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# **ARTS COUNCIL OF NORTHERN IRELAND**

## **2002-2006 LOTTERY DISTRIBUTION STRATEGY**

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## **Glossary of Terms**

|             |   |
|-------------|---|
| ACNI        | Arts Council of Northern Ireland  |
| Bands       | Accordion Orchestra/Band (part, melody or marching), Brass Band, Concert Band, Flute Band, (part, melody or marching), Pipe Band, Wind Band |
| DC          | District Council  |
| DCAL        | Department of Culture, Arts and Leisure   |
| DCMS        | Department for Culture, Media and Sport   |
| DDA         | Disability Discrimination Act 1995  |
| DE          | Department of Education   |
| DEL         | Department of Employment and Learning   |
| DETI        | Department of Enterprise, Trade and Investment  |
| ELBs        | Education and Library Boards  |
| Executive   | Northern Ireland Executive  |
| FAQs        | Frequently Asked Questions  |
| FY          | Financial Year  |
| NI          | Northern Ireland  |
| NLDF        | National Lottery Distribution Fund  |
| NDPB        | Non Departmental Public Body  |
| NIFC        | Northern Ireland Film Commission  |
| NTSN        | New Targeting Social Need   |
| PfG         | Programme for Government  |
| The Council | Arts Council of Northern Ireland  |

# 1 Introduction

## 1.1 Introduction

The National Lottery Act 1998 requires all Lottery Distributors to prepare and adopt a strategic plan outlining the policies for the distribution of National Lottery funding.

The Secretary of State for Department for Culture, Media and Sport (DCMS) requested in October 2001, through the Department of Culture, Arts and Leisure (DCAL) that the Arts Council of Northern Ireland (ACNI) prepare a Lottery Distribution Strategy for the period from 1 April 2002 to 31 March 2006.

ACNI received the guidance note from DCMS regarding the preparation of the strategy on 3<sup>rd</sup> October 2001. This guidance required the delivery of a final draft strategy to DCAL/DCMS by 31<sup>st</sup> January 2002, providing a 16-week window to complete the strategy. The arts sector expressed its concern at these time-scales and the impact that this had on its ability to fully contribute to the consultation process.

The National Lottery was established by the National Lottery etc. Act 1993 to raise money for “good causes” through the sale of Lottery tickets. The Arts Council of Northern Ireland is charged under the Act with responsibility for the distribution of National Lottery funds for the arts in Northern Ireland, and is governed by the National Lottery etc. Act 1993, as amended by the National Lottery Act 1998, and the Policy and Financial Directions that are applied to all programmes. The Arts Council’s adherence to these Directions is measured and monitored annually by Government.

Since its introduction in 1994, National Lottery funding has made a major financial contribution to the development and advancement of the arts in Northern Ireland. To date, the Arts Council has made over 690 awards, representing an investment of approximately £46 million.

The 1999-2002 Lottery Distribution Strategy saw a shift away from the focus on capital funding to more people-based projects, and further widening of access to Lottery funding towards smaller organisations in a community context. This shift in focus can be evidenced by the following projects that received funding during this period:

- *Access to the Arts* - £12,632 to the *Wedding Community Play* for a cross-community drama project
- *New Work* - £44,600 to the Lough MacNea Sculpture Trail for a cross-border sculpture trail
- *Film* - £120,000 to Y2K Film Productions Ltd for the feature film *Puckoon*
- *Capital* - £56,209 to the Indian Community Centre for the purchase of musical instruments, stage equipment and furniture and £65,000 to the Craft Connection to refurbish crafts facilities
- *Audience Development* - £300,000 to Moving on Music for a 3-year programme to tour music ensembles
- *Awards for All* - £3,726 to Blackie Community Groups Association for art classes for people 55 and over

## 1.2 Key Issues

The 2002-2006 Lottery Distribution Strategy has been developed to take account of the following issues:

- Government Directions for the distribution of National Lottery funds
- The strategic objectives of the Arts Council of Northern Ireland
- The views and opinions expressed by the people of Northern Ireland
- An estimate of the money likely to be available for distribution

The Arts Council is under financial pressure due to increased levels of applications, the growing demand for revenue funding, reduced income as a result of falling Lottery ticket sales, the introduction of additional good causes and the impact of proposed changes to gambling laws in the UK. The financial pressures and increased competition make it increasingly important that the existing level of funds are used effectively and that the Arts Council has a clear strategy for its investment over the coming years.

The Arts Council, as a joint distributor of both voted and Lottery funds must ensure that the National Lottery Distribution Strategy is aligned with the Arts Council's Strategic Plan. This was recognised in Professor Anthony Everitt and Annabel Jackson's report, *Opening up the Arts* which recommended the total alignment of the Arts Council voted and Lottery strategies, policies and funding in the provision of support to the arts in Northern Ireland.

Currently, the allocation of Lottery funds and the development of related guidance to distributors for Northern Ireland is the responsibility of DCMS. As the Lottery is currently a reserved matter, under the Northern Ireland Act, there is no formal involvement from the Northern Ireland Assembly. The Department of Culture, Arts and Leisure (DCAL) is currently considering this issue.

## 1.3 The 2002-2006 Lottery Distribution Strategy

The purpose of this strategy is to outline the key actions and targets which ACNI will undertake in the distribution of National Lottery funding to the arts in Northern Ireland for the next four years, 2002-2006.

The format of the 2002-2006 Lottery Distribution Strategy is set out in line with the recommended structure outlined in the National Lottery Guidance Note 7/01 and contains the following sections:

- Strategic Context
- Consultation Process
- Review of the 1999-2002 Lottery Distribution Strategy
- 2002-2006 Lottery Distribution Strategy – Key Strategic Actions, Tasks and Programmes
- 2002-2006 Lottery Distribution Strategy – Levels of funding
- Performance Indicators and Efficiency Targets
- Performance Review Mechanisms

## 2 Strategic Context

### 2.1 Introduction

In developing the 2002-2006 Strategic Plan, the Council has taken account of a range of factors which influence how Lottery funds are distributed, namely

- Strategies affecting Lottery distribution
- Government Legislation
- Social Policy

A high-level summary of these is outlined below.

### 2.2 Strategies affecting Lottery distribution

#### 2.2.1 Arts Council's 2001-2006 Strategic Plan

The Arts Council of Northern Ireland was established on 1 September 1995, and is the statutory body through which public funding for the arts in Northern Ireland is distributed.

It is the role of the Arts Council's Lottery Department to effectively and efficiently manage the assessment of applications and the distribution of National Lottery funds to the arts in Northern Ireland.

In January 2000 an independent review of the ACNI's 1995-2000 Strategy - *To the Millennium* was commissioned. In addition, as an extension of this study, the ACNI took the opportunity to begin a process of independent appraisal of the needs of the arts sector in Northern Ireland and the role of the Arts Council in meeting these needs.

Extensive consultation was undertaken which included public meetings, small-scale group discussions with various arts sector groups and one-to-one interviews with individuals and organisations.

The resulting report, *Opening up the Arts*, came to some frank, and 'hard-hitting' conclusions, namely:

- ACNI's new strategy needs to be more focussed, with a small number of objectives, linked to qualitative, quantitative targets and performance indicators. The objectives need to be linked to commitments already stated in the Operational Plan.
- ACNI's new strategy should make clear the boundaries within which it would function and seek to build a consensus of expectations amongst the different interest groups in the arts community
- ACNI cannot act alone if it wishes to achieve its aims. It must enter into wide-ranging alliances with other cultural institutions, government, District Councils and agencies concerned with social and economic renewal
- The future of arts development in Northern Ireland, in many ways, lies with the District Councils, many of which have initiated arts plans and see a role for the arts in their general development strategies
- ACNI needs to be more 'transparent' and open to its clients, its partners and the public at large
- Attention must be given to the on-going strengthening of arts organisations to ensure that large amounts of public investment are not spent if they have little developmental benefit to the community

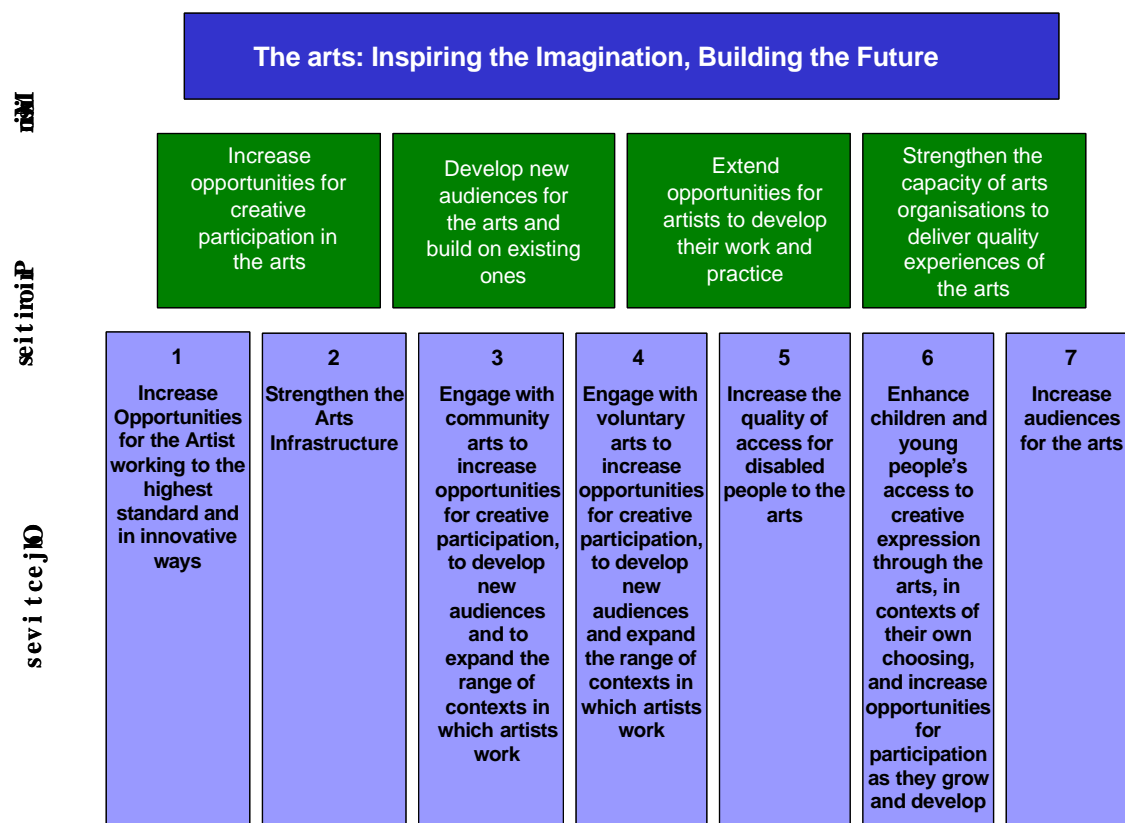
- ACNI should take the opportunity provided by the new strategy to prepare a convincing and detailed case for additional funding
- ACNI should be a more effective spokesperson and advocate for the arts, than it is at present

Further public and cross-sectoral consultation was undertaken and together with the *Opening Up the Arts* report was used as the basis from which the new ACNI five-year strategy, for the period 2001-2006 was produced.

Through this strategy the Arts Council aims to make Northern Ireland “a place where:

- The arts give everyone a chance to express their own creativity and reach across community divisions
- Artists can thrive and win the respect that their talents deserve, both at home and abroad
- Theatres, arts centres and art galleries flourish and become a natural focus for everyone.”

A number of priorities and objectives have been developed to support the achievement of this vision. These are shown in the following diagram.



The ACNI strategic plan, was formally signed off by the Minister of Culture, Arts and Leisure – Mr Michael McGimpsey MLA, in September 2001. This plan forms the overall framework within which the Lottery Distribution Strategy will be developed.

## 2.2.2 Programme of Government

Published in February 2001, the Programme for Government (PfG) identified the priorities and objectives, through which citizens and politicians would work together, to “*make a difference to the lives of our people, enabling them to grow as a peaceful, fair and inclusive community*”. Working in partnership with District Councils, with business and with the voluntary and community sectors, and across other departments the Arts Council can make an important contribution in assisting the realisation of an “*inclusive, prosperous, stable and fairer society firmly founded on the achievement of reconciliation, tolerance and mutual trust*”.

The Lottery Distribution Strategic Plan meets the Executive’s priorities in a number of objectives and initiatives:

- Growing as a Community e.g. promoting equality and tackling social disadvantage
- Working for a Healthier People e.g. improving recreational facilities and supporting healthy living
- Investing in Education and Skills e.g. providing high quality education
- Securing a Competitive Economy e.g. increasing Northern Ireland’s attractiveness to visitors
- Developing North/South, East/West and International relations

## 2.2.3 Department of Culture, Arts and Leisure (DCAL)

In developing this Strategic Plan, the ACNI has taken into account the strategic goals outlined in DCAL’s 2001-2004 Strategy document – *Face to Face*. The key priorities identified within this document include:

- Creativity in Education
- Creative Industries
- Cultural Diversity
- DCAL’s Strategy
- Infrastructure
- Support for the Individual Artist
- Universal Accessibility
- International Issues

DCAL’s strategic goals are to:

1. Increase participation in culture, arts and leisure through enhancing access to, and quality of, facilities and services
2. Promote and celebrate cultural diversity and individual creativity
3. Contribute to a positive image of Northern Ireland at home and abroad
4. Preserve and make available cultural and information resources, and make them available to the widest possible audience
5. Lever resources to maximise positive social and economic impact

These priorities and DCAL’s strategic goals set the framework in which the Arts Council operates. The Arts Council’s Strategy and associated Corporate Plan complement and work within this framework.

## 2.2.4 Unlocking Creativity

This document was produced from a consultative process undertaken by DCAL, DEL, DETI and DE to create a vision and strategy “to develop the capacities of all our people for creativity and innovation, and so promote and sustain the social, cultural and economic well-being of Northern Ireland.” Following the publication of *Unlocking Creativity* and the recognition that DCAL has given to the value of culture and the arts in releasing individual creativity, exploratory discussions have taken place with the Education and Library Boards. The overall purpose of these discussions is to ensure full and co-ordinated provision for creative and cultural development in the curriculum of formal and informal learning. The Arts Council will continue to support projects which contribute to these sectors, aspiring to place the arts at the centre of the curriculum within Northern Ireland

## 2.2.5 Cultural Diversity

The Programme for Government seeks a commitment ‘to create greater mutual understanding and respect for diversity’. Cultural diversity is recognised as a cross-cutting theme, permeating every aspect of the Arts Council’s work. In partnership with DCAL, the Arts Council will continue to ensure that the cultural diversity represented by the communities in Northern Ireland is preserved, expressed and celebrated. This involves ensuring,

- The widest possible opportunity for citizens to express their own cultures and have access to others
- Support for the celebration of diverse cultures

## 2.3 Government Legislation

### 2.3.1 National Lottery Policy Directions

The Policy Directions set out in the National Lottery Act (1998) provide a framework governing how ACNI operates in the distribution of Lottery funds. The Government Policy Directions are attached in Appendix A.

The following statements outline ACNI’s commitment to operating in line with the conditions imposed by the Directions:

- ACNI understands Lottery money must be used for public good and not for private gain
- ACNI assesses all applications it receives to take account the needs of the arts sector, the need to ensure that all parts of Northern Ireland have access to funding and the need to support projects which address economic and social deprivation
- ACNI strives to ensure that Lottery funding is used to promote art from all sections of society and in particular to encourage youth participation
- ACNI recognises the need for sustainable development and financial viability in relation to projects it supports
- Where appropriate, ACNI ensures that there is an element of partnership funding for projects
- ACNI continues to examine opportunities for working with other organisations
- ACNI uses its powers to solicit applications only where the normal application process has failed to achieve a strategic objective

### 2.3.2 Section 75 Equality Legislation

The Northern Ireland Act 1998 (Section 75 and Schedule 9) places new statutory obligations on Northern Ireland Departments and other public bodies to carry out their functions having due regard to the need to promote equality of opportunity and good relations in respect of religious belief, political opinion, gender, race, disability, age, marital status, dependants and sexual orientation.

ACNI has developed an Equality Scheme illustrating its commitment to promote the equality of opportunity:

- Between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation
- Between men and women generally
- Between persons with a disability and persons without
- Between persons with dependants and persons without

In addition, in carrying out its functions, ACNI shall have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group. The Arts Council is currently collecting baseline data for all of the above groupings.

In line with the Council's Equality Scheme all programmes identified within this 2002-2006 Lottery Distribution Strategy, will be subject to a full Equality Impact Assessment.

## 2.4 Social Policy

ACNI acknowledges the following policies designed to tackle social exclusion.

### 2.4.1 New Targeting Social Need (NTSN)

The Arts Council's policies and practices are influenced by Government's commitment to target available resources and efforts on the people and areas in greatest need.

ACNI recognises the need to measure the allocation of grants to areas of greatest need in society, and uses the Robson Degree of Deprivation Index to monitor imbalances in the distribution of its funds. Over the period of the Lottery Distribution Strategy to date, the Arts Council has addressed social and economic deprivation by awarding over 67% of its grants to areas considered by the Robson Index as being "more deprived". Over the period of the 2002-2006 Lottery Distribution Strategy, and under Government Direction the Robson Index will be replaced with the Noble Index.

The ACNI is fully committed to supporting the principles of NTSN through the development of the programmes and policies which emanate from this Strategic Plan.

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## 3 Consultation Process

### 3.1 Overview of the Consultation Process

In order to develop the 2002-2006 Lottery Distribution Strategy, and in accordance with Government guidelines the Arts Council undertook a consultation process. It encouraged as many views as possible within the available time-scales. This process aimed to build on the findings gained from the extensive eighteen month consultation completed in the development of the ACNI 2001-2006 Strategic Plan by gathering a consensus of views from across the sector.

A consultation paper was prepared to present:

- the Arts Council's assessment of its performance against its objectives as defined in the 1999-2002 National Lottery Distribution Strategy
- an analysis of the fund allocations over the 1999-2002 period
- the strategic objectives, actions and targets identified by the Arts Council as key to its future strategy

The consultation paper was distributed on the 14<sup>th</sup> December 2001 to 544 key stakeholder groups and individuals within the arts sector. The paper was also published on the Arts Council's web site, with the deadline for responses of 9<sup>th</sup> January 2002.

Meetings were held during December 2001 with two focus groups, selected from within the sector, and with the Art Form Directors and Officers within ACNI, to review the previous strategy and assess the needs within the sector during the period 2002-2006.

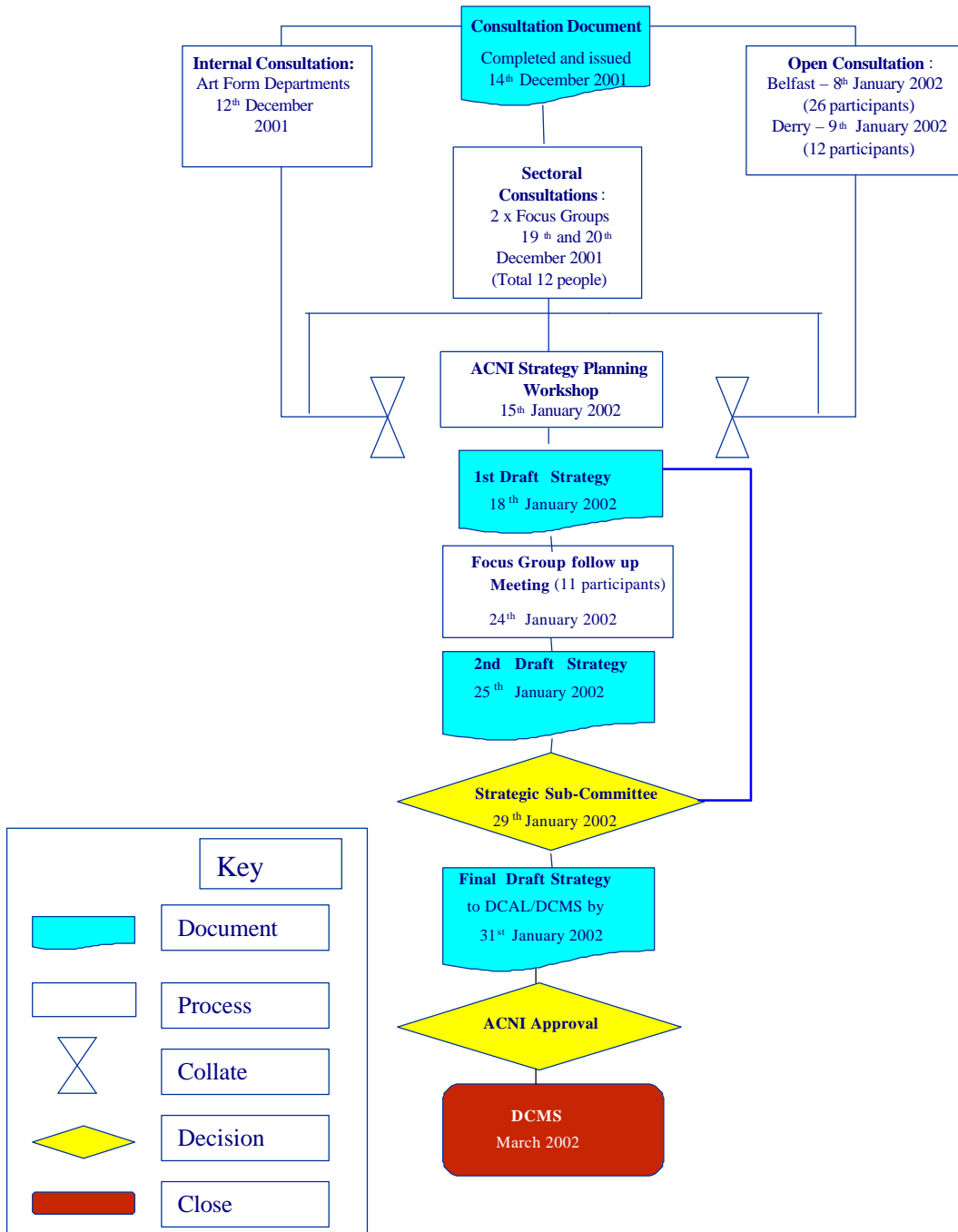
Two open meetings which were publicly advertised were held on the 8<sup>th</sup> January in Belfast and on the 9<sup>th</sup> of January in Derry City and were attended by a total of 38 individuals and representatives from interested organisations.

Following these meetings and after reviewing the written feedback received on the consultation paper, a summary of the consultation findings was presented to the Arts Council for discussion. A number of strategic actions were then developed taking into consideration the views of the sector, and incorporated into the first draft of the ACNI Lottery Distribution Strategy.

This first draft of the Strategy document was distributed to all those invited to the first two focus group meetings for review and feedback and published on the ACNI web site. Following a review meeting with the focus group members to consolidate feedback, a revised version of the Strategy document was created and distributed to the Arts Council Strategic sub-committee for final review prior to submission to DCAL and DCMS.

The consultation process adopted is outlined in the following flowchart:

## Consultation Process



## 4 Review of the 1999-2002 Lottery Distribution Strategy

### 4.1 1999-2002 Lottery Distribution Strategy

In May 1999, after widespread public consultation, the Arts Council launched its *Strategy for the Distribution of National Lottery Arts Funding 1999-2002*. This Lottery Distribution Strategy marked a shift in emphasis from building-based grants towards project-based grants aimed at benefiting people from all sections of society. Through the new Financial and Policy Directions, the Council was able to solicit applications in order to positively encourage applications from under-represented areas.

### 4.2 1999-2002 Key Strategic Objectives

In the 1999-2002 Lottery Distribution Strategy the following eight key strategic objectives were identified as being common to all funding programmes. These were as follows;

1. To promote grant programmes as widely as possible whilst realistically managing expectations of the available funds
2. Whilst taking into account Government Policy and Financial Directions, to simplify the application process pre- and post-award
3. To influence Government policy on Lottery funding by promoting the views and expectations of the arts sector
4. To collaborate with other funding agencies to achieve the highest support for and investment in the arts
5. To support arts projects aimed at reducing the effects of social and economic deprivation and addressing the needs of people from all sections of society
6. To support the involvement of children and young people in the arts
7. To seek equitable distribution of funds taking into account the demand for arts provision in areas or sectors currently under-represented
8. To promote the development of the film and craft sectors

### 4.3 Summary Review of National Lottery distribution activities (April 1999 – March 2002)

During the period from 1 April 1999 to the Council meeting of December 2001, the Arts Council of Northern Ireland awarded 263 grants plus 2 supplementary grants, and distributed £17,793,314 of National Lottery funding through a number of awards programmes.

A detailed breakdown of the awards made during this period is attached in Appendix B.

The feedback from the consultation process indicated that the general consensus is that the Lottery Department has been broadly successful in meeting the majority of objectives outlined in the Arts Council's 1999-2002 Strategic Plan, although not necessarily in line with the implementation timetable.

The key achievements during this period included:

- The revision and re-issue of all the application forms and guidelines
- The introduction of two new schemes and one new programme (not anticipated as part of the Strategic Plan).

- *Awards for All* supports small scale one off projects up to £5,000 in any one year. It is a joint scheme with all Northern Ireland Lottery Distributors and is an example of joint working.
  - *Audience Development* which brings new people to the arts and takes the arts to people throughout Northern Ireland, through touring, education, outreach and marketing
  - During 1999, the Council, in association with all other Lottery Distributors introduced a programme in support of Millennium celebrations in two tranches, one for awards under £5,000 the other for larger projects between £5,000 and £25,000.
- The simplification of the pre- and post- award processes
  - The reduction of the average processing time.
  - Over the period of the Lottery Distribution Strategy to date the Arts Council has addressed social and economic deprivation by awarding over 67% of its grants to areas considered by the Robson Index as being more deprived. Further details are contained in Appendix B

The Arts Council recognises that a number of issues remain outstanding from the 1999-2002 Lottery Distribution Strategy and these will be taken into account in the development of the new Lottery Distribution Strategy, for 2002-2006.

#### **4.4 Review of progress against the 1999-2002 Actions**

##### 4.4.1 Introduction

The 1999-2002 Lottery Distribution Strategy identified a series of key actions and measures which will drive the distribution of National Lottery funding to the arts in Northern Ireland, during the four year period. Outlined below is an assessment of how the Arts Council has performed against these measures:

- Administration
- Budgets and Finance
- Grant programmes

##### 4.4.2 Administration

The Lottery Department has made significant progress in reducing the level of bureaucracy associated with processing applications and there is general agreement across the sector that the process has indeed been simplified. By April 2001, the average processing time for all applications in all programmes had been reduced from an average of 108 working days to 87 days, excluding *Awards for All* where the average processing time is 31 working days.

Specific changes in relation to administration were made during the 1999-2002 period:

- New user-friendly application forms and guidance notes were introduced across all schemes by April 2001
- The availability of information sources for assistance in the pre-application and post-application processes have now been included in all programme guidance notes
- Following a review of the claims process, a 'phased', up-front post-award payment scheme was introduced for the *Access*, *Audience Development* and *New Work* schemes in April 2001
- Staffing levels within the Lottery Department were reviewed, with the replacement of one Lottery Development Officer post with two Lottery Case Officer posts.

- A ‘fast-track’ small grants award scheme – *Awards for All*, was launched on 1 April 2001

Despite these changes the consultation process identified a number of further issues in relation to administration, namely:

- Lack of knowledge and awareness amongst elements of the wider community with regard to the actual programmes in place and the skills required to successfully apply and process a Lottery grant
- The perception that inconsistent advice is provided by ACNI on Lottery programmes
- Continuing difficulties with the claims process, which is viewed as slow, bureaucratic and unwieldy with differing advice being received from individual case officers.

#### 4.4.3 Budgets and Finance

A breakdown of the 1999-2002 forecast budget versus actual is detailed in the table below;

| Programme              | 1999/2000    |           | 2000/2001 |           | 2001/2002 |                    |
|------------------------|--------------|-----------|-----------|-----------|-----------|--------------------|
|                        | Budget       | Actual    | Budget    | Actual    | Budget    | Actual to Dec 2001 |
| Capital – New Build    | 2,000,000    | 6,192,967 | 2,000,000 | 80,000    | 1,500,000 | (2)8,120,773       |
| Capital – Equipment    | 1,000,000    | 353,567   | 1,000,000 | 148,130   | 1,000,000 | 122,162            |
| New Work               | 1,000,000    | 929,971   | 1,000,000 | 623,101   | 1,000,000 | 654,245            |
| Access to the Arts     | 1,000,000    | 862,925   | 1,500,000 | 602,912   | 2,000,000 | 1,370,428          |
| Film Finance           | 700,000      | 525,324   | 700,000   | 287,702   | 700,000   | 220,655            |
| Advancement            | 1,000,000    | 0         | 500,000   | 0         | 500,000   | 0                  |
| Interim Funding Scheme | 0            | 15,160    | 0         | 26,764    | 0         | 0                  |
| Audience Development   | 0            | 0         | 0         | 0         | 0         | 1,656,527          |
| Awards for All         | 0            | 0         | 0         | 0         | 0         | 390,184            |
| Administration         | 750,000      | 620,426   | 750,000   | 597,900   | 750,000   | 378,838            |
| Total                  | (1)7,450,000 | 9,500,340 | 7,450,000 | 2,366,509 | 7,450,000 | 12,913,812         |

- (1) This budget was augmented by £8,419,338 carried forward from previous years’ underspend, giving a total budget of £15,869,338 in 1999/2000.
- (2) Includes 2 in-principles grants totalling £5,000,000.

The key variations from budget to actual are:

- 1999/2000 *Capital New Build* - the increase in expenditure was covered by the carried forward underspend referred to above (1).
- 2000/2001 *Capital New Build* – the low expenditure was incurred following the introduction of an application moratorium in order to manage the transition between the original and new *Capital* programme.
- 2000/2001 All other programmes – During this year there were fewer applications. This was understandable given that little development or promotional work was being undertaken due to lack of human resources and that no new schemes had been introduced.

- 2001/2002 *Capital Equipment & Film* – During this year there were fewer applications.
- 2001/2002 A new scheme, *Audience Development*, was introduced as a result of Council's decision to closer integrate Lottery funding with voted funds.
- 2001/2002 A new joint scheme with the other Northern Ireland Lottery Distributors, *Awards for All*, was introduced to ease the process of applications for under £5,000 from smaller organisations.

The consultation process raised concerns about the under-spend in budget, particularly at a time when funding for the arts is declining. The perception within the sector is that the bureaucratic procedures associated with Lottery funds may be discouraging organisations from applying.

#### 4.4.4 Grant Programmes

##### 4.4.4.1 Access to the Arts

During the period 1999-2002, the Arts Council dedicated the *Access to the Arts* funding to providing new opportunities and promoting access to the arts through a wide range of community arts development programmes.

During the period, the Arts Council granted 68 awards totalling £2,750,161 for projects including, a three-year programme for disabled people for training in circus skills and a world music project exploring music of diverse ethnic origin.

Support has been provided to both community generated arts activities requiring a minimum of external facilitation and those organisations that were providing arts development programmes for communities as external facilitators.

The *Access to the Arts* scheme was revised and re-issued on 1 April 2001, to take into consideration many of the actions identified in the 1999-2002 Lottery Distribution Strategy, including, an increase in the maximum grant from £25,000 to £40,000.

Feedback from the consultation process on this scheme included some negative comments regarding the application and claims process relating to this scheme, as referred to in section 4.2.

##### 4.4.4.2 New Work

The *New Work* scheme is designed to take new work from any art form to people throughout Northern Ireland. After consultation with the sector the scheme was transferred from a pilot to a mainstream Lottery scheme on 1 April 2001, and re-launched, removing the requirement to create a capital asset thus giving greater flexibility to applicants.

During the detailed review of the *New Work* scheme a number of issues highlighted in the 1999-2002 Lottery Distribution Strategy were addressed, namely:

- the re-definition of bought-in, large-scale productions as a low priority
- the need to encourage education and/or community access programmes in each new work commission
- the introduction of a sliding scale for funding according to the overall project cost
- the need to encourage applications to produce an enduring record of the work, accessible to the public beyond the life of the project

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The consultation process found these changes to be largely successful, however issues still remain regarding:

- restrictions arising from the existence of an upper limit on applications
- restrictions arising from the imposition of one 'live' application at any time
- inconsistencies with regard to commissioning processes across art forms
- the proposal that projects offer education and /or community access in all instances

#### 4.4.4.3 Film Finance

As a result of the 1999-2002 Lottery Distribution Strategy, and in close consultation with the film sector, the Arts Council revised and re-issued its film guidelines. The key areas of change included:

- the prioritising of support to film involving indigenous producers, directors and writers as well as indigenous production companies in order to increase the level of indigenous development and production
- two application points per year for the production of feature films made in Northern Ireland
- the encouragement of productions with significant levels (i.e. greater than 50%) of budget spend in Northern Ireland
- the introduction of a low-budget production category
- the introduction of a new category within the *Film Finance* programme to support the distribution and promotion of indigenous short film to regional, national and international markets

Currently funding is available through three schemes covering, *Film Development*, *Film Production* and *Short Film Distribution and Promotion*.

Between 1999-2002, a number of grants have been awarded both to smaller local productions, and to large-scale productions primarily brought in from outside Northern Ireland. Examples of which include, Perfect Cousin Productions Ltd which was awarded £35,000 for a documentary on The Undertones, and Scala (Memories) Ltd. which was awarded £100,000 for *Wild about Harry*.

There has been on-going consultation between the Arts Council and the film sector, regarding the future direction of the *Film Finance* programme.

Following the initial recommendation in *Opening up the Arts*, for the Arts Council to delegate responsibility for its Lottery film budget to the Northern Ireland Film Commission, a report was produced by the Lottery Department considering this proposal in detail. The report examined the options, and following further consultation meetings, the Arts Council agreed that Lottery film funding should be delegated from the Arts Council to the Northern Ireland Film Commission from April 2002, on a three-year trial basis. The Council remains fully accountable for the funding.

This recommendation was fully supported by the sector with the proviso that the Arts Council retain overall control.

#### 4.4.4.4 Capital Programme (Building and Equipment)

In June 1999, the Arts Council introduced a moratorium on new building applications in order to revise the Lottery *Capital* programme, which was subsequently re-launched in April 2001. As a result of funds accumulated during the moratorium Council was able to allocate a budget of £10m in 2001/2002 for new build/major refurbishment projects.

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The Arts Council has continued to prioritise applications for new facilities which meet recognised gaps in the infrastructure and the funding of projects designed to enhance access for disabled people to existing arts venues.

A number of key changes were incorporated in the *Capital* programme re-launched in April 2001, namely:

- A three stage application process was introduced, for separate funding of
  - (i) feasibility studies
  - (ii) project development
  - (iii) building and fit-out costs.
- The Council discouraged applications which duplicate facilities within the same catchment area
- Applications for new projects are required to demonstrate that they will not have a negative impact on existing facilities
- The £2M limit on capital applications was removed as indicated in the 1999-2002 Lottery Distribution Strategy
- A single application deadline of 31 August was introduced for building and fit-out funding

The Arts Council is continuing its on-going exploration of funding umbrella organisations to maintain pools of equipment which will be available to other organisations through loan or hire agreements. Exploratory discussions were held with representatives of the Community Arts sector to discuss a possible special initiative where funding may be provided for community access to the internet through the provision of technical equipment.

As indicated in the 1999–2002 Strategy a review was undertaken into the requirements for musical instruments for bands, and new guidelines issued in November 2001. During the moratorium bands could still apply through other Lottery programmes – *New Work* and *Access*.

#### 4.4.4.5 Advancement Scheme

The Arts Council's target to review and re-launch the *Advancement* scheme for small and medium-sized arts organisations within the period of the 1999-2002 Lottery Distribution Strategy was not achieved, due to resource constraints and the fact that the initial grants are still on-going. The revised target date to launch a new scheme is now September 2003.

#### 4.4.4.6 Interim Funding Scheme

A short-term Lottery scheme operated from 1997-2000, in association with the Arts Councils of England and Wales, to assist students attending drama, dance and stage management courses at independent colleges. The scheme was targeted at colleges throughout the UK to assist Northern Ireland students. Over the period of the Lottery Distribution Strategy, the Arts Council provided support for five Northern Ireland students.

#### 4.4.5 Review of progress against the 1999-2002 Strategic Objectives

Taking into consideration the progress achieved against the measures identified within the 1999-2002 Lottery Distribution Strategy, the Arts Council believes it has progressed as follows against the 8 key strategic objectives.

| Objective   | Progress   |
|---|--|
| 1. To promote grant programmes as widely as possible whilst realistically managing expectations of the available funds.                                       | <p>The grant programmes are promoted through the following;</p> <ul style="list-style-type: none"> <li>• Programme guidelines</li> <li>• Information road shows</li> <li>• Programmes' leaflet</li> <li>• Arts Council web site</li> <li>• Annual reports and budgets.</li> </ul> <p>However, the sector remains confused regarding lottery programmes and related eligibility criteria. There is concern regarding the under-spend against budget for all programmes.</p> |
| 2. Whilst taking into account Government Policy and Financial Directions, to simplify the application process pre- and post-award.                            | <p>Funding programmes and procedures have been reviewed and revised to simplify the application process, with due consideration of Government Policy and Financial Directions. The consultation participants expressed the view that further work could be undertaken in this area.</p> <p>There is general agreement that the pre-awards process has been simplified, but there is a need to address issues with the post-award process.</p>                              |
| 3. To influence Government policy on Lottery funding by promoting the views and expectations of the arts sector.  | <p>The Arts Council has been working through DCAL to make the case for changes in the percentage funding made to arts bodies across the UK. This work will continue.</p>   |
| 4. To collaborate with other funding agencies to achieve the highest support for and investment in the arts.  | <p>The Arts Council is working in partnership with other Lottery Distributors and funding bodies to:</p> <ul style="list-style-type: none"> <li>• Liaise on strategies, policies and procedures, including promotion of grant programmes,</li> <li>• Discuss joint support for large capital investments through the Belfast Capital Infrastructure group, which currently includes DCAL, Belfast City Council, Laganside and Belfast Regeneration Office</li> </ul>       |
| 5. To support arts projects aimed at reducing the effects of social and economic deprivation and addressing the needs of people from all sections of society. | <p>The Arts Council considers these matters in the assessment of every award it makes and monitors its targets on an annual basis. In 2000/01 the Council met and exceeded its target for this area by 25%.</p>  |

| Objective   | Progress   |
|---|--|
| 6. To support the involvement of children and young people in the arts.   | Supporting the involvement of children and young people in the arts is a strategy which influences all areas of operation and decision making. During the period of the 1999-2002 Strategy the Arts Council set annual targets to increase the number of awards to projects promoting the involvement of children and young people, which have been met.   |
| 7. To seek equitable distribution of funds taking into account the demand for arts provision in areas or sectors currently under-represented. | The distribution of funding is reviewed on a monthly basis, with management and statistical information presented at the Council's monthly meeting. The information provided includes a detailed analysis of funding across geographic and art form areas. Under represented areas are therefore identified and appropriate actions taken to encourage applications, within the resources available.   |
| 8. To promote the development of the film and craft sectors.  | <p>The Arts Council has agreed a strategy for the delegation of its film funds, refer to section 4.4.4.3.</p> <p>The Arts Council has agreed a policy to develop the crafts sector. These will be financed by a Lottery funded Special Initiative programme, to</p> <ul style="list-style-type: none"> <li>(i) Promote the work of Northern Ireland designer/makers to a wider audience, both at home and abroad</li> <li>(ii) Encourage designer/makers in Northern Ireland to be innovative and creative and to develop their technical skills</li> <li>(iii) Assist new designer/makers to establish in Northern Ireland</li> <li>(iv) Develop and enhance the opportunities for audiences in Northern Ireland to experience and view high quality crafts, applied arts and contemporary design</li> <li>(v) Develop and strengthen the infrastructure of groups and networks that support and promote crafts, applied arts and contemporary design.</li> </ul> |

## 5 2002 – 2006 Lottery Distribution Strategy

### 5.1 Introduction

The Arts Council of Northern Ireland's five-year Strategic Plan *Inspiring the imagination, building the future*, was published in September 2001. The preparation of the Strategic Plan involved an eighteen month period of extensive appraisal and consultation, involving the arts sector, government and the public, to produce a practical and focused strategic document defining the parameters of a vision for both the arts and society.

Through this Strategic Plan, the Arts Council will strive to win greater recognition of the contribution the arts make to the cultural, social and economic well-being of Northern Ireland. By promoting the positive contribution the arts can make to the overall confidence of the community, and through strategic partnerships, the Arts Council will seek to ensure that the arts occupy a prominent position in the economy, in education, in the community and in people's lives

In order to fully implement the ACNI Strategic Plan, the Council recognises that Lottery funding has a key role to play and it is within this context that the Lottery Distribution Strategy is set. In implementing the strategy the Arts Council will continue to maintain its links with other regional funding bodies, such as the distributors of European funds, local authorities and other government departments to ensure the underlying additionality principle of Lottery funding.

### 5.2 Strategic Development Guidelines

The Lottery Distribution Strategy for the period 2002-2006 must be prepared in line with:

- Government Directions for the distribution of National Lottery funds (as outlined in Appendix A)
- The Arts Council's Strategic and Corporate Plans (as outlined below)
- An estimate of the likely available funds over the period (see Section 6)
- Progress on the 1999-2002 Lottery Distribution Strategy actions and the continuation of those programmes deemed to have ongoing relevance (Section 4)
- The views and opinions expressed by the people of Northern Ireland (as obtained through the consultation process and outlined throughout this document)

### 5.3 The Arts Council's Strategic Objectives

As outlined in Section 3, the Lottery Distribution Strategy has been developed within the framework set out in the ACNI 2001-2006 Strategic Plan and shares its overall aim, priorities and objectives. These objectives are as follows:

- Increase opportunities for the artist working to the highest standard and in innovative ways
- Strengthen the arts infrastructure
- Engage with community arts to increase opportunities for creative participation, to develop new audiences and to expand the range of contexts in which artists work
- Engage with voluntary arts to increase opportunities for creative participation, to develop new audiences and to expand the range of contexts in which artists work
- Increase the quality of access for disabled people to the arts

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- Enhance children and young people's access to creative expression through the arts, in contexts of their own choosing, and increase opportunities for participation as they grow and develop
  - Increase audiences for the arts

The remainder of this section outlines the key actions to be completed by the Arts Council over the 2002-2006 period in the delivery of these objectives under the following headings:

- Administration
- Programmes
- General

## **5.4 2002-2006 Key Strategic Objectives, Tasks and Programmes**

### 5.4.1 Administration

There is acknowledgement from the sector that the applications process for Lottery funds has improved over the course of the period 1999-2002, but there was a view that further refinement could be achieved in this area.

The overall view is that the claims process continues to cause problems, and is seen as slow, unwieldy and bureaucratic, particularly for smaller arts and voluntary organisations. The sector perceives this as one of the reasons that some organisations do not apply for Lottery funding, along with a lack of awareness amongst elements of the wider community regarding relevant programmes and criteria.

This resulted in strong arguments for the implementation of an awareness programme covering:

- the promotion of programmes through brochures, road-shows, etc
- pre-application and post-award advice, guidance and training by way of simplified guidance notes, case studies demonstrating successful applications and claim forms, interactive workshops/training sessions, the introduction of a helpline and the development of the web-site to provide information on Frequently Asked Questions (FAQs). It is proposed to develop this guidance in order to assist organisations to identify practical solutions to manage the administrative processes within their normal everyday activities




The view from the consultation process was that in order to improve the claims process and relieve the pressure already on the Lottery Department, the administrative budget should be increased to employ additional Lottery staff. The fact that this might reduce the funds available for distribution to the sector as a whole was accepted by the sector as inevitable. As outlined in the Arts Council's 2001-2006 Strategic Plan, it was proposed that there was greater integration of the Lottery and Art Form Departments. The outcome of this is a forthcoming review of the ACNI organisational structure that will lead to a more streamlined process and reduce the pressure on the Lottery Department staff.

The Council introduced a process of delegated decision making in 2001/2002 dependant on the amount of the award. Decisions on awards up to £25,000 are made by officers; awards from £25,000 to £50,000 by the Lottery Committee; and, all decisions over £50,000 are made by Council. The impact of this should be a reduction in application processing time however the effects of this have yet to become apparent.

In order to address these issues the Council will take the actions outlined in the following table:

|   |   | <b>Administration</b> |                   |                   |                   |
|---|---|-----------------------|-------------------|-------------------|-------------------|
| Outcomes  | <ul style="list-style-type: none"> <li>• Improved processing times for applications and payments</li> <li>• Improved and simplified application and claims processes</li> <li>• Reduced queries in relation to pre and post award submissions</li> <li>• Improved capacity within the sector to deal with the administrative element of Lottery funding</li> </ul>  |                       |                   |                   |                   |
| Actions   | Key Targets   | Timing                |                   |                   |                   |
|   |   | Year 1<br>2002-03     | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| <b>1.1 Review and revise application and claims processes</b>   | <ul style="list-style-type: none"> <li>• Review application and claims process in light of:               <ul style="list-style-type: none"> <li>- other funders, including other lottery distributors, in order to identify best practice</li> <li>- the recommendations made in the QUEST report</li> </ul> </li> <li>• Develop revised Lottery processes accordingly</li> <li>• Test these revised processes with the sector</li> <li>• Implement revised processes</li> </ul>   |                       |                   |                   |                   |
|   |   |                       |                   |                   |                   |
| <b>1.2 Review Marketing and Publicity of the Lottery Schemes and develop a revised strategy in this area to raise awareness and knowledge of programmes</b> | <ul style="list-style-type: none"> <li>• Review &amp; develop strategy</li> <li>• Implement strategy which will incorporate:               <ul style="list-style-type: none"> <li>- Pre- and post- application guidelines</li> <li>- development of case study examples</li> <li>- training and awareness sessions regarding pre and post award processes</li> <li>- the establishment of a helpline for client organisations</li> <li>- improvements to the Arts Council web-site</li> </ul> </li> <li>• Review strategy annually</li> </ul> |                       |                   |                   |                   |
|   |   |                       |                   |                   |                   |

|  |  |  |  |  |  |
|--|--|--|--|--|--|
|  |  |  |  |  |  |
|--|--|--|--|--|--|

| Actions   | Key Targets  | Timing  |                   |                   |                   |
|---|--|---|-------------------|-------------------|-------------------|
|   |  | Year 1<br>2002-03   | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| <b>1.3 Develop internal communications within the Council to ensure a consistent message is provided to clients</b> | <ul style="list-style-type: none"> <li>Contribute to ACNI's re-structuring process to ensure closer working between the Lottery and Art Form Departments</li> <li>Hold a series of internal meetings/workshops to ensure ACNI staff, Lottery Committee and Council have a common, comprehensive understanding of Lottery programmes, eligibility criteria and Government Directions</li> </ul> | <br><br><br><br> |                   |                   |                   |

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#### 5.4.2 Grant Programmes

There was general agreement throughout the consultation process that the current Lottery programmes are meeting the overall needs of the arts sector. Consequently, the following programmes will continue for the duration of the 2002-2006 strategy:



- *Access* scheme
- *Advancement* scheme
- *Audience Development* scheme
- *Film Finance* programme
- *Awards for All* scheme
- *Capital* Programme

The consultation process highlighted a number of general issues affecting the above programmes, including:

- The need to consider providing Lottery funding to enable client organisations to continue with current activities in light of declining funding from other sources
- The need to consider the provision of funding within a grant to cover the increased administration burden arising from the Lottery grant
- The need to review the programmes over the life of the strategy. While the exact nature of the review will depend on the specific scheme being reviewed, each will be completed in line with the following process:
  - i. Review programme to date to evaluate take up, impact, budgets and other issues.
  - ii. Consult, review and re-launch if necessary

The specific actions to be completed in order to address these issues are highlighted in the following table.

| Grant Programmes |   |
|------------------|---|
| Outcomes         | <ul style="list-style-type: none"> <li>• Reduced pressure on client organisations as a result of administration burden in relation to Lottery funding</li> <li>• Agreement on appropriate grant limits within the full range of Lottery programmes</li> </ul> |

| Actions  | Key Targets   | Timing            |  |                   |                   |
|--|---|-------------------|--|-------------------|-------------------|
|  |   | Year 1<br>2002/03 | Year 2<br>2003/04  | Year 3<br>2004/05 | Year 4<br>2005/06 |
| 2.1 Consider the potential to increase funding within a grant to cover the administrative costs associated with processing the grant | <ul style="list-style-type: none"> <li>• Review current programme guidelines and budgets in light of overall objectives.</li> </ul> |                   | <br> |                   |                   |

Specific issues and actions relating to each individual programme are outlined in the following sections.

### 5.4.3 Access to the Arts

The consultation process identified a number of issues that have had both a positive and negative effect on the *Access to the Arts* scheme.

Recipients felt that the post-grant administration process was difficult and in need of refinement as it imposed burdens on the skills and manpower of small organisations.

Specific actions to be taken in the period 2002-2006 in relation to this programme are as follows:

|   |  | <i>Access to the Arts</i> scheme   |  |                   |                   |                   |                   |
|---|--|--|--|-------------------|-------------------|-------------------|-------------------|
| Outcomes  |  | <ul style="list-style-type: none"> <li>Development of a more efficient Access Scheme</li> </ul>            |  |                   |                   |                   |                   |
| Actions   |  | Key Targets  |  | Timing            |                   |                   |                   |
|   |  |  |  | Year 1<br>2002/03 | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| 2.2 Review the <i>Access to the Arts</i> Scheme |  | <ul style="list-style-type: none"> <li>On-going review, of the <i>Access to the Arts</i> Scheme</li> </ul> |  |                   |                   |                   |                   |

#### 5.4.4 New Work

The arts sector welcomed the fact that the *New Work* scheme became a mainstream programme in April 2001.

A number of concerns were raised that the limit of £50,000 for each new work could be restrictive, particularly for large production-based projects, which in all other ways meet the objectives of the programme.

There was criticism of the proposal that all projects within the programme offer education and/or community access as this may force organisations to dilute their projects in order to meet this criterion. In addition to this there would be some circumstances where specific art forms/projects could not be adapted to meet these criteria. However in light of the Government's policies on social inclusion, lifelong learning and Lottery Directions to promote knowledge of and appreciation of the arts by children and young people the arts sector continues to realise the need to encourage these elements where appropriate.

Concern was also raised regarding the perceived inconsistencies between the art forms in terms of "commissioning" and the low level of priority given within the programme to large-scale bought in productions.

Specific actions identified in this area are:

| <i>New Work Programme</i>                                   |  |  |                   |                   |                   |
|---|--|--|-------------------|-------------------|-------------------|
| Outcomes  |  | <ul style="list-style-type: none"> <li>Development of a more efficient <i>New Work</i> scheme</li> </ul> |                   |                   |                   |
| Actions   | Key Targets  | Timing   |                   |                   |                   |
|   |  | Year 1<br>2002/03  | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| 2.3 Review, revise and re-launch the <i>New Work</i> scheme | <ul style="list-style-type: none"> <li>Complete an assessment of the commissioning process within <i>New Work</i> across all art forms</li> <li>Evaluate the <i>New Work</i> scheme</li> <li>Revise and re-launch the <i>New Work</i> scheme</li> <li>On-going review of the <i>New Work</i> scheme</li> </ul> | ◆  | ◆                 | ◆                 | ◆                 |

### 5.4.5 Film Finance Programme

Following the initial recommendation in *Opening Up the Arts* and further consultation with the arts sector, responsibility for the *Film Finance* budget will be delegated to the Northern Ireland Film Commission (NIFC) for a pilot three year period from April 2002.

The consultation conducted for the purpose of this review agreed that the NIFC was best placed to allocate, manage and monitor funding for Film within NI. There was widespread agreement that the Arts Council should remain involved in defining programmes and have overall responsibility for funding.

Future actions under the *Film Finance* programme are:

|  |  | <i>Film Finance</i> |                   |                   |                   |
|--|--|---------------------|-------------------|-------------------|-------------------|
| Outcomes   | <ul style="list-style-type: none"> <li>• Delegation of responsibility for Film to the NIFC</li> <li>• Ongoing input to Film related grant programmes by ACNI</li> </ul>  |                     |                   |                   |                   |
| Actions  | Key Targets  | Timing              |                   |                   |                   |
|  |  | Year 1<br>2002/03   | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| 2.4 Delegate responsibility for Film to the NIFC | <ul style="list-style-type: none"> <li>• Delegate responsibility for Film to the NIFC</li> <li>• Approve Film grant programmes</li> <li>• Review progress against agreed objectives with NIFC annually</li> <li>• Assess success of Film programmes and overall NIFC delegation</li> </ul> |                     |                   |                   |                   |
|  |  | ◆                   | ◆                 | ◆                 | ◆                 |

#### 5.4.6 Capital programme

Given the limited funds available, the Arts Council will not be in a position to fund large-scale capital projects for the whole of the 2002-2006 strategy period. The consultation document proposed focusing the capital funding available towards minor works, refurbishment and equipment in a way that achieves a reasonable geographic and art form spread across Northern Ireland from 2004. There was general agreement with this proposal in recognition of the funding constraints.

Within the ACNI's Strategic Plan access for the disabled was identified as a strategic objective. In light of this and the requirement for arts organisations to comply with the Disability Discrimination Act (DDA) 1995, work on disability access is to be given priority within the *Capital* programmes for 2002-2006.

Included within the proposed *Capital* programme is the provision of funding support of £500,000 per annum over the period of the Lottery Distribution Strategy for musical instruments for bands. A number of concerns were raised in relation to this proposed programme and the level of funding made available for such a discrete area. However, in light of the moratorium that has been in place since 1996, and the level of demand identified through consultation, the arts sector accepted that this programme should proceed with the proviso that there is an annual review of the budget.

Actions to be completed in this area are:

| <b>Capital Programme</b>                                 |  |   |  |                |                |                |                |
|--|--|---|--|----------------|----------------|----------------|----------------|
| <b>Outcomes</b>  |  | <ul style="list-style-type: none"> <li>• Improvement to disability access within arts venues in NI</li> <li>• Equitable allocation of capital funds across NI</li> </ul>  |  |                |                |                |                |
| <b>Actions</b>   |  | <b>Key Targets</b>  |  | <b>Timing</b>  |                |                |                |
|  |  |   |  | <b>Year 1</b>  | <b>Year 2</b>  | <b>Year 3</b>  | <b>Year 4</b>  |
|  |  |   |  | <b>2002/03</b> | <b>2003/04</b> | <b>2004/05</b> | <b>2005/06</b> |
| <b>2.5 Establish <i>Capital</i> Programme priorities</b> |  | <ul style="list-style-type: none"> <li>• Publicise <i>Capital</i> programme priorities</li> <li>• Review the current guidelines to assist existing organisations in introducing improved disability access</li> <li>• Ongoing review of the <i>Capital</i> programme</li> </ul> |  | ◆              |                |                |                |
|  |  |   |  | ◆              |                |                |                |
|  |  |   |  |                | ◆              | ◆              | ◆              |

## 5.4.7 Business Support Scheme

There was widespread agreement of the need to launch a Business Support scheme to assist small and medium sized arts organisations to become creatively and financially sustainable. The scheme should include areas such as training, skills development, fund raising, marketing and mentoring.

The need for a comprehensive exit strategy to be incorporated as part of the programme was identified in order to manage the transition from grant support to non-grant support over the course of the programme.

Key actions to be completed with regard to a new Business Support scheme are:

| New Business Support scheme   |  |                   |                   |                   |                   |
|---|--|-------------------|-------------------|-------------------|-------------------|
| Outcomes  | <ul style="list-style-type: none"> <li>• Launch of scheme prioritising small to medium-sized organisations</li> <li>• Provision of support to improve longer term sustainability for client organisations</li> </ul>         |                   |                   |                   |                   |
| Actions   | Key Targets  | Timing            |                   |                   |                   |
|   |  | Year 1<br>2002/03 | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| 2.6 Launch a new Business Support Scheme prioritising small and medium sized organisations. | <ul style="list-style-type: none"> <li>• Evaluate current <i>Advancement</i> scheme.</li> <li>• Develop and launch new Business Support scheme.</li> <li>• Evaluate the impact of the new Business Support scheme</li> </ul> |                   |                   |                   |                   |

### 5.4.8 Audience Development

The *Audience Development* scheme was introduced on 1 April 2001 and was designed to bring new participants to the arts and to take the arts to people throughout Northern Ireland.

The overall objectives of the scheme are broadly defined and from the consultation process it was suggested that this be reviewed in order to bring more strategic focus to the overall development of participants and audiences.

There was general opposition to the suggestion that funding be ring fenced for research to identify the key barriers to attendance/audience development. This has been taken into account by the Arts Council which proposes to complete this research internally from its administrative budget.

Key actions in relation to this programme are:

|   |  | <i>Audience Development</i> scheme |         |         |         |
|---|--|------------------------------------|---------|---------|---------|
| Outcomes  | Increased audiences and participants for the Arts in NI  |                                    |         |         |         |
| Actions   | Key Targets  | Timing                             |         |         |         |
|   |  | Year 1                             | Year 2  | Year 3  | Year 4  |
|   |  | 2002/03                            | 2003/04 | 2004/05 | 2005/06 |
| 2.7 Review, revise and re-launch a more strategically focussed <i>Audience Development</i> scheme | <ul style="list-style-type: none"> <li>Review <i>Audience Development</i> scheme , in light of ACNI base-line data</li> <li>Revise <i>Audience Development</i> scheme</li> <li>Re-launch revised scheme</li> <li>Ongoing review of <i>Audience Development</i> scheme</li> </ul> | ◆                                  | ◆       | ◆       | ◆       |

#### 5.4.9 Awards for All

*Awards for All* is a joint awards scheme set up to help small groups in Northern Ireland. It involves the Arts Council, the Community Fund, the Heritage Lottery Fund, the New Opportunities Fund and the Sports Council for Northern Ireland. The aim is to fund projects which involve people in their community, bringing them together to enjoy a wide range of arts, sports, heritage, charitable and/or community, environmental and health related activities.

This scheme has been successful to-date and is viewed by the arts sector as being wholly appropriate with “model” processes which could be used for other Lottery programmes.

Key activities in this area are:

| <i>Awards for All</i> scheme                                 |  |                   |                   |                   |                   |
|--|--|-------------------|-------------------|-------------------|-------------------|
| Outcomes   | <ul style="list-style-type: none"> <li>Increase access to Lottery funds for small projects</li> </ul>  |                   |                   |                   |                   |
| Actions  | Key Targets  | Timing            |                   |                   |                   |
|  |  | Year 1<br>2002/03 | Year 2<br>2003/04 | Year 3<br>2004/05 | Year 4<br>2005/06 |
| 2.8 Confirm Arts Council commitment to <i>Awards for All</i> | <ul style="list-style-type: none"> <li>Agree partnership for further three years</li> <li>Review the <i>Awards for All</i> scheme</li> </ul> | ◆                 |                   | ◆                 |                   |

#### 5.4.10 Special Initiative Schemes

In order to address under developed areas that are of strategic importance to the arts sector the consultation paper identified a number of Special Initiatives which are to be undertaken in the following areas:

- District Councils' arts development
- Arts in schools
- Community Arts and the Internet
- Crafts, Applied Arts and Contemporary Design
- Architecture
- Dance
- A Northern Ireland on-line box office network

The consultation process identified broad consensus for the development of initiatives in each of these areas. However the sector also expressed the need for the Council to consult more widely with it on their development.

Key activities in this area are:




|  |   | Special Initiatives |         |         |         |
|--|---|---------------------|---------|---------|---------|
| Outcomes   | <ul style="list-style-type: none"> <li>• To develop initiatives to address specific strategic gaps within the arts sector in NI</li> <li>• Increase financial support to under represented strategic areas</li> </ul>   |                     |         |         |         |
| Actions  | Key Targets   | Timing              |         |         |         |
|  |   | Year 1              | Year 2  | Year 3  | Year 4  |
|  |   | 2002/03             | 2003/04 | 2004/05 | 2005/06 |
| 2.9 Develop Special Initiatives in conjunction with the sector | <ul style="list-style-type: none"> <li>• Develop and launch new scheme to implement pilot creative initiatives in each ELB</li> <li>• Develop and introduce a Local Government Challenge scheme</li> <li>• Introduce a scheme to support community arts and the internet</li> <li>• Launch new crafts, applied arts and design support initiative</li> <li>• Establish a dance development policy, strategy and support initiative for the sector</li> <li>• Establish a Northern Ireland on-line box office network</li> <li>• Develop and launch support initiative for architecture</li> </ul> | ◆                   |         |         |         |
|  |   | ◆                   |         |         |         |
|  |   | ◆                   |         |         |         |
|  |   | ◆                   |         |         |         |
|  |   | ◆                   |         |         |         |
|  |   | ◆                   |         | ◆       |         |
|  |   | ◆                   |         |         |         |
|  |   | ◆                   |         |         |         |

## 5.5 General

Throughout the consultation process there was widespread recognition of the constraints within which the Lottery Department operates, specifically the impact of declining income and the need to meet Government Directions.

The general view is that the Lottery Department has done an excellent job in light of these constraints but that there is a need for increased advocacy by both the Arts Council and the sector at large to try and address these issues.

Key actions identified in this area are:

|   |  | Advocacy   |         |         |         |
|---|--|--|---------|---------|---------|
| Outcomes  | <ul style="list-style-type: none"> <li>Relaxation of Government Directions</li> <li>Increased Lottery funds for the arts</li> </ul>  |  |         |         |         |
| Actions   | Key Targets  | Timing   |         |         |         |
|   |  | Year 1   | Year 2  | Year 3  | Year 4  |
|   |  | 2002/03  | 2003/04 | 2004/05 | 2005/06 |
| <p><b>3.1 Advocate to Government the need for changes in funding allocation and Government Directions for Lottery funding for the Arts</b></p> <ul style="list-style-type: none"> <li></li> </ul> | <ul style="list-style-type: none"> <li>In conjunction with the sector, seek a review of Government Directions for Lottery funds in NI</li> <li>In conjunction with the sector, advocate to Government the need for parity of allocation for the arts in NI with that of other NI Lottery distributors who have been recognised as working within areas of social and economic deprivation</li> </ul> | <br><br><br><br> |         |         |         |

## 5.6 Delivery of ACNI Strategic Objectives

As outlined in Section 2, the Lottery Distribution Strategy has been developed in line with the overall objectives of the Arts Council as a whole. The following table outlines the relationship between the grant programmes identified above and these objectives, and indicates the Lottery programmes that best meet the ACNI Strategic objectives

| Programme/<br>Objective                  | Capital | New Work | Audience<br>Development | Access | Film Finance | Awards for All | Advancement | Special<br>Initiatives |
|--|---------|----------|-------------------------|--------|--------------|----------------|-------------|------------------------|
| Increase opportunities<br>for the Artist |         | ✓        |                         |        |              |                |             |                        |
| Strengthen the Arts<br>Infrastructure    | ✓       |          |                         |        | ✓            |                | ✓           | ✓                      |
| Community Arts                           |         |          |                         | ✓      |              | ✓              |             | ✓                      |
| Voluntary Arts                           |         |          |                         | ✓      |              | ✓              |             |                        |
| Access for Disabled<br>People            | ✓       |          |                         | ✓      |              | ✓              |             |                        |
| Children & Young<br>People               |         |          | ✓                       | ✓      |              | ✓              |             | ✓                      |
| Increase Audiences<br>for the Arts       |         |          | ✓                       |        |              |                |             | ✓                      |

## 5.7 Delivery of Government Objectives

All programmes (other than Special Initiatives) are required to address all Government Directions.

The table below indicates the programmes that best meet particular Government Directions.

| Programme/<br>Direction  | Capital | New Work | Audience<br>Development | Access | Film Finance | Awards for All | Advancement | Special<br>Initiatives |
|--|---------|----------|-------------------------|--------|--------------|----------------|-------------|------------------------|
| The need to distribute monies to projects which promote the public good  | ✓       | ✓        | ✓                       | ✓      | ✓            | ✓              |             | ✓                      |
| The need to distribute funding: <ul style="list-style-type: none"> <li>• In line with the needs of the sector</li> <li>• Across NI</li> <li>• So as to reduce economic and social deprivation</li> </ul> | ✓       | ✓        | ✓                       | ✓      | ✓            | ✓              |             | ✓                      |
| The need to promote access to the arts from all sections of society  |         |          |                         | ✓      |              |                |             |                        |
| The need to promote knowledge and appreciation of the arts by children and young people  |         |          | ✓                       | ✓      |              | ✓              |             | ✓                      |
| Need to further objectives of sustainable development  | ✓       |          |                         |        |              |                |             | ✓                      |
| To develop Film  |         |          |                         |        | ✓            |                |             |                        |
| To develop Crafts  |         |          |                         |        |              |                |             | ✓                      |
| The need to support the long term financial and managerial viability of organisations  | ✓       |          |                         |        |              |                | ✓           |                        |

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## **6 Level of Funding**

### **6.1 Introduction**

This section provides an outline of the total Lottery funding available for arts in NI over the 2002-2006 period along with an outline of how these funds will be spread across the proposed programmes outlined in Section 5.

### **6.2 Forecast Lottery Funding**

The most recent estimate of the Lottery funds available for distribution by ACNI over the 2002-2006 period was provided by DCMS in June 2001. In line with guidance received from DCMS on the preparation of this Lottery Distribution Strategy the medium range forecasts have been used, resulting in an estimated total income of £28,980,000 over the four-year period of the strategy. This is broken down as follows:

- 2002/03 – £7,610,000
- 2003/04 – £7,330,000
- 2004/05 – £7,140,000
- 2005/06 – £6,900,000

These forecasts will also be supplemented by any unallocated funds available at 1 April 2002.

### **6.3 2002-2006 Budget Allocations**

A draft budget allocation based on forecast income figures for the 2002-2006 strategy was circulated as part of the consultation process.

A number of concerns were raised about the funding allocation against specific programmes being lower than required but no consensus could be reached on which programmes the required funds could be reallocated from. In light of this the general view was that the allocations against programmes should remain with annual reviews of these budgets being undertaken to ensure monies are being directed to NTSN and areas of greatest demand.

Key actions to be completed with regard to budgets and finance are as follows:

|   |  | <b>Budgets &amp; Finance</b>   |         |         |         |
|---|--|--|---------|---------|---------|
| Outcome   | <ul style="list-style-type: none"> <li>• Allocations of funds to NTSN /areas of greatest demand</li> </ul>   |  |         |         |         |
| Actions   | Key Targets  | Timing   |         |         |         |
|   |  | Year 1   | Year 2  | Year 3  | Year 4  |
|   |  | 2002/03  | 2003/04 | 2004/05 | 2005/06 |
| 4.1 Review budget allocations on an ongoing basis | <ul style="list-style-type: none"> <li>• Review budget allocations annually</li> <li>• Adopt a flexible approach to budget allocations to ensure funds are directed to areas of greatest strategic need</li> </ul> | <div style="border: 1px solid black; width: 100%; height: 15px; background-color: #f0f0f0;"></div> |         |         |         |
|   |  | ♦  | ♦       | ♦       | ♦       |
|   |  | ♦  | ♦       | ♦       | ♦       |

### Lottery Fund Draft Budget for 2002-2006

|   | Note     | Budget<br>2002/2003 | Budget<br>2003/2004 | Budget<br>2004/2005 | Budget<br>2005/2006 |
|---|----------|---------------------|---------------------|---------------------|---------------------|
| <b>Estimated Income</b>   |          |                     |                     |                     |                     |
| Lottery Proceeds (based on DCMS medium income forecast June 2001) |          | 7,610,000           | 7,330,000           | 7,140,000           | 6,900,000           |
| Forecast underspend under Special Initiatives and Advancement c/f | 1        | 4,750,000           |                     |                     |                     |
| <b>Total</b>  | <b>2</b> | <b>12,360,000</b>   | <b>7,330,000</b>    | <b>7,140,000</b>    | <b>6,900,000</b>    |
| <b>Estimated Expenditure</b>                                      |          |                     |                     |                     |                     |
| Capital:-   |          |                     |                     |                     |                     |
| New Build/major refurbishment                                     |          | 1,000,000           | 1,000,000           | 0                   | 0                   |
| Minor build/Equipment/Feas/Design Comp                            |          | 877,306             | 1,046,458           | 1,000,000           | 1,000,000           |
| Musical Instruments for Bands                                     |          | 500,000             | 500,000             | 500,000             | 500,000             |
| New Work  |          | 856,440             | 736,648             | 800,000             | 800,000             |
| Audience Development  |          | 856,440             | 736,649             | 800,000             | 800,000             |
| Access  |          | 900,000             | 800,000             | 800,000             | 800,000             |
| Film  | 3        | 1,085,984           | 952,900             | 928,200             | 897,000             |
| Awards for All  |          | 750,000             | 750,000             | 750,000             | 750,000             |
| Business Support scheme   | 4        | 1,500,000           | 0                   | 0                   | 0                   |
| Special Initiatives - on-line box office network                  | 4        | 750,000             | 0                   | 0                   | 0                   |
| Special Initiatives - District Councils                           | 4        | 1,000,000           | 0                   | 0                   | 0                   |
| Special Initiatives - Education & Library Boards                  | 4        | 500,000             | 0                   | 0                   | 0                   |
| Special Initiatives - Community Arts & the Internet               | 4        | 120,000             | 0                   | 0                   | 0                   |
| Special Initiatives - Craft                                       | 4        | 500,000             | 0                   | 0                   | 0                   |
| Special Initiatives - Architecture                                | 4        | 190,000             | 0                   | 0                   | 0                   |
| Special Initiatives - Dance                                       | 4        | 190,000             | 0                   | 0                   | 0                   |
| Provision for Special Initiatives                                 |          | 0                   | 0                   | 730,235             | 496,488             |
| Administration  | 5        | 783,830             | 807,345             | 831,565             | 856,512             |
| <b>TOTAL</b>  | <b>6</b> | <b>12,360,000</b>   | <b>7,330,000</b>    | <b>7,140,000</b>    | <b>6,900,000</b>    |

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**Notes:**

- (1) Provision made for schemes in 2001/2002 carried forward - see note 2
- (2) The budget for 2002/2003 will be augmented by the underspend at 31 March 2002 .  
This underspend will be allocated across all programmes.
- (3) Film allocation based on 13% of projected income. 2002/2003 budget includes the unallocated budget and receipts to date.
- (4) The budgets allocated to Special Initiatives and a Business Support scheme  
will be awarded during 2002/2003 and grants paid out over the following years as necessary
- (5) Based on 2001/2002 budget + annual 3% inflationary figure
- (6) Funds unallocated at the end of each financial year will be carried forward and budgets reviewed on an annual basis

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## 6.4 NATIONAL LOTTERY DISTRIBUTION FUND BALANCES

There is concern in some quarters over the amount of funds held in the National Lottery Distribution Fund (NLDF) and all Lottery Distributors have been asked to examine ways of reducing their individual balances within the Fund.

At 1 April 2002 the Arts Council will have reserves of approximately £32M in the NLDF. These reserves exist for a number of reasons.

A large number of ACNI Lottery Awards have been made to capital projects. There are lengthy planning and construction phases to such projects and funds can only be paid out as the project progresses on site. A large proportion of these reserves (approx £14M) are committed to these projects but are as yet not drawn down for payment.

In addition the Arts Council has a small budget in comparison to many other Lottery distributors. This creates a threshold problem and means that ACNI must “save” income over a number of years if it is ever to have sufficient funds to make large capital awards.

Since April 2000 the Arts Council has offered an increasing number of Lottery programmes which give applicants the opportunity to apply for 3-year funding. These awards can only be paid out over the life of the 3-year project.

Another option available to the Arts Council to reduce NLDF balances is to over commit. This is a method by which the Arts Council could make awards to applicants in excess of its actual income. This is obviously a high-risk strategy and could only be undertaken if DCAL and/or DCMS were to underwrite any over commitments that could not be met in the event of reduced income levels or loss of status as a Lottery distributor.

The Arts Council will continue to monitor its NLDF balance and take appropriate measures to keep it to an absolute minimum.

## 7 Performance Indicators and Efficiency Targets

### 7.1 Performance Indicators and Targets

In accordance with the Financial Directions and in agreement with Government and other Lottery Distributors, the Arts Council has identified the following performance indicators and measures:

| Performance Area          | Performance Indicator/Measures  |
|---------------------------|---|
| Administration            | <ul style="list-style-type: none"> <li>• Level of pre- and post- processing administration time</li> <li>• Number of applications processed</li> <li>• Average cost of processing each application</li> <li>• Average time taken to process each application</li> <li>• Rate of conversion from application to award</li> </ul>   |
| New TSN Requirements      | <ul style="list-style-type: none"> <li>• Percentage of projects which promote under-represented art-forms and geographical areas</li> <li>• Locations of project delivery</li> </ul>  |
| Children and Young People | <ul style="list-style-type: none"> <li>• Percentage of projects which promote the involvement of children and young people</li> <li>• Numbers of children and young people benefiting</li> </ul>  |
| Social Inclusion          | <ul style="list-style-type: none"> <li>• Percentage of projects which impact on social and economic deprivation reduction</li> </ul>  |
| Grant Programmes          | <ul style="list-style-type: none"> <li>• Number of awards made by programme, art form and geographic break-down</li> <li>• Value of awards made by programme, art form and geographic breakdown</li> <li>• Value of awards paid</li> <li>• Number of applications received by programme, art-form and geographic breakdown</li> <li>• Value of applications received by programme, art form and geographic breakdown</li> </ul> |
| Under Represented Areas   | <ul style="list-style-type: none"> <li>• Percentage of projects which promote film, craft, architecture and dance</li> </ul>  |

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Baseline data for all the above was collected as part of the 1999-2002 strategy and all of the proposed indicators will be given a target against this. All targets will be reviewed and set for the incoming year, every March.

The Council has recently introduced a voluntary monitoring form for all applicants to collect information relating to groups covered under Section 75 of the Northern Ireland Act 1998. Baseline data established as a result of this exercise will assist the Council in formulating performance indicators and equality of outcome.

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## 8 Performance Review Mechanisms

The implementation of the Lottery Distribution Strategic Plan is the Lottery Department's key task for the 2002 – 2006 period.

This plan underpins the ACNI Strategic Plan, highlighting the increased integration between Lottery and voted funds for the arts sector in Northern Ireland.

The Arts Council recognises that it cannot act alone and only through working in effective partnerships will it be successful in the delivery of its objectives. It will have to work with a wide range of other organisations including government departments, agencies, NDPBs, voluntary and community groups and the private sector. In particular, the Arts Council regards the District Councils as key strategic partners in the delivery of a comprehensive cultural infrastructure.

In order to achieve what is committed within this plan the Arts Council will utilise baseline data to develop its key performance targets against which success can be measured.

To monitor progress against the plan, the Arts Council will enhance its management information systems by developing its knowledge databases, financial systems and consultation processes so that information is readily available to assess progress.

It is vital that progress against the Lottery Distribution Strategy is reviewed rigorously and regularly. The plan will be reviewed on a quarterly basis by the Council's Strategy sub-committee resulting in the reporting of progress against key targets in the Arts Council's Annual Report. Given the rate of change within the arts and culture sector it may be necessary to revise the plan, fine tuning and tailoring actions to ensure they continue to be relevant and appropriate.

In light of this the Arts Council will continue with its regular consultation with the arts sector, other agencies, successful and unsuccessful applicants, to establish the success or otherwise of this Lottery Distribution Strategy. This consultation will take the form of focus groups and questionnaires, the outcome of which will be fed back into the process.

It is intended that consultation on future Lottery Distribution Strategies will be incorporated into the overall Arts Council strategic planning process, building in sufficient time to conduct full sector consultation.