### Capital investment – large capital grants, stage one, round 5

**Guidance for applicants**

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<th>Summary of key information</th>
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<td><strong>What is the focus of the fund?</strong></td>
<td>Large capital grants support organisations to develop resilience by having the right buildings and equipment to deliver their work and become more sustainable and innovative businesses. This includes increasing the environmental performance of buildings and equipment to support a reduction in carbon emissions. To secure a grant to deliver your capital project, you must complete both stage one and stage two applications. If successful at stage one, you will be invited to complete a second application for the full capital grant.</td>
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<td><strong>Who can apply?</strong></td>
<td>National Portfolio Organisations. If you are not in receipt of National Portfolio funding in 2016/17, you can apply if you are properly constituted as an organisation and your Arts Council area office agrees in writing beforehand. Please see page 18 for further details.</td>
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<td><strong>When is the deadline for applications?</strong></td>
<td>12pm (midday) on 20 October 2016.</td>
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<td><strong>How much can be applied for per application?</strong></td>
<td>The minimum capital grant available is £500,000. Grants of £5 million or more are likely to be exceptional. This sum should include any sum you are requesting for a development grant.</td>
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| **Other key eligibility points** | • Project outcomes must contribute to at least two goals:  
  i. Goal 3: “The arts, museums and libraries are resilient and environmentally sustainable” |
ii. one other of our five goals

- If applying for a building project, it should be developed to at least RIBA Work Stage B or completed RIBA Work Stage 1 (RIBA Plan of Work 2013).

- Your capital project will improve existing facilities that engage people in arts activities in England and/or for artists and others who work in the arts. You can only apply for a project which will extend a current arts building, convert an existing building or construct a new building for arts purposes if your Arts Council area office provides their written agreement beforehand. Please see page 18 for further details.

- You are in receipt of National Portfolio funding from us for 2016/17. If you are not in receipt of National Portfolio funding in 2016/17, you can apply if you are properly constituted as an organisation and your Arts Council area office agrees in writing beforehand. Please see page 18 for further details.

- If you are applying for a building project, you already have, or propose to purchase in the future, the necessary security of tenure (freehold or leasehold ownership) of the land and building where the proposed capital project will take place.

- Your application should demonstrate that you will be able to develop your project to meet our stage two application requirements within 18 months of a stage one decision.

- Your organisation and project outcomes must be based in England.
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<td>When will we make our decision?</td>
<td>We will aim to notify applicants of our decision no later than July 2017.</td>
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Section one: introduction

Welcome
Thank you for your interest in capital funding. This guidance should give you the information you need to apply for a capital grant of more than £500,000, so please read it carefully before you fill in the online application form.

About Arts Council England
Arts Council England champions, develops and invests in artistic and cultural experiences that enrich people’s lives. We support a range of activities across the arts, museums and libraries – from theatre to digital art, reading to dance, music to literature, and crafts to collections.

Great art and culture inspires us, brings us together and teaches us about ourselves and the world around us. In short, it makes life better. Between 2015 and 2018, we plan to invest £1.1 billion of public money from government and an estimated £700 million from the National Lottery to help create these experiences for as many people as possible across the country.

From 1 October 2011, we added museums and libraries to our remit. As with the arts, this will see us championing, developing and investing in museums and libraries. In April 2012, we announced a new network of Music Education Hubs, working with funding from the Department for Education.

For more information about the Arts Council visit www.artscouncil.org.uk

About Arts Council England’s strategic funds 2015-18
Our strategic funds help us to target particular challenges, opportunities or gaps, creating the environment for further development to take place in the arts and culture sector. Ultimately, they help us meet the goals set out in our strategy, Great Art and Culture for Everyone. Our goals, for reference, are as follows:

Goal 1: Excellence is thriving and celebrated in the arts, museums and libraries

Goal 2: Everyone has the opportunity to experience and be inspired by the arts, museums and libraries

Goal 3: The arts, museums and libraries are resilient and environmentally sustainable
Goal 4: The leadership and workforce in the arts, museums and libraries are diverse and appropriately skilled

Goal 5: Every child and young person has the opportunity to experience the richness of the arts, museums and libraries

Our capital investment is funded from the proceeds of the National Lottery. As required by the Lottery regulations, strategic funding must be invested in arts activities. Museums and libraries can therefore only apply to this programme for work that is primarily arts focused.

Available budget
We have budgeted £88 million from the National Lottery over the period 2015-18 for large capital grants. We have split the available budget over two application rounds and each round will have a closing date for applications. While we will commit the full budget over the three year period, we expect the cash to be paid over a longer period.

In each round, we expect to support a mix of projects of varying sizes and delivery timescales, subject to the quality of the proposals we receive. We have limited funds available and we know there will be a significant demand for capital investment. It is likely that there will be good applications that we will not be able to fund. You should think about what you would do if we cannot award funding.

There are other organisations as well as Arts Council England that distribute Lottery grants and this information can be found on www.lotteryfunding.org.uk or by calling our Customer Services team.

When you can apply
Applications for this round must be made online by 12pm (midday) on 20 October 2016 at www.artscouncil.org.uk/capital-large-grants. We anticipate opening a further round in 2017/18. Please check our website regularly for further details.

Contact us
You are strongly advised to discuss your project with your area office before making an application but after reading these guidance notes. The details of our offices can be found on our website: www.artscouncil.org.uk

If you were unsuccessful in a previous round, you can apply again but we strongly advise you to first get advice and more detailed feedback on why your application was unsuccessful.

If you have already been successful in a previous capital round and intend to make further capital applications, you must speak to your Arts Council area office before applying as we would expect you to explain your rationale for doing this.

If you decide to make an application, we wish you every success.
Section two: our aims for the programme

Capital investment – aims and outcomes
Since 1994, Arts Council England has supported capital developments with £1.5 billion of Lottery funding. This investment has supported an unprecedented number of building projects, both as refurbishments and extensions to existing arts buildings, and entirely new buildings in places where access and engagement in the arts was limited. Our investment has changed the arts infrastructure of England and resulted in improved experiences for both artists and the public.

Given our significant capital investment since 1994, it is now the right time to consider the improved resilience and environmental sustainability of the existing arts infrastructure.

Our capital investment will help us achieve our aims set out in Great Art and Culture for Everyone, particularly the aims within Goal 3. Over the period 2015-18, our capital investment will prioritise the consolidation and improvement of the existing arts infrastructure, rather than investing in significant expansion or new buildings. We will support organisations to develop resilience by having the right buildings and equipment to deliver their work and become more sustainable and innovative businesses. This includes increasing the environmental performance of buildings and equipment to support a reduction in carbon emissions.

Digital technologies can play a central role in future proofing arts and culture. Digital is both an overarching context for our 10-year strategy and runs through all our five goals. We will use our capital funding to further develop digital infrastructure for the arts sector and to support the quality, volume and reach of digital content.

We will support organisations which deliver arts activities that engage people in England or that help artists to carry out their work. Our priority will be to support National Portfolio Organisations who can demonstrate that capital investment will increase their resilience in the longer term.
We are committed to furthering the objectives of sustainable development and expect projects, as far as possible, to take account of all long-term benefits and costs – environmental, social and economic. Organisations should respond to legislative changes around climate change and acknowledge the increasing public pressure for responsible sustainable development. We expect organisations applying for capital investment to consider energy efficiency as a priority.

We believe that our national diversity is one of our great resources and we expect the work that we fund to reflect this and to be alive to the opportunities that diversity offers. Our definition of diversity encompasses race, ethnicity, faith, disability, age, gender, sexuality, class and economic disadvantage and any social and institutional barriers that prevent people from creating, participating or enjoying the arts. We expect that organisations in receipt of capital funding will not only observe minimum legal standards in terms of the Equality Duty 2011 and Equality Act 2010 in delivering their proposed capital projects but will also demonstrate a willingness to set high standards of practice across all areas of their work. Further information on the Equality Duty 2011 can be found here.

We do not expect to fund all of the project costs and expect funding to be secured from other sources.

We want to ensure that projects we support are financially viable. You should consider the impact on your organisation and its activities, both during the project and on its completion, as there will be no additional funding (capital or revenue) available from us at a later stage.

The outcomes we expect to see from our investment are:

- our mission of great art and culture for everyone, particularly goal 3, ‘Goal 3 ‘The arts, museums and libraries are resilient and environmentally sustainable’, is achieved
- the conditions are created where great art and culture is made, experienced and appreciated by everyone
- organisations are resilient, more sustainable and innovative businesses by improving their existing buildings and equipment
• environmental performance of buildings and equipment are increased, supporting the reduction in carbon emissions in the arts and cultural sector
• greater impact from our investment in the arts and cultural sector by securing funding from other partners
• arts and cultural facilities are sustainable without the need for unplanned revenue funding from us

We will be evaluating how effective our capital investment has been in meeting our aims and outcomes. We also expect organisations to undertake project evaluation. We recommend you set aside some of your project budget for evaluation, depending on the size and scale of your capital project.
Section three: the two-stage application process

Overview of the two-stage process
The application process is open and competitive and will be managed in two stages. To secure a grant to deliver your capital project, you must complete both stage one and stage two applications.

The application process has two stages so we can:
- assess your planned project at stage one before you spend time and expense working up a more detailed application
- provide you with an indication of the amount of funding to apply for at stage two, to help you plan your project and support your discussions with other funders or stakeholders
- assess your stage two application at a well-developed stage so that we can ensure that your project will be well managed, financially viable and sustainable in the longer term, without the need for unplanned capital or revenue
- plan and allocate our resources appropriately

Stage one
You need to complete an application where you tell us about your capital project, the amount you would like from us and how your project outcomes will contribute to our goals, specifically Goal 3, “The arts, museums and libraries are resilient and environmentally sustainable”.

Before applying at stage one, we expect you to have undertaken work that demonstrates the need for the project. If applying for a building project, it should be developed to at least RIBA Work Stage B (RIBA Plan of Work 2007) or completed RIBA Work Stage 1 (RIBA Plan of Work 2013). This means that, before applying at stage one, we expect you to have:

- worked with an architect to identify your needs and the project objectives
- completed an options appraisal which will detail the different options you have explored for delivering your needs and the feasibility of each option including the cost, risk and justification for your preferred option
• undertaken a feasibility study and investigation to identify key project constraints such as planning consent, land and legal and physical limitations to the building

Further details are available in Section four: applying at stage one.

We will use the information that you give us to make a firm decision about whether or not to invite you to complete a stage two application. This stage is competitive and we expect there to be a high demand for funding. We are unlikely to invite more than a small number of projects in each stage one application round to submit stage two applications.

If you are unsuccessful, we will provide feedback so you can consider reapplying for the next round. If you are successful, we will confirm the indicative amount we have set aside for your project. You would then progress to stage two and submit a further application to secure a grant for this amount.

**Development grants**

If you are successful at stage one, we may also award you development funding to help you undertake the work required to develop your project to be ready for submission at stage two.

Development grants are made at our discretion. Further details are set out later in this section.

**Stage two**

If successful at stage one, we will provide further guidance on how to make your stage two application and our assessment process. We will not accept your stage two application until we have made a decision on your stage one application and you have completed the work required by any development funding we have provided.

Please note that if you are successful at stage one and wish to make a stage two application and are not an Arts Council National Portfolio Organisation at the time of your stage two application, you will be required to go through a permission to
apply process. Further details will be given in the stage two guidance for this round.

You will need to complete a second application to secure a grant for the sum that we have, on a conditional basis, set aside. You can submit this at any time within 18 months of our stage one decision. We will expect your capital plans to be at a detailed stage of development and your designs to be developed to at least RIBA Work Stage D (RIBA Plan of Work 2007) or completed RIBA Work Stage 3 (RIBA Plan of Work 2013). This means:

a) preparation of developed design including proposals for structural design and building services systems, an outline specification and a cost plan including life cycle costs
b) development of defined project strategies to support the detailed project brief
c) an application for full planning permission has been or will be submitted, if appropriate

If you do not make an application within 18 months of our stage one decision or your stage two application is unsuccessful, you will be required to resubmit at stage one.

Details on preparing for stage two are set out in Section six: planning for stage two.
This diagram shows the two-stage application process:

1. **Read the guidance notes and discuss your project with your area office.**
2. **Complete your stage one application online.**
   - **Is your application to be assessed?**
     - **Yes**
       - **We agree a shortlist of projects to be admitted to stage two, having considered how well your project met the stage one assessment criteria.**
       - **Successful**
         - **We write to you to make a stage two application and confirm the amount we have set aside in principle for your project. We may offer you development funding to support the costs of making a stage two application.**
         - **Your stage two application can be submitted at any time within 18 months of our stage one decision. It will normally take us 12-16 weeks to assess you stage two application.**
         - **We decide how well your project meets the stage two assessment criteria.**
         - **Successful**
           - **We write to offer you a stage two grant.**
         - **Unsuccessful**
           - **We write to tell you the main reasons why your stage two application was unsuccessful. You can consider reapplying at the next round.**
     - **No**
       - **We tell you why we cannot assess your application.**
       - **Unsuccessful**
         - **We write to tell you the main reasons why your stage one application was unsuccessful. You can consider reapplying at the next round.**
Development grants
We recognise that developing your project to meet our stage two requirements can be expensive. We may award funding towards developing your stage two application on a case by case basis based on how you have evidenced to us your need for a development grant.

We will only consider awarding a development grant if you are successful at stage one. We will not support the costs of progressing designs beyond RIBA Work Stage D (RIBA Plan of Work 2007) or RIBA Work Stage 3 (RIBA Plan of Work 2013).

Before we agree a development grant, we will need to discuss what you will do with it in more detail and agree what you will achieve.

Further details on preparing for stage two and the documents we expect to be submitted with your application are included in Section six: planning for stage two.

How much to apply for
The development grant can only cover the costs of work you need to complete between the period of our stage one decision and the submission of your stage two application.

We would not normally cover 100 per cent of your development costs and would expect you to contribute funding from other sources.

The indicative amount we will set aside for your project will include the costs of any development grant.

What you can apply for
The following list gives you an idea of the type of spending we can pay for as part of a development grant. They are not exhaustive and we may want to discuss this in more detail with you:

- The costs involved in developing your project to RIBA Work Stage D (RIBA Plan of Work 2007) or completed RIBA Work Stage 3 (RIBA Plan of Work 2013). This includes the following examples:
- design team fees
- project management
- planning fees and statutory charges

- The costs involved in developing the documents we require to be submitted as part of the stage two application. This includes the following examples:
  - independent access audit
  - business planning advice
  - VAT advice
  - sustainability appraisals
  - developing a fundraising strategy

**Requesting a development grant**

You can request a grant by providing information in your stage one application about the work you need to complete, together with a detailed budget for this work. Further details are included in Section five: preparing your stage one application.

You will need to demonstrate in your stage one application that without a development grant from us, you have no other means of covering these costs and could not otherwise develop your project sufficiently to make a stage two application.

**If we offer you a development grant**

If you receive a development grant, you will be required to enter into a funding agreement with us. The terms and conditions for development grants are on our website at [http://www.artscouncil.org.uk/capital-large-grants](http://www.artscouncil.org.uk/capital-large-grants).

If we decide to make a development grant, this does not guarantee that you will receive a stage two grant to deliver your proposed project.
Section four: applying at stage one

Four steps to applying at stage one

There are four steps to applying at stage one:

1. Read this guidance carefully as it gives you information on how to apply and answers some common questions. We strongly recommend that you contact your Arts Council area office before making an application.

2. Fill in the application form. Use the application form to tell us about your organisation, your capital project, how it will meet your organisation’s needs, and how your project outcomes will meet our goals.

   The form also asks for information that we may use to report to government or to monitor the different backgrounds of people who receive funding. We will not use this information to assess your application.

   You must apply online from our website. Printed applications will not be accepted. If you need assistance with making an online application please contact our Customer Services team.

3. Provide only the information we have asked for. If you are applying for a building project, we expect you to include the feasibility study and options appraisal you have undertaken. Further details on what we expect these documents to include are set out in Section nine: glossary of terms used in this guidance.

   We will not consider any additional information you send after you have submitted your application unless we have specifically asked for it.

4. Submit your application online at our website. Once you have registered online you can start your application, save your work and come back at any time to complete it. Applications must be submitted no later than 12pm (midday) on 20 October 2016. Applications submitted after this time will not be considered.
How much you should apply for
The minimum capital grant available is £500,000. Grants of £5 million or more are likely to be exceptional. You are strongly advised to discuss with your Arts Council area office the amount of funding for which you are applying. This sum should include any sum you are requesting for a development grant.

You should consider carefully how much to apply for as we will not increase the amount we set aside at stage two. This amount should include any development funding you are requesting.

Partnership funding
We want to make our funding go further, and we expect you to make the most of other sources of income available to you. Although we have not set a minimum partnership funding requirement, we would normally expect to fund no more than 70 per cent of the total cost and in most cases substantially less. Other sources can include:

- European Structural and Investment Funds
- funding from public organisations such as local authorities or universities
- cash donations from individuals or companies
- grants from other lottery distributors
- donations of land, buildings, equipment or materials subject to suitable valuations
- grants from trusts and foundations
- public appeals and fundraising events
- a contribution from your organisation
- in-kind support

We may count any money you spend on an earlier phase of the project as partnership funding, as long as you have spent it within the 18 months before you make a stage two application.

We expect you to have secured at least 90 per cent of the required partnership funding prior to you agreeing a contract to start the construction work. You must also provide us with details on how you will raise the remaining identified gap
between the amounts confirmed or pledged and the amount required to complete the project. You should therefore consider your project timetable carefully and whether you will have secured the required funding to start your project.

If we offer you a stage two grant, we will set deadlines for raising funds in your funding agreement. If you are unable to raise the funds to meet the project timetable you outlined in your application, we may not agree to the delay and may decide to withdraw our offer of a grant.

**Who can apply**
To be eligible for stage one funding, you must meet the following criteria:

- You are applying for a minimum grant of £500,000 to support capital expenditure. We define capital expenditure as money spent on the purchase, improvement, restoration, construction or creation of an asset, including expenses or costs that are directly attributable to delivering the capital project.

- You must demonstrate that your project outcomes will contribute to at least two goals set out in section two:
  1. Goal 3: “The arts, museums and libraries are resilient and environmentally sustainable”
  2. one other of our five goals

(You should also read our 10-year strategic framework, *Great Art and Culture for Everyone*, available from [www.arts council.org.uk/mission](http://www.arts council.org.uk/mission)).

- You have undertaken research that justifies the resources, and capital investment is necessary to bring about your planned project. If applying for a building project, it should be developed to at least RIBA Work Stage B or completed RIBA Work Stage 1 (RIBA Plan of Work 2013).

- Your capital project will improve existing facilities that engage people in arts activities in England and/or for artists and others who work in the arts.
We will prioritise the consolidation and improvement of existing buildings and equipment rather than investing in significant expansion or new infrastructure. You can only apply for a project which will extend a current arts building, convert an existing building or construct a new building for arts purposes if your Arts Council area office provides their written agreement beforehand.

We will only provide our written agreement if you can demonstrate to our satisfaction that you have considered the project’s long-term financial effect on your organisation, including how any additional running costs will be met in the longer term. You must send this written agreement from your area office, and any additional information we have requested, with your application. **You must speak to your Arts Council area office by 6 October 2016 so that we can make an informed decision about giving you our written agreement to apply.**

- You are in receipt of National portfolio funding from us for 2016/17.

If you are not in receipt of National Portfolio funding, you can only apply if you are properly constituted as an organisation and your Arts Council area office agrees to this beforehand in writing.

We are only likely to agree if you can demonstrate you have a current strong track record in arts activities and your capital project outcomes will make a significant contribution to *Great Art and Culture for Everyone*. You must send this written agreement from your area office, and any additional information we have requested, with your application. **You must speak to your Arts Council area office by 6 October 2016 so that we can make an informed decision about giving you our written agreement to apply.**

- If you are applying for a building project, you already have, or propose to purchase in the future, the necessary security of tenure (freehold or leasehold ownership) of the land and building where the proposed capital project will take place.
(There is information on our requirements for ownership of land and buildings in Section six: planning for stage two).

- Your application should demonstrate that you will be able to develop your project to meet our stage two application requirements within 18 months of a stage one decision. Further details are included in Section six: planning for stage two.

- Your organisation and project outcomes must be based in England.

Please note that we expect to only provide our permission to apply on an exceptional basis so there is no guarantee that our written permission will be provided. The receipt of our written agreement to apply does not guarantee that your application will be successful.

Who cannot apply
You cannot apply if:

- you are requesting less than £500,000 or not requesting a grant towards capital expenditure

- your project outcomes will not support the delivery of arts and cultural activities that engage people in England or help artists carry out their work

- your project will extend a current arts or cultural building, convert an existing building for arts or cultural purposes or construct a new arts or cultural building, unless you have our written agreement beforehand

- you are an organisation based outside England

- you are not a National Portfolio Organisation and you do not have our written agreement to apply beforehand
• you are an individual, unless you apply as a director of your own company. We will not accept applications from people applying in a purely personal capacity

• you are applying for funding for activities which are aimed at making a profit to be distributed to members or shareholders

• you are applying for a building project and have not yet completed RIBA Work Stage B (RIBA Plan of work 2007) or completed RIBA Work Stage 1 (RIBA Plan of Work 2013)

• you are applying for a building project and do not or will not have the appropriate security of tenure where the proposed capital project will take place

**What you can and cannot apply for**
The following lists give you an idea of the type of spending that we can and cannot pay for. They are not exhaustive and we may want to discuss this in detail to include or exclude some items.

**What you can apply for**
We will consider the following expenditure:

• refurbishing, modernising or improving existing arts and cultural buildings
• buying assets such as equipment, instruments and vehicles, including installing new technologies
• improving facilities that will enhance access to and enjoyment of arts and culture by special educational needs and disabled audiences
• installing new technologies and upgrading buildings to deliver increased production and broadcast capacity
• installing box office, ticketing, sales and customer relationship management systems where these comply with legislation relating to data and customer protection and best practice with regards to data sharing (as indicated by the Information Commissioners guidance and other industry guidance, [www.audiencedatasharing.org](http://www.audiencedatasharing.org))
• buying buildings that are ancillary to the main arts/ cultural building(s) and arts/ cultural user that will lead to increased revenue generation
• purchasing freehold or leasehold interest buildings that meet our requirements set out in Section six: our capital requirements
• professional fees associated with capital spending on your project, providing the appointments have been made in accordance with the procurement requirements set out in Section six: our capital requirements
• legal fees associated with capital spending on your project. If you are offered a grant, we will require the provision of specific legal documents such as a legal opinion, certificate of title, deed of covenant, restriction on title and/or a legal charge
• VAT that you cannot recover from HM Revenue and Customs if you are registered for VAT
• closure costs – costs resulting from temporarily having to stop activities during the capital project
• environmental sustainability costs including installing or retrofitting sustainable technologies
• costs towards evaluating your project
• commissioning artists or craftspeople to contribute to the capital project
• additional staffing for specific work during the capital project

What you cannot apply for
In general, we will not normally pay for:

• converting an existing building for arts or cultural purposes if you do not have our written agreement beforehand
• extending an existing arts or cultural building if you do not have our written agreement beforehand
• new buildings for the arts and culture if you do not have our written agreement beforehand
• capital assets that you plan to sell
• increased costs for projects where construction is underway
• costs you have to pay for before we make a decision on your stage two application, unless we have given you a development award
• the purchase of a leasehold that does not meet our requirements set out in Section six: our capital requirements
• projects that demonstrate little or no potential benefit to the public
• costs that are already covered by other funding
• general running costs and overheads that are paid for by other income, including your own funds after the project is complete. This includes overheads related to equipment or buildings, such as insurance and maintenance costs
• additional revenue funding to support increased running costs
• capital projects required to support activities for educational purposes necessary by law
• goods and services, including consultants and contractors that have not been appointed in accordance with the requirements set out in Section six: our capital requirements

How we will make our decision
When we receive your stage one application we will first check that it is eligible. All eligible applications will then be considered against the same set of criteria. Our decision-making will be in two distinct phases.

We will first undertake an assessment of the application itself, looking at the organisation and the project proposed. We will make our assessment on the basis of the information you provide in your application, our current knowledge of your organisation, if applicable, and any further information that we request.

We will consider how each application meets the following criteria:

1. How well the project outcomes meet our goals and in particular, demonstrate that the organisation’s sustainability and resilience will be improved as a result of our capital investment.

2. How well the organisation demonstrates that the demand for the project justifies the scale of the required investment.

3. How well the organisation demonstrates it has the capacity, skills and experience to deliver the project and associated outcomes.
4. The extent to which the proposed timetable for planning and delivering the project is based on realistic assumptions.

Our assessment will use the expertise of our staff, including independently appointed assessors, to judge how well your application meets the four criteria. Identifying and considering the level of risk in your capital project and what plans you have in place to mitigate these risks is an important part of our assessment.

We will use your refreshed business plan for the 2015-18 National Portfolio funding round to consider the level of risk in your capital application. It is anticipated that National Portfolio Organisations will be invited to make applications for the 2018-22 funding period in the autumn 2016.

It is likely that there will be more applications that meet these criteria than available funding. To achieve the final list of organisations to progress to stage two, we will consider the following four areas to balance the projects funded against the available budget in each round:

- **timescales** – we will take into account the need to achieve a range of projects with varying delivery timescales, including spending any grant from us
- **partnership funding** – the extent to which the projects overall will secure funding from other sources
- **risk** – the extent of the risks to the overall balance of projects
- **equality and diversity** – the extent to which your project addresses equality and diversity

There is no mechanistic formula for balancing the organisations admitted to stage two. This is a framework against which we will make an informed judgement about how each project might contribute to the overall mix in the context of the funds available to distribute.

There may be applications which are strong in the first phase assessment but which are not invited to make a stage two application because in the second phase they do not fit into this overall picture.
**Additional documents for National Portfolio Organisations**

If you are an Arts Council National Portfolio Organisation, you may send additional concise information if you wish, especially if there has been a major change in your finances or in the way the organisation is run. If the information we have about you is up-to-date, then you are not required to do so and we will take into account the knowledge and understanding we have of your organisation and information such as your annual accounts, equality action plan, refreshed business plan 2015-18, risk assessment, end of year letters and funding agreements.

**Additional documents for organisations who do not currently receive revenue funding from us but who have obtained our written permission**

If you do not currently receive revenue funding from us, and you have received our written agreement to making an application, you should provide the following concise information:

- constitutional documents (or charter) confirming the existence of your organisation as a legal entity and setting out your governance structure
- audited accounts from the previous two financial years
- details of your artistic programme or relevant evidence of your work
- statement on your organisation’s approach to promoting equality and diversity and/or your equality and diversity policy

**When you will know the outcome**

We will tell you by July 2017 whether we will invite you to make a stage two application.

**If you are successful**

If you are successful at stage one, we will confirm to you the amount we have set aside for your project. You then progress to stage two and submit a further application to secure a grant for this amount.

Whilst a successful stage one application does not guarantee funding, it is an indication of positive support. However, there is no guarantee that you will receive
an award at stage two or that any sum that may be granted will be the full amount set aside.

If you are unsuccessful
We will write to you explaining the main reasons why your application was unsuccessful and telling you who to contact for more detailed feedback.
Section five: preparing your stage one application

What your application should include – checklist
The stage one application includes the following information:
- online application form
- additional information we have requested (to be submitted in electronic format)

The application form asks you to provide:
- a description of the project you are asking us to support, including the outcomes your project aims to achieve
- the stage you have reached with your planning
- details of the professional appointments you have made
- the work you have undertaken to demonstrate the need for the project
- how your project will contribute to our goals
- details of the financial assessment you have undertaken that confirms your resilience will be improved once the project is complete
- the ownership of land and buildings where your project will take place
- your project timetable
- project income – including how much you are applying for and other funding you have identified or secured
- project expenditure – including how much you have spent to date
- the capacity, skills and experience of your organisation to undertake the project proposed
- how the project will be managed and what controls there will be to make sure that the project is successfully delivered
- details of any development grant you are requesting
- the anticipated risks for the project and how you will manage those risks

Completing the application
The following gives support on completing the different sections of your application and the information we ask you to provide.
1. Project details

Project description
Describe the project you are asking us to support and the capital works that you are proposing to carry out.

Project outcomes
Tell us the outcomes your project aims to achieve (the specific changes that will result from your project). This should include:

- a detailed project description
- the intended use of the building
- the people who will benefit, such as artists, audiences and building users
- how the project will affect the quality and quantity of your activities

Project stage
Tell us the stage you have reached with planning your project. You should provide:

- the work you have completed to date
- the stage you have reached with planning your project. If your project is a building project, you should confirm the RIBA work stage you have reached

Project team
Provide the details of the professional team appointed so we know who you are working with to develop your project. This should include:

- individual name and company (if applicable)
- their role – such as architect, quantity surveyor or project manager – and the term of their appointment
- details of the processes you undertook to appoint them
- what further appointments are planned

You should ensure you have read our procurement requirements in Section six of this guidance.

Meeting our goals
You should use the application form to select the goals your project outcomes will meet. This must include Goal 3, “The arts, museums and libraries are resilient and environmentally sustainable”, and one other of our five goals.

Provide details on how your project outcomes will contribute to the goals you have selected. You should also consider the specific aims and outcomes of our capital investment set out in Section two. Applications which contribute to more of our goals will not necessarily be treated more favourably than applications which contribute to fewer.

The Julie’s Bicycle website provides a number of useful guides on how to embed sustainability into your project from the early planning stage through to development and implementation including:

- **Energising Culture**: A guide on future energy strategies for cultural buildings, equipping arts organisations with an understanding of the core issues around energy ([www.juliesbicycle.com/resources/energising-culture](http://www.juliesbicycle.com/resources/energising-culture))
- **Sustainable Procurement Guide**: A guide covering the basic principles of procurement decision processes, sustainability procurement policies and liaising with suppliers, as well as specific buying advice for common products and services

2. **Financial resilience**

You should use the application form to provide details of the financial assessment you have undertaken that demonstrates that you have considered the project’s financial impact on your organisation and its activities.

You should tell us:

- the work you have done to assess the financial impact of your project and what this impact will be, both during the project and on its completion
- how this work demonstrates that your financial resilience will be improved
- how you have assessed the financial risks and how you plan to deal with these risks
- any further work you plan to do during the development of your project to test the financial assumptions you have made
3. The business case

Experience has shown us that the capital developments which have fared best are those which articulated the vision and need for the project from the outset.

Before submitting your stage one application, we expect you to have undertaken research that demonstrates a need for the project and ensures that the objectives of your organisation will be fulfilled by the project’s outcomes. This research should justify the resources and capital investment necessary to bring about the project you are planning to do.

You should use the application form to tell us:

- how the project outcomes fit with the aims of your organisation
- how you know there is a need for your project
- who you have consulted and how the project meets their needs
- a summary of the work you have undertaken to justify the resources and capital investment for the project you are planning to do. If you are planning a building project, this should include a summary of the feasibility study you have prepared
- a summary of the options you have appraised
- the reasons for choosing the option proposed

If you are applying for a building project, you will need to include as additional information the detailed work you have completed. This should include:

- **an options appraisal.** This should give details of all the options you have explored, including leaving things as they are, and should cover the following areas:
  - the needs that your project aims to meet
  - the project’s objectives, benefits and outcomes
  - for each option considered:
    - an evaluation of your project’s objectives, benefits and outcomes and the needs it aims to meet
    - the estimated costs (capital and revenue costs)
    - an indication of the project timetable
- a risk assessment, your preferred option and an explanation of why you recommend it

- **a feasibility study.** It should demonstrate that you have thoroughly examined what you aim to achieve and whether you are able to do so with your preferred option, including the impact of your project during construction and on completion. A feasibility study will typically include the following areas:

  o project need – demonstrating: the project business case; which elements are “mission critical” and which elements are “nice to have”; how the project relates to your vision, mission and business plan, eg increased visitor attendance, improved earned income leading to greater resilience
  o site – the appropriateness of the site for the proposed activity and if it will help or hinder the business case; outline of site risks
  o drawings/plans – outline diagrammatic representation of spaces and their sizes, interconnections and basic characteristics
  o budget – including outline costs relating to construction, fit out, professional fees, relocation/decanting, building closure, project finance, legal advice, irrecoverable VAT, inflation and contingency
  o timetable – outline project timetable including design development, procurement, fundraising, construction and launch
  o funding – review of how viable it will be to achieve the required project funding and an indication of where this funding might come from and when it might be secured
  o environmental sustainability – outline of the approach to environmental sustainability during design, construction and post-completion and how the project's impact on the environment will be minimised
  o permissions – outline of statutory permissions and the likelihood of them being obtained, eg planning permission and listed building consent
  o legal – outline of potential legal issues that will have to addressed, eg site ownership, rights of light and party wall matters
  o risk – summary of key project risks and how these might be addressed
  o organisational development – an analysis of existing organisational capacity, relevant skills and experience needed to undertake the project; aspects of the organisation that will need changing or strengthening as a
result of the project, eg additional staff requirements and training requirements
  o revenue implications – indication of likely running costs post-completion including maintenance, repairs/renewals and how these will be covered

4. Governance and project management

Capacity, skills and experience of your organisation
You should provide details that demonstrate your board, directors and staff have the capacity, experience, skills and time to undertake the project.

You should tell us:
• the experience of those involved in delivering a project of the scale and complexity proposed
• how you will ensure you have the capacity to deliver the project successfully
• what effect the project will have on current management and staff responsibilities

Project management and governance
Describe how the project will be managed and what controls there will be to make sure that the project will be delivered successfully. This should include:
• how key responsibilities such as project management, finance and fundraising will be resourced
• how the progress of the project will be reported and reviewed, including the involvement of your board and senior management in decision making
• how the risks will be assessed and what management procedures will be adopted to manage these risks
• how the costs of the project will be managed and the budgets monitored

5. Property and timetable
Project location
Provide the property address where your project will be located, including the postcode.

Ownership of land and buildings
Confirm the interest that you hold in the land or building. You should tell us if you own the property on a freehold or leasehold basis, and the number of years remaining on the lease. If you do not own the land or building, tell us who does and the basis for your right to use the property or land for your project.

You should consider our requirements on ownership of land and buildings set out in Section six of this guidance.

Project timetable
Summarise the planned timetable for your project and tell us when you expect the project to start and finish. If you can separate your project into different parts – for example, principal feasibility, planning, design and construction activities – tell us the estimated start and end dates for these.

Stage two submission
Tell us when you would be ready to submit a stage two application to us. Stage two applications can be submitted at any time up to 18 months from our stage one decision.

6. Project income and expenditure
The project income and expenditure provides us with a summary of the expected total costs for your project. When you prepare your costs, you should ensure you have considered:

- what you can and cannot apply for
- the information and documents you will need to prepare to submit a stage two application
- the legal costs associated with any grant we may award
- the cost of evaluating your project
- how much funding you can raise to meet the timetable and spending plans for your project
• the amount you would like from us, including any development grant you have requested

**Project income**
This should show where the funding to meet your project is coming from. This should include the amount you are requesting from us.

You should tell us where you expect to get any other funding from, how much that will be, whether it is secured or not and, if not, the date by which you expect to secure it and whether it is a non-cash contribution. If you are including non-cash contributions (in-kind support), provide details of the goods or services and who is giving the contribution. Give an estimated value for each item.

You should break down the amount of development funding requested and the amount you would like from us at stage two separately.

**Project expenditure**
You should provide a summary of the expenditure for your entire project. You should provide details of the amount you have spent to date and your planned expenditure.

You should summarise your expenditure against the following budget headings:
• **pre-construction** – this may include costs relating to the feasibility study and options appraisal you have carried out and land and property purchase
• **construction** – this may include the estimated construction costs, construction contingency and inflation
• **furniture, fittings and equipment** – this may include loose furniture and equipment of a general nature, eg office equipment
• **specialist equipment** – this may include theatre lighting, sound equipment, musical instruments or vehicles
• **fees and charges** – this may include legal fees, design team’s fees or design contingency
• **client costs** – this may include planning fees and statutory charges, access audit, project evaluation, staff and advisers appointed to help develop the project, fundraising costs or evaluation costs
• **contingency** – that is not shown separately above
• **irrecoverable VAT** – any VAT that you cannot claim back

7. **Risk register**
Provide details of the anticipated risks for the project and how you will manage those risks. Complete the table provided and describe the risks that may happen. You should include:
• how likely the risk is to occur. You should score these risks high, medium or low
• how serious the effect would be. You should score these risks high, medium or low
• action you will take to reduce the risk
• the person responsible for dealing with the risk

8. **Development grants**
You will need to tell us in your application if you are requesting development funding, and how much you are requesting from us towards these costs. You should ensure that you have first read section two on development grants. You should tell us:
• the detailed work you will complete with the development grant and the timescales for the work
• how the budget has been calculated, including the other sources of funding available
• who will be responsible for managing the work
• how the risks during the development work will be reported and reviewed

You will need to complete the detailed budget for the development work. You should provide details of income, other sources of funding and a detailed breakdown of the expenditure.

**Development funding income**
This should show where the funding is coming from to meet the costs of the development work, including the amount you are requesting from us. If you are
including non-cash contributions (in-kind support), provide details of the goods or services and who is giving the contribution. Give an estimated value for each item in the “amount” column.

**Development funding expenditure**

Provide details of the total spending for the development work, including any VAT you cannot claim back and contingency. Further details of the type of spending we can pay for as part of a development grant are set out in Section three of this guidance.

The development grant can only cover the costs of work you need to complete between the period of our stage one decision and the submission of your stage two application.

You should make sure that the costs are as accurate as possible. If you have to spend more to develop your project sufficiently to make a stage two application, we will not contribute to these extra costs.
Section six: planning for stage two

If you are successful at stage one, we will send you further stage two guidance. We may wish to discuss the submission date of your application with you and what to include with your application.

What we will ask you
When you submit your stage two application, your project should be developed to at least RIBA work stage D (RIBA Plan of work 2007) or completed RIBA Work Stage 3 (RIBA Plan of work 2013). The application form will ask you:

- the building ownership and confirmation of your security of tenure
- any further steps you have put in place to strengthen your capacity, skills and experience as an organisation to take on the project proposed since your stage one application
- the management structure for the project
- any further financial assessment you have undertaken since your stage one application
- the effect of the project on your organisation and its activities during the purchase, planning, design and construction period
- details of your maintenance plans following completion of the project
- your current energy performance and how you will reduce energy consumption when your project is completed
- the steps you will take to minimise the environmental impact of your project
- how you have evaluated your options for using sustainable technologies
- how much funding from other sources you have already raised and the timescale and resources for raising the remaining funds
- the options you have explored if you are unable to raise all the funding
- any changes to the size of your building when the project is complete
- the estimated building costs
- how you will ensure that you address quality in your project
- what consultation you have undertaken with your staff, artists and users
- your proposed method of procurement for the construction works or the purchase of goods
- the details of the professional team appointed and how they were procured
• the details of your project income and expenditure, including the professional advice you have received on irrecoverable VAT
• how you will monitor and evaluate your project outcomes outlined in your stage one application

What you will need to include
We expect you to submit further information to support your stage two application. This will include, but not be limited to:

• an access audit
• the budget for your project
• a business plan including financial projections and sensitivity analysis
• a cash flow showing income and expenditure for the capital project
• a cost estimate for the total project cost including, but not limited to:
  o building purchase
  o design and construction costs
  o furniture, fittings, general and specialist equipment
  o fees including legal, fundraising and specialist consultants
  o your own direct costs and any other expenditure
  o contingencies
  o VAT if applicable
• CVs for each of the professionals appointed demonstrating their relevant experience
• designs developed to at least RIBA Design Stage D (RIBA Plan of work 2007) or completed RIBA Work Stage 3 (RIBA Plan of work 2013)
• evidence of partnership funding committed
• an evaluation framework
• a fundraising strategy
• planning consents or statutory consents already granted
• a project programme
• a project management structure
• a risk register
• sustainability appraisals
Our capital requirements
All organisations applying for capital investment should consider our requirements below and ensure that they have taken them into consideration in the planning, timetable and budget for the project.

Sustainability
As energy consumption is most often the highest contributor to the carbon footprint of cultural buildings, organisations applying for capital investment should consider energy efficiency as a priority. As set out in Section five, the Julie’s Bicycle website (www.juliesbicycle.com) provides a number of useful guides on how to embed sustainability into your project from the early planning stage through to development and implementation. We expect you to consider:

- sustainability as a core consideration in the design of your building
- renewable energy generation
- whole-life costs in the selection of materials, plant and equipment
- sourcing environmentally sustainable materials and goods
- sustainable construction practices
- sustainable waste management for construction
- improved sustainability in the operation of your building – this may include improving awareness in your organisation and building users to reduce energy demand, waste and water consumption and maximise recycling
- developing an environmental action policy and an annual action plan to improve environmental performance and reduce carbon emissions

We expect organisations to measure their reduction in energy use and carbon footprint as part of the evaluation of their project. It is therefore essential that you have a clear understanding of your energy usage now and on completion.

If you are planning a project involving construction works, we suggest that a recognised environmental assessment method such as BREEAM is used and expect a minimum of a “very good” rating to be achieved.

We recognise that more sustainable solutions may involve higher upfront costs. We are prepared to fund these extra costs if your stage two application
demonstrates that a higher capital investment at the outset will reduce maintenance and running costs, and that these savings will outweigh the initially higher capital costs.

**Quality of design and construction**

We want to ensure that projects meet high standards of design and construction, taking due notice of priorities such as fitness for purpose, environmental standards, energy efficiency, accessibility, cost effectiveness and value for money. The way the project is planned and designed, the site and building, including the proposed method of procurement for construction works, must be appropriate to the specialist needs of arts buildings.

All projects must ensure maximum independent access for disabled people (visitors, participants, artists and members of staff); you should ensure that an appropriate independent access audit is undertaken and demonstrate that its findings are reflected in the project. We will ask you to submit your access audit with your stage two application. *Building inclusion: Physical access guidance for the arts* is a tool that will enable you to plan for equal access by considering what is needed to create an inclusive environment.

We have published *Building excellence in the arts: a guide for clients* to support organisations undertaking capital development work to arts buildings. It follows a logical pattern through the construction process, from inception to completion, and covers several key themes such as brief writing, sustainability, and accessibility.

**Ownership of land and buildings**

If we award you a stage two grant, you will need to demonstrate to us that you have the necessary security of tenure, being either the freehold ownership or leasehold ownership of the land and buildings. The number of years remaining on your lease will be calculated from the date of practical completion of any proposed building works and depends on the amount of grant awarded.
• Grants of more than £500,000 and less than £1 million: freehold (registered or unregistered) or a registered and assignable lease of at least 10 years without a break clause.
• Grants of £1 million or more but less than £5 million: freehold (registered or unregistered) or a registered and assignable lease of at least 20 years without a break clause.
• Grants of £5 million and above: registered freehold or a registered and assignable lease of at least 30 years without a break clause.

Our security requirements
If you are awarded a stage two grant, we must ensure that the capital asset will be used for the grant purpose for the period of the funding agreement. This means that we will require you to make legal commitments to us to secure the grant purpose. The form and type of security we will require depends on the type of organisation you are and the amount of grant awarded.

Procurement
You must comply with all relevant UK public regulation procurement laws and European legislation on procurement when buying any goods, works or services to be used directly or indirectly in relation to the capital project. You must provide to us any information which we request in order to satisfy ourselves that you have done so. In relation to contracts for goods, works or services, you must:
• demonstrate that procedures to select consultants, contractors or when purchasing goods are fair and open and keep to the relevant legislation. This means you should seek competitive tenders or quotes and show that you have selected the option which provides best value for money
• have quotations and tenders for contracts for goods, works or services available for inspection by us and allow us to review your contract appointment procedures before the terms and conditions of each appointment are agreed

In addition to our requirements set out above, your project may be covered by European Union (EU) procurement rules. You will need to follow the Public Procurement Regulations if your goods, works or services are above certain financial thresholds and if:
• you are subject to the Public Procurement Regulations in your own right
• the amount of money given solely by Arts Council England, or in conjunction with other public funding or other lottery distributor, exceeds 50 per cent of your project costs

This means that all services for both fees and construction will need to be tendered through the Official Journal of the European Union (OJEU).

Please note the financial thresholds apply to all individual consultants appointments (or to the aggregate fee as a single appointment) and to construction works.

If you are unsure about your obligations, we advise you to take professional or legal advice.
Section seven: freedom of information
The Arts Council is committed to being as open as possible. We believe that the public has a right to know how we spend public funds and how we make our funding decisions. We are also listed as a public authority under the Freedom of Information Act 2000. By law, we may have to provide your application documents and information about our assessment to any member of the public who asks for them under the Freedom of Information Act 2000.

We may not release those parts of the documents which are covered by one or more of the exemptions under the Act. Please see the Information Commissioner’s Office website for information about freedom of information generally and the exemptions.

We will not release any information about applications during the assessment period, as this may interfere with the decision-making process. However, we will after completion of the process publish a list of all successful applicants.

Section eight: complaints procedure
If you are not happy with the way we dealt with your application, please contact us and we will discuss this with you.

If you are still unhappy, you can ask us for a copy of our complaints procedure. Details are in Making a complaint, which is available on our website, www.artscouncil.org.uk, or by contacting our Customer Services team by email to enquiries@artscouncil.org.uk or by phoning 0845 300 6200. Please note that you can only complain if you believe we have not followed our published procedures when assessing your application. You cannot appeal against the decision.
## Section nine: glossary of terms used in this guidance

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access audit</td>
<td>Part of the process of designing a building or site which considers how disabled people will be able to access the building or site.</td>
</tr>
<tr>
<td>Architect</td>
<td>A professional who must be registered with and abide by the code of professional conduct of the Architects Registration Board (ARB). The architect is often the lead member of the design team and coordinates the elements of the design process.</td>
</tr>
<tr>
<td>Assignable</td>
<td>A term used for leasehold land and buildings to show whether the land and buildings can be sold or given to another owner.</td>
</tr>
<tr>
<td>Lease</td>
<td></td>
</tr>
<tr>
<td>BREEAM</td>
<td>Building Research Establishment’s (BRE) Environmental Assessment Method (BREEAM) is a method to assess the environmental performance of both new and existing buildings.</td>
</tr>
<tr>
<td>Break clause</td>
<td>A provision in a lease that allows the landlord and/or the tenant to bring the lease to an end before the full period of years has elapsed.</td>
</tr>
<tr>
<td>Brief</td>
<td>The client’s document of requirements for the project and it is their responsibility to develop it clearly. The brief for the works should be developed through collaboration between the client, the members of the design and construction team and, if possible, users and other interested bodies and persons.</td>
</tr>
<tr>
<td>Business case</td>
<td>A business case is used to obtain management commitment and approval for investment in business change, including projects and programmes, through rationale for the investment. It provides a framework for planning and management of the business change. The ongoing viability of a project or programme will be monitored against the business case.</td>
</tr>
<tr>
<td>Capital Asset(s)</td>
<td>Assets that have a large monetary value such as land, buildings, equipment, and vehicles.</td>
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<td>-----------------</td>
<td>----------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Contingency</td>
<td>An allowance in the project budget (usually expressed as a percentage) and cost plan for unforeseen circumstances for client, design and construction issues.</td>
</tr>
<tr>
<td>Design team</td>
<td>A group of professionals responsible for designing the building project. It will include the client, architect, engineers (structural, mechanical and electrical), planning supervisor and quantity surveyor at its core. The team may also include other specialists, depending upon the nature of the project, such as, but not exclusively, landscape architect, acoustic consultant, theatre consultant, catering consultant and artist.</td>
</tr>
<tr>
<td>Development grant</td>
<td>A grant provided to allow the applicant to commission work or progress designs to make a stage two application.</td>
</tr>
<tr>
<td>Feasibility study</td>
<td>A study of the desirability and practicability of your project. It should demonstrate that an organisation has examined thoroughly what it aims to achieve and whether it is able to do so. A feasibility study will typically include the following areas:</td>
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finance, legal advice, irrecoverable VAT, inflation and contingency

- timetable – outline project timetable including design development, procurement, fundraising, construction and launch
- funding – review of how viable it will be to achieve the required project funding and an indication of where this funding might come from and when it might be secured
- environmental sustainability – outline of the approach to environmental sustainability during design, construction and post-completion and how the project’s impact on the environment will be minimised
- permissions – outline of statutory permissions and the likelihood of them being obtained, eg planning permission and listed building consent
- legal – outline of potential legal issues that will have to addressed, eg site ownership, rights of light and party wall matters
- risk – summary of key project risks and how these might be addressed
- organisational development – an analysis of existing organisational capacity, relevant skills and experience needed to undertake the project; aspects of the organisation that will need changing or strengthening as a result of the project, eg additional staff requirements and training requirements
- revenue implications – indication of likely running costs post-completion including maintenance, repairs/renewals and how these will be covered

**Freehold interest**

The absolute right to own property (land and buildings) in perpetuity.

**Lease**

A legal agreement through which property is conveyed to a person or organisation for a defined period and in return for the payment of rent.
<table>
<thead>
<tr>
<th>Leasehold</th>
<th>A person’s right to use and occupy land and/or building which arises under a lease as opposed to freehold ownership.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options appraisal</td>
<td>The purpose of an options appraisal is to narrow down a range of options into one feasible proposal which is taken forward for more detailed study in a way that is clear to those not involved in the decision.</td>
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<td>• a risk assessment</td>
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<tr>
<td>Options appraisal</td>
<td>• the preferred option and why it is recommended</td>
</tr>
<tr>
<td>OJEU</td>
<td>The Official Journal of the European Union (OJEU) is a daily journal used to advertise the service requirements of publicly procured contracts. The organisation is obliged to adhere to the regulations where funding, either by Arts Council England solely or in conjunction with other public funders, exceeds 50 per cent of the estimated cost of the contract.</td>
</tr>
<tr>
<td>RIBA plan of work</td>
<td>Royal Institute of British Architects (RIBA) organises the process of managing and designing building projects and administering building contracts into a number of key work stages. The RIBA Outline Plan of Work 2007 consists of 11 stages defined by the letters A–L. In 2013, RIBA launched a revised Plan of Work which consists of eight stages defined by the numbers 0-7.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
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<td>-------------------------------</td>
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<tr>
<td>Security of Tenure</td>
<td>A good, strong and well documented right to own or use a property for a period of time.</td>
</tr>
<tr>
<td>Security</td>
<td>A legal commitment from the grant recipient to the Arts Council which links specific grant recipient obligations in the grant terms and conditions to the capital asset.</td>
</tr>
<tr>
<td>Sustainable development</td>
<td>Sustainable development is a dynamic process through which organisations can begin to achieve a balance between environmental, social and economic activities. Sustainable development must recognise the impacts of a project on these three areas.</td>
</tr>
<tr>
<td>Tender</td>
<td>Tendering is the process of inviting and appointing a contractor or consultant to undertake work. It must be a competitive process between firms or individuals who have the necessary skills, integrity and responsibility to deliver the work. All invited firms must be given the same information and deadline for submitting their tender.</td>
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<tr>
<td>Whole-life cost</td>
<td>The costs of a building will require maintenance, running and staffing costs that should be factored into a whole-life cost analysis. This means that decisions should be based not only on initial capital cost, but also on the costs of maintenance and day-to-day operations over the expected lifetime of an asset.</td>
</tr>
</tbody>
</table>