

MEETING: 07/09/2018

Ref: 14685

ASSESSMENT CATEGORY - Making London More Inclusive

RAGGED SCHOOL MUSEUM TRUST

**Adv: Gilly Green
Base: Tower Hamlets
Benefit: London-wide**

Amount requested: £100,000

Amount recommended: £100,000

The Applicant

The Ragged School Museum Trust (RSM) presents the story of Dr Barnardo's pioneering work in East London within the three warehouses that he converted to be one of the largest ragged schools in the UK. Today, as a registered charity and company limited by guarantee its principle activities include a permanent display of the history of the buildings and their use as a school, an education programme for primary school children and free drop in holiday activities for local children and families.

The Application

The Ragged Schools buildings were originally built as warehouses to serve the Regent's canal but since 1990 have operated as a museum with a significant school education programme. Only two of the three buildings are in good enough repair to be used. Following an arts council funded feasibility study in August 2016, RSM submitted a successful Round 1 application in December 2016 to the Heritage Lottery Fund (HLF) for a major redevelopment project to bring all three of the buildings into use and ensure full disabled access. The HLF stage 1 grant has been used to develop a comprehensive business plan, architect's drawings and an independent access audit. With increased visitor numbers and two new earned income streams, the development plans show the future of the museum as a self-sustaining entity can be secured. The budget for the access work is £410,960 and includes the installation of a lift, accessible entrances and toilets and better signage. The application is for a contribution towards the costs of the lift installation.

The Recommendation

The RSM is a unique historical resource and delivers a significant educational programme for school children enabling them to step into the shoes of ragged Victorian children. Without considerable development, this important resource is likely to be lost. The outcome of the £4.3 bid to the Heritage Lottery Fund (with a required £900,000 match funding requirement) will be known in December 2018 and if successful will secure its future. This project meets your programme outcomes for Making London More Inclusive as it will mean that the newly redeveloped resource will be fully accessible and open to a wider population. Funding is recommended as follows:

£100,000 towards the costs of installing a lift in the refurbished site to ensure full disabled access subject to a successful bid to the Heritage Lottery Fund. The grant is conditional on the organisation appointing a Treasurer within 6 months of the award.

Funding History

None

Background and detail of proposal

The RSM offers visitors and school groups the chance to learn about the social history of Victorian education in the East End. Each year it welcomes over 25,000 visitors, including 15,000 school children and 4,000 participants in free family holiday activities. It has struggled to raise core income and Trustees have now recognised that without major redevelopment, the future of the Museum is threatened. The plans offer great potential for transforming the space and overall this investment will deliver increased visitor numbers and reach (including for disabled people), as well as bringing vibrant new uses into currently disused spaces and importantly securing the Museum's financial independence.

Financial Information

RSM is currently in a weak financial position which is why the refurbishment project is so important. It has limited core funding and is predicting a small deficit for the financial year recently ended. Further, its fundraising projections in 18/19 may be over ambitious so the position might not improve significantly. Whilst the figures shown predict a delicate position they do not include the full cost recovery element of the HLF bid if it is successful. Trustees are fully aware of the position and accept that reserves may be run down almost completely during this transition period. More positively, the business plan which appears robust and detailed, projects returning healthy annual surpluses from 2021. If approved, your funding would be conditional on a successful HLF bid and only released once building works had started. The overall budget for the work is £5.2m, £4.3m of which will be requested from the HLF. £200,000 of the £900,000 match funding requirement has already been secured and applications are pending for the balance. The total cost of the access works is £410,000 with the balance to raise included in the bid to HLF.

Year end as at 31 March	2017 Examined Accounts £	2018 Draft £	2019 Budget £
Income & expenditure:			
Income	151,227	311,297	157,885
- % of Income confirmed as at Aug 2018	n/a	100%	37%
Expenditure	(154,918)	(315,503)	(142,159)
Total surplus/(deficit)	(3,691)	(4,206)	15,726
Split between:			
- Restricted surplus/(deficit)	0	4,225	0
- Unrestricted surplus/(deficit)	(3,691)	(8,431)	15,726
	(3,691)	(4,206)	15,726
Cost of Raising Funds	1,478	1,549	1,600
- % of Income	1.0%	0.5%	1.0%
Operating expenditure (unrestricted funds)	97,046	89,479	133,159
Free unrestricted reserves:			
Free unrestricted reserves held at year end	18,303	12,588	28,314
No of months of operating expenditure	2.3	1.7	2.6
Reserves policy target	24,261	22,369	33,289
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(5,958)	(9,781)	(4,975)