

MEETING: 20/03/2017

Ref: 13711

### ASSESSMENT CATEGORY - Older Londoners

**Bubble Theatre Company**

**Adv: Julia Mirkin**

**Amount requested: £53,000**

**Base: Southwark**

**(Revised request: £66,000)**

**Benefit: Southwark**

**Amount recommended: £66,000**

#### **The Charity**

London Bubble Theatre Company (LB) was established in 1972 to bring professional theatre to outer London boroughs. Now, it is a community theatre company with a focus on enabling participation by those on low-incomes or who are hard-to-reach, which it does from its base in Rotherhithe, Southwark. LBTC's programme includes a number of established projects, including 'Young Theatre Makers' (YTM), which engages 17-24 year-olds not in employment, education or training (NEET); 'Speech bubbles' that works with primary school children with communication difficulties and 'The Creative Elders Programme', the focus of this application.

In 2008, LBTC lost £420K annual revenue funding from Arts Council England and faced serious threat of closure. In the intervening years, it has sought to adapt its operating model and now seeks a higher proportion of voluntary and earned income. However, in 2012, a significant capital funder found itself unable to fulfil its £100K funding pledge, leaving LB no option but to draw heavily on its reserves.

#### **The Application**

To deliver two distinct projects, 'Creative Homes' and 'Rotherhithe Shed' to engage older people in activities that develop sensory skills and encourage social interaction.

#### **The Recommendation**

The grant amount recommended is higher than the original request as on-costs were initially omitted for years two and three, resulting in the request reducing each year when overall costs are budgeted to rise. Given that LB tends to incur shortfalls on restricted funds, therefore reducing its surpluses on unrestricted funds, and that it needs to increase its reserves, your officer recommends a grant amount that reflects the budgeted growth in project expenditure over the lifetime of the grant:

***£66,000 over three years (£20,000; £22,000; £24,000) towards 50% of the full-time Project Coordinator's post; activity costs for Creative Homes and The Rotherhithe Shed and a contribution to overheads. Funding in the final year to be contingent on securing match-funding from The Big Lottery.***

#### **Background and detail of proposal**

The proposed activities target isolated people from diverse cultural backgrounds living in Bermondsey and Rotherhithe, in north Southwark. Beneficiaries will live in residential care homes and sheltered housing and will have mobility issues and sensory deprivation. Two distinct projects are proposed, both of which developed through consultation with older people in 2014 and that have been piloted with funding from the Big Lottery. The two projects: 'Creative Homes' and 'The Rotherhithe Shed' seek to improve well-being and encourage active and healthy lives.

Research by Holt-Lundstad in 2010 (Social Relationships and Mortality Risk: A Meta-analytic Review), indicated that older people with adequate social relationships were 50% more likely to survive than those with poor social relationships – a magnitude

comparable with quitting smoking. A study by WRVS (The Emerging Crisis for Older Men, 2014) suggested that 36% of men over the age of 75 described themselves as lonely or very lonely compared with 31% of women. Furthermore, only 10% of men felt willing to discuss their feelings with friends or family, compared with 25% of women (Loneliness in the UK).

A range of workshops, incorporating multi-sensory and interactive activities, will be delivered through the Creative Homes element of the proposal. Activities will range from seated therapeutic movement, to singing and creating characters and scenarios for performance with the aim of encouraging interaction and social engagement. Two-hour sessions will be delivered fortnightly in five settings in year one, rising to eight settings in year three, engaging 48 beneficiaries initially and increasing to 88 by year three. Rotherhithe Shed is designed to attract older men, who are not comfortable with the performance-related activities offered through Creative Homes. Up to 50 participants will gather twice a week to engage with practical, making and maintenance skills, whilst fostering friendships. Rotherhithe Shed is facilitated and participants are involved in maintaining furniture and toys, creating sculpture and carrying out commissions, such as fencing for local charities.

### Financial Information

LB incurred a deficit of £32,797 in 15-16, reducing reserves to approximately 2 weeks running costs. An overall surplus is projected for 16-17, for which 95% of budgeted income is confirmed at 14/02/17. After covering the shortfall on restricted funds, it is anticipated that a contribution to unrestricted reserves will be made at the 16-17 year-end, increasing reserves to two months running costs. A greater surplus is projected in 17-18, which it is hoped will further increase unrestricted reserves to exceed the target of £75K. It is an ambition for LB to increase the reserves target when its Trustees believe it to be attainable.

It is anticipated that some of the funds designated for depreciation and project expenditure will be spent down during 16-17. However, the total figures transferred will not be confirmed until the year-end. Any potential drawdown will further reduce the call on unrestricted funds. LB has not disclosed its costs of raising funds in its accounts but has provided estimates, which are of a reasonable level.

Year end as at 31 March	2016 Audited Accounts £	2017 Forecast £	2018 Forecast £
<b>Income &amp; expenditure:</b>			
Income	584,290	501,535	547,440
- % of income confirmed	n/a	95.00%	79%
Expenditure	(617,087)	(492,541)	(528,170)
Total surplus/(deficit)	<b>(32,797)</b>	<b>8,994</b>	<b>19,270</b>
Split between:			
- Restricted surplus/(deficit)	(17,635)	(10,507)	(9,960)
- Unrestricted surplus/(deficit)	(15,162)	19,501	29,230
	<b>(32,797)</b>	<b>8,994</b>	<b>19,270</b>
Cost of Raising Funds	64,000	65,500	67,100
- % of income	11.0%	13.1%	12.3%
Operating expenditure (unrestricted funds)	283,771	239,424	244,050
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	10,433	40,441	79,631
No of months of operating expenditure	0.4	2.0	3.9
Reserves policy target	75,000	75,000	75,000
No of months of operating expenditure	3.2	3.8	3.7
Free reserves over/(under) target	(64,567)	(34,559)	4,631