

Arts Council of Wales

Wales Cultural Recovery Fund 2020/21

Covid-19: Capital Support for Arts Organisations

August 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

About the Wales Cultural Recovery Fund (Capital) for the Arts

- This is a fund for arts organisations based in Wales (both profit and not for profit) who have been affected by COVID-19 and who are trying to sustain themselves until they can resume publicly accessible activity in 2021 and beyond.
- You can apply for a non-repayable grant of up to £50,000 towards one-off capital expenditure.
- Many organisations are affected by COVID-19. But it's important that funds are given to those in the most urgent need. We'd therefore ask you to think carefully about whether you need to make an application at this time.
- This is primarily a rescue and recovery package, but it also presents an opportunity to help deliver transformational change to the reach and impact of the arts. You'll be expected to sign up to a new 'Cultural Contract' to encourage new ways of working and ensure greater diversity in the management, workforce and programming of your organisation.
- Organisations supported through this fund will be expected to demonstrate a forward-looking commitment to the principles of the Welsh Government's Wellbeing of Future Generations Act (Wales) 2015.
- All funding from this Fund is discretionary with competition likely for the available funds. Submitting an application does not guarantee all or some of the money you require.
- The process is intended to be 'light-touch' and quick. We're aiming to turn around applications within 6 weeks of the closing dates. If the number of applications we receive means that this isn't achievable, we'll let you know as soon as possible.
- After March 2021 you'll be required to submit a short Completion Report confirming how the funds were used. This Completion Report will trigger any final payment of your award. You'll also be required to report on how you have met the 'Cultural Contract' later in 2021.
- The budget for this Fund is £2m Capital. It is part of the Welsh Government's overall Cultural Recovery Fund 2020/21 of £53 million.

What is this fund for?

This fund is to support organisations (the fund is not open to individuals) to purchase capital equipment or undertake minor works to mitigate the impact of COVID-19. This can include work that's needed to make premises or facilities COVID-safe so that you can re-open or resume activity.

If your proposal is not directly related to adapting your organisation's work in response to COVID-19 then you should not apply to this fund. You may be able to apply to one of the Arts Council's other capital funds. If you're looking to address access issues or improve your environmental sustainability, our other open Capital funds might be better suited your needs. Details of these can be found on our website.

We cannot support everyone, so the fund will be targeted towards those who support and promote publicly accessible arts activity in Wales.

The funding will not duplicate any other form of Welsh Government COVID-19 related non-repayable funding.

It's vital that we're able to support those who have the most urgent needs at this time. Applications will need to meet the published criteria. If the available funding is heavily oversubscribed, these criteria will be the key basis for decision-making.

The criteria are explained later in these guidelines.

Eligibility

- Organisations that can apply if they are:
 - 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)
 - a Company Limited by Shares (see public benefit criteria below)
 - a local authority, University or other Public Body running cultural activity
- unincorporated organisations or partnerships are not eligible for this capital funding
- contributing to the cultural life of Wales by providing creative activities that people can enjoy and take part in
- working mainly (50%+) in one of our supported disciplines (music, dance, theatre, literature, visual and applied arts, combined arts, Digital Art)
- able to show a track record (within last three years) of providing publicly accessible arts activity that has a public benefit
- delivering the majority of their work (60%+) in Wales
- operating with a registered address in Wales, and have a UK bank account in the organisation's name that has at least two people who can authorise transactions (see bank account section)
- not in default of any financial agreement or have any overdue requirements on any other funding with the Arts Council of Wales or Welsh Government

Please note:

This Fund does not support:

- Individuals, freelance practitioners and sole traders
- Festivals and Events

- Grassroots music venues and Bands, Comedy venues, publishing, film and tv, creative industries
- Independent cinemas (but we will support arts organisations that fulfil the other criteria within these guidelines and who present film as a minor part of a multi-arts programme)

Support for these sectors is funded through other strands of the Culture Recovery Fund managed directly by the Welsh Government.

This fund seeks to complement other COVID-19 response measures to support businesses, social enterprises and charitable organisations. It should not duplicate that support.

How much can I apply for?

A grant of between £500 and £50,000 to be used by 31 March 2021.

Please note that this threshold is an upper limit rather than a target to aim for. You should be clear in your application about why you need the amount of funding you have requested.

The amount you apply for should be appropriate to the size of your organisation. You should make your own judgment on how much you apply for. We do, however, anticipate that applications will generally be below £10,000, unless you're a larger venue that will need to consider adaptation of greater numbers and areas of public space. You should speak to us at grants@arts.wales before making an application for more than £10,000.

In **exceptional** circumstances organisations can request permission to apply for more than £50,000. Please send this request to grants@arts.wales with a clear rationale. This must be done at least 5 working days before the fund deadline.

You do not need to provide match funding to support your application although this could strengthen your application if you are able to do so.

State Aid

Larger grants sometimes constitute State Aid. State Aid is defined as any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the European Union (EU). Although the UK has left the EU, the transitional agreement requires EU State Aid law applies in the UK until 31 December 2020.

You can find more information on State Aid later in these Guidelines.

Please note:

The above information is not legal advice. You may wish to obtain legal advice in order to ensure that you're compliant with the State Aid rules.

Deadlines

The fund opens for applications on **Monday 17 August 2020** and applicants will need to have submitted an online application no later than the deadline of **5.00pm on Wednesday 9 September 2020**.

What are the priorities for support?

Wales faces numerous social and economic challenges. Many of these are legacies of the past. But enshrined in legislation – the Well-being of Future Generations Act (2015) – is a new determination from the Welsh Government to ensure that this generation doesn't, through indifference or carelessness, leave them as challenges for the next.

The Welsh Government's vision is for Wales to be a fair, prosperous and sustainable country, improving the quality of life of people in all its communities and working through the medium of the Welsh and English languages. The organisations that we fund will need to show how they embed the principles of equality and diversity in all that they do, including governance, workforce and through the activity that they present.

We want more people in communities and places less well-served by the arts to have opportunities to enjoy and take part in the cultural activities. We attach particular importance to organisations who demonstrate a practical commitment to working with and for deaf and disabled people, black people and non-black people of colour, and Welsh speakers. We'll expect you to demonstrate in your application how you, as an organisation, have considered these issues and intend to apply them in the future.

The 'Cultural Contract'

Those receiving support from this fund will be expected to sign up to the Welsh Government's 'Cultural Contract'.

The Welsh Government's vision is of a Wales that is fair, prosperous and confident, improving the quality of life of its people in all of the country's communities. The development of a 'Cultural Contract' is designed to encourage applicants to adopt new commitments that ensure that public investment is deployed with a social purpose. This will build on the Welsh Government's existing ['Economic Contract'](#).

Activity that we will expect applicants to demonstrate in their future plans include:

- Fair Work – ensuring appropriate rates of pay and maximising opportunities to engage and support freelance workers
- Board and workforce diversity – to increase the involvement, throughout the organisation and in the work you deliver, of Black people, non-Black people of colour, deaf and disabled people and people with other protected characteristics, including Welsh speakers
- Retained staff helping to support wider initiatives (for example contact tracing to support “Test, Trace, Protect”)
- Supporting arts and health initiatives, including social prescribing
- Environmental sustainability – minimising the environmental impact of your activities

What can I apply for?

Funding can cover a variety of different 'projects' including but not limited to:

- Equipment needed for a building to make it safe for reopening to the public/staff
- Minor works needed for a building to make it safe for reopening to the public/staff
- Equipment that will allow you to adapt your working practices to facilitate more remote working
- Equipment that could allow you to adapt your 'product' to a different mode of delivery

Organisations can apply to this fund if they are also applying to our separate Cultural Recovery Fund. However, you should not include capital requests on both applications. You should also identify whether a negative response to one application would impact on your ability to deliver on the other request.

What are the criteria that apply to this fund?

Applications will be assessed against the following criteria:

- the degree and urgency of financial need as demonstrated in your application
- the contribution that your organisation makes to the cultural life of Wales by providing creative activities that people can enjoy and take part in
- the quality and strength of your proposals for adopting forward-looking strategies that:
 - embed equalities, diversity and Welsh language in the future operations of your organisation
 - embed economic, environmental, social and cultural sustainability in the future operations of your organisation
 - include opportunities for freelance creatives and individual artists
 - evidence that employees are paid the national minimum wage and that freelance workers are paid at least the minimum level of fee agreed with the relevant trade union or professional association

What is the application process?

1. We ask you to complete and submit a simple online application form, found [here](#).
If you're unable to access the online form, please contact us at grants@arts.wales.
2. After we receive your application, we'll send you an acknowledgement.
3. We'll determine your eligibility by reviewing the information provided. We might need to ask for additional information.
4. We'll review your application and budget information to ensure it meets with our priorities and that the figures are appropriate to the type and scale of activity.
5. After approving your request, we'll ask you to complete and return our Award Acceptance and Bank Details Form.
6. Once you have returned your award acceptance and we have verified your bank details we'll pay in arrears based on receipt of eligible invoices.

If your circumstances require a different payment schedule we can discuss this with you following confirmation of your award.

Please note:

We'll respond to all applications within 6 weeks of the deadline and will try to respond more quickly where possible. If our capacity becomes reduced due to the COVID-19 pandemic, we will contact you to discuss an amended timescale.

What Questions Will I Need to Answer?

The application form is set out as follows:

1. Welcome

Introductory information offering general advice on how to complete your application.

2. About your organisation

We'll need some basic information about you and your organisation. This will include your **registration number** provided by Companies House, Charity Commission or Mutuals Public Register.

We'll also need a **NACE Code** (Nomenclature of Economic Activities). This is the European statistical classification of economic activities. NACE groups organisations according to their business activities. Further details on NACE codes can be found at: https://ec.europa.eu/competition/mergers/cases/index/nace_all.html

3. Organisation Equality Information

We use the data provided by all our grant applicants to help us make sure our funding is reaching a wide range of people and organisations.

4. Contacting You

Let us know the contact details of relevant people within your organisation.

5. Request Amount

Tell us about how much you are applying for.

6. About Your Proposal

6.1 Tell us about your organisation. You should include information that allows us to get an overview of how you work.

You should include:

- a brief description of your activity
- the size and scale of your operations (including number of staff and whether you are building based)
- Your 'normal' income/costs for the year (for us to see the 'size' of your operations)

6.2 Tell us about your organisation's work and its track record of providing opportunities for people to enjoy and take part in the arts.

What has been the broad type and pattern of your previous work? How has the public benefited from what you do? What achievements would you particularly like to tell us about? How does your organisation contribute to the cultural life of Wales by providing creative activities that people can enjoy and take part in?

6.3 Please tell us about how COVID-19 has affected your business and why you need this funding

Tell us whatever you feel you're able to about what has happened to your organisation's fortunes as a result of COVID -19. (We're not able to support you through this fund if your change in circumstances is not related to the COVID 19 pandemic.)

6.4 How will you use this funding to support your organisation?

What capital equipment/support are you applying for? You should list each item and the individual cost. You should also confirm that you will be able to provide 3 quotes for any items or group of items costing more than £2,500.

6.5 How will you procure your equipment or services for minor works? Who will manage this process?

We need to be confident in how you will choose the best equipment and that you have the skills to complete the works effectively. Tell us what you can about how you will do this and what previous experience you have of capital projects.

6.6 Do you have any match funding to contribute to the project?

This is not essential, but other support could assist your chances of success with this fund

6.7 Have you applied for any other sources of funding in relation to this project and is a successful outcome of these required in order to progress with the 'project'?

Tell us about whether you have applied for any other sources of funding in relation to this project and whether a successful outcome of these required in order to progress with the 'project'?

This is also where you should tell us if you have applied to any other Arts Council COVID -19 funds, what the status of these is, and whether there are any interdependencies between your applications

6.8 Meeting our priorities – promoting the ‘Cultural Contract’

Tell us about what you’re doing at the moment, or planning to do in the near future, to improve the diversity of your organisation and the people you work with. Please also tell us about what you’re doing at the moment, or planning to do in the near future, to embed economic, environmental, social and cultural sustainability in your organisation.

You should explicitly describe what you will do to improve equality and sustainability within your organisation and the cultural sector and should include relevant targets you will achieve during the period. This should also, where relevant, include consideration of Arts and Health initiatives, minimising or mitigating negative environmental impact, promoting the Welsh language, ensuring appropriate rates of pay for workers and increased opportunities for freelance workers.

7. Language

You should include detail of the language that your organisation normally uses in the delivery of its activity.

8. Equality Information about your organisation

9. Please confirm that your employees are paid the national minimum wage and that freelance workers are paid at least the minimum level of fee agreed with the relevant trade union or professional association.

How many full-time equivalent jobs will this funding protect? (A full-time equivalent job is one of 30 hours or more a week)

The National Minimum Wage is the minimum pay per hour almost all workers are entitled to by law. From April 2016, a National Living Wage was introduced for workers aged 25 and older, across the UK. The Minimum Wage will still apply for workers aged 24 and under. It is a criminal offence for employers not to pay someone the National Minimum or National Living Wage, as appropriate or to falsify payment records. If you’re not paying the National Minimum /National Living Wage we cannot consider funding you.

Further guidance on National Minimum and National Living Wage rates is available at: <https://www.gov.uk/national-minimum-wage-rates>

The Living Wage: The Living Wage is a voluntary hourly rate that is set by the Living Wage Foundation (www.livingwage.org.uk) based on the cost of living. The Living Wage Foundation encourages organisations across the UK, in all sectors, and of all sizes, to become accredited living wage employers.

<https://businesswales.gov.wales/news-and-blogs/news/living-wage-foundation>

Who/Link	For
a-n	The Artists Information Company for visual artists
AOP	Association of Photography
BECTU	The Broadcasting, Entertainment, Communications and Theatre Union for technical staff
Equity	For actors, singers and dancers
ISM	Incorporated Society of Musicians
itc	Independent Theatre Council for theatre practitioners
Musicians' Union	Musicians' Union for musicians
WGGB	The Writers' Guild of Great Britain
UK Theatre	For theatre staff and musicians

10. Your budget information

You must use the downloaded template available in our application form.

What other evidence will be required?

- Evidence that you have a bank account in your legal name that meets our requirements.
- Evidence that your organisation has a governance structure that meets the eligibility requirements for this fund.

See below for more information.

Completion reporting

You'll need to report more fully on how you have met the Cultural Contract at a later date in 2021/22, together with confirmation of the number of jobs safeguarded and the number of individuals / freelancers supported.

We will assess how you have met the targets within your cultural contract, including those you stated when competing your application form. If you have not met the targets we may reclaim some or all of the funds awarded.

Bank Details

We'll need to see evidence that:

- the account is in your organisation's name
- That at least two people can authorise transactions

- you're providing the bank sort code and account number

This evidence will need to be:

- less than 2 years old at the date of application
- an official bank communication, for example:
 - photographs of each bank card for the account that show the names of each signatory, the account name, number and sort code. (some bank cards don't show all this information so if this is the case, you'll need to provide some additional information that links your organisation and the account details)
 - a letter or email which clearly demonstrates that it has been sent by your bank confirming the information required.
 - screenshots of each signatory logged in to your online banking displaying their name with the bank account information for the organisation.

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'll 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. Statutory bodies (such as local authorities, town councils, health boards, or universities) will not need to provide this information. In these cases, the account details provided must be in the organisation name or that of its local authority.

Organisation Governance Arrangements

[**Please note:** that where signatures are required below, we recognise that not all documents require physical signature. In these instances, we will accept them being filed with the relevant body (e.g. Companies house)]

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

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 Directors/trustees who are not related or do not live at the same address

And your Governing documents must:

- be signed by at least two Directors/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
- include an appropriate Dissolution clause or Asset Lock (see below for guidance)

If you are a Company Limited by Shares:

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

And your Governing documents must:

- be signed by at least two Directors/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

Definitions

We define **related trustees** as:

- Family members extending to mother, father, brother, sister, son, daughter, grandmother or grandfather.
- Marriage relations extending to spouse, son-in-law or daughter in law, and mother-in-law or father-in-law.

A **Dissolution Clause** specifies what will happen to the remaining assets of an organisation (which includes cash and other assets) if the organisation is wound up or dissolved.

Arts Council of Wales requires a Dissolution Clause that specifies that any remaining assets will be transferred to an organisation with similar objectives.

An **Asset Lock** ensures that the assets of an organisation (including any profits or other surpluses generated by its activities) are used for the benefit of the community.

Your organisation doesn't have to have arts noted within its objectives as part of its governing document, but we would strongly encourage this, and it may provide us with additional assurance of the artistic aims of the applicant.

About State Aid

State Aid is any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the European Union (EU).

A full definition of 'State aid' can be found [here](#).

Please read the regulations outlined on the website to determine whether State Aid clearance is required in relation to your proposed activity.

EU State Aid law regulates the award of State subsidies to organisations involved in economic activities (which can sometimes include the arts, heritage and culture). Although the UK has left the EU, the transitional agreement requires EU State Aid law applies in the UK until 31 December 2020.

Measures which are classed as "no aid" can be funded without further administration being required. A measure will be compliant where the recipient of the grant can be shown not to be engaged in any commercial activities (including generating income from performances). There are situations where no aid has also been found where a charge is made for an activity but this only represents a 'fraction' of the true costs.

A measure will also be compliant where there will be no effect on trade between Member States, although this is a strict test. Further information on no aid options can be found [here](#).

Measures which are "State Aid" can still be funded, provided certain conditions can be shown to be fulfilled.

1. De Minimis

[De Minimis](#) allows up to [€200,000](#) of State Aid to be awarded in a three year period. In order to comply with this exemption, your organisation (including any wider business group) will need to confirm that the State Aid received from this award and all other

De Minimis aid received in this financial year and the two previous financial years is €200,000 or less.

2. Limited Amount of aid under the Temporary Framework

The [UK Temporary Framework Scheme](#) allows State Aid of up to [€800,000](#) to be awarded provided that certain requirements are met including:

- the total aid of this kind received by the organisation does not exceed the threshold of €800,000 (£732,320 at July 2020) between 6 April 2020 and 31 December 2020;
- that the recipient has been affected by the Coronavirus pandemic; and
- the recipient was not an “undertaking in difficulty” on 31 December 2019

3. Article 53 of the General Block Exemption

An award which meets all the relevant requirements at [Chapter 1 and Article 53 of the General Block Exemption Regulation](#) (Aid for culture and heritage conservation) will be State Aid compliant.

The above information is not legal advice. Organisations may wish to obtain legal advice in order to ensure you are compliant with the State Aid rules, but this is not a requirement for applicants.

What if I have a question?

The nature of this fund relies on the integrity of the applications. Please ensure you answer all questions fully, clearly and honestly. If you answer a question with inaccurate information, we may need to reclaim funding at a later date or take other action if we suspect fraud.

If you want to clarify if you or your request is eligible, or you wish to discuss other questions about this fund, please contact our Enquiries Service.

You can do this by email, through our website or social

media: Email: grants@arts.wales

Web: Fill out a form on our [website](#)

Twitter: Send us a tweet [@Arts_Wales](#)

We aim to respond to all enquiries very promptly.

If you want us to call you back, please provide your contact number and we'll arrange to come back to you as soon as possible.

Freedom of Information

Arts Council of Wales is committed to being as open as possible. We believe that the public has a right to know how we spend public funds and how we make our funding decisions. You can see details of our policy [here](#).

We're 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 [Freedom of Information website](#) for information about freedom of information generally and the exemptions.

Complaints Procedure

If you're not happy with the way we dealt with your application, you can access a copy of our Complaints procedure on our website [here](#).

Please note that you can only complain if you believe we have not followed our published process when dealing with your application. You cannot use the complaints procedure to appeal against the decision.

Fraud Prevention

Information collected through the application process will be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify identity. Further information on how your information might be used is set out in our Privacy Policy below.

Data Protection

It's important that you're aware of the Arts Council of Wales' obligations and responsibilities under the General Data Protection Regulations (GDPR). The GDPR regulates how we collect, manage, share and store personal data and your rights in relation to our management of your data.

Further information may be found in our published [Privacy Policy](#).

We will not disclose Personal data or Sensitive Personal data, (as terms are defined in the General Data Protection Regulations without your consent unless an overriding obligation applies (e.g. legal obligation).