

#### Arts Council of Wales

#### **COVID-19: Support for Organisations**

Stabilisation Fund

#### **Frequently Asked Questions**

April 2020







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Arts Council of Wales is committed to making information available in large print, braille, audio, Easy Read and British Sign Language and will endeavour to provide information in languages other than Welsh or English on request.

#### Programme basics

What is this fund and who is it for?	The Stabilisation Fund is for organisations who are members of the Arts Portfolio Wales (APW) and those organisations who are outside the Portfolio.  We want to give organisations the best chance of surviving the COVID-19 emergency. The fund is therefore to support organisations to get back on their feet and help them to sustain themselves through the coming months.  Please note:  Not all APW organisations wishing are eligible to apply to this fund. (See below under "Eligibility" for more information.)
How much can I apply for?	A grant of up to £35,000 to be used within six months of being awarded a grant.  In exceptional circumstances members of the APW can apply for a higher figure. This reflects the size and scale, in some cases, of their organisation and its business model. However, they will first need to request, via their 'lead' officer the Arts Council's agreement to apply for a higher figure.
When can I apply?	The fund opens for applications on Tuesday 21 April 2020 and applicants will need to have submitted an online application no later than the deadline of 5.00 pm Friday 8 May 2020.
Eligibility – the Arts	Portfolio Wales

#### Eligibility – the Arts Portfolio Wales

Which members of the APW can apply?	Only the following APW organisations are eligible to apply to this fund:
	• those whose Arts Council revenue funding is less than 55% of total income (taken as an average over the three years 2016/17, 2017/18 and 2018/19)

- those who can demonstrate that they have exhausted all of the possibilities of UK/Welsh Government support
- those who can demonstrate that they're releasing the maximum reasonable amount of any financial reserves that they could contribute to emergency survival

### Which APW organisations <u>can't</u> apply?

We don't expect you to apply if:

- your Arts Council revenue funding is **more than** 55% of total income (taken as an average over the three years 2016/17, 2017/18 and 2018/19)
- you have a sufficient level of reserves and/or Arts Council funding to sustain them for six months
- you are an organisation that is a 'department' of a larger organisation (such as a local authority, university or BBC)

If these exclusions seriously threaten the survival of your organisation, we ask you to discuss this with us.

#### Why can't all APW organisations apply?

The APW organisations receive significant levels of Arts Council revenue funding. In response to the COVID-19 emergency, we have relaxed the usual funding conditions for the first quarter of the year. By re-deploying these funds the majority of APW organisations will, we believe, be able to manage in the short-term on those levels of funding. It is therefore our expectation that most members of the APW will not find\_it necessary to apply for support from this fund.

Our priority is those APW organisations whose Arts Council funding is a smaller proportion of their total income. In many cases these organisations are facing very serious cashflow pressures.

#### Eligibility – non Portfolio Wales

#### Which non-APW organisations can apply?

We need to make sure that your organisation is set up properly. If you've never applied to us for funding before:

• you'll need to include a signed copy of your governing document when you submit your application.

If you have applied to us for funding in the past:

 you'll need to include a signed copy of your governing document if you haven't submitted your governing document to us during the last two years, or if it's been updated since you last applied.

You can apply if you are an organisation who:

- is based in Wales, and formally constituted as one of the following:
  - a Company Limited by Guarantee
  - a registered charity (including charitable trusts)
  - a Charitable Incorporated Organisation (CIO)
  - a Community Interest Company (CIC)
- is **not** commercially structured or a company that distributes profits
- works mainly (50%+) in one of our supported disciplines (music, dance, theatre, literature, visual and applied arts, and combined arts/multi-disciplinary arts)
- has a track record (within last three years) of working in the publicly funded culture sector, including working in/with libraries
- delivers the majority of their work (60%+) in Wales
- has an accountable person aged at least 18 years old within the management of your organisation
- has a registered address in Wales

 has a UK bank account in the name they are applying under and that has at least two people who can authorise transactions

# Do any special governance arrangements apply to the different types of company?

If you are a Company Limited by Guarantee, Charitable Incorporated Organisation, Community Interest Company or Charitable Trust:

 Your organisation must have a minimum of 2 trustees who are not related or do not live at the same address

And your Governing documents must:

- be signed by at least two trustees
- be registered with Companies House and/or Charity Commission
- specify that regular board meetings are to be held
- include an appropriate quorum for decision making

#### If you are a **Company Limited by Shares**:

 your organisation must have a minimum of 2 trustees who are not related or do not live at the same address

And your Governing documents must:

- be signed by at least two trustees
- be registered with Companies House and/or Charity Commission.
- specify that regular board meetings are to be held
- include an appropriate quorum for decision making

#### If you are an Unincorporated Association:

 your organisation must have a minimum of 2 trustees who are not related or do not live at the same address

And your Governing documents must:

- be signed by at least two trustees
- specify that regular meetings are held by a board or governing body
- include an appropriate quorum for decision making

#### Applying for funds

#### What can I apply for?

Funding can be used to cover:

- Activity intended to prevent your organisation from ceasing operation due to the financial impact of COVID-19 emergency, for example:
  - urgent changes of business model
  - essential operational costs (such as rent and staff costs)
  - IT and other equipment related costs to support home working
  - assistance with cashflow pressures
- the development and delivery of activity specifically designed to be achievable during the next six months, including:
  - development projects in readiness for organisations restarting normal operations, for example organisational development
  - public-facing projects, for example digital/online activities

# What can't I apply for? the creation of new work that cannot be delivered at the moment (for example, touring work) any other activity you would normally apply to Arts Council National Lottery Project Grants for costs or losses not incurred as a result of the Coronavirus/COVID-19 pandemic any historic organisational debt

#### **Definitions**

What is the Arts Portfolio Wales?	The Arts Portfolio Wales (APW) is a nation-wide network of 67 organisations across Wales who receive Arts Council revenue funding for their year-round programmes of work.
What does 'publicly funded' mean?	You must previously have been awarded a grant to deliver work – or been part of a project where grant funding went to another organisation.  This can include funding from bodies such as Arts Council of Wales, National Lottery Heritage Fund, National Lottery Community Fund, local authorities, universities, public sector bodies, trusts and foundations, etc.
What do you mean by 'urgent operational costs'?	It's up to applicants to tell us what they need, as it will be different for different kinds of organisations.  This could be any operational costs you would need to pay out such as:  • rent or other building costs  • staff costs  • overheads such as utilities, insurance etc

 costs associated with keeping your organisation operational over the next six months

#### Criteria and Decision-making

#### What are the Arts Council's priorities?

We have two overall priorities:

- The first is to sustain artistic practice and invest in the building of individuals' resilience.
- Our second priority is encouraging the arts in Wales to be more inclusive and far-reaching. We want the projects that we fund to embed the principles of equality and diversity in all that they do. We want more people in communities and places less well-served by the publicly-funded arts to have more opportunity to enjoy and take part in cultural activities. We attach particular importance to work with and for deaf and disabled people. We'll expect you to demonstrate how you've considered these issues in your application.

#### Are there any specific criteria for this Fund?

Applications will be assessed against the following criteria:

- the degree and urgency of financial need, as demonstrated in your application
- the creative and/or artistic strength of the project or activity, or its contribution to supporting creativity in others
- the extent to which the project or activity meets our priorities
- the strength of the impact of the project or activity on your work and the benefit for others, now and in the future
- the strength of the practical plans to managed and deliver the project or activity, including financial planning

	the balance of activities and funding across artforms, disciplines, communities and places across Wales
	We want to make sure the arts and culture sector best represents the society we live in. We hope that this funding will enable the widest diversity of creative practitioners to maintain sufficient income so they can continue to operate successfully in the future. We therefore particularly welcome applications from those who are from BAME backgrounds or who are deaf or disabled.  In reaching final decisions we will consider the balance of activities and funding across artforms, disciplines and
	localities across Wales.
Do you stand more chance of success if you're an APW organisation?	No – all applications will be considered on their individual merits and on the strength and urgency of their case.
When will I get my decision?	We aim to make decisions within 4 weeks of the closing dates. If we can't do this for any reason, we'll let you know.
If I am successful, when would I receive the funding?	We'll authorise payment as soon as we receive your formal acceptance of an award and have verified you bank details. We will usually pay 90% of any award immediately with the balance at the end of your project or activity.
Will there be more rounds of this fund?	For the moment there is only <b>one</b> round of this Fund. We will keep matters under review during the year and depending on how long the current Coronavirus/COVID-19 crisis persists.
Can I apply to the Stabilisation Fund for Individuals if I've already secured funding from the Urgent Response Fund?	Yes.

Is touring work eligible?  Can I apply now for work that will take place next year?  What about tours that are already booked for later in the year that need funding to go ahead?	No – organisations can only apply for the types of activity listed in the guidance. We won't be able to support applications that include future touring work.  This programme's focus is on providing emergency financial support that will conserve our arts and culture sector during this crisis.  Unless it will be delivered digitally or online, this fund can't support any work that is for live audiences, even if the work you'd like to do is designed to happen later in the year or in the future.  We can't support any other activity you would normally apply to National Lottery Project Grants for beyond the next six months.
What will the success rate be?	We cannot say at this stage. We naturally hope to be able to support as many good applications as possible, but we cannot know what can be done until we see how many people apply.
Will you publish the names of people who have been awarded funds?	Yes. As a public funder we're required to publish the names and basic details of all those in receipt of funding through the Arts Council of Wales.

#### Financial matters

If I can secure other

money for my project will	assistance from the Arts Council is intended to complement
it improve my chances of	other funding and support, rather than to duplicate it.
success?	You should only apply for funding if you can't secure the full costs of your project or activity elsewhere.
	You can request the level of funding that you need (up to the limit of the fund). However, given that funds are limited, we're keen to support as many people as we can. Applications that ask for lower levels of funding will

Other funding is not a requirement, although financial

inevitably represent a persuasive case for support.

How would this funding impact on my application for any other form of support?	We cannot advise on how our funding might impact on any other form of support or funding. Please remember that there might be tax implications. You should contact HM Revenue & Customs for advice.
What sort of proof do I need to demonstrate loss of income?	You just need to tell us about any income you have lost. We might contact you to ask for evidence of this at a later date, so keep a record (such as your own records, emails, copies of contracts etc).
Do I need 10% match funding?	No, you do not need any match funding to apply to this programme.
Do I need to give you a budget for how I would spend the funding?	Yes – completing a simple budget template is part of the application process, but it is only brief. We'll also ask you for a cashflow so that we can see how you'll manage your funding.  The cashflow should cover the six-month period from the date of your application.
How do I complete the project budget?	How you complete the budget template depends on precisely what you're applying for.  If you're applying for a project or activity, You must upload a project budget to the attachments section of your application. The budget must be on the template provided in the application form. Please note that once you have submitted your application you will not be able to amend the budget so please make sure all costs for the project have been included.  These are the pages that you will need to complete.  • Summary – fill in your organisation's name and the project title. The remainder of the cells will automatically populate as you complete the expenditure, income and access costs (if applicable) sections.  • Expenditure – this page is where you tell us what costs you will incur to deliver your project.

	<ul> <li>Income – this page tells us what funds you will receive in relation to your project</li> <li>Access costs – personal access support costs for you, or anyone directly involved in developing and the delivery of your project creatively.</li> <li>Please show in your budget how you have worked out and reached the figures you have included in your budget.</li> </ul>
How should I complete the expenditure section of the budget?	Please show in your budget how you have worked out and reached the figures you have included in your budget.  You should only include reasonable costs that are relevant to your organisation and your current situation.  You should complete these as fully and accurately as possible.  You should give detail on how you have arrived at your figures. For example, your artists' costs or reasonable capital expenditure should be broken down.
What about VAT?	If you're registered for VAT, your expenditure figures shouldn't include VAT that you can claim back (often called recoverable VAT). Any VAT that you expect to incur but can't claim back (irrecoverable VAT) should be included as a separate category of expenditure and you should explain how you calculated this figure.  If you're not registered for VAT your costs should include VAT.
How should I complete the income section?	Please show in your budget how you have worked out and reached the figures you have included in your budget.  There are 5 sections in the Income section:  Arts Council of Wales grant request Note the amount of funding you are requesting from us.  Your own funds Here you can tell us how much of your own funds you are contributing towards the project.

#### Earned income

List any income you expect to earn from your project. You should be realistic about the level of income you are likely to earn for your activity.

#### Other funding

Securing other funding for your project lets us know that there is wider support for your project. Please be realistic about how much other funding you are hoping to realise.

#### Support in-kind

Support in kind can be:

- volunteer time
- loan of equipment

Support in-kind can't be from your own resources or be suppliers' discounts.

#### How do I complete the summary section?

Your summary page will summarise your total expenditure, total income and the balance should be £0.

It will then show you how much funding you are requesting from the Arts Council of Wales and the percentage level. This must be within our funding limits.

If applicable, any funding for additional access costs requests will also be displayed.

The total Arts Council of Wales funding will include the project grant request plus any additional access costs. This is the figure to include in the application form under Amount Applied for.

## Can this fund be used to pay off some of my longer-standing debts?

No – funding is specifically to help you tackle the difficulties caused to your organisation by COVID-19.

# I have access requirements – what help can I get to fill in the application?

If you have specific access requirements you can contact our grants and information team on <u>grants@arts.wales</u>

# Can I include personal access costs in my project budget?

We can help to cover access support costs for you, or anyone directly involved in developing and the delivery of your project creatively. These might include interpreter costs, support workers, specialist equipment or software.

In your budget please give a breakdown of the access costs. For example: Support worker: £ per day, X days

This total is separate from the amount you are applying for to deliver the project. This total will be added to the total grant request.

#### What are access costs?

Access costs in this context can include, but are not limited to, the following:

- personal care support at home
- help with transport
- travel to medical appointments
- personal assistant support
- additional therapist support over and above of what you currently receive
- an advocate
- communication support such as BSL interpreter, note taker, speech to text reporter, lip speaker, audio description, facilitation or translation of documents into Easy Read or other formats such as large print or audio, translation support if English is not your first language
- communication support provided remotely or purchasing software and equipment to deliver communication support.

#### What bank evidence do I need to submit?

We will need to see evidence that:

• the account is in your legal name

- you're providing the bank sort code and account number
- the address on the bank account is in Wales

This evidence will need to be:

- less than 2 years old at the date of application
- an official bank communication, for example:
  - Photographs of the bank card for the account that show the account name, number and sort code. (If your name is not evidenced on the card then additional information will need to be provided, linking you to the account details)
  - A letter or email which clearly demonstrates that it has been sent by your bank confirming the information required.
  - Screenshots of you logged in to your online banking showing your name and your bank account information

You might need to include several documents to ensure that the information required can be clearly linked to the account details.

If your application is successful, we will check this information by asking you to provide further details about your account. We won't be able to release any payments to you until we have received and checked this information.

#### Please note:

- we can't accept building society accounts that operate with a passbook only.
- we cannot accept joint accounts.

#### The budget for this fund

What is the overall budget for this fund?	We're aiming to allocate around 80% (£5.5m) of the total available funds to support the Stabilisation fund for Organisations.
How will you split the funds between APW and non-APW organisations?	At the time of writing we haven't yet decided on a final split of funds between the APW and non-APW organisations. We'll monitor the number of applications and decide in the light of actual need.
Where has this money come from?	We have reallocated some of our government grant-in-aid and the Welsh Government has contributed additional funding to the overall funds. We have also taken the difficult decision to suspend for six months our Lottery open-to-application programmes and to divert funding to the Resilience Fund. We will review the situation later in the year and will announce when we can the re-opening of funding programmes.

#### Information and support

Information and sup	normation and support	
How can I get access support while isolating/distancing?	Given the current restrictions in place, it's not possible for face-to-face support (outside of regular caregivers) to take place. We'll continue to support individuals who have support workers (including family members) via the Access Support Fund to interpret the guidance and/or make an application.  The best thing to do is to get in touch with us via grants@arts.wales	
Can I speak to an Arts Council officer?	Our staff aren't able to offer specific one-to-one advice about how to write your application for this Fund. We have designed this application process to be as straightforward as possible, requesting only the information we need based on your current circumstances.  Our capacity for general advice giving is extremely limited at the moment, but if an individual has access needs and requires further support to complete the application, they can contact grants@arts.wales	

#### Other Lottery funding

I already have a National Lottery Project Grant or Does that impact on me applying for this fund? You should have been contacted by now so that we can discuss what happens next with that funding.

If you are in receipt of other Arts Council of Wales funding we would normally expect you to discuss with us ways that this funding might be used to sustain your activities. However, if these are insufficient to meet your urgent needs, we'll need you to explain why.

When will National Lottery Project Grants re-open?

We don't have a date at the moment, but it's likely that our normal 'open-to-application' programmes will remain closed for the first 6 months of 2020/21. We know that National Lottery Project Grants are a vital part of many individuals' and organisations' business planning. We'll do our very best to re-open these funds at the earliest opportunity.

#### Changes to this guidance

Will you be making any changes to this fund?

We've designed and launched this fund very quickly to make sure we can respond to urgent needs. Because of this, we'll be keeping our processes under review to ensure that we're making best use of our resources, particularly in relation to any further Government announcements and changing circumstances caused by COVID-19.

If we need to make any changes, we'll let you know as soon as possible.