Monitoring prompts for Band 3 organisations
Introduction

Throughout the lifespan of your grant, we will monitor your performance against the Arts Council's goals, as well as the Creative Case for Diversity, management and governance and financial viability. We have published this set of monitoring prompts so that you can understand how we will monitor our investment in your organisation.

These prompts set out the questions your Relationship Manager will consider whilst reviewing your progress on an ongoing basis, as well as examples of the types of evidence and indicators of success we will look for.

You may also find it helpful to consider these monitoring prompts whilst refreshing your business plans and supporting documents annually.
Goal 1 monitoring prompts

All brands

‘Excellence is thriving and celebrated in the arts, museums and libraries’

Our strategy, *Great Art and Culture for Everyone*, shows our determination to support the arts and cultural sector to achieve excellence in all it does. By this we mean the creation of work of artistic and cultural excellence and the way this work engages with audiences. We want museums to show excellence in the way that they use their collections to enrich people’s lives. We want to support libraries to develop a range of excellent services to help people to deepen their knowledge, widen their appreciation of culture and gain the skills and information they need.

a). What progress is the organisation making in relation to the SMART objectives in its business/programme plan that relate to Goal 1?

b). Is the organisation delivering artistic work and cultural experiences that use talent and demonstrate genuine ambition and skill? What evidence is there of the quality of the organisation’s work? Indicators might include, for example:

- use of the Arts Council’s prescribed quality evaluation framework
- Artistic and Quality Assessments
- press reviews
- awards/prizes
- audience feedback
- plans for peer review – either formal or informal
- evidence of discussion of artistic quality at senior management and board level
- plans to solicit invitations to give work an extended life elsewhere

c). What evidence is there to show that the museum/s are developing, researching, interpreting and sharing their collections successfully? Evidence might include, for example:

- Designation awards
- collections review or research activity
- quality evaluation and quality assessments
- regular and effective discussions about the quality of work, acquisitions, loans, exhibition and publication plans at board and executive level

SMART objectives are: specific, measurable, actionable, realistic, and time-based
Monitoring prompts for Band 3 organisations

Goal 1 monitoring prompts

- formal review of collections
- collections development policy reviews
- newsletters

d). If the organisation’s programme includes working with independent artists, how effectively are they supporting the development of artistic talent? This could include:
  - offering time, space and resources to develop artistic or specialist practice
  - commissioning new work and encouraging new collaboration
  - supporting artists’ and practitioners’ access to business skills, including fundraising
  - commitment to longer-term initiatives such as mentoring or creating an accessible offer and environment to support the development of diverse artists and practice
  - extending opportunities to develop talent to artists who are not necessarily working with your organisation
  - evaluating the opportunities offered for impact locally and nationally

e). Where appropriate, how successfully is the organisation sharing its work internationally and attracting audiences from around the world? How well is the organisation delivering against its objectives for international activity? Indicators include:
  - progress can and is being tracked against their SMART objectives
  - the organisation able to put achievements against targets into context and adjust targets where appropriate

f). Is the organisation or consortium making continual improvements to quality? Are future plans likely to ensure further improvement?

g). Does the organisation demonstrate plans to benchmark their work against national and international peers?

h). Are regular and effective discussions about the quality of work being held at board and executive level?

i). Is the organisation using our specified Quality Evaluation Framework effectively to improve your understanding of how well your intentions for their work aligns with the perceptions of their public and peers? This must include evidence of:
  - using the specified Quality Evaluation Framework to evaluate a minimum of four events, exhibitions or performances each year
  - using the specified digital Quality Evaluation platform to collect survey responses to the quality metrics from audiences, peers and relevant staff within your organisation. Exceptions apply (eg National Portfolio Organisations delivering Biennial festivals could complete eight evaluations during years in which work is publicly presented). National Portfolio Organisations producing less than four pieces of work each year would be permitted to complete a lower number of evaluations but should aim for higher response rates
• each evaluation including (as a minimum):
  • one pre event quality metrics survey from a relevant member of staff outlining the creative intentions for the work
  • one post event quality metrics survey completed by a relevant member of staff
  • one post event quality metrics survey completed by a relevant peer
  • post event quality metrics surveys from multiple audience members. As a guide we suggest aiming for a minimum of 10% of the audience and where possible trying to achieve a representative sample. For events with lower audience numbers (eg less than 100) the Arts Council suggests aiming for a higher percentage
  • sharing a simple report of each evaluation with their Relationship Manager within one month of completion
  • sharing an annual report summarising your four evaluations with their Relationship Manager by the end of June each year
  • sharing findings from each quality evaluation at board meetings

j). Does the organisation show a strong, planned approach to creative media? Is the organisation delivering high quality digital content and experiences for audiences? How successfully is the organisation supporting, producing and distributing creative content and experiences digitally? Indicators should include:
  • a robust digital policy and plan, signed off by the board and reviewed quarterly by the senior management team, that shows commitment to produce more, high quality digital content and/or experiences (NB a good digital policy and plan should extend across the entirety of the organisation’s activities and its delivery against all our goals)
  • evidence of one or more of the following
    • high quality creative content, where digital media and technologies are a central part of the creation of new artworks and cultural experiences
    • high quality captured content, where existing works of art and culture, including performances and cultural collections, are produced and distributed digitally to engage and reach wider audiences
    • high quality cultural learning content about arts and culture that is produced, distributed and experienced digitally to increase cultural knowledge and encourage people to take part

The Arts Council anticipates that band 3 organisations will increase the amount of Creative Content, Captured Content and Cultural Learning Content over the four year investment period

k). Does the organisation provide a strong digital policy? Indicators include:
  • provides a broad statement of the organisation’s overall digital ambitions, a framework for the digital plan and good digital practice on a day-to-day basis
  • aligns with their mission statement and business strategy
  • succinctly sets out aims and objectives for digital media across the organisation
  • clearly articulates their vision for how they will use digital over a defined period
  • endorsed, signed and reviewed by top management, eg trustees and chief executive
  • clear links to the overall mission
• acknowledges the different ways in which they use digital across the organisation and identifies the most important of these to delivering their overall organisational aims
• shows understanding of how digital helps to better deliver your organisational mission and support different areas of business, eg creative and cultural output, improving the experience for audiences; or making the organisation more sustainable by opening up new revenue streams
• clearly shows the key principles and commitments that underpin the approach to digital eg putting audiences at the centre of everything they do, or embedding digital throughout the organisation
• demonstrates ongoing evaluation of the use of digital in helping meet their aims
• shows understanding of the resources (people, financial, specialist expertise) currently committed to digital activity and those that need to be developed
• clear lines of responsibility for the digital policy – who is responsible, how it will be reviewed and renewed, and when
• describes what success will look like
• for an example see Digital policy and plan guidelines

I). Does the organisation provide a strong digital plan? Indicators include:
• clear links with digital policy
• defines ambitious but realistic SMART objectives, activities, targets, responsibilities, milestones, timelines and deadlines for delivering their policy vision

• digital objectives clearly relate back to the digital policy aims and overall business aims, so it is clear how the policy has informed the plan
• identifies who:
  • will oversee and who will deliver each activity
  • will track progress against the targets in the plan and when this will be reviewed
• its resources and where they are starting from digitally are appropriate to the type and scale of the organisation, its resources and where they are starting from digitally. If for example it is a small organisation, or digital is not yet a major part of what they do, it may be appropriate to identify some modest, achievable steps to start with and aim to grow ambition over the period of the plan
• considers wider organisational requirements and impacts, eg the current status of their digital activities, platforms and processes and how well these meet existing needs
• identifies the skills, confidence and capabilities needed to deliver the plan and how they will develop these, eg through training, recruiting new staff, bringing in associates or commissioning freelancers
• demonstrates new approaches to work or changes in mind-set, if required, eg developing a more audience-centric, or data-led approach
• shows who will be responsible for implementing actions and how they will involve them in developing and monitoring the plan
• identifies new hardware, software, systems and working practices required to deliver the plan
• includes opportunities to **minimise costs/maximise efficiency** in their delivery

• **identifies any new suppliers/partner relationships** required to deliver the plan and how these will be procured

• **identifies budgetary need** within the financial plan, including the capital, operating and supplier costs, and any income (for example, from sponsors and/or e-commerce)

• includes **key activities** to meet each digital objective. Some may not be fully thought through at the moment – eg setting up on online shop. In this case, include actions to investigate whether they are achievable

• **quarterly progress reports** are presented to **senior management team**

• the overall **objectives and targets** in the plan are **reviewed and revised** annually
Goal 2 monitoring prompts

Everyone has the opportunity to experience and to be inspired by the arts, museums and libraries

Our strategy, Great Art and Culture for Everyone, talks about how arts and culture enrich our lives. They fire our imagination, challenge, inspire, educate and entertain us. Everyone should be able to visit or experience a high quality museum, library or live performance or participate in cultural activity, including through digital media. These experiences open us to reflection, encourage debate and critical thinking, and deepen our understanding of the world. We believe that increasing the number of people who experience and contribute to the arts, to museums and to libraries is good for society.

a). Does the organisation’s business plan and/or audience development plan demonstrate that the organisation is performing well against the following Goal 2 outcomes? (NB band 3 organisations will be delivering against all four):

1. The organisation is enabling more people to have the opportunity to experience and participate in great art, museums and libraries. Evidence includes:
   - a clear understanding of its current and potential audiences, with programmed activity that reflects audience SMART targets
   - positive steps to research/test demand with audiences that are representative of its local community

2. The organisation is increasing the number and/or range of people who have the opportunity to experience and participate in high quality art and culture. This can include people who are ‘physically’ at an activity or event and/or people who are participating digitally. Evidence includes:
   - use of audience segmentation to understand current/potential audiences
   - planned activity that reaches those outside the three most highly engaged audience segments and goes beyond the ‘usual suspects’
   - positive steps to ensure that the audience it reaches is representative of its local community
   - knowledge of appropriate platforms for distributing digital content and audiences that this content will reach
3. The organisations is **increasing engagement levels** amongst those currently **least engaged** in arts and culture. Evidence includes:
   - use of **audience segmentation** to identify specific under-engaged target audiences and appropriate knowledge of specified geographic locations or communities;
   - working with **appropriate delivery partners** and where partners are named there is a clear and genuine commitment from both parties;
   - commitment to long term activity within **under-engaged places/communities** and demonstrates that the place/community endorses and supports this activity

4. The organisation is **increasing the depth and quality of people’s engagement** with arts, culture and libraries. Evidence includes:
   - specific activity that will enable audiences to **engage more deeply** with their work (for example, participation, audience co-commissioning or programming opportunities or plans for the provision of additional, rich content either digital or physical)
   - use of **Quality Metrics** and/or **Participatory Metrics** any other appropriate quality frameworks available for engagement, participation or (where appropriate) socially engaged practice (for example Arts and Mental Health [see WEMWEBS])
   - knowledge of **current cultural commissioning guidance**

b). Does the organisation’s Business Plan and/or audience and engagement plan have a synergy with their Goal 1 plans for the **Creative Case for Diversity**, demonstrating an ongoing commitment to ensuring that they positively enable engagement with those with protected characteristics as defined in 2010 Equality Act, as well as those from differing socio-economic groups?

c). Is the progress of planned activity being **tracked against SMART objectives**? Is the organisation able to put achievements against targets into context and adjust targets where appropriate?

d). Has the organisation allocated an **appropriate budget and resources** for proposed activity, reporting against this at board level?

e). Is the organisation successfully using **technologies** to improve marketing, sales or customers’ experience and feedback? Evidence might include:
   - appropriate use of the Arts Council’s **Audience Data and Development tool** or other audience evaluation tool, which continuously feeds into the organisation’s decision making and informs activity
   - resourcing and budget for monitoring and evaluating audiences is clearly demonstrated
   - an **awareness of digital tools** (CRM, online booking systems, online surveying, digital communication techniques) that are available to securely store data and use it to improve communications with audiences
   - **knowledge of digital audiences/current online reach** including realistic baselines and targets, use of appropriate analytics tools, like Hitwise and awareness of appropriate social media analytics tools
Monitoring prompts for Band 3 organisations

Goal 2 monitoring prompts

Evidence includes:
• monitoring accessibility of digital presence
• an awareness of the importance of data-sharing and how it relates to their work
• is the organisation using digital technologies to increase the reach of their work to audiences? The Arts Council anticipates that band 3 organisations will increase their reach through use of digital technologies

f). Is the organisation effectively working with and encouraging volunteers?
Evidence might include:
• volunteers involved in creative, fulfilling activities
• volunteers included in the decision making process or the creative output of the organisation (rather than using volunteers to plug gaps in staff resourcing)
• specialist training and development opportunities available for volunteers;
• engagement with volunteer networks
• knowledge of voluntary arts best practice

g). Has the organisation signed up to Arts Council’s audience data-insight and support platform (currently Audience Finder)? Is it using the information, or audience information from other sources, to help inform audience development planning, programming and marketing?

h). Is the organisation confident in meeting the annual Arts Council England audience data reporting requirements?

i). Is the organisation confident in meeting the annual Arts Council England data-sharing requirements?

j). If relevant, are strong touring/distribution plans in place and being successfully implemented? Evidence might include:
• there is an outline tour schedule including locations to which the company will tour and has proposed a minimum number of tour dates in each year
• the organisation uses research to inform touring plans and demonstrates an understanding of the audiences it might reach in the areas it wants to visit
• the organisation demonstrates the ability to develop an embedded relationship with touring partners and the local community
• the touring organisation and/or receiving venue demonstrates a knowledge of data-sharing and how it is important to building audiences in the areas they visit
• if appropriate, shows a commitment to using Showstats.
• an ability to take a leadership role in working in partnership to have a wider impact on the artistic output and audience development of the geographical area it will visit

k). Does the organisation show a strong, planned approach to creative media, increasing the quality, amount and reach of digital content and experiences available to audiences?
Monitoring prompts for Band 3 organisations

l). Is the organisation successfully **distributing** their programme of art and culture **digitally** with a focus on captured or cultural learning content (or both)? Evidence should include:
- a **robust digital policy and plan**, signed off by the board and reviewed quarterly by the senior management team, that addresses how audiences will be reached digitally (NB a good digital policy and plan should extend across the entirety of the organisation’s activities and its delivery against all our goals)
- **clear and measurable targets** for reaching and developing audiences digitally
- evidence of **research to inform planning and setting of targets** related to digital audiences
- demonstrates appropriate **plans for training**, where necessary
- use of **digital tools and analytics** (eg Hitwise) to monitor and evaluate digital reach
- plans to work with **appropriate partners to** deliver the work
- **appropriate budget** to cover the activity

m). How successful is the approach to **audience development for arts and culture** as a whole and for developing shared approaches to capturing, sharing and reporting data? Evidence might include:
- a **pro-active approach to data-sharing** and the use of **Showstats** if appropriate
- specific **strategic partnerships**, collaborations and projects which further enhance its audience development work
- a **holistic, resource lead approach to audience development**, aligned with artistic programming, education and environment, as well as marketing and communications

n). Is the organisation **supporting others** in their sector or geographic area in driving data-sharing forward?

o). Is the organisation **testing new approaches** and showing a willingness to **innovate**?

p). Is the organisation taking a **collaborative approaches** with other National Portfolio Organisations to better collect, monitor and share data and learning for the benefit of the sector as a whole?
Goal 3
monitoring prompts

The arts, museums and libraries are resilient and environmentally sustainable

We expect our National Portfolio Organisations to demonstrate their resilience. Resilience is the vision and ability of organisations to anticipate and adapt to economic, technological, environmental and social change by taking opportunities, identifying and reducing risks, and using resources effectively to continue delivering quality work in line with their mission. Within the 2018/19 – 2021/22 National Portfolio, we want to see ‘model’ providers of culture that are financially and environmentally sustainable. This includes thinking about and planning for your own organisational performance and financial and environmental sustainability. We believe long-term thinking and planning, supported by strong leadership and good governance, are important in increasing resilience. For many organisations, the results of this thinking are outlined and embedded within a business plan. We believe that resilient organisations regularly review and reflect on their thinking and their plans.

a). Does the organisation demonstrate a robust approach to increasing resilience and sustainability?

Is the organisation responding and adapting to meet future challenges in a planned and thoughtful way? Indicators might include:

• the organisation is taking a visionary approach to meeting future challenges
• working with consultants/external facilitators/partners to initiate ‘blue sky’ thinking and challenge the status-quo
• the organisation is actively seeking opportunities to transform its business model (both in terms of costs and income)
• evidence of systematic future planning including staff and non-executives

c). Is the organisation supporting others in their sector or geographic area to become more resilient, sustainable and able to respond and adapt to meet future challenges?

d). Is the organisation effectively using its own resources and experience to help other organisations build capacity towards greater sustainability and resilience? This might include:

• advice regarding being more entrepreneurial in planning and delivery
Monitoring prompts for Band 3 organisations

Goal 3 monitoring prompts

- mentoring of inexperienced staff and direct advice on identifying new income streams

e). Is the organisation’s governance models and practices changing or strengthening to better achieve their corporate and charitable aims including attracting new sources of income and becoming less dependent on public funding?

f). Is the organisation effectively supporting strengthened governance models of other organisations in their sector or geographic area?

g). Is the organisation effectively developing and using a range of self-evaluation tools to improve performance artistically and financially and strengthen relationships with stakeholders?

h). Is the organisation promoting and supporting the use of self-evaluation across the wider sector (for example, through undertaking peer reviews of other organisations)? Are they identifying and championing best practice in the arts to be disseminated widely?

i). Is the organisation embracing environmental sustainability?
Evidence might include:
- commitment to continually reducing their carbon footprint and negative impacts on the environment
- embedding sustainability thinking into relationships with stakeholders and suppliers

- developing relationships with partners (including artistic partners) to develop broader sustainability; or partnerships with sustainability-focused organisations and specialist
- clearly communicating their approach and commitment to environmental sustainability eg through an effective advocacy and communication strategy around examples of best practice and sustainability

j). Is the organisation strategically supporting others in their sector or geographic area with sustainability and resilience issues? For example through offering resources for joint initiatives, undertaking high level research, working across and reaching out to other such as the private sector, universities and international leaders in the field

k). Does the organisation (staff and non-executive) demonstrably understand the importance of managing its relationships with all stakeholders positively and systematically (including local communities, funders and the Arts Council England)? Is there a communications strategy using achievements in terms of resilience and sustainability to boost its profile, reputation and public support both for itself and the sector? Are they encouraging others to be proactive in this way?
Goal 4 monitoring prompts

The leadership and workforce in the arts, museums and libraries are diverse and appropriately skilled

Our strategy, *Great Art and Culture for Everyone*, puts people at the heart of the arts and cultural sector – the artists and curators, librarians and technicians, producers and administrators, educators and archivists and board members. It is one of our priorities to support these people to maintain and develop the skills they will need to achieve our shared mission. Importantly, this is about recognising and respecting the hard-earned specialist skills that are essential to so much of what the cultural sector does.

Through goal 4 we want to see an appropriately skilled workforce and leadership that is truly diverse and reflects contemporary England. This is separate from developing specialist artistic or museums practice. Your organisation will need to collect and report on information about the diversity of your workforce and leadership. Organisations in each of the bands will also demonstrate leadership within their artform or discipline and geographic area. This will take many and different forms, including facilitating and creating networks across the arts and cultural landscape. We expect all organisations to adopt good practice in developing and managing their workforce, for example undertaking regular performance reviews of senior staff members, developing succession plans (for boards and staff) and having transparent recruitment processes.

Is the organisation aware of the current range of skills within their workforce, and how their workforce needs to develop sustainably? Are achievable plans in place to support this? Evidence could include:

- development reviews and plans for individual staff members
- development plans for the workforce as whole (i.e. not just young and new entrants) signed off by the board
- the organisation has apprentices at appropriate levels and roles
- the organisation is engaged in the development of national Apprenticeship standards through a trail blazer group
- the organisation has paid/unpaid internships
- interns make progress in the sector after their internship is complete, for example joining the organisation in permanent and temporary roles

b). Do the leadership and workforce of the organisation reflect the diversity of the local area? If not, does the organisation have a credible plan to address any under representation identified?

c). Are entry routes into the organisation and opportunities for progression fair? Evidence could include apprenticeships aimed at people from diverse backgrounds/with protected characteristics
d). Is there an organisational culture that promotes diversity and equality throughout the organisation and more widely in the cultural sector?

e). Is the organisation forming effective partnerships locally, nationally and internationally? Are plans appropriate for developing these further to provide an improved offer to audiences?

f). Is the organisation engaged in the development of national Apprenticeship standards through a trail blazer group? If so which one?

g). Is the organisation forming new partnerships that help their mission, as well as supporting and arranging partnerships across the wider sector?

h). Is the organisation effectively recruiting and developing volunteers? Do future plans look appropriate? Evidence should include:
   - formal induction process for all volunteers which is regularly reviewed and updated
   - development plans for individual volunteers and for volunteers as a cohort which includes digital skills
   - good volunteer retention statistics evidence of progression of volunteers into employment

i). Is the organisation effectively developing skills across the sector, including providing young people with opportunities to find work and make progress in the cultural sector? Indicators could include:
   - the organisation is sharing its skills through mentoring, coaching or other development activities for young people
   - the organisation has apprentices who progress to related roles, either within the organisation or the sector, following completion of their apprenticeship

j). Is the organisation sharing expertise and developing networks to work with others across the cultural sector, for example Sector Support Organisations, arts organisations, the Museum Development Network, national museums and galleries and Subject Specialist Networks?

k). Is the organisation effectively demonstrating a geographic-area or sector-support role (or both) through some or all of the following:
   - senior leaders becoming members of boards of other arts or cultural organisations
   - formal mentoring programmes, surgeries and so on to support emerging leaders and other organisations
   - playing an active part in coordinating and leading sector or sub-sector discussions and networks
   - taking an active role in development initiatives within your geographic area such as Local Enterprise Partnerships, local authority working groups, and our area councils
Goal 5 monitoring prompts

Every child and young person has the opportunity to experience the richness of the arts, museums and libraries

Our strategy, Great Art and Culture for Everyone, talks about how arts, museums and libraries fuel children’s curiosity and critical ability. They are about expression and imaginative escape as much as they are about learning and development, helping children and young people to explore, understand and challenge the world, as well as their place in it. They inspire future audiences, and through work produced by and with children and young people, encourage the next creative generation. We believe it is every child’s birth-right to develop their own creativity, experience the arts, access the knowledge in our libraries, and see the wonderful objects within our museums and learn about the stories behind them. It is important that children and young people are able to experience and participate in arts and culture and can continue to do so throughout their lives. We expect that many organisations will also want to demonstrate their contribution to goal 5 and how they will work with others to fulfil their aims and objectives.

a). Is there evidence that the organisation successfully includes the Quality Principles in its work as set out in its business/programme plan? Evidence could include:
• use of the principles to plan and evaluate programmes of work with children and young people
• use of the principles to support staff continued professional development and peer learning

Has the organisation identified the demands of different audiences of children and young people and ensured these are met? Has the organisation considered and met the demands of audiences who are less engaged, have protected characteristics, are less advantaged or are under five years? Evidence could include:
• use of data to identify and target disadvantaged children and young people eg Cultural Education Data Portal
• work with the Local Cultural Education Partnership or other local cultural partnerships to reach and work with target audiences of children and young people
c). Does the organisation collect data about children and young people with protected characteristics (including socio-economic background)? Are plans for improved data collection appropriate?

d). Does the organisation work effectively with partners who can help reach targeted groups?

e). What progress is the organisation making against the following priorities for goal 5 (band 3 organisations must deliver against two priorities):

1. encouraging and supporting schools to achieve the Artsmark Award
   • does the organisation effectively support schools to achieve Artsmark as set out in its business/programme plan?

2. supporting children and young people to achieve Arts Award as either a supporter or a centre
   • does the organisation engage with Arts Award as set out in its business/programme plan?

3. using digital technology as an effective way of:
   • increasing the quality, amount and reach of digital content and experiences available to children and young people by developing specific creative content, captured content or cultural learning content
   • offering opportunities to children and young people to create their own content
   • evidence may include:
     – plans to develop staff capacity to deliver the above
     – a robust digital policy and plan (mandatory for band 3 organisations), signed off by the board and reviewed quarterly by the senior management team, that addresses how audiences will be reached digitally (NB: a good digital policy and plan should extend across the entirety of the organisation’s activities and its delivery against all our relevant goals)
   • clear and measurable targets for reaching and developing audiences digitally
   • demonstration of appropriate knowledge and skills in this area or plans for training to develop them
   • plans to work with appropriate partners to deliver the work
   • appropriate budget to cover the activity
   • evidence of research to inform planning and setting of targets related to digital audiences
   • demonstrable knowledge of what works and what doesn’t for the organisation/their audiences

f). Is the organisation successfully demonstrating a broader commitment to the Cultural Education Challenge, advocating and supporting arts and cultural provision in schools? This should be demonstrated through either:
   • senior leadership becoming school governors
   • permitting staff the time to undertake duties as school governors

g). Is the organisation making good progress in strategic partnerships? This should be demonstrated by:
   • taking a central role and providing leadership in Local Cultural Education Partnerships or local cultural partnerships
All National Portfolio Organisations are expected to demonstrate effective management, governance and leadership and financial viability.

However, we know that some organisations will experience significant difficulty over the funding period due to financial pressures, changes in leadership or other factors. We will be as understanding of the situation as possible.

In each case, we aim to identify organisations in difficulty as early as possible. Some of the early warning signs that we look out for are listed below.

The more detailed prompts that your Relationship Manager will consider whilst reviewing the effectiveness of your management, governance and leadership, as well as financial viability, are set out on pages 20-23.

- poor financial and other information submitted both to the board\(^2\) and the Arts Council (including weak agendas)
- adverse financial trends, eg declining sales or reserves
- poor business plans and planning
- lack of forward planning, future focus and external environmental factors
- poor risk management, eg lack of risk register or risk register is not maintained/updated
- stagnant board or difficulty retaining or attracting trustees
- ambition outstripping resources
- focus on historic performance rather than future planning

\(^2\) Throughout this guidance, by ‘board’ we mean a board of directors or trustees, or any equivalent management committee or group
Management and governance monitoring prompts

All organisations

a). Is the organisation aware of the risks to stability and successful programme delivery, including considerations of external threats? Is there evidence that the organisation has identified appropriate ways of reducing these risks and is regularly considering and taking action to implement these?

b). Are the organisation's management structure, governance arrangements, planning processes and monitoring and reporting suitable, including scheduled meetings and details of succession planning for key officers and board members?

c). Is there evidence that the organisation carries out regular and effective self-evaluation across finance and all of its objectives?

d). Is there evidence of clear plans to develop the organisation's sustainability and resilience? This could include but is not limited to reducing impacts, operations, strategy, stakeholders, partnerships.

e). Is the board appropriately structured or constituted (this should include information about the diversity of its members) with a clear rationale for its choice of board structure?

f). Are the board members’ skills suitable in relation to your organisation's mission, activity and management, including responsibilities for diversity and resilience and sustainability? Are there clear plans in place for recruitment, induction, development and training of board members?

g). Are decision making processes effective? How is success measured?

h). How appropriate are the partnerships and how effective are they?

i). Does the organisation have appropriate ethical policies, including consideration of reputational damage?

j). Is there evidence of fair and open recruitment processes for key officers and board members?
k). Is the **planning** for future **replacement** of key officers/board members suitable?

l). Does the organisation hold **regular performance reviews**, for both the board and staff at all levels? Is there evidence of strategies to support staff development and wellbeing?

m). How convincing is the **Environmental Sustainability policy and Action Plan** and is it integrated into organisational strategy?

For **consortiums**, we will also take into account:

a). Is the consortium’s **structure** effective?

b). Is the **role of the lead organisation** clear and effective?

c). Are **collective decision-making and communication processes** effective?

d). Is there a suitable procedure for **resolving disputes** between partners?

e). Are levels of **shared and delegated responsibility** appropriate?

f). Is there a clear process for **collecting information** from partners and **compiling consolidated reports**?
Financial viability monitoring prompts

a). Is the organisation successfully building on existing earned/contributed income and actively looking for new sources of income? This could include maximising existing income streams and building new sources where appropriate. Are future plans for raising earned/contributed income appropriate and realistic? Are cost assumptions regularly considered?

b). Is the organisation developing their resilience? Are plans for financial resilience convincing and are they consistent with wider organisational resilience? Are future plans convincing?

c). Is the organisation paying artists and practitioners fairly, following industry guidelines?

d). Are financial controls, monitoring and reporting suitable? Is the quality of financial documents submitted to the board appropriate? Is progress monitored against plans and are adverse trends factored into decision-making and planning?

e). Is the organisation effective at maintaining and building reserves? Does the organisation have an appropriate reserves policy that is adhered to? If not, does it have clear plans in place to rectify this?

f). Is overall financial health considered within monitoring reporting, including key indicators such as sufficient current assets to cover current liabilities, cash flow position and unrestricted reserves levels?

g). Is the organisation actively maximising their efficiency? For example, seeking competitive quotes for services?

h). How appropriate is the business model in relation to the organisation’s aims and objectives?

i). Is the organisation actively improving sustainability, both financial and organisational?

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3 Resilience is the vision and ability of organisations to anticipate and adapt to economic, technological, environmental and social change by taking opportunities, identifying and reducing risks, and using resources effectively to continue to deliver quality work in line with their mission.
j). Is the organisation **sharing assets** effectively? This may include, for example, shared services, identifying economies of scale or using assets (intellectual, human and physical) to develop sources of income

For **consortiums**, we will also take into account:

a). Is the **financial relationship open and clear** between consortium members?
Evidence for rating contribution to the Creative Case for Diversity: 2018–22

As part of the annual feedback process, National Portfolio Organisations will be rated on their contribution to the Creative Case for Diversity based on the activity they have carried out during the previous financial year.

Ratings must be based on action and delivery in relation to Goal 1 ('Excellence is thriving and celebrated in the arts, museums and libraries') and/or Goal 5 ('Every Child and Young Person has the opportunity to experience the richness of the arts, museums and libraries') rather than intention. This guidance clearly outlines the evidence we will use to apply ratings.

This ratings guidance is based wholly on the Creative Case for Diversity rating prompts included in appendix 1 of this guidance for reference. The 2018–22 Creative Case for Diversity review process uses a four rather than three point rating scale of ‘outstanding’, ‘strong’, ‘met’ and ‘not met’.

The table in Appendix 2 is an Evidence Based Ratings Framework; a tool developed to support Relationship Managers when they consider the strength and breadth of evidence and to arrive at a rating.

The table sets out the evidence available to us from two broad categories:\*4

1. Experience of the organisation's funded activity
2. Ongoing monitoring through the relationship framework

Most of this evidence therefore will be received and reviewed by the Relationship Manager throughout the year, for example through receipt of your published programme or plans, the delivery of that programme or plans, quarterly board papers or evidence of your equality action planning.

From July 2017, organisations will have access to a guide to support the production of equality action objective setting and plans.

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\* Following the 2018 NPO monitoring review, we will no longer be receiving a business plan review from NPOs (category 3 of the ratings framework).
Monitoring prompts for Band 3 organisations

This evidence captures activity being delivered across six themes:

1. Artistic or cultural programme
2. Development of artistic talent/museum practice
3. Addressing barriers to artistic or cultural involvement
4. Resourcing and monitoring
5. Self-evaluation
6. Sector leadership

Relationship Managers will arrive at one cumulative word score (‘outstanding’, ‘strong’, ‘met’ or ‘not met’) by reviewing the organisation’s contribution across the six themes. Key themes drawn from the prompts are listed down the left-hand column along with an excerpt from the relevant published prompt for ‘strong’. As we would expect that all organisations would aspire to ‘strong’, this is the benchmark being used. It is also a requirement of the Arts Council’s funding agreement that all band 2 and band 3 National Portfolio Organisations achieve a Creative Case for Diversity rating of ‘strong’ by October 2021.

Relationship managers will consider ongoing concerns relating to contributions to the Creative Case for Diversity that have been captured in risk monitoring over the past year, such as a lack of progress against agreed objectives in the business or equality action plan. Relationship Managers will also revisit the relevant objectives in organisations’ plans to remind themselves of the objectives and which of the protected characteristics the organisations have chosen to focus on.

Evidence for rating contribution to the Creative Case for Diversity: 2018–22

For an organisation to be ‘outstanding’

The organisation will be making an outstanding commitment to the Creative Case for Diversity, and the activity will be making an exceptional contribution. Evidence will be robust and broad, covering both categories against every theme, satisfying the Arts Council that the organisation has a clear and sustainable approach and its contribution to the Creative Case for Diversity excels across the board. The organisation will be an exemplar of best practice for the Creative Case for Diversity, promoting best practice locally or nationally (or both).

There will be robust evidence from both categories against every theme.

For an organisation to be ‘strong’

Organisations will be rated ‘strong’ if there is convincing evidence across all themes. It is important that evidence can be identified to support each theme where appropriate (e.g. artistic or cultural output, and ongoing contact in order to satisfy the Arts Council that the organisation has a clear and sustainable approach. However, there will not necessarily be evidence from every category in support of every theme. Therefore, the Relationship Manager may feel that although a breadth of evidence is lacking in one or two areas, there is a clear commitment to the Creative Case for Diversity and activity is undoubtedly making a strong contribution. Note that without any evidence of strong board engagement an organisation could not be rated strong.
For an organisation to be ‘met’

There will be evidence from at least one category available against each theme. The evidence may be stronger in some areas and weaker in others but each theme will be addressed and evidenced to a greater or lesser degree. It may be that evidence is coming broadly from one category and the Relationship Managers will use that as a feedback tool.

For an organisation to be ‘not met’

Activity will be minimal and will not address all the themes. Objectives within the business plan and equality action plan relating to the Creative Case for Diversity will not be evidenced through ongoing monitoring and there will be no demonstrable commitment at board level or good feedback from partners and artists.
Appendix 1: Creative Case for Diversity
ratings prompts 2018-22

Outstanding

- reference to the Creative Case for Diversity in business plans is SMART\(^5\), fully embedded across all aspects of programme and a key driver for informing and shaping the artistic or cultural programme/activity. Key milestones have been well considered and the organisation clearly articulates what success looks like and evidences how it will evaluate and monitor its contribution to the Creative Case. The business plan sets out how the organisation will share knowledge, expertise and best practice. The business plan identifies and prioritises resources to ensure the organisation can effectively contribute to the Creative Case for Diversity

- the organisation develops diverse artists/practitioners\(^6\) and provides platforms for showcasing work from diverse artists/practitioners and organisations on an on-going and sustainable basis as part of their core programme

- the organisation actively removes barriers facing members of protected characteristic groups in participating and engaging with the sector

- members from protected characteristic groups\(^7\) are highly involved in the development and delivery of the artistic or cultural programme

- the work the organisation produces/presents regularly provides high profile platforms for showing work from or opportunities for involvement/development of diverse artists, practitioners or diverse led organisations, across all areas of the artistic or cultural programme, including work with collections, where relevant

- the work the organisation produces/presents reflects the diversity of the local community and/or contemporary England

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\(^5\) SMART objectives are: specific, measurable, actionable, realistic, and time-based (see business planning guidance for more information)

\(^6\) The term ‘practitioners’ includes dancers, choreographers, writers, translators, producers, publishers, editors, musicians, conductors, composers, actors, directors, designers, artists, craft makers, and curators

\(^7\) Protected characteristics, as defined by the Equality Act 2010 and the Equality Duty 2011, are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, and sexual orientation. As well as this list, we recognise class and socio-economic status as barriers
Monitoring prompts for Band 3 organisations

Appendix 1

- there is outstanding evidence of ongoing self-evaluation, including regular review and feedback from peers, audiences and other stakeholders, ensuring ongoing learning around the Creative Case for Diversity to drive both change within the organisation and the wider sector

- there is outstanding evidence of board and senior management engagement with all the Arts Council’s themes (artistic or cultural programme, artistic talent or museum practitioners development, addressing barriers to artistic or cultural involvement, resourcing and monitoring, self-evaluation and sector leadership)

- the organisation demonstrates a clear leadership role for diversity in the sector across one or more protected characteristics, promoting best practice locally or nationally (or both) and leading change in the arts and cultural sector

**Strong**

- reference to the Creative Case for Diversity in business plans is SMART, there is evidence of key milestones and the organisation demonstrates how it evaluates and monitors its contribution to the Creative Case. The Creative Case is fully embedded across all aspects of the programme and a key driver for informing and shaping the artistic or cultural programme

- the organisation has identified and prioritised resources in its business plan and equality action planning to ensure the organisation can effectively contribute to the Creative Case for Diversity. There is a clear articulation of what success looks like and evidence of how the organisation will share knowledge, expertise and best practice

- the organisation regularly develops diverse artists/practitioners and provides platforms for showcasing work from diverse artists/practitioners and diverse led organisations on an on-going and sustainable basis

- the work the organisation produces/presents regularly provides platforms for showing work from or opportunities for involvement/development of diverse artists, practitioners or other organisations, across several areas of the artistic or cultural programme, including work with collections, where relevant

- the work the organisation produces/presents reflects the diversity of the local community and/or contemporary England across several areas of the artistic or cultural programme

- members from protected characteristic groups are actively engaged and involved in the development and delivery of the artistic or cultural programme. The organisation understands and is responsive to challenges and barriers facing members of protected characteristic groups in participating and engaging with the sector

- there is strong evidence of board and senior management engagement across a range of themes

- there is strong evidence of ongoing self-evaluation, including positive review and feedback from peers, audiences and other stakeholders, ensuring ongoing learning around the Creative Case for Diversity to promote organisational change

- the organisation shares best practice and continued learning around diversity to promote change in the arts and cultural sector, for example by being active in networking and participating in sector led or wider initiatives
Monitoring prompts for Band 3 organisations

Appendix 1

Met

• reference to the Creative Case for Diversity in business plans is SMART, there is evidence of key milestones and the organisation demonstrates how it will evaluate and monitor its contribution to the Creative Case

• the work the organisation produces/presents provides some platforms for showing work from or opportunities for involvement/development of diverse artists, practitioners or diverse led organisations, however this only appears in isolated elements of the artistic or cultural programme and is not embedded across the wider programme

• some of the work the organisation produces/presents reflects the diversity of the local community and/or contemporary England but this approach is not yet fully embedded across the wider programme

• the organisation has clear policies/processes for and evidence of recruiting/selecting and involving members from protected characteristic groups when developing and delivering its artistic or cultural programme

• the organisation demonstrates awareness of the challenges and barriers facing members of protected characteristic groups in participating and engaging with the arts and cultural sector

• the organisation collects some evidence, including review and feedback from peers, audiences and other stakeholders that demonstrates its contribution to the Creative Case for Diversity

• accountability for delivering and reporting around Diversity and the Creative Case sits with a member/s of the organisation’s leadership team and board

Not Met

• the work the organisation produces/presents does not reflect the diversity of the local community and/or contemporary England

• narrative on how the organisation will contribute to the Creative Case for Diversity is either missing or underdeveloped within the business plan, this might include absence of SMART objectives, milestones, monitoring or accountability

• the work the organisation produces/presents offers very limited or no platforms for showing work from diverse artists/practitioners and/or diverse led organisations or opportunities for wider involvement and artistic talent or museum practice development.

• the organisation has little/under development or no clear policies/processes for evidence of recruiting/selecting and involving members from protected characteristic groups when developing and delivering its artistic or cultural programme

• the organisation demonstrates no or little awareness of the challenges and barriers facing members of protected characteristic groups in participating and engaging with the arts and cultural sector

• the organisation is either not collecting or collecting very poor evidence, including review and feedback from peers, audiences and other stakeholders that demonstrates its contribution to the Creative Case for Diversity
## Appendix 2: Evidence base

We will gather evidence through:

<table>
<thead>
<tr>
<th>For these themes:</th>
<th><strong>Category 1</strong></th>
<th><strong>Category 2</strong></th>
</tr>
</thead>
</table>
| Artistic or cultural programme: Diversity is embedded across all aspects of the programme and is a key driver for informing and shaping the artistic or cultural programme | • Artistic and Quality Assessments  
• The Arts Council’s staff experience  
• Published programme/work with collections (where relevant)  
• Achievement of related business plan/equality action plan objectives | • Board papers: Organisation’s commitment to diversity in key programming decisions  
• Relationship Manager contact: diverse programming being part of ongoing contact conversations. Risk monitoring/equality action plan progress  
• Artist/practitioner led evidence eg blogs, social media feedback from audiences and peers, written statements supporting organisation’s actions |

Monitoring prompts for Band 3 organisations
### Monitoring prompts for Band 3 organisations

We will gather evidence through:

<table>
<thead>
<tr>
<th>For these themes:</th>
<th><strong>Category 1</strong></th>
<th><strong>Category 2</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The organisation’s activity…</td>
<td>Ongoing contact…</td>
</tr>
</tbody>
</table>
| **Talent or museum practice development:** support for artistic talent or museum practice development and providing platforms for showcasing work from diverse artists/practitioners and companies | • Support for Project Grants/Development Fund applications from diverse artists/practitioners  
• Published artistic talent or museum practice development opportunities for diverse artists/practitioners  
• Platforming opportunities for diverse artists/practitioners and companies  
• Achievement of related business plan/equality action plan objectives | • Board papers: organisation’s commitment to diversity in key programming decisions  
• Relationship Manager contact: evidence of artistic talent or museum practice development and diversity being part of ongoing contact agendas. Risk monitoring/equality action plan progress  
• Artist/practitioner led evidence eg blogs, comment, written statements supporting organisation’s actions |
| **Addressing barriers to artistic or cultural involvement:** responsive to challenges and barriers facing members of protected characteristic groups in participating and engaging with the sector | • Accessible development opportunities  
• Provision of access support  
• Achievement of related business plan/equality action plan objectives  
• Work with collections (for museums) | • Board papers: organisation’s commitment to removing barriers  
• Relationship Manager contact: evidence of response to challenges being part of ongoing contact agendas. Risk monitoring/equality action plan progress  
• Artist/practitioner led evidence eg case study, comment, written statements supporting organisation’s actions |
<table>
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<th><strong>Category 2</strong></th>
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<tr>
<td>For these themes:</td>
<td>The organisation’s activity…</td>
<td>Ongoing contact…</td>
</tr>
<tr>
<td><strong>Resourcing, monitoring, &amp; measuring success:</strong> prioritised resources to ensure effective contribution to the Creative Case for Diversity</td>
<td>• Achievement against objectives set in business plan and equality action plan</td>
<td>• Board papers: organisation’s consideration of resources in relation to Creative Case for Diversity</td>
</tr>
<tr>
<td></td>
<td>• Board papers: organisation’s consideration of resources considered within ongoing contact. Risk monitoring/equality action plan progress</td>
<td></td>
</tr>
<tr>
<td><strong>Self-evaluation:</strong> commitment to ongoing self-evaluation, sharing best practice and continued learning around diversity</td>
<td>• External shared learning events</td>
<td>• Board papers: consideration of progress within board papers</td>
</tr>
<tr>
<td></td>
<td>• Attendance at (and reporting back on) key sector events</td>
<td>• Relationship Manager contact: ongoing review of progress</td>
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<tr>
<td></td>
<td></td>
<td>• Peer review: collection of feedback from other sources</td>
</tr>
</tbody>
</table>
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</tr>
<tr>
<td>For these themes:</td>
<td></td>
</tr>
<tr>
<td><strong>Sector leadership:</strong></td>
<td>• Board papers: level of commitment to sharing resources and taking on a leadership role</td>
</tr>
<tr>
<td>networking and participating in sector led or wider initiatives promoting equality and diversity in the arts and cultural sector</td>
<td>• Relationship Manager contact: consideration of leadership in relation to scale</td>
</tr>
<tr>
<td></td>
<td>• Peer review: case studies, partnership and network feedback</td>
</tr>
<tr>
<td>• Participation in related networks and initiatives relative to the scale and standing of the organisation</td>
<td></td>
</tr>
<tr>
<td>• Initiation of related projects with partners</td>
<td></td>
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<tr>
<td>• Sharing of skills and resources with wider sector</td>
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</tbody>
</table>

Notes on evidence and ratings:

1. Organisations cannot be rated ‘strong’ without evidence of board and senior management engagement across a range of themes.
2. The Creative Case for Diversity and equality section in the business plan review. The Creative Case for Diversity rating is an action based rating so it requires evidence around activity (in relation to Goal 1: Excellence is thriving and celebrated in the arts, museums and libraries) and ongoing contact.
QUESTIONS?
GET IN TOUCH — WE’RE HAPPY TO HELP

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