

Committee:	Date:
Finance Committee	18 November 2014
Subject: Spitalfields Music grant from the City of London Corporation for 2015/16 to 2017/18	Public
Report of: Director of Culture, Heritage & Libraries	For Decision
Summary	
<p>Spitalfields Music has been in operation since 1976 and part of the City's group of funded arts charities since 1996. Its grant was last renewed in 2012 and a settlement is now sought for 2016-18.</p> <p>It has a clearly defined role within the City's arts portfolio through its work which combines artistic excellence, deep routes into the local community, an increasingly wide influence in east London and an ever growing national and international reputation. Matching every City £1 with a further £22 of income, Spitalfields Music represents excellent value in return for a modest investment.</p> <p>The Culture, Heritage and Libraries Committee met on 27 October 2014 and agreed to recommend that the Finance Committee approves this grant.</p> <p>Recommendation:</p> <p>Members are asked to agree that the annual grant to Spitalfields Music be set at £45,000 a year for three years (2016 – 2018).</p>	

Main Report

Background

1. Spitalfields Music has received grants from the City of London since 1996. Grants have supported the full range of Spitalfields Music's activity: its two annual music festivals and its year-round Learning and Participation Programme. The grant is made from the City Educational Trust Fund, which is controlled by the Finance Committee, but since the 2011 Governance Review it has been agreed that Finance will take advice from the Culture, Heritage & Libraries Committee as to whether ongoing funding is justifiable on artistic and cultural grounds, and in the context of the City's Cultural Strategy. It was last renewed in 2012, for three years, at the level of £45,000 p.a. The Culture, Heritage and Libraries Committee considered a report in relation to this grant at the meeting on 27 October 2014 and agreed to recommend to the Finance Committee that the grant be approved.
2. The City of London's grant sits alongside grants from a wide range of other sources, including Arts Council England and London Borough of Tower Hamlets, city businesses, individual donors, livery companies and charitable trusts. The statutory grants total 12% of Spitalfields Music's turnover in 14/15

and act as an important lever to the significant level of fundraised income (65% of turnover) which the charity achieves.

3. Founded in 1976 as a summer festival, the charity has since dramatically grown adding a year-round Learning and Participation programme in 1989 and a Winter Festival in 1996. On an annual basis, the festivals contain around 150 events and the Learning & Participation programme around 250 workshops. The beneficiaries are aged 6 months old – 90+ and each year around 40,000 engage in direct activity while one million experience the Festival through BBC Radio 3, podcast or live stream through the website. The charity is led by Abigail Pogson and chaired by Sir Alan Moses with a board of 10 further trustees.
4. Particular strengths in which the Festival takes prides include the quality of the music and musicians they work with, and a focus on innovation and new work. They are both a locally based charity delivering to east London, and an 'innovation unit' for the classical music sector with a national reputation for finding new models of working.
5. Spitalfields Music has strong relationships with other City arts charities and has a distinctive role to play within the City's arts portfolio. In summer 2014 they led a major community project, bringing 1000 east Londoners together to perform a new work by New York composer David Lang. The LSO and Barbican/Guildhall School were partners, and the performances took place on the iconic Arnold Circus bandstand conducted by Simon Halsey. The project was a co-commission with Berlin Philharmonic, Lincoln Centre and Birmingham Contemporary Music Group. Five further performances of the piece are already pencilled around the world.

Current Position

6. Key areas of activity for Spitalfields Music are:

Festivals

- Early and new classical music, commissioning, music-theatre, cross-genre and cross-artform collaborations which are music-led, participatory performances, showcases for local people, projects which bring together professionals and amateur performers.
- The Winter Festival is 11 days in December and the Summer Festival is 16 days in June.
- In 2014 they ran their first 3 day Spring Festival in March, curated entirely by young people from Tower Hamlets.
- 50% of festival tickets are free or £5 and 50% of the audience is local. This includes people from 13 of the 15 Mozaic profiles, making it the broadest classical music audience in London.

Learning and Participation Programme

- Spitalfields Music works with c. 5000 young people, aged 6 months – 18 years, in childrens' centres, 15 local schools and through evening and holiday projects with local partners

- The community programme involves people of all ages, reaching around 5,000 people each year, with a focus on cross-generational and cross-cultural projects. They work through housing associations, the Royal London Hospital, the library network and with other local charities, such as Spitalfields City Farm.
- Professional development opportunities reach c.200 people each year– for professional musicians wanting to work in education and community settings, and for those with no musical training (for example library workers) to encourage them to use music in their regular practice.

National touring

- From autumn 2014 the early years activity is becoming a national model, partnering with four venues in England to develop programming and audience development with high quality music for families. Spitalfields Music is working with Sage Gateshead, Pegasus Oxford, Wiltshire Music Centre and Brighton Festival.

7. Spitalfields Music is in a strong position, evidenced through:

The high demand for their work

- 33% increase in festival audiences over the past four years.
- Commissions from local authorities and companies to deliver bespoke projects (six in 2013); invitations from neighbouring boroughs to bring the early years programme to them.
- Long-term collaborations with high calibre artists such as The Sixteen, Monteverdi Choir and Orchestra, The English Concert, London Sinfonietta, Amsterdam Baroque Orchestra, Le Concert Spirituel and Birmingham Contemporary Music Group.
- Training programmes for musicians working in education and community settings oversubscribed by a factor of twelve, and alumni all engaged by at least one British orchestra, opera company or concert venue within 12 months.

A high level of external recognition of the quality and impact of their work

- Four and five star reviews and positive comments overall in the media; festival audience surveys returning a satisfaction rate of 93%.
- Headteachers signing up quickly to participate in the schools programme.
- In 2014, Spitalfields Music won the arts category of the Charity Awards, alongside charities from health, education, housing, international aid. It was also shortlisted for a Royal Philharmonic Society Award for Audiences and Engagement. In 2012 the charity won two Royal Philharmonic Society Awards for Education and for Audiences and Engagement.
- Bookings of Musical Rumpus from Royal Opera House and Flanders Festival, both looking to develop their thinking about programming for young audiences.

Artistic activity which influences debate

- Independent evaluation and peer review: ACE Artistic Assessors, Programme Advisors Group and QMUL researchers.
- Crowd Out, a commission with BCMG, the Berlin Philharmonic and Lincoln Centre, drew colleagues from across the UK to witness the project.

Finances

8. Spitalfields Music has a relatively unusual profile financially, compared with peer arts organisation:
 - In 2013/14 the charity's turnover was c. £1million. Core statutory funding is 12% (ACE is 5%, the remainder is two local authorities), ticket income is 20% and 68% is fundraised income (across all sectors – trusts, individuals and companies). This is a broader mix of income streams than charities of a similar scale delivering the same kind of activity – although many organisations are moving closer to this model.
 - The charity has unrestricted reserves of £500,000 on its balance sheet. This is important in enabling the charity to pursue its mission – without the level of reserves, creative risk and the level of innovation undertaken would be very difficult.
9. Whilst Spitalfields Music is doing very well in terms of its educational and artistic impact, fundraising remains a very significant challenge. For a charity of its size the volume of different relationships is a very significant number to manage and whilst achieving this is a testament to the trust a range of stakeholders have in the charity, it brings high risk and can take its toll. Both of these factors continue to be very challenging. Whilst the City's grant is a small part of Spitalfields Music's income, it is nevertheless significant both as a kite-mark and a lever to others. It sits alongside similar sized grants from LBTH and Arts Council England.

Corporate and strategic contribution to City of London

10. Spitalfields Music has played an active part in the cultural portfolio of the City of London in the past three years. Key characteristics of Spitalfields Music within this portfolio are:
 - The charity's activity benefits east London primarily and therefore helps the City of London reach beyond its boundaries to the benefit of wider London.
 - The charity levers £22 for every £1 which the City of London gives and creates associations for the City of London with a wide range of partners.
 - Spitalfields Music continues to win national awards for its work, grow its audiences and be invited by other parts of the country and world to share its work.
11. Spitalfields Music's work supports the City of London's Strategic aims, particularly KPP4 and KPP5 in the following ways:
 - Working as a part of the City community bringing business and communities together, particularly around Spitalfields where the two now overlap and live very much alongside each other.

- Working with partners and neighbours to promote employability and provide jobs and growth, e.g. the Tower Hamlets Apprentice Network
 - Contributing to the City of London's focus on high quality education, through an extensive programme of activity for young people and adults both in formal and informal settings, making a significant contribution to the City's education offer to east London, particularly in Tower Hamlets, Barking & Dagenham and Newham
 - Helping increase the City's cultural and heritage offer for the life of London and the nation.
12. On the basis of its track record, the risk level in supporting Spitalfields Music is very low as it offers to the City of London:
- Excellent artistic activity coupled with an exemplary track record in making its work accessible to as many people as possible
 - Significant impacts for a wide range of people within east London (primarily Tower Hamlets, Newham and Barking & Dagenham) and on local communities
 - A contribution to the aim to benefit London and the United Kingdom
 - An economic contribution to LBTH, particularly the east of the borough which borders the City of London.
 - An exceptionally high level of match funding for the City of London's investment and through this strong alliances with other statutory bodies (Arts Council England, London Borough of Tower Hamlets, Newham, Barking & Dagenham), Youth Music, Big Lottery.

Proposals

13. In 2012 the City's grant to Spitalfields Music was cut from £50,000 p.a. to £45,000 p.a., in light of the pressure on City budgets. Sustaining it at this reduced level will be a cut in real terms but recognises the ongoing financial challenges.
14. The Culture, Heritage and Libraries Committee recommended to the Finance Committee that the annual grant to Spitalfields Music be set at £45,000 a year for three years (2016/17 – 2018/19). The Finance Committee is recommended to approve the grant. This will align with the funding cycle of Arts Council England and will give the charity the ability to forward plan with confidence and the kind of demonstrated City backing that helps them with fundraising.

Conclusion

15. The charity is high achieving and combines deep routes into its local community with a fantastic reputation within the national arts scene (both in terms of artistic excellence and its arts education practice). Its geographical reach and its creative output are strongly aligned with the corporate and strategic goals of the City of London.
16. Continued investment in Spitalfields Music represents very good value for the City of London and will bring a high return on a modest grant.

Appendices

- Appendix 1: Supporting statements
- Appendix 2: Business and Programme plans, 2014-16

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