

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD113

Title: London Fire Brigade Museum Fundraising

Executive Summary:

This report seeks the approval of the Deputy Mayor for Fire and Resilience, for the London Fire Commissioner (LFC) to commit expenditure of up to £670,000 to fund the delivery of the London Fire Brigade (LFB) Museum.

The Mayor of London's Culture Strategy, Culture for all Londoners, published in December 2018, includes an action to support delivery of the new London Fire Brigade Museum. Investment in culture such as museums delivers jobs and economic growth, and also enables Londoners to appreciate, enjoy and engage in the history of the city. The vision for the LFB Museum is to be a recognised historical and educational resource; a museum that educates, commemorates and inspires pride in London and our unique firefighting and rescue heritage; a museum that explores how the Brigade's past continues to influence its future; a museum that safeguards an internationally significant collection through research, conservation, documentation and curatorship and through fire safety education, supports the London Fire Brigade in making London a safer city.

Under the terms of a match funding agreement with the National Lottery Heritage Fund (NLHF), set out in Deputy Mayor for Fire and Resilience Decision 48, LFC has undertaken with all best endeavours to raise £670,000 by August 2021. This will enable LFC to qualify for a £1,700,000 Delivery Phase Grant from NLHF. Due to circumstances relating to the COVID-19 pandemic, as set out in this report, LFC may not be able to raise this amount by the final submission date for the grant. The LFC is therefore proposing to underwrite the financial commitment, and if necessary, use capital reserves to provide any outstanding funding.

The LFC must demonstrate that it has sufficient funds to complete the Museum project including the LFC contribution and LFC's fundraising contribution. If LFC have not been able to reach the total target amount of £670,000 by the NLHF submission date in August 2021, LFC will need to make a commitment to the NLHF at that point that it will make a contribution from its own resources to meet any shortfall in the fundraising contribution. The LFC will continue to take steps to meet the fundraising target of £670,000, during the Delivery Phase.

The report also outlines the options available to LFC to raise the match funding amount and plans to proceed with fundraising by donor contribution under the LFC's revised the Sponsorship, Fundraising and Donations Policy, agreed in March 2021, in line with other public sector museum fundraising campaigns.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".

Decision:

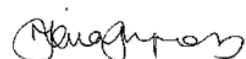
That the Deputy Mayor agrees to the London Fire Commissioner (LFC) providing an additional funding contribution to the London Fire Brigade Museum up to a maximum of £670,000 in the event that sufficient donations and sponsorship are not secured through fundraising. This commitment is required in order for the project to qualify for the National Lottery Heritage Fund Delivery Phase Grant. This would be agreed on the understanding that the LFC will continue to fundraise for the Museum during the Delivery Phase to reach £670,000, a revised business plan is provided to the GLA, and there is ongoing consultation with both the Deputy Mayor and the GLA's culture team throughout the project.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

5 May 2021

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 This report and the appended report LFC-0478 sets out the background for the request for the Deputy Mayor for Fire and Resilience to agree to the London Fire Commissioner (LFC) underwriting any outstanding match fund amounts up to £670,000, to meet the conditions of a the National Lottery Heritage Fund (NLHF), which required LFC to fundraise a portion of the overall cost of the project, set at £670,000. Whilst the LFC hopes to be successful in raising the majority of the funds, COVID-19 has seriously impacted on the fundraising programme and the LFC cannot be certain to reach the entire target amount by the final submission date for the Delivery Phase grant. The deadline was originally June 2021 but this has now been extended to August 2021. On the submission date the LFC must demonstrate that it has sufficient funds to complete the Museum project including the LFC's direct contribution and the fundraising contribution. If LFC have not been able to reach the total target amount of £670,000 by the NLHF submission date in August 2021, LFC will need to increase their contribution to cover any outstanding fundraising amount, underwriting this amount from the £700,000 reserves set aside for the Museum project. LFC will be able to continue to fundraise for the Museum after August, with LFC officers anticipating that there will be sufficient time during the Delivery Phase to reach £670,000.

The London Fire Brigade Museum

- 1.2 The decision to move forward with the Museum project and enter into formal grant agreement with the National Lottery Heritage Fund (NLHF) was formally approved by the Deputy Mayor and the Commissioner in March and April 2020 respectively (Deputy Mayor for Fire and Resilience Decision 48 and LFC-0265).
- 1.3 The LFB Museum team bid successfully for £1,900,000 NLHF grant in September 2019. £200,000 of the grant has been awarded for the NLHF Development Phase of the Museum. The remaining £1,700,000 of the grant is conditional on the successful completion of an update on progress, described as the 'second round' application, that seeks milestone updates on the progress of the Museum set against the original criteria for the £1,900,000 grant. One of the conditions on which the grant has been awarded is that the Museum undertakes all best endeavours to secure £670,000 through fundraising by August 2021. NLHF require LFC to demonstrate in its final submission for the second round Delivery Phase application that it has sufficient funds to complete the museum project. LFC will therefore need to underwrite any outstanding fundraising commitment should LFC not have raised the entire match funding amount. NLHF have confirmed that underwriting is acceptable to include at Delivery Phase application stage.
- 1.4 The London Safety Plan 2017-21 contains a commitment to deliver a new London Fire Brigade Museum. The Mayor of London's Culture Strategy, Culture for all Londoners, published in December 2018, includes an action to support delivery of the new London Fire Brigade Museum. Culture for all Londoners details how the Mayor will keep the city at the top of its creative game and ensure there are cultural opportunities in every corner of the capital. The Strategy has four priorities:
- Love London - more people experiencing and creating culture on their doorstep
 - Culture and Good Growth - supporting, saving and sustaining cultural places
 - Creative Londoners - investing in a diverse creative workforce for the future
 - World City - a global creative powerhouse today and in the future
- 1.5 In 2015 the decision was made that the Museum should form part of the plans for the 8 Albert Embankment development. This was for a number of reasons including the opportunity to be next to an operational fire station, better footfall in the area, more cultural interests close by to the site, the

benefits of incorporating the Memorial Hall and adding to the heritage interest of the former headquarters building. 8 Albert Embankment was also the original home of the Museum, up until 1966.

- 1.6 The project will bring the poignant Memorial Hall back into public use as a space honouring London's firefighting heroes and providing a peaceful haven for remembrance. A permanent exhibition will illuminate LFB's history with thought-provoking activities focusing on the inspirational people who have kept London safe, and encouraging dialogue and debate. An upgraded Lambeth Fire Station will be located in the adjacent area creating beneficial links. This project is part of a much larger Development with significant regeneration benefits contributing to Lambeth's cultural renaissance.
- 1.7 The new Museum space will occupy the basement and ground floors of the western side of 8 Albert Embankment incorporating the Memorial Hall and three original fire engine bays. A new purpose-built home for the London Fire Brigade Museum will secure the long term future of the Museum, providing a permanent and accessible home to deliver its fire safety education work and a wealth of exciting, educational family activities to Lambeth and the capital as a whole.
- 1.8 The Museum's aims are:
 - to celebrate LFB's rich history by explaining the major events which have shaped the fire and rescue service in London;
 - to enhance the experience of diverse audience groups by using the collections for the enjoyment of new and repeat visitors;
 - to protect the Collection to make sure it is available for people now and in the future; and
 - to manage the Museum's resources flexibly, efficiently and effectively.
- 1.9 This will include activities such as a significantly expanded programme of events for the community and schools, accommodating thousands of schoolchildren per year across the Borough and wider London. The Museum also provides an opportunity to hold activities for community groups, hard-to-reach audiences and expand the Brigade's work with local charities, as well as a new opportunity to work closely with the Massey Shaw Fire Boat Education Trust due to the river front location.
- 1.10 Maintaining a vital link to the current fire station, the Museum will offer visitors a rare opportunity to see a fully operational fire station, alongside historic fire engines and other exhibits. The proposed design will enable the public to learn about the history of the Brigade through the Museum's extensive collection of artefacts from the Great Fire of London to present day and explores how the history has influenced the way the service works today. The colocation of the Museum, on this scale, with views into a working fire station will be a unique offering in the UK and an important element of the project.
- 1.11 Creating a larger and more flexible Museum will substantially increase the number of visitors the museum can accommodate. It will provide a new temporary exhibition space which can be used to display more of the collection, explore themes in more detail and enable us to loan objects from other museums and encourage repeat visitors. Fire safety advice will also be an integral part of the museum's interpretation.
- 1.12 The Museum will be celebrating the Brigade's history, working with our staff and visitors to better interpret the collection and have pride in our organisation. The museum will focus a range of activities for the Brigade's current and retired staff, with opportunities for volunteering, collating oral histories and promoting intergenerational learning with retired firefighters sharing their knowledge, stories and experiences with current firefighters and visitors.

- 1.13 This scheme preserves and enhances the heritage of the current buildings by sensitively restoring the Grade II listed 8 Albert Embankment along with its drill tower. The Brigade's Memorial Hall is a monument to firefighters who have died in service since the 19th Century. It is recognised by Historic England for its national significance and will form part of the new museum, providing public access for the first time in over a decade.
- 1.14 Overall this will be a much more accessible Museum than was ever able to be provided in the Museum's previous home giving the public access to a listed building of great significance to London Fire Brigade for the first time, as well as new modern facilities for disabled visitors and those with learning difficulties. This scheme also provides an opportunity for the Museum to improve its long term ability to be operationally and financially sustainable. The development of the business plan is part of the LFB Museum project.

Grant Conditions

- 1.15 The NLHF funding is specific to the 8 Albert Embankment site and uncontested planning permission for the development is required to proceed to the Delivery Phase of the project.
- 1.16 The plans for the development of 8 Albert Embankment, were approved by Lambeth Council in December 2019 but were subsequently called in by the Secretary of State. The decision on the call in is expected this Spring. Should the planning permission be refused the developers, U+I, have the right to appeal but uncontested planning must be obtained to qualify for the Delivery Phase grant.
- 1.17 One of the reasons for the match funding target being set by the NLHF is to demonstrate that the LFC have the ability to fundraise and develop corporate sponsorship from external sources in order to run a museum. COVID-19 has greatly impacted on all fundraising opportunities, and the NLHF has indicated that it will take this situation into consideration for reaching fundraising targets. The current deadline of August 2021 will allow LFC to get closer to raising the sum needed, but is unlikely to provide sufficient time to raise all of the funds required. The underwriting proposal will provide a safety net and demonstrate LFC's commitment to the project.
- 1.18 The LFB Museum business plan will be submitted to NLHF in the second-round grant application for the Delivery Phase Grant. This must also show that the Museum will be financially sustainable. LFC must prove it has identified and explored a range of income streams for the Museum which will include an online shop, retail shop, café and private hire options. A revised business plan will be finalised on the agreement of this decision and shared with the GLA.
- 1.19 The LFC has set aside monies in reserve to develop an online shop which will be low cost in set up costs and which forms part of the Museum business plan. The online shop will be used to test the market for suitable merchandise to sell in the Museum shop.
- 1.20 The legal requirements of a public body seeking to generate profits from a retail offering are being explored. The London Fire Brigade's (LFB's) General Counsel's Department and Finance have been consulted to establish the best method to set up an online shop which would operate on a cost recovery basis only for the purpose of retail market testing. There remains an ambition to establish a profit generating retail offering.

2. Objectives and expected outcomes

National Lottery Heritage Fund Match Funding

- 2.1 At the time of writing, £170,000 of contributions for the Museum has already been secured, and officers have confidence to believe ongoing, positive, discussions with potential donors and commercial partners have the potential to unlock a further £200,000 of contributions by August 2021. Fundraising activity will continue beyond August, during the Delivery Phase of the project. As the

amount required to be contributed by LFC will decrease with each contribution received, LFC officers anticipate that the amount of reserves to be used will be significantly below £670,000, although a precise estimate cannot be made at this time. The NLHF confirmed that the approach of underwriting is acceptable to include at Delivery Phase application stage. The funding application would still be subject to the NLHF a competitive decision-making process. The decision-making committee could give consideration to which organisations were able to fundraise the most and did not have to rely underwriting process. Having the full amount fundraised would be the best possible status to report in the application but underwriting outstanding fundraising amounts would strengthen the application if that is not the case.

- 2.2 Preliminary estimates for the balance of different sources of donations or sponsorship income for the Museum were set out in LFB's initial NLHF grant application as follows:
 - Grant Giving Trusts and Foundations: £300,000
 - Individuals: £60,000
 - Companies/corporate: £200,000
 - Public appeal /community crowdfunding: £60,000
 - Sponsored fundraising activities: £50,000
- 2.3 The outbreak of COVID-19 in 2020 and the subsequent security measures implemented by the Government to prevent the spread of the virus has seriously impacted on the Museum's fundraising plans.
- 2.4 The ability to fundraise is further reduced by not having an established charitable foundation. Establishing a charitable foundation remains LFB's preferred long-term ambition.
- 2.5 The preliminary fundraising estimates have therefore been re-evaluated and estimates for the sources of donations or sponsorship income are as set out below. These estimates are based on conversations with colleagues in the museum sector to test the market and the experience of the professional fundraiser in the LFB's Museum project team.
 - Grant Giving Trusts and Foundations: £120,000
 - Individuals: £100,000
 - Companies/corporate: £150,000
 - Public appeal/ donations /community crowd funding: £150,000
 - Sponsored fundraising activities: £150,000
- 2.6 The majority of the fundraising income will now have to be raised through crowdfunding, individual donations and other public fundraising activities. One such activity is a fundraising campaign aimed at the LFB's firefighters. LFB's firefighters have a long and successful history of fundraising for local causes. Conscious of fundraising fatigue, LFC is establishing a working group with firefighters to develop their ideas and support for fundraising activities across the stations. A modest target of £3,500 per station would raise half the match funding needed. While LFC would not budget for the total sums, this illustrates a low-cost, in-house option for generating funds.
- 2.7 The LFC's revised Sponsorship, Fundraising and Donations Policy (Policy 863), agreed in March 2021, will facilitate fundraising via donations using the safeguards set in place for corporate sponsorship. The revised policy enables LFC officers to proceed with public fundraising campaigns.
- 2.8 All fundraising that LFC undertakes for the Museum will have a broad scope of fundraising objectives to include education and outreach programmes in the event the donations need be reallocated to other Museum related programmes.

Public Fundraising Campaign

- 2.9 As explained, the likely amounts raised from each source for match funding have been revised compared to the amounts set out in the original Decision. The focus of the fundraising will now be on public fundraising but LFC will continue to seek corporate sponsorship opportunities.
- 2.10 If LFC has not demonstrated that it has undertaken all best endeavours to raise £670,000 by August 2021, the NLHF can withdraw the grant of £1,700,000. Furthermore:
- a) The NLHF will be more receptive to approving the second round grant application if LFC has raised demonstrated they have undertaken fundraising campaigns to try and raise the match funding by August 2021.
 - b) Should LFC have not raised the entire match funding amount by the submission date for the Delivery Phase grant in August 2021, LFC will have to demonstrate they have sufficient funds to complete the project and will need to underwrite any outstanding match funding amounts from the Museum funding in the capital programme. The funding comes from the Capital Receipt from the Southwark Training Centre sale where £2,400,000 was ringfenced for the Museum project. £1,700,000 has been allocated to the Museum project Delivery Phase and £100,000 has been committed to the Museum project development phase which is currently underway. This leaves £700,000. This is on the understanding that LFC will continue to fundraise for the Museum during the Delivery Phase to reach £670,000. The £700,000 held in reserves for the Museum project will be available in its entirety for the Museum to draw upon. The underwritten sums are separate, and cover any outstanding match funding amounts, should there be any outstanding amounts by the time of the final submission to the NLHF grant for the Delivery Phase grant.
 - c) If NLHF withdraw their grant LFC will have to find an additional £1,700,000 in addition to the £670,000 match funding to complete the current Museum project.
 - d) Fundraising campaigns are in line with other public sector museums like Museum of London, London Transport Museum and Greater Manchester Fire and Rescue Museum.
 - e) The amount required to be underwritten will decrease with each contribution received. LFC officers anticipate the likelihood of any financial commitment from the financial reserves being required to be negligible.

The Philanthropy Foundation

- 2.11 The updates to Sponsorship Policy 863 will enable LFC to fundraise via donations and set up a Crowdfunding Campaign but it would still not provide all the benefits of a charitable status. Charitable status unlocks the benefits of claiming gift aid on donations. Organisations like Just Giving only accept applications from registered Charities. LFC needs to find a solution to gaining charitable status that supports its crowdfunding ambitions.
- 2.12 Following discussions with officers at the Museum of London, LFC officers have been made aware of such a solution through signing up with an organisation called The Philanthropy Foundation. The Philanthropy Foundation is a relatively new organisation, established in 2015. This initiative from Cause4 is a social business within the arts sector, specialising in fundraising, income generation and programme development. A number of Cause4's clients were unable to set up charities and thus prevented from claiming the benefits such as gift aid from any fundraising campaigns or offering tax incentives to high-net-worth individuals and companies wishing to donate. Cause4 established a separate charity, The Philanthropy Foundation, for the express purpose to manage charitable funds on behalf of third parties, both individual and corporate. Clients include Opera Ventures and Western Front Way.

- 2.13 Owing to the timescales to secure the NLHF funding, the LFC was not able to set up a charity for the Museum by the point it would have needed to be established, in March 2021. The LFC will seek to establish a charity in the future. Before proposing to enter into an agreement with the Philanthropy Foundation, LFC has shown due diligence by carrying out all required checks on the company.
- 2.14 The Philanthropy Foundation acts as a conduit for funds which are destined for charitable purposes, but where the donor, for whatever reason, does not wish to set up a new and separate charitable entity to achieve the desired result. The Philanthropy Foundation deals with accounting and regulatory matters on behalf of donors, so that donors can concentrate their time and effort on the charitable causes they wish to benefit. The Philanthropy Foundation, as a charity, can claim gift aid on all donations and offer tax benefits to corporate and individual donors.
- 2.15 LFC will be able to set up a donation page on a site like Just Giving for small scale public fundraising campaigns via the Philanthropy Foundation and claim gift aid on all donations. All additional fundraising such as Crowdfunding, Corporate Sponsorship and grants which do not require charitable status will be led separately by LFC and all monies received will be held directly by LFC within the Museum account.
- 2.16 The Philanthropy Foundation will set up a new sub-fund for LFC within the Philanthropy Foundation. It will be set up with the Philanthropy Foundation's bankers, Adam & Company (who are part of the wider NatWest group). The sub-fund will have its own separate designated account, with a separate account number. The bank account is effectively controlled by the Philanthropy Foundation's trustees. LFC will withdraw funds for the charitable purposes set out by LFC such as the establishment of the LFB Museum, education and outreach programmes.
- 2.17 The Philanthropy Foundation will charge a one-off fee of £250 for setting up the sub-fund and opening the bank account. Thereafter, a flat fee of 2% per annum will be charged by reference to all funds received or held by the sub-fund during the year.

Conclusion

- 2.18 Although the NLHF will be sympathetic to the reduced options for fundraising due to COVID-19, many other organisations have continued to fundraise throughout the pandemic. LFC must demonstrate to the NLHF it is able to fundraise to support a museum and deliver a financially sustainable business plan to qualify for the Delivery Phase Grant.
- 2.19 If LFC cannot demonstrate that it has undertaken fundraising campaigns with the best endeavour to raise the additional £670,000, by August 2021, the NLHF can withdraw the grant of £1,700,000. Should this occur LFC will have to find an additional £1,700,000 and the £670,000 match funding to complete the current Museum project. In the event LFC does not raise the entire match funding amount by August 2021, LFC will have to underwrite the outstanding fundraising amount from the Museum reserve fund. This is on the understanding that LFC will continue to fundraise for the Museum during the Delivery Phase to reach the £670,000 match funding amount.
- 2.20 The GLA's culture team will be consulted prior to the agreement of this decision, with a view to discussing an appropriate form of ongoing involvement in the LFB Museum project.

3. Equality comments

- 3.1 The London Fire Commissioner and the Deputy Mayor for Fire and Resilience are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.

- 3.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 3.3 The protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), Race (ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, and Sexual orientation.
- 3.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:
- (a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
 - (b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
 - (c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.
- 3.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3.6 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 3.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—
- (a) tackle prejudice, and
 - (b) promote understanding.
- 3.8 The Public Sector Equality Duty (PSED) applies to the London Fire Commissioner when they make decisions. The duty requires them to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 3.9 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that

‘marriage and civil partnership’ is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

- 3.10 The positive contribution that the Museum will make to the London community is outlined in earlier reports (LFC-0265: LFB Museum update) and further equality impact analysis will be undertaken in the design phase. There are no equality impact implications arising from the matters to be determined in this report.

4. Other considerations

Workforce comments

- 4.1 Sponsorship and fundraising reside within the LFB’s Communications Department. Currently the Head of Brand and Events is leading on the Museum fundraising supported by a specialist fundraiser, the Events Team, and Curatorial Teams with an independent fundraiser. The team is in regular contact with a network of museums including the Museum of London and the London Transport Museum to share learning and make the best decisions around fundraising in the current challenging environment.
- 4.2 There has been careful consideration by LFC of the workforce implications for LFB firefighters to engage in fundraising campaigns for the LFB Museum. In conclusion there is no impact on operational duties for LFB firefighters as any fundraising is voluntary and conducted at the discretion of each individual in their own time and would not require any change of duties. LFB firefighters have a long and successful history of fundraising for local causes, which they do on a voluntary basis in their own time and the conclusions have been derived from this fact.

Sustainability implications

- 4.3 The LFC’s Sponsorship policy sets out the principles of sponsorship arrangements, which in turn are applicable to fundraising campaigns and donations. In particular, any corporate sponsorships or donation over £1,000 will accordingly require scrutiny of company activities to ensure there is alignment to LFC principles around sustainability and limited reputational risk that could occur such as non-compliance with environmental and modern slavery regulations or other policy areas such as fair employment conditions and London Living Wage payments.

5 Financial comments

- 5.1 As outlined above, in order to be eligible to receive a Delivery Grant of £1,700,000, the LFC must demonstrate it has made best endeavours to raise a target of £670,000 in match funding by August 2021. This report recommends that in order to proceed with securing the Delivery Grant the LFC provide a commitment to NLHF that funding from its own resources will make up any shortfall up to this target level. This commitment would be required to be made by August 2021, the date at which the match funding was to have been committed by.
- 5.2 The current expectation is that it may be possible to secure commitments for match funding of up to £370,000 by August 2021. Consequently, LFC would need to provide a commitment to the NLHF for a contribution from its own funds currently estimated at £300,000. However, it is important to emphasise the amount will be dependent on the fundraising commitments secured by August 2021.
- 5.3 Efforts to secure donations and sponsorship up to the target of £670,000 would continue through the Delivery Phase and therefore the actual amount (if any) that would need to be funded by LFC will not be confirmed until the latter stages of the Project. However, if in the unlikely event no sponsorship or fundraising could be secured, budgeted capital expenditure from LFC’s own sources would increase

from £1,700,000 (£100,000 for the Development Phase and £1,600,000 for the Delivery Phase) to £2.4 million.

- 5.4 LFC's own contribution of capital expenditure is budgeted at £1,700,000, which is due to be funded from capital receipts of £2,400,000, earmarked for the Museum project, which were generated from the sale of Southwark Training Centre, as outlined in paragraph 2.11 above. Sufficient funding is available to make this commitment, as the remaining £700,000 earmarked, but not yet committed to expenditure, would be available to provide a contribution to provide the balance of the match funding target not raised through sponsorship or donations, up to the total of £670,000.
- 5.5 While the LFB remains confident that the underwriting will not be required, it might be called on, and it is not possible to suggest a date when the LFB will achieve the funding, given the current situation where fundraising is difficult.
- 5.6 The reserves which the LFB might draw are Museum reserves, so if they are unused they would remain for Museum, use.
- 5.7 There are no direct financial implications for the GLA.

6. Legal comments

- 6.1 Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office.
- 6.2 Section 1 of the Fire and Rescue Services Act 2004 ('the 2004 Act') states the Commissioner is the fire and rescue authority for Greater London.
- 6.3 Under section 327D of the Greater London Authority Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 6.3 By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor"). In particular, paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...". The decision is to underwrite any outstanding match fund amounts up to £670,000, to meet the conditions of a time extension by National Lottery Heritage Fund to reach the target funding amount and, therefore, the Deputy Mayor's prior approval is required.
- 6.4 Section 5A of the 2004 Act enables the Commissioner to "do anything it considers appropriate for the purposes of the carrying out of its functions in accordance with Section 5A Fire and Rescue Services Act 2004 (FRSA 2004), the Commissioner has powers to do anything that is either incidental or indirectly incidental to its functional purposes. This includes putting in place a fundraising strategy as proposed in this report.
- 6.5 Any agreement with Philanthropy Foundation must only be entered after consulting with General Counsel's Department in relation to the contractual arrangements.
- 6.6 The legal requirements of a public body seeking to generate profits from a retail offering are being explored. The London Fire Brigade's (LFB's) General Counsel's Department and Finance have been consulted to establish the best method to set up an online shop which would operate on a cost recovery basis only for the purpose of retail market testing. There remains an ambition to establish a profit generating retail offering.

Appendices and supporting papers:

Report LFC-0487y – London Fire Brigade Fundraising

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? Yes**

If YES, for what reason:

The commercial interests of the London Fire Commissioner requires publication of this decision to be deferred as publication of the LFB's proposal to underwrite the funding might prejudice the LFB's ability to work with private sector partners to fundraise and can be considered commercially sensitive under s43(2) of the Freedom of Information Act.

Until what date: (a date is required if deferring)

1 October 2021

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer

Richard Berry has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Niran Mothada has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

Advice

The Finance and Legal teams have commented on this proposal.

✓

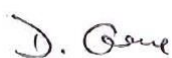
Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 4 May 2021.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

5 May 2021