

The City Arts Trust Limited

1. Background

Since its inauguration in 1962 the City of London Festival has brought the City to life with a world-class artistic programme of events, with many being free to the public. The festival has traditionally had a strong classical music core and recent years have seen growth in the free events outdoors series and an extensive education programme. With a new Director joining the festival in August 2013, the festival is committed to further broadening the programme increasing the appeal to City residents, workers and visitors. A key part of this strategy is to increase the physical presence of the festival in the City during the festival period

The Festival has always taken pride in its international outlook, promoting artists from all around the globe and in the process enhancing the reputation of the City as a major cultural as well as commercial destination. The Festival has provided many opportunities for City institutions and businesses to meet and network with London's diplomatic community along with overseas companies and organisations.

The Festival's main strength and inspiration is the City itself. The ambition is to create a festival with a unique personality that could only happen in the City of London. This has led to a broad range of partnerships with Livery companies, Churches and the City of London Corporation (CLC) and the broadest possible range of City-based organisations. In the case of the City, this has meant engagement with numerous departments from the key cultural institutions such as the Barbican and the Guildhall School of Music & Drama, but also the Remembrancer, Mansion House, Economic Development, Open Spaces (including Hampstead Heath), Environmental Services and more.

Over its 52 year history the Festival has made a significant cultural impact. It has worked with hundreds of distinguished performers and composers and is well recognised for the invaluable work undertaken in the wider community – especially with primary and secondary schools in the City and the neighbouring boroughs.

2. Facts and figures

- **56** ticketed performances and **156** free events annually, covering the whole Square Mile and beyond.
- **58** venues used each year.
- Average annual audiences exceed **125,000**
- More than **17,000** people attended ticketed events and over **112,000** attended free events in summer 2013.
- Profile: ABC1s (50/50 male/female split); Mosaic 37% 'Symbols of Success' and 31% 'Urban Intelligence'.
- Web: More than **117,000** unique users at www.colf.org; 65% of audience book online.
- In 2013, **5** concerts were broadcast and repeated on BBC Radio 3, reaching a further 6 million listeners.
- Extensive partnerships in place with key City institutions and organisations, as well as many departments of the CLC itself.
- **53%** of audiences for free Festival events are City workers
- City workers attend Festival activities in higher proportion than for other venues and institutions funded by CLC, owing to:
 - a) the geographical spread of events throughout the Square Mile;

- b) the wide range of sponsorship, membership and staff ticket schemes taken up by companies.
- More than **300 participative workshops** each year take place in schools and community centres within the City, Islington, Hackney, Tower Hamlets and Southwark as well as Festival performance venues. More than **3,500** school children, older adults, city workers, families and other members of the public take part.
- **95%** of Festival audiences agree or strongly agree that the Festival provides a high quality programme of events; **92%** agree or strongly agree that they had experienced artists and performances they would not otherwise get to see.
- **94%** of Festival attenders across both paid and free events state that the Festival 'offers good value for money'.

The Economic, Social and Cultural Impact of the City Arts and Culture Cluster research showed that:

'The Festival has a positive impact on the way the City is perceived. Festival events (in particular the free outdoor events) give people an occasion to experience the Square Mile in a very different way (lively and animated) from what they know it to be like. The audience research shows that the Festival is highly valued for the vibrancy it brings to the area throughout its duration: **91%** of those surveyed agree or strongly agree that the Festival provides enrichment to the London area due to the buzz it creates, while **85%** agree or strongly agree that having the Festival is part of what makes the City of London area special. It also demonstrates that the Festival helps to improve perceptions of the area among those audiences who do not live and work locally. **84%** of those who neither live nor work in the City reported that the Festival improved their perception of the City. Moreover, the Festival experience encourages people to come back: **84%** of those who neither live nor work in the City also said that the Festival has made them more likely to return to the City in the future.'

Sponsorship and financial support

- The City of London has provided core funding for 2012 and 2013 of £297,000 following a 10% cut in the grant which had previously stood at £330,000 per year from 2004 to 2011
- 2007 was a tipping point when the Trust's core costs were no longer covered by CLC's core grant and since then the gap has continued to widen placing significant demands on the Festival to raise significant funds from other public and private sector sources.
- Sustained support from the City of London has undoubtedly enabled the Trust to leverage considerable additional funding from corporate sponsors, trusts, foundations and individual philanthropy.
- Despite the harsh economic climate, the Trust has continued to attract significant commercial support from sponsorship and corporate memberships securing £288,170 in 2013, 294,328 in 2012 and £302,800 in 2011.
- The Trust continues to secure funding from a broad range of organisations including foreign governments (relating to international programming), Arts Council (on a project basis), private donations, trusts and foundations and other arts organisations (sharing resources and risk).
- The levels and range of partnership funding achieved by the Trust are exceptional for a small organisation with limited resources.

3. 2015– funding proposal and strategy

The Trust is requesting support from the City of London Corporation in two forms.

- A one-off loan to enable the Festival to purchase its own pop-up venue
- Continued support in the form of a grant for the Festival in 2015.

The 2014 Festival will be the first under the directorship of Paul Gudgin who joined the Trust in August 2013. In a presentation to the Culture, Heritage & Libraries Committee in September 2013 Paul outlined his vision for the Festival which included the following aspirations:

- To develop a programme with a strong sense of place that reflects the extraordinary nature of the City
- To see the Festival grow in scale over the next few years
- Develop a much stronger physical presence in the City
- Broaden the programme increasing its appeal to City workers and visitors
- Increase opportunities for the Festival to facilitate international exchange and cultural diplomacy
- Develop closer ties with other key city cultural institutions

The Bowler Hat

The largest single initiative the Trust is pursuing for the 2014 Festival is the creation of a new temporary pop-up venue in Paternoster Square for the duration of the Festival. The design will take the shape of a 200-seat Bowler Hat. It is an iconic shape that is synonymous with the City but will also generate a sense of intrigue and fun. It has the potential to become a new landmark venue for the City of London and will provide a real focus for the Festival and create a great sense of excitement. We would expect the venue to figure prominently in the marketing and media coverage of the Festival with the potential to enjoy a high profile on social media.

Pop-up venues have figured more prominently at festivals in recent years as design and costs improve in addition to a desire for unique experiences that is growing amongst audiences. The Udderbelly has been a major success at the Edinburgh Fringe and also at the Southbank Centre; Spiegel tents have helped transform the audience profile of events such as the Edinburgh Jazz Festival and the Canterbury Festival; and The Shed has become an interesting and popular addition to the National Theatre.

The main objectives for the Bowler Hat are:

- To significantly raise the Festival's profile - by having a permanent physical presence in the City for the duration of the event the Festival will come to the attention of a much broader audience
- To generate new audiences - most of the venues currently available to the Festival are very formal and restrict the type of performance we are able to offer. We plan to programme children's theatre and shows, spoken word, cabaret, musical comedy, circus/physical theatre and dance in the venue
- To increase the commercial viability of the Festival - by having a venue we control entirely it will be more attractive to corporate supporters and will significantly reduce the average cost of presenting Festival events.

This last point is of most concern to the Festival. To hire and equip a livery hall for an average concert costs between £3,000 and £6,000 per occasion before any artists fees are paid. Church based events are less expensive but can still cost in excess of £2,000 to hire and equip. Major venues in the City can cost up to £20,000 per occasion to hire. The City is an increasingly expensive environment for the Festival to operate within. Venue and technical costs for the Festival have risen by 23% since 2010. By hosting a significant number of Festival events, the Bowler Hat will significantly reduce the average cost of presenting and event at the festival.

A combination of the high visibility and a more informal formal programme will attract new audiences to the festival, many of whom might never set foot inside a livery hall or city church. It will also open up opportunities to work with a wider range of sponsors and partners.

Additional benefits of owning this venue include the ability for it to represent the Festival and the City at other events in London and beyond. Interest has already been expressed for the venue to appear at the Edinburgh Fringe, Leeds and Brighton. In consultation with Corporation staff and other City institutions it has been suggested that the venue could provide a useful facility for major events such as the Lord Mayor's Show and one-off events such as the Tour de France and could be a useful additional offer for spaces such as Guildhall Yard and Hampstead Heath.

The Bowler Hat will cost £150,000 to build and equip with a lifespan of around 8 – 10 years. A full breakdown of the design, build and operating costs are included in Appendix 5.

We request a loan of this amount (**£150,000**) from the City of London Corporation to be repaid over 5 years from 2015 at a rate of £30,000 per annum. Should circumstances permit, the Trust would be keen to repay the loan within the five year period.

Core Grant

The bid also covers the CLC's core grant and the project funding for the Festival, its free outdoor programme of activities and the Free Winter Concerts (organised by the Trust in partnership with the City Music Society and the City of London Sinfonia).

Outline plans for the 2014 Festival, both indoor and out, can be found in Appendix 2. Highlights include two major concerts in St Paul's Cathedral involving the London Symphony Orchestra; the Academy of St Martin-in-the-Fields joined by actor Simon Callow in the Mansion House; a series of concerts called 'Jazz with a View' making use of interesting spaces; a number of Korean artists appearing under the title 'Seoul in the City'; a project called 'Rock the Boat' that builds on the previous success of the Street Pianos; and an education initiative building on the growing phenomenon of office choirs.

For 2015, we request core funding to remain at the current level of £297,000 per annum

- Core Grant: **£297,000**
- Projects/Free Events: **£87,676** (presently allocated to summer outdoor Festival events **£63,917** and Free Winter Concert Series **£23,759**).
- Total: **£384,676**

Continued support at the current level will aid our efforts to maintain a programme likely to attract greater commitment from third parties, especially corporate supporters. It will also help the Festival compete in an increasingly competitive festival environment in London. With the legacy of the Cultural Olympiad, the growth of events such as the Thames Festival and a well-resourced portfolio of events emanating from the Mayor of London's office in recent years, the City of London Festival needs to work harder to enjoy the same profile and status in the capital.

Stable funding will support the Festival during what is likely to be a difficult period for cultural organisations. While the medium to long-term prospects for corporate support are improving, raising sponsorship in the current climate is still highly challenging. At the same time, funding from other public sector organisations such as Arts Council England and The British Council is diminishing as they too have seen their budgets cut. Public sector support for the Festival has dropped by 28% since 2011 and this trend is unlikely to reverse over the next two to three years.

Both the Bowler Hat and the request for a continuation of our core grant are intended to assist the festival become more sustainable and self-reliant. The Bowler Hat will help reduce the average cost of presenting festival events, provide new commercial opportunities and enable us to stage shows that will draw in new audiences. Stability in our core grant will support us as we make the transition to become more commercially focussed and less dependent on public sector support.

4. Financial sustainability

The City Arts Trust Limited has consistently demonstrated that it is a resilient and financially innovative business. The last few years have presented some unprecedented challenges but the organisation has weathered the financial storm. It has frequently managed to break even or generate a small surplus without compromise to its reputation for artistic excellence. Prudent financial planning has allowed for the modest use of reserves in 2013 to support artistic ambition, with the Festival exceeding its income targets in this year. This track record proves its sustainability and worthiness for maintained support.

The Trust's fiscal sustainability is derived from three main strategies. The first is a culture of tight budgeting and careful cost control, within which all departments operate. Best value is sought from all contracts from artist agreements to office supplies.

The second strategy is that of engaging in creative partnerships with other high-quality arts organisations, which may entail a sharing of financial risk or indeed the other partner bearing the full cost of a promotion, allowing the Festival to present broader and richer programmes without being exposed to their full costs.

The third strand of the Trust's financial sustainability is its strong track record in fundraising and its diverse portfolio of funding from the public sector, corporate sponsorship, trusts and foundations and individual giving.

The Trust has been able to demonstrate a significant return on investment, with every £1 of support from the Corporation leveraging a further £3 of income.

5. Addressing the City's strategic priorities

The Trust aims fully and strongly to reflect the strategic direction of the CLC. It is confident that its aims and achievements are totally in step with the recommended priorities of both The City Together and the CLC's current and developing Cultural Strategy. The attached Appendix 3 outlines the Trust's successes in delivering these strategic priorities.

6. City Partnerships

The Trust works in close partnership with a wide range of City institutions and organisations, including (but by no means limited to) the Guildhall School of Music & Drama, the London Symphony Orchestra, LSO Discovery, The Barbican, Barbican Box Office, Gresham College, Bishopsgate Institute, Guildhall Art Gallery, Barbican Children's Library and many more. This approach, which has been developed consistently over the last 52 years, is especially important in the current climate and the context of cuts in public sector funding. A strong commitment to partnership working is integral to our entire organisation and we are actively seeking further partnership opportunities within the Square Mile and beyond.

7. World-class City, world-class Festival

The City of London Corporation's 52 year commitment to the Festival has been instrumental in creating an event that enjoys continued success. The Festival is unique in the way it represents the City's name within the Square Mile, nationally and overseas. There has been a huge increase worldwide in the creation and presentation of festivals and major events as their economic, cultural and social value becomes ever more widely recognised. This is particularly the case with cities looking to rival London's status as a major commercial and visitor destination. Festivals provide highly visible proof of a rich cultural life and by highlighting the strengths of a destination they provide an invaluable means of attracting the attention of potential visitors.

There has been a great deal more research and evaluation undertaken in recent years into the value and effectiveness of festivals and events and one of the most consistent findings is that the cities which support their events consistently over the long-term undoubtedly receive the greatest rewards in terms of profile, recognition and economic activity – cities such as Melbourne, Montreal and Edinburgh would appear to prove this is the case.

The City of London Festival is entering an exciting new era under a new Director and, with the continued support of the City of London Corporation, will continue to develop its role as a jewel in the City's cultural crown.

8. Appendices

Appendix 1 – The City Arts Trust Limited budget 2015 -16

Appendix 2 – The City of London Festival 2014 artistic outline

Appendix 3 – The City Arts Trust Limited delivering City of London strategic priorities

Appendix 4 – The City Arts Trust Limited governance

Appendix 5 – Bowler Hat Plans and Costings