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| Date | Wednesday 16 February |
| Time | 9.30am – 12.30pm |
| Location | Microsoft Teams |
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| Present | Sukhy Johal (Chair), Emily Bowman, Pawlet Brookes, Cllr Abi Brown, Julie Finch, Pippa Frith, Ayub Khan, Cllr Barry Lewis, Jennifer McKie, Jaivant Patel, Tanya Raabe-Webber (plus PA Jackie Cooley), Cllr Martin Straker Welds, Gary ToppRebecca Blackman, Mark Done, Sue Elwell, Hugh James, Sharon Joinson, Sarah Kennedy, Peter Knott, Richard Russell, Tom Wildish, Toby Norman-Wright  |
| ApologiesObservers | Cllr John Reynolds, Simon Fitch, Harinder Matharu, Kathy Fawcett Renata Salazar, Relationship Manager, Theatre |
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**Notes**

**Midlands Area Council Meeting**

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|  | WELCOME AND APOLOGIES* 1. The chair welcomed Council Members and Management Team to the meeting, particularly fully appointed members for which this meeting is their first

1.2 The chair also welcomed Renata Salazar, Relationship Manager, Theatre to the meeting as an observer1.3 Apologies were noted from Simon Fitch, Harinder Matharu and Kathy Fawcett and Cllr John Reynolds |
|  | DECLARATIONS OF INTEREST2.1 The chair explained the atypical order of the agenda and that any matters arising from previous meetings were covered in the Executive Director / Area Director reports2.2 He went on to explain that the full Declarations of Interest register is circulated for every meeting and members are required to keep their declarations up to date, particularly now we are in the NPO process2.3 No conflicts of interests were declared at the meeting, but the chair agreed to remind all members at the point in the agenda when the risk register was discussed |
| 3. | NPO 23+3.1Richard Russell, Chief Operating Officer, introduced himself and explained that a member of Executive Board will attend Area Council meetings throughout the National Portfolio Organisations (NPO) 23+ Investment process. He also stressed the importance that Area Council members play and thanked them in advance for their engagement in the process3.2 Richard began by outlining where we currently are in the process and how we got to this point3.3 He explained the timeline in more detail paying particular attention to the impact the delay in confirmation of the Spending Review settlement has had on the process3.4 He went on to explain in more detail what the publication of the Levelling Up Fund paper means for culture, and in particular the impact it will have on cultural investment in and outside of London. He said Arts Council England welcomes the opportunity this brings to diversifying the portfolio and for investment in our priority places. Members noted that the DCMS have increased the number of agreed Levelling Up for Culture places to 109. These will include the 49 Priority Places identified by ACE plus an extra 60. 29 of these places are in the Midlands3.5 Richard said that the Secretary of State is still to inform Arts Council England of the full intent and interpretation of this funding3.6 Currently, it is understood that those NPOs receiving the most funding will be asked to focus their activity in one of those 109 priority places, Arts Council England will be asked to prioritise organisations who are able to demonstrate that they will engage with diverse and those in lower socio economic communities. It is also understood that some organisations will need to relocate to other parts of the country to achieve the shift in funding away from London.3.7 Members noted the timeline and the important period for their engagement is at the testing and decision meetings in September and October * **May 2022** - portal closes
* **June to August 2022** – assessments
* **September and October 2022** – testing, balancing and decision meetings
* **October 2022** – applicants notified
* **November 2022 to February 2023** – funding agreement negotiation and transition funding agreements for current NPOs that are unsuccessful
* **April 2023** – funding period starts for NPOs and IPSOs

3.8 Thomas Wildish, Senior Manager, Operations, introduced himself and continued the presentation by outlining the two programmes open to applications. Members noted that organisations cannot apply to both programmes* **NPOs (National Portfolio Organisations**) – organisations that deliver at least one of the outcomes, and one or more of their elements**;** embed each of the four Investment Principles in their own organisation
* **IPSOs (Investment Principles Support Organisations)** – organisations that help other cultural organisations and/or individuals to embed at least one of the four Investment Principles in their own organisation

3.9 Thomas went on to outline the introductory conversations process which is mandatory for those not currently in the portfolio but optional for those who are. Members noted that all conversations will be consistent, and that Relationship Managers will follow a template3.10 Thomas then summarised the 2023-26 guidance for applicants and gave more details on* How much organisations can apply for
* How organisations contribute to the outcomes/IPs – supporting the sector
* How organisations embed the Investment Principles
* Financial information required
* What additional investment request – current NPOs only
* Monitoring information
* How applications are assessed
* How applications are risk assessed
* The balancing criteria used to assess applications

3.11 Thomas finished by outlining the relationship framework between Arts Council England and NPOs / IPSOs and talked more about* Reporting and monitoring
* Risk monitoring
* Keeping to the terms of the funding agreement

3.12 Thomas handed over to Sharon Joinson, Head of Advocacy and Communications, Midlands who introduced herself to members3.13 Sharon explained that from the date of the portal opening, until decisions are communicated in October, Arts Council England will observe a period of sensitivity. In summary, this means that Arts Council staff will have limited contact with potential applicants so as to offer an open, and accessible process, for both current NPOs and new applicants. This will include not publicly highlighting, or appearing to favour, the work of applicants, including current NPOs 3.14Sharon stressed that this is guidance and not a strict rule but asked that Area Council members be mindful when they are attending meetings and events and in what capacity they are there. Members noted that further guidance for all Area and National Council members will be shared ahead of the portal opening3.15 The chair thanked staff for their clear presentations and commented that the level of interest is at Secretary of State level and that, although the environment is challenging, her aspirations chime well with Let’s Create. He then invited questions from members3.16 A member asked for clarity on organisations relocating outside of London. Richard Russell replied that the expectation is that all of the London based applicants will be asked if they are willing to relocate their operation outside London. They will then go through a selection process to determine who actually moves. It is important to note that Arts Council’s revenue investment will go with them3.17 Another member suggested that, while being careful not to undermine existing organisations in areas outside of London, those organisations who see their future outside London could buddy up with those that have capacity and opportunity 3.18 Richard responded saying that ACE intends to move more of our area capacity in to place based working by changing the way we work with the NPO portfolio to allow more time for development work3.19 Another member asked for further detail on the process for moving organisations out of London. In reply, Richard said the intention is to invite organisations to express an interest during the current investment round, but that relocation wouldn’t happen until 2025/26. How organisations would fit in to the existing ecology will definitely be taken into account and that organisations will be asked to agree their targets so that their developmental journey can be measured.3.20 Other members expressed interest in how Arts & Culture conversations can be influenced at Local Authority level in order to underscore the important role the sector plays. They added that developing a similar structure to that of the West Midlands Combined Authority in the East Midlands is welcome. It was agreed that Peter Knott and Sukhy Johal would meet the members concerned to discuss how this could be moved forward3.21 A member suggested that the perceived understanding of the term, diverse, needs clarifying with the sector. Thomas outlined how the term is used in the NPO process but agreed that ACE needs to evolve with the changes in the sector3.22 A member expressed what a valuable tool, access support, was and said it would be interesting to evaluate how successful it is in order to improve future NPO rounds. It was agreed that a central approach now enables a consistency of service. ACE hopes to have robust reporting on the success of access support so it can be used across its funding programmes and allow all parts of the organisation to evolve in this area. 3.23 Another member commented that the NPO application process is extremely clear and is being communicated well to the sector but suggested it may also be worthwhile clarifying what applicants don’t need to submit3.24 They also said that whilst ALBs relationships with Government requires specific skills, opportunities presented by the Levelling Up Fund are welcome and should be harnessed 3.25 In response to a query from a member in relation to governance requirements, asking for clarity on what an oversight board might look like and if existing structures within local authorities and universities are sufficient, Thomas Wildish explained the key requirements for an effective governance structure.3.26 The chair thanked members for their contributions to the discussion and asked that they send any further reflections to himself or Peter Knott |
| 4. | NPO - Area Planning 23+4.1 Peter Knott introduced the agenda item which also provided an opportunity to follow up on issues raised in December and was an opportunity to remind ourselves of some of the technical requirements of the process. 4.2 It was acknowledged that the usual corporate planning cycle of the Arts Council had been paused due to the pandemic and ordinarily we would have longer, more detailed, Area planning documents. For today these planning documents have been distilled into a ‘plan on a page’, written by the Midlands Area Management Team, a document that has proven to be a useful tool for staff4.3 Peter recapped on the 18/22 NPO portfolio investment, how it was split across artforms and how the portfolio was constructed across bands4.4 He told members that he would provide an explanation of how the Midlands team will be structured to deliver our priority place work at a future meeting4.5 Peter continued by reminding members that the 13 priority places in the Midlands are very diverse with varied demographics and population numbers and so our success criteria and investment in each will be different but based on an ‘impact framework’. Some places are better placed than others to immediately benefit from the 2023 NPO outcomes and other will benefit through other funding streams and development work.4.6 Peter said he was confident that we will be able to further diversify the portfolio and referenced helpful feedback from the RAG & DAG groups that will help to formulate the context for the process. For example, this may mean a set of recommendations that aims to bring in fewer organisations but a representative group funded at a higher, more appropriate level4.7 Peter went on to describe a key change to the investment round, which is to remove the ring fence funding for the Bridge organisations. This means the Bridge organisations can still apply to be in the portfolio, but they no longer enjoy a ring fence of cash for their own activity. Instead, the ringfence will exist for Children and Young People focused work, rather than for specific organisations.4.8 Members noted that less focus has been on the Enterprise & Innovation Investment Principle but that Toby Norman-Wright, Senior Manager and interim Director, Birmingham has done a piece of work on Dynamism which is highlighting some interesting models and opportunities.4.9 Members and staff agreed that whilst they were supportive of London colleagues, they welcomed supporting organisations moving out of London to the Area and the increased investment and activity potential this will bring. They also acknowledged that, despite this additional resource, churn within the portfolio will be necessary. The chair commented that it’s possible that the DCMS will ask us to fund less organisations but at an increased level and also invest in ‘cold spots’. 4.10 In response to a query from a member as to whether we should actively encourage NPOs to move to priority places, Peter said that if organisations want to move to the Midlands from elsewhere or relocate within the locality we will support them to do so but it is not a directive and it does not come with Arts Council relocation funding.4.11 A member highlighted the challenge of working across 109 priority places and spreading capacity and resources too thinly. In response, Peter said we are committed to the published 13 places but would welcome applications from the additional places. He also committed to explaining the place based structural approach we will adopt going forward.4.12 Members were also mindful that the NPO process is only part of the 10 year strategy and in response to a question from a member asking whatLevelling Up actually means for the sector, Peter informed members that a future meeting will look at an impact framework and that it does mean extra money as well as refocussing existing money over the period of the new strategy.4.13 The chair moved the discussion on and asked members for their insights on what the sector is saying about the NPO process 4.14 Some members reported anxiety over the lateness of information, some misinformation, and many changes. It was acknowledged that navigating through the documentation is difficult for smaller organisations with less capacity. However, it was agreed that the sector will welcome the addendum and that it should not mean extra requirements4.15 A member commented that whilst there is lots of reading, including background and context, what actually needs to be submitted is quite modest. They felt the sector has more contact and dialogue with ACE than normal at this stage which is probably due to the cross-over of planning timelines4.16 Another member said organisations were very keen to get their planning figures and are focussing on the portal opening before they can focus on what they need to get done and to what deadline. It was acknowledged that many organisations are doing this against the backdrop of opening up again following the pandemic. They continued that messaging needs to be managed so that the sector understands that ACE is governed by its relationship with the DCMS and that their timescales impact on the process.4.17 Richard thanked members for their sector insight and informed them that further briefing sessions will be available for the sector following the portal opening week beginning 28 FebCllr Barry Lewis left the meeting at 12noonMinutes and matters arising from the Area Council meeting held on 1 September 2021 |
| **5.** | **MINUTES OF THE MEETING HELD ON 1 SEPTEMBER 2021 AND MATTERS ARISING**5.1 The minutes of the meeting held on 1 September 2021 were agreed as an accurate record.* 1. There were no matters arising.
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| **6.** | **AREA DIRECTOR AND EXECUTIVE DIRECTOR UPDATE AND RISK REPORT**6.1 Richard spoke to the ED report which included an update on * Music Education Hubs – he reported that no funding announcement has been made yet which he acknowledged is a frustration for the sector
* Cultural Recovery Fund – he reported that no further rounds are anticipated. It was noted that Kelly Johnson from the Midlands Area is doing an excellent job in the CRF team, and the chair and members recorded their thanks

6.2 Peter Knott spoke to the Executive Director’s report which included an update on Coventry City of Culture and The Commonwealth Games6.3 Thomas presented the Risk Report on screen, outlining the organisations that had a risk rating of 9 and above. Members acknowledged its confidentiality6.4 At this point, a conflict of interest was declared by members in two organisations. Those members agreed to abstain from contributing to this agenda item6.5 The chair thanked Thomas for his update  |
| **7.** | **Chair’s Update**7.1 The chair said he hoped our next meeting will be in person |
| **8.** | **Any Other Business**8.1 In response to a query from a member asking how touring organisations apply for touring support, Thomas explained that they should submit an Expression of Interest which, if successful, will be followed by an invitation to apply8.2 It was acknowledged that the interval between these stages and organisations waiting for 100% confirmation of tour dates is sometimes a problem and impacts on negotiating and securing touring dates. Toby Norman-Wright agreed to take this forward to the national team and report back |
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