

Investment Review 2023

Funding the future of the arts in Wales

Investment Review 2023

Contents

PART ONE: EXPLAINING OUR NEW MODEL AND VISION

1 – A world forever changed, and forever changing	03
2 – A reminder of how we fund arts organisations	04
3 – A new lens on our funding - the context for change	05
4 – The fundamentals of our new funding approach	09
a) Priorities for our funding	09
b) Renewed structure for our funding	12
c) What will we expect of arts organisations?	13

PART TWO: JOINING OUR JOURNEY – THE HOW AND WHEN

1 – Our commitment to you	15
2 – How organisations can apply for multi-year funding	17
a) Overview of process	17
b) Timeline	17
3 – Our assessment process	18
4 – How we will assess applications	18
5 – Our funding offer	19
a) Offers and extensions	19
b) Arts Council of Wales’s future funding management	19
6 – Monitoring and accountability	20
7 – Eligibility	21
8 – Appeals	22
9 – Freedom of Information and Data Protection	22
10 – What do you think?	23

PART ONE: EXPLAINING OUR NEW MODEL AND VISION

1 – A world forever changed, and forever changing

On any given day, at any given moment, people across Wales are conceiving, designing, producing, and experiencing exceptional artistic creations. The arts bring meaning and joy to millions of us and can form sustainable and extraordinary bonds across our communities. And despite the darkest hours of the challenges that we have all faced in recent years, the arts continue to play an integral part in the lives of many people and have the potential to reach and enrich the lives of yet many more.

Since the advent of the pandemic, we have a new outlook. Many of us have changed and have a new perspective on ourselves, our networks, friends, colleagues, and communities; the Arts Council of Wales is no different. We have experienced this shifting world too, and we have been changing with it, responding to the challenges upon us, and transforming how we think and act. During the height of the pandemic, we acted quickly and productively to support the arts sector and help protect livelihoods, and so we want to seize on the lessons learned from that experience, which means continuing to evolve while embracing transformation. The pandemic has also brought home to us all the need to plan as much as we can for the future of the arts in Wales, and for true long-term thinking while we also tackle the more pressing challenges upon us.

So, as we develop and consolidate our strategy for the next ten years – an exercise which will generate the cornerstone of our future - we are moving at pace to take an immediate look at the process of how we best use our funding capability to strengthen and nurture our creative organisations. This paper, our Investment Review 2023 – traditionally designed to evaluate which organisations should form part of the Arts Portfolio Wales – sets out a fresh approach to the allocation of multi-year funding to organisations, and a deepened requirement for those funded organisations to meet our objectives. This revitalised approach is one which moves away from a transactional and rigid process of funding to a significantly more flexible and responsive model for organisations, where we expect funded bodies to deliver on outcomes in line with our priorities. In simple terms, in future, the Arts Council of Wales and its funded organisations will no longer be constrained by a five-yearly Investment Review process but will work together to form more fluid yet highly accountable partnerships. This new model will be more streamlined and less burdensome.

This adjustment will be bold, difficult at times for us to execute, and perhaps uncomfortable for some; therefore, as well as sharing our new approach, this paper is designed to help you - creators, stakeholders, communities, and audiences – to

understand why we are looking at things differently, and what this means for those who wish to share in the funding. It spells out our vision for a collaborative and collective funding model that responds to a changing world, with equity and fairness at its core.

We hope that after reading this document you will be as inspired and excited as we are for the future of the arts in Wales and be clear about the factors that provide a foundation for that future. We listened to you during our 2021 Investment Review workshops, and we now want you to be ready to tell us what you think of our proposed response and our new approach, and whether we have the right priorities. We want you to consider whether our approach is reasonable and meaningful, and whether you believe it will enable us to support a diverse range of organisations. Over the coming weeks we look forward to actively listening to your views ahead of the final publication of our plans.

The responses that you provide to this Consultation will help us develop our new approach and process. Your responses will not be attributed to you or your organisation and will not affect individual Investment Review funding decisions.

Details of how to respond are included later in this document.

2 – A reminder of how we fund arts organisations

Ahead of outlining our new funding approach and the context behind it, it's perhaps timely and beneficial to share a reminder of the Arts Council of Wales's mission and purpose, and revisit how our regularly funded organisations fit into our strategy. In other words, let's consider the basics: who are we, and what do we do? This serves as a refresher to those organisations that have worked with us previously, and as an introduction to those who are new to the funding process.

Arts Council of Wales is the country's body for developing, supporting, and connecting the arts. We do this by distributing the public funds that are made available to us by the Welsh Government and the money that we receive for good causes from the National Lottery. In our work, we strive to see the arts flourish, and flourish sustainably, because we believe that the arts are for everyone.

And that brings us to a crucial part of our network – the arts organisations that we fund and work with to realise our vision. We support organisations by awarding grants towards their core costs and activities. Currently, these organisations together form our Arts Portfolio Wales, and they are essential partners in helping us to deliver on our strategic priorities. Arts Portfolio Wales members have historically presented tens of thousands of events, attended by millions of people, and as a result, play a key part in our

mission of making the arts central to the life and well-being of the nation. These organisations cover many art forms – music, theatre, visual arts, venues, dance, community arts, film, circus, literature – and are located across Wales, many working nationally and internationally.

But these are not the only artists and organisations making a difference. The recent national and global crises have shown us that there are many others who can do wonderful things with the resources they have, even if they are unable to plan for the long term or engage in long-term funding connections. There are creators up and down the country innovating with new and traditional arts forms, in a variety of languages and cultural identities, and we want to shine a light on all these artists and enable them to prosper and thrive.

Therefore, as we experience changes all around us, it is right that we also change the way that we approach the funding of the arts in the coming years, because it is so crucial to the future of art in Wales. It is time for fresh and agile thinking, to ensure that all voices can be lifted by the arts, and in turn enrich lives and benefit the nation’s cultural identity, health, and well-being.

Q: In the sections ‘A world forever changed, and forever changing’ and ‘A Reminder of how we fund arts organisations’ we introduce the concept that we need to change who and how we fund the arts in Wales. Do you agree that this is the time to do things differently?

3 – A new lens on our funding - the context for change

We recognise the need for Arts Council of Wales and the arts sector in Wales to adjust to societal, cultural, well-being and health, and economic changes; this self-awareness extends to, and provides the impetus for, our new approach to funding. We are looking at the model through a new lens, due to the world around us. This context deserves further explanation, so that you, our stakeholders, can fully understand our own journey of change.

Clearly, the pandemic and its catastrophic impacts are fundamental here. Over the past two years, the arts sector has been involved in a daily fight for survival, with people’s livelihoods, personal well-being, and health all at risk. During the pandemic, organisations and artists were forced to find new ways to create, share and develop. Live audiences may have declined but other ways of engaging with the arts emerged. And even though many of us found joy and solace in our own creativity or that of others to cope with the drastic and often tragic changes in our lives, the arts sector was one of the last to emerge and rebuild. And it is still rebuilding.

So, in the face of these challenges and a future made yet more uncertain by the cost-of-living crisis, our task is to develop new ways to protect and sustain the sector. We responded to Covid-19 with a range of funding and support measures, which was followed by our [‘Re-setting the Dial’](#) discussion document; and now we must incorporate the challenges of a recovering sector into the review of our investments.

The pandemic also brought into sharp focus other challenging societal factors, as those blighted by poverty and economic disadvantage were harshly affected by Covid-19. Black Lives Matter, the recently published Welsh Government [Anti-Racism Wales Action Plan](#), and the movement to amplify the voices of D/deaf, neurodivergent and disabled creative practitioners and audiences in the #WeShallNotBeRemoved campaign, have all provided further clear and compelling incentives to rethink and reset.

Already, in our [Widening Engagement Action Plan](#), we have set out our priorities for addressing the balance of these inequities, and the changes we need to make to instil equity, diversity, inclusivity, and social justice at the heart of our work. In the Plan, we emphasise that we are “committed to developing an approach to arts, culture and heritage that actively engages individuals and communities across Wales in deciding what counts as culture, where it happens and who makes and experiences it.” Among the many goals of the Action Plan is the desire to make our funding more representative of the ethnic and cultural landscape of Wales, the willingness to make funding more easily accessible, and the intention for that funding to reach wider communities. And so, the new vision that we set out in this Investment Review will be a key factor in delivering on those goals.

A further catalyst for our transformation is the recognition of the part we play in embodying a climate justice approach to addressing the climate emergency and creating a sustainable world. Whilst the damage to the planet has been underway for decades, it is only in more recent history that citizens, corporations, and governments have taken substantial steps to make a difference. Arts Council of Wales takes its environmental responsibilities extremely seriously although we realise that we too have much to learn. We are aware of our debt to the planet, and we want to support ways of working that protect it for future generations and amplify the power of the arts to bring about change in Wales and across the world.

This leads us to the final influencing factor in our new vision for the Investment Review - the [Well-being of Future Generations \(Wales\) Act](#). Its seven goals and five ways of working provide a constant focus and backdrop to our work. As much as anyone in our nation, we are devoted to bringing about sustainable and long-term change for our future generations, and for us, that means protecting and developing a diverse and equal cultural landscape that will delight our children and our children’s children for years to come. Therefore, when making decisions about our suite of funded organisations for the future, we are determined to work with organisations that are also incorporating the Act and its goals into their work.

Seven Well-being Goals

To make sure we are all working towards the same purpose, the Act puts in place seven well-being goals. The Act makes it clear the listed public bodies must work to achieve all of the goals, not just one or two.



A Prosperous
Wales



A Resilient
Wales



A More Equal
Wales



A Healthier
Wales



A Wales of
Cohesive
Communities



A Wales of
Vibrant Culture
& Thriving
Welsh Language



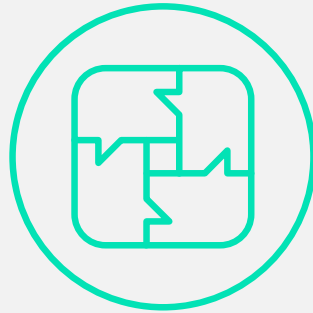
A Globally
Responsible
Wales

The Five Ways of Working



Long-term

The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs.



Integration

Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their objectives, or on the objectives of other public bodies.



Involvement

The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.



Collaboration

Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.



Prevention

How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.

Q: In the section ‘A new lens on our funding - the context for change’ we set the scene around the need to tackle issues such as inequity (in several key areas), the cost-of-living crisis, and climate emergency. These will be set alongside the legal framework of the Well-being of Future Generations Act. What other challenges does the arts sector face?

4 – The fundamentals of our new funding approach

In the context of all the factors outlined above, we believe that the time is right to transform our funding processes to better reflect the changing nature of Wales and the world, and to enable a reinvigorated and dynamic arts sector. In the spirit of evolution, our own approach must be as unique as the organisations and projects we fund.

So, what is changing? Simply put:

- We are renewing the investment priorities that drive our funding decisions, ensuring they reflect our commitment to the Well-being of Future Generations Act.
- We are moving from a portfolio model, into a broader range of multi-year funding options for organisations, and consequently will be seeking partners to work with us to achieve and inspire greater engagement with all artforms for all individuals.
- The new model means a new structure for funding, that isn’t constrained by a single ‘Investment Review’ window.
- The basis of future agreements will be three years of funding, with the potential of up to three additional years of core funding, depending on progress and our shared confidence in an organisation’s continuing progress.

a) Priorities for our funding

Absolutely central to the Arts Council is development and innovation across performing and visual arts, music, literature, film, and emerging forms and creative areas, and supporting those creative organisations, their artists, and makers. This is underpinned by our desire to ensure that the arts are experienced and promoted within local communities, nationally and internationally.

We are also deeply committed to advancing the power of the connection between arts and health, to developing the role of arts and creativity in the lives and learning of all generations, to supporting sustainable work across global and local stages, spaces and networks, and to growing relationships that nurture an international outlook for future generations and cultural life in Wales. As well as our own work and investment, we value the contributions that our partner organisations make to these areas of work.

If we are to build on these intentions to generate an artistically exciting, and sustainable network of organisations in today's rapidly changing and financially challenged society, we believe that we must turn a fresh lens on our funding. Therefore, we will seek to fund organisations that particularly embrace the following **six priorities**:

i. Creativity: art that is imaginative, distinctive, international in outlook, ambitiously created in responsible and relevant ways, and that resonates with individuals and communities

With creativity at the heart of everything and everyone in our sector, it is only natural that it plays a lead role in our funding decisions. As the Arts Council of Wales, we should be the guardians of established artforms, and the champions of emerging and mixed creative practices. With our new approach, we will sharpen our focus on creativity that is exciting, innovative, diverse, ambitious, representative, relevant, ethically sustainable, and international in outlook.

ii. Equity, diversity, and inclusion, so that individuals and communities can make, co-create and experience art on their own terms

Our funding decisions must consider the impact on, and benefit to, the entirety of Wales. Our intention is to support a sector that is deeply connected with communities, particularly those that are currently underserved and those that continue to face barriers to engaging with the arts. Individuals and communities, regardless of their background and experience, and wherever they live in Wales, must have the pathways and resources to make and experience art on their own terms. We want to see people actively and creatively engaged in deciding what counts as culture, where culture happens and who makes and experiences it. We want to see a commitment to anti-racist and anti-ableist actions and a recognition of the multiple barriers that come with socio-economic deprivation. In short, arts and culture in Wales should reflect the lives of all its citizens.

iii. Welsh language thriving in our creative lives: being able to make, participate and experience arts in the Welsh language; and enabling access to, and celebrating its use in, a bilingual and multilingual Wales

We are committed to supporting the Welsh Government's ambition of a million Welsh speakers by 2050, and because of that commitment, we would like to fund organisations that develop a sense of shared ownership for the Welsh language, and that are committed to developing their use of Welsh in a bilingual and multilingual Wales. We are keen to see organisations maximise opportunities to learn and use Welsh and carry out the crucial service of generating work for and with Welsh speakers and learners. We want people to understand the story of the Welsh language and be aware of its long history, and its growth and evolution in contemporary Wales's cultures and communities. We would like organisations to consider Y Cynnig Cymraeg [Welsh Offer] as a 'kite mark' of how they offer services bilingually, and to place value on lived experience of the Welsh language and on supporting speaking skills in recruitment and governance.

iv. Climate justice via creativity and action that is socially, environmentally, and ethically sustainable

We all need to take ownership of the climate and nature emergencies. We will do this by supporting the potential of the arts to imagine, connect, communicate, and effect change in Wales and the world through values of empathy, solidarity, and healing. We seek to enable artists to feel empowered, safe, and supported to undertake work relating to climate justice. We will work with those we fund to decarbonise our practices to achieve an arts sector which is carbon neutral by 2030 and net zero by 2050. In all our decisions, we will make ethical choices that consider the impact on people and planet locally and globally.

v. Nurturing talent for a robust future, with pathways that allow everyone to develop creativity, skills, and leadership

We want our funded organisations to recognise the breadth and depth of artists within the sector, and to understand that a successful and inclusive artistic ecosystem requires us to all work together. Investing in future leaders is a core part of this. We want organisations to nurture skills and develop our future generations of cultural leaders and artists. We will look for evidence that organisations are creating pathways for all and listening to new generations and communities. We want to see this done in a way that recognises the well-being of these individuals and with remuneration that is fair and equitable.

vi. Transformation: seizing new opportunities and taking risks, being resilient and responsive to change, while remaining relevant to people and communities

Organisations that we fund must be committed to a healthy way of working and a positive culture, and to ensuring they are responsive, innovative, relevant, and accountable. This doesn't necessarily mean growth, but we will interrogate how organisations make decisions, who they involve, and the inclusiveness of those decisions. We are looking for organisations that lead the way in their field – supporting and partnering with individual artists, freelancers, and other bodies. It is also important that the funded organisations have robust and resilient governance and organisational structures to deliver on their plans, take and manage risks, and to identify areas that require assistance and support.

These six priorities are designed to protect, develop, and support the future of the arts in Wales, and the organisations that we fund will help us to do that. In the coming weeks, months, and years we want to explore these priorities with the sector, working together to collate resources, inspiration, and indicators of progress to help us all benchmark and map out our development towards our collective vision and ambitions.

b) Renewed structure for our funding

We want to create partnerships of collaboration with our arts organisations, so that we can shoulder evolving challenges together. We wish to simplify access to our funding and be more responsive, in order to create opportunities for organisations of all sizes and all artforms – from the smallest, the rarest and the emergent, to the largest, most widespread and most flourishing.

To complement our new priorities, we need a new funding structure, which will incorporate the following elements:

- the opportunity for organisations to access initial three-year funding
- the opportunity for organisations to access a further three years (decided in a year two 'check in') for organisations that demonstrate they are achieving their outcomes
- the opportunity for additional one (or more) year agreements for organisations that are falling short or needing support, or to give notice to end funding
- the opportunity for three-year programme and project funding for festivals and organisations that do not require core funding or that we decide not to core fund.

These new models for priorities and structure will give us greater flexibility and ability to help organisations across the length and breadth of Wales become more resilient, and to thrive and prosper. They should address the difficulties experienced by organisations who currently apply year-on-year, across an extended period, for project and programme funding, and will also allow organisations to apply for funding at different points in time depending on their own circumstances and strategies, rather than waiting for an opportunity every five years.

And we must be clear about our intentions: in future, this new approach may mean that we no longer carry out an Investment Review 'event' as we have been doing, focused on funded organisations; instead, we may periodically review the impact of all our funding decisions, and consider how our funding as a whole across the sector is helping us to achieve our strategic priorities and what our forward response should be.

c) What will we expect of arts organisations?

Our new approach to funding will require the Arts Council to make bold and difficult decisions and look beyond the habits and norms of previous investment reviews. Though change can often be challenging, we are confident that this new way of looking at things will be incredibly beneficial for arts organisations and artists in Wales.

As we make our decisions, we will be looking for organisations to demonstrate how they can use funding to respond to our priorities to help achieve significant, healthy, and prosperous outcomes for individuals and communities. We will not fund organisations that fall short here.

We also need to be clear that both Grant in Aid and National Lottery funds are under pressure. We want organisations to only ask for what they absolutely need, and not merely apply for incremental increases on existing funding.

We will be asking organisations to show us:

- their plans and intended outcomes for the next three years against each of the six priorities
- where they are in their journey against each priority and what they have achieved with the resources they have accessed to date; this will evidence how committed they are to progressing each priority and their ability to deliver within their means
- evidence that they are exemplars and leaders in their field
- how they will deliver
- how they involve audiences and relevant individuals in their decision making
- how their governance ensures a healthy organisation, with structure and capacity for reviewing, responding, and adapting to change.
- how they will approach risk assessment

We will be less inclined to base our decisions on an organisation's previous levels of funding or their historical track record, and more inclined to examine the current and potential quality, relevance, and community role of an organisation's work. Further, we will look to see if an organisation fills a gap that has perhaps previously been left unattended or under-represented.

We also understand from our own experience that positive change is a journey, and it will be important for applicant organisations to share own journeys of transformation to date, as well as their plans for further evolution. We will be analysing their path and progress, relative to the support, investment, and resources at their disposal. Further, we will want to know about their organisational structure and culture, so that we can be reassured they are proactively reflecting and adapting, while making considered decisions in a way that embodies the Well-being of Future Generations Act's five ways of working.

In striving to support a diverse and inclusive range of organisations, we will need to carefully consider that some applicants may not have the resources or experiences of others, particularly those smaller arts organisations who may be new to the process.

We will ensure that the single-route application process is as simple as possible to complete, and we commit to assessing the substance of the application over its style.

With that in mind, we will be updating and simplifying our application process and giving organisations the opportunity to provide examples of how they have effected change in the past, how they are embedded in their communities, and how funding would be transformational for plans that they have not been able to enact in the past.

But we want organisations to be honest with themselves and with us about where they are on their transformation journey. We are fully aware that to embrace the new, we need to be flexible and agile ourselves, but we need to ask applicants to be clear about their needs, so that we can effectively exercise that agility and flexibility. We are willing to take risks, as long as we understand the risks we are taking.

Part (a)

Q: In the section ‘The fundamentals of our new funding approach’ part (a) we refine the high-level focus areas into six more defined priorities that will form the foundations of our application questions and assessment. Do you think the priorities reflect the priorities of the sector and the nation?

Q: Do you think any priorities should be removed? (Tell us which ones and why)

Q: Do you think there are any priorities missing? (Tell us what and why)

Part (b)

Q: Looking at the section ‘The fundamentals of our new funding approach’ part (b), do you think a single application process for all applicants is the right way forward to ensure consistency and fairness? If not, please tell us why

Q: Do you think the approach to offering more flexible funding of up to three years, reviewed at year two, is the correct approach?

Q: Do you see any concerns about this approach or anything else in section (b)?

Part (c)

Q: The section ‘The fundamentals of our new funding approach’ part (c) describes the high-level overview of what we will ask organisations to do in order to apply. Do you think there is anything else we should be asking for? What and why?

Q: Do you think we are asking for anything that we shouldn’t be? What and why?

PART TWO:

JOINING OUR JOURNEY – THE HOW AND WHEN

1 – Our commitment to you

We know that applying for funding can be challenging, confusing and at times emotional. For some organisations it's a huge stretch.

Therefore, in addition to simplifying the application process, we intend to be as supportive, adaptive, and responsive as possible. We will provide guidance about the essential components that we expect to see in a business plan. We will share our thoughts on indicators of progression against our priorities. We will link to useful resources to inspire and help your planning.

We also want to be clear about our expectations. We want to be ambitious and bold in building this new network of partners, which means we won't be able to support everyone, and those that have received funding before, may not continue to receive funding if they are unable meet our priorities. Therefore, if current portfolio members fail to achieve multi-year funding in this process, we will work with them to find a new future. If this means that organisations must take the brave yet disappointing decision to discontinue their work, we will do our utmost to support this process, and to celebrate their achievements and impact. This may be difficult for people to hear and understand, but if we cannot show through our decisions that we are evolving, we will be merely reinforcing the status quo.

Further to these commitments, the following overarching principles will be applied to the process:

- Ensuring that a single review process applies equally to all organisations.
- Welcoming applications in English, Welsh and BSL ensuring fair and equal treatment regardless of language.
- Looking at the full range of funded activity, examining the extent to which artists and audiences in Wales are being properly served.
- Encouraging the involvement of the arts community, through consultation, in helping us to formulate the process that we use.
- Ensuring open, meaningful consultation with funding partners and stakeholders.
- Reaching strategic decisions, with the choices made based on a clear articulation of our priorities.
- Committing to openness and transparency, making all relevant information publicly available.

- Recognising the current economic context and seeking out proposals that represent clear value for money by reducing the level of dependency on Arts Council funding.
- Increasing sustainability by encouraging organisations to develop proposals that are durable, resilient, and embedded within the community that they draw on for support.
- Committing to allow sufficient time for the consequences of the process to be properly managed.
- Offering the opportunity for applicants with access needs to respond in a format of their choice e.g. written, spoken, signed, etc and provide support to the applicant to assist in their reading and understanding of the application questions.
- Ensuring our management of any conflicts of interests for our officers and members fully complies with our published Code of Best Practice.
- Providing a dedicated email address to submit any questions. We will respond to these by publishing the questions (but not their source) and our answers throughout the consultation and application process.

We also want to highlight that our National Lottery funding will continue throughout the Review including Create, which can support business development applications of up to £10,000.

Q: Looking at the section 'Our commitment to you' do you think our commitments to you are clear enough?

Q: Are there any other commitments from Arts Council of Wales you would wish to see during the process?

2 – How organisations can apply for multi-year funding

a) Overview of process

The application period will run from January to March 2023:

- The application form will be simpler than previous years, but robust enough to allow us to gather the essential information and data we require.
- This will be done through our funding portal; organisations will need to register with the portal by late 2022 if they haven't already done so.
- We'll be asking quantitative and qualifying questions about your organisation itself, and a series of qualitative questions based on our six priorities and your ambitions.
- An accompanying business plan will be required as a supporting document. This will provide additional assurance and you'll be able to reference it in your answers.
- Organisations will need to decide what level of funding they intend to request and provide a clearly described rationale for the funding level requested.
- We will have access support available and will provide a full service to any applicant wishing to apply through video or audio etc. We will add the data to the portal as required to meet our standards.

b) Timeline

- Applications will be welcomed between Monday 9 January 2023 and Friday 31 March 2023.
- Final decisions will be confirmed by Arts Council of Wales, together with agreement on requirements and conditions, in September 2023.
- Regular funding will commence on 1 April 2024.

Q: In the section 'How organisations can apply for multi-year funding' we describe the overview of the process and the timeline. Do you understand what we will ask for and the main dates for applications and decisions?

Q: Do you have any further comments or suggestions on the Overview or the Timeline?

3 – Our assessment process

Following a basic eligibility check, our assessment will be subject to a four-stage process:

- Individual application eligibility check and review by an Arts Council of Wales Officer, who will be trained in the assessment of applications.
- This will then be taken to an Officer and Associate group with the appropriate expertise to consider, review, and moderate the first stage officer stage assessment.
- The outcomes will then be reviewed by a group formed of our Senior Leadership Team and each of the Chairs of the second stage groups, who will make recommendations to Council.
- Council will make final decisions on the success or otherwise of applications.

Q: In the section ‘Our assessment process’ we describe the internal journey of your application. Do you understand what stages your application will go through as part of the assessment process?

Q: Do you have any further comments or suggestions on ‘Our assessment process’?

4 – How we will assess applications

Our focus will be on the information contained in the application including the supporting business plan, budget and evidence of work. We will be assessing this information across the questions in the application which are aligned to our six priorities.

We also reserve the right to use information available in the public domain and our own records.

Q: In the section ‘How we will assess applications’ we describe the basic documents and broader factors that will form the basis of our assessment of applications. Do you understand what information we will use as part of the assessment process?

Q: Do you have any further comments or suggestions on ‘How we will assess applications’?

5 – Our funding offer

a) Offers and extensions:

As highlighted above, the initial term offered will be three years, although where we consider it appropriate, the term may be shorter.

The discussion and opportunity to confirm an extension to our funding agreement for a further period of three years or less will arise in year two at a ‘check in’ on progress.

We will manage the renewal of funding on a tailored basis according to our assessment of an organisation’s delivery against our priorities and its overall performance. Council will only be able to confirm future years’ funding to organisations once it has itself received confirmation of its own level of funding from the Welsh Government. We therefore will have to caveat that any offer we make is based on the availability of funds. Applicants will be asked to include a figure for Arts Council funding for 2024/25, 2025/26, and 2026/27 but we will confirm funding figures on a year-by-year basis. Planning figures used for the period of operation beyond the first three years in an organisation’s business plans should assume no growth or reducing grant income.

We reserve the right to make a lower offer than that requested by an applicant, or to tailor funding across the period of the agreement.

We will consider entering into multi-year funding agreements with National Lottery funded applicants for programmes and projects, where appropriate, to assist them in their longer-term planning.

b) Arts Council of Wales’s future funding management

The Arts Council will undertake a new approach to its own multi-year financial planning, to allow it to enter multi-year agreements with new and emerging organisations as well as extending or ending existing funding agreements.

Full details of our approach to funding will be in our Strategic Plan, April 2023.

Q: In the section ‘Our funding offer’ we describe, at a high level, the proposed lengths of funding we might be able to offer and when these might be renewed (how organisations might exit these funding arrangements will be part of a separate process). Do you understand and agree with what we are proposing here?

Q: Do you have any comments on anything in this section?

6 – Monitoring and accountability

All organisations awarded multi-year regular funding will be required to agree and sign funding agreements with Arts Council of Wales. These will embody the requirements of the Cultural Contract being developed by the Arts Council in partnership with Creative Wales and the Welsh Government, and will include:

- improving the diversity of the organisation’s board, workforce and programmes of work.
- increasing opportunities for individual artists and creative freelancers.
- ensuring that those working in the arts are fairly paid.
- encouraging organisations to measure the environmental and well-being impact of their activities against the goals in the Well-being of Future Generations Act.

The funding agreement will also specify the expected outcomes to be achieved against our priorities. These will be subject to annual review by the organisation and Arts Council of Wales, and once achievements are agreed, they will be reported to our Council and published on the organisation’s website and in its annual report.

Q: The section ‘Monitoring and accountability’ provides a very high-level overview of the principles we propose using for monitoring funded organisations. Recognising that the full details (including elements like the Cultural Contract) are not yet available, do you understand the general principles of using funding agreements and the proposed Cultural Contract as part of the overall monitoring process?

Q: Do you have any other comments on the ‘Monitoring and accountability’ section?

7 – Eligibility

Organisations who can be considered in the Investment Review (and therefore ‘eligible’ for future funding) are:

- ▶ any organisation that:
 - is based in Wales, and formally constituted. Eligible types of organisations include (but is not limited to):
 - a Company Limited by Guarantee
 - a registered charity (including charitable trusts)
 - a Charitable Incorporated Organisation (CIO)
 - a Community Interest Company (CIC)
 - part of a Local Authority
 - part of a university

Please note that not-for profit organisations that are constituted in a different way must speak to us to confirm eligibility before applying otherwise their application may not be assessed.

- has a written constitution/memorandum and articles of association that reflects an arts focus.
 - has at least five trustees/directors registered with Companies House and/or Charity Commission by 31 January 2023 or, an Advisory Board for those organisations that may be led by a statutory body (e.g., Local Authority, University or BBC).
 - has produced at least two years of financial statements (audited accounts or the equivalent for your organisation or local authority/university department) and filed them with Companies House and/or Charity Commission (where appropriate).
 - can demonstrate a track-record of promoting and managing a project-focused or year-round programme of quality arts activity.
- ▶ consortia of organisations, provided that all members of the consortium fulfil the eligibility criteria in (a) above (one organisation will need to take responsibility as a lead applicant and manage the funding relationship).

Please also note that current eligibility does not guarantee future funding.

The following will not be eligible:

- ▶ individuals
- ▶ schools (full time educational establishments that are either independent or under local authority management)
- ▶ Companies limited by shares
- ▶ Companies with sole directors or companies with only two directors (or more) who are related or living at the same address.

Q: Looking at the section 'Eligibility' do you understand who can apply as part of this process based on the information provided?

Q: Are there any changes you would make to the eligibility criteria? If so, what are they and what are your reasons?

8 – Appeals

We expect to manage our decision-making process to the highest standard. However, we will establish an independent process for the consideration of appeals on the grounds of the fairness of the process only. We have previously consulted on this process and the appeals process for our last Investment Review will form the basis for our [2023 Appeals Process](#).

Q: Do you have any comments on our appeals process?

9 – Freedom of Information and Data Protection

We're committed to making the Investment Review process as open and transparent as possible. We believe that the public has a right to know how we spend public funds and how we make our funding decisions. Our aim, therefore, is to publish all relevant material on our website, with the exception of information which is genuinely confidential or commercially sensitive.

We are 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 to see 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 [Freedom of Information](#) 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. Our policy on [Freedom of Information](#) is available on our website.

Protecting the privacy and personal data of our clients and visitors is of the most importance to us. Any personal data received and processed as part of the Investment Review will be in accordance with the Data Protection Act 2018. Further details on our compliance with these requirements, particularly our arrangements for handling and assessing funding applications, may be found in our published [Privacy Policy](#).

10 – What do you think?

In this paper, we have outlined our proposed new approach to the Investment Review process. We now want to hear from you. We are consulting on this approach and need your feedback.

We're asking that you respond to the questions in this document.

On our [website](#) you can find related documents as well as updates in our FAQs. You'll also find a link to an online survey which you can use to respond.

Should you have any questions or if you need access support to make your response, please email us on investmentreview@arts.wales.

We are also hosting a series of facilitated consultation sessions, details on our [website](#).

The deadline for the consultation is 5pm, 10 October 2022.

After the conclusion of the consultation, we'll publish the outcome and our response. We'll explain where we've decided to make changes, where we've decided to keep to our original proposals. We'll also explain the reasons for our actions.