



Report of the Policy and Resources Committee

Crossrail Art Foundation

To be presented on Thursday 24th July 2014

*To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council.*

Summary

The City of London Corporation has long been a supporter of Crossrail. In addition to making a direct contribution to Crossrail of £200m, the City Corporation agreed to provide matched funding from City's Cash of half of the total estimated cost (not exceeding £3.5 million) plus up to £250, 000 towards set-up costs, to assist in delivering the Crossrail Art Strategy. To this end your Committee has now considered and recommends to the Court proposals for the City Corporation to establish a charitable company with Crossrail Ltd which it was intended should be known as the Crossrail Art Foundation.

The company will provide an arms-length entity to achieve the outcomes of the Arts Strategy, including seeking donations/sponsorship from the private sector. The City Corporation will need to appoint three Members of the Court as Members and Directors (Trustees) of the company.

Recommendations

That approval is given to the following:-

1. the establishment of a charitable company (intended to be known as the Crossrail Art Foundation) with Crossrail Ltd;
2. the appointment of the Chairman of the Policy and Resources Committee, Mark Boleat, Sir Michael Snyder and Jeremy Mayhew as Members and Directors (Trustees) of the company;
3. delegating authority to the Town Clerk, in consultation with the Comptroller & City Solicitor and the Chairman and Deputy Chairman of the Policy and Resources Committee, to negotiate and settle the terms of the Memorandum of

Understanding (MOU) between the City Corporation and Crossrail Ltd in relation to the management of the Crossrail Art Strategy to be delivered through the new company;

4. delegating authority to the Town Clerk and the Comptroller and City Solicitor to:-
 - i) take all relevant steps to agree the Articles of Association of the Crossrail Art Foundation to give effect to the intentions of the City Corporation and Crossrail Ltd as set out in the Memorandum of Understanding; and
 - ii) take all other necessary steps to establish the charitable company and to put the arrangements in place, including registering it with Companies House and the Charity Commission.

Main Report

Background

1. The City of London Corporation has been a strong supporter of Crossrail for nearly 25 years and considers the delivery of Crossrail to be vital to the future prosperity and economic success of the City, London and the UK as a whole. The project continues at a pace, with major milestones being met along agreed timelines. In 2007, the Court of Common Council agreed the following, that:-
“approval be given to a contribution by the City of London Corporation to the cost of Crossrail in the sum of £200m and the Policy & Resources Committee be given delegated authority to agree any matters of substance”. In return for this support, the City Corporation is to receive appropriate due recognition at each of the stations.

Crossrail Art Strategy

2. Crossrail Ltd, the company responsible for the project (jointly owned by the Department for Transport and Transport for London(TfL)), has developed an art strategy, with the objective of placing newly-commissioned works of art in the eight new central London stations on the line (Paddington, Bond Street, Tottenham Court Road, Farringdon, Liverpool Street, Whitechapel, Canary Wharf and Custom House). The plan is to work in partnership with prominent London art galleries to create a permanent exhibition across the eight stations. In collaboration with each art gallery, an internationally recognised artist will be selected to participate in the art commissioning process. The result is intended to be a series of eight unique artistic exhibits, with an art commission of international standing embedded into the design and architecture of each station.
3. No public funds are available for these art installations within Crossrail’s £14.8 billion budget. In December 2013 your Policy and Resources Committee agreed to the City Corporation providing matched funding of half the estimated cost of the Crossrail Art Strategy (up to an amount not exceeding £3.5million). The Committee also agreed to an additional sum which did not exceed £250,000 in total over the three years 2013/14, 2014/15, 2015/16 being provided for the cost of the work required (primarily in the Public Relations Office) to raise external private sponsorship for the other half of the total cost (including appropriate events and hospitality, and the necessary outside sponsorship consultancy

support), of which approximately £23,000 has so far been spent. Both expenditures are to be met from City's Cash and, in the case of the latter, expenditure on individual specific activities would be approved by the Town Clerk, in consultation with the Chairman and a Deputy Chairman of the Committee.

Crossrail Art Foundation

4. In working with Crossrail Ltd to progress the Crossrail Arts Strategy it has been identified that the most effective means of delivering the Strategy would be through a charitable company. We have been advised by Crossrail that they cannot set up a charitable subsidiary due to TfL restrictions on subsidiaries. Additionally, the City has no suitable charities already constituted.
5. It is therefore necessary that a new charitable company be established to deliver the Strategy. This new charitable company will provide a legal vehicle which will operate at arms-length from the City Corporation and Crossrail Ltd. Registration as a charity will enable donations to qualify for tax relief, and it is hoped that this will assist in attracting sponsorship from the private sector to supplement the City's contribution to the project.
6. It is intended that the new company will be called the Crossrail Art Foundation. In the interests of facilitating prompt registration as a charity with the Charity Commission (which will follow incorporation), and having regard to the intention that the company be dissolved in or around 2019 at the conclusion of the project, the proposed objects of the new charitable company are limited to:

The promotion of art for the public benefit by the establishment and maintenance of a public art programme at Crossrail Stations.
7. It is also intended that the first Directors of the company (who will also be charity trustees) will be the Members of the company. The City Corporation and Crossrail Ltd will each have the power going forward to nominate up to three persons as Directors (also to be the Members of the company).
8. In order to further progress the Crossrail Art Strategy, the new charity needs to be created at the earliest opportunity in order to provide sponsors with a vehicle through which the management and financial requirements (including tax relief) of sponsoring the artworks can be achieved. The application to incorporate the company cannot be made to Companies House until the names and details of the charity's first Members (who will also be the first Directors and Trustees) are identified. Your Committee have considered this and commend the appointment of its Chairman, Mark Boleat, one of its Deputy Chairmen, Jeremy Mayhew and Sir Michael Snyder as Members and Directors of the company to you.
9. For the charity to be formally constituted, the City Corporation must:-
 - i) agree a Memorandum of Understanding with Crossrail as to the parties' intentions for the establishment and operation of the charity to deliver the Crossrail Art Strategy;
 - ii) agree the charity's Articles of Association;

- iii) appoint three Members of the Court of Common Council as the first Directors (Trustees) and Members of the charitable company (with the remaining three Directors (and Members) being appointed by Crossrail).

Conclusion

10. The Crossrail Art Strategy is an integral part of the City Corporation's continued support of Crossrail. To facilitate the effective delivery of this Strategy, it is necessary to create a new charitable company (intended to be known as the Crossrail Art Foundation).

All of which we submit to the judgement of this Honourable Court.

DATED this 3rd day of July, 2014.

SIGNED on behalf of the Committee.

Mark Boleat
Chairman