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| ARTS COUNCIL ENGLAND: SECTOR DIALOGUE ON FUNDING 2018 AND BEYOND |
| JULY 2016 |



## about comres

ComRes provides specialist research and insight into reputation management, public policy and communications. It is a founding member of the British Polling Council, and its staff are members of the UK Market Research Society, committing it to the highest standards of research practice.

ComRes won the 2014 Market Research Society Award for Public Policy/ Social Research for its innovative research into online communications.

The consultancy also conducts regular public research across the arts, cultural and heritage sectors, and beyond. Recent relevant clients include prior work for Arts Council England, Visit England, VisitBritain, VisitScotland, the Heritage Lottery Fund and the Heritage Alliance.

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OBJECTIVES, METHODOLOGY AND SAMPLING

## OBJECTIVES

The Arts Council is halfway through its 10-year strategy, *Great Art and Culture for Everyone*. The strategy was developed in conjunction with the arts and cultural sector, first launched in 2010, and refreshed in 2013 to reflect the Arts Council’s newer responsibilities for museums and libraries. Following the Government’s Autumn 2015 Spending Review, the Arts Council’s budget was protected. However, it is important to recognise the interrelated funding within the sector and the potential impact of spending cuts elsewhere, such as local authorities. To ensure its funding from 2018 onwards meets the demands of a changing funding environment and the future needs of the arts and cultural sector, the Arts Council commissioned ComRes to undertake independent research in the form of a sector dialogue.

The objectives for this research, therefore, were to:

* Gather in-depth stakeholder feedback about Arts Council England’s proposals for future public funding of the arts and culture sector in England between 2018-21;
* Gather in-depth stakeholder feedback about key future challenges within the arts and cultural sector and about topical debates such as geographical distribution of funds, local government funding and devolution;
* Ensure that in-depth feedback is gathered from across the full range of the Arts Council’s stakeholders in the sector, and across the regions of England;
* Analyse and report on feedback gathered to ascertain the sector’s attitudes, beliefs, opinions and perceptions of the Arts Council’s proposals, including where there is support or opposition and any suggestions for change;
* Inform the Arts Council’s final approach to its 2018-21 investment round.

The research explored Arts Council proposals on five key topics:

* Changes to the National portfolio;
* Integration of funding for arts, museums and libraries;
* Grants for the Arts;
* Support for individual artists;
* Strategic funds.

More details about the proposals that formed the basis for the research is included as an Appendix to this report.

## METHODOLOGY

ComRes hosted an online response form containing six open-ended questions, one covering each of the Arts Council’s proposals and one to capture broader views and overall feedback. The form was open to everyone and promoted via the Arts Council’s communications channels, receiving a total of 522 responses from 16 February to 24 March 2016. More information about the breakdown of stakeholders responding to the online response form can be found in the appendix of this report.

In addition to the online responses, ComRes facilitated six half-day events across England, each lasting four hours, on the following dates:

|  |  |  |
| --- | --- | --- |
| Date | Location | Arts Council Area |
| Tuesday 8 March 2016 | London | London (national-focused stakeholders) |
| Wednesday 9 March 2016 | London | London |
| Thursday 10 March 2016 | Cambridge | South East |
| Friday 11 March 2016 | Bristol | South West |
| Monday 14 March 2016 | Leeds | North |
| Thursday 17 March 2016 | Coventry | Midlands |

The events were chaired, hosted and moderated by the following ComRes team members:

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| --- | --- |
| Tom Mludzinski | Tori Harris |
| Holly Wicks | Rob Melvill |
| Adam Ludlow | Tom Clarkson |
| Andy White | Charlotte Malton |

## SAMPLING

Previous sector research indicates that the Arts Council has around a three in 10 success rate in terms of uptake for qualitative research within the arts and cultural sector. With this in mind, around 100 contacts were identified from the Arts Council’s database for each of the scheduled events. The 100 contacts per event were broadly chosen using stratified sampling (based on the below quotas) by the research team at the Arts Council:

* 18 arts and cultural organisations;
* 18 artists;
* 10 representatives from the creative industries and media sector;
* All Major Partner Museums from the Arts Council area in which the event was taking place;
* 10 other museum stakeholders;
* 10 library stakeholders;
* 10 local authority stakeholders;
* 10 creative industry or higher education stakeholders;
* 10 union/sector body representatives.

The invitation process involved the following stages:

* Target quotas were set for the desired profile of the participants at each event.
* An invite list was drawn up that had a proportionate number of stakeholders by each stakeholder quota – known as stratified sampling. For example, 18 arts and cultural organisations were identified per event, with the aim of around six attending each event.
* Additional sample quotas (hybrid stratification) were aimed for by art form, organisational size, and location of the organisation/individual within each area. In addition, the Arts Council ensured that diverse-led organisations were included as part of the invitations and that individuals from protected equality and diversity characteristics were represented within invites.
* Three to four ‘waves/phases’ of recruitment were carried out per event. The phased approach involved:
	+ Inviting 30-35 target stakeholders to each event in the first wave of recruitment, based on the target quotas and the hybrid sample stratification. A deadline was set for the first wave of invitees to confirm their attendance.
	+ Depending on the uptake at wave 1 by the deadline, a wave 2 of recruitment then targeted the next batch of stakeholders (which was targeted based on sign-up against target quotas). Again, a deadline was set for wave 2 invitees to confirm their attendance.
	+ Depending on update after wave 1 and wave 2, Arts Council area teams were responsible for providing additional contacts to attend the events.

As a result of the contacts identified using the quotas outlined above, the Arts Council sought 30-40 participants per event, balanced to reflect the diversity of stakeholders as follows:

* 5-6 CEOs, senior managers or artistic directors of arts and cultural organisations (e.g. National Portfolio Organisations or organisations in receipt of other sources of Arts Council funding);
* 5-6 artists (individual applicants to the Arts Council’s Grants for the Arts programme);
* 2-3 representatives from the commercial creative industries and media sector;
* 2-3 CEOs or senior managers from Major Partner Museums;
* 2-3 other museums stakeholders (e.g. local authority museums or museum sector bodies);
* 2-3 library stakeholders (e.g. chief librarians from local authorities or members of the Society for Chief Librarians);
* 2-3 local authority stakeholders (elected councillors or senior officers);
* 2-3 representatives from unions and sector umbrella bodies.

In addition, Arts Council staff attended each event to observe and to listen to feedback from the sector.

The only exception to this sampling strategy was for the first event, held in London. This event was focused on national organisations and umbrella bodies, specifically focusing on national membership organisations with a wide reach. For this event, stakeholders were selected by the Arts Council because of the reach of their organisation, aiming for a spread of funding type and art form.

overview of findings

## EXECUTIVE SUMMARY

####  BANDING THE NATIONAL PORTFOLIO

* Generally, support for banding the National portfolio is strong, particularly regarding the potential reduction in administrative and reporting requirements placed on smaller organisations.
* Stakeholders suggest reviewing and clarifying some of the terminology used around the National portfolio. There is concern that the different funding “bands” could denote or be interpreted as levels of importance and create a hierarchy. It was felt that “service organisations” could be better termed to capture the supportive and developmental role these organisations are perceived to play. Similarly, expectations of “leadership” are seen to be important across the whole sector, not just among organisations in receipt of higher levels of funding.

#### INTEGRATION OF THE ARTS, MUSEUMS AND LIBRARIES

* There is overall support for the integration of funding for the arts, museums and libraries, particularly for the National portfolio and strategic funds. However, there are reservations about integration regarding Grants for the Arts funding, particularly if the amount of funding available remains constant.
* Greater clarification on a number of areas would be welcomed, including application assessment criteria in an integrated landscape, and how the Arts Council is adapting to ensure that it is equipped to work with museums and libraries, which are perceived to be structurally different to arts organisations.

#### CHANGES TO GRANTS FOR THE ARTS

* Most stakeholders support funding a wider range of art forms within Grants for the Arts.
* There is a lot of interest, and some concern, around the funding of digital content and technology via Grants for the Arts. The majority of stakeholders raise questions over whether limits should be placed on the types of digital work funded, particularly for commercial projects.
* Stakeholders identify the application process to be a further area where Grants for the Arts could be improved. Making the language more accessible and artist-friendly is seen as a priority for them, as is ensuring that the application process is accessible to young artists, disabled artists and those with lower literacy and writing skills.

#### MORE SUPPORT FOR INDIVIDUAL ARTISTS

* The proposal for a separate budget line to fund individual artists is well-received, as stakeholders perceive artists and creatives (including those working in museums and libraries) to be vital to the success of the whole sector. Despite this, better infrastructure and support networks across the sector are perceived to be necessary to facilitate a move to support more artists and creatives.
* There are queries around whether it is appropriate to focus funding and support on artists in the early stages of their career. Stakeholders believe that great art and culture can be produced at many different stages of a career, and that a “developmental leap” could be worth funding regardless of the artist’s career stage.

#### STRATEGIC FUNDS

* There is broad agreement that the proposed strategic funds focus on valuable areas of investment, but that these areas should be tied more closely to the Arts Council’s strategic goals.
* Stakeholders believe that increasing diversity within the arts and culture sector is a key priority and that this approach should also focus on socio-economic diversity rather than solely disabled and Black and minority ethnic groups.
* Place-based investment is welcomed across the sector: it is perceived to offer real opportunities for sector development and to engage children and young people and harder-to-reach audiences.

## KEY FINDINGS

#### challenges and opportunties

Despite the perceived positive outcome for Arts Council funding for 2016-20 at the Autumn 2015 Spending Review, the sector has concerns about the future, particularly about further potential funding cuts to arts and culture from local authorities. Specifically, the uncertainty of funding from public sources other than the Arts Council means that matched funding is a key future concern. The sector would therefore welcome greater partnership working between the Arts Council and other Lottery distributors to ensure that the limited funding available is spent to best effect.

In light of recent policy changes, stakeholders say that there is more work to be done to ensure that the benefits of arts and culture are accurately communicated. With a perceived focus on STEM subjects in schools rather than arts subjects, stakeholders would like to see the Arts Council continue to promote the benefits of arts and culture for young people. Beyond this, they would like to see the Arts Council continue to demonstrate to the public and stakeholders how arts and culture has broad-ranging benefits to the public in general, and “hard to reach” groups specifically.

There are concerns held by stakeholders about the future resilience of the sector; cross-organisational working is seen to be fundamental for the future. This is particularly true in light of an additional perceived workforce issue – that the sector lacks skilled senior level staff with both business experience and specialism in the arts and cultural sector to continue to thrive in the current climate. In addition, they note the sector could simultaneously encounter problems in filling entry-level jobs from appropriately skilled applicants if it cannot demonstrate that it is a thriving sector with opportunities for progression.

The sector additionally feels that there remains a challenge to diversify both audiences and the workforce, and would like to see the Arts Council broaden its current focus on diversity from Black and minority ethnic people and disabled people to diversifying audiences and the workforce on socio-economic lines.

Despite these challenges, stakeholders feel that there are opportunities for the sector going forward. In particular, the opportunity to work in partnership is cited as potentially mitigating many of the challenges the sector faces. The sector would like to see the National portfolio play a role to facilitate partnerships with smaller organisations and individuals such as artists, to benefit the sector ecology as a whole.

Similarly, partnership working is perceived to offer opportunities to diversify the sector by enabling individual artists who create great art but lack application expertise to successfully apply for funding by formalising partnerships with organisations offering application support.

#### banding the national portfolio

Overall, there is support from across the sector for banding the National portfolio, in particular for reducing the current levels of administration that smaller organisations are required to undertake.

**Opportunities**

To receive public money, the sector agrees that there must be some level of accountability. However, the sector strongly supports the proposal to reduce the administrative burden placed on smaller organisations. There was also support for higher levels of administration on organisations in receipt of greater annual funding. Overall, the sector perceives the levels of the band to be appropriate, although would like to see the administrative burden scaled within and across the bands. In addition to this, the sector supports four year funding agreements, particularly in terms of the perceived stability it will provide to funded organisations.

**Concerns**

The principle concern the sector perceives with this proposal is the terminology used. While leadership overall is seen to be a positive attribute for the Portfolio to show, there is significant concern that this would only be expected of the £1 million plus band by the Arts Council. Instead, stakeholders say that they see benefits in all organisations being required to demonstrate leadership, alongside greater clarity from the Arts Council about what leadership entails. Suggestions for good leadership include sharing infrastructure and administrative functions and working in partnership. Therefore, the leadership role of larger organisations is seen to be that of facilitator, creating networks across the arts and cultural landscape.

Similarly, the sector has concerns about the term “service organisations”, noting that this label does not accurately describe the role of the organisations within this group, nor the breadth of the work they perform.

The use of the term “bands” also causes some concern to the sector, who perceive it to denote an unintentional hierarchy. They believe this would exacerbate a currently held perception that the highest funded organisations in the Portfolio are an “elite club” – and in the future this could be the “million plus” club, excluding the breadth of the sector and smaller organisations.

One concern about four year funding agreements is for those organisations who are unsuccessful in their application to the Portfolio, and the potential lack of organisational support they would receive until the subsequent funding round. As such, a minority note that the Arts Council could have a two year “break clause” to evaluate progress of funded organisations, and reallocate the funding of those not performing against their funding agreement and business plan. It was suggested that this money could then be distributed to other organisations who could re-apply at the two year interim review period.

**Other areas for consideration**

With scaled funding by bands, there is some concern that organisations could apply tactically for funding, targeting their applications at the upper end of a funding band to reduce the administrative burden placed on them if they were above the band threshold. If scaled applications are introduced, the sector say that this could mean less thorough applications are awarded greater amounts of funding, and vice versa. Stakeholders discussed the possibility of the Arts Council setting planning figures for each applicant, regardless of funding amount.

#### INTEGRATION OF THE ARTS, MUSEUMS AND LIBRARIES

The sector broadly supports integration but has concerns about whether, and indeed how, the amount of funding available for each funding stream may grow to help with increased demand.

**Opportunities**

Partnership is overwhelmingly seen to be the opportunity presented by integration. The sector perceives that in a time of limited resources, drawing upon the expertise of others in the sector could help to mitigate some of the challenges the sector may face in the future.

Despite increased competition being a concern for some, there is broad support across the sector that this is an opportunity to broaden the range of the Arts Council’s funded organisations, and to ensure that all funded organisations deliver against Goal 1 of the Arts Council’s strategic goals – to demonstrate excellence.

**Concerns**

A primary concern for the sector is where additional funding may come from, given a consensus from stakeholders that there will be increased demand for Arts Council funding because of integration. The sector would like further clarification on whether there will be more money available for Grants for the Arts, and where these additional funds will come from.

Some in the sector are concerned that increased competition will have an adverse impact on those who currently struggle to apply successfully for funding, in particular individual artists.

Assessment of funding applications is a concern for libraries, museums and local authorities. The Arts Council is perceived to lack the expertise to effectively assess these organisations at present, yet the sector would like to see assessment criteria comparable across the arts and culture sector, regardless of what type of organisation is applying for funding.

**Other areas for consideration**

While there are reported benefits to partnerships, stakeholders perceive some may use this as a “tick box” to receive funding, which would promote partnerships for the sake of receiving funding rather than creating meaningful partnerships to improve arts and culture for specific groups, art forms or in local areas.

#### CHANGES TO GRANTS FOR THE ARTS

There is overall positivity among stakeholders regarding the proposed changes to Grants for the Arts, with support for the Arts Council broadening its funding to reflect the variety of work being created and produced by artists and organisations.

**Opportunities**

Overall, the sector sees benefits in broadening the definition of art forms funded through Grants for the Arts. Some stakeholders say that this move is vital to the sector, particularly as it adapts to an increasingly challenging environment and responds to a change in the way in which art is made, experienced, shared and consumed.

There is particular interest in the inclusion of digital art forms within Grants for the Arts, and despite many concerns among stakeholders about this, there are seen to be benefits to the sector in embracing digital technology as an art form in itself, and as a tool to engage more diverse audiences.

**Concerns**

There is significant concern among stakeholders about further inclusion of digital and creative industry projects (e.g. games) within the Arts Council’s funding remit more generally. A minority of stakeholders do not perceive digital to fall into the remit of the Arts Council, while others question the specific types of digital activity that would be funded, seeking clarification on eligibility. Although some stakeholders are strongly opposed to funding art produced for commercial industries, others hold a more nuanced view, believing that in order to succeed in today’s climate, aspiration for commercial success may be necessary for artists and creative professionals.

Should the Arts Council broaden its funding of digital and creative industry projects, stakeholders would like to see greater clarification between what the Arts Council would fund, and what would be funded by other sources, such as initiatives like the Arts Council, AHRC and Nesta Digital R&D Fund or other funders such as Innovate UK.

There is significant concern among stakeholders about the current application process for Grants for the Arts, in terms of the structure, language and content in the application forms. They perceive there to be too great a focus on reporting and evaluation, and not enough space for applicants to talk about their art. An additional concern is around the perceived lack of feedback for unsuccessful applicants, who say that they have little understanding of how to improve their application further in order to be successful in future.

**Other areas for consideration**

Some stakeholders say that in order to open Grants for the Arts beyond artists who are good at writing application forms, the Arts Council could diversify its funding application format, for example inviting the inclusion of video, audio or visual formats. However, there are concerns that it is challenging to assess applications in different formats side by side.

There is a general feeling among stakeholders that they would like decision-making for Grants for the Arts to be devolved to a local level, with local representatives, local organisations and peer-review panels perceived to be more effective at evaluating artists and organisations.

#### MORE SUPPORT FOR INDIVIDUAL ARTISTS

The sector supports the Arts Council’s proposal for separate budget lines for individual artists and creatives within Grants for the Arts.

**Opportunities**

There is overall support for ring-fenced funding for individuals, with the sector saying that individual artists are fundamental to the arts and cultural ecology as a whole. In particular, a funding stream for individuals is seen to be less daunting, and could potentially have a less extensive application form than is currently available via Grants for the Arts.

While stakeholders agree that demonstrating outcomes and impact are necessary for those in receipt of public funding on the whole, some wanted to see a dedicated funding stream for artists to be given time and space to develop, without the pressure of reporting outcomes. There is enthusiasm from the sector that this could give individuals the opportunity to be innovative, by focusing on the artistic process and experimentation rather than the project, or to meet expectations around public benefit. This is perceived to have the potential to help individual artists take more risks and have more opportunity to focus on their artistic work.

**Concerns**

The definition of “artist” is a concern for some stakeholders, who would like to see a clarified definition of the individuals who would be eligible to apply for this funding. For some stakeholders, individual funding should include collaboration between artists to promote greater partnership working, and reflect practice already happening in the sector. A minority of stakeholders say that they would like to see this fund as a broader “ideas fund”, enabling organisations or individuals to take risks without extensive financial investment.

The sector has concerns about the focus on “emerging artists” or “early-stage” artists, with some saying that it should be clarified who may be included in these proposals, and others noting that mid or late-career stage artists should also have access to this funding.

In order to encourage more applications from individuals and improve their success rate, some stakeholders note that a separate budget line may not be enough to solve these issues. Instead, they perceive more could be done to ensure that the sector as a whole provides greater ongoing support to individual artists, including National Portfolio Organisations, locally-initiated funding workshops and support networks for artists. This would form a broader infrastructure, with National Portfolio Organisations playing a key role in supporting individual artists, and greater funding and support networks at a local level.

There is concern among artists attending events that the minimum requirements within Grants for the Arts around match funding may lead to barriers among younger, less connected or diverse artists.

If introduced, the sector would like to see the Arts Council ensure that the application language and format is accessible to as many artists as possible.

**Other areas for consideration**

Raising awareness of the separate budget line is perceived to be important in encouraging applications. Partnership with organisations and higher education institutions is seen to be a potential route to increasing the profile of this funding stream.

#### STRATEGIC FUNDS

There is broad agreement across the sector about the areas of strategic funding highlighted as potential priorities beyond 2018. However, it is unclear to the sector how these areas are linked to the Arts Council’s strategic goals, and they note that if they are important areas to the Arts Council, they should be incorporated in evaluation criteria for the other funding streams.

**Opportunities**

There is overall support for the principle of strategic funding across the sector. There is recognition by the sector that there should be a concerted effort to improve the resilience, sustainability, diversity and skills of the sector. In addition, there is broad support for a continued focus on children and young people.

Place-based investment is seen to be highly important to the ecology, and is an area of focus for the sector. Some stakeholders feel that if place-based investment was at the core of the Arts Council’s strategy, other strategic funding areas would improve as a result.

**Concerns**

There is lower awareness of strategic funding across the sector than of the Arts Council’s other funding streams. Therefore stakeholders would like to see greater transparency about what is funded through this stream, and how to access it.

More broadly, there are concerns that the areas of focus for strategic funds should be tied to the Arts Council’s strategic goals. During the engagement exercise there were no proposed strategic funds specifically targeting Goal 1 (excellence) or Goal 2 (for everyone).

* Some stakeholders have concerns about resilience and sustainability, noting that this is taking organisations away from producing art, and further towards business planning.
* Place-based investment receives support from across the sector, although there are concerns that three to four pilot locations should be increased to give more locations the opportunity to apply a place-based approach to arts and culture. Among stakeholders outside of London, some say that they would like at least one rural area included in the pilot phase of this strategic fund.
* Although diversity remains a challenge for the sector, there is agreement from stakeholders that diversity should also focus on socio-economic diversity and across both urban and rural areas.
* In terms of children and young people, stakeholders would like to see funds and programmes linked to demonstrating excellence, as some stakeholders perceive that there is not always enough excellence in the arts and cultural experiences of young people.

**Other areas for consideration**

Strategic touring is considered to be important for the sector, and there is a desire to see funding for this retained post-2018.

# introduction

CHALLENGES FACING THE ARTS AND CULTURE SECTOR

There are perceived to be an array of challenges facing the arts and cultural sector in the coming months and years. These tend to be focused on three main areas: funding, sustainability (including organisational structure and governance) and diversification.

There is an overall sense among stakeholders that the arts and culture sector will look different in the future as a result of facing these challenges. Overall there was positive feedback for the Arts Council in commissioning an independently-moderated conversation with a diverse range of individuals and organisations across the sector. This, for many, indicated a positive change, demonstrating the Arts Council’s commitment to incorporating the opinions of those beyond the Portfolio in decisions that will impact the whole sector going forward.

**Funding**

While there is a sense of relief that Arts Council funding has remained stable in cash terms, the challenges to funding for the arts and culture sector more broadly are seen to be creating fundamental instability.

*“Everything is in flux.”*

**Cambridge event**

Recognising the diversity of funding sources for the sector beyond the Arts Council, gaining successful matched funding is believed to be becoming more challenging, with funding sources increasingly limited. As a result, the way in which the Arts Council works with other Lottery distributors, such as the BFI, HLF and the Big Lottery Fund, to collaborate and forge clarity of responsibility among the organisations, is seen to be increasingly important.

In addition, the sector see the Arts Council facing particular challenges in maintaining a flourishing sector in light of cuts to other areas of funding. Post-Spending Review, there are concerns from the sector that in seeking solutions to challenges posed in the landscape, the sector could become fragmented and lose its collective voice.

Within these broader concerns about uncertainty and of matched funding, issues regarding local authority funding cuts were particularly prominent for stakeholders.

*“There shouldn't be an extra burden on staff resources to those organisations in the regions, who receive high levels of Arts Council funding, but are having cuts to local authority funding and find it more challenging to attract private sponsorship.”*

**Online response**

The impact of local authority funding cuts on arts and culture are not felt equally around the country, and there is a sense that the Arts Council should be aware of this when discussing potential funding. The sector also suggested that the Arts Council should play a role in supporting arts and culture organisations by facilitating access to other sources of funding.

**Political narrative**

While the Arts Council has worked hard to demonstrate the case for arts and culture nationally, the sector would like it to continue to build upon this work. For example, the sector would like to see the Arts Council champion arts and cultural subjects as being as relevant and important as science, maths and English in schools.

One of many cited examples was the benefit of arts and culture to older people, which the Arts Council conducted some work around in 2016. This, the sector felt, was impactful and important, and showed how relevant the work of the sector is to “hard to reach” audiences.

**Resilience and sustainability**

Resilience and sustainability within the sector is key for stakeholders, particularly in light of reduced local authority funding. As a result of this, stakeholders believe the sector must focus its efforts on ensuring that partnership working is at the core of its work, with a shared vision and aim. The recent period of economic change has notably forced organisations to think more commercially, as well as operating on a leaner model. The benefit of this is seen to be that it has made organisations think critically about their operations. However, it is perceived to be important by stakeholders that there is enough capacity to run organisations effectively and to continue to produce great arts and culture, something which is felt to be increasingly challenging.

“We’ve had to focus on improving services and running a more business-like sector. We have to make value judgments – does it make my boat go faster?”

Coventry event

The sector notes that there are workforce issues, specifically within leadership roles, as there are few professionals with the necessary business experience within the sector to fulfil roles in arts and cultural organisations. Conversely, those from a business background are seen to lack the arts and cultural knowledge to easily transfer their business skills to the sector. Without workforce training and professional growth, stakeholders note that there will be an increasing challenge to the workforce in the future.

One challenge to future sustainability is the balance between the artistic and commercial worlds, with the sector noting that there is an increasingly blurred line between these. As a result, they say that more should be done to encourage greater commercial investment from other sources, so that the arts and cultural sector is sustainable in the future. Despite the related concerns about the independence of government and Lottery funded arts and culture, in a more commercial world, there is overall agreement that the sector is not in a position to disregard potential funding opportunities. Focusing on longer-term strategies for funding that take current and potential future cuts into consideration is seen to be an important way forward.

**Diversification**

The sector overall feels that it faces significant challenges in diversifying both audiences and the workforce, although some believe that their organisation or art form has made significant progress in this area in recent months and years. However, there is almost unanimous agreement that diversity in the arts and cultural sectors is still a critically important area of focus, with much more work to be done. In line with the Arts Council’s core aim – that everyone, everywhere should have the opportunity to experience great art and culture – it remains a challenge for the sector to engage everyone in its work. The strategic funding chapter of this report notes that place-based working is perceived to be a potentially successful strategy to work on a local level to address this challenge, because a “one size fits all” approach across the country will not address local needs or reflect local cultural ambitions.

There is a sense that the Arts Council emphasises specific groups – Black and minority ethnic people, and disabled people – to diversify the workforce and audiences. There is a concern that by doing this, other groups will be overlooked. Instead, many stakeholders would like to see the Arts Council re-focusing efforts to boost arts and cultural engagement around socio-economic grade. Socio-economic diversity is felt to be a challenge in all regions but was felt to be particularly relevant to organisations and individuals in rural areas, where there is less population diversity in ethnicity and disability. The Arts Council is seen to have a leading role to play in this movement to promote diversity, which, for many, would begin with broadening the definition of diversity.

While diversity is perceived to be critical for the longevity and sustainability of the sector, there is also agreement that the time, effort and energy pooled into diversifying the workforce specifically should not come at the expense of the calibre of employees, or the excellence of the arts and culture funded.

## OPPORTUNITIES FOR THE ARTS and CULTURE SECTOR

The overwhelming opportunity seen by stakeholders in the face of such challenges is the appetite for the sector to work together as a whole. The opportunity to work in partnership, to build an increasingly agile and diverse sector is seen to be a challenge, but one that could produce greater arts and culture for everyone as a result.

**Partnership**

Enthusiasm was evident at events about more partnership working in the sector, to effectively mitigate many of the challenges it faces. However, the sector feels that there is a role for an organisation – such as the Arts Council – to bring the sector together effectively and promote this greater collaboration. Stakeholders note that having an organisation to bridge partnerships and encourage collaborative practice could prevent the sector competing with one another in an increasingly competitive funding environment.

“The sector has been richer working as one.”

Coventry event

Within the framework of Arts Council funding, there is seen to be a role for Portfolio organisations to play in facilitating partnerships with smaller organisations and individuals. Rather than working in silos, organisations must collaborate in some way to build upon the existing infrastructure and strengthen it, to make it futureproof. This is seen to have benefits in different ways:

* On an **artistic** level, to create better art by working in collaboration;
* On a **structural** level, to share business functions such as HR and accounts.

There is some appetite among organisations who provide help to individual artists for funding applications, and among individual artists themselves, for more partnerships. This links to the opportunities for diversification, about which more information can be found below.

**Diversification**

The possibility for National Portfolio Organisations to help artists with funding applications is seen as an opportunity to help diversify the sector. Rather than funding artists who know how to write applications, it would open the door for artistic and cultural partnerships to be formed, allowing artists who may lack the application skills to build their work within existing arts and cultural infrastructures in local communities, while simultaneously gaining support from those with funding application expertise.

Some stakeholders reported that as the arts and culture sector looks to survive in an increasingly challenging environment, this has led to artists and cultural professionals expanding the sector by diversifying their work. This is seen to be a positive opportunity, effectively forcing the sector to “think outside the box”.

# THE NATIONAL PORTFOLIO

## 1. BANDING THE NATIONAL PORTFOLIO

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| **Summary of findings*** Overall, there is strong support for banding the National portfolio, in particular for smaller organisations who have limited resources to meet the current administrative burden placed on them by Arts Council monitoring and reporting. However, there are concerns that banding may create a “hierarchy” within the sector, which is perceived to be detrimental to the arts and cultural ecology.
* It was felt that further thought could be given to the terminology used. “Bands” are seen to denote a hierarchy of importance, and thus perhaps there could be more appropriate terminology. Similarly, the parameters of “leadership” roles need to be clarified, and the sector would welcome these roles not being limited to only those receiving £1 million plus.
* The term “service organisations” is often not perceived to be appropriate terminology, and stakeholders feel that different language could be used to reflect the diverse organisations that would likely fall within this group.
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### I) OPPORTUNITIES CREATED

There is overall support from the sector for banding the National portfolio, from both those who are currently part of the Portfolio, and from the sector as a whole. While it is broadly noted that to receive public money there must be some level of accountability, the current administrative burden for those who receive smaller amounts of funding is seen to be disproportionately large. To a lesser degree, increased accountability for those in receipt of higher funding amounts is seen to be positive.

“As a growing organisation, this system feels more accessible to me.”

Cambridge event

“I think the banding is a good idea; greater accountability at the top and a recognition of how squeezed organisations are at the bottom to allocate resources to reporting etc.”

Online response

**Banding levels**

The three proposed bands are perceived to be broadly in line with expectations. Some discussion occurred in events about splitting both the £40,000 - £250,000 and £1 million plus bands in two, because the scale of an organisation receiving grants at each end of the bands is seen to be vastly different. However, it was largely concluded that the administrative burden for the Arts Council would outweigh the benefits of doing so, and rather than additional internal expense and time, this cost would be better spent on funding the sector.

**Leadership**

There are concerns about the use of the word “leadership” and its meaning (outlined in detail in the challenges section of this chapter). However, the sector feel that to some degree, all funded organisations should demonstrate leadership. Some feel that often smaller organisations are more “fleet of foot” and therefore better able to take leadership roles in some circumstances than their larger counterparts, while others note that some regions do not have large organisations, so smaller organisations ably undertake leadership roles at present. Additionally, across the breadth of the sector, there is leadership within different art forms, often undertaken by smaller organisations. As such, it is seen as positive that the Arts Council would like to encourage leadership, although it is felt that this should be for all organisations, regardless of their size or funding amount.

“If you look at it closely it’s really exciting. It’s about encouraging others, and distributive leadership. We all assume that patriarchal model, but it should be integrated.”

 **London event**

“You would expect that there would be a coming together of a lot of expertise across a whole range of things.”

Leeds event

**Four year funding agreements**

There is broad support for four year funding agreements, perhaps reflected in the fact that there is less focus on this in either the online responses or the events than on the other proposals for integration. Primarily, four year funding is seen to provide stability for funded organisations, allowing them a greater amount of time to focus on their strategy between funding applications. In addition, this is seen to be positive for monitoring and reporting, as organisations will have a greater amount of time to complete the work prior to submitting to the Arts Council.

“I think the longer organisations know about the funding base the better. It makes them more secure and enables them to bid for other funding.”

Leeds event

### II) CONCERNS

While the principle of banding the Portfolio is perceived to be a positive step, there are queries about why this is occurring, with an overriding concern that this will lead to a hierarchy within the National portfolio. Within the sector more broadly, there is a sense that the National portfolio is currently treated more preferentially to organisations and individuals funded via other funding streams. Therefore, banding within the portfolio could lead to a “million plus” group who are treated preferably due to their funding type and level – not only by the Arts Council but by other organisations and funders who already view being part of the Portfolio as a “badge” of success. Should this happen, it would be seen as detrimental to the arts and cultural ecology.

In events, some queries were raised as to why the Arts Council is engaging with the sector about the proposed bands. If the change is purely administrative, there was a sense that it was adding a further hierarchy to funding without any notable benefit to the broader sector.

 “There might be a hierarchy of organisations. We are really clear that is not something that we want.”

**London event**

**Banding levels**

Although the bands are considered appropriate, the sector would welcome the requirements for organisations *within* each band to be scaled; therefore an organisation receiving £40,000 would have fewer requirements than one receiving £250,000, despite them being within the same funding band.

In addition, there are concerns among the sector that bands would create a variation in the level of support that organisations would receive from the Arts Council. This is perceived to be potentially damaging to the sector, as smaller organisations note that they appreciate and often rely upon the support the Arts Council provides (especially from Relationship Managers). Other organisations note that it is important that the Arts Council monitors the larger organisations to keep them accountable. Smaller organisations in particular say that they feel the need of Arts Council support more because they do not have the internal resources of larger organisations.

**Leadership**

There are significant concerns about the use of the word “leadership” in the Arts Council’s proposal being restricted to the remit of those receiving more than £1 million per annum. Many organisations and individuals outside of the current portfolio see this as a risk to the sector as a whole, with perceptions that there is excellent leadership across the arts and cultural sector. Smaller, more agile organisations, were often felt to demonstrate leadership more effectively than their larger counterparts.

“We’ve got some really incredible assets at different scales. Obviously [we are] a smaller organisation but we’re really leading the way in [our type of] art. Arts organisations, cultural organisations that I know of in Derby are doing that leadership.”

**Coventry event**

“I would welcome the proposed changes, however, the expectation/assumption that leadership comes with size is flawed and the language should be changed. In some areas of innovation and new practice (every bit a facet of leadership) fleetness of foot is what is required of leadership and that is not always best delivered by large scale organisations.”

Online response

The leadership role of larger organisations is seen to be more as a facilitator, using the larger amounts of public funding they receive to do more work within the sector and to promote partnerships with individuals and other organisations. Stakeholders suggest this could take the form of sharing infrastructure, for example finance services, or providing specific help to individual artists in completing funding applications, to improve the quality of their applications. It is widely noted that at present some organisations already provide support for artists.

“I think this needs to be about generous and collaborative leadership rather than more conventional 'flagship' leadership (which is probably what these larger organisations do already, given their funding status)… more responsibility to ensure that that added value helps build the sector (beyond their own audiences and self-interest) e.g. sharing data, making practical resources like rehearsal space available for free, advocating on behalf of partner organisations/artists with funders and sponsors where appropriate [would be good].”

Online response

Some event attendees noted that perhaps those in receipt of more funding in the Portfolio could be encouraged to use that funding to take risks, as these organisations are often larger, and therefore have the structures in place to make them more resilient. In a period of decreased funding overall, the ability to take risks in artistic and cultural practice is noted to be increasingly important, yet potentially limited.

**Service organisations**

“Service organisations” is highlighted as a negative label in events, but is not mentioned in the online responses. This title is felt to poorly reflect the work that these organisations do. In events, some attendees questioned the role of Bridge organisations, noting that they are unclear what their role is and what impact they are delivering, and suggesting that this funding could be more effectively used by distributing it among arts organisations, who could deliver the work themselves.

“I think my organisation would be in the final category, and I'm slightly baulking at the term 'service organisation' which belies the creative side of the work we do. It's a term that could undermine such organisations, by apparently placing us outside the cultural output of our sector, when we are working to be seen at the heart of it - where we are most effective and connected to our colleagues.”

Online response

**Four year funding agreements**

The key concern about four year funding agreements relates to those who miss out on funding, thus leaving them without funding for a greater period of time. Therefore some in the arts and cultural ecology would like to see a two year “break-point”, so that there is a possibility for entry into the Portfolio in the interim period. Similarly, a minority note that if an organisation is not achieving its milestones, there should be the potential for the Arts Council to remove funding at this two year evaluation. They feel that only the best arts and culture should be funded, and that all funded organisations in receipt of public money need to be accountable.

“It’s really quite difficult to project four years ahead. I think it needs not to be a fixed deal, but that you might need to revisit, in spite of circumstances you might not be able to control.”

Leeds event

### III) OTHER AREAS FOR CONSIDERATION

**Tactical funding applications**

Some concern and a call for clarity was raised among event attendees that the bands, with associated scaled application, monitoring and reporting requirements, could mean a targeted approach by organisations to funding. For example, an organisation might choose to apply for £999,000 of funding per annum in order to submit a less rigorous application, rather than apply for £1 million per annum. Despite the limited difference in funding amount, there may be a less demanding application process, providing incentives for applying for lower funding amounts.

Similarly, some concerns were voiced about how differing applications for funding between bands would work in practice should an organisation be awarded a higher or lower band from the one that they applied for. For example, if an organisation applied for funding for £200,000, but were awarded £300,000, they would have submitted a less extensive proposal than others who received funding in that band. Equally, should an organisation apply for £300,000 but be awarded £200,000, they would have submitted a more extensive proposal than others who received funding in that band. There was general support for a planning figure to be given for all levels in each band, rather than solely at the £1 million plus level.

# integration

## 2. INTEGRATION OF ARTS, MUSEUMS AND LIBRARIES BUDGET AND FUNDING PROGRAMMES

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| **Summary of key findings*** There is overall support for the integration of funding programmes for the arts, museums and libraries. This is particularly true for the National portfolio and strategic funds, however there are reservations about Grants for the Arts funding, especially in the event that the amount of funding available for this programme is not increased.
* Greater clarification is welcomed on a number of areas, including application assessment criteria in an integrated landscape, and how the Arts Council is adapting to ensure that it is equipped to work with museums and libraries, which are perceived to be structurally different to arts organisations.
 |

### I) OPPORTUNITIES CREATED

**Overall levels of support**

Integration is welcomed by most of the sector, and is seen to formalise activity that is already happening between the Arts Council and the museums and libraries sectors. Although there are many areas where greater clarity would be encouraged and welcomed, as outlined further below, this is seen to be a sensible proposal with benefits to the sector as whole. Crucially, while the boundaries between the arts, museums and libraries are less distinct, the sector feels that the Arts Council should ensure all funded organisations deliver activity in line with its five strategic goals.

“We should be unconcerned with how an organisation is defined (our understanding of what a 'museum' is is too vague to be useful), and only concern ourselves with the ACTIVITY they will deliver.”

Online response

**Opportunities for partnership**

The most valuable opportunity offered by integration seen across the sector is the opportunity to work in partnership with other sector organisations. Although when probed, event attendees feel that it would be possible to do this at present without formalised integration, this proposal is interpreted as encouraging more cross-sector working. Specific opportunities mentioned include consortia proposals for funding, as well as collaboration at a place-based level among local museums, libraries and individual artists.

“It’s important to think about it from a customer and audience perspective. We’re very good at thinking and seeing arts, museums and libraries as separate things, but actually our audiences dip into a whole range of different cultural activities. One of the great advantages is that it will encourage the kind of projects that think about that – the way that people intuitively live their lives and experience culture. I think there is lots of great work that’s already happening to encourage innovation in that area.”

Bristol event

As sector resources are noted to be limited, drawing upon those of other organisations is perceived to be beneficial to the arts and cultural ecology, both in local areas and nationally. Stakeholders feel that collaborative working may help to mitigate some of the current and upcoming challenges to the arts and cultural sector; however the granular details of how this will work in practice has yet to be fully identified.

“To survive we’re poaching each other’s audiences already, we should work together.”

Bristol event

**Increased competition**

This proposal is seen to increase competition for funding among a wider range of organisations. Although there are some concerns associated with this (outlined below), this is also seen by the sector to be an opportunity to broaden the range of organisations and individuals funded by the Arts Council. In addition, if the criteria for “demonstrating excellence” are maintained for each applicant, stakeholders believe this competition may lead to greater excellence throughout the Arts Council’s funding streams.

“It increases competition. But it should. It should make people work hard on the innovation side of projects.”

Bristol event

With increased competition for funding, one suggestion is that the Arts Council reviews applications locally, to understand which organisations are proposing to deliver solutions that best suit their place-based needs. It was also felt that local reviewing of funding applications could prevent over-funding of some places and encourage local partnerships.

**Amalgamating the Major Partner Museums budget**

There is support across the sector for integrating museums into the National portfolio by amalgamating the Major Partner Museums budget. This is particularly welcomed by museums who are not currently Major Partner Museums, who see this as an opportunity to attain Arts Council funding for their work. Similarly, there is support among libraries and local authorities in particular for integrating library sector organisations into the National Portfolio as part of the new “service organisations” category, although more clarity is needed on this, as outlined below. The support among these organisations is due to the challenging funding environment they face, with Arts Council funding seen to potentially benefit these under-resourced organisations by providing important funding to sustain their work.

**Integration of museums and libraries within Grants for the Arts**

Integration of museums and libraries within Grants for the Arts has support from the sector, again because it is seen to formalise the current role of the Arts Council with these organisations. However arts organisations and artists have clarifications that they would like to be made to this proposal prior to it going ahead (detailed below).

“That would bring us into the family.”

Coventry event

**Opening of strategic funds to museums and libraries (excluding Capital funding)**

This proposal is seen to be a logical step to the Arts Council’s role; as the Heritage Lottery Fund and local authorities have responsibilities for Capital funding for museums and libraries, the sector feels that the Arts Council should exclude museums and libraries from this. Inclusion of museums and libraries within the broader strategic funding is perceived to be sensible, as some museums and libraries may be better suited in some areas to deliver the Arts Council’s strategic goals. However, in discussions about integration, neither the events nor the online responses focus on integration of strategic funding. This could be due to lower awareness of this funding stream compared to others. Further information on these views can be found in the chapter on strategic funds in this report.

**Integration of libraries**

The opportunity that integration represents for the transformation of libraries was much discussed across the events. The challenges faced by libraries as a result of local authority funding cuts has been a concern for much of the sector. Although there are many areas for clarification needed, integration is seen to be beneficial to support libraries during a challenging time, as outlined below.

One of the major benefits of libraries is seen to be their access to a diverse range of people in local communities, less likely to be limited to the socio-economic groups widely associated with museums and the arts. As such, working more closely with libraries is seen as an opportunity to help the arts and museums sector to become more diverse, as well as providing a point of access to allow harder to reach groups the ability to participate in arts and culture. Individual artists in particular say they would welcome the opportunity to work in partnership with libraries to identify any ways of working that could be mutually beneficial.

“We are pleased the Arts Council proposes opening up funding streams to museums and libraries. This integrated approach will better reflect the joined-up way councils already work and make it easier to support collaboration between services.”

Online response, National organisation

### II) CONCERNS

**Overall concerns**

The concerns from the sector largely stem from two areas: firstly, queries about whether there may be additional funding available for Grants for the Arts now that a greater number of organisations can apply, and secondly the application assessment criteria for museums, given their unique work. Stakeholders believe that the application assessment criteria would be most accessible and fair if they were broadly consistent for each funding stream across organisation type. Suggestions for this included emulating the current Major Partner Museum application, tethering the application to how the applicant demonstrates the Arts Council’s strategic goals. There is, however, no consensus across the events or the online responses to specify how the Arts Council could amend its assessment criteria to be applicable for all applicant types.

There is some concern over the taxonomy of what the Arts Council funds; as the *Arts* Council, the arts sector feels that it is predominantly there to support arts, and thus if it diversifies its offering the name becomes redundant. Some feel that perhaps the funded organisations and projects of the future might better fit a *Culture* Council. The risk of this is seen to be that the Arts Council broadens its remit to the extent that it becomes unclear what its core remit is, and therefore its mission, aims and impact becomes more difficult to demonstrate in policy conversations.

“If the current budget for museums and libraries is also integrated then I see that this could be a positive approach from a strategic and Arts Council management perspective, perhaps offering greater scope for collaboration. The Arts Council becomes much more of a Culture Council.”

Online response

Lastly, the sector note that as with any step change in funding, it will take at least one funding round (i.e. four years in proposed terms) for integration to settle. In order to ensure it achieves its potential as funding truly excellent arts and culture, there is appetite for the Arts Council to allow sufficient time for applicants to apply for funding, resulting in a “meaningful portfolio of applications”.

**Increased competition**

The downside of increased competition is seen to be that in a sector in which there is already limited funding, it will become more difficult for arts organisations and artists to receive Arts Council funding. This is particularly true among individual artists, who say their application success rate is low at present, and have concerns about the potential impact of increased competition. More clarity would be welcomed around the amount available for each funding strand and any financial modelling the Arts Council has done, or might do, to anticipate the demand.

“I wonder if this will massively increase competition for a finite pot of funding and mitigate against those with limited resources.”

Online response

**Integration of museums within Grants for the Arts**

The key concern with this proposal is that there is no outlined increase in the amount of funding available for the Grants for the Arts programme. Whereas the integration of National portfolio and Major Partner Museums budget is perceived to be providing more “potential” funding, there is no outlined allocation for greater money available in Grants for the Arts, which is a concern for much of the sector. While there is support for integration overall, integration specifically of libraries and museums within Grants for the Arts is seen to be “spreading the funding too thinly” in an already competitive environment.

Other or additional funding streams being available to contribute to the Grants for the Arts programme would be welcomed and would ease the sector’s concerns about increased competition for funds. Ideas from stakeholders included funding from other Lottery distributors whose remit coincides with museums and libraries specifically. The name of the programme – Grants for the Arts – is perceived to lend itself specifically to arts funding. Many in the sector recommend that the Arts Council funds only those who are delivering arts, and do not broaden the remit of the funding further, despite it being open to a wider range of potential applicants.

“Will the available Grants for the Arts money rise proportionately to the potential increase in applicants? If it reduces the chances of arts organisations receiving money then there will be some concern.”

Online response

**The differing needs of museums**

The sector notes that museums have differing needs to arts organisations, and as a result there are concerns about the Arts Council’s readiness to effectively evaluate applications, and to monitor and report on these organisations. This is part of a broader issue around a perception of centralised evaluation of applications by the Arts Council, based in Manchester, rather than evaluated as part of a localised strategy. This perception does not reflect the current arrangements within the Arts Council, with administration of funding programmes being completed by a team based in Manchester but funding decision panels being based in each area and related to the area that the applicant is based in. However, this perception of a lack of localised decision-making about funding programmes is evident across all organisation types but particularly noted by the museums sector. Specifically, they feel that they are embedded in their local community and that their work can therefore be best evidenced and evaluated within their region.

The museums sector would like the Arts Council to recognise that museums have collections, often spanning across arts, culture and science, and to clarify what the Arts Council plans to fund. In addition, museums claim to have different organisational structures than arts organisations, particularly regarding trustees, and therefore would like this to be taken into account by the Arts Council.

“Application and reporting needs to reflect the 'museumness’ of museums.”

Cambridge event

Furthermore, greater clarification over timelines for integration would be welcomed to show the Arts Council’s understanding of the differing needs of such organisations. For example, there are concerns that museum development funding could potentially be included as part of service organisations, however the application timeline would have to be separate from the National portfolio application, as this funding is used to “fill in the gaps” of other museum funding.

There are concerns among those who benefit from existing Major Partner Museum funding that integration may mean that existing Major Partner Museums partnerships could be lost. There is a perception that if it is in the best interests for a museum previously in receipt of Major Partner Museum funding as part of a consortia to receive more money as an organisation in its own right, this partnership would be lost. Stakeholders feel that this could potentially have wider implications on the cultural ecology as well as on individual organisations.

“What criteria will be used to assess excellence etc. [in museum applications] will be critical. The removal of criteria like Designated collections seems to me to make that potentially harder to decide. Currently assessments only really consider temporary and permanent exhibitions yet these are only a small part of a museum's output and it’s quite possible to be a brilliant museum but have relatively little display galleries and no temporary exhibitions.”

Online response

**Integration of libraries**

While libraries and local authorities appear to be positive on the whole about integration, there is some concern about the way in which libraries will change. Rather than have an active arts or cultural remit, libraries are seen to be more embedded in local communities. Stakeholders say they would appreciate a definition of the expectation of what libraries could and should deliver when using Arts Council funding. The role of libraries, while shifting, should not entirely lose the “essence” of being a library purely to gain funding – i.e. its core function should remain as a library, rather than becoming an arts venue or outlet.

As with museums, stakeholders express concerns that the structure of libraries is different to arts organisations, and want for the Arts Council to recognise this. Specifically, the recruitment and role of trustees in libraries is perceived to be different to those in arts organisations, and therefore requirements around governance may need to be considered in light of this.

“Not sure about libraries: shouldn't they be havens as opposed to entertainment venues? Perhaps it would work if it promoted exchange with libraries and their staff, but didn't pressure them to turn their rooms into stages. I like the idea of librarians entering other scenarios.”

Online response

**Contextual issues**

Reactions towards this proposal are relatively consistent across the country, but vary between different organisation types:

* Whether more funding is available for Grants for the Arts to reflect greater demand;
* Individual artists: the availability of funding in a more competitive environment;
* Arts organisations: whether or not more funding will be put into the Grants for the Arts programme;
* Museums, libraries and local authorities: the criteria used to assess applications, monitoring and reporting requirements.

### III) OTHER AREAS OF CONSIDERATION

**Partnership with unintended results**

There is some concern that the Arts Council will prioritise funding for cross-arts and cultural consortia. As such, some of the sector feels that these consortia applications may be viewed more favourably to, for example, a sole organisation, at application stage. Some stakeholders note that organisations can go to some lengths to fulfil the criteria needed for funding, solely as a means to achieve a successful funding application. Stakeholders say they would like further clarity about the criteria used to assess applications and how the Arts Council will ensure a fair and level playing field.

While there are benefits seen in applying as a consortium, stakeholders would like the Arts Council to note that when working in a group, processes can take longer. As such, clarifications on this proposal would be welcomed in advance of the National Portfolio Organisation applications opening to help stakeholders write the best possible applications in conjunction with other organisations or individuals.

“Even if you’re a smaller organisation, you want to understand who the large organisations will be that you’re going to have a relationship with, because you want to influence that right now.”

Bristol event

**Clarifying duplicate applicants**

While the current National portfolio are unable to apply for Grants for the Arts funding, current Major Partner Museums are able to apply for arts-based activity. In light of integration, greater clarity on who can apply for which funding streams would be welcomed. Furthermore, information on how consortia applications would affect eligibility to apply for individual funding will affect the type of application that organisations and individuals make, so guidelines around this could be beneficial.

“Are museums currently in receipt of funds that will no longer be available once they are integrated as National Portfolio Organisations?”

Online response

# GRANTS FOR THE ARTS

## 3. CHANGES TO GRANTS FOR THE ARTS

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| * Sentiment towards the proposed changes to Grants for the Arts is generally positive and most stakeholders support funding a wider range of art forms to reflect an increase in the variety of work being created and produced. A minority see the changes as unlikely to have a significant impact as they already believe a wide range of art form based projects can apply to Grants for the Arts.
* There is significant interest regarding the inclusion of digital content with some stakeholders in support, but with the majority raising questions over what exactly would and would not be funded via Grants for the Arts. There are particular concerns over funding commercial art forms or project with a commercial focus.
* Stakeholders identify the application process to be a key area where Grants for the Arts could be improved. Making the language more accessible and artist-friendly is a priority, as is ensuring that the application process is accessible to young artists, disabled artists and those with lower literacy and writing skills.
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### I) OPPORTUNITIES CREATED

 **Broadening the definition of art**

Across the sector, stakeholders generally report that broadening the definition of art forms funded by Grants for the Arts is a positive move, reflecting a diversification in the work that artists are producing, and facilitating more innovative and contemporary creative practices emerging in the sector.

“I think the general principle of opening up the definition of Grants for the Arts – opening up that definition of what arts and culture is - is a really good thing.”

**Cambridge event**

“To me that represents a really exciting prospect actually, because it’s diversifying what people can apply for.”

**Coventry event**

For some stakeholders, the broader definition is not just a positive move, but imperative for the survival of the sector. This opinion is prominent among those who sympathise most strongly with the idea that the way in which people make, experience, share and consume arts and culture is changing. For these stakeholders, Grants for the Arts must expand its remit or risk becoming irrelevant.

“Arts will fossilise if we don't expand.”

**Cambridge event**

A minority of stakeholders, while not opposed to the proposals, do question whether the proposals are a new move for the Arts Council, believing that Grants for the Arts has always been open to a wide range of art forms, including digital. In this case, the changes are seen as less substantive, focused more on changing criteria to make this explicit, than on having a tangible impact on funding allocations.

“I wasn’t aware that Grants for the Arts was holding anything back?”

**Bristol event**

“I think the Arts Council already funds quite a lot of this work - Blast Theory, The Space, Brighton Digital Festival - so the current criteria allow these to get funded. Perhaps making these forms of work more explicit in the funding information would be helpful.”

**Online response, Local Authority**

**Including museums and libraries**

Understandably, museums and libraries welcome the broadening of Grants for the Arts funding to include their organisations, while individuals engaged in digital art forms welcome the emphasis of digital within Grants for the Arts funding. There is some concern from others that opening up Grants for the Arts to museums and libraries would decrease the support available for individual artists as it could lead to additional competition within Grants for the Arts. However, a number of stakeholders suggest that it could in fact lead to greater collaboration. For example, it was suggested that museums and libraries could act as spaces for individual artists to display their work. Another suggestion highlighted how individual artists could join museum or library-led cultural initiatives to add another facet to their programmes, which could give individual artists a wider audience base and support their publicity.

“Instead of creating competition between artists and museums for the same pot of money, there could be another situation in which these people are collaborating with each other in order to create art. The Arts Council needs to decide whether this is its mission. The artists are going to suffer if money goes to the museums from their pot.”

**Online response**

**The inclusion of digital**

There is particular interest around the suggested inclusion of digital art forms within Grants for the Arts. While a notable proportion of stakeholders have significant concerns, a number of successful digital ventures are acknowledged within the sector and are seen to provide models for future work and development. Some stakeholders do not see the mention of digital as a significant change, believing this to be something the Arts Council has always been open to funding; however this is a minority view.

“The digital age needs to be embraced and encouragement must be given to artists to include different ways of creating art.”

**Online response, Artist**

“It is really important to ensure Grants for the Arts includes new types of activity, such as gaming, digital production and digital distribution.”

**Online response**

Stakeholders often draw a distinction between the use of digital technology *as an art form in itself*, and the use of digital technology as a *tool* to engage individuals in art or publicise it. Both uses are recognised by some stakeholders as valuable future avenues for development.

**Digital technology as an art form**

Stakeholders see benefits to the inclusion of digital technology within the Arts Council’s remit, and note that there have been successful projects that have diversified audiences of arts and culture. Blast Theory was mentioned by stakeholders as a particularly successful use of digital technology as an art form, due to the opportunity it provides for individuals to interact with art and co-create their experience of art. This interactive nature of digital is recognised as a valuable way to make art engaging and reach out to a younger audience of “digital natives”. Furthermore, Blast Theory was seen as an organisation which really pushed the boundaries of artistic work and embraced technology – funding digital art and culture is seen by some as a likely way to increase such forward-thinking developments in future. Other projects such as The Space, Canvas and Random Acts are also seen as examples of successful digital initiatives – however only a minority of stakeholders know about them.

*“A natural synergy is developing between techy entrepreneurs and artists - e.g. HADADi (Helix Arts Digital Artists Drop in) takes place quarterly in Newcastle upon Tyne where everyone enthusiastic about digital creativity and digital distribution can show their work and share ideas.”*

Online response

**Digital technology as a tool**

The potential inclusion of digital technology as a tool to engage more diverse audiences is seen to link to the Arts Council’s strategic objectives. Digital technology is also acknowledged as valuable for investment due to its ability to reach out to audiences and increase their participation in arts and culture. For example, libraries were commended for their use of apps to engage young people in reading challenges, and this was noted to be an effective way to increase participation among this group.

However, stakeholders also noted that it should not be assumed that digital is appealing to young people, and that the arts and culture sector should be careful not to stereotype audience groups. Although digital may reach out to a certain type of audience, the extent to which this is the case needs to be clearly evidenced before investing in these methods further. It was also felt that audiences enjoying more traditional art forms shouldn’t be forgotten.

“I have no idea what 17-18 year olds would count as art. There are a lot of things we say are techy, therefore it’s young and hip and that’s what they want. But that might not be where their interests lie. We could teach them more traditional forms.”

**Leeds event**

### II) CONCERNS

**The scope of digital**

A significant proportion of stakeholders are concerned about the proposed inclusion of digital technologies within Grants for the Arts funding – this ranges from direct opposition to requests for clarification over the types of digital technology that may be included.

At the more negative end of the spectrum, some individuals believe that digital technologies should not be funded by the Arts Council. Within this group, some raise a fundamental objection and feel that digital technologies should not fall within the Arts Council’s funding remit. For others, the concern is that digital may not offer good return for investment long-term because it is a passing trend or because digital technologies evolve too quickly, such that what is funded today will be obsolete tomorrow.

“Britain (and others) has a tendency to adopt new cultural tools and downgrade the previous ones. But frequently the previous ones are not obsolete or supplanted, just less fashionable. Quite often they are the essential tools to learn and apply the new ones. There should be a place in the Arts Council to support excellence everywhere, not just in the new.”

**Online response**

“I'm hesitant about the overemphasis on digital in the arts, when time and again, it proves to be more ephemeral than traditional work and is often a poor add-on to existing methodology. I have seen huge digital investment for long-term projects and the outcome is only a dead link, so while it is an important dissemination tool and communication device, I really think that it should not be such a core focus.”

Online response

Where there are queries over which digital technologies would be funded under the broadened Grants for the Arts criteria, much of this concern seems to be driven by a perceived distinction between the arts, and creative industries which are commercial, such as the gaming sector. Given a finite pot of available money, industries that are commercially sustainable are seen to be less worthy recipients of Arts Council funding due to their ability to generate their own income.

“If you’re creating an app that allows you to interact with a visual dance, or take part in our reading challenge, that’s ok. But gaming?”

**Bristol event**

“Maybe you don’t need to subsidise the gaming industry because it’s so successful, it’s so commercial.”

**Leeds event**

**Commercial art forms**

This perceived tension between commercial enterprise and artistic work is part of a wider issue for stakeholders across the sector. While some stakeholders are strongly opposed to funding art produced for commercial industries, others hold a more nuanced view, believing that an aspiration to commercial success is a necessary aim in today’s climate. Creative industries are also seen as areas in which it is possible for creative to make a living through creative work, and gaming was used as an example of an industry which can be commercially successful, although many were not sure who is responsible for funding it.

“Should public funding really support business developments?”

**Coventry event**

“Only projects that have no chance of attracting private money should receive public money.”

**Online response**

“It sounds like you want to fund more activity with better commercial applications at the expense of activity that cannot survive without subsidy i.e. the work of individual artists.”

**Online response**

Overall, the potential overlap between commercial and artistic work is seen as very much a grey area, and something that individuals within the sector would like clarity on.

“We just need a clear definition of what will and what won’t be funded.”

**Coventry event**

**Overlap with other funding sources**

There is concern that by opening up the range of arts and cultural work eligible to apply for Grants for the Arts, the pot of funding will be diluted to cover areas that already have their own funding sources. For example, digital start-ups and digital apps are seen as examples of work that might be included in the proposed broader scope of Grants for the Arts, but in the past could apply to the Arts Council, AHRC and NESTA Digital R&D Fund or currently apply to Innovate UK. As a result, there is a sense among stakeholders that digital, or certainly some aspects of it, are not the Arts Council's territory.

“It’s about seeing what other funding is out there and how the ecology works at the moment. We may be trying to plug a gap that isn’t actually there. There are other mechanisms. It’s about being joined up.”

**Cambridge event**

“There is also potential for cross-over with NESTA funding. It would be better to continue active collaboration with NESTA.”

**National event**

**Project-based investment**

The majority of stakeholders see Grants for the Arts as providing funding for project-based work, rather than sustained investment. Grants for the Arts is believed to be the more appropriate funding source for smaller organisations, but the project-based nature of this fund means some find it difficult to plan longer term and report having to fit their work into a project-based format in order to conform to the structure of the fund. Organisations therefore speak of having to make minor changes to their work year on year, purely for funding reasons rather than as a result of creative development, in order to pitch their work as a new project for Grants for the Arts funding.

 “It’s difficult because you have to reinvent what you do to fit a project description.”

**Cambridge event**

While stakeholders report that Grants for the Arts is used as project-based funding by most applicants, some report it being used as an ongoing form of funding for a minority of organisations. If Grants for the Arts is purely for funding contained projects, stakeholders want this to be explicitly communicated and upheld.

There is also perceived to be a gap between Grants for the Arts, which offers this project-based approach, and the National portfolio, which offers longer term support. There is a call for funding opportunities which give longer-term support for individuals and small organisations, with grant sizes lower than the £40,000–250,000 band of the National portfolio.

**The application process**

A significant area of concern for stakeholders is the application process for Grants for the Arts. This concern centres around the application forms, with three key issues highlighted: the language used and artists’ ability to access this; the structure and content of the forms; and lack of feedback on failed applications.

1. ***Language of application***

Those with experience of applying for Grants for the Arts funding mention that the forms require understanding of funding terminology which discourages artists from applying. Artists mention the forms using “scientific language” which is seen as a barrier to application in the first place, and also influencing the decision making process. Those who are granted funding are perceived to be most likely those who write well, rather than those who will produce the best art. In addition, some stakeholders note that the inclusion of specific “buzzwords” can help a successful application process, and editing previously unsuccessful applications to include these have resulted in successful funding applications, despite the project remaining the same. Further to this, stakeholders raise concerns that those who write well are more likely than those who do not to submit successful funding applications, regardless of who produces the best art.

 *“I know other people who are very talented artists who won’t be able to fill in the form. It’s a very complicated process.”*

**Bristol event**

There is also a concern that communications used around applications portray the Arts Council as the gatekeepers to the funds rather than being passionate about supporting and furthering the cultural ecology. The Arts Council application process is compared to other organisations where more enthusiasm and support is conveyed.

“It’s a very cultural thing of ‘we are the gatekeepers and you’re lucky if you come in’. I think it’s to do with the history of funding and I do think it’s changing.”

 **London event**

*“There’s a thing about tone as well. When you apply to Wellcome it seems that they’re really pleased that you’re doing this project.”*

**London event**

1. ***Structure and content of application forms***

Artists and organisations feel there is insufficient space given to discussing the art work that they are producing, and too much space given to reporting and evaluation as part of the application form. Again, this feeds into the perception that the application process favours those who can talk in project terms about their work and put forward a case for it, rather than identifying the best artists. Linked to a widespread belief that Grants for the Arts should be about funding artists to be artists, there is a call for the application process to reflect this and focus more on the artists' work.

“It’s much less about what the work is going to be, and much more about who, why and how you’re going to evaluate it.”

 **London event**

“You don’t necessarily know what the impact or outcome will be with a great work of art. You can imagine it. But you can’t know.”

**Cambridge event**

1. ***Feedback on unsuccessful applications***

Some artists and smaller organisations who have been unsuccessful in their applications and feel that they have received insufficient feedback note that this proposal does not address this concern. A number of artists mention that they have not received actionable feedback on their failed applications, leaving them with little understanding of how they would need to adapt their work or application in order to be successful in future.

“When you don’t get the funding, you need a little more information about why. Even if it was just because we received an extra 100,000 applications for this one thing that would be helpful.”

**Bristol event**

“You just get an email saying ‘thanks very much, it’s all fine, but we prefer someone else’. That’s fine, but it doesn’t help me very much.”

**Bristol event**

### III) OTHER AREAS OF CONSIDERATION

**Diversifying application format**

Stakeholders suggested that the application process could make use of video, audio or visual formats to increase the accessibility of Grants for the Arts and make applications easier to produce. Artists and organisations are in favour of being able to submit images or videos of their work, videos of them explaining their work, or audio recordings, instead of filling out written forms. It is believed that this could reduce barriers to applying for those who do not feel confident writing extended explanations. It was felt that different application formats could ensure the best artists are receiving the grants, thereby increasing diversity in the sector. There was no unanimous preference for one application format, rather a feeling that providing alternative methods for submitting applications would allow artists to select the format that best represents their work and enable them to provide the strongest application.

On the other hand, there are some concerns around diversifying application formats. In particular, evaluating a video application and a written application side by side could make for a difficult decision-making process. Additionally, the cost of making video or audio applications is noted as a potential barrier for artists at the start of their career.

*“How do you compare all these different application formats?”*

**Bristol event**

“Video is a tricky one though because it costs money, so at the beginning you might not be able to make that video.”

**Bristol event**

**Devolving decision-making**

There is a general feeling among the sector that devolving decision-making to local representatives, local organisations or peer review panels would more effectively ensure the best artists and organisations receive Grants for the Arts funding across the nation. These local bodies are perceived to be most in touch with the best emerging artists in their area, and best able to identify which artists and organisations would benefit from funding and have a positive impact within that region. This perception was strongest among stakeholders outside of London who feel further removed geographically from where they believe the Arts Council’s decisions are made.

Some stakeholders also mention that the Arts Council has less expertise in specific art forms than in the past due to staff cuts in recent years, and may therefore not be in the strongest position to identify the best emerging talent. Commonly suggested and supported ideas are: to involve Portfolio organisations in distributing Grants for the Arts funds; to reintroduce peer-review methods; or to clarify and emphasise that decision-making powers are situated within regional Arts Council teams.

“The way to do it is to use a specialist intermediary organisation to distribute it [the funds]. If you have an organisation within a particular art form or within a particular geographical area that could handle those grants more efficiently and more expertly, and build in an element of peer review within the particular art form, then you could do really good stuff with it.”

**National event**

**Publicising Grants for the Arts**

Awareness of Grants for the Arts funding is another area which stakeholders are keen to see improved, and suggest using partnerships with higher education organisations as one means of doing this. It is noted, most often by higher education professionals, that students graduating from arts courses have little knowledge of where to go to apply for funding opportunities. Additionally, National Portfolio Organisations are seen to have a potential role in increasing awareness by working with smaller organisations locally and acting as an ambassador to the fund. Stakeholders believe that by partnering with such organisations, the Arts Council could have a great impact on the development of young artists and also address the Creative Case for Diversity by publicising opportunities to organisations with a diverse workforce and working with diverse audiences.

“The Arts Council could bridge with the arts colleges, the university arts departments, the conservatoires, and with National Portfolio Organisations and arts organisations. Use those existing organisations on the ground.”

**Leeds event**

# individual artists

## 4. more support for individual artists

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| * The proposal for a separate budget line is supported, as individual artists and creatives are recognised to be vital to the success of the whole sector. In particular, this funding is seen to give artists a real opportunity to be artists and create with freedom.
* Some stakeholders want to ensure that the definition of “artists/creatives” is broad, covering all those practitioners working under the Arts Council’s remit. Additionally, the focus on artists in the early stage of their career is questioned.
* Stakeholders are concerned that these proposals are not sufficient to support individual artists in their careers. Better infrastructure, support networks and assistance with the application process are also suggested as valuable methods to further the development of individual artists.
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### I) OPPORTUNITIES CREATED

**Positive sentiment**

Stakeholders are positive towards the proposal of providing ring-fenced funding for individual artists. Stakeholders across the sector strongly believe that artists are a fundamental part of the sector and that funding them directly is vitally important to support the future cultural ecology. This view was espoused not just by artists themselves, but also by National Portfolio Organisations, museums, libraries, local authorities and arts organisations. Additionally, many stakeholders feel that artists are currently intimidated by the application process. A funding stream for individuals would be a less daunting application process and a less crowded space, and could therefore encourage more individuals to apply.

“We all want talent to develop.”

**Leeds event**

“It’s the answer to my prayers. It’s a really strong statement from the Arts Council about protecting the work that we’re all talking about.”

 **Cambridge event**

“In principle, I think it is a good idea to have a separate line within [Grants for the Arts] for individual artists, as I do think often they are overshadowed by bigger, more ambitious applications from organisations.”

**Online response, artist and organisation**

**Funding artists to be artists**

This proposal is seen as the only place in the funding proposals where funding would be given for an artist just to *be an artist* and spend time making art, without the emphasis on demonstrating outcomes and impact. Many stakeholders see this funding as being relatively “no strings attached”, giving artists the space they need to develop their creative practice.

“The idea of funding ‘to be me’ is something we must preserve. We have to support artists, it’s a given.”

**Cambridge event**

On the other hand, a minority of stakeholders prioritise the public benefit of funding, and do not see that funding for individual artists should be exempt from these criteria.

“[This fund] sounds more commercial – we would need to be careful that activity demonstrates public benefit. Unless more pressure is put on local authorities to safeguard arts budgets, I can only see more demand on Grants for the Arts.”

**Online response**

**Risk and innovation**

Linked to this funding providing freedom to create, there is real enthusiasm that the funding for individual artists could give opportunities for great innovation by focusing on funding the creative process rather than the product or project. Artists emphasised that it is not always possible to know what shape the culmination of their work might take, and that there are many benefits to be found in the process of art, rather than just the outcome. This value of process was likened to the science sector, where one stakeholder noted that many innovative discoveries are born out of failure, and that the arts sector should also allow this space for failure in order to reap potential success longer term. While such an approach could be applied across all funding streams, the proposed budget line for individual artists attracted particular discussion around this topic.

### II) CONCERNS

**The definition of “artist”**

Some individuals would like to see a clarification of those who would be counted as artists and would thus be able to apply for this funding stream. Some stakeholders expressed concern that this might rule out individuals who are contributing towards the Arts Council’s goals. For some stakeholders, the definition should not be restricted to individuals, as there is a feeling that the sector is moving from a time when art was created individually, to a time when there is much more collaboration between artists. This perception stems partially from support among a minority of stakeholders for broadening this proposal out from individuals to form an “ideas fund”, enabling organisations or individuals to take risks with limited financial investment.

“It should always just be great ideas; it doesn’t matter whether it’s individuals or organisations.”

**National event**

“Small companies in the performing arts consider themselves individual artists. It’s not just about individuals.”

**Cambridge event**

Other stakeholders are concerned that the term “artist” might construe too narrow a definition, given the range of activities that fall under the Arts Council’s remit and their commitment to museums, libraries and culture more broadly. Some suggest that all practitioners who facilitate the Arts Council’s goals should be included.

“I think we need to be very broad on the definition of artists in this context. Does it include curators, facilitators? I think it would help move the sector forward if that was included in the definition.”

**Cambridge event**

**Emerging and early-stage artists**

There is much interest among stakeholders about the focus on “emerging artists” and those “at the early stage” of their careers in the Arts Council’s proposal. At one end of the spectrum, stakeholders would like clarification over who would be included in these definitions. At the other, stakeholders actively question this emphasis, believing that great art can occur at mid and late stages of a career. Examples given include already established artists who explore a new medium, or move into a new art form. Linking back to the idea that funding should be for great ideas, whatever these might be, there is a feeling that putting constraints on who might receive individual funding could limit opportunity rather than support those most in need.

“It’s on the early stage of an artist, whatever age that artist is.”

 **Leeds event**

“You may get artists who are quite developed, or mid-stage of their career, but would really benefit from pushing through to the next level, exploring new markets, whatever it might be. I think it would be a real shame if there weren’t any support for artists beyond [early stage].”

**Leeds event**

“You can work as an artist for 15 or 20 years and still have a developmental leap or go in a new direction.”

**Leeds event**

**Return on investment**

In addition to this, some stakeholders note that early stage artists still have a lot to learn in many ways. While the funding may give them a boost, some stakeholders believe that the Arts Council could get more from their funding by funding artists with greater experience who are further on in their careers.

“Too often the focus is on the "new", but I've worked with established artists wishing to develop or diversify their practice and they deserve just as much support. These artists are also more likely to have good commercial skills that can present a better return on investment.”

**Online response**

**Size of the funding stream**

There is some concern that setting a fixed budget line for individual artists may be misguided as it could be an inaccurate reflection – in either direction - of the talent available during any one funding cycle. For example, in a particularly strong funding cycle the Arts Council might wish to fund more individual artists and fewer arts organisations, but would be unable to do this having set fixed amounts. Equally, in a cycle with poor individual applications, the Arts Council could struggle to fill its budget for individual artists when the money would be more effective given to organisations, or museums or libraries. For this reason, there was some scepticism among a minority of stakeholders about ring-fencing individual artist funding within Grants for the Arts.

**Accountability**

There is a call for some accountability measures, but less extensive than for current Grants for the Arts funded organisations. . It is notable that a number of artists explicitly welcome reporting requirements as they acknowledge the responsibility in having a grant and demonstrating its impact.

“I would want to have more information about how it is measured. Everyone could apply. I’d like to have six months to go and do something. It just needs to be stringent. Just making sure that the funding is going to the right people.”

**Cambridge event**

“I remember feeling quite intimidated as an individual that you were just going to embezzle it. The money just went into your bank account.”

**London event**

It is acknowledged that small organisations struggle to meet the reporting requirements, for example in the National portfolio. There was a perception that accountability processes should take this into account and be proportionate to the individual nature of this funding stream.

**Infrastructure**

There is a key concern that providing a separate funding stream for individual artists may not be enough to solve current issues in the sector that it is proposed to address. For example, although a separate budget line for individual artists may make the prospect of application less daunting, stakeholders note that encouraging applications will not solve the lower success rate for individuals. Additionally, the long-term success of artists is something that requires ongoing support across the sector, not just an initial funding boost by the Arts Council. This on-going support is seen to comprise a variety of initiatives, and providing infrastructure and working spaces for artists is regarded as one key facet.

 “We need the infrastructure to take them up. It doesn’t exist. There really isn’t progression.”

**Cambridge event**

“It can be difficult to get good applications from places with poor infrastructure.”

**Bristol event**

“One of the most important things you can do for individual artists is to have subsidised workspace.”

**Cambridge event**

**Support networks**

Additionally, providing support networks and strengthening links between artists and organisations is seen as necessary to increase artists’ success long term. Many instances were noted where artists have successfully collaborated with organisations to produce valuable work. This collaboration between artist and organisation is also seen to offer a mentor-mentee relationship, helping artists to develop their work further and giving on the ground support.

“This [the separate budget line] is the wrong answer. The right answer is to provide a better network and to provide support for artists to get the applications through.”

**Cambridge event**

**Application forms**

It was assumed that the application process for the individual budget line would resemble that of Grants for the Arts as a whole. Therefore similar issues were raised to those already covered regarding barriers of language, the structure and content of the forms and insufficient feedback on applications.

The individual nature of applications means that many of these issues are heightened. For example, the barrier of language becomes even more pertinent with only one person to decipher any terms not understood. Stakeholders also gave examples of disabled artists or those with learning difficulties who find it particularly difficult to apply. This difficulty is seen as a factor to address in order to promote applicant diversity. The potential for digital, audio and visual applications was again raised as a way to innovate application forms and break down barriers of language.

“*The language of the application forms is too specific to an Anglo-centric bureaucracy and is not 'accessible to all', the Arts Council should look to be much more flexible in its judgement of applications in this respect - too many successful applications are based on ability to write, not ability to deliver.”*

**Online response**

“It should be based on the quality of art rather than the ability to put in a good application. It’s a bit like getting a job because you’re good at interviews. Style over substance.”

 **Leeds event**

There is also a feeling that the language used in forms and application guidance can skew applications in favour of more educated individuals or those who can better fill in a form over those with lower literacy.

 “For a lot of visual artists, their specialism is not technical information, they may be dyslexic, they may not work in a logical way.”

**National event**

### III) OTHER AREAS OF CONSIDERATION

**Raising awareness**

Stakeholders strongly believe that awareness needs to be raised about the funds available. Many suggest that young artists in particular are simply unaware of the opportunities available to them and that this holds them back in their careers. Partnering with arts organisations and higher education institutions is seen to be the natural way to increase awareness of funds. This awareness raising is seen as particularly important among areas of the sector that might not traditionally come into contact with the Arts Council, such as Black and minority ethnic groups.

“People who go through film and media courses and they don’t know anything about funding, where to go next, how to get on the first rung of the ladder.”

**Bristol event**

**Application workshops**

A number of ideas were cited for initiatives that could encourage and support individual artists in their applications. In particular, running workshops specifically focused on the application-writing process is a highly popular idea among artists, with support from the wider sector. Opinion is divided over who should run these workshops. Some stakeholders note that since the Arts Council are setting the criteria, it would be of most benefit if they also delivered the workshops. However, others suggest that this is a leadership role which National portfolio, regional, or Bridge organisations could play.

“It would make sense for the mentoring scheme to come from the Arts Council rather than as someone else’s interpretation of it.”

**Bristol event**

“I don’t think it necessarily has to be them that provide that. There are hundreds of organisations that have experience and could provide that.”

**Leeds event**

Artists mention organisations that have successfully run application writing workshops or courses and their experiences provide a guide to the aspects they find most valuable. The key features which made these most useful were: the specificity of the workshops being targeted purely at the application writing process; having someone to speak to and mentor you through the process; coming away with a finished application form, or highly targeted advice to follow. Using Skype to broadcast such workshops and events is suggested as a means to reach a larger audience.

“There’s a gallery in Brighton called Fabrica. They ran a course, they ran it the whole time and it was just about writing proposals. And you had a mentor that you could go to and they understood both sides of the world and could share that information. It was entirely artist run.”

**Bristol event**

**Devolving decision-making**

As a strand of Grants for the Arts, similar suggestions were raised regarding the decision-making process, such as devolving decision-making to Arts Council staff based in local areas or region-based organisations. Artists are particularly interested in peer-review as a process of allocating funding, due to a perception that it allows greater understanding of the artist and their art form, and thus a more accurate identification of the best talent.

“I can understand why peer assessment was taken away. But if you’re talking about an ideal, when it comes to individuals in particular, you might do it through peers.”

**Cambridge event**

# strategic funds

## 5. feedback on strategic funds

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| **Summary of key findings*** There is broad agreement that the proposals are appropriate areas of focus for future strategic funding. However, the sector would like to see these linked to the Arts Council’s strategic goals to more firmly embed them within its strategy and overall aim.
* There is appetite for strategic funds to have a greater profile, as there was lower awareness of this funding stream in events, as well as numerous comments in the online responses that there is not enough information about what the Arts Council is currently doing in order to effectively evaluate proposed changes.
* One key area of focus is diversity; much of the sector would like to see a focus on diversity in socio-economic terms, rather than just on disabled and Black and minority ethnic groups.
* In addition, place-based investment is seen to be key, particularly for those based outside of London. There is appetite for this to play a central part in the Arts Council’s funding, and greater investment in local areas will result in sector growth, and arts and culture with and for diverse groups and children and young people.
* There is emphasis on the importance of strategic touring, and a desire to see more done to preserve and promote funding for touring.
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### I) OPPORTUNITIES CREATED

**Overall levels of support**

The areas of focus are broadly seen to be relevant and appropriate among the sector, across both the events and the online responses. Positive support is, however, based on the principles of the proposed areas of focus for strategic funding, with queries raised about how these will work in practice, particularly in conjunction with the Arts Council’s strategic goals.

**Resilience and sustainability**

Resilience and sustainability are noted to be key challenges facing the sector in events. Therefore the sector note that it is important that the Arts Council focuses on the longevity of the sector, and looks into alternative business models as part of this.

“One of the things I think is positive if they can do it right is broadening out the number of tools that they’ve got under that resilience and sustainability heading. The arts and cultural sector doesn’t make as much use of loans as they could do. That’s changing as things are coming in, and creatively people are beginning to see that they could use loans, different business models. There’s a big up-skilling job to be done here, so people can think their way around that.”

Leeds event

**Place-based investment**

Place-based investment is seen to be key to the arts and cultural ecology across England, and is an area of focus for much of the sector. This is particularly true outside of London and the South East, where event stakeholders focused on this area of strategic funding as being critical; in fact, much of the sector see a place-based strategy as the unifying factor linking integrated funding to the Arts Council’s core work, forging partnerships in local areas and creating a more sustainable sector. It was noted that if place-based investment is at the core of the Arts Council’s funding strategy, the other strategic funding areas (resilience and sustainability, diversity and skills and children and young people) will improve as a result.

**Diversity and skills**

Diversity continues to be a challenge for the sector but is felt to have improved in some areas, particularly among artists and performers. The sector agrees that focusing on diversity of the workforce is important to the arts and cultural ecology going forward.

“We have a very diverse population, and that should be core to the development of our organisations.”

Coventry event

Skills are additionally seen to be an important area of focus, particularly in light of the challenges facing the sector raised at events - the issues of recruiting and retaining staff, and with leadership and attracting trustees.

**Children and young people**

There is broad support for children and young people remaining a focus of the Arts Council’s strategic funds across the sector. As children are reported to be the current and future audience, it is perceived to be important for the Arts Council to continue to invest in engaging the young in arts and culture, particularly as the political narrative in education continues to promote STEM rather than STEAM in schools.

“It seems like there is a massive opportunity to create better conditions for children and young people coming through the education system, and to align that more into strengthening the diversity of people coming through the system. So I think there is a massive opportunity there.”

Cambridge event

“There is another problem with the English Baccalaureate and the way that [arts subjects] doesn’t count in school league tables. So potentially creative subjects, arts subjects, will be dropped. We’re going to have a paucity of creative potential coming through. If there is going to be an intervention that is strategic, it should be about getting arts back into the curriculum in a way that counts for schools.”

Cambridge event

### II) CONCERNS

**Overall concerns**

There is lower awareness about strategic funding than other funding streams across the sector as a whole. Some individual artists had not heard of strategic funding prior to the events, and feel that the Arts Council’s current work could be more visible to ensure transparency about the different funding available. Other than individual artists, the rest of the sector has a lower awareness of the breadth of strategic funding currently available, beyond strategic touring. This means that it is challenging for some in the sector to effectively evaluate the proposed areas of focus because they do not all have a clear sense of the comparative focus areas at present.

“[I] don't understand about the children and young people section - as a theatre company that has spent over 20 years creating work for youth audiences I don't know how we access what this fund is? Definitely a communication difficulty or I've totally misunderstood what this is.”

Online response

Furthermore, there is a sense among those who have a more detailed knowledge of strategic funds that the application and selection process can lack transparency. Some note that the Arts Council may run a solicited grant for those who are able to deliver activity associated with a strategic fund without an open application process. Some smaller organisations feel that larger organisations are prioritised in being asked to bid for strategic funding.

“When you’re talking about some of these big beasts, if you suddenly open the door [to them], I just get a bit worried about how much money there is to go round for these other positive things to occur.”

Coventry event

Another concern raised across events and the online responses is the lack of clarity about how the strategic funding areas of focus link to the Arts Council’s strategic goals. While there is some overlap; resilience and sustainability linking with Goal 3, diversity and skills linking with Goal 4, and children and young people linking with Goal 5, these could be more clearly linked. Additionally, there are no clear outlined strategic funds for Goal 1 (excellence) or Goal 2 (for everyone), and place-based investment crosses many of the goals. The sector understand the importance of the Arts Council’s strategic goals in bringing great art and culture to everyone, and feel that the importance and relevance of strategic funds could be emphasised if they were brought into alignment with these goals.

“We share your desire for greater diversity and your interests in reaching children and young people. But we’re concerned that there’s no focus in this proposal on either of the areas you mention in Goals 1 and 2: artistic excellence, and ensuring more people experience and are inspired by the arts.”

Online response, national organisation

The sector raises queries as to why, if these areas are important to the Arts Council moving forwards, they are not part of the evaluation criteria for funding applications to the National portfolio and Grants for the Arts. Many stakeholders note that in order to drive change across the sector, these would need to be areas of focus across all the funding streams, rather than limited just to strategic funds.

**Resilience and sustainability**

Despite resilience and sustainability being key areas of focus for the sector, this is an important area for clarity; some feel that resilience and sustainability should include Capital funding, whereas others have concerns that it is at odds with the arts and culture sector, by taking focus away from the art and culture and towards business plans instead. Skills are seen to be at odds with diversity and to fit appropriately within resilience and sustainability to promote effective and well-resourced business models across the sector.

“Resilience and sustainability reads like a plan for businesses and not inclusive of artistic companies, artists and projects. Skills could read more clearly about supporting the broader cultural sector opportunities - for example, technical skills that are missing in some part of the sector, new approaches to marketing and broadening the gender expectations away from more traditional models.”

Online response

“They need to think more positively on funding models. What we have at the moment is a model where people are dependent on being given money. It’s a bit like giving someone a bottle of water and telling them to dig a well. We need to be helping people, through other models, to take responsibility for their own sustainability.”

Leeds event

**Place-based investment**

There are significant concerns about the trial of three to four locations for place-based strategic funding among the sector, particularly among the sector outside of London. In events, most of the sector notes Creative People and Places as having worked well, and would be happy to see a similar structure – a number of trial locations, followed by a roll-out of the programme – echoed in this place-based strategy. The current proposal as it stands raises queries about whether or not there intends to be a wider roll-out of place-based funding. Some online responses query the success of Creative People and Places in terms of its ability to deliver long-term behavioural change, and would welcome more information on the outcomes of this funding to ascertain its impact.

“Firstly is Creative People and Places really working? Or is it about raising percentage levels of people who occasionally engage with the arts? I'm sounding cynical because I am, it’s one of those Arts Council policies designed to prove its own viability.”

Online response

There is concern outside of London that these three to four places will be cities; specifically, in these events, London is perceived to have sufficient funding already. Many stakeholders would prefer to see one pilot location being a rural, rather than urban area. Outside of London, some stakeholders believe value for money is greater (due to lower overheads), and that limited investment can have a big impact. As such, the potential for an increased number of pilot locations with lower funding amounts would be welcomed.

**Diversity and skills**

The main concern around diversity and skills is the focus on disability and Black and minority ethnic groups. Much of the sector, particularly in events, feel that diversifying the arts and cultural sector needs a greater focus on socio-economic lines rather than on solely on disability and Black and minority ethnic groups. They note that by focusing on disabled and Black and minority ethnic groups, the Arts Council is promoting a “catch all” diversity plan that is not necessarily reflective of the diverse range of people living in local areas – and particularly rural areas.

“Diversity-wise, I think socio-economic diversity is going to become a real issue - with changes to the arts syllabus and university funding and housing, increasingly I think money will be a factor in thinking about working in the arts. Also, while Black and minority ethnic [representation] is really applicable in certain areas of the country - I would like to see a focus more on arts organisations reflecting their own community - rather than a more generic approach to increasing Black and minority ethnic representation. I think if your community has a large white Polish community, but a tiny Black community - then the Polish community should be the focus in terms of representation (across the organisation and audiences).”

Online response

Some event attendees note that the current method of reporting diversity is inefficient. However, when probed, there was no consensus about how the Arts Council could monitor this more effectively. It is noted that reporting on diversity is an administrative-heavy burden for some organisations at present.

**Children and young people**

Children and young people are noted to be an important area of focus; however it is unclear why there is a move away from families in the proposed areas of focus. While there is overall positivity about focusing on children and young people, many of the online responses draw upon the need for this – and indeed all the strategic funds – not to exist in a silo. Specifically, the sector would like to see strategic funding for children and young people being linked to demonstrating excellence in arts and culture. There is a sense that some of the funded projects designed to meet this need do not necessarily deliver excellent arts and culture, and the benchmark at present could be higher.

“Traditionally young people are incredibly difficult to reach. Even if you spend quite a lot of time asking what they want, when you then do it, they don’t always come. We’ve had gigs from ‘Get it Loud’ in our libraries, but we’re struggling to sell tickets. We’ve had theatre specifically for young people, run by young people, in their language and about their issues. And we had an audience of seven. There is something about how you engage children and young people in the arts that is a conundrum I wish I could solve.”

Leeds event

The reported lack of focus on arts and culture in education in favour of promoting STEM subjects over arts means that the sector has concerns about future potential workforce issues. Stakeholders say that young people are actively encouraged not to take arts subjects. As a result, there is a perceived need for the sector to do more to encourage young people to continue with the arts. Linked to this is a suggestion that the Arts Council might broaden its education remit beyond schools and universities to further education, with this being seen as an area of great potential with an increasing focus on apprenticeships in the political sphere.

“We recommend workforce, skills and engagement programmes are more aligned to wider public education and skills policies and programmes, in particular apprenticeships. At previous Arts Council briefings, our CEO has mentioned the apparent absence of the further education sector in the Arts Council’s policy communications (the stated focus being schools, the school curriculum and universities). In general, the further education sector has much higher presence in serving constituents that the Arts Council seeks to reach (i.e. those from disadvantaged backgrounds); whilst providing skills education and development in many creative disciplines. In addition to Arts Award and Artsmark, a programme that supports the full cost of internships and apprenticeships (through matched-funding), whilst also building capacity in smaller National Portfolio Organisations to provide quality training and workplace experience, would contribute to arts workforce diversity in the longer term in our area.”

Online response

The impact and efficiency of Bridge organisations, as noted previously, are questioned by some in the sector. Some online responses note that regarding children and young people, there is appetite to see greater transparency about who is funded to deliver which activities so that impact can be more effectively evaluated.

“In terms of children and young people, I cannot say the Bridge model has been hugely successful from experience. I would like to see them more accountable to the organisations which they are working with. It is not about one size fits all (this is the offer and that is it). It is about enabling different size organisations to feel confident in their engagement with children and young people. It would be good for wider transparency in terms of all Arts Council funded organisations to share their vision, aims and objects and show the benefits of the investment.”

Online response

Although widely thought to be a relevant area of funding, occasional voices in the sector across events and the online responses note that arts and culture have an increasing role to play in the lives of older people in light of an ageing population. It is felt there could be a focus on how to overcome the barriers that some elderly people face to access arts and culture. Additionally, one museum noted that as a sector, museums have been focusing on children and young people for an extended period of time, yet they continue to see a lack of engagement at age 20. Stakeholders would welcome the Arts Council to further consider how investing more money into children and young people can tackle ingrained behavioural patterns to instigate long-term change.

**Contextual issues**

There are similar perceptions across organisation type of each of the proposed strategic funds. However, the following geographic differences are apparent:

* Outside of London: there is greater enthusiasm to see place-based funding as core to the Arts Council’s strategic funds, with funding received by more than three to four locations, including by rural locations;
* Rural locations: note the importance of having flexible areas of focus for diversity, with the demographic make-up of the local areas in which they work being reflected, rather than focusing always on disabled and Black and minority ethnic people.

### III) OTHER AREAS FOR CONSIDERATION

Looking forward, these areas of focus would be welcomed by the sector. However, there is a desire to see strategic funds clearly outlined to raise awareness of them across the sector, as well as greater communications about successful funding so that impact can be assessed. In addition, linking these to the Arts Council’s strategic goals would be welcomed to directly align the importance of its strategic funding with its overall mission. Specifically, greater clarification on the following areas would be welcomed:

* Resilience and sustainability: clarify the proposal, helping the sector to understand how this works with a focus on skills;
* Diversity and skills: a focus on diversity along socio-economic lines rather than specific groups;
* Place-based investment: clarity on what areas are going to be the three to four areas of investment, whether these will be outside of London and include rural areas, and what the planned roll out for the funding might be;
* Children and young people: a focus on funding programmes that deliver artistic excellence, and promote arts and cultural jobs to pre-empt future workforce issues in light of a focus on STEM in education.

Overwhelming feedback was received at the events, and to a lesser extent through the online responses, that strategic touring is critical to the sector, and must be retained and funded post-2018. Attendees at the events additionally discussed audience development strategic funding, however some feel that this may be covered across the areas of proposed focus.

appendix

## Online response sample

The base size of the demographic breakdown varies, as the following questions were not mandatory, and stakeholders had the opportunity to skip each question.

|  |
| --- |
| In which of the following capacities are you responding? |
| An interested member of the public | 12 |
| An artist | 92 |
| On behalf of an arts and cultural organisation | 161 |
| On behalf of a museum | 36 |
| On behalf of a local authority | 11 |
| An arts professional | 70 |
| Arts Council England staff | 31 |
| A creative industries professional | 14 |
| A libraries professional | 4 |
| A museums professional | 36 |
| A local government officer | 8 |
| A local government elected councillor | 1 |
| On behalf of a union | 1 |
| On behalf of a membership organisation | 15 |
| On behalf of a Government body | 0 |
| An academic | 3 |
| Other | 27 |
| Total | 522 |

|  |
| --- |
| In which of the following regions are you based for your work? *Please select as many as apply.* |
| North East | 62 |
| North West | 85 |
| Yorkshire and The Humber | 107 |
| East Midlands | 74 |
| West Midlands | 78 |
| East of England | 69 |
| London | 169 |
| South East | 89 |
| South West | 105 |
| Outside of England | 38 |
| Total | 522 |

|  |
| --- |
| Which of the following best describes how you think of yourself?  |
| Male | 172 |
| Female | 269 |
| Other - please give details | 3 |
| Prefer not to say | 3 |
| Total | 447 |

|  |  |
| --- | --- |
| What is your ethnic group? |  |
| White English/Welsh/Scottish/Northern Irish/British | 355 |
| White Irish | 8 |
| White Gypsy or Irish Traveller | 1 |
| Any other white background (write in) | 37 |
| Mixed: White and Black Caribbean | 3 |
| Mixed: White and Black African | 0 |
| Mixed: White and Asian | 4 |
| Any other mixed/multiple ethnic background (write in) | 10 |
| Indian | 9 |
| Pakistani | 0 |
| Chinese | 1 |
| Any other Asian background (write in) | 2 |
| Black African | 2 |
| Black Caribbean | 1 |
| Arab | 0 |
| Any other ethnic group | 11 |
| Total | 444 |

|  |
| --- |
| Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?  |
| Yes, limited a lot | 12 |
| Yes, limited a little | 47 |
| No | 383 |
| Total | 447 |

## arts council proposals

The Arts Council used the following proposals for this dialogue process.

### banding the national portfolio

*We believe that a National portfolio of organisations plays an essential role in helping to achieve the strategic goals of* Great Art and Culture for Everyone*. National Portfolio Organisations represent some of the best arts and cultural practice in the world, and they play a vital role in sustaining a network of excellence and innovation across the country. We expect to fund the portfolio at broadly the same level of overall investment as is currently the case.*

*Feedback we have received though, is that our current “one size fits all” approach to National Portfolio Organisations presents considerable challenges to smaller organisations in the portfolio, and does not help us to achieve our strategic aims.*

*We think that the variation in size, scale and purpose of organisations within the National portfolio should be reflected in different approaches to both the application process and the funding agreement, and to monitoring and reporting requirements.*

***Proposals***

* *While there will be one portfolio, we are considering ways to divide this into bands related to the size of annual grant. Each band would have different funding agreements and different approaches to application, monitoring and reporting. We would also establish a new category of service organisations to deliver specific activity.*
* *All organisations that apply will have to be clear how their work contributes to the Creative Case for Diversity and will need to demonstrate progress on their equality action plan.*

*Our proposed bands are:*

* ***£40,000 to £250,000:*** *This is likely to be the largest group. The expectations we would have of organisations in receipt of less than £250,000 would be less than is currently the case. Approximately 464 of our current National Portfolio Organisations fall into this category.*
* ***£250,000 to £1 million:*** *This band is likely to have similar expectations and responsibilities as those we currently have of National Portfolio Organisations. Approximately 167 organisations within our existing portfolio fall under this category.*
* ***More than £1 million:*** *We would expect organisations funded at this level to play an active leadership role within the arts and culture sector. We would require more clarity from these organisations in terms of activities that they might undertake to demonstrate their leadership role. We might also need more from them in terms of reporting.*
* *We anticipate that we would give a planning figure to such organisations, linked to the activities they propose in their funding applications. Approximately 69 organisations within our current portfolio would fall under this category.*
* ***Service organisations.*** *Service organisations would include organisations supporting the arts and culture sector, for example Bridge organisations. They might be funded at any value above £40,000 per year. Library sector organisations would be eligible to apply for National portfolio funding as service organisations. Approximately nine organisations within the current portfolio fall under this category.*
* *We propose extending National portfolio funding agreements to four years, to help enable longer term planning.*

### integration of the arts, museums and libraries

*The Arts Council is responsible for the development and support of a full range of activities across the arts, museums and libraries, all of which collectively help to deliver our strategy. We believe that we should consequently adopt an integrated approach to funding the arts, museums and libraries.*

*Integrating funding will stimulate greater collaboration between arts organisations, museums and libraries, and build on the existing links between them. This will be a positive development for practitioners, audiences and communities: each sector will share its expertise with the others. We are already seeing the benefits of this at a local level, where museums, libraries and cultural organisations collaborate on creative projects.*

*We also think that integration will stimulate healthy competition for funding. Of course we are mindful of our responsibility to balance the overall cultural ecology - in practice, our initial modelling shows that the likely impact of this change will be fairly limited. We believe that this approach will help us achieve our strategic goals by identifying and funding work of the highest quality and representing the best public value, whether created in a museum, a theatre or a library.*

*We would**work with national funders such as the Heritage Lottery Fund to identify the existing range of support available to museums and libraries, to ensure that our investment approach would be complementary. It is important to note that for libraries, our investment would be focused on development projects, as local authorities would remain core funders of the library service.*

***Proposals***

* *We propose to integrate museums into the National portfolio, and amalgamate the Major Partner Museums budget. We propose the same banding approach and application process as set out earlier.*
* *We propose that library sector organisations would be eligible to apply for National portfolio funding as a “service organisation”.*
* *We propose that arts and cultural organisations could feature activity with and in libraries in their application to be a National Portfolio Organisation.*
* *We propose that museums and libraries are offered the opportunity to apply to the Grants for the Arts programme for project activity.*
* *We propose that all strategic funds (with the exception of Capital) are open to museums and libraries.*

### changes to grants for the arts

*The way in which people make, experience, share and consume arts and culture is changing, and the activity we fund should reflect this.*

*For the same reasons set out above, we also believe that the Arts Council should adopt an integrated approach to funding arts, museums and libraries.*

***Proposals***

* *We propose a funding criteria that ensures we are flexible enough to respond to new ways that people make, experience, share and consume art and culture. For example, activity we might fund would include: prototyping new cultural and creative industry products and services; artistic or cultural games; or digital content about arts and culture including educational content and documentaries.*
* *We propose that museums and libraries are eligible to apply for project funding where this contributes to the Arts Council’s strategic goals.*

### more support for individual artists

*Grants for the Arts is our Lottery-funded grant programme for individuals and arts organisations that use the arts in their work. Artists and creative individuals require time to develop their practice and talent, their resilience and their market-readiness. We need to find a way of supporting artists to have this time to develop.*

*We are also mindful of the fact that while £48 million of project funding was awarded directly to individuals in the period 2012-15 through Grants for the Arts, individuals have a lower success rate than organisations, and this is especially pronounced in grant applications for over £15,000.*

*Proposals:*

* *We propose a separate budget line within the Grants for the Arts programme for individual artists/creatives (by “creatives” we mean individuals engaged in creative work within our remit to support art and culture).*
* *We will consider how a simple and flexible grants programme could support a diverse range of artists at an early stage of their careers.*

### STRATEGIC FUNDS

*Strategic funding is used alongside our National portfolio investment to respond to challenges and opportunities in the arts and culture sector.*

*We would like to make it easier for people to navigate our strategic funding programmes, and we also want to make it easier to measure the impact of our investment in strategic funds.*

*From 2018, we expect to largely focus our strategic funds on work that contributes to our priorities around resilience and sustainability, diversity and skills, and children and young people.*

*We also propose to focus strategic funds on place-based approaches. Investment in art and culture demonstrates value through the effect it has at a local level, in our towns, cities and communities. We recognise that to deliver our goals we have to work in partnership and to take full account of priorities and aspirations of local partners and communities. We will have many mutual priorities with these local partners, and a place-based approach will help us to get the best reach and engagement at a local level.*

***Proposals***

* *We propose that arts, museums and libraries are all eligible to apply for strategic funding (with the exception of Capital).*

***Resilience and sustainability***

* *We would expect to use strategic funds to support organisations to explore different business models, share best practice, explore different ways to share services, grow income streams and provide support for mergers and collaboration.*
* *We would also develop our portfolio of investment options, building on work we have done to develop social investment, loans, R&D and incubators. We would work in partnership with other organisations to bring in investment, expertise and new thinking to help drive resilience across the arts and cultural sector.*
* *Finally, we will use our current criteria for Capital investment to prioritise the consolidation and improvement of the existing arts infrastructure, rather than investing in significant expansion or new buildings.*

***Place-based investment***

* *We propose to increase our focus on place-based partnerships and planning to identify mutual priorities/aspirations for cultural development and investment over a medium to long-term span. We will consider creating a joint approach with other National Lottery distributors and national partners in particular places as we develop this approach.*
* *We will trial a place-based approach to building cultural capacity through additional investment in three or four places that demonstrate local leadership and vision through consortia in order to develop the cultural ecology, grow audiences and achieve economies of scale.*
* *We will continue to develop our Creative People and Places programme, targeting areas of low engagement (with a focus on specific population groups where there is lower engagement).*

***Diversity and skills***

* *We propose that we continue to invest in sector leadership, including a more diverse approach to leadership development. We will prioritise a focus on disability and Black and minority ethnic candidates at all levels of the workforce.*

***Children and young people***

* *Our investment will continue to deliver the Cultural Education Challenge in which we have prioritised disadvantaged and early years children and young people. Our current investment in work focused around children and young people is undertaken alongside Department for Education resources (£83 million per annum). We want to be ambitious and increase the number of organisations working to ensure that no child misses out on the opportunity to visit, experience and participate in extraordinary cultural work, and be able to know more, understand more, and review the experiences they’ve had.*