**Arts Council England**

**Applying to the National Portfolio**

**FAQs**

This month, we are hosting a series of briefings across the country for arts organisations wanting to find out more about applying to the 2018-22 National Portfolio.

Below is a list of the frequently asked questions from these sessions. We have grouped them by theme.

We will update this document in late October.

**Themes**

**Information which may help you with your application**

1. Application process
2. National Portfolio funding categories
3. Applying as a consortium
4. Funding levels and uplifts
5. Applying to other funding streams
6. Quality Framework
7. Creative Case for Diversity

**Further information about our overall approach to the 2018-22 National Portfolio**

1. Integration
2. Local authorities
3. Lottery funding
4. Funding across England

**Information which may help with your application**

1. **Application process**

**Q. What happens after I submit my organisation’s National Portfolio application?**

**A.** After you submit your application, we will check whether it is eligible. We will then assess it, looking at your organisation and the proposed programme against our goals.

We will also carry out a risk assessment of your application to see if there are any weaknesses and threats to your ability to deliver on your activity.

When assessing applications from current National Portfolio Organisations and Major Partner Museums we will take evidence of your current performance into account, including how you are contributing to the Creative Case for Diversity.

We will then look at the overall balance of the portfolio in terms of diversity, range of artforms and disciplines and geographic spread.

More information about our application process can be found in the [applicant guidance](http://www.artscouncil.org.uk/national-portfolio-2018-22/our-investment-2018-22-helpful-documents).

**Q Who will assess my application?**

**A** One of our Relationship Managers will review your application.

**Q How often can I speak to my Relationship Manager for advice?**

**A** Customer Services and Relationship Managers can provide advice and guidance throughout the process. They cannot however comment on or read draft applications.

**Q Do I have to submit a business plan as part of my application?
A** No. We will ask for a business plan if you are successful in applying as part of your funding agreement. When making an application we would expect you to be thinking about your organisation’s own business planning process and how you would meet the specific band requirements set out in the guidance. You may also find it helpful to read the [business planning guidance](http://www.artscouncil.org.uk/national-portfolio-2018-22/our-investment-2018-22-helpful-documents).

**Q: Will there be anything to support equality action planning?**

**A:** Yes – we are commissioning equality action planning good practice guidance as an external resource to support organisations. This will be published in June 2017 and referenced when we send out conditional offers of investment.

**Q: My organisation produces/delivers art and culture and it provides a support service to the sector- should we apply to one of the three bands or as a Sector Support Organisation?**

**A:** You need to take a view on where the balance of activity lies for your organisation. The applicant guidance provides specific prompts to help you determine which is the best fit.

If your producing/delivering work is a joined up offer with the work you are doing in providing a support service to the sector, then you should probably make one application.

However, if your producing/delivering work and the work you do in providing a support service to the sector are distinct offers and have little crossover, then you should probably make two applications.

You should talk to your Relationship Manager, who will give you further guidance and support in making a decision.

**Q: Is an organisation with a sole director/CEO eligible to apply?**

**A:** Yes, but we strongly encourage companies to have at least two independent directors to ensure that appropriate financial controls and decision-making processes are in place.

It is likely that at assessment stage, we would flag risks linked to a company only having a sole director and, to mitigate against those risks, we may require the development of an appropriate governance structure as a condition of funding.

**Q If I am already registered on Grantium, do I have to register again? Or can I use an existing account?**

**A** You can use your existing account but you must make sure you register for the National Portfolio on the system. [Read the Grantium guidance](http://www.artscouncil.org.uk/national-portfolio-funding-programme-2018-22) for further information on how to use the system.

**Q What is a mandatory conversation?**

This is a scheduled conversation, that usually takes place by phone, with one of our Relationship Managers. The conversation covers:

* why you are applying for National Portfolio investment
* how you will support us to deliver our goals
* how you will contribute to the Creative Case for Diversity (this does not apply to Sector Support Organisations)
* how you will meet the requirements of the band you are applying to
* the finance and management of your organisation and your proposed activity
* and, whether other funding programmes might be more appropriate

Please note that Relationship Managers cannot comment or help shape detailed content of your application.

**Q Who are mandatory conversations for?**

**A** Mandatory conversations are for new applicants, Sector Support Organisations and those currently funded as consortium partners that are now applying individually.

**Q How can I organise my mandatory conversation?**

**A** Please call our customer services team 0845 300 6200 to arrange. You should have your mandatory conversation no later than 4pm, 13 January 2017.

1. **National Portfolio funding categories**

**Q What is the difference between each of the funding categories in the National Portfolio?**

**A** Introducing funding categories will help us manage our expectations around your contribution to delivering our strategic goals and monitoring in relation to levels of investment. We are reducing the administrative burden on those organisations receiving lower levels of investment, while those in receipt of the highest levels of public investment are required to do more. You can find out more about the funding categories and their expectations on our [website](http://www.artscouncil.org.uk/four-national-portfolio-categories)

Organisations falling into Band 1 and 2 will be required to deliver on fewer of our strategic goals (1, 2 and, where appropriate, 5), they will submit shorter business plans and will have fewer monitoring requirements than Band 3 organisations.

Band 3 organisations will need to show how they are supporting all 5 goals. They will need to provide a four year proposal and budget. If successful, we would expect to see monthly management accounts, as well as annual data on audience reach, and a more detailed annual report in line with the requirements for goal related objectives. We would also expect to see how Band 3 organisations are proposing to offer support to the sector in their application.

**Q In outlining expectations for Band 3, what do you mean by ‘supporting the sector’? Are only Band 3 organisations expected to do this?**

**A** We expect that all portfolio organisations will play a role in supporting the sector, but Band 3 organisations - given the level of their investment - will need to articulate their plans for supporting the wider sector in their application. What that role will be will vary, depending on the organisation, their skills and resources and the needs of the sector either locally or nationally. It can include senior leaders becoming board members of other arts and cultural organisations, playing an active role in convening sector discussions and networks and taking an active role in geographic area development initiatives such as Local Enterprise Partnerships and local authority working groups. More information can be found in the [Band guidance](http://www.artscouncil.org.uk/sites/default/files/download-file/Digital_version_NPO_Guidance_for_Applicants_Band_3.pdf).

We recognise that it may take some Band 3 NPOs time to refine this sector support role and we will use the funding agreement process to help pin down what each Band 3 NPO will deliver and how they can best communicate that.

**Applying as a consortium**

**Q What are consortiums?**

**A** By ‘consortium’ we mean a group of separate organisations joining together in a contractual arrangement to deliver a programme of activity for the whole of the 2018/19 – 2021/22 investment period.

To apply as a consortium, one organisation must act as the lead organisation and submit the application. Your application must show the benefits of, and reasons for, working as a consortium and all partners must be firmly committed to working together.

Further information about consortiums can be found in the [applicant guidance](http://www.artscouncil.org.uk/sites/default/files/download-file/Digital_version_NPO_Guidance_for_Applicants_Intro_and_Essential_Info.pdf).

**Q: If my organisation successfully applies for NPO funding as part of a consortium (and is not the lead organisation), can it apply for Grants for Arts and Culture?**

**A:** We will consider applications on a case by case basis, taking into account the extent of the organisation’s involvement as a consortium partner. We would advise organisations to speak to a Relationship Manager before applying.

**Q What will qualify us for an uplift?**

**A** In exceptional cases (for current NPOs & MPMs), we would be prepared to consider a higher level of investment than that set for 2017/18. However, an increase in investment is very unlikely, given that we received a ‘standstill’ settlement from the Government for the period 2016/17 to 2019/20, and we want our resources to stretch further.

Even if you would like to request more investment than has been agreed for 2017/18, you must use no more than the previously agreed 2017/18 figure as the basis of the budget included in your application.

Further information is provided in the [Band guidance](http://www.artscouncil.org.uk/national-portfolio-2018-22/our-investment-2018-22-helpful-documents).

**For new applicants**

**Q As a new applicant, how much I can apply for?**

**A** We would recommend reading the National Portfolio [applicant guidance](http://www.artscouncil.org.uk/national-portfolio-2018-22/our-investment-2018-22-helpful-documents), which has further information about each of the funding bands and their expectations. You should discuss this in your mandatory conversation.

1. **Applying to other funding streams**

**Q If my organisation becomes part of the 2018-22 National Portfolio, will we also be able to apply for Grants for Arts and Culture?**

**A** NPOs will not be able to apply for Grants for arts and culture.

**Q Can I apply to the portfolio if my current Grants for the Arts award overlaps with the proposed investment period?**

A Yes, you can. If you are successful in your application to the National Portfolio we would review the grants on a case by case basis, to ensure there is no duplication of funding. Once you have received a conditional offer of funding for the National Portfolio, you will not be able to apply to Grants for the Arts or Grants for Arts and Culture.

**Q Can my organisation apply for strategic funds if we are in the Portfolio?**

**A** Generally yes, but you would need to look at the eligibility criteria for each fund.

**Q When will there be more information available on your strategic funds?**

**A** Further information will be available later in 2017.

**I’m unsure about whether to continue with Grants for Arts and Culture funding**

1. **Quality Framework**

**Q What is the purpose of the Quality Framework?**

**A** The Quality Framework (also known as Quality Metrics) were developed by the sector, for the sector. It is a sector led framework that uses peer and public assessment to capture the quality of arts and cultural work.

We have heard from organisations involved in the pilot that it has helped them to better understand their audiences.  That can only be a good thing for their work; it will lead to better relationships with their communities and can help them deliver better public value.

**Q How much will it cost us to adopt the Quality Framework**

**A** The framework will be free to use for funded organisations.

From 2018, it will be mandatory for National Portfolio Organisations in Bands 2 & 3 (organisations that receive more than £250,000 per year in funding).

**Q Will the Quality Framework be used to make funding decisions?**

**A** We will never make funding decisions based solely on the Quality Framework; we will continue to have an open debate about what could be measured and how this data is used.  Our aim in future is to use the framework as part of a mixture of measures and evidence to inform our decision making.

1. **Creative Case for Diversity**

**Q What happens if my organisation doesn’t meet expectations set around the Creative Case for Diversity?**

**A** Organisations that are rated ‘not met’ for the financial year 2016/17 must put in place a credible action plan to improve their rating for 2017/18 (this rating will be confirmed in September 2017). Until a satisfactory action plan is in place, we will not finalise our conditional offer for admission into the 2018-22 portfolio

From 2018/19, we will be expecting all NPOs to improve their performance in relation to delivering the Creative Case for Diversity. We will be replacing the current three ratings with four (not met, met, strong, outstanding) and will expect all NPOs in Bands 2 & 3 to commit to achieving a rating of at least ‘strong’ by October 2021.

Please do read our Guidance for Applicants for further information on the terms and conditions of our funding agreements.

**Further information about our overall approach to the 2018-22 National Portfolio**

1. **Integration**

**Q How will you ensure the arts, museums and libraries each receive a fair share of funding?**

**A** We will ensure that the Portfolio is appropriately balanced, and will look to a range of criteria when making our funding decisions, including diversity, range of art forms and disciplines and geographical spread.

**Q What benefits do you see in having museums and libraries in the Portfolio?**

**A** We think that integrating arts, museums and libraries funding will open up the possibility for really interesting and exciting partnerships, benefiting the public, artists, and practitioners that work across those boundaries.We are already seeing the benefits of this at a local level, where museums, libraries and arts organisations collaborate on creative and cultural projects.

We believe that this approach will help us achieve our strategic goals by identifying and funding work of the highest quality, representing the best public value, whether created in a museum, an arts organisation or a library.

It is important to note that for libraries, our investment would be focussed on arts and cultural activity.

1. **Local authorities**

**Q What are you doing to ensure you are taking account of Local Authority funding decisions?**

**A** We cannot replace lost Local Authority funding. We will keep investing where local authorities are committed to supporting art and culture.

Our area teams are in regular conversation with local councils where we know there is a threat to funding. You should talk to us if you are aware of threats to your Local Authority funding.

1. **Lottery funding**

**Q How will Lottery funding be used in the Portfolio?**

**A** As in the last two investment processes, we will use Lottery funding as part of the overall budget for our National Portfolio.

This will allow us to support additional arts and cultural organisations across the country to become NPOs, than we would otherwise have been able to with just Grant in Aid.

National Portfolio Organisations funded wholly through Lottery in 2018-22 will be those whose programme includes a significant element of touring (more than 50%) or specific types of organisations, for example those working with children and young people.

In using Lottery funds to support NPO activity, we will adhere to the principle that Government funding should be maintained and is an essential part of a mixed funding model.

The biggest proportion of our portfolio funding will still come from Grant in Aid.

**Q Is it sustainable to draw down your lottery balances to increase investment levels between 2018-22?**

**A** We built up our Lottery reserves whilst awaiting details of the 2015 Spending Review. Following our standstill settlement, we have decided to run these reserves down to a minimum level so that we can invest more Lottery funding across our investment streams.

This is likely to give us some challenges in future investment rounds, but we think it’s the right thing to do now.

1. **Funding across England**

**Q Will particular regions be given more funding than others?**

**A** No – our decisions will be based on the strength of the applications we get.

We will shift National Portfolio investment outside London by 4 percentage points across the four year funding period. This will enable us to expand the reach of the portfolio to new, small and diverse organisations outside the capital without impacting on London’s cultural infrastructure.

**Q Does this mean organisations in London may receive cuts to their funding?**

**A.** Overall funding to London in this portfolio will remain at standstill. Some larger organisations may have their funding reduced to support new organisations coming into the portfolio. We will discuss planning figures with organisations that currently receive more than £1 m a year.

**Q Will moving my organisation outside London increase my chances of having a successful application?**

**A** Not necessarily. We would only welcome moves where there is a sound strategic basis for it. You would need to demonstrate appropriate partnerships with artists and organisations based in the new area, and evidence an understanding of the opportunities and contribution you could make to that area.

**Q Isn’t this shift in funding now damaging London?**

**A** Our aim in this investment round is to expand the reach of the Portfolio to new, small and diverse organisations and to increase the proportion of our NPO funding outside London.

We judge that shifting the NPO budget by 4 percentage points outside the capital will enable us to achieve this ambition without impacting on London’s cultural infrastructure.

We want London to be part of an interconnected funding ecology, which includes supporting the development of new organisations, communities and artists outside the capital.

**Q. Why aren’t you moving more quickly on rebalancing funding outside London?**

**A** We think we have the balance right between building capacity outside London and avoiding damage to the capital’s cultural infrastructure.

Our overall shift in investment is significant. By 2018, we will see at least 75% of our Lottery budget invested outside of the capital. In addition we will shift our portfolio investment by 4 percentage points, compared to the 2 percentage points shift we achieved in the last investment round.