successful season of ALICE for the Arts Centre. Attempts to extend this date, which would have rolled into the beginning of Philip Aldridge's tenure as Chief Executive have been strictly denied as have attempts to reason with management and the board.

This decision is about ending the Free Theatre lease, it is not a decision that reflects in any way on the Arts Centre view of the arts nor is it a restriction on future use of the Gym as a performance space. We have made it clear to Free Theatre management that The Gym will continue to operate as a venue for performance, music, arts and culture for a broad section of the community. We have also made it clear that Free Theatre are welcome to use the space for development and presentation of their cutting edge productions. They will however be required to meet rental costs, just like any other group wishing to access and use the space.

The new management's insistence that Free Theatre is welcome to develop and present its programme at the Arts Centre is either disingenuous or ill-informed regarding arts practice. Having to pack-in and out the equipment (lights, sound, blacks) we have had to remove, on top of a daily rental, means it is unaffordable to produce anything beyond superficial work at the Arts Centre. This was the entire reason for building the space in the first place – to nurture the high quality contemporary performance work of Free Theatre and other arts organisations. Andre Lovatt understood this because he took the time to understand it, getting out to see and experience the development and presentation of work and education as well as the hires Free Theatre hosted in the space – the feedback for which was high in praise for its professionalism and exceptional quality. By taking out our fit-out of the space it is not possible for us (or anybody else) to use it as a theatre without significant and likely

insurmountable costs. Is there a realisation of the difference between arts and commercial tenants in the Arts Centre?

Even when Free Theatre offered for the lights, sound, blacks as well as the bar and furniture to stay so that it and other festivals and groups could use it, there was confusion from the Arts Centre about what this meant – the Programmes and Partnerships Manager thought it meant, as Free Theatre had proposed, all of the above, yet the Operations Manager and CE wanted only the lights. This made the use of space impossible and the continuing lack of understanding as to why is disappointing.

We hope this letter provides you with a more complete picture of the situation and an understanding of the very difficult decision that Trustees were forced to make in the face of a lack of flexibility from Free Theatre about the negotiation process.

Throughout the negotiation process we were at pains to be transparent about what Free Theatre could afford and what was required in order to present our work – we trusted the Arts Centre. We completely refute the suggestion that Free Theatre was inflexible and, quite to the contrary, the company has, as always, found ways to make it work with the Arts Centre. We do not understand the inflexibility of the Arts Centre to follow through with the agreement when a solution has been found to the one sticking point in the Agreement. Are there other plans for the space and the Arts Centre that have made Free Theatre's attempts to reason and find a way through impossible? It just doesn't make sense that a project successfully meeting the requirements of the Trust Deed is kicked out of the Arts Centre.

Regards,

Jane Parfitt  
Acting Chief Executive