

Appendix 2

COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND

Museum of London (ref. 18985)

Amount requested: £650,605

Amount recommended: £650,605

Purpose of grant request: To activate, animate and enrich Smithfield, fostering a sense of place and connection with local communities, and building the new Museum of London together.

Type of cost: Revenue & Capital

Ward(s) benefitting: *All Wards*

The Applicant

The Museum of London documents the history of the UK's capital city from prehistoric to modern times. The museum is the largest urban history collection in the world, with more than six million objects. The museum is currently in the process of moving from its Barbican site to nearby Smithfield Market

Background and detail of proposal

The applicant is seeking funding to support the delivery costs of 'We are 40,000 Neighbours': an ambitious programme that will deliver a wide range of activities and opportunities for City communities. Taking place over the course of three years, the applicant will work with 40,000 residents of the City and Islington across three strands of activity for which they are seeking support from the CILNF: a 'Creative Youth' strand, a 'Creative Community Associates' strand and a 'Creative Activations' strand.

The 'Creative Youth' strand will offer a creative traineeship programme that will sit at the heart of the Museum of London's neighbourhood activities in Smithfield. Working in partnership with City & Islington youth training and employment providers, the applicant will build on the existing Museum of London Young Producers programme to create employment pathways for local residents. This strand of activity will provide paid training, work experience and ultimately employment for local young people.

The 'Creative Community Associates' strand seeks to build the capacity and skills of a cohort of community organisations from the City and Islington that will partner with the Museum of London. This strand will provide training, creative project funding and spaces for community collaborations. Ultimately, this strand of activity will aim to deliver high-quality community-led creative projects for City residents at the Museum of London's new home in Smithfield.

The 'Creative Activation' strand of activity is focussed on enriching the Smithfield neighbourhood by delivering an inclusive public programme for residents that celebrates local communities, fosters a sense of place and connection, and supports local emerging creative talent and small businesses. This annual programme of cultural and creative activities will be created for, with and by local residents and community groups in the streets and spaces around Smithfield.

A significant element of the 'Creative Activation' strand will be 'House 5': a community meanwhile space in one of the Victorian-era shops in Smithfield General Market. The intention is for 'House 5' to bring footfall to the new museum site before the doors fully open by providing a creative, cultural and social resource for 20,000 local people between Autumn 2023 and Spring 2025. The overall ask for funding of the CILNF includes £50,000 in fit-out costs for this space and a contribution to the salary cost of a coordinator role to help manage this space. 'House 5' is an important element of the overall programme which will serve as a focal point for all of the partnership activities being delivered. The Museum of London will invite local partners and communities to access this collaborative community space within the City of London.

Throughout the 'We are 40,000 Neighbours' programme, the applicant has placed great emphasis on designing and delivering their outputs in partnership with local communities: there is a recognition that Londoners should have a sense of ownership of the Museum's work if it is to engage audiences and fulfil its purpose as a community asset. The overall budget for this work includes three dedicated engagement roles, of which the CILNF is being asked to fully fund one of the roles (an Engagement Coordinator at c.£30k per annum) with the Museum of London funding the other two roles (an Engagement Manager and a Senior Engagement Manager). This emphasis on community engagement is a welcome way of working and the applicant has included budget (£40k over the course of three years) for a thorough evaluation process that will inform the production of a peer-created legacy toolkit that will be disseminated to wider community and cultural sector networks.

The total ask for funding made to the CILNF represents 38% of the total budget for delivering this work over three years. The remaining 62% of the budget will come from the Museum of London, which has been secured. Across the three years for which the applicant is seeking funding, a contribution to staffing costs totalling £327,802 represents the largest section of the budget – this is split across three roles: a Creative Producer, an Engagement Coordinator and the House 5 Coordinator. Support for the three strands of activity form the rest of the budget that the CILNF is asked to support: 'Creative Youth' (£101,303 over three years), 'Creative Community Associates' (£33,500 over three years) and 'Creative Activation' (£188,000 over three years).

Financial Information

The applicant is currently in a position of significant expenditure due to a planned relocation to Smithfield, due to be completed by 2026. The applicant is also facing a significant pension liability which stood at £63m in 2021. This has led to an unrestricted reserves deficit of £32m and total reserves deficit of £19m in 2021.

This position improves in 2022, where the applicant has made £13m gains on the pension scheme, leading to an improved total reserves figure for 2022 and 2023. The pension scheme deficit is the Museum's share of the City of London Corporation's scheme. The Museum has a deficit reduction plan in place which aims to eliminate the deficit over 20 years from 2013, and actual annual contributions are factored into the Museum's budgets. As such the pension deficit has been excluded from the free reserves calculation as the deficit is unlikely to crystallize. The figure given for free reserves therefore reflects available cash and current assets each year, indicating that the Museum has sufficient liquidity to continue to operate, supported by the auditor's approval of the going concern assessment which included a review of detailed cash modelling and which was signed off in January 2023

The budget for 2023 will run a large in-year deficit before movement in the pension scheme but deficits are expected to end by 2026 when the move to Smithfield is complete. The applicant has two major funders: The City of London Corporation and the Greater London Authority, who have pledged a combined total of £180m to the museum. The museum has also been successful in raising funds from the private sector, charitable foundations, and individuals. The museum has an ongoing deficit in its budget, needing to raise a further £30m to meet the full cost of its relocation but the applicant has the ability to manage this deficit if needed by reducing expenditure on the various programmes it will continue to run whilst in the process of relocation.

Their free unrestricted reserves fall in line with their reserves policy, which is to hold 4-6 months of running costs (approx. £7m) plus an additional £1m to meet unexpected capital costs.

Year end as at 31 March (Group accounts)	2021	2022	2023
	Signed Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	36,250,000	49,353,000	46,913,000
Expenditure	(39,441,000)	(46,851,000)	(48,786,000)
Gains/(losses)	(18,585,000)	13,948,000	0
Surplus/(deficit)	(21,776,000)	16,450,000	(1,873,000)
Reserves:			
Total endowed	1,909,000	2,056,000	2,056,000
Total restricted	10,192,000	18,866,000	17,493,000
Total unrestricted	(32,005,000)	(24,376,000)	(24,876,000)
Total reserves	(19,904,000)	(3,454,000)	(5,327,000)
Of which: free unrestricted	8,212,000	8,533,000	8,033,000
Reserves policy target	8,000,000	8,000,000	8,000,000
Free reserves over/(under) target	212,000	533,000	33,000

Recommendation

This is a wide-ranging programme of activities with a real emphasis on working and delivering in partnership with communities. This programme forms an important part of the re-invigoration of the Museum of London as part of its move to a new home in Smithfield. By supporting this programme of community engagement, the CILNF can help to create meaningful outputs for young people through the training and employability support on offer; community organisations will find value in the community space and collaborative opportunities; residents of Smithfield and beyond will have a plethora of creative activities to participate in and the wider cultural sector

will be informed by the participatory way of working that the Museum of London has embraced with this programme.

£650,605 over three years (£139,358; £243,454; 267,793) to activate, animate and enrich Smithfield, fostering a sense of place and connection with local communities, and building the new Museum of London together.

COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND

The London Diocesan Fund (ref. 19732)

Amount requested: £150,000

Amount recommended: £150,000

Purpose of grant request: To support the activities of 'Wren 300 - Square Mile churches', a five-part community celebration of England's greatest architect focussed on City of London churches.

Type of cost: Revenue

Ward(s) benefitting: All Wards

The Applicant

The London Diocesan Fund (LDF) was incorporated in June 1918 and exists to support the mission and growth of the church in London. LDF supports Church of England parishes across London with the organisation and provision of funds for the maintenance of the clergy; construction and repair of churches and associated buildings; training of candidates for the ministry; provision of pensions for the clergy and the many other financial obligations of the London Diocese.

Background and detail of proposal

The applicant is seeking funding to support the delivery costs of 'Wren 300': a five-part programme of activities taking place in 2023 to mark the 300th anniversary of the death of Sir Christopher Wren.

The applicant has shared the scheduled programme of activities, which will encompass the following:

1. Working with sixth-form students from deprived areas, professional engineers will build a Dome in a Day (mini-replica of St Paul's cathedral).
2. A schools programme for Key Stages 1 & 2 which will include visits to City churches and exploration of historic City streets, complemented by art workshops, role play, demonstrations by London Fire Brigade Museum and use of the Museum of London handling collections. Reaching 80 - 100 schools in-person, an online version will be available for a wider audience.
3. Craft workshops led by professionals that will involve students from further-education institutions and is intended to create a community that can support the future maintenance of church buildings.
4. The 'Wrenathon' will consist of two weeks of concerts by community choirs across twenty Wren churches.
5. A City Full of People: professionally led volunteer research project into Parish records and London Metropolitan Archive. The results will be shared through mini exhibitions in churches, volunteer led walks and talks.

The applicant has estimated the total cost of delivery for this programme will total £621,400. LDF has already secured £353,000 of this money from a range of other

funding sources, including the National Lottery Heritage Fund. The CILNF is being asked specifically to support the volunteer research and training, the craft workshops (across ten City churches), the 'Wrenathon' (across twenty City churches), and the marketing for programme activities taking place in the City.

Whilst the work of Sir Christopher Wren is of undeniable importance to the landscape of the City today, the applicant recognises that their proposed programme of activities for 'Wren 300' needs to be structured around contemporary issues if it is to engage with a full and diverse audience. The craft workshops and symposia will highlight the need for repair in a number of churches and draw attention to opportunities for training in traditional skills. The project will showcase a range of tools that are used to conserve heritage buildings and opportunities for reducing costs, increasing efficiency and reducing the carbon footprint of these historic structures. The major repairs at the Palace of Westminster have revealed a severe shortage of trained stonemasons and other craftsmen. Women and members of the global majority are underrepresented in this area and there will be a focus on attracting members of these groups to participate. The Royal Academy of Engineering have a stated mission to attract more female engineers and those from the global majority into the engineering profession, and have awarded a grant to LDF and 'Wren 300' dependent on the inclusion of students from these backgrounds.

The 'Wrenathon' will focus on singing for well-being and will showcase the benefits of joining a workplace choir and singing to alleviate mental health problems and social exclusion. This activity will include a series of concerts by workplace choirs, community choirs, youth choirs, LGBT choirs, a choir for autistic people and the Samaritan's choir, which will take place in City churches over two weeks in June 2023.

Much of the 'Wren 300' programme of activity (and everything the CILNF is being asked to support) will take place within the Square Mile. A particular strength of this planned programme of activities is the focus on education and the teaching of skills to a wider range of communities outside of the church. The applicant already has some good links in place (particularly with secular partners such as the London Fire Brigade) to deliver on this ambition.

Financial Information

The applicant is in a very secure financial position. The bulk of their reserves is formed of their endowed reserves, with a value of £307.3m (2020: £293.5m) mainly comprise of restricted expendable endowment funds. These include glebe assets, consisting of historic endowment land given to provide stipends for parochial clergy, now owned and managed by LDF, and Parsonage House capital, representing the net book value of freehold and leasehold benefice houses.

Their general reserves at 31 December 2021 were £8.1m (2020: £5.1m) which is £3m higher than the level agreed under their current policy. The applicant considers LDF's level of reserves to be appropriate for the time-being due to the ongoing economic uncertainty and high levels of inflation. The applicant is, however, planning to run a deficit budget for 2022 & 2023 which will bring reserves just under the Charity's target.

Further information has been received by officers about actions taken by the LDF to improve its financial controls after a Fraud was discovered in the summer of 2021. This information has been reviewed by officers who are assured that robust controls are now in place.

Year end as at 31 December	2021	2022	2023
	Signed Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	47,800,000	34,802,416	34,732,260
Expenditure	(49,500,000)	(36,719,662)	(36,609,257)
Gains/(losses)	30,500,000	0	0
Surplus/(deficit)	28,800,000	(1,917,246)	(1,876,997)
Reserves:			
Total endowed	307,300,000	307,300,000	307,300,000
Total restricted	30,000,000	30,000,000	30,000,000
Total unrestricted	178,700,000	176,782,754	174,905,757
Total reserves	516,000,000	514,082,754	512,205,757
Of which: free unrestricted	7,900,000	5,982,754	4,105,757
Reserves policy target	5,100,000	5,100,000	5,100,000
Free reserves over/(under) target	2,800,000	882,754	(994,243)

Recommendation

The proposed programme of activities for 'Wren 300' contain much to admire. The educational aspects – with a focus on crafts and engineering aimed at women and diverse audiences is a positive way of using the commemorative anniversary activities to engage and inspire future generations of talent. The inclusion of LGBT and autistic choirs in the 'Wrenathon' is likewise a positive step to engage with a diverse range of communities. The City will be the focal point for a national programme of activity and there are plenty of elements of this programme that City communities can find some benefit in. It must, however, be acknowledged that the applicant is in an extremely strong financial position and could easily afford to fund this activity without a contribution from the CILNF.

£150,000 over two years (£50,000; £100,000) to support the activities of 'Wren 300 - Square Mile churches', a five-part community celebration of England's greatest architect focussed on City of London churches.

COMMUNITY INFRASTRUCTURE LEVY NEIGHBOURHOOD FUND

The Corporation Church of St Paul in London (ref. 19018)

Amount requested: £362,044

Amount recommended: £362,044

Purpose of grant request: To support the fit-out costs of a free-to-enter memorial space at St Paul's Cathedral, with wellbeing support - delivering hope and resilience for people of all faiths and none.

Type of cost: Capital & Revenue

Ward(s) benefitting: *All Wards*

The Applicant

The Corporation Church of St Paul in London (St Paul's) is an historic and central part of the City of London. Before Covid-19, St Paul's received 1.9 million visitors per annum, with thousands more using their outside spaces. Around 5,000 people attended their services weekly, with over 50,000 adults and children participating in their public learning programme and Music Outreach initiative. St Paul's plays an important ceremonial role in the City and much of the Cathedral's public programming is delivered in partnership with the Corporation, including Culture Mile, City Open House Day and free access on Lord Mayor's day. The work of St Paul's is supported by over 50 Livery companies.

Background and detail of proposal

The applicant is seeking funding to contribute towards the fit-out costs (£300,000) for a new memorial space that has been created in the Middlesex Chapel at St Paul's Cathedral. This is the first redevelopment of its kind in 150 years at the Cathedral and will provide a flexible memorial space that is free for everyone to enter, regardless of faith. The applicant is also seeking a contribution over two years towards the staffing costs and training in mental health awareness for a pastoral team that will support visitors to this memorial space (£34,190; £27,854).

In response to Covid-19, St Paul's have a focus on attracting visitors who may not have previously engaged with the cathedral and on improving the mental wellbeing of communities. A focal point of this work is the creation of the 'Remember Me' memorial in the Middlesex Chapel, which is intended to provide solace for thousands of people over the coming years. This memorial space was born out of the loss experienced by over 16,000 people who have contributed their stories to an online platform of remembrance hosted by St Paul's which is dedicated to those who died of Covid-19. The work that the CILNF is being asked to fund will transform the Middlesex Chapel into a memorial space that can provide a physical home for the stories of loss and remembrance currently held online by St Paul's. This space will be flexible in design, so that it can also become a space in which to mark other

global or local events of significance. The applicant does not require any RIBA permissions to conduct this work and have already secured the internal approvals necessary from the Church of England to make the proposed changes to the Middlesex Chapel. St Paul's have already raised £2.7m to pay for the necessary building works and are now seeking a contribution from the CILNF for the fit-out costs of this space, budgeted at £1.2m of which they have already raised c.£700k.

Should the applicant be able to secure the funding necessary, they anticipate being able to open the memorial space in August 2023. St Paul's has a longstanding partnership in place with the Daily Mail newspaper: a partnership that has supported the fundraising campaign and will provide a lot of publicity for the opening of this space. It is anticipated that this memorial space will be a significant driver of footfall into the City as people come from all over the UK to visit this new space dedicated to the lives lost to Covid-19.

The other key element of this ask for funding is the pastoral care and support that will be present at the memorial space. St Paul's has an existing adult learning team and the need for this pastoral care has been identified through their work on mental health over the years: as is common with many places of worship, regardless of faith, the space that they provide for contemplation and reflection can often draw people who are in need of emotional support. St Paul's recognised this many years ago and as a result, their chaplains and vergers are all trained to provide pastoral care. With the opening of this new memorial space, it is anticipated that the need for pastoral care at the cathedral will increase and so the applicant is seeking support from the CILNF to fund this additional provision. St Paul's has partnerships in place with charities such as Mind to ensure that the care and support they can provide at the Cathedral meets an externally recognised standard. Whilst this provision is important, St Paul's recognises the limitations in support that they can provide through ad-hoc pastoral care and the cathedral has forged good links with mental health and care organisations to whom they can signpost people in acute need. The in-situ pastoral care will be complemented by a digital wellbeing toolkit providing music, advice and spiritual (non-proselytising) content.

It will be difficult to evidence the depth of the impact on City communities of this work. Given that the memorial space is open and free to all, as is the pastoral care and digital wellbeing toolkit, it is not possible (and arguably not appropriate) for St Paul's to capture detailed personal information about every individual that finds benefit from this provision. The monitoring framework proposed by St Paul's to track the outcomes of this funding will only be able to capture relatively rudimentary data based on footfall at the memorial, though there is an intention to capture more detailed data from feedback about the digital wellbeing toolkit.

Financial Information

The figures provided in this section relate to the financial position of St Paul's Cathedral, they do not include the Corporation group position. The impact of the pandemic on the finances of St Paul's Cathedral has been significant: this is an organisation that relies heavily on visitor numbers to drive income. The applicant cut their staff numbers by 25% in 2021 to reduce expenditure, whilst their income was bolstered by a £3m grant from the Cultural Recovery Fund. They are forecasting quite a significant leap in income for 2022 as they have benefitted from better-than-

expected visitor numbers in 2022. The budget for 2023 remains cautious and predicts a deficit for 2023, albeit one that can be absorbed comfortably in their current financial position.

St Paul's operates a reserves policy that states the free reserves target is to be equivalent to six months operating expenditure with flexibility to go as low as holding three months in reserves. Whilst they ate significantly into their reserves during the pandemic, the upward trajectory of their income is very reassuring and the applicant faces no immediate financial danger. The applicant states that their reserves policy is to hold between 3-6 months of operating expenditure. The table below shows a reserves policy target calculation at the upper end of this policy, which is for 6 months of expenditure, so whilst St Pauls appears to be falling further under target in successive years they are still within the parameters of their reserves policy.

The applicant has stated that they will subsume the ongoing revenue costs for the pastoral care elements of this application into their annual running costs from 2024 onward.

Year end as at 31 August	2021	2022	2023
	Signed Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	7,322,000	11,190,028	10,523,519
Expenditure	(9,504,000)	(11,925,775)	(11,975,163)
Gains/(losses)	1,869,000	0	0
Surplus/(deficit)	(313,000)	(735,747)	(1,451,644)
Reserves:			
Total endowed	7,703,000	7,703,000	7,703,000
Total restricted	12,966,000	13,157,238	12,370,280
Total unrestricted	24,959,000	24,032,015	23,367,329
Total reserves	45,628,000	44,892,253	43,440,609
Of which: free unrestricted	4,841,000	3,914,015	3,249,329
Reserves policy target	4,752,000	5,962,888	5,987,582
Free reserves over/(under) target	89,000	(2,048,873)	(2,738,253)

Recommendation

Funding this application will provide support to an institution of huge national significance that is located within the City. The provision of this all-faiths memorial space in the City would serve as a congregational point and community asset. The additional pastoral care will help drive greater benefit behind the purpose of the physical infrastructure being put in place. While this project may have great value to visitors of St Pauls, the application has not made a clear case as to how this project would support City of London Communities in a more targeted way. The main case is that this project will take place in the City and therefore because of its location, will support City of London residents and workers. This link seems to be weakly articulated in the application when the clear benefit of the project will fall to visitors from outside of the City of London Community. Alongside this the City of London has extensively invested in Infrastructure projects for St Paul's in recent years, making this project less of a priority for support. Funding for this programme is therefore recommended for rejection.