

Committee:	Date:
Board of Governors of the City of London School for Girls	22 October 2015
Subject: Proposed purchase of new Steinway Grand Piano	Public
Report of: Headmistress	For Decision

Summary

The Board will be aware that the School has a second hand Steinway grand piano in the Main Hall which is used for extensively by the school for concerts and assemblies and by groups hiring the school's facilities, including two prestigious choirs and the London Symphony Orchestra. It was second hand when we purchased is 30 years ago and has been increasingly difficult to tune properly in recent years.

We would like to use income from the lettings and a donation from the Friends to purchase a new Steinway Grand Piano at a cost of £81,642 exc VAT. The Friends have agreed in principle to donate up to £10,000 for a new grand piano. Profit from lettings (between £60,000 and £80,000 a year) is usually put into the Reserves so the Board would be agreeing not to do this for one year.

Recommendations

Members are asked to:

- a) agree the purchase of a new Steinway Grand Piano; and
- b) authorise the use £72,000 of profit from School lettings to pay the balance after a donation (in the region of £10,000) from the Friends is made

Main Report

Background

1. The School has brought the issue of purchasing a new Grand Piano to the Board a few years ago during Diana Vernon's tenure as Headmistress. At that time it was decided to attempt to retune and recondition the current piano. While this led to some modest improvement the piano is beyond its useful life. It is now almost 50 years old and as a consequence is nigh on impossible to tune to the concert standard which we need for big events and which the choirs and orchestras that use it could expect.

Current Position

2. The Grand Piano in the main hall should be our showpiece instrument. However, it is now at the end of its performing life. It is holding us back in terms of the musical concerts we could offer here at City. Replacing it would open up new opportunities and would make an increase in letting fees more justifiable to our current customers. We have a very good offer on the table from Steinway, including trading in our current piano and a 20% institutional discount.

Options

3. Option 1 – do nothing. This is the lowest cost, though not zero cost option. We would still need to pay for continued tuning of the piano (£1,000 per year). There is also the reputational issue of continuing to use an ageing second hand piano.
4. Option 2 – purchase a younger second hand Steinway piano. This would cost the school in the region of £45,000 and would be a possible stop gap solution. The risk here is that in comparison to our competitor schools (St Paul's, North London Collegiate etc) we would compare unfavourably in terms of what we are able to offer at City.
5. Option 3 – purchase a new cheaper grand piano. This would cost us around £60,000. It would give us a good quality school piano but would leave us behind the game in terms of our competitors. It would also be a backward step for our customers hiring the school for rehearsals. These are prestigious groups used to working with the best, their concerts will use Steinways and they could expect their rehearsals to use the same. Visiting conductors have included Sir Simon Rattle, Donald Runnicles, Daniel Harding and Simon Halsey. The further strengthening of the arts with the creation of a cultural quarter around the school will offer further opportunities and pressure to deliver.
6. Option 4 – purchase a new Steinway grand piano. This would cost us around £82,000. It would bring us into line with our competitors and would give our paying customers a world class piano to use here.

Proposals

7. We propose Option 4 as the best option for the school in the long term. It would help us maintain our competitiveness with other London schools. In addition it would give us exciting opportunities to hold master-classes and concerts here at the school to expand the musical experience for the girls and raise additional money for the school.
8. Finally, we have not raised the letting fees at the school for 3 years, mainly due to the works that have been taking place (on the main hall and gymnasium) during this time. We will need to review this at the next board (given that we are also tasked with increasing letting income under the SBR). Being able to point to the building investment and the investment in a new piano would help us sell the benefits of an increased fee to the customers.

Corporate & Strategic Implications

9. This proposal supports the City of London's third Strategic Objective to provide valued services to London and the nation. It also supports the school ethos of excellence in everything that we do.

Implications

10. Cost of approximately £82,000 from letting revenue and donation from the Friends of CLSG. Loss to the reserves of approximately £72,000 this financial year. There are no other legal, property or HR implications.

Conclusion

11. In conclusion we are seeking Board approval to purchase a new Steinway Grand Piano to support musical education at the school and income generation from lettings. The purchase would be funded jointly by Friends of CLSG and income from lettings this financial year. The redirection of profits from lettings would reduce the amount we could put into reserves this year.

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