

Arts Council England Emergency Response Fund: For National Portfolio Organisations and Creative People and Places lead organisations

Guidance for applicants

Update history

11am, Friday 24 April 2020.

Detail: Clarified the position on State Aid (on Pg. 23)

This guidance gives you the information you need to apply to the Arts Council England Emergency Response Fund: For National Portfolio Organisations and Creative People and Places lead organisations. We are currently producing this guidance in a range of alternative formats including Easyread, BSL and Large Print. We will publish these as soon as possible. If you have any access requirements, please contact our Customer Services team.

We recognise that the Covid-19 emergency has had a significant impact on many National Portfolio Organisations (NPOs) because they have been required to close their doors or cease activity for the foreseeable future and have suffered a significant loss of earned income, without which many NPO business models may be unviable.

We want to provide support to those NPOs and Creative People and Places programmes (CPPs) who are most in need by making emergency grants available to help them survive until the end of September 2020. As one of three **Emergency Response Funds**, we have allocated up to £90 million to support NPOs and CPPs.

NPOs and CPPs should only consider applying to this fund if they believe it is likely that they will suffer significant financial difficulties as a result of the Covid-19 emergency during the period 1 March to 30 September 2020.

The £90 million we have available will not solve everyone's problems. We will need to make difficult decisions based on the greatest need and the widest benefit to sustaining the cultural sector. We are therefore asking organisations to exhaust all reasonable alternative sources of support, as well as their own

available resources, before making an application to this emergency response fund. Our support will be prioritised for those organisations that are most reliant on earned and contributed income, as these are the organisations that are likely to be hardest hit. We do not expect that organisations that are already heavily reliant on our funding will require additional support. We ask that organisations only apply for the minimum amount needed to sustain operation, so these limited funds can go as far as possible – this is not a longer-term recovery or stabilisation fund.

Key information

As this is an emergency response fund, our notice period for making and processing applications is much shorter than usual.

Who can apply?

National Portfolio Organisations (NPOs), including Sector Support Organisations and organisations that have withdrawn from the current National Portfolio and are being funded through another mechanism, and Creative People and Places (CPP) programme lead organisations on behalf of the CPP consortium.

When will the fund open for applications?

12pm (midday) on Tuesday 12 May 2020

When is the deadline for applications?

12pm (midday) on Tuesday 19 May 2020

How much can be applied for per application?

There is no upper limit for applications, but organisations should only apply for the minimum they need to survive until 30 September 2020. We are asking that applicants exhaust all reasonable alternative sources before considering how much they need to apply for.

What period should applications cover?

Funding can be requested to cover the period 1 March – 30 September 2020.

When will we make our decision?

We will aim to notify you of our decision on Tuesday 30 June 2020.

Changes to this guidance or our programmes

We have designed and launched this fund very quickly in order to ensure we can best support organisations. Because of this, we will be keeping our processes under review to ensure we are making the best use of our resources, particularly in relation to any further announcements by Government and any changing circumstances in relation to Covid-19. We reserve the right to make changes to our emergency response funding programmes, which may include changes to the focus, timing, budgets or detail of funds. We will communicate any changes as quickly as we can.

Advice giving

Relationship Managers, our Customer Services team and other Arts Council staff will not be able to offer specific, one-to-one advice about how to write your application or to read draft applications for this fund because we are currently making decisions on applications to our other emergency response funds. We have designed this application process to be as

straightforward as possible, requesting only the information we need.

However, we understand you will still be in regular contact with us about your ongoing situation, and someone from our Area team will continue to have these conversations. Your Relationship Manager will continue to be the first point of contact in most cases.

Our Customer Services team can help you to use the online application form or make any required updates to your applicant profile.

On our website you can find more information to help you make your application, including frequently asked questions for this fund and a template of the application form to help you draft your application before the online application portal opens.

If your organisation is disabled-led and/or you have any access needs where you require further support to complete your application, please contact our Customer Services team on **enquiries@artscouncil.org.uk** or visit **www.artscouncil.org.uk/contact-us**

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What our funding will cover

We want to provide financial assistance to those NPOs and CPPs that are facing significant difficulties in meeting basic costs because of the impact of Covid-19 on earned and other income. The aim of this funding is to help ensure organisations' operations are sustained until the end of September.

Our funding could be used to cover:

- The costs of the NPO or CPP continuing to operate on an emergency basis during the period 1 March to 30 September 2020 (including any digital costs incurred transferring business online and associated accessibility costs).
- Any additional costs specifically and identifiably associated with the Covid-19 emergency, including, but not limited to, additional cleaning costs, additional security and the cost of mothballing buildings.
- The cost of any additional IT and other equipment or related costs to support home working while your organisation is closed (where those costs are specifically and identifiably associated with the Covid-19 emergency).

Our funding can only be used where the costs identified above are not covered by income received or receivable for the period 1 March to 30 September 2020, including, but not limited to: your existing grants from us and other public sector funders; any earned income you continue to receive; donations from individuals, trusts and foundations; and any income received from Covid-19 emergency schemes announced by the Government.

Organisations must make full use of a) the Government's Covid-19 emergency financial support schemes, and b) their own financial resources, in determining what level of support to apply for. If you are not making full use of these resources, then you will need to explain why not. Applying for this fund should be viewed as a last resort.

Organisations can apply for funding to be used as unrestricted income to support their business models during the seven months from 1 March to 30 September 2020.

Requesting funding from us

This funding is intended to complement other funding and support available to organisations, rather than duplicate it. You should only apply for funding if you cannot access support for those costs elsewhere.

Think about how much you need to request from us. If you already have sufficient funding from other sources during this period, please do not apply.

If you are applying jointly to us and other funders, go on to receive payments as donations in relation to cancelled work, or you have other potential sources of income that aren't confirmed, please let us know. We understand the situation is changing every day. We're anticipating that there will be heavy demands on everyone's support, so we want to make sure ours goes as far as possible. Please note that we will exchange information on applications to our emergency programmes with other funders.

If your organisation is a museum NPO, you should consider whether it's most relevant to apply to the National Lottery Heritage Fund or to the Arts Council for emergency support related to Covid-19. Should you apply to both funders, you must indicate in your application that you have done so (or intend to do so) and should only accept funding from one funder.

Please check the **gov.uk information** to see what support you may be entitled to from the Government. Try not to apply to us for support you can get elsewhere as we want to make our money go as far as possible.

We will also regularly update our advice on our **website**.

Eligibility criteria

Who can apply?

- National Portfolio Organisations (including Sector Support Organisations) currently in receipt of 2018-22 funding or that have withdrawn from the current National Portfolio and are being funded through another mechanism. For NPO consortiums, only the lead organisation is eligible to apply for this fund – this can be for activity and/or costs that relate to the lead organisation only and/or to the consortium programme.
- Creative People and Places programme lead organisations for activity and/or costs that are directly relevant to the Creative People and Places programme.

NPO consortium partners (ie not the lead organisation) may be able to apply to the Arts Council's **Emergency Response Fund: For organisations not in the National Portfolio**.

If CPP organisations need to apply on behalf of their own organisation rather than in respect of the CPP programme, they can apply to the appropriate fund if they otherwise meet the criteria (note 1).

Where organisations need to apply for costs relating to more than one funding agreement across the NPO (including Sector Support Organisations) and CPP programmes, they should submit a **single application** to this emergency fund.

Who cannot apply?

We cannot accept applications from organisations that are in Administration, going through an insolvency process or that have been dissolved.

What can I apply for?

We can support:

- The costs of the NPO or CPP continuing to operate on an emergency basis during the period 1 March to 30 September 2020 (including any digital costs incurred transferring business online and associated accessibility costs).
- Any additional costs specifically and identifiably associated with the Covid-19 emergency including, but not limited to, additional cleaning costs, additional security and the cost of mothballing buildings.
- The cost of any additional IT and other equipment or related costs to support home working while your organisation is closed (where those costs are specifically and identifiably associated with the Covid-19 emergency).

We can't support:

- New or additional creative activity.
- Costs or losses not incurred as a result of the Covid-19 pandemic.
- Any historic debt. We cannot consider applications that include any costs related to debt that was incurred before 1 March 2020 (unless specifically related to Covid-19).

For organisations that are part of a local authority or university, we can only support costs or loss of income related to the activity that is part of your current funding agreement with the Arts Council.

For other organisations where our funding is restricted to part of the organisation's wider activity, we may only be able to support losses related to the activity that is part of your current funding agreement with the Arts Council.

Ineligible applications

- Only organisations currently in receipt of 2018-22 National Portfolio funding (for consortiums, only lead organisations), those that have withdrawn from the National Portfolio and are being funded by another mechanism and/or Creative People and Places lead organisations (applying on behalf of the CPP programme) are eligible to apply for this fund.

We will view your application as ineligible if it does not meet our eligibility criteria outlined above and/or if it does not include the mandatory budget and cash flow forecast attachments.

Making an application

When to apply

The online application form will open on Grantium at **12pm (midday) on Tuesday 12 May 2020**.

Applications must be submitted by **12pm (midday) on Tuesday 19 May 2020**.

Applications submitted after this time will not be considered.

Application process

1. **Read this guidance carefully**

This guidance gives you information on how to apply.

2. **Check the information in your applicant profile on Grantium is accurate and up to date**

See the **guidance on our website**.

3. **Prepare and submit your application**

You must apply through our **online application portal**

The Grantium guidance for applicants will be available on our website before the application portal opens and should provide you with all the information that you need about how to access the system and complete your online application. We have also published a template application form to help you draft your application before the portal opens.

What you need to tell us

We are asking you to provide information against two criteria: 'Financial viability' and 'Making a case', with a series of questions under each criterion. You do not need to use the full character count for each question if you do not feel it is necessary.

Criteria

Financial viability

- Tell us about your organisation's actual and planned income and expenditure from 1 March 2020 to 30 September 2020, how it is essential for your organisation's survival and how it meets the aims of the emergency fund.
(Up to 1,800 characters, approximately 300 words)
- Tell us how your organisation is making use of its free reserves and/or investments to sustain the organisation to 30 September 2020. Please explain any decision your organisation's board may have made not to make full use of the organisation's reserves and/or investments.
(Up to 1,800 characters, approximately 300 words)
- I confirm that the cash flow forecast provided in support of this application includes all our organisation's available cash resources and that no other cash is held by our organisation.
[tick box]

You are required to attach a budget and cash flow forecast to support our assessment of your organisation's financial viability – see the 'attachments' section below. When assessing against this criterion, we will also take your budget and cash flow forecast into consideration.

Making a case

- Confirm that your organisation has exhausted all available government schemes and reliefs (including the Coronavirus Job Retention Scheme), alternative income sources (including using reserves (note 2) and converting ticket sales to donations), and has undertaken all appropriate cost-cutting measures. You should provide detail on actions taken by your organisation to date.
(Up to 1,800 characters, approximately 300 words)
- To the best of your knowledge, tell us how your organisation has been and will be impacted by the Covid-19 pandemic to 30 September 2020. This includes:
 - identifying any losses your organisation has incurred and will likely incur to 30 September, making clear how this is as a direct result of the Covid-19 pandemic
 - identifying any reductions in activity that have been and will be made to 30 September as a result of the Covid-19 pandemic
 - how NPO and other funding is being used and/or repurposed, and where this funding isn't sufficient to support activity
(Up to 3,600 characters, approximately 600 words)
- Tell us how a grant would help to sustain your organisation to 30 September 2020, including how your organisation would use the funding during the period to 30 September 2020.
(Up to 1,800 characters, approximately 300 words)
- Tell us what difference an emergency grant from this fund would make to your ability to sustain your organisation beyond 30 September 2020.
(Up to 1,800 characters, approximately 300 words)

- Tell us how an emergency grant from this fund would help you to contribute to sustaining and supporting the arts and culture sector beyond 30 September 2020.
(Up to 1,800 characters, approximately 300 words)

Attachments

Please note we will only accept a budget and cash flow forecast, format as detailed below, in support of your application. Any other attachments will be disregarded for the purposes of assessment and decision-making.

You must upload the following mandatory attachments on the 'Attachments' screen:

- a budget for the period 1 March 2020 to 30 September 2020
- a monthly cash flow forecast for the period 1 June 2020 to 30 September 2020

The attached budget/schedule of activity must:

- include actual income and expenditure for the period from 1 March 2020 to 30 May 2020 where available and to the best of your knowledge
- include all budgeted/projected income and expenditure for the period 1 May 2020 to 30 September 2020, or 1 March 2020 to 30 September 2020 where actuals aren't available
- include prior year actuals to show comparisons
- be provided as an Excel document (on a single tab)

The attached cash flow forecast must:

- include an opening balance
- include closing cash balances for each month and include all cash transactions, income and expenditure, for the period to at least 30 September 2020

- be provided as an Excel document (on a single tab)
- include all cash available to the organisation. Where cash is restricted, organisations should make this clear by separating restricted and unrestricted cash transactions and cash balances in the cash flow forecast

Allowable formats: xls, xlsx

The limit on file size is **10 megabytes**.

After you submit your application

If we require clarification on any of the information provided we will submit a further information request which you will need to respond to **within two working days**. If we do not receive a response from you within the allocated time we will process your application without the requested clarification.

To determine the need demonstrated in your application, we will use 'prompts' that reflect the criteria and prompts set out in the 'Making an application' section of this guidance.

We will apply ratings against the criteria as follows:

- **Not met:** the application does not sufficiently demonstrate need
- **Potential:** the application demonstrates limited need
- **Met:** the application sufficiently demonstrates need

We will make our decisions based on the information you provide in your application and supporting budget and cash flow forecast, our knowledge of your organisation, and any further information that we have specifically asked you to provide. If your application does not contain the information we have requested in the required format, we may not be able to consider your application.

In considering your application, we will make a judgement on whether sufficient evidence is provided in support of the level of funding requested and may offer funding below the level requested.

Balancing and decision making

We will make decisions based on the information you provide in the application form, the information held in the applicant profile on Grantium, and our knowledge and expertise as the development agency for creativity and culture.

We anticipate a high level of demand for this fund and, unfortunately, we are unlikely to be able to award funding to all organisations that apply or make awards at the full level requested. This is likely to mean that we will offer some organisations funding below the requested level. In deciding the level of funding to be offered we would use our judgement (based on the information provided) to determine the minimum requirement to assist the organisation to survive to 30 September 2020.

We will consider the level and evidence of need across the applications we receive, and we expect to prioritise our funding for those organisations that are most reliant on earned and contributed income, as these are the organisations that are likely to evidence greatest need.

In order to deliver the three Outcomes and four Investment Principles in our 2020-2030 Strategy, **Let's Create**, we need to maintain a strong, mixed national cultural ecology. We will consider how well-placed organisations are to help us deliver the Strategy, when the Covid-19 emergency eases. This will include consideration of the balancing criteria set out below:

- **Diversity:** we want to make sure that, as far as possible, our funding supports cultural organisations that reflect the diversity of contemporary England. We will use information taken from your organisation's Grantium applicant profile about the diversity of your organisation's leadership to help us in this process.
- **Range of artforms and disciplines:** we want to support a range of cultural organisations delivering and supporting activity across our eight defined artforms and disciplines. These are: combined arts (multiple artform, cross artform or hybrid artforms), dance, libraries, literature, museums, music, theatre and visual arts.
- **Geographic spread:** we will take into account the need to support cultural organisations across England. We will also consider whether your organisation is based in an area of low cultural engagement, as per the Active Lives Survey.
- **Size and type:** we want to support a mix of cultural organisations across a range of sizes and scales including, for example, building-based companies, touring companies, arts venues and other types of organisations.

We will aim to notify all applicants of our decision on **Tuesday 30 June 2020**.

Important information

Terms and conditions

If you are offered funding, all grant holders must agree to our **terms and conditions**.

Making a complaint

As an organisation, we will always listen to and respond to any concerns that you may have. If you would like to make a complaint about either the service you have received from Arts Council England or the way we have handled your application, we have a process that you can use.

Please note that Arts Council England does not have an appeal process and for this reason, we are unable to accept complaints that relate solely to the decision we have made rather than how we have made it.

For more information, please visit the 'Complaints' section of our website, under 'Contact us' (www.artscouncil.org.uk/contact). Additionally, you can email complaints@artscouncil.org.uk for more information.

Counter fraud measures

Arts Council England has a **Counter Fraud Strategy and Policy** and appropriate measures will be taken to ensure that grant holders given funding through this programme use the funding appropriately. This will include random sampling checks on a proportion of grants made. All grant holders must retain

their financial and other documentation relating to the grant, and Arts Council England reserves the right to request this at any time.

State aid

Public funding for organisations carrying out commercial activities, including those with charitable status, is governed by the European Commission's 'state aid' rules. Failure to comply with the rules means that the aid is unlawful and may be subject to repayment with interest by the aid recipient.

We do not anticipate that funding granted through this programme will constitute state aid. However, it is your responsibility to check whether state aid clearance is required in relation to your proposed project. When developing your application, it is important to consider and, if necessary, take advice on state aid regulations. If you think your project might require state aid clearance, advice can be found at www.gov.uk/state-aid.

Freedom of Information Act

The Arts Council is committed to being as open as possible. We believe that the public has a right to know how we spend public funds and how we make our funding decisions.

We are also listed as a public authority under the Freedom of Information Act 2000. By law, we may have to provide your application documents and information about our assessment to any member of the public who asks for them under the Freedom of Information Act 2000.

We may not release those parts of the documents which are covered by one or more of the exemptions under the Act. Please see the Freedom of Information website at www.ico.gov.uk for information about freedom of information generally and the exemptions.

We will not release any information about applications during the assessment period, as this may interfere with the decision-making process.

Data Protection

The Arts Council is committed to using any personal information (or personal data) we collect on a lawful, fair and transparent basis, respecting your legal rights as an individual in accordance with the EU General Data Protection Regulation (2016/679), the UK Data Protection Act 2018 and other applicable laws that regulate the use and privacy of personal data (Data Protection Law).

To meet this requirement, we have published our **General Privacy Notice** for you to refer to. This tells you more about the personal data the Arts Council collects, the different purposes that we use it for and on what legal basis, who we may share that personal data with, how long we keep it, and your legal rights, including your right to contact us and receive information regarding the personal data about you that we may hold from time to time.

For further information about our obligations and your rights under Data Protection Law, as well as how to report a concern if you believe that your personal data is being collected or used illegally, please also see the Information Commissioner's Office website at **www.ico.org.uk**

Contact us

Arts Council England

Website: www.artscouncil.org.uk Email:
enquiries@artscouncil.org.uk

Notes

Note 1: Where the organisation is also a NPO, this would be the NPO emergency response fund (this guidance); where the organisation is not also a NPO, this would be the Emergency Response Fund: For organisations not in the National Portfolio.

Note 2: The Charity Commission has released coronavirus (Covid-19) **guidance for charities**. Organisations may wish to contact the Charity Commission or seek independent advice in relation to the use of their funds, particularly if they are considering using endowments.

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