**How we’ve balanced our investment**

The National Portfolio is just one part of our investment in delivering our strategy – *Great Art and Culture for Everyone*. For the first time, today’s announcement also covers our overall investment plans for Grants for the Arts and our Strategic funds.

**The proposed national portfolio**

* The context for this new National Portfolio is declining income. In 2010 we invested £350m of Grant in aid into the portfolio. Today- for 2015/16 we have £270m – a larger figure than it could have been after the Chancellor protected culture with a relatively smaller cut of 5% in the last spending review.



* With this reduction in Grant in aid of 36% since 2010, our investment in 670 National Portfolio organisations and 21 Major Partner Museums consolidates a high performing sector, invests in new talent and provides a strong backbone for our arts and culture.
* Thanks to a sector that has responded with creative boldness in its programming and in driving commercial revenue we can publish today a portfolio we can be proud of.
* The level of funding for National Portfolio organisations and Major Partner Museums assumes standstill funding from Government in 16/17 and 17/18 for later years.
* The following tables give more detail about the profile of the new portfolio including levels of funding for organisations, funding by artform, details on joiners and the museum portfolio.
* 58 organisations will be leaving the portfolio. Undoubtedly this will have an impact on the organisations concerned and we intend to talk to them about next steps before we release any details about them more widely.

**National Portfolio**

**Proposed portfolio for 2015-18**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Status** | # | £ | % orgs | % £ |
| Uplift to current (based on 14/15 grant) | 87 |  190,717,723  | 9.9% | 18.7% |
| Reduction to current (based on 14/15 grant) | 37 |  305,972,044  | 4.2% | 30.0% |
| Joiner | 46 |  22,257,009  | 5.2% | 2.2% |
| Same Level | 500 |  499,650,698  | 57.0% | 49.1% |
| Leaver | 58 |  -  | 6.6% | 0.0% |
| Unsuccessful applicants | 149 |  -  | 17.0% | 0.0% |
| **Total** | **877** | **1,018,597,474** | **100** | **100** |

**Artform by value of grants**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Artform | Current (12/15) £ | Proposed (15/18) £ | £ Change | % Change to Artform £ |
| Combined arts | 176,405,555 | 180,630,569 | 4,225,014 | 2.4% |
| Dance | 107,901,698 | 118,066,236 | 10,164,538 | 9.4% |
| Literature | 20,217,935 | 19,940,803 | -277,133 | -1.4% |
| Music | 289,095,026 | 276,794,897 | -12,300,129 | -4.3% |
| Not artform specific | 7,988,714 | 8,259,074 | 270,361 | 3.4% |
| Theatre | 298,226,041 | 296,952,467 | -1,273,574 | -0.4% |
| Visual Arts | 121,108,604 | 117,953,428 | -3,155,176 | -2.6% |
| **Total** | **1,020,943,573** | **1,018,597,474** | **-2,346,098** | **-0.23%** |

For more detail on the artforms please go to our website- full narratives have been uploaded today.

**NPOs joining the portfolio**

|  |  |  |
| --- | --- | --- |
| **Organisation** | **Area** | **Recommended 15/16 funding amount** |
| Brownswood Music | London |  89,000  |
| Camden People's Theatre | London |  70,000  |
| Counterpoint Arts Limited | London |  80,000  |
| Create | London |  150,000  |
| Design Museum Ltd | London |  170,000  |
| ILUVLIVE | London |  103,856  |
| Intoart | London |  92,798  |
| Jazz re:freshed Limited | London |  95,795  |
| National Youth Jazz Orchestra | London |  125,000  |
| OTOProjects | London |  74,933  |
| Peckham Space | London |  50,000  |
| Penned in the Margins | London |  45,000  |
| Pop Up Projects CIC | London |  85,203  |
| Sunshine International Arts | London |  75,000  |
| The Koestler Trust | London |  75,000  |
| William Morris Gallery | London |  60,000  |
| Baby People Ltd | Midlands |  48,418  |
| BE FESTIVAL | Midlands |  145,000  |
| East Lindsey District Council | Midlands |  150,000  |
| University of Derby Theatre Ltd | Midlands |  500,000  |
| Abandon Normal Devices Ltd. | North |  135,000  |
| Castlefield Gallery | North |  70,000  |
| Chol Theatre | North |  75,000  |
| Dance United Yorkshire | North |  90,000  |
| Jazz North Limited | North |  190,000  |
| NewcastleGateshead Initiative | North |  100,000  |
| Third Angel | North |  120,000  |
| Tyne & Wear Archives & Museums | North |  500,000  |
| Wired Aerial Theatre | North | 165,000  |
| And Other Stories | South East |  40,000  |
| Corn Exchange (Newbury) Trust | South East |  235,000  |
| Creative Arts East | South East |  150,000  |
| Gulbenkian Theatre | South East |  220,000  |
| New Adventures & Re:Bourne | South East |  1,294,000  |
| Seachange Arts | South East |  300,000  |
| Acta Community Theatre Ltd | South West |  80,000  |
| Black Bird/Red Rose Productions | South West |  200,000  |
| Bournemouth Borough Council | South West |  150,000  |
| Bristol Music Trust | South West |  325,000  |
| Exeter Northcott Theatre Company Ltd | South West |  125,000  |
| Kaleider | South West |  110,000  |
| MAYK Theatre Ltd | South West |  90,000  |
| Situations | South West |  85,000  |
| Tangle | South West |  85,000  |
| The Bike Shed Theatre | South West |  75,000  |
| The Point | South West |  125,000  |
|  | **TOTAL** | **7,419,003** |

**Major Partner Museums**

**MPMs joining the portfolio**

|  |  |  |
| --- | --- | --- |
| Organisation | Area | **Recommended 15/16 funding amount** |
| Black Country Living Museum | Midlands |  886,000  |
| Derby Museums | Midlands |  854,066  |
| Hull City Council | North |  841,409  |
| Museums Sheffield | North |  600,000  |
| Penlee House Gallery and Museum | South West |  500,000  |
|  | **TOTAL** | **3,681,475** |

**MPM proposed portfolio 2015-18**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| Status | # | £ | % orgs | % £ |
| Uplift to current (based on 14/15) | 0 |  -  | 0% | 0% |
| Reduction to current (based on 14/15) | 16 |  56,817,480  | 62% | 84% |
| Joiner | 5 |  11,044,425  | 19% | 16% |
| Same Level | 0 |  -  | 0% | 0% |
| Leaver | 0 |  -  | 0% | 0% |
| Unsuccessful applicant | 5 |  -  | 19% | 0% |
| Total | 26 | 67,861,905 |   |   |

**The reach of our investment**

* The companies who will join the portfolio have committed to extend audiences, to educational outreach and to ensure their work and their workforces are diverse.
* This is a commitment by every organisation to everyone in England, whatever their class, colour or background.
* We will hold them to that commitment by monitoring and reporting on their reach.
* There is an overall shift in National portfolio spending. In 2008 this was 51% to London and 49% outside the capital. In 2015/16 this will be 47% in London and 53% outside.
* In terms of our overall investment for the next three years, we want to build on the current trend of 60% of Grant in aid and 70% of National Lottery investment outside London.
* Whilst there is a major challenge to build capacity and investment in certain parts of the country, we do not believe this should be at the expense of London or indeed our significant investments in other major metropolitan centres which are beacons of excellence and attract visitors from home and abroad.
* National Portfolio organisations and Major Partner Museums reach across England and will play a part in the national ecology; extending way beyond their postcode and taking on national responsibilities as part of their funding agreements with us.
* For museums, this includes the For Cornwall Museums Partnership- an example of consortium working, with six leading museums in Cornwall coming together for the first time and in the arts portfolio organisations such as the Royal Shakespeare Company and the National Theatre will continue to roll out national education and outreach programmes across the country.
* Building capacity and production are the biggest challenges in places with low investment in culture. We will weight our strategic funds towards tackling this challenge with a new £15m production fund to ensure that ambition and talent outside London continues to thrive, and further investment in Creative People and Places- a fund to that use radical new approaches to developing excellent, inspiring and sustainable arts experiences for communities not currently engaging with the arts.
* The increase in budget for Grants for the Arts to £70m will broaden the reach of Arts Council funding to support smaller organisations and individual artists across England.
* This represents a vigorous approach to ensuring we can meet the aim in the heart of our strategy of ensuring everyone has an opportunity to be inspired by the arts, museums and libraries.

**Grants for the Arts- analysis by area of total awards made in 2012/13 and 2013/14**

|  |  |  |
| --- | --- | --- |
|  | Awards made | Awards made |
|  | Number | % | £’000 | % |
| London | 1,762 | 28.9% | 36,381 | 27.9% |
| Midlands | 750 | 12.3% | 17,393 | 13.3% |
| North | 1,596 | 26.1% | 32,131 | 24.6% |
| South East | 1,193 | 19.5% | 25,617 | 19.6% |
| South West | 753 | 12.3% | 17,707 | 13.6% |
| Outside England | 52 | 0.9% | 1,160 | 0.9% |
| Total | 6,106 | 100% | 130, 389 | 100% |

* The following tables give further details on the distribution of our investment in terms of diversity, across the Arts Councils’ geographic areas and across artform.

**Area by value of grants (%)**

|  |  |  |  |
| --- | --- | --- | --- |
| Area | Current % | Proposed % | Change to Area % |
| London | 48.8% | 47.3% | -1.5% |
| South East | 8.5% | 9.0% | 0.5% |
| South West | 5.6% | 5.9% | 0.3% |
| Midlands | 16.7% | 17.1% | 0.3% |
| North | 20.4% | 20.8% | 0.3% |
| **Total** | **100%** | **100%** |  |

**National Portfolio- area by value of grants (numbers)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Area | Current (12/15) £ | Proposed (15/18) £ |  £ Change | % Change to Area £ |
| London | 498,259,817 | 481,851,502 | -16,408,315 | -3.3% |
| South East | 86,438,518 | 91,470,157 | 5,031,639 | 5.8% |
| South West | 56,763,104 | 59,865,339 | 3,102,235 | 5.5% |
| Midlands | 170,957,444 | 173,946,051 | 2,988,607 | 1.7% |
| North | 208,524,690 | 211,464,426 | 2,939,736 | 1.4% |
| **Total** | **1,020,943,573** | **1,018,597,474** | **-2,346,098** | **-0.23%** |

**National Portfolio- area by numbers of organisations (numbers)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Area | Current (12/15)  | Proposed (15/18) | Change | % Change to Area numbers |
| London | 256 | 245 | -11 | -4.3% |
| South East | 68 | 70 | 2 | 2.9% |
| South West | 80 | 82 | 2 | 2.5% |
| Midlands | 92 | 87 | -5 | -5.4% |
| North | 207 | 186 | -21 | -10.1% |
| **Total** | **703** | **670** | **-33** | **-4.69%** |

|  |  |  |
| --- | --- | --- |
| **MPM Area by numbers of organisations (numbers)** |  |  |
| Area | Current | Proposed | Change | % Change to Area Numbers |
| London | 2 | 2 | 0 | 0% |
| South East | 4 | 4 | 0 | 0% |
| South West | 2 | 3 | 1 | 50% |
| Midlands | 2 | 4 | 2 | 100% |
| North | 6 | 8 | 2 | 33% |
| **Total** | **16** | **21** | **5** | **31%** |
|  |  |  |  |  |
|  |  |  |  |  |
| **MPM Area by value of grants (numbers)** |  |  |  |
| Area | Current 12 / 15 £ | Proposed 15/18 £ | £ Change | % Change to Area £ |
| London | 6,942,558 | 6,140,034 | -802,524 | -12% |
| South East | 15,639,840 | 14,440,107 | -1,199,733 | -8% |
| South West | 8,478,280 | 9,324,120 | 845,840 | 10% |
| Midlands | 7,382,793 | 10,451,394 | 3,068,601 | 42% |
| North | 23,903,888 | 27,596,013 | 3,692,125 | 15% |
| **Total** | **62,347,358** | **67,951,668** | **5,604,310** | **9%** |

**Diversity:**

The Arts Council defines a diverse led organisation where that organisation self-defines as such, and where more than 50 per cent of the organisation’s board and senior management are diverse. We are sticking to historic definitions at the moment but this does not capture the growing number of organisations led by diverse cultural leaders. We will work on how to reflect that in the future.

Although it is still important to have art and culture from specific types of organisations, we are shifting away from this approach to one where diversity becomes everyone’s responsibility. The Creative Case looks at diversity and equality within the arts and takes a creative approach to addressing barriers to creativity, participation, learning and involvement around race, disability and gender equality, instead of simply viewing it as a legal requirement. For the first time we will be asking organisations to report back on progress and we will publish updates.

We believe that our national diversity is one of our great resources and we expect the work that we fund will reflect this.  The following ratings are provisional and will be revisited when we receive the detailed programme plans that will form part of each NPO funding agreement.

**Creative Case Rating of proposed National Portfolio Organisations**

|  |  |  |
| --- | --- | --- |
| Rating | Number | % |
| Weak | 34 | 5.1% |
| Met | 103 | 15.4% |
| Good | 280 | 41.8% |
| Strong | 253 | 37.8% |
| **Total** | **670** | **100%** |

11% of diverse organisations will receive an uplift in this current portfolio.

**Diversity Led by numbers of organisations (numbers)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Diverse Led | Current (14/15)  | Proposed (15/16) | Change | Change to Led % |
| BME Led | 57 | 51 | -6 | -10.5% |
| Disability Led | 13 | 9 | -4 | -30.8% |
| **Total** | **70** | **60** | **-10** | **-14.3%** |

**Diversity Led by value of grants (numbers)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Diverse Led | Current (12/15) £ | Proposed (15/18) £ | £ Change | % Change to Led £ |
| BME Led | 29,942,145 | 28,250,199 | -1,691,946 | -5.65% |
| Disability Led | 5,072,530 | 4,315,411 | -757,119 | -14.93% |
| **Total** | **35,014,675** | **32,565,610** | **-2,449,065** | **-6.99%** |

**How we’ve made ends meet**

* With some assistance from lottery income and with a better than expected spending review settlement from the Chancellor we have been able to protect our national portfolio with only an 0.23 percent cut overall when comparing 2012-15 to 2015-18
* This is not without significant cost to other parts of our investment. Our strategic funds budget – which we use to invest in opportunities and respond to challenges– is cut significantly from £153m in 2014/15 to £104m in 2015/16
* Because strategic funds are vital to help us with reach we have therefore refocused them to address challenges such as building capacity within the sector around diversity, investing in talent and building production capacity outside London.
* Other strategic funds have taken the weight of cuts including for example our capital pot which is cut by £33m a year and our Catalyst programme where there will no longer be money to match fund endowments for large organisations although work with smaller companies will continue.
* We hope levels of Government support will be maintained. In addition we need Local Authorities to maintain their partnership with us, recognising the vital role culture plays locally in communities and economic regeneration.

**Lottery in the National Portfolio**

National Lottery money has been used to fund touring and activity with children and young people within the National portfolio since 2012.

Based on this precedent 99 National portfolio organisations will be funded wholly through Lottery in 2015-18; those focusing on touring (more than 50%) or specific types of organisations working with children and young people.

Using National Lottery money will allow an additional number of organisations to join the portfolio. For some organisations this will be the first time that their total grant will be wholly comprised of Lottery funding.

**Strategic funds:**

A range of strategic funds will support our five goals as described in our 10 year strategic framework, *Great art and culture for everyone*. Some of the strands of this funding programme include those outlined below.

* Ambition and talent outside London- a £15m project to ensure that organisations can retain talent and build production capacity outside London
* Exceptional awards will continue to run with a proposed budget of £8m to this fund for 2015-18.
* Strategic touring- designed to encourage collaboration between organisations, so that more people across England experience and are inspired by the arts, particularly in places which rely on touring for much of their arts provision. We are proposing to allocate £23m to this fund for 2015-18.
* Creative People and Places- a further £25m to be allocated- maintaining at the current level for the next two years- to target long-term benefits, to currently funded applicants to support their 10 year visions; investment in areas with low engagement and a focus on older people and the arts
* Catalyst and fundraising- future funds will be used to support match fund and capacity building programmes, targeted at small and midscale organisations outside of central London. We are proposing to allocate £26m to this fund for 2015-18.
* Resilience and leadership- we are proposing to allocate £14.4m to resilience and leadership funding in the period 2015-18. This will encompass a number of initiatives, including work with Local Enterprise Partnerships, cultural tourism partners, creative industries and social investment models
* Children and young people will be more of a focus than ever, with more organisations than before we will see a significant increase in the support our ambition to ensure that every child and young person has the opportunity to experience the richness of arts, museums and libraries.
* Diversity- a £6m fund will focus on artistic excellence, increasing resilience and diversifying audiences, the workforce and the leadership of the arts sector to reflect the diversity of contemporary England.

More information on all our Strategic funds is available on our website.

**Capital:**

Large awards for Round 3 have been successfully applied for by the following organisations. They will now be invited to complete a second stage application

|  |  |  |
| --- | --- | --- |
| **Organisation** | **Area** | **Amount** |
| Alternative Theatre Company | London | £2,500,000 |
| Battersea Arts Centre | London | £4,690,000 |
| Design Museum Ltd | London | £3,000,000 |
| Wayne McGregor | Random Dance | London | £988,154 |
| The Theatre Royal and Royal Concert Hall, (Nottingham City Council) | Midlands | £1,608,047 |
| The Drum (The Newtown Cultural Project Limited) | Midlands | £2,724,335 |
| Royal Shakespeare Company | Midlands | £3,000,000 |
| The University of Warwick | Midlands | £4,000,000 |
| The Lowry Centre Trust | North | £3,000,000 |
| Site Gallery | North | £970,000 |
| Yorkshire Sculpture Park | North | £1,700,000 |
| Theatre Hullabaloo | North | £1,500,000 |
| Cheshire West and Chester Council | North | £3,000,000 |
| Islington Mill | North | £998,000 |
| The Met | North | £3,045,400 |
| Kirkgate Centre Trust | North | £850,000 |
| Contact Theatre | North | £3,851,128 |
| Kettle's Yard Gallery | South East | £3,650,000 |
| Jasmin Vardimon Dance Company | South East | £3,007,742 |
| Modern Art Oxford | South East | £3,500,000 |
| The Hall for Cornwall Trust | South West | £5,000,000 |
| St George's Bristol | South West | £1,950,000 |
| Teignbridge District Council | South West | £750,000 |

Small awards for Round 2 have been allocated to:

|  |  |  |
| --- | --- | --- |
| **Organisation** | **Area** | **Amount** |
| London Sinfonietta | London | £102,004 |
| Discover Children's Story Centre | London | £350,000 |
| Redbridge Drama Centre | London | £192,036 |
| Raw Material Music & Media | London | £197,175 |
| Soho Theatre Company | London | £285,795 |
| Stratford Circus Ltd | London | £321,805 |
| PM Gallery & House | London | £492,457 |
| The Albany | London | £437,175 |
| Siobhan Davies Dance Company | London | £158,308 |
| Camden Arts Centre | London | £149,236 |
| Stoke-On-Trent and North Staffordshire Theatre Trust Limited | Midlands | £495,000 |
| Leicester Print Workshop Studios and Resource | Midlands | £300,000 |
| Dance 4 Limited | Midlands | £499,642 |
| Compton Verney | Midlands | £123,412 |
| Walsall Metropolitan Borough Council | Midlands | £487,500 |
| National Centre For Early Music | North | £133,395 |
| Mind The Gap | North | £120,000 |
| Baltic Centre For Contemporary Arts | North | £179,336 |
| 20-21 Visual Arts Centre | North | £489,988 |
| IOU Theatre | North | £184,917 |
| Barnsley Civic Enterprise Ltd | North | £109,164 |
| Stephen Joseph Theatre | North | £275,000 |
| Seven Stories | North | £499,000 |
| Northern Gallery For Contemporary Art | North | £100,000 |
| Northern Print Studio Ltd | North | £147,699 |
| ARC, Stockton Arts Centre | North | £132,987 |
| Slung Low | North | £100,816 |
| Great Georges Community Cultural Project Ltd | North | £450,000 |
| Horse And Bamboo Theatre Company | North | £166,746 |
| Hull Truck Theatre | North | £130,750 |
| Watermill Theatre | South East | £499,996 |
| Oxford Playhouse | South East | £486,284 |
| De La Warr Pavilion | South East | £412,343 |
| Glyndebourne Touring Opera and Glyndebourne Education | South East | £220,000 |
| Canterbury Festival | South East | £255,110 |
| South Hill Park Arts Centre | South East | £379,006 |
| St Edmunds Arts Trust Ltd | South West | £195,000 |
| Acta Community Theatre Ltd | South West | £490,000 |
| Roses Theatre Trust | South West | £250,000 |
| The Point | South West | £367,187 |
| Nuffield Theatre | South West | £180,000 |
| PREMA | South West | £216,146 |

* Details of the next Capital programme will follow later in the year