

Gloucester City Council

Meeting:	Cabinet	Date:	11 January 2023
Subject:	Gloucester Guildhall NPO Funding Decision		
Report Of:	Cabinet Member for Culture and Leisure		
Wards Affected:	All		
Key Decision:	Yes	Budget/Policy Framework:	No
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Appendices:	None		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To inform Cabinet of the outcome of a funding bid submitted by the City Council for Gloucester Guildhall.
- 1.2 To gain approval to formally accept the award and proceed with a plan of implementation.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that:

- (1) the successful application and offer of multi-year funding by Arts Council England to the City Council for Gloucester Guildhall be noted
- (2) the increase in the number of National Portfolio Organisations (NPO) in the city be noted as an indicator of the success of the Cultural Strategy
- (3) the Head of Culture, in consultation with the Director of Policy and Resources and the Director: One Legal be given delegated authority to accept the award on behalf of the council and to enter the 3-year agreement
- (4) the Head of Culture be given delegated authority to establish an independent Steering Board for Gloucester Guildhall.

3.0 Arts Council England's National Portfolio

- 3.1 The Arts Council England (ACE) operates a scheme known as the National Portfolio Organisation (NPO) that enter multi-year agreements of funding linked to a set of objectives. This is a competitive process that arts organisations are able to apply for every 3-4 years. The application process for NPO funding period 2023-2026 opened in Jan 2022 with a deadline for submission of April 2022. The award decisions were published by ACE on 10 October.

- 3.2 The council developed and submitted a bid for a total of £250,000 per year for the period 2023-2026 in respect of Gloucester Guildhall. This bid was assessed and the council was informed that it was successful, subject to a number of conditions the council must satisfy before April 2023. The conditions are that the council must submit by 20 January 2023: a completed Activity Plan template, a completed Investment Principles Plan template and a completed financial template for the period April 2023 – March 2024, that meets their satisfaction. Meetings and feedback from ACE Relationship manager have taken place since the announcement and the council has a set of actions to address but expects to be able to meet the requirements.
- 3.3 Gloucester Guildhall joins a cohort of well-established as well as new organisations to the NPO.
- 3.4 It should be noted that other organisations in the city were also successful. These include Strike a Light (previously the only NPO in the city) and Gloucester Culture Trust that, like Gloucester Guildhall, joins the national portfolio for the first time. Both organisations contribute much to the city's cultural life and this funding announcement is an endorsement of their activities.
- 3.5 The city has a cultural strategy that drives this overall direction of cultural development. Gloucester's Cultural Vision and Strategy (2021-2026) has 7 Objectives and identified actions to deliver these objectives. Objective 2 is to 'Build the Cultural and Creative Industries by developing Artists and Arts Organisations'. The actions in relation to the city-council run venues are as follows:
- Develop the Guildhall and Museum's programmes to attract a broader audience and realise the potential of Gloucester City Council-run cultural venues.
 - Develop and implement a business transformation and creative development plan for Gloucester City Council-owned cultural venues, to realise their potential.
- 3.6 A key performance indicator of the Cultural strategy is 'More investment is coming into the city for culture'. This announcement of multi-year funding into 3 organisations based in the city clearly demonstrate progress in relation to this KPI. The combined funding through this scheme will be £1,948,602 over the period.
- 3.7 A key performance indicator of Gloucester's city plan 2022-2024 was to 'Increase the number of National Portfolio Organisations in the city and retain accreditation status for the Museum of Gloucester'. The number has increased from 1 to 3 (or 4 if Gloucestershire County Council's success for Gloucester Libraries is included). This demonstrates that this KPI has been met.
- 3.8 Arts Council Let's Create strategy is their 10-yr strategy and Gloucester Guildhall's application for NPO funding will help deliver this strategy.
- 3.9 One of the conditions of the award is to ensure that NPOs have a robust governance structure in place that can provide independent accountability to hold the organisation to account in delivery of the Arts Council England objectives. The council has strong governance in the form of elected councillors and Cabinet members supported by

Overview and Scrutiny, Audit and Governance committees. Progress in delivery is evidenced and tracked through the council's performance monitoring system - Pentana. However, in addition to this monitoring "the board / oversight group are expected to take an active role in ensuring that the four Investment Principles are embedded in the culture and working practices of your organisation." It is therefore recommended that an independent steering board is established, with clear terms or reference to be able to provide assurance that the Investment Principles are embedded in the work of Gloucester Guildhall.

- 3.10 The Head of Culture will develop and finalise Terms of Reference for this Steering Board in discussion with One Legal. Quarterly reporting to ACE will include agendas, minutes, papers, quarterly reports against targets along with financial statements, risk-register and cash-flow reporting, which will be supported by officers. The Steering Board will hold no formal legal responsibilities, but will act as a critical friend and sounding board to Gloucester Guildhall and provide an additional layer of support, challenge and good governance. A diverse and representative board will be recruited to on a voluntary basis

4.0 Social Value Considerations

- 4.1 Social value is at the heart of the Arts Council Let's Create strategy as it challenges recipients of its funds to champion diversity both in terms of programming and audiences. Gloucester Guildhall will be held to account by ACE to demonstrate that it is driving change. This will be done by the Gloucester Guildhall providing evidence in the form or data that shows the evolving audience demographics and a greater diversity of artists, acts and performers in our programme.
- 4.2 Gloucester's Cultural Vision and Strategy has objectives that relate to widening participation in the cultural life.
- 4.3 The Gloucester Guildhall business plan will demonstrate an ongoing commitment to social value which will be hand-in-hand with a strong business case for continued commercialisation.

5.0 Environmental Implications

- 5.1 Over the past 3 years the Gloucester Guildhall has recently invested in solar panels on the roof which has resulted in cost savings and an improvement in our DEC rating through generation of solar power.
- 5.2 Guildhall Galvanised capital investment programme has resulted in the replacement of many of the energy-hungry stage lighting to low-energy LED equivalents. Whilst not every light has been replaced with low-energy ones, there is an active programme of replacement across the venue which will continue, combined with movement-triggered lighting in some areas.
- 5.3 Gloucester Guildhall has signed up to pledges with Music Declares Emergency – which is a network of music venues collectively seeking to address the Climate Emergency - [Declaration](#) | [Music Declares Emergency](#) – www.musicdeclares.net/gb/declaration

5.4 Strict environmental reporting is a feature of the NPO bid. ACE have worked with an organisation called Julie's bicycle to develop an Environmental Programme. Specifically designed for Arts Council England National Portfolio Organisations, this ambitious programme aims to reduce environmental impacts and drive action across the arts and culture sector. The programme, first launched in 2012, builds literacy, confidence and leadership skills to give cultural professionals the agency to act on climate change and champion justice and fairness. The Arts Council England 2020-30 Strategy, Let's Create, is built around four Investment Principles, including 'Environmental Responsibility'. Guildhall will be working with this scheme and making use of the advice, resources and taking relevant action to reduce the environmental impact of the venue and our activities.

6.0 Alternative Options Considered

- 6.1 The Arts Council offer one-off project grants, which could have been an option. However, these are for smaller amounts and for specific projects and are not offered on a multi-year basis. The NPO offered a greater investment over a sustained multi-year period, which made the effort to apply worthwhile.
- 6.2 The council could have applied for NPO funding for its entire Cultural portfolio, however, the likelihood of success would have been much lower.

7.0 Reasons for Recommendations

- 7.1 The investment from ACE will enable a step-change in the ability of Gloucester Guildhall to attract high-quality acts and also help to develop local talent and audiences.
- 7.2 A new strand of workshops will be offered to support skills development in the city with a particular emphasis on young people.
- 7.3 The current lack of capacity to market and promote Gloucester Guildhall more widely to audiences across the city and beyond will be addressed through a dedicated Senior Marketing role and marketing budget.

8.0 Future Work and Conclusions

- 8.1 Develop terms of reference for the Gloucester Guildhall Steering Board and commence recruitment to create a diverse group.
- 8.2 Mechanism for reporting effectively to Arts Council needs to be identified and implemented by April 2023
- 8.3 Creation of new staff positions and recruitment to these to commence.

9.0 Financial Implications

- 9.1 Acceptance of funding is dependent on delivering ACE objectives and continued investment into the Guildhall by the council at existing levels for the duration of the agreement (2023-2026).
- 9.2 New roles created will be funded through the ACE budget and contracts offered on a fixed term basis.
- 9.3 Any payments to voluntary members of the Steering Board members will be on the basis of expenses only and is covered by the ACE budget.

10.0 Legal Implications

- 10.1 The Gloucester Guildhall is owned and managed by the Council, and the Council will be required to enter into a funding agreement with the Arts Council England. Advice has been given to officers on the terms of the grant agreement.
- 10.2 The Steering Board to be established will not be a decision-making body; all decisions regarding the Guildhall will need to be made by the Council and in accordance with its constitution.
- 10.3 One Legal is to be instructed in connection with establishing the Steering Board.

11.0 Risk & Opportunity Management Implications

- 11.1 The risk of not recruiting to new roles will delay the start of the new activity in the agreement with ACE. Recruitment process should be started before April 2023 in order to start new roles in post as soon as possible.
- 11.2 The risk of reducing the current level of subsidy to the Guildhall may result in failing to meet the terms of the agreement with ACE. Should this occur, ACE may claw back some funds and / or terminate the agreement. Annual budget setting should consider this risk in order to mitigate this risk.
- 11.3 There are opportunities afforded by this agreement. Working collaboratively with other NPOs in the city and beyond will bring shared benefits and cross-overs, such as collaborating over talent development pipelines, youth engagement programmes and more. It enables the Guildhall to participate in national conversations, networks, conferences and training opportunities, that is opened up by becoming an NPO.
- 11.4 NPO funded organisations are offered a much broader set of resources from the Arts Council, including advice and guidance on Audience engagement, marketing, business development and in tackling Climate Change. This represents a new opportunity for the Guildhall to tap into these national resources.

12.0 People Impact Assessment (PIA) and Safeguarding:

- 12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact. Therefore, a full PIA was not required.

13.0 Community Safety Implications

13.1 None

14.0 Staffing & Trade Union Implications

- 14.1 New roles will be created. This may result in adjustment of line-management lines within the Cultural Development team.
- 14.2 Any changes to line-management will be communicated to individuals effected first before the wider Culture team and HR will be engaged as appropriate.
- 14.3 New job roles will be evaluated and graded prior to advertisement. These will be offered on a 3-year fixed-term basis in line with the period of the funding agreement.
- 14.4 Recruitment to Steering Board will commence on the basis that membership of the group will be on a voluntary basis.
- 14.5 Staff roles will not be recruited before April 2023 or ahead of the funding agreement period.

Background Documents:

Gloucester's Cultural Vision and Strategy –
[gloucester-cultural-vision-and-strategy-gct-gcc-min.pdf](#)

Arts Council 10 yr Strategy - Let's Create - [Strategy 2020_2030 Arts Council England.pdf](#)