

# Culture and Communities Committee

10.00am, Tuesday, 14 November 2017

## Third Party Cultural Grants Funding - Review Update

Item number	8.4
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	<a href="#">C46</a>

### Executive Summary

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This report presents a proposed new cultural funding framework and also recommendations to further progress the third party cultural grants review to conclusion.

The proposals are informed by the [Third Party Cultural Grants Co-production Conversations and Update report](#) to the Culture and Sport Committee Tuesday 25 October 2016; the [Citywide Culture Plan Update & Culture Grants and Service Payments to organisations 2017/18](#) reports on 20 March 2017.

This report recommends a further, final work programme to deliver a new funding framework to refresh the Council's impact on, and partnership funding contribution to, a successful cultural and creative city.

The recommendations take account of the Council's Business, Service and Culture Plans themes, principles and commitments.

The changes recommended are intended to maintain the fundamental stability of the cultural sector in the city.

## Third Party Cultural Grants Funding - Review Update

### 1. Recommendations

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It is recommended that the Committee:

- 1.1 Approves the continuation for one year (2018/19) of the current third party cultural grant funding arrangements.
- 1.2 Approves the continued development and delivery of the Council's third party cultural grants programme described in the report recommending the establishment of 3 levels of Council funding through a Strategic Partners Funding Programme (Level 1) and a new Open Fund (Level 2). Level 3 would be the small Project Grants introduced in this financial year (2017/18).
- 1.3 Approves the establishment of a Reference Group made up of representatives of both funded and unfunded organisations to contribute to the further testing and finalisation of the proposed funding framework and associated assessment and award processes.
- 1.4 Instructs the Executive Director of Place to provide a final update and report by mid-2018.
- 1.5 Approves the timeline of the introduction of the final new funding programme in financial year 2019/20, with new application, assessment and funding recommendation processes commencing in October 2018.

### 2. Background

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- 2.1 For over 15 years now, the Council's Culture Service has revenue grant-funded c.36 organisations, with very little change. For the majority of that time, funding agreements have been awarded, in principle, for period of three years.
- 2.2 Whilst this has ensured success and stability in Edinburgh's arts environment, in particular for performing arts and core festivals, it has emerged through consultation and co-production conversations that it has also led to a lack of support, development and opportunity for new talent and the production of new work across art forms in Edinburgh. This is essential to the vibrancy expected of a cultural destination city and to retain talent and develop and nurture creativity going forward. The proposal therefore, is to create a ladder of opportunity through the Culture Service arts funding programmes which support small, medium and larger scale, longer term, arts activity throughout the city.

- 2.3 While some existing recipients, specifically festivals and theatres have seen some variance and adjustment to their funding levels during this time, and as a result of the development of a number of sector-specific strategies, it has meant that the Council has had limited direct impact on the growth, support and refresh of new work and talent across the city.
- 2.4 It is acknowledged that the current funding programme offers a range of professional development opportunities through revenue funded organisations which was illustrated in the presentation by Julia Amour (Director of Festivals Edinburgh), Adrian Harris (Chief Executive, Queen's Hall) and Linda Crooks (Executive Producer, Traverse Theatre) to the Culture and Sport Committee on 25 October 2016, and captured in the [minutes of the meeting](#).
- 2.5 In the last two years, revenue funding agreements have been for one year only to allow for the further development of the third party cultural grants review process. A list of those currently funded and the grant levels received, can be found in Appendix 1. The continuation for one year (2018/19) of the current third party cultural grant funding arrangements is recommended:
- 2.5.1 to allow adequate change management opportunity and to allow outcomes to be shared with, and assimilated by, the cultural sector in the city;
  - 2.5.2 to allow for the introduction of the two new project funding streams, a direct outcome of the co-production conversations in 2016; and the continuation of the existing visual arts and crafts programme of smaller award project funding (the outcomes of the first round of new Project Funding awards can be found in Appendix 2);
  - 2.5.3 to acknowledge that currently funded arts organisations will require time to plan for, and accommodate, potential funding changes as a result of the outcomes contained in the report;
  - 2.5.4 to take account of Creative Scotland's Regular Funding grant award process the outcomes of which are to be announced in December of this year and therefore it is vital that key funding bodies do not introduce potential funding changes and decisions simultaneously (Creative Scotland's decisions are not shared in advance with their partner funding stakeholders);
  - 2.5.5 to note that a funding review and any associated changes are intended to maintain the stability of the Edinburgh arts environment; and
  - 2.5.6 to allow for essential refinement of the assessment and selection processes associated with the proposed funding programme delivery changes in partnership with a Reference Group.

## 2.6 Purpose of the Review

- 2.6.1 to re-examine funding allocations and associated processes to ensure a fair, accessible and accountable grant awards process;
  - 2.6.2 to ensure open and competitive allocation of limited funding resources to maximise partnerships and benefit to the city's cultural and economic future;
  - 2.6.3 to ensure that the Council offers an efficient, flexible and effective contribution to Edinburgh's role as a cultural and creative international centre of excellence; and
  - 2.6.4 to continue to ensure residents and visitors have excellent opportunities as arts and creative participants, practitioners and audiences
- 2.7 It is intended that the further progress and subsequent implementation of the Review recommendations will seek to ensure the fundamental stability of the sector.
- 2.8 In the [Third Party Cultural Grants Co-production Conversations and Update report](#) (October 2016), the Culture and Sport Committee agreed to retain the existing cultural revenue grants funding programme for one year to allow for sector stability during a time of pending influential outcomes including: EU membership; City Region Deal negotiations; and local government elections. All of these are now decided and outcomes known.
- 2.9 The nature of change proposed in this report will require one further year of retention of the current revenue funding programme to allow the new programme proposals to be appropriately tested, refined and introduced with stakeholder awareness, understanding and acceptance.
- 2.10 Stakeholders include both funded and unfunded organisations in Edinburgh, partner funding bodies, in particular Creative Scotland.
- 2.11 A briefing and discussion programme allowing detailed interrogation of the proposals by a Reference Group, the membership of which would be made up of both funded and unfunded organisations, would be essential.
- 2.12 Currently funded organisations are aware of the need for change and renewal in the Council's role in the city's cultural funding environment. Many have been directly involved in the evolution of the Desire Lines programme and Culture Plan development and recommended actions.

## 3. Main report

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### 3.1 Context

The current allocations of the culture service third party funding programme ([Culture Grants and Service Payments to Organisations 2017/18](#) - report of 20 March 2017 to Culture and Sport Committee) reflect the outcomes of the approach taken by the Council over a number of years to develop individual art-form

strategies. Each one of these took at least a year to develop and further time to implement. The model for these included the full involvement of the relevant sector representatives. As a result of this albeit thorough and time-consuming approach, art forms and infrastructure strategies have in fact had varied outcomes in terms of both recommendations for resources and actions, given the inevitable variance in the economic context over time.

- 3.2 The citywide Culture Plan, ([Outcome of Cultural Policy Review](#) – report of 30 November 2015 to Culture and Sport Committee) was developed to both reveal the needs and aspirations of the sector itself and to reflect and implement opportunities for engagement on a much broader basis. The Plan was developed and delivered through an extensive consultation process which has since been acknowledged as both innovative and successful (Desire Lines). The key example of this success is that the innovative consultation model led to the invitation for Edinburgh's membership of the [World City Cultures Forum](#) through the Council.
- 3.3 A fundamental aspect of this consultative process was the consistent message that to deliver a Plan through partnership involvement of other sectors, for example, health and business, it should reflect a shared civic agenda. Therefore, the Council has become both a partner and facilitator in the delivery of the citywide Culture Plan. An update on the actions agreed upon in the Plan was reported to the Culture and Sport Committee on 20 March 2017 ([Citywide Culture Plan Update](#)).
- 3.4 To further progress the Third Party Cultural Grants Review, a series of co-production/consultation conversations took place throughout 2016, the resulting recommendations being reported to the Culture and Sport Committee on 25 October 2016 ([Third Party Cultural Grants Co-Production Conversations Update](#) report).
- 3.5 Alongside the previous conversations with Council-funded and unfunded arts organisations and individuals, it is intended that the recommendations in this report will be further developed with the input from a Reference Group made up of both funded and unfunded representatives. This approach is recommended given the inevitable challenges in proposing and implementing changes to funding programmes where the impact will not be equivalent for all interested parties.
- 3.6 Since October 2016, further work has been undertaken by the Culture Service to establish a recommended approach to refresh the Council's programme, and to both deliver against the Review parameters, and to meet the requirements reflected in the Culture Plan consultation and action plan. To allow more and flexible access to resources ensuring that more small and medium level projects and proposals can thrive alongside larger, longer term arts and cultural activity in Edinburgh. Two key outcomes have emerged.
- 3.7 **Outcome 1: Establish a Strategic Partners Funding Programme (SPFP)**  
Through a mixture of strategic and historic relationships, the Council has funded a fixed group of third party cultural organisations for over 15 years now. While this has ensured a stable environment and strands of developmental excellence, such as the establishment and subsequent benefits of [Festivals Edinburgh](#), it has also led to limited new funding opportunities through the Council's funding programme

for arts practitioners and organisations in Edinburgh. The desire to broaden access to the funds available for third party grants was a clear request from both the Culture Plan consultation feedback and the previously referred to co-production conversations.

- 3.8 Therefore, it is recommended that a new Strategic Partners Funding Programme (SPFP) is established (Level 1). These partners would be expected to reflect key priorities including core festivals and infrastructure.
- 3.9 Strategic Partners would not necessarily be invited to apply for the same level of funding they are currently receiving as this could increase or reduce; and not all currently revenue funded organisations would be identified as Strategic Partners. Core Council culture provision priorities would form the basis of these recommendations. It is important to provide a reasonable lead-in period to enable impacted organisations to plan for any potential changes to their funding award.
- 3.10 The approach would offer an in principle grant level over three to five years for these Partners. The existing Culture Service budgetary savings commitments through to 2019/20 would be met. The final duration of these partnership agreements would be approved by Committee.
- 3.11 The proposal is to agree funding in principle, ideally for the remaining duration of the current Administration in the first instance. The intention would be to offer sustained funding to the Partners involved. Grant levels would be agreed in principle over the approved period, offering a degree of funding certainty for recipients going forward.
- 3.12 Through the SPFP and the associated review of revenue funding levels being made available, a new resource from within the existing budgetary envelope would be made available for the creation of an Open Fund (Level 2). Those organisations not being invited to be Strategic Funding Partners would be invited to apply to the newly established competitive Open Fund (description to follow).
- 3.13 It is currently intended that Strategic Partners would be invited to prepare comprehensive grant applications, including business plans for the proposed funding period, within funding bands, for example: Up to £50,000; Up to £100,000; Up to £250,000 and up to £500,000; and £1M+.
- 3.14 The proposed renewed funding programme reflects key Culture Plan actions including, as a result of this Review process: developing new partnerships and creating new funding streams; developing new and collaborative approaches to funding packages and resources - to therefore create a ladder of opportunity in the city for the development of work and initiatives which to date have had no opportunity to thrive through Council support. The creation of the Council's small cultural Project Fund (Level 3) has already provided the conduit for more than £50,000 to reach the sector for the first time (Appendix 2).
- 3.15 A new pilot partnership with funding provided by the Edinburgh Royal Military Tattoo's charitable company has introduced a further £50,000 to the project funding programme. This is a unique funding partnership between the Council and the

Tattoo's charity, and is evidence of further progress on the Culture Plan Action to develop collaborative approaches to funding opportunities.

3.16 Following receipt of grant applications, funding agreements would be established, led by the Council, with each of the Partners agreement commitments directly reflecting Council's priorities and the relevant level of funding being awarded.

3.17 SPFP applications and agreements would be expected to address the following priority areas:

- Culture Plan objectives (Appendix 3);
- Year-round programme of activity across the city and associated benefits to residents (participants, practitioners, audiences);
- National and international programme, profile and reputation;
- Excellence in the content and delivery of programmes;
- New work commissioning and development, in particular, working with Edinburgh-based artists and practitioners;
- Active engagement with, and reflection of, the city's diverse population;
- Programme of sector-related opportunities for Edinburgh-based practitioners and participants; and
- Partnerships and activity directly benefitting the professional progress of Edinburgh artists and practitioners.

3.18 **Outcome 2: Establish an Open Fund**

The creation of an Open Fund from within the existing third party grants budget envelope would create new opportunities for project and programme development in the city which is currently not feasible.

3.19 A priority would be for the development of new work and opportunities as a result of this for practitioners to gain useful experience in Edinburgh.

3.20 It is intended that organisations would be encouraged to work in partnership to develop opportunities for artists and practitioners and across localities.

3.21 Those organisations which had previously been funded by the Council and not now included in the SPFP would have the opportunity to apply for resources through the newly established competitive Open Fund.

3.22 Open Fund grants would be made available on a maximum of two years basis.

3.23 Further detail on this grant programme would be published subject to Committee in principle approval and as part of the proposed Spring 2018 reporting calendar. This reporting would include the detail of Partner and Open Funds application processes, including criteria and assessment tested in partnership with the proposed Reference Group. This timeline would provide the necessary year lead-in time described earlier in the report.

3.24 The Living Wage is relevant to these proposals. The Culture Service undertook to ensure the implementation of the Council's pledge to support the payment of Living Wage levels in the city including encouraging "...its adoption by Council

subsidiaries and contractors” with funded arts organisations. Since June 2014, the Culture Service has ensured awareness and implementation of the Living Wage with these organisations. In some cases, this had to be introduced over more than one year, given the related budgetary impact. In fact, most of the arts organisations funded by the Council’s Culture Service were paying at least the Living Wage, and in some instances above.

3.25 Since 2017/18 the Living Wage has been included as a standard question in the Culture Service funding application paperwork and agreement conditions. The data supplied is submitted to the Council’s Central Contract Register.

3.26 In summary, the Review outcomes recommend:

- Three levels of access to funding, answering the request from the sector and therefore providing the opportunity in developing work and experience through small grants, and medium as well as longer term funding;
- the replacement of a fixed programme of partnership funding for the same group of recipients with a new funding framework;
- access and opportunity to a wider range of potential recipients than before;
- the establishment of a Reference Group made up of both funded and unfunded representatives to directly contribute to the final stages of delivering the Review recommended outcomes.

3.27 The proposed timeline for the next steps led by the Culture Service would be:

- Establishment of the proposed Reference Group by the end of 2017 (small grouping comprised of balanced representation from both Council funded and unfunded organisations and individuals);
- Agreement of Strategic Partner and Open Fund criteria by Spring 2018;
- Proposed budget allocations to each funding level by Spring 2018; and
- Final report mid-2018.

## **4. Measures of success**

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- 4.1 The progress and introduction of a more accessible funding framework on 3 levels.
- 4.2 Meeting the approved budget savings programme.
- 4.3 The continued stability of the sector while introducing change.
- 4.4 Growing the number of funding recipients and new arts activity across the sector and city.
- 4.5 Addressing Culture Plan actions and objectives; and co-production conversations feedback.



## 5. Financial impact

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- 5.1 There will be no financial impact. The third party cultural grant budget savings programme will not be affected.

## 6. Risk, policy, compliance and governance impact

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- 6.1 There are no risk, compliance or governance impacts arising from this report's recommendations.

## 7. Equalities impact

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- 7.1 Funding of activity by third parties through grant aid contributes to the Council's delivery of its Equality Act 2000 duty to seek to eliminate unlawful discrimination, harassment and victimisation, and advance equality and foster good relations.

## 8. Sustainability impact

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- 8.1 No impact.

## 9. Consultation and engagement

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- 9.1 The extensive Culture Plan and Desire Lines consultation process concluded in 2015/16; the four conversations in July and August in 2016 with 41 sector representatives of both Council-funded and non-Council-funded organisations; conversations with sector representatives this year.
- 9.2 The establishment of a Reference Group is recommended. The membership of this group would also be expected to communicate discussions and findings to their wider networks.

## 10. Background reading/external references

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- 10.1 [Citywide Culture Plan Update](#)
- 10.2 [Culture Grants and Service Payments to Organisations 2017/18](#)
- 10.3 [Third Party Cultural Grants Co-Production Conversations Update](#)

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## 11. Appendices

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Appendix 1 - Culture Service Revenue Funding Awards 2017/18

Appendix 2 - New Council Culture Fund - Grants Awarded 2017/18

Appendix 3 - City of Edinburgh Council Culture Plan Vision and Objectives

## CULTURE SERVICE REVENUE FUNDING AWARDS 2017/18

Name of Funded Organisation	2017/18 Approved Committee Award (20 March 2017)
Artlink	£92,102
Centre for Moving Image	£107,545
Collective Gallery	£5,839
Culture Republic	£27,187
Dance Base	£45,677
Drake Music Scotland	£3,995
Edinburgh Art Festival	£9,590
Edinburgh Festival Fringe Society	£89,802
Edinburgh International Book Festival	£48,228
Edinburgh International Festival	£2,222,363
Edinburgh International Harp Festival	£1,508
Edinburgh International Science Festival	£158,270
Edinburgh Jazz & Blues Festival (Edinburgh Festival Carnival)	£118,977
Edinburgh Mela (New Diversity Event - Leith)	£35,000
Edinburgh Printmakers	£10,741
Edinburgh Sculpture Workshop	£12,627
Festival City Theatres Trust	£616,937
Festivals Edinburgh	£155,882
Imaginate	£76,752
Lung Ha Theatre Company	£16,294
Music in Hospitals Scotland	£888

<b>Name of Funded Organisation</b>	<b>2017/18 Approved Committee Award (20 March 2017 continued)</b>
North Edinburgh Arts Centre	£147,289
Puppet Animation Scotland	£8,624
Queens Hall	£87,983
Royal Lyceum Theatre Company	£343,604
Royal Scottish National Orchestra	£43,091
Scots Fiddle Festival	£4,483
Scottish Book Trust	£431
Scottish Chamber Orchestra	£43,091
Scottish Indian Arts Forum	£4,447
Scottish Poetry Library	£4,300
Stills Gallery	£16,933
TRACS (Scottish Storytelling Forum)	£32,602
Traverse Theatre	£42,264
UNESCO World City of Literature	£30,786
Waverley Care Arts Project	£10,652
<b>Total</b>	<b>£4,676,784</b>

## CULTURE PROJECT FUND - GRANTS AWARDED 2017/18

The new City of Edinburgh Council Culture Project Fund has so far awarded grants to 14 performing arts-based projects.

The Culture Project Fund supports the priorities of the city's new Culture Plan, adopted by the Council in 2015. The plan was developed through the Desire Lines consultation process with input from creative industries, funding bodies, festivals, performers, artists, producers and venues. It highlighted a need for greater support of emerging artists and 'a shared city-wide agenda' for culture in the Capital, which the Project Fund will help address.

The 2017/18 Culture Project Fund was awarded to the following groups working across a range of art forms, from circus and dance to theatre, digital arts, film and new writing. The grants were recommended by a specialist panel featuring performing arts industry professionals and Council officers:

### Grants Awarded – May 2017:

1. £5,000 to support the Village Pub Theatre develop a vibrant, grassroots theatre scene in Leith. Working with Grid Iron Theatre Company, the project will see pub goers encounter snippets of live theatre.
2. £5,000 awarded to Lyra to research and develop A Christmas Tale, a project to broaden Edinburgh's Christmas offering with a specially made production working with young children and their families through the Craigmillar and Southside Community Centre.
3. £5,000 towards Sinking Horses, an endurance performance from Creative Electric to take place in Leith and City Centre. Working with the Hidden Door Festival, Biscuit Factory and the Foundation for Mental Health Scotland the project aims to open up dialogues surrounding mental health, informed and performed by women aged 18 – 64.
4. £5,000 awarded to Creative Carbon Scotland for their Culture/SHIFT programme, which will commission Edinburgh-based theatre maker Alice Mary Cooper to develop new work in association with the Edinburgh International Children's Festival and Catherine Wheels Theatre Company.
5. £4,990 towards 'The Albanauts – Adventures In Time!' This steampunk take on contemporary circus from Circus Alba's performance troupe will support youth activities and performances in partnership with the Grassmarket BID.
6. £4,982.20 to support Strange Town with an Acting for Stage course with Screen Education Edinburgh. The opportunity in Leith and City Centre for young people to develop screen acting and filmmaking skills by making short films will result in public screenings at the Scottish Storytelling Centre.

7. £4,895 to support 'Champion's Tale', a dance and discussion project by BE United journeying to South Africa in Muirhouse in association with the Scottish International Storytelling Festival, Champions Dance Crew and North Edinburgh Arts.
8. £4,800 towards 'Connecting Lives', a theatre project in Craigentenny by Active Inquiry. Partnering with the Bethany Christian Trust, Shakti Women's Aid, the Alma Project and Out of the Blue Arts and Education, the project will bring together and tell stories about those affected by homelessness, mental health and domestic abuse.
9. £4,790 towards Dance Ihayami's I AM HERE summer school. The project will aim to address access inequalities and give 7-16 year olds the opportunity to participate in Indian dance, martial arts and visual arts in a project with WHALE, resulting in a final performance in Wester Hailes.
10. £4,233.30 towards WILDFIRE THEATRE, which will work with women in Leith, Pilton, Royston, Wardieburn and Wester Hailes to listen to their views, share information on creative opportunities and support women's creative writing and involvement in theatre.
11. £3,800 to support research and development collaboration between Red Note Ensemble and Matthew Hawkins for a re-imagining of the iconic Peter Maxwell Davies work Vesalli Icones in the City Centre.
12. £3,450 towards Let's call it Love, an early development performance project by artist Andy Manley, facilitated by Red Bridge Arts in a mini residency at North Edinburgh Arts.
13. £3,000 awarded to Janice Parker Projects with Luke Pell, to develop In the Ink Dark. Made from memory and conversation, the project aims to create a space to engage with a wide range of people from different demographics and communities and result in a series of podcasts, poetry, publications and dance, in partnership with a range of organisations including the Scottish Poetry Library and Leith Late.
14. £2,080 towards 'Leith's Multicultural Music', an innovative project from Citizen Curator engaging new migrant and established Black and Ethnic Minority groups in 'multicultural ceilidh' music-making workshops culminating in public performance.

**CITY OF EDINBURGH COUNCIL  
CITYWIDE CULTURE PLAN**

**VISION:**

City partners work together to keep culture and creativity at the heart of Edinburgh's success.

**OBJECTIVES:**

1. Ensure that everyone has access to world class cultural provision.
2. Encourage the highest standards of creativity and excellence in all aspects of cultural activity.
3. Support greater partnership working in the cultural and creative sectors and maximise resources available to help them thrive all year round.
4. Articulate the positive impact of culture in Edinburgh and promote Edinburgh's cultural success locally, nationally and internationally.
5. Develop and support the infrastructure which sustains Edinburgh's cultural and creative sectors.
6. Invest in artist and practitioner development, and support and sustain the local artistic community.