

## Business Case Application for "Invest to Save Funding"

Title	Arts Council England Resilience Fund Proposal for Match funding from EFDC	Saving or Income? ("X")	Saving	Income	X
Total amount required from the Invest to Save Fund	£20,000	Investment Required	Net Cashable Saving/Income	Payback Period (Years)	
Is the investment required capital or revenue?	Revenue	Month 1-12	£20,000	£10,000	Initial investment recouped after 12-18 x mths, then additional income year on year thereafter
Will the resultant savings / income be capital or revenue?	Revenue	Month 13-24		£30,000	
		Month 25-36		£45,000	
		Total	<b>£20,000</b>	<b>£70,000</b>	

### The Proposal

#### **Match Funding towards funding submission to Arts Council England (ACE)**

The Council was successful in securing £55,000 from ACE Resilience Fund Programme in April 2015, to undertake two feasibility studies; i) to investigate the potential to establish a Development Trust/entity to sit in parallel to the Council's operation of the Museum, Heritage and Culture Service, in order to enable the service to access external funding that the Council would be prohibited from applying for, and ii) to investigate potential revenue income generating opportunities for the Museum, Heritage and Culture service following the complete redevelopment of the Museum and amalgamation of Museum Services and Community Arts. These studies have now been completed and contain a range of recommendations.

ACE recently advised officers that a second round funding opportunity is now available, with a maximum level award of £450,000. To determine whether there is likelihood of EFDC being successful in a further bid to the Resilience Fund, officers met with ACE in early February, to discuss the findings from the feasibility studies and the planned proposal of a second round bid, to support the implementation of recommendations from the studies.

Advice given by ACE, suggested that preferred bids would include match funding of above 10% towards the overall project cost, as it is expected that there will be a very high number of applications for the second round funding, which is open to applicants from across the UK. The deadline for stage one applications for this round of funding was 18<sup>th</sup> February. Hence, original plans to apply for the maximum level of funding have been revised and officers have submitted an initial Expression of Interest (EOI) for a sum of £280,000, which it is believed may be viewed more favourably. If successful at this stage, EFDC will be invited to submit a fully developed bid, which needs to be submitted by May 5<sup>th</sup> (2016).

This Invest to Save proposal therefore seeks use of £20,000 from the remaining ITS fund, to provide the match funding required by ACE, if the EOI is successful. This amount will be supplemented by contributions of £10,000 each, from Broxbourne Borough Council (BBC) towards the bid, for potential work at Lowewood Museum, and from Chelmsford City Council (CCC), towards Commercial Management and Development Trust support.

The EOI proposal that has been submitted to ACE is for a total of £280,600, which will enable the provision of a number of fixed-term contract posts, including;

- A Commercial Business Manager and Assistant;
- Audience Engagement Officer (to develop greater cultural diversity);
- Public Programming Officer, and,
- An experienced Funding Manager to work with a specialist Consultant (previously employed to undertake work for the feasibility study related to Trust Development), to establish the Development Trust/Entity.

In addition to these posts the bid includes commissioning of specific elements of work and purchase of a wide range of publicity materials and ancillary items/goods related to the recommendations. Also included, is budget allocation towards the development/enhancement of existing staff skills including operation of the museum shop, including stock ordering and control and various training programmes to enhance commercial skills.

The period of time that the funding is able to be used over is 18 months from October 2016. Therefore, it is anticipated that the Commercial Manager will be self-sustainable by this time, or, if not, will have implemented strategies to enable new income generation to be maintained after the funding period finishes. It is also anticipated that the Development Trust will be formed within the period of the funding and where possible, the Funding Manager will be expected to be self-funding. However, if this does not prove possible, it is planned to realign an existing member of staffs' time, to accommodate administration and relationship management elements of the Development Trust. It is expected that the remaining posts will have established new audiences and exhibition programmes for the medium and longer term, which will be picked up by the core staff at the Museum.

#### The Financial Benefit Explained

According to the income generation forecasts presented within the Trading Income Feasibility Study, it is anticipated that the Council's investment would be recouped within the first 18 x months and additional revenue income generated year on year after this.

Initial Investment	£20,000
Additional Income Years 1 & 2 combined (approx.)	£40,000 across the two sites
Subsequent Years – (approx.)	£30,000 per annum EFD Museum £15,000 per annum Lowewood Museum

It is difficult to calculate the potential income generation by the Development Trust, but it is anticipated that this would be sufficient to cover; the costs of developing new or external exhibitions for the museum; a range of additional events and activities across EF Museum and Lowewood, and the hire of a range of high profile exhibitions for temporary display.

#### Alignment with the Corporate Plan and/or Additional (Non-Financial) Benefits

It is anticipated that the investment of the requested funding would enable the Council to generate a higher level of revenue income over the long-term and would also assist in the opportunity to secure a higher level of income return for the management of Lowewood Museum. In addition, the work generated through the Resilience Fund would enable greater community involvement and development of volunteers of all ages to support EFD Museum and Lowewood.

#### Potential Obstacles to be Overcome

Officers have now secured match funding from Broxbourne Borough Council and Chelmsford City Council towards the proposal, but, success in the funding bid is critical to progression of the proposals.

#### Risks (Financial and Others)

The risk to the Council would be limited to the amount of investment made ie. £20,000.

#### Key Milestones and Target Timescales (from approval)

Milestone	Target Period from Approval Date (Months)
1. Success in passing the stage one bidding process	February/March 2016
2. Subject to above, submission of full bid to ACE	By May 5th 2016
3. Implementation of proposal	October 2016
4. Ability for the work to be sustainable	March 31 <sup>st</sup> 2018

<b>Proposal by</b>	Julie Chandler AD CS & S	<b>Directorate</b>	Communities Directorate
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