

Appendix 2

Rich Mix Business Plan 2015-18

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1. Executive summary

Rich Mix enters the period of 2015-18 with Arts Council England (ACE) support in an optimistic frame of mind, based on a strong track record. The last three years have seen growth in the range and extent of the artistic programme; increased audience sizes without reducing the range and diversity of our audiences; a developing cadre of artists; and an increasingly successful business model, where almost 90% of our turnover is earned income.

Our mission remains to be a place where the communities of the world who live in east London can come together to make and experience art and feel that it's a place where they belong. And our strategic objectives, which help us to make our choices and guide our actions remain the same; excellent art, delivered in a way, which is financially sustainable, to increasing and increasingly diverse audiences.

Our ambition for the next period is to develop our artistic reach and vision further to enable us to offer high quality arts for our audiences and unique opportunities for the support of artists from a range of diverse and BAME backgrounds.

We are committed to growing our audiences and to testing ways of making Rich Mix – both the building and our programme- even more accessible and welcoming to the diverse communities who live around us.

With the major strengths we enjoy – excellent partnerships with artists and arts organisations; a sustainable business model which is not over reliant on public funding; a talented and committed staff and board team; and growing and loyal audiences, we are optimistic about the next period

There are also considerable challenges. The major risk to the organisation relates to the current litigation instigated by the London Borough of Tower Hamlets. The risk is being mitigated, not least by the generous pro bono legal support we have received, and by our continued attempts to find a way to settle the litigation without the further distraction of complex court activity.

Our limited access to funds has made the challenge of maintaining and developing the building, and enhancing the significant public and private investment which went into the construction of the building a little tricky. Our plans reflect the need to find other sources of capital to ensure that the building continues to be of high quality, and to enable us to intensify the levels of usage still further and to open up new spaces for arts activities and revenue generation.

And our final risk is that the organisation still has very limited general reserves. Whilst the position is much better than in 2012, the overall reserve

level is not yet anywhere near the 3-6 months of operating costs, amounting to £700k at 31 March 2014, which is the ambition of our Board of trustees.

We remain committed to our mixed economy business model, which last year saw the building earn in excess of £1.1m, and to enhancing and developing new and innovative partnerships with other arts organisations, such as Serious Music, Tamasha Theatre and youth organisations such as FutureVersity and Sound Connections to ensure that we make maximum use of the investment made in us by ACE. We are committed to exploring other forms of closer working and partnerships with local arts organisations and those throughout England via the Future Arts Centres network to develop practices and models that have the capacity to benefit the sector more widely. And increasing audiences overall, whilst maintaining the unique diverse mix of our audiences remains at the heart of our mission and strategy.

We are planning further work to reduce our environmental impact and to ensure that we are good neighbours both locally and in our wider environmental impact.

Finally, we recognize that we can only do this work with a team of well-motivated and passionate people, both on the staff team and within the Board. We have been fortunate to have significant stability over the past few years but we anticipate that changes may occur in the leadership of the organisation, and we are preparing to be ready to face these changes.

2016 will give us an opportunity to mark the many successes of the last 10 years. We plan to use this milestone to celebrate the achievements to date of developing an excellent arts programme that reaches the widest possible range of our local and London communities, and as a way of generating emotional and financial support for the Rich Mix mission.

2. Rich Mix: Origins and Purpose

Rich Mix was conceived as an idea over 20 years ago. As a result of the efforts of a significant number of individuals, some of who are still actively involved with Rich Mix as Board members, funds were raised from a variety of public and private sources to remodel the building on Bethnal Green Road. The intent was to create an inclusive space and an opportunity for celebrating the richness of the diverse communities in East London through arts and heritage.

The building opened initially in 2006 with the first arts programme beginning in 2008.

During its life to date, Rich Mix has weathered a number of storms and has begun to live up to its vision and purpose which was most recently confirmed by the board as being:

“Our mission remains to be a place where the communities of the world who live in east London can come together to make and experience art and feel that it’s a place where they belong. And our strategic objectives, which help us to make our choices and guide our actions remain the same; excellent art, delivered in a way, which is financially sustainable, to increasing and increasingly diverse audiences.”

3. 2010 – 2015 : Background and Achievements

Over the past five years, the organisation has taken a number of steps to reinvent our business model and to position the arts offer in ways which reflect both the changing demographics of our local area and the increased amount of alternative provision in both the public and commercial sectors. We have significantly revised the way we operate, in light of reduced public funding and the general economic downturn. Whilst this has been challenging in many respects it has enabled the development of a resilient model, which is characterized by generosity to artists and to our audiences and which places access to excellent arts at the heart of everything we do.

During the past five years we have

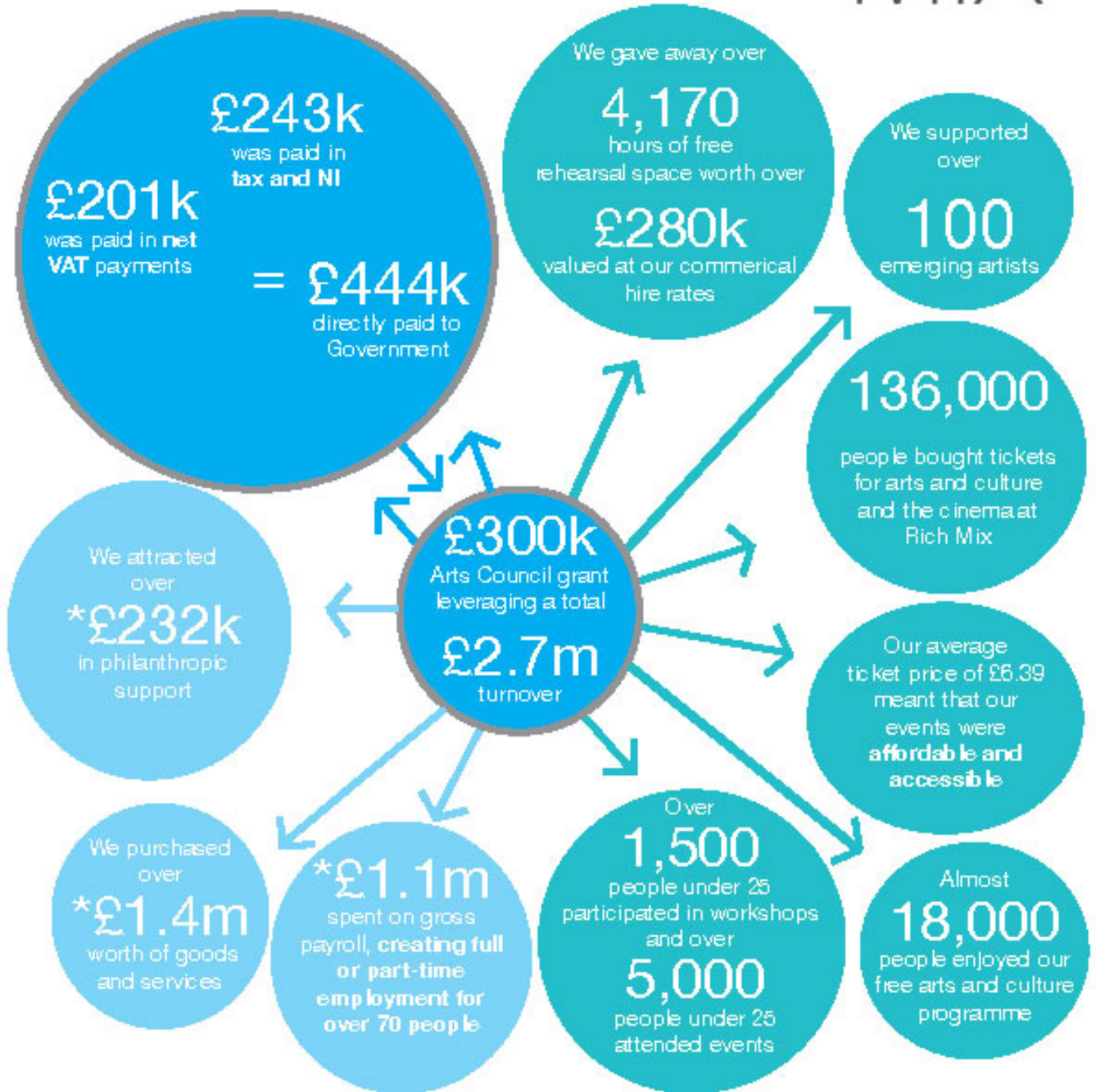
- operated, and been successful with, a lean and streamlined and staffing structure;
- revised our approach to marketing with a much greater emphasis on social media rather than print;
- worked hard to maximize the income generation potential of the building through our Enterprises business; and
- changed the way in which we work with and support our artists. This latter change has been the most fundamental as we have developed a partnership approach where we offer significant amounts of support to artists who are seeking to develop work but do not offer guaranteed fees. Our experience of this way of working is that it has enabled a new group of artists, particularly those from BAME backgrounds to have access to professional facilities and contacts and, through things such as our emerging theatre and dance programme, has enabled new work to be grown which would otherwise not have emerged.

A pictorial representation of the size and scope of our impact in 2013/14 is set out below

East London's independent cinema and arts venue

THE IMPACT OF PUBLIC INVESTMENT 2013-14*

Rich Mix is a charity & social enterprise. Public funding received from Arts Council England and charitable giving enhances the considerably bigger sums of income generated through ticket and bar sales and private hire of our spaces.



*Subject to audit

Economic Impact

£8 GENERATED FOR EVERY £1 OF PUBLIC FUNDING

Cultural Impact

BRINGING THE COMMUNITIES OF EAST LONDON TOGETHER TO MAKE AND EXPERIENCE ART



Supported using public funding by
ARTS COUNCIL ENGLAND

4. Our Current Context:

a) Artistic vision,

We offer our cross-arts programme encompassing music, theatre, dance, spoken word, comedy and the visual arts. The programme exists to showcase the cultural and creative diversity of East London, both in terms of the artists we programme and the audiences we reach. Our programme is delivered in partnership with fellow arts organisations, the rationale being that we offer our space and audience reach to partners with artistic expertise and capacity to deliver quality events that fulfill our mission. Our performing arts programme is predominantly focused on showcasing brand new work from local and BAME artists, which is developed with the support of free rehearsal spaces. We are increasingly branding this work as “Made at Rich Mix”

Our live music programme is promoted in partnership with music promoters. In total we have offered over 500 music events per year as part of our Arts and Culture programme. An intrinsic part of this work is our Creative Learning strand, which is designed to offer pathways into the mainstream programme for local young people, school pupils, families and community organisations.

Finally, at least one third of our programmes are offered as free to access, so as to make them as accessible as possible to as diverse an audience as possible. We brand this offer as Rich Mix Open in line with our values of openness, access and inclusivity and as part of our commitment to maintaining our diverse audience base

b) Audiences,

We attracted audiences of over 120,000 people in 2014/ 15 to our paid for ticketed events. Additionally, we estimate that our free programme, which is designed to attract people for whom disposable income is low, and who have little tradition of arts participation, brings in at least another 10,000 people per year.

We have a regular programme of audience analysis including work with the Audience Agency, an annual on line survey of our own audiences, and two periods each year of face to face interviewing when we ask our staff and our Board members to talk to people who are visiting the building to find out more about who they are, where they come from, why they visit Rich Mix and what else they would like to see us do and improve.

Our most recent audience data analysis tells us that

- almost 50% of our audiences come from LBTH and Hackney

- 40% are in the young liberal opinions category but the next 36% come from a range of less traditional arts attenders
- the bulk of our audiences are in the 24-45 age ranges; and we are trying new strategies to build up the 16 -25 audience groups with things such as our youth takeover programme, our Young producers, and our partnerships with organisations such as FutureVersity

c) competitors;

As part of our business plan for 2012 onwards, we undertook a significant competitor analysis for all aspects of our business, including cinemas; music venues; theatres; dance venues; and tenanted workspaces. We have updated this annually to reflect the fact that East London is changing on a daily basis, and the growth of new operators is developing rapidly. The updated competitor analysis is attached at **Appendix A** and reflects the fact that whilst competition in both the geographical and cultural area continues to grow, our more secure position and enhanced reputation means that we do not see any fatal threats from the competition. In some instances, we have begun to make collaborative relationships with, for example some of the other places that are offering venue hire, or more commercial music offerings, such as Village Underground, the Vortex and the Roundhouse.

d) opportunities and threats

The area in which Rich Mix is based is changing in a number of ways. The demographic make-up of our local communities, the increasing levels of financial security for some parts of our communities, whilst others remain in high levels of poverty are all influencing the way in which we look at the threats and opportunities which face us,

On the positive side, a further period of consistent support from ACE and our funders as a whole means that there are a number of opportunities open to us. One of the key opportunities is the chance to collaborate with other arts organisations, both locally and increasingly internationally to offer a wider range of programmes within our building. This also enables us to establish and build on existing partnerships such as our shared Head of Finance role with the Albany and our joint Catalyst bid, and to explore how to establish financial and operational synergies with other partners. Our activity as a founder member of the National Arts Centre partnership and our profile in things such as the Clore Leadership programme gives us a good base from which to extend our reach.

The changing demographic of our immediate area offers some opportunities, although we also recognise the challenge it poses to ensure that we maintain the diversity of our current audience These

challenges will continue to grow as potential developments such as the Bishopsgate Goodsyrd continues to alter the character of the locality.

There are a number of threats to our successful operation. Whilst ACE funding for the next three years is a significant achievement, because it is flat lined at the same level as it has been since 2012, we need to continue to find innovative ways of supporting enhanced programmes both in terms of ambition, quality and quantity. The challenge is to be able to do this within a very tight staffing structure and to be able to meet the needs of developing our very talented group of relatively young staff who are likely to need to move to other organisations for the career development to which many of them should aspire. This means that the staff development aspect of our work will need to be carefully resourced. However it also represents opportunities as our former staff become advocates for Rich Mix in other arts organisations and help us to build links with nationally renowned venues.

We are also conscious of the risk of yet more austerity programmes post the 2015 General Election. To mitigate this, we will continue to plan on a cautious basis to ensure that we do not over commit ourselves in the event of further reductions in public support via ACE.

The second major threat is linked to the continuing litigation instigated by the London Borough of Tower Hamlets. Whilst the financial risk caused by the cost of legal advice has been mitigated by the generous pro bono support from Latham and Watkins, the outcome of the litigation is not yet certain. There is also a knock on impact on the capacity of the staff team to manage our input to the litigation and to support the legal team, which means that other aspects of work may need to be delayed.

One potential way of resolving this litigation is through a deal to establish an Ideas store in Rich Mix. Whilst this might resolve some aspects of the continuing legal action, it would require a significant amount of change to the way in which the building operates and the development of new relationships in order to make the new Ideas store work successfully. It would also require movement of tenants and the Rich Mix offices into other spaces which may mean losing some tenants which we currently house. However, it may also represent an opportunity to bring new people in to the building and to enhance some areas of our work. We are continuing to explore what this would mean for Rich Mix and have involved our other principal stakeholders who have a continuing interest in the building (ACE, Greater London Authority and Big Lottery) and are grateful for their advice and support.

The third threat concerns the need to generate charitable and other funding sources to enhance the arts programme and to provide capital investment to keep the building operating at full capacity and indeed to

bring new spaces into operation for arts and revenue generation purposes. We have had some success in this area of work and are confident of generating future support in line with the assumptions in our financial plan.

Finally, we know that we need to develop and enhance a number of our systems to make best use on the potential benefits of Digital working. To do this will require investment in things as diverse as our box office system and website, as well as new ways of collecting and distributing information about our programme and enabling our audiences to experience artists in ways other than when they perform at Rich Mix. This is likely to require significant investment over the next three years, and at this stage no funding is secured.

The key strategic risks are set out in our risk register at **Appendix B**

e) The business model;

In order to make the business model work, and in line with the original concept for the building and its sustainability, we will need to continue to earn in excess of £1.1 million each year. This sum comes from our tenanted workspaces and from the profits from our trading subsidiary, Rich Mix enterprises, all of which are covenanted back to the charity.

The tenanted workspaces are fully let at present and it will be important to ensure that this remains the case, so that if current tenants move out we have no gaps in revenue before spaces are taken up again. We budget on the basis of 95% occupancy in order to provide a contingency against short term vacancies. We remain committed to having a transparent rental charge policy with one level for corporate businesses and a lower level for charities. However, we are likely to need to undertake a rent revision to reflect current market rental rates. Given the constraints on space, this is likely to be the only area of income growth in this part of the business and is unlikely to generate more than an additional £3k per annum.

Our cinema business is a key driver of footfall and a potential gateway to our arts programme. Our aim is to continue to grow our audiences and work towards total ticket sales of 110,000 tickets per year from our current level of around 100,000. This will require us to meet average capacities of 27.2%, which is at the high end of industry performance for a three-screen cinema. In terms of audience diversity we want to work toward more of our cinema audiences experiencing the range of other art forms on offer at Rich Mix, using initiatives such as live opera and theatre delivered cinematically as a way of increasing access to arts forms which may be seen as elite or unaffordable by some of our existing audiences.

Our hires and events business is an important revenue generator for Rich Mix. The hires and events team have access to Venues 1 and 2 from Mondays to Thursdays with the space being used for arts activities for the other three days. We will continue to keep the split and the timings of use under review to ensure that we can generate the funds needed to support the charitable part of the business. Our ambition is to continue to grow the portfolio of higher value events, and also to find other hires that cross over the commercial and arts boundaries.

Our bar and café business is an important ancillary to our arts activities. The café is now let out on a fixed rental for the next five years, albeit with some potential additional revenues from alcohol sales in the cafe. This enabled us to make significant partnership investment in the café space to improve the offer to our customers and to increase the contribution from the space by almost 50%.

Our bars also make a contribution to the overall finances, but we are mindful of the need to offer alcohol free spaces or dry bars for some events depending on the content and the age range of participants. We have therefore taken a cautious approach to the growth projection of bar profits, as this is not the key driver for our business

5. Our relationship with ACE

ACE is our only public funder and they contribute approximately 11% of our turnover. All their funding is spent on the arts programme; none of it is used for the core costs of the building, all of which are met from our earned income.

As part of our funding relationship with ACE to ensure that they can demonstrate value for money and transparency there are a number of key outputs to which we are happy to commit.

These are referenced elsewhere in this plan but for the sake of ease of reference they are also set out here:

| ACE goal | activity | Timescale/monitoring |
|----------------------|--|---|
| Goal 1 Excellent art | Deliver 320 arts events each year, of which a third will be free to access, subject to funding support | By 31 March- progress measured on a quarterly basis by Board reports |
| | Support at least 100 artist per year with at least 3000 hours of free space to develop work | Monthly reports on progress – final count on 31 March 2016 and thereafter |
| | Ensure that at least 50% of these artists are from BAME | Regular monitoring and board reports on a 6 monthly basis |

| | | |
|--------|--|--|
| | backgrounds | |
| | Undertake at least one external monitoring exercise annually using students to evaluate impact of the support on the artist development | Review in January 2016 and annually thereafter- report to March Board meeting |
| | Develop the work on analysis of artists to identify up to 20 to whom we want to offer particular support. | Short list of artists for support to be presented to June 2015 Board meeting and reviewed at six monthly intervals thereafter |
| Goal 2 | Maintain audience mix of at least 30% of audiences from nontraditional arts backgrounds | Measure by annual Audience Agency analysis, supplemented by Rich Mix online survey in October each year and face to face interview of audience in June and January- reported to the March Board |
| | Aim to grow audience by 5000 over the three year period, at the same time as maintaining the traditional / non traditional split | Review audience sizes at monthly costs and sales meeting with 6 monthly reports to board. Overall measures through annual Audience Agency research |
| | Consider ways to capture further audience feedback about quality and depth of engagement (subject to capacity and funding being available) | Review progress at March 2016 Board |
| | Undertake one annual sharing of data and practice with Future Arts Centre Network partners | Review progress in 2016 |
| | Run three sharing events per year for local arts organisations and our artists. | Promoters –13th Jan 2015 Tower Hamlets Arts Organisations – 17th Feb 2015 Artists – Wed 18st March 2015 Promoters –19th May 2015 Tower Hamlets Arts Organisations - 17th June 2015 Artists - 21th July 2015 Promoters 22st September 2015 Tower Hamlets Arts Organisations 20th October |

| | | |
|-------------|---|---|
| | | 2015 Artists 17th November 2015 |
| Goal 3 | Deliver a business model where no more than 12% of turnover comes from ACE funds | Annual financial results, monitored monthly by Finance subcommittee/ Board |
| Goal 5 | Work with AND and FutureVersity to develop Rich Mix as a hub for young people and to act as an advocate with 2 LBTH schools to begin to develop Arts mark work | Timescales dependent on negotiations with THAMES music hub |
| Environment | Continue our environmental strategy work on reducing energy usage, maintaining environmentally friendly travel and reducing wastes and increasing recycling | Measured by continued participation in Julies Bicycle work and annual Board reports in June |
| Diversity | As set out in our strategy since 2010, continue to focus our work on building a diverse audience base, and in particular to offer development support to at least 50% artists from a BAME background and continue to work towards supporting local artists from Tower Hamlets and Hackney | Measured by quarterly updates to the Board and a regular annual review in June each year |

6. Ambitions and Plans for 2015-2018:

This section sets out the highlights of our plans for the next three-year period. Further details can be found in the activity tables at appendix B.

Artistic – We do not intend to alter radically the overall approach to programming, though we recognise that we face challenges to maintain and improve on the quality of the work we offer whilst receiving no increase in support from ACE. On top of our continued partnership work and core programming, we are ambitious about developing two distinct strands of our programme, building on the learning we have gleaned from our organic growth over the past three years. We will continue to use our Creative Learning programme to encourage young people to become involved in our

main stream arts programme. We will continue to support existing initiatives, such as Arts Award, in conjunction with our artistic partners.

Firstly, as part of our mission to continue to support the development of new artistic talent from diverse backgrounds, we want to begin to offer commissioning support to artists, over and above our existing generous in-kind offer of free space. The second ambition is to increase the amount of overseas work we are able to programme, with a particular focus on new work generated in collaboration between East London and Bangladesh. To support these new areas of work, we would also look to appoint a producer and an outreach post. These new plans will only be achievable if additional funding is secured. We also plan to maintain our free programming offer, of over 100 events per year which are free to access as part of our audience development plans. This ambition is also subject to renewal of Esmee Fairbairn funding or sourcing new funds.

a) Artist development

We are committed to working with our artistic partners to enable them to develop, to develop the richness and quality of our programme by finding innovative ways of working with our artists. This approach will involve:

- continuation of support for free space in return for credit as Made at Rich Mix,
- no guaranteed fees but a generous split on box office and an approach that offers excellent support through marketing, advice etc.
- making a plan for up to 20 artists supported to identify how we can best provide additional support for their development and the development of our programme
- a plan for talent spotting for the next 5 years of artists
- Focus on support for locally based and those from BAME backgrounds.
- additional support on producing and helping them to share their work cross referenced in digital section below but all dependent on being able to find additional funding

Detailed plans are set out in **Appendix C**

b) Audience Development

Our ambition for our audience development work is twofold;

- 1) to maintain the current mix of diverse audiences in terms of income , location and ethnicity with an increasing number of people buying tickets and attending free events; and
- 2) to develop new audiences for our family programmes, including film and arts and culture programmes; and , if we can resource an outreach post , to further develop our audiences from the immediate locality, which will in turn increase the number of audiences from BAME heritages

We plan to do this by

- a regular programme of audience research using the audience finder programme for both the film cluster and the London performing arts cluster
- our own in house research to provide targeted marketing materials for the groups we are aiming at
- development of follow up contact to people attending events
- programme of offers for first time attenders to build loyalty
- re-launch of membership scheme to promote cross over attendances at more than one art form
- seeking external funding for an outreach post to develop our capacity to work in our most local communities, and enable us to use the learning we have to inform both marketing and programming
- undertake a data sharing exercise with the other partners in the National Arts Centre partnership to promote joint learning and benchmarking

Detailed plans are set out in **Appendix C**

c) customer service and the audience experience

As part of the feedback we receive from our regular schedule of audience research (referred to above) we want to continue to enhance the customer experience to promote loyalty to the venue, improve our profitability and make Rich Mix a top quality destination. As part of this ambition, we will continue to develop a scheme of training for our Front of house staff.

We plan to explore the use of volunteer hosts for busy evenings to supplement the work of our paid staff, and to help with collection of audience data. And our capital and maintenance plans are based on the need to keep the furniture and fabric of the building in good state to encourage repeat arts visits and hires and events bookings.

Detailed plans are set out in **Appendix C**

d) digital delivery

We are committed to exploring how best we should be using new forms of digital technologies to grow our audiences. We have a track record of doing this through initiatives such as NT live to offer access to new audiences, but we now want to focus on use of digital technologies to make what is going on in the building more visible from the outside, and to develop our approach to digital archiving, e-marketing, and enhanced website/video content. Some of this will be dependent on finding some additional resource especially if we are to maximise our efficiency by seeking a Box Office replacement system and website redevelopment to aid this part of our work;

Detailed plans are set out in **Appendix C**

e) financial viability

The aim over the period is to achieve small in-year budget surpluses allowing for a modest contingency.

Due to the freeze in ACE NPO funding and the limited scope for significant improvement in earned income total revenues will remain in the region of £1.6m per year. We will continue to seek to grow our commercial income from things such as our cinemas, as long as it does not impede our charitable mission. We recognize the risks of fluctuating cinema income across the wider industry because of the reliance on the quality of the film product, but we believe that the assumptions in the plan are reasonable. This allows for a reduced fundraising target in recognition of the end of ACE Catalyst programme which contributed £40k pa over the past 3 years. In order to achieve even a small in-year budget the financial plan requires a reduction in the net direct cost of the Arts & Culture programme from £96.5k in 2015/16 and to £55k by 2017/18. Delivery of additional programming and work with young people and families will require additional fundraising.

The plan assumes that the current level of staffing is maintained with annual 2% pay awards and takes into account the legal requirement to provide a Workplace Pension scheme from August 2015.

Given the continued uncertainty surrounding the recoverability of the outstanding s106 monies the planned operating surplus will not be sufficient to make significant progress towards achieving our General Fund reserves policy and there is no prospect of establishing a sinking fund to meet future capital investment needs in plant, building and equipment. Any exceptional maintenance and repair costs will need to be met through in-year revenue budgets. Plans for achieving 3rd party funding for capital spending is are set out in para h below.

Detailed plans are set out in **Appendix C** and the financial tables at **Appendix D**.

f) Staff development

To enable us to deliver on all these objectives we need committed well trained staff with good leadership from the senior team and from the Board. We are working towards an annual training plan for the whole organisation, and to building on our ability to offer paid internships with support from the Creative Employment Programme. We will also be looking at succession planning for some senior leadership roles over the next year.

Detailed plans are set out in **Appendix C**.

g) Equalities and diversity

We have a longstanding equality and diversity strategy rooted in the origins of Rich Mix. The current policy, and most recent progress report is attached at **Appendix E**. We plan to continue this approach and to set annual goals for the artists we work with, our employment approaches, and our use of our purchasing resources to support, as far as we can, the economic wellbeing of our local area. Detailed plans are set out in **Appendix C**.

h) Environmental sustainability

We have a longstanding environmental strategy and are signed up to the reporting tools. The current policy, and most recent progress report is attached at **Appendix F**. We plan to continue this approach and to set annual goals focusing on energy, waste and transport. Detailed plans are set out in **Appendix C**.

i) 5 year capital funding plan

We plan to deliver significant improvements to our performance, rehearsal and communal spaces and equipment, to enhance the audience experience and to increase our capacity to support artists.

The key strands of this capital project are rooted in improving our equipment and furniture to support the increasing needs of artists who are using the space, and to enable us to use more spaces simultaneously. We have prioritised improvements that will benefit our growing audiences. And we have assessed which of the items on our desirable list will best support our ambitions for financial and environmental sustainability. This includes buying equipment to avoid hire charges, and of upgrading equipment which is beginning to cost money in terms of repairs.

Specific proposals are set out below:

a) Improve access and quality for artists - through initiatives such as enhancement to the lighting and sound equipment in our Main Space and in venues 1 and 2, and through new dance floors to increase our capacity to offer rehearsal and performance space, as well as developing our gallery spaces on the mezzanine and in the lower cafe. We are also looking to improve our dressing room facilities on the fourth floor which are currently very rudimentary, and to improve our sound separation curtains between the mezzanine gallery and the Main Space to make it possible to run a broader range of spoken word events in the main performance area.

b) Improve the audience experience with improved seating, improved till systems, refurbished toilets, and with enhancements to our signage externally.

c) Things which improve our energy efficiency, including lighting enhancements and more effective air conditioning, and which also have a net positive benefit to our overall financial sustainability, either by saving money through reduced maintenance costs on things such as our equipment, reduced energy bills, or those things which enable us to earn more money. We have also included some enhancements to security in the building to reduce the need for direct staffing in some areas by enhancing our remote monitoring systems. This will also improve our audience experience.

All these works enhance capital projects we have already undertaken with support from other organisations and from our own funds in the last 12 months; they all flow from our own strategic objectives; and they all form part of the five year plan referred to below.

We believe that this will enable us to benefit the 100 plus artists we support each year with rehearsal space and the 200,000 people who visit the building each year for our paid for and Open programmes across the range of artistic genres. The signage improvements should also help to increase our visibility in the area and to encourage new audiences to visit us and sample the range of arts work we offer. If successful, we hope to increase the number of artists supported by 20% over a five year period, and to grow our diverse audiences.

j) Risk register

We have developed a new risk register this year, which is attached at **Appendix B**

We have based this on the model suggested by the Charity Commission and tailored it to the specific risks facing Rich Mix, in a format which should enable the Board and the Finance Sub Committee to undertake regular monitoring in addition to that undertaken by the senior team.

And finally here are the strategic KPIs we'll monitor our activity against.

| Strategic objective/ | Excellent art | Financial sustainability | Increased and diverse audiences |
|----------------------|--|---|--|
| Targets | 320 arts events, of which 40% are free to access | Enterprise surplus of £665k | 50% tickets sold to TH and Hackney residents |
| | At least 2400 hours of free space to support at least 80 artists | Tenancy income of £400k and 30% of local/ BAME employees with a | 750k visits to the website and 25k social media contacts |

| | | | |
|--|--|--|--|
| | | total of over 300 jobs in the building | |
| | At least 2 international quality events | £170k fund raising income achieved | 35% cinema attenders experience at least one A and C event |
| | 20,000 tickets sold and 20,000 visitors to free events | A further 3% savings on overhead contract costs (£13k) | 30% non-traditional arts attenders |

Evaluation and Internal Review Processes

We remain committed to a comprehensive process of evaluation and review. Specifically this includes the following:

- Seeking feedback from every artists who performs about their experience of Rich Mix, their audience feedback, and any areas in which we can improve our working practices.
- Regular meeting with our range of partners to learn from their collective experience and to shape our approach to programming.
- Numerical analysis of audiences, costs and income at our monthly costs and sales meeting.
- A regular annual programme of audience research.
- Quarterly reports to the board on artistic programme, audience development and creative learning.
- A 6 month review of progress against business plan activity.

We will continue to also work with other arts venues to encourage the sharing of learning and to identify those areas where we can improve our performance.

Appendix A: Updated Competitor Analysis

Who are our competitors?

The original list of our competitors as recorded in previous plans is set out below. The principal changes which have happened in relation to the analysis over the past year are as follows:

1. In respect of the cinemas, the relationship with the London Film Festival has increased our standing in the industry. Our main local competitor was Hackney Picturehouse, as an independent cinema. Since they have been taken over by Cineworld, they have even greater access to investment in marketing and thus may become a more serious competitor than in the past. The Barbican has also now opened up their new cinemas in the City, and we use them as benchmark comparators. Genesis, on Whitechapel Road has also seen significant investment.
2. Audience figures and ticket sales, together with the growth of membership for 2014/15 suggests that our cinemas are developing a loyal customer base, but we will continue to monitor competition.
3. Arts competitor venues continue to come and go. Our strategy is to attempt to work in partnership with as many of the well-known local names in order to add value to their offer and to cement Rich Mix as a place of artistic excellence. Work with organisations such as the Roundhouse, the Barbican, London Jazz Festival, Serious Music, and Spitalfields Music Festival all seem to be helping to develop our reputation as good artistic partners, as well as enabling us to learn from them. Ticket sales for the arts and culture programme in the past year have continued to grow, suggesting that we are at least holding our own in the arts genres- music, dance, theatre, spoken word and comedy- in which we programme. We will continue to monitor our levels of ticket sales as well as looking at and learning from the programme in other competitor arts organisations in the vicinity.
4. Competitors for rental income from tenants appear to be growing in the local area, although our spaces are currently 100% full. Our rental rates increased in January 2013 following a market test by an independent valuer, who reviewed local market conditions and rent levels for similar spaces. We have not seen any loss of tenants as a result of more competitive rates offered nearby, but we will continue to monitor the levels of demand and the risks associated with the possible loss of tenants. They are central to our business model because of their financial contribution, as well as to the vibrancy of the building and the programme. The value of their contribution through jobs and purchasing power to the local economy is also significant and we need to ensure that we retain a good mix of tenants and phase end of lease dates to spread the risk and impact a sudden loss of tenants might have.

Appendix A – Updated Competitor Analysis

| Key Local and Regional Competitors for Arts and Culture and Education Events | |
|---|--|
| Music events | Hackney Picturehouse, Jazz Café, Cargo, Passing Clouds, Last Days of Decadence, Village Underground, Vibe Bar, 93 Feet East, Café 1001, The Albany, King's Place, Café Oto |
| Visual Arts | Gas Works Artist in Residence Program, ICA Talks Program, Iniva, Jerwood Visual Arts |
| Theatre | The Arcola, The Albany, Half Moon, Oxford House, Broadway Barking, Stratford Circus |
| Dance | The Place, Laban, Stratford Circus, Chisenhale Dance, Greenwich Dance, The Albany |
| Comedy/ Spoken word | Hackney Picturehouse, Betsy Trotwood, The Albany, City Arts and Music Place (CAMP) |
| Bar Events | Hackney Picturehouse, Stratford Circus, Cargo, 93 Feet east, Vibe Bar, Passing Clouds |
| Children & Family Workshops | V&A Museum of Childhood, Whitechapel Gallery, Spitalfields Music, Idea Store Whitechapel, Museum of London Docklands, Chisenhale Gallery, St Hilda's East Community Centre |
| Children & Family Theatre | Half Moon Theatre, The Albany, Stratford Circus, Hackney Empire |
| Young People Workshops | Stratford Circus, Whitechapel Gallery, Half Moon Theatre, Oxford House, Chisenhale Dance Space, The Albany, Brady Arts and Community Centre, St Hilda's East Community Centre, Four Corners, Green Candle Dance Company, A Team Arts (LBTH Arts & Events) |
| Schools & Colleges Workshops | BFI Southbank, Chisenhale Dance Space, Rio Cinema, Green Candle Dance Company, Half Moon Theatre |
| Schools & Colleges Theatre | Half Moon Theatre |
| Workspaces | Bow Arts Trust, Gas Works |
| Hires and Events | Barbican, Whitechapel Gallery, The Troxy, Blackhall Studios, Wilton's Music Hall, Shoreditch Town Hall, Concrete at the Tea Building, Truman Brewery, The Cube, King's Place, Wellcome Collection Conference Centre, Battersea Arts Centre, Southbank Centre, Roundhouse, Institute of Contemporary Arts, Aubin Cinema, Hackney Picturehouse |

| Key Competitors for Commercial and Independent Cinema | | | |
|--|--------------------|-------------------|---|
| Cinema | Independent | Commercial | Response |
| Barbican | * | * | Barbican has a three screen cinema The partnership we currently have to allow their members to use their membership cards at RM gives us an advantage to encourage those that visit our cinema to join our Individual Supporters Scheme. |
| BFI | * | * | |
| Cineworld West India Quay | | * | Improved access to Rich Mix from Shoreditch High Street Station. May need to be better marketed. |
| Genesis Cinema | * | * | Competition mainly commercial but they do host some festivals. |
| Cineworld Enfield | | * | It has been viewed by some Bollywood film distributors as being a direct competitor and it has made it difficult for us to get first run Bollywood films. |
| The Aubin Cinema | | * | 3D films and films that we programme in Screen 3. |
| Rio Cinema | * | * | |
| Stratford Picturehouse | * | * | |
| Hackney Picturehouse | * | * | Opened in Autumn 2011. |

Appendix B – Risk Register

| Risk Area | Likelihood | Impact | Overall Risk | Control Procedure | Retained Risk | Monitoring Process | Responsibility | Further Action Required | Review Date |
|---|------------|--------|--------------|--|---------------|---|----------------|---|-------------------------------------|
| Governance Risks | | | | | | | | | |
| Loss of key staff/Board members | 2 | 4 | 12 | <ul style="list-style-type: none"> - Succession planning - Document systems, plans & projects - Training programmes - Agree notice periods & handovers - Review & agree recruitment process | 9 | Further regular appraisals and a Board effectiveness review to identify skills gaps | JE/Board | None | Annual review at June Board meeting |
| Operational Risks | | | | | | | | | |
| Service provision - customer satisfaction | 2 | 4 | 12 | <ul style="list-style-type: none"> - Agreed quality control procedures - Implement complaints procedures - Benchmark services - Obtain feedback | 6 | Sample complaints and review for any significant changes in practice | LK/NC | Dependent on any new significant service failures | Report to September Board |

| | | | | | | | | | |
|------------------------|---|---|-----------|--|---|--|----------|--|----------|
| | | | | from audience & artists - Implement appropriate staff training | | | | | |
| Building & equipment | 3 | 3 | 12 | - Agreed building & plant inspection programme - Agreed maintenance & repair programme - Agreed capital expenditure budgets - Undertake efficiency review - Implement adequate reserves policy - Review insurance cover - Use pro bono external support to advise on contractors | 9 | Review of 5 year capital plan and review regular maintenance schedule. | NC DL | Continue to look at other sources of capital funding | May FABS |
| Financial Risks | | | | | | | | | |

| | | | | | | | | | |
|-------------------|---|---|-----------|--|----|---|----|------------------------------|------------------------------|
| LBTH litigation | 2 | 5 | 15 | <ul style="list-style-type: none"> - Implement adequate reserves policy - Communicate with supporters & users (audience, artists, etc) - Ensure effective reporting of the charity's activities & financial situation - Implement public relations training & procedure - Take appropriate professional advice - Build relationships with LBTH commissioners | 15 | Continuing dialogue with pro bono lawyers and Board representatives and other funders. To continue to work towards an out of court settlement | JE | Prayer | Monthly FABS |
| Reserves policies | 3 | 3 | 12 | <ul style="list-style-type: none"> - Link reserves policy to business plans, activities & identified financial & operating risk - Regularly review reserves policy & levels | 12 | Annual business plan review and statutory account preparation | DL | Successful LBTH case outcome | August FABS, September Board |

| | | | | | | | | | |
|---|---|---|-----------|---|----|--|----|---|---|
| External/Environmental Risks | | | | | | | | | |
| Decrease in audience numbers/audience mix | 2 | 4 | 12 | <ul style="list-style-type: none"> - Ensure continued communication with public and press - Obtain feedback from audience & artists - Continue to update marketing strategy - Ensure Programming relevant to organisational goals - Continue the Box Office split business model | 8 | Annual audience analysis and monthly costs and sales process 6 monthly reports to the Board | LJ | Ongoing monitoring and flexing the program if early signs of audiences drop off | March Board |
| Compliance Risks | | | | | | | | | |
| Loss of Licensing | 1 | 5 | 10 | <ul style="list-style-type: none"> - Review & agree compliance procedures & allocation of staff responsibilities - Take appropriate professional advice | 10 | Ensure we operate within our licensing limits | NC | Work towards lifting of breach of notice for noise levels | As we apply for particular changes to our license |

Appendix C – Activity Tables

| | | | | | |
|-------------------------|--|---------------------|------|------|------|
| Arts and Culture | <u>Overall Aim: develop quality and reach of the arts programme in line with the artistic vision for Rich mix.</u> | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |

| | | | | | |
|---|--|------|---|--|--|
| 1. Create programme for 2016, Rich Mix's Ten Year anniversary. | A world class arts programme that works with Rich Mix's archive materials and key strategic objectives to celebrate 10 years of since the building opened. | 1, 3 | <p>Programme to launch in January 2016. Exhibition to launch in April 2016.</p> <p>Planning in earnest and fundraising to start spring 2015 latest.</p> | Up to £50,000. Dependent on art-forms offered and percentage of new work and international work. Costs could be significantly reduced if we "umbrella" existing programming. | Head of Programming with support from CEO, Head of Marketing. Wider staff team, artists, and trustees. |
| 2. Offer commissions to coincide with Rich Mix Ten Year anniversary. | Ten new commissions offered, culminating in the creation of ten new pieces of work across the artforms that Rich Mix programmes. | 1 | January – December 2016, with fundraising and planning to commence spring 2015 latest (see note above). | Anywhere between £10,000 and £100,000, dependent on level of financial support offered. | Head of Programming plus support from CEO in terms of fundraising. |
| 3. Develop outreach work to support incoming work from Bangladesh & the Bangladeshi diaspora. | A new post with a remit for working in the local area with the result that local young people engage with our arts and culture programme, especially work | 3 | New post in place May 2015 to work on Rich Mix Youth Takeover. | £5,000 - £25,000 dependent on projects and staff contracts/rate of pay. | Head of Programming plus support from CEO in terms of fundraising. |

| | | | | | |
|---|---|---------------------|---|--------------------------------|---|
| | from Bangladesh. | | | | |
| Film / Cinema | <u>Overall Aim:</u> achieve the financial objectives and audience reach set out in the Enterprises business plan assumptions, and contributes to overall artistic offer for Rich mix. | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. Building the family audiences. 2015 is a big year for family films and unless we tap into this market we will continue to perform under our competitors. | Increase our market share. | 2, 3 | We need to have a marketing strategy by June 2015 | Marketing cost | Film Officer and Marketing Manager. |
| 2. Build audience of 45+ 2014 we struggled with some of the films and live event that were suitable for 45+, Mr. Turner, Billy Elliot (the highest grossing Live Event) and War Horse (second highest grossing live event) | Increase our market share | 2, 3 | We need to have a marketing strategy by Sept 2015 | Marketing cost, | Film Officer and Marketing Manager. |
| 3. Reduce Projection Cost. To be in line with other venues in | Cost reduction by going automation with standard | 2 | End of 2015 | Estimate around £4,000 savings | Arts Alliance, Management Team, Projection Manager and Film Officer |

| | | | | | |
|---|--|----------------------------|-----------------------------|---------------------------------|-------------------------------------|
| reducing on going wages. | shows. | | | | |
| Hires and Events | <u>Overall Aim</u> : : achieve the financial objectives set out in the Enterprises business plan assumptions, and contribute to overall offer for Rich mix. | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. Continue to form new relationships with new corporate clients whilst nurturing existing relationships to secure repeat bookings. | Balancing the need for high value, one-off bookings and discounted, guaranteed income from multiple date bookings and repeat clients | 2 | March 2016 | | Events Manager |
| 2. Maximise opportunities to promote venue and screen hire packages. | Focus on blockbuster film releases in 2015 to both and new and existing clients and agencies. Greater emphasis and training on promoting venue hire via social media and GoogleAdwords. | 2 | Ongoing throughout the year | within events marketing budget. | Events Manager Head of Marketing |
| 3. Collate and analyse data on space usage | Review data of space usage and | 2 | On quarterly basis | | Events Manager |

| | | | | | |
|-------------------------------|--|---------------------|------------|------|-------------------|
| within current allocated days | work with Programming Team to identify where there may be opportunities to increase or better utilise space availability, which would help increase conversion rate. | | | | |
| Marketing | <u>Overall Aim:</u> | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. Increase brand awareness | Recognition of RM as a venue to see excellent film, music, theatre, dance, spoken word and comedy. <u>Deliverable:</u> strengthened print and online communication to improve public understanding of wHo we are & what we offer. | 3 | May 2015 | £5k | Head of Marketing |
| 2. Reach new audiences | Strengthen our reach to music | 3 | March 2015 | £5k | Head of Marketing |

| | | | | | |
|--------------------------------|--|---|-----------|-----|-------------------|
| | audiences, local people and families. <u>Deliverable:</u> Build & develop press, listings, blog contacts, strengthen print & distribution networks targeting these groups | | | | |
| 3. Better understand audiences | Survey our existing audiences to find out who they are, how we communicate with them, what they like about us, what they don't like, how we can better communicate with them. <u>Deliverable:</u> Combination of online and face to face surveys. Implement an action plan reflecting how to best use information once captured. | 3 | June 2015 | £5k | Head of Marketing |

| Finance | <u>Overall Aim:</u> | | | | |
|--|---|---------------------|-----------------------|---|--|
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. Introduce workplace pension scheme | Scheme in operation at staging date of 1 August 2015 | | 1 August 2015 | 1% gross pay of eligible employees | Head of Finance |
| 2. Review finance procedures & documentation & refresh staff familiarity | To ensure procedures are adequate and implemented | | 30 Sep 2015 | None | Head of Finance |
| 2. Deliver savings of a further £10k per year on overhead costs | Review of office costs Review of energy contracts Review of maintenance costs and contracts | 2 | March 2016 | £10k cost savings | Head of Finance/Head of Enterprise |
| Operations | <u>Overall Aim:</u> | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. To improve Customer Service standards by introducing a rolling | Introduce an initial new starter training programme followed by | 2 | April 2015 – on going | Training costs approx. £2K p.a. Communication costs to be | Head of Enterprise/FOH Manager/Duty Managers |

| | | | | | |
|---|--|----------|--|--|--|
| <p>Customer Service Training Programme. To introduce further meetings/action groups to look at all areas of service delivery [Cinema, Bar, Theatre & Events]</p> | <p>refresher courses every 6 months to ensure consistency of service. Empower staff and encourage them to join Action Groups for each areas of delivery. The primary purpose of the groups being to improve service standard and to continue to look at ways to generate extra income.</p> | | | <p>incorporated into existing FOH/DM annual budget</p> | |
| <p>2. Review the staffing costs associated with the delivery of the all RM Programme with a view to become more cost effective without diminishing service standards. To introduce a volunteering programme to help support the delivery of the A&C Programme</p> | <p>Introduce a more empowered and efficient workforce. Reduce the setting up and clearing up times of events by working closer with Artists and companies. Training staff to multi-task to cover more areas and reduce costs. Introduce a regular</p> | <p>2</p> | <p>April 2015 – on going throughout the year</p> | <p>Cost reduction – as yet unknown</p> | <p>Head of Enterprise/FOH Manager/Box Office Manager</p> |

| | | | | | |
|---|---|---------------------|--|--|--------------------|
| | team of volunteers to help out during busy activity days. | | | | |
| 3. Review the organisations Fire Policy & Procedures and First Aid requirements. Review the existing service contracts to ensure we are receiving value for money | Ensure all staff, tenants and users of the building are fully trained in the companys' Fire Policy & Procedures. Introduce a regular 1 st Aid training programme for all RM staff, and introduce a sub-committee as part of the H&S committee with a regular quarterly feedback. Review the existing contracts for Fire, CCTV, Access control & Intruder alarm | 2 | April 2015 – June 2015 – then on going | £2.2K for the year on 1 st Aid Training. Cost negated by reduction in service contracts | Head of Enterprise |
| Technical | <u>Overall Aim:</u> | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| | This would ease the | | April 2015 | | Technical Manager |

| | | | | | |
|--|--|---------------------|-----------|--------------------|-------------------|
| 1. With More work happening in all spaces the need to get more staff with the right skill set has now become paramount to the smooth running of the technical team and requirements for all events | pressure on regular technical staff on events in venue two and gallery hangings | | | | |
| 2. With the load of events within Rich Mix the need to improve on information gathering from clients and in coming groups | This will help with correct information for the FOH and technical teams | | Ongoing | No additional cost | Technical Manager |
| 3. To improve and upgrade the technical equipment for venue two. | To achieve a better feel for all event in venue two | | June 2015 | £2,500 | Technical Manager |
| Capital Spending | <u>Overall Aim:</u> to deliver an improved reliability for the building by implementing the agreed five-year Capital programme | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |

| | | | | | |
|---|--|---------------------|--|---|---|
| 1. Complete the improvements funded by the Biffa award | Improved toilets on the ground and fourth floor | 2 | By end April 2015 | £40,000 | Head of Enterprise |
| 2. Replace and renew technical equipment | Improved reliability of equipment in main Space and V 1 and 2 | 1 | Dependent on results of Arts Council bid | As set out in five year program and bid to ACE | Head of Enterprise/Technical manager |
| 3. Beginning process of seeking planning permission to use rear entrance from Redchurch Street | Better footfall and visibility to communities to the rear of Rich Mix, and improved footfall and profitability for café. | 2 | Initial feasibility completed by end April Board consideration in June Submit to LBTH by October | Dependent on finding pro bono planning support from British land or similar | Head of Enterprise/ CEO |
| HR / Staff Development | Overall Aim: build on the quality and strength of our staff team for now and for the future | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. Use annual staff appraisal process to recognise achievements and agree targets for next year | All staff have agreed targets and development plans for the forthcoming year | 2 | All appraisals to be completed and written up by end May | Staff time | Senior leadership team/ line managers, supported by Executive Assistant |
| 2. develop a training plan for the whole organisation | Every member of staff to have one specific | 2 | Initial draft produced for June board meeting | Staff time and some limited training budget. | CEO/ Executive Assistant |

| | | | | | |
|---|--|---------------------|---|------------|---|
| | development opportunity over the course of the next year | | consideration Review in December 2015 | | |
| 3. review process of recruiting to ensure that we recruit locally and that we build on our record of a diverse workforce. | 35% of new appointments to come from tower hamlets residents and 35% to come from BAME backgrounds | 2 | Dependent on vacancies arising, and times before recruitments for paid interns. | Staff time | CEO and Line Managers |
| Environmental Sustainability | Overall Aim: meet the objectives set out in our annually reviewed environmental strategy | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. develop use of reporting tools for Julies Bicycle and ensure data reviewed to see where we can improve | | 2 | Quarterly | Staff Time | Executive Assistant |
| 2. quarterly reporting to tenants on energy use | Aim to Energy use at current levels and if possible reduce by 3% per annum | 2 | Quarterly | Staff Time | Executive Assistant and Head of Enterprises |
| 3. review waste collection Service | Aim for improved service and increased recycling | 2 | Contract date anniversary is May 2015 | Staff Time | Executive Assistant and Head of Enterprises |

| | | | | | |
|---|--|---|---|------------|---|
| | to save costs | | | | |
| Fundraising | <u>Overall Aim:</u> meet the fundraising target assumptions set out in the business plan and develop strategy for 2016 anniversary | | | | |
| Three Key Objectives | Outcome | Strategic Objective | Date | Cost | Who? |
| 1. deliver a balanced budget for court costs and additional programming | Raise £180,000 | 1, 2 | By end March 2016, with monthly review by FABS/ Board | Staff Time | CEO supported by Head of Finance and Head of Programming |
| 2. develop and implement plan for 2016 anniversary using Rich Mix matters # | Aim to raise £10,000 for new commissions and to attract at least 100 expressions of support on the website by end of year | 1, 2 | Develop plan for board approval by June 2015 Fund raise for commissions from individuals starting September 2015 | Staff Time | CEO supported by Box Office Manager and external secondee |
| 3. build new foundation supporters | Generate one new three year funding source | Financial sustainability and excellent arts | March 2016 | Staff Time | CEO supported by Box Office Manager and external secondee |

| Appendix D – Rich Mix Financial Table | | | | | | |
|--|-------|-------------------|------------------------|------------------|------------------|------------------|
| 2015/16 - 17/18 Financial Plan | | | | | | |
| | notes | 2013/14 Actual | Budget 2014/15 £ | 2015/16 £ | 2016/17 £ | 2017/18 £ |
| Income | | | | | | |
| ACE NPO funding | 1. | 300,519 | 301,700 | 301,700 | 301,700 | 301,700 |
| Other funding & donations | 2. | 163,082 | 205,000 | 170,000 | 175,000 | 180,000 |
| Arts, Culture and Creative Learning | 3. | 140,023 | 150,000 | 150,000 | 155,000 | 160,000 |
| Leases and Service Charges | 4. | 433,130 | 400,000 | 405,000 | 410,000 | 415,000 |
| RM Enterprise Ltd contribution | 5. | 698,013 | 565,000 | 575,000 | 587,500 | 600,000 |
| Other revenue income | | 6,006 | 4,000 | 4,000 | 4,000 | 4,000 |
| | | 1,740,773 | 1,625,700 | 1,605,700 | 1,633,200 | 1,660,700 |
| Expenditure | | | | | | |
| Arts, Culture and Cr. Learning Costs | 6. | 218,786 | 246,500 | 215,000 | 215,000 | 215,000 |
| Staff costs | 7. | 763,479 | 788,700 | 804,400 | 821,800 | 840,100 |
| Professional Fees & licences | 8. | 23,138 | 27,300 | 27,500 | 27,500 | 27,500 |
| Property costs | 9. | 391,684 | 390,000 | 390,000 | 400,000 | 400,000 |
| Office costs | 10. | 101,911 | 92,300 | 95,000 | 97,500 | 100,000 |
| Fundraising costs | | 661 | 500 | 500 | 500 | 500 |
| Marketing | 11. | 43,009 | 45,000 | 50,000 | 50,000 | 50,000 |
| | | 1,542,668 | 1,590,300 | 1,582,400 | 1,612,300 | 1,633,100 |
| Surplus for Year | | £ 198,105 | £ 35,400 | £ 23,300 | £ 20,900 | £ 27,600 |
| General reserves | | | | | | |
| (excluding outstanding LBTH funds) | | | | | | |
| Brought forward 1 April | | (164,773) | 33,332 | 68,732 | 92,032 | 112,932 |
| Carried forward 31 March | | £ 33,332 | £ 68,732 | £ 92,032 | £ 112,932 | £ 140,532 |

Appendix E – Progress Report on Diversity & Race Equality Strategies

Purpose and Summary

To report on the actions taken to deliver on our strategy and the progress made over the past year.

Background

In June 2010, the Board adopted the strategy for the approach Rich Mix will take to ensure that we live up to our values of celebrating diversity. The adopted strategy is set out below, together with comments marked as to the progress we have made over the past year 2013-2014.

Race Equality Strategy

Statement of Intent

Rich Mix is London's up and coming arts centre. It will programme, commission, work in partnership with, and employ those who are excellent in their chosen field regardless of their race, religious belief/s, gender (including transgender status, if applicable), age, disability and / or sexual orientation.

Aims

In its work and all areas of the organisation, Rich Mix aims are:

- To celebrate London's cultural diversity and establish a new landmark in world culture.
- To showcase work from Black and Minority ethnic communities, and marginalised communities.
- To encourage, nurture, grow and explore the cultural and creative talent of all people through a vibrant, dynamic celebration of entrepreneurship, utilising the creative industries and artistic expression as its foundations.

Strategy

Rich Mix is a thriving arts venue based in the diverse borough of Tower Hamlets, and on the fringes of Hackney and the City of London. We seek to reflect the local communities around us by providing a programme of work that appeals to and reflects their experience.

We recognise that we can promote equality through a number of ways that will fulfil our aims.

Celebrating London's cultural diversity and establish a new landmark in world culture

Programming.

We will programme diverse work from across London and the world, ensuring a mix between art forms and those who produce the work. We will seek feedback from audiences, the local community, stakeholders and funders to enable us to monitor whether our offer is sufficiently diverse whilst not compromising the quality. We will strive to give equal access to all members of our diverse audience.

Progress

Over the past year we have undertaken another formal analysis of our audiences using the Mosaic data analysis. This renewed data has shown that we continue to attract more people from lower income households than our competitor organisations. We have also conducted face to face surveys with members of the public visiting Rich Mix. These exercises, coupled with improved data garnered from online bookings, have significantly helped us to better target our marketing and understand our audiences.

As a founder participator in the newly established Arts Centre Network, we have had some comparison of our audience mix with three other London venues and five others across England, in Birmingham, Stockton, Cambridge, Lincoln, and Keswick. The research showed our audiences to be larger than all of the others with the exception of MAC in Birmingham, but proportionately better at reaching lower income groups and non-traditional arts attenders. Our Esmee Fairbairn funding to support the free programming we run should help us to continue to reach new audiences.

Free events

We will apply the same high standards required of our programmed work, to those who perform in our free events. We will ensure that free events offer a rich and innovative schedule which covers all age ranges and cultural backgrounds. These free events will provide the local community with opportunities to sample a wide range of arts to which they might not otherwise have access.

Progress

Our free programme, supported by Esmee Fairbairn, has seen audiences of over 26,000 people come to experience music, theatre, spoken word and visual arts over the course of the year at around 210 events. This represents roughly a third of our total programme and is an important part of reaching people who are not traditional arts attenders. Over 50% of our audience come from Tower Hamlets and Hackney, a figure which has not changed even though the overall audience has grown.

2. Showcase work from BAME and marginalised communities

Artists

We will focus on working with artists and showcasing excellent work which may have difficulty finding a platform in other venues. We will find this work through our local networks, by offering opportunities through targeted media (eg: Red Hot Curry for South Asian artists), by offering artist development opportunities and partnering with arts organisations who work with BAME or marginalised communities.

Progress

During 2013/14, 60% of our Artistic Programme was BAME led.

Working collaboratively

We will seek to find ways of working collaboratively with artists, and where possible, focus on local artists or those from marginalised communities.

Progress

In the past year we have been able to support over 100 artists with free space to develop their work. In total we have provided over 4,170 hours of free space to the value of over £280,000. 58% of these artists were from BAME communities.

3. Encourage, nurture, grow and explore the cultural and creative talent of all people through a vibrant, dynamic celebration of entrepreneurship, utilising the creative industries and artistic expression as its foundations.

Staffing

We will underline our commitment to equality and diversity throughout our policies and procedures. This will include a clear statement on all recruitment materials emphasising that Rich Mix considers applications from all sections of the community. At application and interview stage applicants will be asked about their commitment to equality and diversity.

Our performance review procedures will include equality and diversity objectives as both developmental and organisational objectives. We will monitor staff recruitment, retention and progression to check for discrimination.

Our policies will include clear anti bullying and harassment procedures including zero tolerance to discrimination and exclusionary behaviour.

We will provide training on equality and diversity for all staff and trustees to ensure that everyone is aware of the standards to which we hold ourselves.

Progress

We have had no complaints of harassment and /or bullying over the course of the year.

We have undertaken some FOH training this year looking at all aspects of customer service and of working together as a team.

The demographic makeup of our Staff and Board is set out below:

Ethnicity of Rich Mix Staff

Rich Mix Business Plan 2015-18

| | Specialist staff - Men | Specialist staff - Women | Managers - Men | Managers - Women | Other staff - Men | Other staff - Women | Total |
|-------------------------------|------------------------|--------------------------|----------------|------------------|-------------------|---------------------|-----------|
| White | 3 | 3 | 2 | 1 | 17 | 12 | 38 |
| Asian or British Asian | | | | | 6 | 6 | 12 |
| Black or British Black | | 1 | | | 8 | 2 | 11 |
| Chinese | | | | | | | |
| Mixed or Dual Heritage | | | | | 2 | 2 | 4 |
| Any other ethnic group | | | | | | | |
| Not known / Prefer not to say | | | | | | | |
| Total | 3 | 4 | 2 | 1 | 33 | 22 | 65 |

Ethnicity of Rich Mix Board

| | Men | Women | Total |
|-------------------------------|----------|----------|-----------|
| White | 3 | 2 | 5 |
| Asian or British Asian | 3 | 4 | 7 |
| Black or British Black | 2 | | 2 |
| Chinese | | | |
| Mixed or Dual Heritage | | | |
| Any other ethnic group | | | |
| Not known / Prefer not to say | | | |
| Total | 8 | 6 | 14 |

Suppliers/Partners

Strategy dissemination to suppliers/partners

A copy of this strategy will be made available to all suppliers and partners with whom we work regularly. We will ensure that our commitment to race equality and diversity is highlighted in order to promote our values to those who work with us.

Hires

We will seek to make Rich Mix a place where people have access to the space. We will investigate how to encourage the local community to hire the space and ensure that prices reflect our need to be sustainable whilst at the same time offering some discounts for charities where we can do so fairly.

We will target some marketing to the local community so that they are aware of the facilities, and encourage them into the building to see what is available, including by making the building available for use as a surgery venue for local councillors. We will ensure that religious and cultural needs have been considered within our space so that those from all backgrounds find the building welcoming.

Progress

We have continued to balance the need to generate income with our desire to support local groups by the provision of free space for groups such as Ladies Who Learn, The Daneford Trust, Sound Connections, East Shoreditch Neighbourhood Planning Forum, OPEN Shoreditch, Beyond Boundary Project and Somewhere_to. We have continued our partnership with THAMES to allow them to rent the main space at a discounted rate, increasing our reach to local schools and young people.

Discussions between programming and events & hires staff have resulted in a more structured division of venues and times in the building, thus making it simpler to roll out the offer of free and discounted space to local projects.

Tenants

Our tenants contribute to the cultural and artistic feeling of our building. To enable us to engage with diverse and wide ranging tenants we will ensure we have clear channels of communication and we will assess their needs and responsibilities on a regular basis. We will attempt to maintain a balance of businesses and reflect those which are BAME led. We will seek to understand any barriers to tenancy including building accessibility and cost of space. When office space becomes available, it will be offered to the widest community and criteria for selection will also include commitment to our values of equality and diversity.

Progress

Our occupancy rates and the mix of tenants within the building has continued with 23.9% of the jobs being occupied by people who identify themselves as being from BAME communities. We will continue to monitor this and to keep a balance of ethnicity and disability with the mix of our tenants.

Education

We will work through our education activities to encourage children, schools and families from Tower Hamlets and beyond to be introduced to the range of arts activities which Rich Mix can offer, and will work with them to encourage local families to see Rich Mix as their place.

Progress

During 2013-2014 our work with schools and families reached over 7000 young people. We know from the ethnicity data of the schools that we are reaching a high proportion of children and young people from the local area and from a diverse range of backgrounds.

Successful one off projects included Drama in the Mix, the first ever Rich Mix Youth Takeover, which attracted over 2000 young people, and supporting Bethnal Green Academy's Year 12 drama students with rehearsal and performance space for their AS Level.

Our work on the Somewhere to_ project has grown and we have enabled over 50 young people to get involved with and produce their own events at Rich Mix, bringing in a total audience of more than 1000 people.

We continue to work with our Young Ambassadors; having developed a year-long scheme which sees them create and produce their own events as part of the Rich Mix programme. The Ambassadors are aged between 16 and 21 and meet with our Creative Learning Coordinator on a fortnightly basis to discuss and plan their events, as well as receive workshops with the Rich Mix team in marketing, event production and professional development. 50% of the Young Ambassadors are from the local community whilst 4 of the current 6 are from BAME communities. The scheme operated a rolling recruitment and numbers fluctuate between 6 and 12 young people.

Sourcing materials

In addition to the artists and cultural activities, we will also seek to engage with suppliers who can offer produce that promote cultural diversity and equality across the UK and beyond. Where practical we will seek to use fair-trade products and suppliers of goods that may not be available in mainstream cultural institutions but that reflect our communities.

Progress

Over the past year we have worked to move more of our purchasing to companies in the local area. Many of our building maintenance supplies come from local firms, as does the bulk of our printing and design. We now also use more local designers in our attempt to ensure that the money we generate supports local businesses in our immediate area. We will continue to review our major contracts for value for money and to ensure that the people we spend money with have policies which reflect our ethical stance and commitment to diversity. We have changed the sourcing of some building maintenance work to use a local social enterprise and one of their employees, and are continuing to look at other contracts to use local firms

As part of the retendering exercise for the café we discussed the use of Fair Trade products and are meeting the local Tower Hamlets Fair Trade group to identify other things we can do to support the movement.

Trustees

Our trustees are committed to ensuring equality and diversity throughout the organisation. They are recruited from a wide range of backgrounds and reflect the local community where we are based. Equality and diversity will continue to be

monitored at Board meetings on an annual basis. The basis upon which they monitor equality and diversity will vary but may include: statistical information on employees, artists, events; recruitment and retention information; anecdotal evidence; and quantitative and qualitative data.

The trustees and senior managers will be responsible for monitoring the success of the strategy which will be reviewed and updated on a yearly basis.

Progress

This is the third annual review of our strategy, which has been tweaked in the previous two reviews.

Board recruitment continues to be an open process through public competitive adverts. The Board continues to reflect a good balance of experience, skills, artistic interests and ethnicity and are recognised by the Arts Council England definitions as making Rich Mix a Black led organisation.

The Board consider regular reports on things such as audience data and tenant make up. Our approach to who we programme and for what audiences are also under continuous scrutiny by the Board and through informal interchanges with members of the Board on an individual basis.

Recommended

That the progress be noted and any areas for additional work be identified.

Rich Mix aims to be a good neighbour locally and globally by engaging staff, tenants and visitors in the most effective behaviours to minimize our carbon footprint, reduce waste, and promote environmental, social and financial sustainability. We endeavour to become a leader and a resource in sustainability within our local community and among London's cultural institutions.

Our approach to sustainability is threefold, involving commitments to behavioural change, engagement, and investment. It is our goal to make the most effective use of our resources by eliminating waste through smart behaviours first, and complementing behavioural change with responsible investments in energy efficient technologies. We will increase our impact by educating staff, tenants and visitors, and regularly reporting our progress to stakeholders within the organization and in our community at large.

Our sustainability programme will be in line with our overall mission and objectives, which are:

- To deliver a world-class artistic programme that reflects, and is accessible to, the diverse communities who live in East London.
- To strengthen our financial position by maximising usage of and income from the spaces in the building and by reducing costs wherever possible.
- To build our audience numbers and our reach to target groups - especially our local communities - which includes improving our marketing and customer service.

Our sustainability goals in the coming years are:

- **To understand** our current carbon footprint, and develop a program for consistent monitoring and annual improvement;
- **To comply** with all relevant legal standards and requirements for environmental practices set by our funders and stakeholders;
- **To reduce annual electricity consumption** by at least 5% by eliminating unintentional wasteful behaviours among staff and tenants;
- **To reduce waste to landfill** by engaging staff, tenants and visitors in recycling and reduction of materials whenever possible;
- **To reduce air emissions** by encouraging staff, tenants and visitors to cycle, walk or take transit to our facility whenever possible and providing them with the information necessary to do so;
- **To investigate** opportunities to reduce the carbon footprint of our building through repairs, maintenance, and operation;
- **To invest** in energy upgrades which provide the greatest value for money when investments are feasible;
- **To engage** the community in a conversation about sustainability through environmentally and socially responsible management of our on-site events; and
- **To communicate** and set a positive example by reporting regularly to our stakeholders, including staff, tenants, venue hire clients, funders and the community

This sustainability policy will be made available to all interested parties, and reviewed annually.

| | 2013 – 2014 <i>What we have done</i> | Next 2-4 years <i>What we will do</i> |
|----------------|--|--|
| Behaviours | <ul style="list-style-type: none"> • Continued to conduct twice daily checks of lights and heaters throughout the facility. • Continued to encourage use of new recycling stations which has previously saved us up to £8k in trade waste costs. • Reduced our gas usage by 14% on the previous year. • Reduced our electricity usage by 5% on the previous year. • Recorded our hourly energy usage data. • Continued to create incentives for staff & visitors to cycle or walk. • Sought proposals for voltage management equipment. | <ul style="list-style-type: none"> • Establish a collection or pick-up for food waste in conjunction with Indi.go at Rich Mix. • Collaborate with tenants to commit to green behaviors when initiating or renewing their lease. • Generate awareness about passive cooling. • Reconsider a sustainable purchasing/sourcing policy. • Look to re contract the maintenance of our Building Management System. |
| Communications | <ul style="list-style-type: none"> • Led a sustainability leadership committee with tenants. • Published our sustainability policy on website and newsletter. • Staged an exhibition centred on the theme of discarded objects. 'Trash' in the Lower Café Gallery shone a light on the abundance of waste and material goods and the impact it has on our societies. • Reported all environmental info to Julie's Bicycle NPO scheme. • Instructed all office tenants to turn off computers and lights at night and during breaks/meetings. | <ul style="list-style-type: none"> • Apply for recognition from the Council or similar. • Produce 2-4 sustainability-themed cultural installations or events each year. • Create an internal recognition programme. • Pursue partnerships with other organisations in Tower Hamlets to drive awareness within the community. |
| Investments | <ul style="list-style-type: none"> • Placed "Turn off lights" signage in bathrooms, hallways and kitchens. • Tested and repaired faulty heating/cooling equipment. | <ul style="list-style-type: none"> • Install lighting timers in bathrooms, stairwells and hallways. • Replacement of fluorescent lighting with LED in test areas. N.B. subject to finances. Grey Water system in part or all of the facility. • Replacement of fluorescent lighting with LED throughout the facility. • Upgrade to energy efficient cinema equipment. |