

POLICY & FINANCE COMMITTEE

31 MARCH 2022

APPLICATION TO THE ARTS COUNCIL ENGLAND TO BECOME A NATIONAL PORTFOLIO ORGANISATION

1.0 Purpose of Report

1.1 To explore the potential of the Arts Council England's 2023-26 Investment Programme and seek approval to submit an application to become a National Portfolio Organisation (NPO).

2.0 Background Information

2.1 Context

The Arts Council England (ACE) is the national development agency for creativity and culture in England, investing public money from Government and the National Lottery to support the cultural sector. Alongside their open programme of project funding and specific funding streams such as the Covid Culture Recovery Fund, one of their biggest areas of investment is to their National Portfolio Organisations (NPOs). In their 2018-22 NPO funding period, 828 organisations were allocated a total of £405 million per annum. Of those, only 187 were new organisations to the portfolio, demonstrating the high level of competition that this funding is subject to. All applications to become an NPO must fulfil rigorous and specific objectives in line with ACE's strategic plan.

2.2 In March 2022, DCMS announced 109 Levelling Up for Culture priority places. These areas have all been identified by ACE as having historically had low investment in arts and culture and will be targeted by funding bodies for additional investment. Furthermore, ACE has committed to move investment from London into these priority areas in support of the Levelling Up agenda. Newark and Sherwood is included on this list.

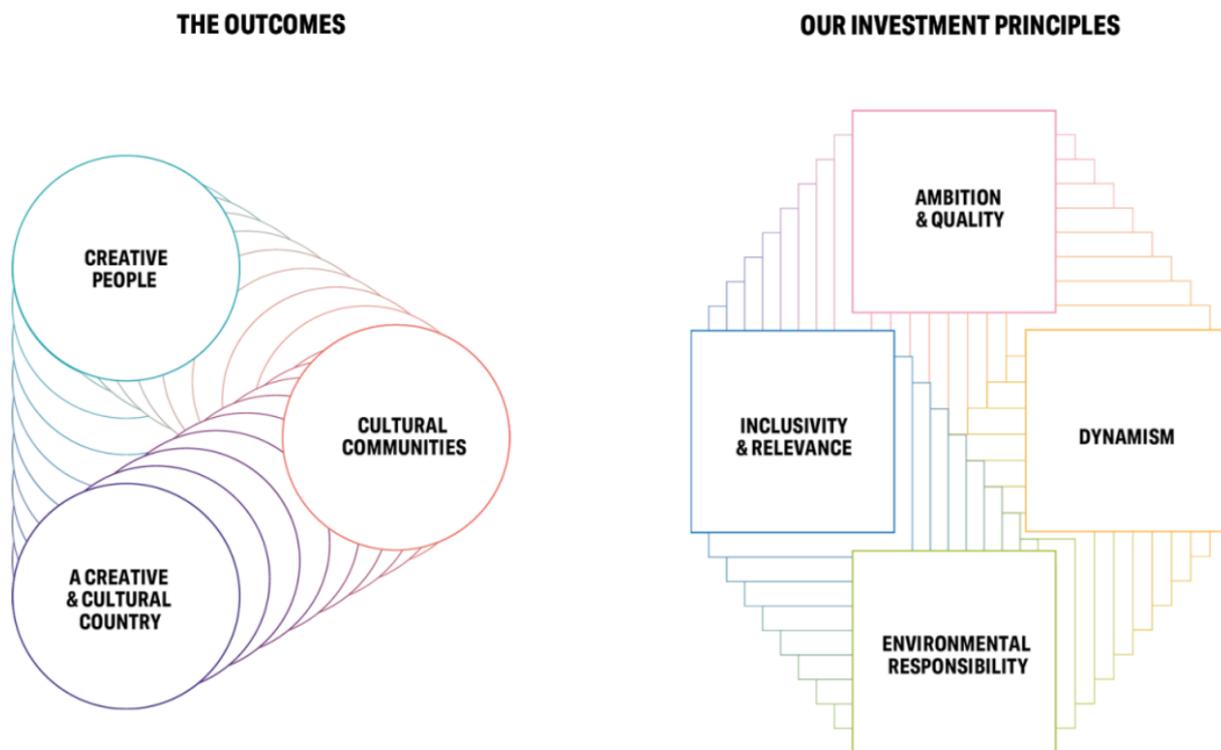
2.3 ACE – Strategic Objectives

In 2020, ACE released their new 10 year strategy, 'Let's Create' which sets out their ambitious vision. Under this strategy sits their delivery plan for 2021-24 and their Investment Principles. The strategy identifies a number of significant issues across England which make up ACE's 'case for change'. These issues include:

- Widespread socio-economic and geographic variances in levels of publicly funded cultural engagement
- Opportunities for children and young people to experience culture both inside and outside of a school setting vary
- There is a lack of diversity across creative industries
- There are significant differences in how 'arts' and 'culture' are defined, understood and valued

ACE's vision is that *'By 2030, we want England to be a country in which the creativity of each of us is valued and given the chance to flourish, and where every one of us has access to a remarkable range of high-quality cultural experiences'*.

Their strategy identifies three key outcomes that all funded activity must support, and their Investment Principles that all funded organisations will need to develop to support delivery of these outcomes:



The delivery plan breaks down each outcome into key elements and describes how organisations can demonstrate their commitment to the Investment Principles. It explores how their funding will support their vision, describes their equality objectives and explains how they will measure the impact of their plan. Further information on ACE's strategy can be found at: <https://www.artscouncil.org.uk/letscreate>.

2.4 ACE – Governance Arrangements

ACE has stated that:

'For 2023-26, National Portfolio Organisations will need to have some form of 'oversight group' or board in place by the time their funding agreement comes into effect on 1 April 2023. That oversight group may take the form of a small advisory group for a rural touring company, or a steering committee for a museum or library service within a local authority or university, or a subcommittee of the board of a parent company of a large venue group.

We will be open to consider whatever suggestions you wish to make that you believe are appropriate for your organisation. The group will consist of suitably qualified directors or trustees to oversee the mission of the organisation and provide governance oversight. The group will be independent of the executive and capable of taking responsibility for ensuring that the organisation's funding agreement with the Arts Council is implemented'.

Whatever its form, the oversight group must have the following minimum responsibilities and authority:

- be independent of the executive leadership of the organisation
- have (in either direct or delegated form) responsibility for oversight of the Arts Council funding agreement

- meet regularly (at least four times a year) with the executive leadership in order to review progress on the funding agreement
- receive and review regular reports on progress against the funding agreement and ensure that those reports are forwarded to the Arts Council on a timely basis
- meet and communicate directly with the Arts Council, independent of the executive if required

2.5 There is an expectation that any oversight group will adopt and embed the Investment Principles, and ACE has publicised guidance to support this approach, which represents a significant step change from previous NPO guidance: [https://www.artscouncil.org.uk/sites/default/files/download-file/Governance Working with the Investment Principles.pdf](https://www.artscouncil.org.uk/sites/default/files/download-file/Governance%20Working%20with%20the%20Investment%20Principles.pdf)

The ACE governance guidance advocates the following approach in relation to its four Investment Principles:

- **Inclusivity and Relevance**
 - The workforce, leadership and governance fully reflects and represents the communities it serves
 - The organisation and governance actively listens to, responds to, and forms relationships with under-served communities
 - Creative practitioners and cultural workers will be drawn from all backgrounds
- **Ambition and Quality**
 - Quality and creative ambition is improved by listening to people both inside and outside the organisation
 - Plans and activity clearly contribute to aims and outcomes, and professional development is supported through working with appropriate creatives and partners organisation. These indicators will shape future work and plans
- **Dynamism**
 - The creative mission is adaptable and responsive, regularly examining the value being created for the communities being served, and seeking practical ways to develop and improve
 - Investment in robust, committed governance and skilled, ethical leadership, supporting workforce development
 - Prioritisation of digital skills and literacy, and a data-driven approach to decision-making
- **Environmental Responsibility**
 - Use of good quality data to understand the organisation's environmental impact and to develop a strategy to mitigate that impact
 - Inclusion of the environmental strategy within business planning, supported by an action plan that demonstrates commitment to improvement
 - Advocate for positive change and seek to influence partners, stakeholders and the public by sharing the organisation's journey and experience externally

The guidance suggests actions for each of these items and a planning cycle to support progress. If NSDC is unable to evidence that it is adopting these principles and creating an appropriate governance arrangement as defined by ACE, it is unlikely to be successful in its application.

2.6 ACE – Relationship Management

ACE's relationship framework ([Relationship Framework - National Portfolio Organisations 2023-26.pdf \(artscouncil.org.uk\)](https://www.artscouncil.org.uk/publications/relationship-framework-national-portfolio-organisations-2023-26.pdf)) sets out ACE's expectations from the organisations they invest in, and what organisations can expect from ACE. They will assess the risk of organisations delivering on their funding agreement and an ACE relationship officer will meet at least once a year with the organisational lead and the chair of the oversight group.

There is an expectation that the oversight group will be accountable for the funding agreement and for meeting the terms and conditions. There are rigorous reporting and monitoring requirements, including the submission of quarterly board papers (or equivalent) and up to date financial papers, and quarterly data monitoring. The types of data include audiences (including online/digital), workforce statistics and environmental impact and the number of children and young people that are reached.

2.7 Heritage and Culture Business Unit

Since the start of the pandemic and the forced closure through lockdown, the Heritage and Culture business unit has reviewed and revised its service delivery to meet the changing needs of residents, delivering outreach, working closely with schools and exploring the reasons why some potential audiences are not engaged with culture locally. It has successfully bid for small levels of funding for projects which aim to support improved social mobility and wellbeing and deliver outreach to disadvantaged or isolated residents:

- An Art Fund project reimagined the National Civil War Centre's schools' offer both during and post lockdown
- A Max Literacy Funded project worked with 220 local GCSE English students to improve their creative writing skills through exploring our extensive collection of artwork
- The Culture Recovery Fund (rounds 1 and 2) which was administered by ACE supported delivery of outreach through digital and in-person activity, creating online content and interactive, participatory events, while round 3 supported operational delivery over the winter season

Applying to the Arts Council England to be a National Portfolio Organisation from 2023 – 2026 represents the next step for the Heritage and Culture Business Unit to increase its impact within Newark and Sherwood through delivery of an ambitious programme of activity that supports both ACE's outcomes and the Community Plan's objectives.

3.0 Proposals

3.1 The Heritage and Culture Business Unit is proposing to apply for funding to be a National Portfolio Organisation from 2023-26, the currently available funding period.

3.2 Activity and Investment Principles

Plans will focus on two of the three ACE Outcomes – Creative People, and Cultural Communities. The activity plan will be built around opportunities to listen to under-

represented voices and develop work with those communities, alongside developing a learning and participation programme for the theatre and expanding the work of our formal learning team to deliver teacher training and further cement their position as industry experts. A youth panel will be set up, and plans established for the co-creation of exhibitions that reflect the experience of the communities who are involved.

- 3.3 To demonstrate our commitment to the Investment Principles, proposed activity will include an access audit, a data strategy and creation of roles to champion inclusivity and environmental responsibility within the governance, workforce and volunteer team. To deliver these ambitions and ensure effective reporting and evaluation, we envision three roles that will be recruited in year one – a Cultural Strategy Manager, a Community Engagement and Partnership Development Officer, and a Learning and Participation Senior Officer (all subject to Job Evaluation). Plans in years two and three would seek to further expand cultural sector job opportunities, potentially through apprenticeships.

3.4 **Governance**

ACE has stated that it will select its NPOs by the end of October 2022. If successful, we will be required to establish any additional governance arrangements before April 2023. ACE advocates that we should ‘...adopt a data-led approach to identify and respond to underrepresentation across governing bodies, leadership roles and the workforce in relation to protected characteristic groups and those from lower socio-economic backgrounds’. Therefore it is proposed to seek external representation through both existing and new networks within our communities to sit on a National Portfolio Organisation Board alongside key members from NSDC. As explained above, this group will be responsible for ensuring that the organisation’s funding agreement with the Arts Council is implemented, and Terms of Reference and a Code of Conduct will be drawn up to reflect the needs of both NSDC and ACE. All other decisions relating to Heritage and Culture will remain under the purview of NSDC’s usual governance arrangements, and processes will be implemented to ensure that the strategic approach is aligned and that the decision-making and reporting process is transparent and appropriate for NSDC.

3.5 **Level of Funding**

The NPO application deadline is 18th May 2022, and as such, this report is being brought to Policy and Finance Committee before the full plans have been developed, not least because of another report on this agenda which relates to external consultancy to support completion of the bid. As such, detailed financial plans are still being costed and the figure which we will apply for is not fully determined. However, all new organisations planning to apply have to hold an introductory meeting with ACE where the appropriate level of funding is discussed. This meeting was held in February, and the ACE officer confirmed that a figure in the region of £300,000 per annum was reasonable for our organisation. It is therefore proposed to continue developing our plans in line with this report, with the final funding proposal being taken as an urgent decision with member approval. Proposed funding will deliver activity, events and community engagement, upskilling and development of staff, governance, volunteers and participants and sector specialist roles for both front line delivery and strategic development and partnership building.

3.6 **Future Planning**

The long term ambition for the Heritage and Culture Business Unit is to capitalise on the opportunity that this funding offers enabling significant growth and impact across the three years. Post-2026, with the culmination of the Gatehouse Construction work and in

delivery of the National Heritage Lottery Project, we would have ambitions to re-apply for any further NPO funding with the aim of positioning ourselves as an industry leader in the East Midlands.

4.0 Equalities Implications

4.1 The duties for the Council, contained within the Equality Act 2010, require us to continually examine our policies and practices to ensure that all our residents and customers are treated fairly and equally. We constantly strive to be more aware and knowledgeable about how age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion/belief, sex, and sexual orientation affect the experiences of our local communities, both individually and collectively. We also make every effort to raise the profile of equality and diversity issues both internally within the Council and across the District. We recognise the importance of fair treatment and equal access to our services and employment opportunities.

The proposal to become a national portfolio organisation, if successful, will have a positive impact in respect of equality and diversity in both services and employment at the Council.

5.0 Digital Implications

5.1 None.

6.0 Financial Implications FIN (21-22/778)

6.1 As described at paragraph 3.5 detailed financial plans are currently being costed and as such are not available at the time of writing this report. These will be presented within the Urgent Decision notice once completed prior to the application submission.

6.2 It is anticipated that the Council will bid for circa £300,000 per annum of funding which will allow further activity to take place within the Business Unit, rather than contributing towards reducing the existing budget provision. Therefore it is anticipated that there will not be an additional funding burden on the Council in respect of this grant funding as additional expenditure will match the receipt of the grant funding received.

6.3 The funding is anticipated to last for three financial years from 2023/24 to 2025/26, hence this would therefore require a commitment to the delivery of the programme for that period of time.

6.4 The draft terms of conditions of the grant do not require any match funding from the District Council in order to leverage the grant, nor is there a requirement for the Council to maintain a level of spend post the three year period.

7.0 Community Plan – Alignment to Objectives

7.1 The proposals will contribute to *the creation of vibrant and self-sufficient local communities*, working directly with communities and disadvantaged groups to create cultural value. This will help *improve the health and well being of local residents* through targeted participatory activity, and the plans will support the Heritage and Culture business unit to *deliver inclusive and sustainable economic growth* as it further cements its position as a cultural destination and hub for the town and district.

8.0 RECOMMENDATION that:

- (a) the proposals to submit an application, based around the activity and development plans explored in paragraphs 3.2 - 3.3 of the report, and subject to final approval as detailed in paragraph 3.5 of the report, be approved;**
- (b) subject to the successful application, the formation of a board to be established post-October be approved; and**
- (c) delegated authority be given to the Director - Communities & Environment, following consultation with appropriate Members, to approve the financial plan once fully developed.**

Reason for Recommendations

To capitalise on the opportunity through the Arts Council England to apply to become a National Portfolio Organisation in 2023, maximising our impact through sustained, targeted funding.

Background Papers

Nil

For further information please contact Carys Coulton-Jones on Ext 5773

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