BEDFORD BOROUGH COUNCIL **DECISION NO. _1678___**

RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER

This form **MUST** be used to record any decision taken by the Elected Mayor or an individual Executive Member (Portfolio Holder).

The form must be completed and passed to the Chief Officer Legal and Democratic Services no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Chief Officer Legal and Democratic Services has confirmed the decision has not been called in.

1. Description of decision

(i) Accept the grant funding of up to £65,000 per annum from Arts Council England National Portfolio Organisation programme for the funding period 2023/24 to 2025/26.
(ii) In doing so, approve the requirements and terms of the associated National Portfolio Organisation Funding Agreement.
(iii) Recognise and approve the key implications associated with accepting the grant funding and delivery of the associated funding agreement.

2. Date of decision

20th March 2023

3. Reasons for decision

The Arts Council England (ACE) National Portfolio is a group of nearly a thousand arts organisations that receive regular funding from ACE for activity that delivers against the outcomes of their 10-year strategy for culture and creativity in England. Following an application for the 2023-26 National Portfolio funding period, the Council received a conditional offer of NPO grant funding for The Higgins Bedford, towards the costs of a proposed programme of activity. The Council is now required to agree to the terms of a funding agreement with ACE to secure the grant funding and join the National Portfolio programme. The grant funding will help improve the quality and relevance of The Higgins Bedford's public programme, ensuring it is better reflective of and meets the needs of Bedford's diverse communities, and improving the relevance and impact of the significant collections to a wider range of people.

4. Alternatives considered and rejected

The alternative is to not accept the grant funding and associated funding agreement, and for The Higgins Bedford not to join the Arts Council England National Portfolio programme.

5. How decision is to be funded

The offer of grant funding of up to £65,000 per annum for the three years of the 2023/24 to 2025/26 funding period represents the full amount requested in the NPO grant funding application. The offer is made towards the agreed activity detailed in the funding agreement, which the Council is required to deliver. The budget forming part of the funding agreement represents the full revenue budget for The Higgins Bedford for 2023/24, incorporating the grant funding income and expenditure. The full costs of delivering the agreed activity therefore consist of the grant funding and the Council's core revenue funding for the service.

6. Conflicts of interest

Name of all Executive members who were consulted AND declared a conflict of interest.	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (If yes, give details and date of dispensation)	Did the Chief Executive give a dispensation for that conflict of interest? (If yes, give details and the date of the dispensation).

The Mayor has been consulted on this decision

Signed: Dave Hodgson Date:**20th March 2023** Name of Decision Taker: **20th March 2023**

This is a public document. A copy of it must be given to the Chief Officer Legal and Democratic Services as soon as it is completed.

Date decision published: …21 March 2023……

Date decision can be implemented if not called in: …30 March 2023……

(Decision to be made exempt from call in……NO……..)

Bedford Borough Council – Report to the Mayor

March 2023

Report by the Manager for Culture & Heritage

Subject: ACCEPTANCE OF NATIONAL PORTFOLIO ORGANISATION FUNDING FROM ARTS COUNCIL ENGLAND

1. Executive Summary

1.1 The purpose of this report is to request approval to accept grant funding from the Arts Council England National Portfolio Organisation programme of up to £65,000 per annum for the National Portfolio funding period 2023/24 to 2025/26. The grant funding will contribute towards the agreed activity set out in the funding agreement in place between Arts Council England and Bedford Borough Council.

2. Recommendation(s)

2.1 That the Mayor considers and, if satisfied:

- **(i) Accepts the grant funding of up to £65,000 per annum from Arts Council England National Portfolio Organisation programme for the funding period 2023/24 to 2025/26.**
- **(ii) In doing so, approves the requirements and terms of the associated National Portfolio Organisation Funding Agreement.**
- **(iii) Recognises and approves the key implications associated with accepting the grant funding and delivery of the associated funding agreement.**

3. Reasons for Recommendations

3.1 The Arts Council England (ACE) National Portfolio is a group of nearly a thousand arts organisations that receive regular funding from ACE for activity that delivers against the outcomes of their 10-year strategy for culture and creativity in England. ACE will invest a significant proportion of their income in the National Portfolio Organisation (NPO) programme over the period 2023/24 to

2025/26. Organisations in receipt of National Portfolio funding are expected to play a central role in helping to deliver the *Let's Create* strategy, putting the public at the heart of their work and being committed to working collaboratively with each other and with other individuals and organisations within their communities.

3.2 Following an application for the 2023-26 National Portfolio funding period, the Council received a conditional offer of NPO grant funding for The Higgins Bedford, towards the costs of a proposed programme of activity. The Council is now required to agree to the terms of a funding agreement with ACE to secure the grant funding and join the National Portfolio programme. The funding agreement includes the following (appended to this report):

- NPO funding agreement offer letter (Appendix A)
- Standard terms and conditions for NPOs (Appendix B)
- Schedule 1 additional conditions for NPOs (Appendix C)
- Monitoring schedule and payment conditions (Appendix D)
- Documents outlining the Agreed Activity
    - Activity Plan (Appendix E)
    - Investment Principles Plan (Appendix F)
    - Financial Template (Appendix G).

3.3 The grant funding will help improve the quality and relevance of The Higgins Bedford's public programme, ensuring it is better reflective of and meets the needs of Bedford's diverse communities, and improving the relevance and impact of the significant collections to a wider range of people.

4. Key Implications

4.1 The implications in accepting the grant offer with regard to any legal, policy, resource, risk, environmental or equality issues have been considered as follows.

Legal Issues

4.2 Acceptance of the funding requires the Council to enter into a funding agreement with ACE. As outlined at 3.2, the funding agreement includes and incorporates ACE's standard terms and conditions for NPOs, a schedule of additional conditions, payment conditions set out in the grant monitoring schedule, and the grant offer letter. The Council is required to deliver the activities as set out in the Agreed Activity during the funding period, incorporating the Activity Plan, Investment Principles Plan and the budget that

accompanies the funding agreement. These documents are appended to this report. In accepting the grant funding, the Council is accepting that the standard terms and conditions are not negotiable and that it is unable to amend or vary the provisions of the funding agreement without the prior approval of ACE.

4.3 In accepting the grant funding, the Council is required to acknowledge that the grant is paid on trust to the Council for the sole purpose of delivering the agreed activity. The terms and conditions require the grant and related expenditure to be shown in the Council's annual accounts under the description of "Arts Council Funding", as restricted funds deriving from National Lottery funds. This condition has been discussed with Finance and it has been communicated to ACE that the Council produces its accounts on a Local Authority basis, which does not show restricted and unrestricted funds in the same way as Charity accounts, but that the Council will commit that the funding will be treated as restricted and used to fund the agreed activity only.

4.4 ACE will monitor and assess the Council's agreed activity and how effectively the funding is being used. The Council must send ACE all such information as ACE may reasonably request from time to time, including the information set out in the monitoring schedule, and any other relevant documentation about the financial and operational running of the organisation, including business plans, monitoring reports, oversight group papers (see 4.5), reserves policies and any other information which ACE deems relevant to its understanding of how the agreed activity is being delivered. The Council must also give ACE, the National Audit Office or any of their agents access to meetings, events, financial records and other information relating to the agreed activity, the organisation or any other matter arising under the funding agreement, if requested. The standard regular reporting requirements of the funding agreement are outlined under 5.6 below with the resource implications considered below.

4.5 The funding agreement requires the Council to have in place an oversight group which is independent of the executive leadership. It is the responsibility of the oversight group to monitor and report on the progress being made to achieved the targets and success measures on which the funding agreement is based, and to take an active role in ensuring that ACE's four Investment Principles (see 5.5 below) are embedded in the organisation's culture and working practices. Details on how the Council will comply with this condition are outlined at 5.7 below. The Council will need to provide evidence that the oversight group has accepted the terms and conditions of the funding agreement, and that the funding agreement is properly accepted by the Chair of the oversight group.

4.6 The Council must comply with the ACE's branding and marketing guidelines, including ensuring that all digital and print marketing assets prominently feature the ACE National Lottery grant award logo.

4.7 The Council must inform ACE of the recruitment process for oversight group members and for senior staff. The funding agreement gives ACE the right to be consulted in the process of recruitment and invited to attend interviews when the organisation is recruiting oversight group members and senior staff.

4.8 The Higgins Bedford must maintain its status as an Accredited Museum through the investment period. This does not carry any additional costs but requires the maintenance of good practice professional standards in relation to the governance and operations of the museum.

4.9 Detail regarding actions taken on any breach of the funding agreement, including termination of the agreement, are included in section 7 of ACE's standard terms and conditions for NPOs at Appendix B.

Policy Issues

4.10 The project supports Bedford Borough Councils 2022-26 Corporate Plan goals to Develop Places, Support People and to Empower Communities through the following strategic priorities:

Developing urban and rural places.
Enabling people to participate in their community and celebrate our vibrant culture.

Resource Implications

4.11 The offer of grant funding of up to £65,000 per annum for the three years of the 2023/24 to 2025/26 funding period represents the full amount requested in the NPO grant funding application. The offer is made towards the agreed activity as detailed in section 5 below, which the Council is required to deliver. It should be noted that the budget forming part of the funding agreement represents the full revenue budget for The Higgins Bedford for 2023/24, incorporating the grant funding income and expenditure. The full costs of delivering the agreed activity therefore consist of the grant funding and the Council's core revenue funding for the service. A planned 12-month cashflow also forms part of the funding agreement. The Council will be required to provide a refreshed Activity Plan, Investment Principles Plan and financial template (budget and cashflow) at the outset of each year of the funding period, with approval from the oversight group.

4.12 The Manager for Culture & Heritage will be responsible for the overall management of the NPO funding agreement including the agreed activity, with support from officers within The Higgins Bedford team. The funding agreement includes provision for the

recruitment of two part-time fixed term contract support officers at grade BBU06 (Learning Support Officer and Volunteer & Engagement Support Officer), who will support the delivery of the agreed activity following recruitment.

4.13 The Manager for Culture & Heritage will be responsible for ensuring the monitoring and reporting requirements of the funding agreement are met, with support from officers within The Higgins Bedford team and the part-time support officers referred to at 4.12. This includes:

- Provision of regular (minimum quarterly) reports to the oversight group and for onward provision to ACE.
- Ensuring that the regular audience and organisational reporting, and evaluation, requirements outlined at 5.6 are met.

4.14 The Council must form and ensure the ongoing running and engagement of an oversight group independent of officers, as outlined at 5.7 below. This includes recruiting suitable members and ensuring an open and transparent recruitment process against identified areas of need, and ongoing administration in respect of the provision of regular reports which will be undertaken by the Manager for Culture & Heritage. The terms of reference for the oversight group ('The Higgins Board') are included at Appendix I, including the requirement for clerk support from Democratic Services.

4.15 NPOs are unable to apply for some other regular ACE funding programmes, including standard Project Grants.

Risk Implications

4.16 In accepting the grant funding, the Council is acknowledging that ACE can only agree future instalments of the grant funding beyond the first year of the funding period as long as funds from the Government and/or the National Lottery are available to it. It is possible that the indicative amount may therefore be reduced for future instalments, which will lead to a reduction in the proposed level of activity.

4.17 The Council is unable to vary the provisions of the funding agreement without the prior written agreement of ACE. The Council is required to provide a refreshed set of plans for the agreed activity at the outset of each year of the funding agreement, approved by the oversight group, including a refreshed financial template. It should be noted that the financial template sets out the full budget position for The Higgins Bedford incorporating the grant funding, as well as 12-month cashflow. Any significant changes to the budget position will therefore require discussion with ACE.

4.18 There is a risk around governance as the funding agreement requires The Higgins Bedford to have a suitable independent oversight group as identified at 4.5 above. Establishment of this oversight group requires the agreement of both the Council and

the Trustees of Cecil Higgins Art Gallery through a joint memorandum of understanding (see 5.7 below) which must be approved prior to the funding period as a condition of the funding agreement.

4.19 Management and delivery capacity is a potential risk given service delivery pressures and constraints. Failure to deliver against the requirements set out in the funding agreement would constitute a breach of the agreement and require action from the Council, oversight group and ACE as set out in the NPO Relationship Framework at Appendix H under 'Keeping to the terms of the funding agreement'. In such circumstances, feedback will be provided and the oversight group in conjunction with officers will be expected to address the relevant issues. Any significant change or challenges must be shared with ACE at the earliest opportunity, with significant changes in the agreed activity being agreed with ACE in advance. Further intervention measures in the case of breaches, or being at risk of breaching, the funding agreement could include requirements for action plans, additional payment conditions, consultancy, eligibility for other ACE grant funds, increased monitoring and reporting, withholding payment, withdrawing investment, reduction of funds, and repayment of funds (where an organisation has clearly continued to breach the terms and conditions). Mitigating measures include the requirement to have an oversight group with responsibility for overseeing the funding agreement between ACE and the Council, which will receive reports and monitor progress against the agreed activity, and to maintain a risk register which will form part of regular reporting.

Environmental Implications and contribution to achieving a net zero carbon Council by 2030

4.20 Potential environmental implications associated with the project, including the potential impact on carbon emissions, have been reviewed. It is unlikely that the funded activity will have any negative additional environmental impact. The funding agreement includes actions in respect of Environmental Responsibility, which forms one of ACE's four Investment Principles. This requires organisations in receipt of ACE National Portfolio funding to make plans to reduce their environmental impact and to measure, understand and report on their progress in doing so.

Equalities Impact

4.21 In preparing this report, due consideration has been given to the Borough Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010.

4.22 A relevance test for equality has been completed. The equality test determined that the activity has relevance to Bedford Borough Council's statutory equality duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. An equality analysis will be completed. The activity associated with the NPO funding agreement may have a benefit to particular

protected equality groups, given its focus on improving the quality and relevance of The Higgins Bedford's public programme to ensure it is better reflective of and meets the needs of Bedford's diverse communities.

5. Details

5.1 The National Portfolio is a group of nearly a thousand arts organisations, museums and libraries that receive regular funding from ACE, which invests public money for creativity and culture in England. NPOs receive funding for activity that delivers against the outcomes of *Let's Create*, ACE's 10-year strategy from 2020 which sets out the vision that 'by 2030, England will be a country in which the creativity of each of us is valued and given the chance to flourish and where everyone has access to a remarkable range of high-quality cultural experiences'.

5.2 ACE expect to invest a significant proportion of their income in the NPO programme over the period 2023/24 to 2025/26. Organisations in receipt of National Portfolio funding are expected to play a central role in helping to deliver *Let's Create*, to put the public at the heart of their work and be committed to working collaboratively with each other and with other individuals and organisations within their communities. To achieve this, ACE are investing in a wider range of creative and cultural organisations as NPOs for their 2023-2026 investment period, to ensure the programme is more representative in terms of geographical location, the audiences it serves, and the profile of its governance, leadership and workforce.

5.3 Bedford Borough Council has been successful in being offered an NPO funding agreement for a programme delivered by The Higgins Bedford, with a grant of up to £65,000 per annum for the funding period from 2023/24 – 2025/26. The grant funding is towards the agreed activity set out in the Council's application and forming part of the resulting funding agreement (see 5.6), consisting of:

- Activity Plan – see Appendix E
- Investment Principles Plan – see Appendix F
- Financial Template – see Appendix G.

5.4 The focus of The Higgins Bedford's proposed NPO activity plan is on improving the quality and relevance of the public programme, ensuring it is better reflective of and meets the needs of Bedford's diverse communities, and improving the relevance and impact of the significant collections to a wider range of people. The Activity Plan at Appendix E sets out the direct activity towards the costs of which the grant funding will contribute, which will be delivered under the following categories:

(i) Enhancing the learning programme for schools to reach children with lower levels of cultural engagement and from more deprived parts of the Borough.

(ii) Enhancing the programme of creative activities to better serve early years, through targeting families with lower levels of cultural engagement and from more deprived areas.
(iii) Building on the main exhibition programme based on the Cecil Higgins Collection, by engaging guest curators and creative practitioners to co-create outcomes with our diverse communities, improving its relevance and impact to a wider range of audiences.
(iv) Using the existing community panel model, working with community partners to co-create interpretation projects inspired by Bedford's diverse cultural heritage.
(v) Building on community networks and place-based partnerships to co-create creative and wellbeing activities for adults that are relevant to a wider range of participants.

5.5 ACE have established four Investment Principles which they consider are necessary characteristics of organisations able to deliver against the outcomes of *Let's Create* and to provide greater benefit to the public. These principles are Ambition & Quality, Dynamism, Environmental Responsibility and Inclusivity & Relevance. As part of the funding agreement, The Higgins Bedford will be expected to deliver against the actions identified in the Investment Principles Plan included at Appendix F.

5.6 The basis of how ACE works with NPOs is set out in the Relationship Framework for the investment period 2023-26 (see Appendix H). The offer of investment is conditional on the funding agreement (see 3.2 above), which sets out the investment the Council will receive over the period of the agreement and incorporates the specific plans and objectives that the Council has agreed to deliver and report against (the agreed activity contained in appendices E-G). The funding agreement also includes the standard terms and conditions for NPOs, a schedule of additional conditions, and the monitoring schedule and payment conditions (appendices B-D). Other key aspects of the Relationship Framework include:

- Relationship Manager
  Every NPO will have a Relationship Manager acting as the main point of contact and communication with ACE and leading on ACE's monitoring of performance against the funding agreement.
- Reporting and monitoring requirements
  ACE's relationship with NPOs is conducted through monitoring and reporting processes. NPOs are required to regularly and accurately track performance against the targets and success measures contained in the funding agreement, and using regular reports to an oversight group (see 5.7 below) to provide ACE with information on progress. This includes:
  - Quarterly submission of oversight group papers, including up-to-date financial information, updated risk register, progress reports against the targets and success measures set out in the funding agreement.
  - A formal annual progress review.

- Completing an annual survey with data on audiences, workforce, organisational development (skills and training) activities, learning and participation, accessibility, income and expenditure, digital content, environmental impact, and the number of children and young people reached.
- Audience data, including total audience volumes as well as postcode and demographic data from a representative sample, submitted through a system provided by ACE. This also includes evaluation data from conducting audience surveys.

- Risk monitoring
  NPOs are required to maintain a risk register in relation to the funding agreement. ACE's approach to risk monitoring is set out in the Relationship Framework at Appendix.

5.7 Local authorities and other organisations in receipt of National Portfolio funding that do not have a 'traditional' board of directors or trustees, are required to have an appropriate 'oversight group' in place before the NPO funding agreement comes into effect from 1 April 2023. It is the responsibility of the oversight group to monitor and report on the progress being made to achieve the targets and success measures on which the funding agreement is based. The Council is forming an advisory board ('The Higgins Board') whose role will include acting as the oversight group for the National Portfolio funding agreement with ACE. Given the existing governance and operational management responsibilities in relation to The Higgins Bedford, The Higgins Board is being formed through a joint Memorandum of Understanding between the Council and the Trustees of Cecil Higgins Art Gallery (Appendix I). The oversight group will:

- Be independent of the executive leadership of The Higgins Bedford (including having an independent Chair).
- Have responsibility for overseeing the National Portfolio funding agreement.
- Meet regularly (minimum four times a year) with the executive leadership to review progress on the National Portfolio funding agreement.
- Receive and review regular reports on progress against the funding agreement and ensure that these reports are forwarded to ACE on a timely basis.
- Meet and communicate directly with ACE, independent of the executive if required, via the Chair.
- Ensure that The Higgins Bedford has policies and procedures in place that comply with legislative best practice, that they are implemented, and that they are reviewed regularly.
- Take an active role in ensuring that Arts Council England's four Investment Principles are embedded in the culture and working practices of The Higgins Bedford.

5.8 NPOs are required to keep to the terms of the funding agreement throughout the investment period. If requirements are not being met, it is expected that the oversight group and officers will deal with the relevant issues preventing the required progress, and

implement an action plan to resolve and meet the requirements of the funding agreement. Action that may be taken by ACE in relation to breaches of the terms of the funding agreement is set out in the Relationship Framework (Appendix H).

6. Summary of Consultations and Outcome

6.1 The following Council units or Officers and/or other organisations have been consulted in preparing this report:

Portfolio Holder for Leisure & Culture
Finance
Legal Services

Report Contact Officer:	*Tom Perrett, Manager for Culture & Heritage* *tom.perrett@bedford.gov.uk*
File Reference:	*ED / 3.23 / National Portfolio Funding / MC&H*
Previous Relevant Minutes:	*N/A*
Background Papers:	*N/A*
Appendices:	*A. Funding Agreement* *B. Standard terms and conditions* *C. Schedule 1 –additional conditions for National Portfolio Organisations* *D. Monitoring schedule and payment conditions* *E. Activity Plan* *F. Investment Principle Plan* *G. Financial Template* *H. NPO Relationship Framework* *I. The Higgins Board - MoU Final Draft*
Note: Spreadsheet appendices E, F and G available on request as too extensive to pdf	

Funding agreement Appendix A

Funding agreement 2023-2026

Tom Perrett
Bedford Borough Council
Bedford Borough Council Cauldwell Street
BEDFORD
MK42 9AP

27 February 2023

Dear Tom Perrett

Offer of Funding

Programme: NPO and IPSO programme
Applicant name: Bedford Borough Council
Reference: NPIP-00552689

Further to our previous correspondence, I am writing to confirm that Arts Council England will provide Bedford Borough Council with a grant of up to the following levels for the funding period 2023–2026 towards the costs of the agreed activity set out in the schedules attached on the Attachments screen.

2023/2024	2024/2025	2025/2026	**Total (£):**
£65,000	£65,000	£65,000	£195,000

Please note that these amounts are indicative. Arts Council England can only guarantee future instalments of the grant as long as sufficient funds from the Government and/or the National Lottery are available to it. Therefore, it is possible that indicative amounts may be reduced for future instalments.

1. Our Funding

Our funding is subject to our standard terms and conditions for grants for National Portfolio Organisations (NPOs) and Investment Principles Support Organisations (IPSOs) ("National Portfolio Organisation and Investment Principles Support Organisation terms and conditions"), the conditions set out in this letter, and the additional conditions set out in Schedule 1. The additional conditions and the National Portfolio Organisation and Investment Principles Support Organisation terms and conditions are attached on the Attachments screen. You can also download the National Portfolio Organisation and Investment Principles Support Organisation terms and conditions from our website (artscouncil.org.uk).

2. Additional Conditions

The additional conditions are set out in Schedule 1.

3. Agreed Activity

The Agreed Activity is set out in the schedules attached on the Attachments screen. Changes to the Agreed Activity are covered in the National Portfolio Organisation and Investment Principles Support Organisation terms and conditions.

4. Payment Conditions

The payment conditions for the grant are set out in the payment schedule, which you can view on the Monitoring schedule and payment conditions screen. We will normally make each scheduled payment within 15 days of us receiving confirmation that you have met the relevant payment condition(s).

5. Your Funding

Your funding comes from our National Lottery resources.
Your funding is restricted to Your funding is restricted to the purpose as set out in the Activity Plan for the relevant funding year, which must have been agreed by the Arts Council. Your funding should be shown as restricted in your accounts..

6. Accepting your grant

Accepting your grant is done online by working through the 'offer letter acknowledgement' workflow. At the bottom of this page you are asked to confirm that you have read the offer letter. On the following screens you will then view additional conditions, National Portfolio Organisation and Investment Principles Support Organisation terms and conditions, the payment schedule, the bank details form, and the schedules with the Agreed Activity. You will need to complete the declaration stating whether you accept this offer of a grant. Once you press 'submit' on the final screen, your acceptance will be sent to us to review.

If you do not accept this offer within one month from the date we issued it, it will no longer be valid.

When you accept your grant, you will need to download the bank details form. You must complete the bank details form and upload it to the Bank details step on Grantium.

Please ensure that a copy of this funding agreement is provided for each member of your board or independent advisory/oversight group. You should also provide the associated schedules, terms and conditions and the Relationship Framework.

7. Freedom of Information

Any information we receive from you will be subject to the Freedom of Information Act. By law, we may have to provide your information to a member of the public if they ask for it under the Freedom of Information Act 2000. For further details, see our information sheet How we treat your application under the Freedom of Information Act, available on our website at artscouncil.org.uk/freedom-information. If you have any concerns, please let us know as some information may be covered by exemptions if it is sensitive or confidential. However, any decision to release information is at our absolute discretion in accordance with the Freedom of Information Act legislation.

Please use the reference given at the top of this letter when you communicate with us. If you have any questions, please contact your Relationship Manager.

Congratulations on your successful application.

Yours sincerely,

Jane Dawson
Director, Funding Programme
Arts Council England

I have read the funding agreement: Yes

Appendix B

Standard terms and conditions for National Portfolio Organisations and Investment Principles Support Organisations

These standard terms and conditions apply to all grant offers to National Portfolio Organisations and Investment Principles Support Organisations for the funding period 1 April 2023 to 31 March 2026

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1. Definitions

1.1. The “Organisation” means the organisation receiving the grant bound by these terms and conditions.

1.2. The “Arts Council” means Arts Council England and includes its employees and those acting for it.

1.3. The “Agreed Activity” means the activity to be carried out during the Funding Period, which has been agreed with the Arts Council and for which the Arts Council is giving the Organisation the grant as set out in the application form, the Activity and Investment Principles Plan, and budget that accompanies this Funding Agreement as Attachments and/or as varied by this Funding Agreement.

1.4. The “Funding Agreement”, which the Organisation has accepted, includes and incorporates these standard terms and conditions, the payment conditions as set out in the Monitoring Schedule, the Schedule 1 Additional Conditions and the grant offer letter, together with any other conditions the Arts Council has agreed with you now or in the future.

1.5. The “Funding Period” means the fixed term specified in the grant offer letter.

1.6. The “Subsidy Control rules” means the Subsidy Control rules adopted by the UK with effect from 11pm on 31 December 2020, including Part 2, Title XI (Level Playing Field), Chapter 3 (Subsidy Control) of the ‘Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain And Northern Ireland, of the other part’ incorporated into law by the European Union (Future Relationship) Act 2020 and, where relevant, the EU State aid rules as set out in Articles 107-109 of the Treaty on the Functioning of the European Union and associated regulations and guidelines under the Northern Ireland Protocol and any other applicable laws and successor legislation. It also includes the Subsidy Control Act 2022 and any accompanying Regulations in so far as their provisions are in force at the time of entering into the Funding Agreement.

1.7. Where the words “including”, “include”, “in particular”, “for example” or any other similar expression are used in these terms and conditions they are illustrative and do not place a limit on the words before or after their use or create an exhaustive list.

2. The Agreed Activity

2.1. The Organisation will deliver the activities as defined in the Agreed Activity, which accompanies the Funding Agreement as Attachments (as may be updated from time to time). The Organisation acknowledges that the grant is paid on trust to the Organisation for the sole purpose of delivering the Agreed Activity.

2.2. The Agreed Activity will form part of the basis for the reporting, monitoring and assessment of performance under this Funding Agreement.

2.3. The Organisation will tell the Arts Council immediately in writing of anything that significantly delays, threatens or makes unlikely the successful delivery of the Agreed Activity or any key part of it. This includes any withdrawal of match funding for the Agreed Activity, which the Organisation told the Arts Council it would receive, at any time during the Funding Period.

3. Funding

3.1. Subject to satisfactory receipt of any information required from time to time, the Arts Council agrees to pay to the Organisation the total grant in such instalments as shown in the Monitoring Schedule.

3.2. The Arts Council will not make any payments under this Funding Agreement until it has evidence that the terms and conditions have been accepted by the Organisation's board or equivalent, and the Funding Agreement is properly accepted by a board member or equivalent. The Organisation will ensure that at all times, while the Funding Agreement is in force, that it is correctly constituted and regulated and that the receipt of the grant and the delivery of the Agreed Activity are within the scope of the Organisation's constitution.

3.3. The Organisation accepts that these standard terms and conditions are not negotiable, and the Organisation shall have no right to amend or vary the provisions of this Funding Agreement (unless with the prior written agreement of the Arts Council) which, for the avoidance of doubt, includes the Schedule 1 Additional Conditions, the Agreed Activity as specified in the accompanying Attachments, the Funding Period and the Dates and Amounts of the Scheduled Payments as specified in the Monitoring Schedule.

3.4. The Organisation accepts that the Arts Council will not increase the grant if the Organisation spends more than the total grant shown in the Monitoring Schedule.

3.5. The Organisation will show the grant and related expenditure in its annual accounts under the description of "Arts Council Funding" (as a restricted fund or unrestricted fund, deriving from grant in aid as revenue grant, or as a capital grant, or from National Lottery funds, as directed in the offer letter). If the Organisation has more than one restricted fund, it will include a note to the accounts identifying each restricted fund separately. If the Organisation has more than one grant from the Arts Council, it will record each grant separately in the notes to the accounts. The Organisation will identify unspent funds and assets, in respect of the grant, separately in its accounting records.

4. VAT

4.1. The grant is not a consideration for any taxable supply for VAT purposes. The Organisation acknowledges that the Arts Council's obligation does not extend to paying any amounts in respect of VAT in addition to the grant.

4.2. If the Organisation is registered for VAT, or subsequently becomes liable to register for VAT, it must keep proper and up to date records and it must make those records available and give copies to the Arts Council when requested.

4.3. If the grant includes any or all of the VAT costs associated with the Agreed Activity and the Organisation subsequently recovers any VAT, it must pay back immediately any of the VAT that has been paid for with the grant.

5. Monitoring

5.1. The Arts Council will designate a Relationship Manager for the Organisation in relation to this Agreement (the "Relationship Manager"). The Relationship Manager is the main point of contact between the Arts Council and the Organisation.

5.2. The Relationship Manager:

5.1.2. will act as the main contact with the Organisation for all matters relating to the grant and the Agreed Activity

5.1.3. will monitor the Organisation, ensuring it complies with the terms of this Funding Agreement and other requirements in accordance with the Arts Council's monitoring requirements, identify issues and share these with relevant colleagues

5.1.4. may attend the Organisation's board meetings (or equivalent) as an observer on a regular or an occasional basis

5.1.5. will act as a "critical friend" to the Organisation by engaging with its activity, and questioning its self-monitoring, direction, operations and activities

6. The Organisation's Obligations

6.1. The Arts Council requires the Organisation to meet any special or additional conditions which may have been agreed between the Arts Council and the Organisation in writing from time to time and which will be deemed incorporated into this Funding Agreement. Any special or additional conditions are in addition to the following requirements of this Clause 6 that the Arts Council requires the Organisation to meet.

6.2. The Arts Council will monitor and assess the Organisation's Agreed Activity and how effectively the funding is being used. To enable this, the Organisation will send the Arts Council all such information as the Arts Council may in its sole discretion reasonably request from time to time. This includes the information, without limitation, set out in the Monitoring Schedule, and copies of all or any other relevant documentation about the financial and operational running of the Organisation, to include business plans together with monitoring reports/revisions, board papers or equivalent, reserves policies and any other information which the Arts Council deems relevant to its understanding of how the Agreed Activity is being delivered and the funding used and for reporting purposes to the Department for Digital, Culture, Media and Sport ("DCMS"). The Organisation agrees and accepts that the Arts Council may share such information and data with DCMS.

6.3. The Organisation must get the Arts Council's prior written agreement before making any significant changes to its legal status, transferring any assets or merging or amalgamating with any other body including a company set up by the Organisation or to the Agreed Activity.

6.4. The Organisation will:

6.4.1. advocate for the value of publicly funded creativity and culture (both grant in aid and National Lottery funded) across its advocacy, marketing and communication activities

6.4.2. where appropriate and when requested, actively work with the Arts Council and other National Lottery distributors, to champion the role of

The National Lottery in supporting your work, and creativity and culture in England

6.4.3. prominently feature the Arts Council's grant award logo or National Lottery grant award logo (as applicable) on all digital and print marketing assets according to our guidelines

6.4.4. share its images, audio and visual content with the Arts Council, having obtained all relevant consent for their use across the Arts Council communication channels

6.5. The Organisation consents to any publicity about the grant and the Agreed Activity as the Arts Council may from time to time require. In addition:

6.5.1. The Arts Council can carry out any forms of publicity and marketing to promote the award of the grant as it sees fit and the Organisation will do whatever is reasonably required in order to assist with any form of publicity and marketing, including any digital, press or media related activities.

6.5.2. The Organisation will assist the Arts Council in advocating for the impact and value of public funding of creativity and culture. The precise nature of this advocacy will depend on the scale and capacity of the Organisation and will be agreed through conversations with the Arts Council's communications team and/or the Organisation's Relationship Manager. This advocacy may include actions such as hosting meetings or including marketing materials in venues, online or in print.

6.5.3. The Organisation must include the latest agreed standard boilerplate about the Arts Council and its investment for all press releases it issues, using the guidance the Arts Council will provide. The Organisation can access full details of how to acknowledge the Arts Council's support at https://www.artscouncil.org.uk/grant-award-logo-and-guidelines.

6.6. The Organisation is fully responsible for every part of its business. This includes, without limitation:

6.6.1. the Organisation must ensure that all current and future members of its governing body receive a copy of this Funding Agreement and the Relationship Framework while they remain in force

6.6.2. the Organisation must ensure that all current and future members of

its governing body have regular updates on the financial position of the Organisation and on the delivery of the Agreed Activity

6.6.3. the Organisation is responsible for getting its own management and business advice. This includes considering whether it needs to get financial, accounting, tax, solvency, legal, insurance, human resources, Subsidy Control rules, or other types of professional advice

6.6.4. the Organisation must tell the Arts Council immediately of any changes in the Organisation that may threaten its solvency and inform the Arts Council if it is proposing to enter into any arrangement with any of its creditors

6.6.5. the Organisation must tell the Arts Council in writing as soon as possible if any legal claims or any regulatory investigations are made or threatened against it and/or which would adversely affect the Agreed Activity during the period of the grant (including any claims made against members of its governing body or staff)

6.6.6. In carrying out its business and funded activity under the Agreed Activity the Organisation must obtain all approvals, consents and licences required by law to deliver the Agreed Activity, comply with any relevant laws or government requirements and comply with best practice in governance, reporting and operation. This includes:

6.6.6.1. taking all reasonable steps to ensure the safety of the children and adults at risk that it will work with. The Organisation will follow best practice in having appropriate policies and procedures in place to ensure the protection of children, young people and vulnerable adults and in complying with those procedures, which will include procedures to check backgrounds and disclosures of all employees, volunteers, trustees, partners or contractors who will supervise, care for, or otherwise have significant direct contact with children and adults at risk with the Disclosure and Barring Service ("DBS"). For further details of the DBS see https://www.gov.uk/government/organisations/disclosure-and-barring-service

6.6.6.2. following best practice in having appropriate and effective policies and procedures in place concerning equality and

diversity, harassment and bullying, and in complying with those policies and procedures

6.6.6.3. having in place at all times and acting in accordance with appropriate and effective disciplinary, grievance and whistleblowing policies

6.6.6.4. having an equal opportunities policy in place at all times and act at all times without distinction and in compliance with all relevant equality legislation

6.6.6.5. where appropriate for the Organisation's business, having a public facing complaints policy in place at all times

6.6.6.6. following best practice in having appropriate and effective policies and procedures in place concerning counter fraud

6.6.6.7. at all times complying with Data Protection Legislation. Data Protection Legislation shall mean without limitation (i) the United Kingdom General Data Protection Regulation and (ii) the Data Protection Act 2018 together with all other applicable UK laws whether currently existing, yet to be implemented, or to act as successor legislation, that regulate the collection, processing and privacy of personal data

6.6.6.8. adhering to all relevant legal obligations relating to offering apprenticeships and internships

6.6.6.9. ensuring that salaries, fees and subsistence arrangements are as good as or better than those agreed by any relevant trade unions and employers' associations

6.6.6.10. maintaining all main financial records including profit and loss accounts, management statements, personnel and payroll records for staff funded under this Funding Agreement for seven years after the grant has ended. The Organisation will complete all statutory returns for employees and make all relevant payments to cover their pensions and salary deductions, such as Income Tax and National Insurance contributions

6.6.6.11. when procuring goods, works or services that are funded in whole or in part by the Funding Agreement you must:

6.6.6.11.1. comply with your obligations under the Public Contracts Regulations 2015 (as amended or replaced from time to time) ("PCR"), if you are a contracting authority subject to the PCR;

6.6.6.11.2. for contracts within the scope of Regulation 13 of the PCR, procure in a manner compliant with the PCR (or such other procurement laws as may apply from time to time); and

6.6.6.11.3. for all other contracts, procuring in a manner which ensures that suppliers are treated equally, without discrimination and that any procurement process is conducted in a transparent and proportionate manner.

6.6.6.12. complying with all anti-bribery and anti-corruption legislation

6.6.6.13. considering any possible risks involved in its funded activities and taking appropriate action to protect everyone involved and maintaining adequate and appropriate insurance at all times

6.6.6.14. maintaining adequate insurance at all times and if asked, will supply copies of the insurance policy. This includes employee and public liability insurance and insurance that covers the full replacement value of any assets that the Organisation has funded

6.6.6.15. if applicable to your Organisation, complying with the Modern Slavery Act 2015 and any other slavery, servitude and forced or compulsory labour and human trafficking legislation

6.6.6.16. ensuring that the Organisation does not work with organisations proscribed under the Terrorism Act 2000 gov.uk/government/publications/proscribed-terror-groups-or-organisations--2/proscribed-terrorist-groups-or-organisations-accessible-version

6.7. The Organisation accepts that the Arts Council's staff, council members and advisers cannot give the Organisation professional advice and will not take part in carrying out the Organisation's business. The Arts Council cannot be held responsible for any action the Organisation takes, or fails to take, or for

the Organisation's debts or liabilities. The Arts Council will not be liable for any losses or charges if it does not make any grant payment on the agreed date. The Arts Council will not be responsible to anyone else who may take, or threaten to take, proceedings against the Organisation.

6.8. The Organisation will not sell, give away, licence or borrow against any grant funded assets (including any intellectual property rights) without receiving the Arts Council's prior written consent. As the grant has come from public funds, the Organisation understands and accepts that if the Arts Council provides the consent it may require that the disposal is at full market value and/or subject to conditions requiring the Organisation to repay all or part of the grant money received.

6.9. The Organisation must give the Arts Council, the National Audit Office or any of their agents access to meetings, events and any/all financial records, other information and/or premises, as may be reasonably requested, relating to the Agreed Activity, the Organisation or to any other matter arising under this Funding Agreement and the Arts Council may postpone payment of the grant or an instalment of the grant until the Arts Council has received the material it has requested.

6.10. The Organisation must, subject to the provisions as noted in Clause 6.6.6.7. above, provide to the Arts Council or a third party appointed by the Arts Council such audience/participant, staffing, activities including touring, income and expenditure data as the Arts Council may request. Where relevant, the Organisation must ensure that it has obtained all relevant and appropriate consents in accordance with the Data Protection Legislation prior to providing such data to the Arts Council or such appointed third party. The Arts Council may postpone payment of the grant or an instalment of the grant until the Arts Council has received the material it has requested.

6.11. The Organisation must ensure it updates its Grantium Applicant profile regularly (to ensure key details such as governance status, address and main contacts are up to date). The Organisation should contact the Arts Council if they wish to change their bank or building society details into which grant(s) are paid.

6.12. Any information the Arts Council receives from the Organisation will be subject to the Freedom of Information Act 2000 ("FOIA"). By law, the Arts Council may have to provide the Organisation's information to a member of the public if they ask for it under FOIA. For further details, see the Arts Council's information sheet *How we treat your application under the Freedom of Information Act*, available on the Arts Council's website

http://www.artscouncil.org.uk/. If the Organisation has any concerns, the Organisation should let the Arts Council know as some information may be covered by exemptions under FOIA if for example the information is sensitive or confidential, but any decision to release information under FOIA is at the Arts Council's absolute discretion.

6.13. The Organisation must inform the Arts Council of any recruitment process for board members/trustees and/or senior staff. The Arts Council reserves the right to be consulted in the process of recruitment and invited to attend interviews when the Organisation is recruiting board members/trustees and/or senior staff.

6.14. The Organisation understands that the Arts Council can only guarantee future instalments of the grant as long as funds from the Government and/or the National Lottery are available to it. It is possible that the indicative amount may therefore be reduced for future instalments.

6.15. The Organisation acknowledges that the grant comes from public funds and acknowledges that the support provided must be compliant with the Subsidy Control rules. Where applicable, the Organisation agrees that Arts Council will publish information relating to the grant and that the Organisation will keep reasonably detailed records to demonstrate compliance with the Subsidy Control rules and shall provide a copy of such records to us upon reasonable request. In the event that it is deemed by a competent court or other regulatory authority to be non-compliant with the Subsidy Control rules, the Organisation will repay the entire grant (and any other sums due) immediately.

6.16. The Organisation will not transfer any part of the grant or this Funding Agreement or any rights under it to any other organisation or individual without the prior written agreement of the Arts Council. If the Organisation is required by the Arts Council to enter into a partnership agreement with another organisation or organisations in order to deliver the Agreed Activity, the Organisation will submit the proposed Partnership Agreement to the Arts Council for its prior authorisation and subject thereto will ensure that no other organisation or individual acquires any third party rights under this Funding Agreement.

6.17. The Arts Council may impose additional terms and conditions on the grant either in the Offer Letter and/or if the Organisation is at any time in breach of this Funding Agreement and/or if the Arts Council believes it is necessary to make sure that the Agreed Activity is delivered as agreed between the Organisation and the Arts Council and/or the Arts Council

has reasonable grounds to believe it is necessary to protect public money and/ or it is required to do so by Government either through a direction or by the issuing of or amendment of grant standard requirements.

7. Termination of this Agreement

7.1. If the Organisation breaches any of the terms and conditions of this Funding Agreement, then the Arts Council in its absolute discretion may withhold or demand repayment of all or part of the grant and terminate the Funding Agreement. The Organisation will repay any grant requested immediately upon demand.

7.2. The Arts Council may suspend payment of the grant if it wishes to investigate any matters concerning the grant (or any other grants given by the Arts Council to the Organisation). The Organisation understands and accepts that the Arts Council will accept no liability for any consequences, whether direct or indirect, that may arise from a suspension even if the investigation finds no cause for concern.

7.3. The Arts Council may also withhold and/or demand repayment of all or part of the grant if the Organisation:

7.3.1. closes down its business (unless, with the Arts Council's prior written consent, it joins with, or is replaced by, another Organisation that can take over this Funding Agreement and carry out the purposes of the grant to the Arts Council's satisfaction)

7.3.2. makes any significant change to the Agreed Activity without the prior written approval of the Arts Council

7.3.3. does not fulfil the purpose of the grant with reasonable care, thoroughness, competence and to a standard that the Arts Council expects from the Organisation with its level of experience in its practice, profession or line of work

7.3.4. provides any information to the Arts Council that is wrong or misleading, either by mistake or because it is trying to mislead the Arts Council during the application process or during the period of this Funding Agreement

7.3.5. becomes insolvent, or any order is made, or resolution is passed, for it to go into administration, be wound up or dissolved; or if an

administrator or other receiver, manager, liquidator, trustee or similar officer is appointed over all or a considerable amount of the Organisation's assets; or the Organisation enters into or proposes any arrangement with its creditors

7.3.6. acts illegally or negligently at any time

7.3.7. acts in such a way that the Arts Council believes it has significantly affected the delivery of the Agreed Activity, or is likely to harm the Arts Council's or the Organisation's reputation or it is in the Arts Council's discretion necessary to protect public money; and/or

7.3.8. sells or in some other way transfers any part of the grant, the business or the activity funded under the Agreed Activity to someone else without the Arts Council's prior written approval

7.3.9. works with any prohibited organisation proscribed under the Terrorism Act 2000 as set out in Clause 6.6.6.16.

7.4. If the Organisation is in breach of any of the terms of this Funding Agreement and the Arts Council does not enforce one or more of its rights straight away, this does not mean that it will not do so in the future. The Arts Council will give up its right to enforce this Funding Agreement only if it tells the Organisation in writing.

7.5. If the Organisation has other revenue or capital grants with the Arts Council, then it is also under an obligation to keep to the terms and conditions of those Funding Agreements. If there is any conflict between those terms and conditions and the terms and conditions of this Funding Agreement, then these terms and conditions will take precedence so far as they relate directly to the delivery of this Agreed Activity.

7.6. If the Organisation breaches any of the terms of this Funding Agreement, the Arts Council can choose to treat that as the Organisation breaching the terms of any other grant agreements the Arts Council has with the Organisation. This will allow the Arts Council to take the same actions under those agreements that the Arts Council may take under this Funding Agreement, including making the Organisation pay back the grant and stopping any future payments.

7.7. This Funding Agreement and these terms and conditions remain in force for whichever period is the longest time:

7.7.1. for one year following the payment of the last instalment of grant

7.7.2. as long as any part of the grant remains unspent

7.7.3. the expiry of the maximum period required under the grant for asset monitoring; or

7.7.4. as long as the Organisation does not carry out any of the terms and conditions of this Funding Agreement or any breach of them continues (this includes any outstanding reporting on grant expenditure or the delivery of the Agreed Activity)

8. Additional Terms and Conditions

8.1. The Arts Council has the right to impose additional terms and conditions on the grant if:

8.1.1. the Organisation is in breach of the Funding Agreement

8.1.2. the Arts Council or another funder withdraws any part of the funding for the Agreed Activity

8.1.3. the Arts Council has reasonable grounds to believe that the Agreed Activities are being carried out by the Organisation in a way that may have a detrimental effect on the Agreed Activities, or on the Arts Council's role as a distributor of public money. For the avoidance of doubt, this would apply to the manner and speed of the delivery of the Agreed Activities, or to any illegal or negligent actions by the Organisation, and not to any artistic decision made by the Organisation

8.1.4. the Arts Council has reasonable grounds to believe that it is necessary to protect public money; and/or

8.1.5. the Arts Council believes such conditions are necessary or desirable to make sure that the Agreed Activity is delivered as set out in the application form or following any agreed changes

Appendix C

Schedule 1 –additional conditions for National Portfolio Organisations

Organisation name: Bedford Borough Council (The Higgins Bedford)
Project number: NPIP-00552689

1	**Activity plans and financial templates**
	We require you to set out your planned activity through provision of a completed Activity Plan template, a completed Investment Principles Plan template and a completed financial template, covering the period 01 April 2023–31 March 2024, which are deemed acceptable to the Arts Council. You must provide a refreshed Activity Plan (Outcomes) template, Investment Principles Plan template and financial template as a condition of April payment in 2024 and 2025, setting out your planned activity for the ensuing year. Submitted plans must use the relevant template provided and have been approved by your board or equivalent oversight group, this approval being recorded in minutes or other dated note of the relevant meeting.
1.1	You are required to demonstrate a commitment to embedding all of our Investment Principles in your work. This includes setting targets and identifying success measures to monitor your progress over the funded period. We require that you have appropriate ownership and oversight at a senior level and relevant policies and plans in place to help you deliver your ambitions.

	You must identify and maintain appropriate toolkits and resources that will support you in setting, monitoring, and achieving targets and allow you to report on progress to your board/oversight group.

2	**Board or equivalent oversight group reporting**
	We require that all funded organisations have in place an appropriate board or equivalent oversight group by 01 April 2023 as set out in the Relationship Framework. It is the responsibility of your board/oversight group to monitor and report on the progress being made to achieve the targets and success measures on which the funding agreement is based. In addition, we expect boards/oversight groups to take an active role in ensuring that our four Investment Principles are embedded in the culture and working practices of your organisation.
2.1	A core component of your reporting and monitoring requirements will be quarterly submission of board papers (or equivalent). We expect you to provide a full set of board papers, which as a minimum must include the following: • an agenda for the board meeting • minutes from the previous board meeting • up-to-date financial information, including: - your most recent management accounts – these should include the original budget set for the year, the budget and actuals for the period and to date, the resulting variances, and revised projections to the end of the year - a rolling 12 month cash flow forecast, including opening balances and a forecast to the end of the year - final (annual) financial statements at the appropriate point and in line with statutory requirements • your updated risk register/s • quarterly progress reports against the targets and success measures set out in your Arts Council funding agreement (annual agreed Activity and Investment Principles Plans) which, where applicable, should identify any areas of activity where insufficient progress is being made and include appropriate plans and actions that have been approved by your board to help mitigate risks

	and/or increase progress and performance. You will find it helpful, and we strongly encourage you to use the Arts Council Activity (Outcomes) and Investment Principles Plans templates for updates and reporting to your board Your Relationship Manager should be added to the distribution list for circulating board papers, a full set of your most recent board papers will also need to be attached to your payment request on Grantium each quarter.

3	**Annual survey**
	We require that you complete an annual survey[1] by the published date in June 2024 for the period 01 April 2023 – 31 March 2024, and in June 2025 and 2026 for the periods 01 April 2024 – 31 March 2025 and 01 April 2025 – 31 March 2026 respectively, in line with the annual survey guidance for the relevant reporting year and via a specified platform. You will be required to provide data on the following, where applicable: • your audiences (including online/digital) • workforce statistics • organisational development including skills and training • learning and participation • international engagement • accessibility • income and expenditure • digital content • the number of children and young people that are reached Organisations who were in receipt of NPO funding for the period 01 April 2022 – 31 March 2023 will be required to submit an annual survey in June 2023.
3.1	You will be required to provide confirmation that all your data reporting is accurate and verifiable, that it meets our standards for data capture and analysis, and that it has been approved by your board or equivalent oversight group.

[1] Further details on the annual survey and audience data collection requirements will be published prior to the start of the funding period in April 2023.

3.2	The Arts Council will publish collated annual survey data as an annual official statistic under Office for National Statistics guidelines. We will publish the full raw data set online in the financial year following the annual survey submission.
3.3	The Arts Council may require you to provide additional data collections or reporting eg bespoke collections by discipline/sub-sector, which may be qualitative or quantitative in nature, as required.

4	**Audience data reporting**
	We require that you (unless exempt[2]) provide the Arts Council with your total audience volumes, as well as collecting postcode and demographic data (ie ethnicity, age, gender, disability, socio-economic status) from a representative sample and submit this to the Arts Council via a specified platform. This will require you to survey some of your audiences in order to collect this data, using a set of questions and methodology determined by the Arts Council. You are also required to contribute ticketing data through a box office connection or direct upload where you are able to. We require that you provide audience data reporting on a quarterly basis and this must be kept up to date throughout the funded period. You should be reporting the data as soon as possible following its collection, and no later than the following quarter. For example, July – September data must be reported no later than 31 December and October – December data must be reported no later than 31 March. An appointed third party provider will be delivering the Arts Council's audience data and insights platform. Organisations must use this platform for their submissions.

[2] Some organisations will be exempt from providing audience data, if this is the case your Relationship Manager will agree an exemption with you.

5	**Annual progress review**
	You will be required to engage in at least one formal, direct contact with a Relationship Manager each year in the form of an annual review meeting. These meetings will normally be carried out in the first quarter of the financial year and will be used to review the progress that your organisation is making against the agreed targets and success measures as set out in your Activity Plan (Outcomes) and Investment Principles Plan templates for the year under review. We would normally expect your senior leadership team and your chair to attend this meeting. Annual progress meetings may be carried out online or in person and may include onsite visits to support the observation of agreed activity. We expect at least one of the annual progress meetings to be carried out on site over the full period of the funding agreement.

6	**Data sharing agreements**
	For the duration of the funding period, you must enter into mutually agreed data-sharing agreements with any other Arts Council funded organisations that you work in partnership with. This could be partners that make use of your services as a promoter or that perform in your venue and spaces. These data-sharing agreements must follow best practice principles on data sharing.
6.1	If you process transactions (eg sell or process tickets) on behalf of another Arts Council funded organisation, you must ensure that you operate a system which allows customers the opportunity to 'opt-in' to have their contact details legally shared with the company, promoter or venue they are booking for. This opportunity can be at transaction stage or immediately following the performance or event. You will pass these customer contact details to the visiting company or presenting venue in accordance with data-sharing best practice and by a time and in a format, which has been agreed as part of your data-sharing agreement.

7	**Accreditation**

	You must maintain Accredited status throughout the investment period, 01 April 2023 –31 March 2026.

8	**Revisions to proposed activity**
	We require that you submit a revised version of the following documents as a condition of payment in April 2023. • Activity Plan (Outcomes) template • Investment Principles Plan template • Financial template Revised plans submitted in April 2023 must: • be on the mandatory templates provided • cover the period 01 April 2023 – 31 March 2024 • address the feedback below, and • be deemed acceptable by the Arts Council We require that the agreed plans and budgets have been reviewed and approved by your board or oversight group. In resubmitting the aforementioned documents you are confirming that this is the case.

9	**Bespoke additional conditions**
	We require that all NPOs and IPSOs have an appropriate board or oversight group in place by the time the funding agreement comes into effect on 1 April 2023. All boards/oversight groups will need to ensure they have appointed a chair that has the authority to meet or correspond with the Arts Council when required and to represent the board's views. As part of ongoing monitoring organisations will be required to submit board papers on a quarterly basis from 01 July 2023, this means your first board/oversight group meeting must take place in the period 01 April – 30 June 2023.

Monitoring schedule and payment conditions

Submission name	Due date	Required	Year	Scheduled payment	Payment Conditions
Year 1 - Payment # 01	05/04/2023	Yes	2023/2024	£16,250	• A completed bank details form • Written confirmation from the chair that your board or equivalent oversight group is in place as of 01 April 2023, setting out the names of members and any assigned roles/areas of responsibility.
Year 1 - Payment # 02	05/07/2023	Yes	2023/2024	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1
Year 1 - Payment # 03	04/10/2023	Yes	2023/2024	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • Quarterly audience reporting, submitted via the specified platform, is up to date and in line with the requirements
Year 1 - Payment # 04	03/01/2024	Yes	2023/2024	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1
Year 2 - Payment # 01	03/04/2024	Yes	2024/2025	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • A completed activity plan template for the period April 2024 – March 2025, which is acceptable to the Arts Council • A completed financial template for the period April 2024 – March 2025, which is acceptable to the Arts Council • A completed Investment Principles plan template for the period April 2024 – March 2025, which is acceptable to the Arts Council
Year 2 - Payment # 02	03/07/2024	Yes	2024/2025	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • Quarterly audience reporting, submitted via the specified platform, is up to date and in line with the requirements • Annual survey reporting is completed and satisfactory to Arts Council, in line with requirements as set out in the annual survey guidance for the relevant reporting year
Year 2 - Payment # 03	02/10/2024	Yes	2024/2025	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1
Year 2 - Payment # 04	01/01/2025	Yes	2024/2025	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • Quarterly audience reporting, submitted via the specified platform, is up to date and in line with the requirements

Year 3 - Payment # 01	02/04/2025	Yes	2025/ 2026	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • A completed financial template for the period April 2025 – March 2026, which is acceptable to the Arts Council • A completed activity plan template for the period April 2025 – March 2026, which is acceptable to the Arts Council • A completed Investment Principles plan template for the period April 2025 – March 2026, which is acceptable to the Arts Council
Year 3 - Payment # 02	02/07/2025	Yes	2025/ 2026	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • Quarterly audience reporting, submitted via the specified platform, is up to date and in line with the requirements • Annual survey reporting is completed and satisfactory to Arts Council, in line with requirements as set out in the annual survey guidance for the relevant reporting year
Year 3 - Payment # 03	01/10/2025	Yes	2025/ 2026	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1
Year 3 - Payment # 04	07/01/2026	Yes	2025/ 2026	£16,250	• Most recent board or advisory/oversight group papers, that meet the requirements as set out in the Schedule 1 • Quarterly audience reporting, submitted via the specified platform, is up to date and in line with the requirements



Photo © Emergency Exit Arts
Thamesmead 50th Birthday

2023-26 INVESTMENT PROGRAMME Appendix H

Relationship Framework

How Arts Council England works with National Portfolio Organisations

Published: February 2022

ARTS COUNCIL ENGLAND

artscouncil.org.uk

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Access Support

We are committed to being open and accessible. We recognise that some people may encounter barriers to meeting the requirements of the funding agreement, as set out in this Relationship Framework. Our Access Support information sheet explains the ways we can help.

Do you need this information in another format?

You can also find the following versions of this guidance on our website:

- audio
- British Sign Language
- Easy Read
- large print

If you experience, or expect there to be, any barriers in meeting the requirements set out in the Relationship Framework and/or in your funding agreement, then please let us know:

Email enquiries@artscouncil.org.uk

Web artscouncil.org.uk

Post Arts Council England – NPO The Hive,
49 Lever Street Manchester M1 1FN

Telephone 0161 934 4317

You can also **Livechat** with us by visiting our website: artscouncil.org.uk

We will be as flexible as possible and consider and respond to requests on an individual basis.

The 2023-26 Investment Programme

From 2023-26, the Arts Council will invest the majority of its resources into National Portfolio Organisations (NPOs), Investment Principles Support Organisations (IPSOs) and Creative People and Places Programmes (CPPs). These organisations will therefore be expected to work closely together and do the majority of the work in helping us achieve the vision and Outcomes set out in our Strategy for 2020-30, Let's Create.

The criteria for becoming a NPO have been set out in our Guidance for Applicants. Alongside this Relationship Framework, it describes what we expect from the organisations we invest in and what they can expect from us throughout the investment period.

We will review the Relationship Framework annually.

The principles of our relationship with your organisation

Accountability and transparency are core components of our public investment, both for us and for the organisations we invest in. To deliver on these expectations, NPOs will be expected to meet specific requirements for reporting and monitoring, which are set out in this document. This enables us to track the progress of our investment programmes and the strategic contributions they are making to Let's Create, our stakeholders and the wider public.

Our relationship with our NPOs will be conducted mainly through our monitoring and reporting processes. Through these arrangements, we expect to see NPOs and their boards (or oversight groups) take responsibility for delivering on their funding agreements with us. This will involve you regularly and accurately tracking your performance against the targets and success measures in your funding agreement and using your regular reports to your board (or oversight group) to provide us with accurate information on progress. We will then use these reports to help us identify any risks that we believe exist in relation to your organisation delivering its funding agreement with us. We will also expect you to supply accurate, timely and relevant data to surveys that we send you. These provide us and the Government with vital information on the state of the sector and help us evidence the impact of our investment and the progress we are making on delivering Let's Create.

We will try to ensure that our reporting and monitoring arrangements are both proportionate and responsible. We expect the majority of NPOs to be relatively low risk and, beyond the regular provision of board papers, to have little day-to-day contact with the Arts Council. We will spend more of our time and resources on those organisations that we have identified as relatively high risk. This in turn will allow us to focus more of our staff development time and resources on those individuals and communities that have had relatively little support from the Arts Council to date.

Our relationship with National Portfolio Organisations

The funding agreement

When we make you an initial offer of investment in October 2022, it will be conditional. That is, it will depend on finalising a mutually satisfactory funding agreement. This will involve a period of negotiation, which includes reviewing the activities, targets and success measures that were included within your application and agreeing appropriate revisions. In addition to finalising your activities and plans for the first year of delivery, we will also need to receive a finalised budget and cash flow forecast for 2023/24, which will have been approved by your board (or oversight group). We expect these negotiations to have concluded by February 2023 and, if successful, a final funding agreement will be signed at that point.

This funding agreement will form the basis of your relationship with us. It sets out the investment you will receive over the period of the agreement and will incorporate the specific plans and objectives you have agreed to deliver and report against in return for that investment. If you are unable to deliver against them, you must discuss this with your Relationship Manager at the earliest opportunity as this could be viewed as a breach of the terms and conditions of our funding.

The funding agreement also contains our Standard Terms and Conditions for National Portfolio Organisations and Investment Principles Support Organisations, many of which are explained in this document. It is essential that all board (or oversight group) members and executive officers read and understand these terms and conditions. We expect the board to be accountable for the funding agreement and to act swiftly if it believes that any of the terms and conditions have been breached.

Working with the Arts Council

Every NPO will have an Arts Council member of staff who acts as the Relationship Manager. They act as the main point of contact and communication with the Arts Council, can suggest other sources of advice and support, and lead our monitoring of your performance. They will also endeavour to engage with your work throughout the investment period. However, they do not provide legal, financial or other professional advice to organisations, nor should you expect them to provide feedback on draft applications. If you are looking for help in improving the way you run your organisation, you should use the resources available via our Investment Principles resource hub rather than seeking help from your Relationship Manager.

For most NPOs your regular contact with your Relationship Manager will be via the provision of quarterly board papers. However, once a year, your Relationship Manager will have a meeting with you and your chair to discuss progress (see below for more information on the 'annual progress review').

We are likely to increase the level of formal contact we have with you if we assess your organisation as relatively high risk. In making our risk assessment, we will take into account the information we receive in your board papers and other risks that you have made us aware of, as well as external factors such as issues relating to the Covid-19 pandemic or the broader economic climate. For information on our risk assessment process see 'risk monitoring'.

We have a right to attend board meetings as an observer and may choose to do this if your organisation's level of risk is high or increases. We also expect to be involved in strategic recruitment activities, especially for senior appointments (including directors and trustees). This may include commenting on job descriptions, being informed about shortlisting or observing interview panels.

In addition to the relationship you have with the Arts Council via our monitoring arrangements, you are also likely to have contact with your Relationship Manager or other Arts Council staff on a range of other matters. We might, for instance, contact you to help us gather intelligence on particular issues facing your sector or subsector or where we want to discuss particular opportunities in relation to our place-based working.

The roles and responsibilities of your board (or oversight group)

It is the responsibility of the organisation's board (or equivalent oversight group) to monitor and report on the progress being made to achieve the targets and success measures on which the funding agreement is based.

For most NPOs, their constitution already provides for a suitably qualified board of directors or trustees to oversee the mission of the organisation, and to provide effective governance and oversight of activity, operations and finances. However, we recognise that some of the organisations we choose to invest in will not have a 'traditional' board of directors or trustees (eg museums, libraries or arts centres that are part of a local authority or a university). For these organisations, we require they have in place an appropriate 'oversight group' by the time that their funding agreement comes into effect on 1 April 2023.

We will expect consortium applicants to set out how they will ensure appropriate independent oversight of the funded activity across the consortium. This could be through the existing governance structure of the lead organisation or a separate oversight or advisory group for the consortium.

Whatever its form, the board or oversight group must have the following minimum responsibilities and authority:

- to be independent of the executive leadership of the NPO
- to have – in either direct or delegated form – responsibility for overseeing the national portfolio funding agreement
- to meet regularly (at least four times a year) with the executive leadership to review progress on the national portfolio funding agreement
- to receive and review regular reports on progress against the funding agreement and ensure that those reports are forwarded to the Arts Council on a timely basis
- to meet and communicate directly with the Arts Council, independent of the executive if required
- to ensure that the organisation has policies and procedures in place that comply with legislative requirements and best practice, that they are implemented, and that they are reviewed regularly

In addition, we expect boards/oversight groups to take an active role in ensuring that our four Investment Principles are embedded in the culture and working practices of the organisation.

What do we mean by an appropriate board or oversight group?

The Arts Council has a responsibility as stewards of public funding to ensure that all the organisations and individuals we support use our investment for the purposes it was intended. We expect our grant recipients to use their grants efficiently and effectively to maximise benefits to the public and, given the scale of public funding we are investing in NPOs, it is especially important that we are confident we are investing in well-run organisations.

For the Arts Council, one of the characteristics of a well-run organisation is that it has a board or oversight group that is independent of the executive and can take responsibility for ensuring the efficient and effective delivery of the organisation's NPO funding agreement with the Arts Council. This responsibility will include ensuring that the organisation's executive officers are being held to account for making progress against the targets and success measures that are mutually agreed as part of the funding agreement – and that the Arts Council receives regular reports on that progress.

All boards/oversight groups will need to ensure they have appointed a chair that has the authority to meet or correspond with the Arts Council when required and to represent the board's views.

All board or oversight group members must be provided with, and read, the Arts Council's applicant guidance for NPOs 2023-26, your organisation's NPO application, the funding agreement with the organisation (including its terms and conditions) and this Relationship Framework. Members should also have read Let's Create and the Arts Council's 2021-2024 Delivery Plan. It remains the responsibility of the directors, other officers, and all those directing an organisation's affairs to ensure that it properly fulfils its legal duties. The board must report any potential breaches of the terms and conditions to the Arts Council at the earliest opportunity.

Reporting and monitoring requirements

Quarterly submission of board papers

A core component of our reporting and monitoring arrangements will focus on the quarterly submission of board papers (or equivalent). We expect to be sent a full set of board papers, which we as a minimum must include the following:

- an agenda for the board meeting
- minutes from the previous board meeting
- up-to-date financial information, including:
  - your most recent management accounts – these should include the original budget set for the year, the budget and actuals for the period and to date, the resulting variances, and revised projections to the end of the year
  - a rolling 12-month cashflow forecast that includes opening balances
  - final (annual) financial statements at the appropriate point and in line with statutory requirements
- your updated risk register/s
- quarterly progress reports against the targets and success measures set out in your Arts Council funding agreement (annual agreed Activity and Investment Principles Plans) which, where applicable, should identify any areas of activity where insufficient progress is being made and include appropriate plans and actions that have been approved by your board to help mitigate risks and/or increase progress and performance. You will find it helpful, and we strongly encourage you to use the Arts Council Activity (Outcomes) and Investment Principles Plans templates for updates and reporting to your board

Local authorities and universities reporting on a specific service area (or those with restricted funding) will need to report to their board or oversight group on the funded activity as well as on the performance of the organisation as a whole, where relevant.

Annual progress review

Organisations will have at least one formal, direct contact with a Relationship Manager each year in the form of an annual review meeting. These meetings will normally be carried out in the first quarter of the financial year and will be used to review the progress that your organisation is making against the agreed targets and success measures set out in your funding agreement. We would normally expect your senior leadership team and your chair to attend this meeting.

In addition to reviewing progress and performance over the previous year, these meetings will also be used to set out plans and conditions for the following year. For the meeting, we will expect you to provide proposed plans and targets using the templates provided (the plans should be informed by the progress you have already made to achieve the targets and success measures set out in your funding agreement), in addition to supplying an updated budget and a rolling 12-month cashflow forecast.

You should consider whether, following discussion with your Relationship Manager, the plans presented should be (re)shaped by the feedback you receive.

Annual progress meetings may be carried out online or in person and may include onsite visits to support the observation of agreed activity. We expect at least one of the annual progress meetings to be carried out onsite over the full period of the funding agreement.

We will provide a headline summary of the discussion after the annual progress meeting.

Annual survey

Our annual survey forms the basis for our Official Statistic. Its longitudinal nature also helps to provide trends on the sector's financial resilience, the diversity of its workforce and the types of activity being accessed and delivered.

As we need to provide our stakeholders (including Government) with an increasingly accurate picture of the benefits of our investment, all NPOs will be required to provide us with comprehensive details over each year of the investment period on the following, where applicable:

- your audiences (including online/digital)
- workforce statistics
- activities
- income and expenditure
- digital content
- environmental impact
- the number of children and young people that are reached

Following feedback from NPOs, we will collect some of this survey data quarterly rather than annually. This should help you with your board reporting and reduce the annual data collection requirement.

We will publish detailed information about the annual survey before the beginning of the funding period, but we anticipate that quarterly requirements will include basic audience and activity data which you will be able to draw from that you are already collecting.

For the annual survey to be effective, your organisation must be committed to ensuring your data reporting is accurate and verifiable, that it meets our standards for data capture and analysis, and that it has been approved by your board or equivalent oversight group. We will check the accuracy of the data before it is published as an annual official statistic under Office for National Statistics guidelines and will make it available for you to use as a comparative tool and for self-evaluation.

Audience data

It is vital that the Arts Council obtains robust data about the audiences of organisations in receipt of regular public funding. Most NPOs[1] will therefore be required to provide the Arts Council with their total audience volumes, as well as collecting postcode and demographic data (ie ethnicity, age, gender, disability, socio-economic background) from a representative sample and submit this to the Arts Council through a system that we will specify. This will be in addition to the information provided via the annual survey.

This will require you to survey some of your audiences in order to collect this data, using a set of questions and methodology determined by the Arts Council. Typically, this information will be collected and submitted on a quarterly basis.

We will analyse the data received to report on key trends to the Government and measure progress against our strategic aims in Let's Create. We recognise the value of the data that is provided, and as a publicly funded data source it is important that this information is freely available (in an appropriately anonymised format) to cultural organisations and other interested parties (eg local authorities and higher education) for the wider benefit of the sector and policy makers.

By contributing to the collective NPO audience dataset you are enabling the Arts Council to have access to vital information to make the continued case for public investment.

[1]Some NPOs will be exempt from the requirement to share audience data with the Arts Council, this will be agreed on an annual basis with Relationship Managers.

Risk monitoring

When monitoring your organisation, we consider various factors to determine the degree of risk to the delivery of our funding agreement with you. In doing so, we also consider the overall resilience of your organisation, including in relation to issues caused by the Covid-19 pandemic as well as other external factors.

In assessing risk, we will specifically look at the following categories:

Activity	• Is the activity/programme being delivered as set out in the funding agreement? • Are there any current risks to the achievement of targets and success measures?
Investment Principles	• Are actions being delivered and progressed as has been set out in the funding agreement? • Are ambitions and priorities on target to be achieved?
Governance and management	• Is there an effective, up-to-date business plan being used to plan activity, and is it on track? • Is progress and performance of the organisation being effectively evaluated by the board and executive? • Is there effective executive leadership and is this being held to account by strong governance? • Are policies and procedures in place in compliance with legal/regulatory requirements and the terms and conditions, and is the organisation complying with those policies and procedures, for example in respect of equality and diversity, safeguarding and child protection? • Is there evidence of clear plans to develop the organisation's sustainability and resilience? • Does the board operate independently of the executive leadership? • Does the board meet regularly with the executive team and review progress on the funding agreement? • Does the leadership invest in the development and training of staff? • Does the leadership have access to up-to-date data on the organisation's performance to help inform its decision making? • How does the organisation manage and mitigate risk? Is the board involved in risk review?

Financial viability	• Does the organisation assess financial risk? • Is the projected income realistic, and does the organisation produce accurate financial information? • Are financial controls, monitoring and reporting suitable? • Is the quality of financial documents submitted to the board appropriate? • Is the organisation successfully building on existing earned/contributed income and actively looking for new sources of income? • Is the organisation effective at maintaining and building reserves?
Reputational risk	• Are there any risks or allegations of fraud or corruption? • Are conflicts of interest managed appropriately? • Has there been any damaging press and/or social media coverage? • Has there been any failures to comply with policies and procedures, for example in respect of equality and diversity and safeguarding? • Is there potential for reputational risk to the Arts Council or other stakeholders? • Are there regular discussions at the board about actual or potential reputational risks?

What do we mean by reputational risk?

We define reputational risk as any activity or behaviour that potentially breaches the terms and conditions of the funding agreement and/or is likely to result in negative or damaging reactions or coverage from the press, public, partners and/or stakeholders (eg sponsors and/or other funders) towards the organisation or the Arts Council. Any activity undertaken by the organisation can bring reputational risk to the Arts Council, regardless of whether the activity is directly funded through your grant or not.

The type of action or activity that may constitute or influence an increase in reputational risk can include, but not be limited to, allegations of fraud or corruption, legal and compliance issues, failure to uphold best practice in relation to equality and diversity, financial concerns, issues with artistic

and creative output that might be deemed controversial, and partnerships with organisations that might be perceived as being in conflict with the purposes of public funding of culture. Risks posed by negative press or social media coverage in relation to any of these issues, or to whistleblowing or similar concerns, should also be taken into account.

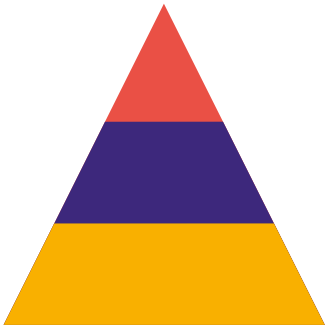
We expect your organisation and your board to be aware of these risks when planning activity, especially if the terms and conditions of the funding agreement are at risk of being breached. We expect you to be proactive with your responses and mitigations to any risks that have been identified.

You should also discuss any known or perceived risks with your board and seek appropriate/external advice, where needed. This should include considering legal or regulatory requirements, your own organisational policies and procedures, and the views and perceptions of different stakeholders, including their appetite for risk. If mitigations don't reduce the risk sufficiently, we would expect you to discuss with your board what further steps should be taken and would encourage you to discuss your plans and actions with the Arts Council prior to initiating a proposed activity that you have identified as high risk.

For the avoidance of doubt, we expect all NPOs to support freedom of expression. We see this as essential for a thriving cultural sector in this country. The purpose of reviewing reputational risk is to ensure that you and your board are well placed to support creative practitioners delivering work that you might have identified as 'high risk'.

We reach a conclusion about the level of risk for each organisation based upon a range of factors, including your quarterly board paper submissions (including financial reports), annual progress reviews, annual accounts, evidence of excellence and/or reputational risks and concerns (eg press coverage, stakeholder feedback, feedback through relevant evaluation frameworks/toolkits).

This diagram illustrates categories of risk and our consequent levels of engagement.



Major risk
Immediate feedback, intervention as necessary

Moderate risk
Feedback as necessary, increased monitoring

Minor risk
Annual feedback, ongoing monitoring

We record risks at least every three months (or as they arise). Our risk assessment will be made available to you through our application portal, Grantium, on a quarterly basis. You will be advised of any changes to our monitoring of your organisation, if applicable.

We will use your risk level to determine whether any changes to our relationship are required and/or whether any further intervention/s or additional conditions to the funding agreement are needed to support your organisation to reduce its level of risk.

We expect the majority of our NPOs to be minor risk. Our Relationship Managers will prioritise their national portfolio time to focus on those organisations we consider carry a major degree of risk to our investment. We will expect to hold conversations with your chair (and other board members, as applicable) as well as with executive officers about action that may need to be taken to mitigate risk. These conversations aim to help you to improve the situation, but if no progress is made, your funding could be at risk. See the next section, 'Keeping to the terms of your funding agreement', for further details.

Please be aware that the Arts Council is reviewing its approach to Safeguarding. We will be issuing guidance by April 2023 setting out minimum standards and what we expect organisations to have in place if they work directly with children, young people and/or vulnerable adults. We would expect this guidance to be considered by boards and Safeguarding Leads within organisations to ensure that best practice is followed at all times.

Keeping to the terms of the funding agreement

If your organisation is not meeting the requirements set out in the funding agreement, our first step will usually be to give you appropriate feedback and discuss this with you, so we can collectively understand and agree what the problems may be.

We expect your organisation's board (or oversight group) to be informed about any concerns we express, either in discussion at a meeting or in writing. We also expect that the board, working with your organisation's executive officers, will deal with the relevant issues and provide prompt and constructive advice on how you can meet the requirements set out in the funding agreement. We would expect any significant changes or challenges for the organisation to be shared with the Arts Council at the earliest opportunity.

If your organisation breaches, or is at risk of breaching, any terms of the funding agreement, we may take further action in addition to the feedback and discussion outlined above (which would usually be a first-stage measure).

For the avoidance of doubt, the terms and conditions of our funding agreement require organisations to deliver the activity to which they have committed, including achieving the targets they have set for themselves. We understand that plans do have to be adjusted to respond to business and other factors but would expect any proposed changes to be reported to and discussed with the board. We will determine through your board papers whether changes should be discussed with us but do expect any significant changes to the activity set out in the funding agreement to be agreed with us in advance.

Prevention and intervention

We will take appropriate action if your organisation breaches, or is at risk of breaching, the terms and conditions of the funding agreement. Measures we can take if the terms and conditions are breached are outlined below and will be based on the degree of risk to our investment. These measures should not be seen as a step-by-step process. We will approach each instance individually and determine the appropriate intervention or combination of interventions.

- **Action plans:** we may ask for and agree an action plan for improvement in response to the concern(s) raised. Within this plan we may ask you to consider changing your key officers, both executive and/or non-executive. You will be responsible for this action plan and we will monitor its effect over an agreed timeframe.
- **Additional payment conditions:** we may place extra conditions on our grant payments if you have not met the terms and conditions set out in the funding agreement or where we are particularly concerned about the risk to our investment.
- **Consultancy:** we may ask external consultants to provide us with detailed information on areas of concern. This may be because we need more information, because we need specialist input, and/or because we want to support you to develop and improve.
- **Eligibility for development funds:** if we have not received and agreed clear and credible plans to deal with issues, we will make your organisation ineligible for other Arts Council funding programmes (for instance National Lottery Project Grants or capital).
- **Increased monitoring and reporting:** we may ask that your executive officers or chair (or both) meet with senior Arts Council officers to confirm that areas of concern we identified are being dealt with (for example if progress to deliver against the Outcomes or embed the Investment Principles is not being met). We may also ask for written reports more frequently on certain issues.
- **Reduction of funding:** where you have breached the terms and conditions of the funding agreement, we may decide that your funding should be reduced on either a temporary or permanent basis.
- **Repayment of funds:** in cases where you have clearly continued to breach the terms and conditions, we may ask you to repay our investment.
- **Stakeholder review:** we may hold a joint review meeting with other investment partners and discuss areas that can be improved or developed.

- **Withdrawing investment:** where you are in either significant or sustained breach of the terms and conditions of your funding agreement, we may decide that continued investment is not a proper use of public funds and we will discontinue it. We would take into account the evidence available, interventions we have made and the progress you have made against your action plan/s.
- **Withholding payment:** if your organisation has not met the conditions of our funding agreement within an appropriate period, we may decide to withhold payment of a grant instalment (or part of a payment) until you have met the necessary conditions.

If we decide to carry out any of the above interventions, we will tell you in advance in writing and set out our rationale.

There may be situations where a breach of terms and conditions could lead to an immediate withdrawal of funding, for example if you have worked with a proscribed organisation under the Terrorism Act 2000 (see here for further information), or where the board has resolved to wind down the organisation.

Other organisational requirements and expectations

In addition to the reporting and monitoring requirements set out in this document, we also expect all NPOs to support and comply with the following policies and procedures. If we believe that the terms and conditions of our funding agreement have been breached in relation to any of the issues set out below, we will take appropriate action:

- **Counter fraud:** Arts Council England takes a zero-tolerance approach to grant applicants who commit fraud or bribery. In the event that such activity occurs, we will seek to undertake appropriate actions and sanctions that prevent, detect, act and recover funds, as applicable. This may include, but not be limited to:

  a) Taking civil action in matters where fraud is an issue, but it is unlikely to lead to a criminal investigation.

  b) Taking civil action where there has been an irremediable and substantive breach of the terms and conditions of grant.

  c) Taking action, as is considered fit, in cases of minor or inadvertent breaches.

d) Withdrawing a live grant or offer letter following the conclusion of an investigation based on breaches of our terms and conditions or identified illegal activity as per the Grant Withdrawal Process 2019.

e) Marking applicants as ineligible for the funding programme, as per the 'Ineligible applications criteria'.

f) Seeking recovery, as the prime consideration, in cases of fraud.

g) Prosecuting offenders, and using the Proceeds of Crime Act 2002 to recover funds, in cases where money laundering is proven.

h) Considering and using all relevant legislation, either through criminal or civil action when fraud, bribery or corruption are identified following legal advice.

For further information please read our Counter Fraud Strategy and Policy or email fraud@artscouncil.org.uk.

- **Equality and fair pay:** The Arts Council has a duty to ensure we meet the Public Sector Equality Duty 2011 and the protected characteristics as defined in the Equality Act 2010. We are also committed to promoting equality of opportunity, regardless of socio-economic background and want all of our funded organisations to deliver their programme/s in a sustainable way – for their staff, for freelancers, and for the long-term health of the sector.

  Our current Delivery Plan sets out our four Equality Objectives, which explain how we will put our legal duty into action.

  Our Delivery Plan also sets out our commitment to funding a new national portfolio of cultural organisations that provide improved access and opportunity, including offering more equitable and transparent support for creative and cultural practitioners and clearer progression routes into the industry.

  We will expect all NPOs to share and uphold these commitments and we have published further information about Equality and Fair Pay and Supporting Practitioners to support you to meet these expectations. We also expect all organisations we fund to take all reasonable steps to ensure the safety of the children and adults at risk that they will work with.

- **Modern slavery:** Modern slavery encompasses a wide range of horrendous crimes such as human trafficking, slavery, servitude and forced labour – Arts Council England has zero tolerance of modern slavery, as outlined in our Modern Slavery Statement.

  We are committed to improving our practices to prevent modern slavery within our own business, our supply chains and within the organisations we fund, including NPOs.

  Our terms and conditions require funded organisations to comply with all relevant laws and government requirements, including the Modern Slavery Act 2015 where it applies. We would also encourage organisations that fall outside of the scope of the legislation to be aware of modern slavery and its implications. In addition, our terms and conditions also require recipients of funding to have appropriate policies and procedures in place and to act in accordance with them at all times to help them comply with any relevant law, government requirements or best practice.

- **Working with proscribed terrorist groups or organisations:** All our funded organisations are required to operate to appropriate legislation for tackling terrorism and extremism. This includes the Prevent Duty (ie the Counter-Terrorism and Security Act 2015) and the Terrorism Act 2000, as appropriate.

  Under the Terrorism Act 2000, the Home Secretary may proscribe an organisation if they believe it is concerned in terrorism, and it is proportionate to do. For the purposes of the Act, this means that the organisation:

  - commits or participates in acts of terrorism
  - prepares for terrorism
  - promotes or encourages terrorism (including the unlawful glorification of terrorism)
  - is otherwise concerned in terrorism

  Funded organisations found to be working with and/or supporting any groups or organisations banned under UK law will be in breach of their funding agreement (see here for further information). This will lead to an immediate withdrawal of funding.

The Charity Commission also requires charities to report serious incidents, including incidents relating to terrorism or extremism. If a serious incident takes place within your charity, it is important that there is prompt, full and frank disclosure to the Commission, as well as to the Arts Council. For further information, please read the guidance on how to report a serious incident in your charity.

- **Workplace disputes:** We expect all NPOs to have an open and inclusive workplace culture, where employees and workers can speak up about issues or concerns they (or their co-workers) may be experiencing. Employees and workers should be confident they'll be heard and have their problems addressed by the organisation in an appropriate way.

  We expect our funded organisations to follow full and fair procedures to try and resolve any workplace issues that arise and, where possible, avoid the use of non-disclosure agreements (NDAs) as a mechanism for dispute resolution. For further information on the use of NDAs, please visit the ACAS website.

- **Raising a concern:** The Arts Council published a revised Raising a Concern policy in January 2022. All those receiving funding from us should be aware that when concerns are raised with us by third parties (or when we are made aware of concerns through press or social media) we will investigate and will contact the named organisation/s to seek assurance that our terms and conditions of funding have not been breached. Organisations in receipt of Arts Council funding are required to cooperate fully and promptly with our investigation.

Current and future investment

Our funding agreement with NPOs will state that the amounts offered for each year of the investment period are indicative and subject to the Government's Spending Review for the period.

We can only guarantee future instalments of your investment as long as sufficient funds from the Government and/or the National Lottery are available to us. It is possible therefore that our funding to you during this investment period may be reduced.

In the funding agreement, we make it clear that NPOs should not assume investment beyond their current agreement. Any future investment beyond the 2023-26 investment period will involve an application process and the timing of this will depend on Government budget announcements. We will provide as much notice as possible about when applications will be welcomed, along with details of other information we will need.

Our future investment decisions may be influenced by factors that are additional to the specific merits of individual applications. For example, we will look at how organisations have delivered on previous funding agreements, with a particular emphasis on the progress made to achieve targets and success measures. We will also take into account the feedback we have provided you and the level of support and/or intervention that has been delivered to you during the previous funding period.

We will also continue to ensure all our investment makes the best possible contribution to the delivery of our strategy, Let's Create.

Contact us

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You can also Livechat with our Customer Services team by clicking the icon on our Access Support page: artscouncil.org.uk/access-support

Memorandum of Understanding between Bedford Borough Council and the Trustees to the Will of Cecil Higgins regarding the Higgins Board **Appendix I**

1. Background and Shared Objectives

1.1 As a result of the circumstances of the formation of Cecil Higgins Art Gallery and Bedford Museum, the conditions laid down in the Codicil to the Will of Cecil Higgins, and the redevelopment of the site in 2013, the governance and operational management arrangements of The Higgins Bedford are complex.

1.2 Bedford Borough Council (the Council) funds and manages the buildings, staffing and operations, and controls the Council-owned collections. The Trustees of Cecil Higgins Art Gallery (the Trustees) own the Cecil Higgins Collection of fine and decorative art and, in conjunction with the current Art Gallery Board, have authority over elements of the management and use of this collection. The Trustees also currently contribute towards curatorial staffing costs. The current arrangements are set out in Appendix A.

1.3 The Council and Trustees collectively recognise the opportunity to support The Higgins Bedford in moving to the next stage of its development, through the following shared objectives:

- To develop a more ambitious strategy and associated operations that enables it to fulfil its full potential as a cultural attraction.
- To improve The Higgins Bedford's ability to generate income and raise funds through an effective fundraising strategy that reduces its dependence on the Council.
- To protect the Trustees and the Council from any further financial demands in relation to the revenue and operational costs.

2. The Agreement

2.1 To further the shared objectives outlines under 1.3 above, the Council and the Trustees hereby agree to the creation of a new board (the Higgins Board) which will have the role and responsibilities outlined in section 3 below.

2.2 In doing so, the Council and the Trustees agree to the following:

(i) That the Higgins Board is independent of both parties and to take account of its advice in their decision making, with reference to the statements at 2.4 below.
(ii) The role and responsibilities of the Higgins Board as outlined in section 3, and the Terms of Reference for the Higgins Board included at Appendix B.
(iii) That the Higgins Board will have an independent chair, and that both parties will have two representatives as outlined in the Membership section of the Terms of Reference at Appendix B.
(iv) That both parties will work together constructively in a spirit of cooperation to make the new board and its objectives a success.

2.3 In addition, the Council agrees that the Higgins Board shall have responsibility for the oversight of the National Portfolio funding agreement with Arts Council England for the period 2023/24 to 2025/26, including the minimum responsibilities and authority outlined at 3.3 below.

2.4 In agreeing the statements at 2.2 and 2.3 above, both parties agree and acknowledge that nothing in this agreement supersedes the existing governance arrangements and operational management responsibilities relating to The Higgins Bedford and Cecil Higgins Art Gallery, as set out in Appendix A, and that the Higgins Board will operate alongside these arrangements. In particular, both parties agree and acknowledge that:

- The Council retains ownership of the buildings housing The Higgins Bedford, provides core revenue funding, is responsible for staffing and services and is ultimately responsible for its operations.
- Nothing in this agreement should be construed as superseding the terms of the Codicil to the Will of Cecil Higgins, in respect of the ownership, governance and management of the Cecil Higgins Collection and Cecil Higgins Art Gallery.

3. The Higgins Board – Role and Responsibilities

3.1 The role of the Higgins Board is to:

- Advise the Council on the strategic direction and operation of The Higgins Bedford, enabling it to fulfil its potential as a cultural attraction.
- Support the achievement of The Higgins Bedford's strategic aims through an effective fundraising strategy that reduces its dependence on the Council.
- Include the role of oversight group in relation to The Higgins Bedford's National Portfolio funding agreement with Arts Council England, as laid out at point 3.3 below.

3.2 The responsibilities of the Higgins Board in relation to these purposes are:

- To generate income to support the implementation of The Higgins Bedford's strategy and to contribute towards running costs, including working towards the establishment of a fundraising charity to generate sponsorship, donations and funds from trusts and foundations.
- To advise the Council on the setting and implementation of, and to receive regular reports on and review progress against, a strategy for The Higgins Bedford that seeks to:
    (i) Promote public engagement with, access to and use of the collections and heritage.
    (ii) Encourage partnership working to raise the profile and broaden recognition of the museum.
    (iii) Increase the ambition and reach of museum programmes, inspired by the collections and heritage.
- To advise on potential public programming and activity in relation to (i) to (iii) above.
- To advise the Council on, and ensure the development and progression of, The Higgins Bedford's assets, including the building and Council-owned collections, including:
    (i) Policy and planning for collections development, collections care, and collections information in accordance with relevant professional standards.
    (ii) Maintaining a museum estate that provides a high quality visitor experience and ensures the long-term preservation of collections.

3.3 In addition, the Higgins Board will fulfil the role of oversight group of The Higgins Bedford's National Portfolio funding agreement with Arts Council England, by having responsibility for overseeing the funding agreement in place for the period 2023/24 to 2025/26. It is responsible for ensuring the efficient and effective delivery of the funding agreement, that The Higgins Bedford's executive officers are held to account for making progress against the

targets and success measures that form part of the funding agreement, and that Arts Council England receives regular reports on that progress. In respect of this oversight group role, The Higgins Board has the following minimum responsibilities and authority:

- It will be independent of the executive leadership of The Higgins Bedford.
- It will have responsibility for overseeing the National Portfolio funding agreement.
- It will meet regularly (four times a year) with the executive leadership to review progress on the National Portfolio funding agreement, according to the agreed National Portfolio Organisation Activity Plan.
- It will receive and review regular reports on progress against the funding agreement and ensure that these reports are forwarded to Arts Council England on a timely basis.
- It will meet and communicate directly with Arts Council England, independent of the executive if required, via the Chair.
- It will ensure that The Higgins Bedford has policies and procedures in place that comply with legislative best practice, that they are implemented, and that they are reviewed regularly.
- It will take an active role in ensuring that Arts Council England's four Investment Principles are embedded in the culture and working practices of The Higgins Bedford.

4. Termination

4.1 The Council retains the right to dissolve the Higgins Board, recognising the Council's ultimate responsibilities with respect to The Higgins Bedford and the Codicil to the Will of Cecil Higgins.

4.2 The Council recognises that, to be fully effective given the Trustees' responsibilities with respect to the Cecil Higgins Collection and the Codicil to the Will of Cecil Higgins, the new Higgins Board will need the continuing support of the Trustees.

4.3 If this agreement is terminated, arrangements in respect of The Higgins Bedford will revert to the status quo ante, unless the parties agree to a new Memorandum of Understanding.

Signed ……

On behalf of Bedford Borough Council

Dated ……

Signed ……

On behalf of the Trustees of the Will of Cecil Higgins

Dated ……

Appendix A – Current Governance and Operational Management Arrangements of The Higgins Bedford and Cecil Higgins Art Gallery

1. Background

Cecil Higgins Art Gallery

1.1 Cecil Higgins, youngest son of a wealthy Bedford brewing family, was a passionate collector. It was his desire that there should be a Museum of Art (Cecil Higgins Art Gallery) founded in his name in his home town of Bedford, to house the collection he had formed. Furthermore, it was his desire that the collection be housed in his family home at Castle Close in Bedford.

1.2 The terms upon which the Art Gallery was to be established are set out in a Codicil, dated 11th January 1938, to his Will of the same date. Cecil Higgins died on 9th April 1941, leaving his Collection in Trust. Following his Will and Codicil being proved on 23rd December 1941, arrangements were put in place to make his wish a reality. The decision of Bedford Borough Council to become a museum authority was sanctioned in November 1943, and Cecil Higgins Art Gallery opened to the public in July 1949.

1.3 The Trustees of the Will of Cecil Higgins and Bedford Borough Council operate under the terms set out in the Codicil to the Will of Cecil Higgins. The Codicil provides for the formation of an Art Gallery Board, whose membership is made up of the Trustees, the Council and others representing other organisations or having an expertise in the arts.

Bedford Museum

1.4 Bedford Borough Council approved and adopted a recommendation in February 1960 to convert former garage premises on the Embankment into a museum to house the collections of the Bedford Modern School Museum (founded 1884), the Corporation of Bedford, and the Bedfordshire & Hertfordshire Regimental Museum (later transferred).

1.5 Bedford Museum opened in September 1962 and moved in the 1980s to the former Higgins & Sons Castle Brewery, next door to Cecil Higgins Art Gallery.

The Higgins Bedford

1.6 The staffing and Council management arrangements for Bedford Museum and Cecil Higgins Art Gallery were combined. A major redevelopment, physically joining the buildings on the site, took place from 2011-2013 and The Higgins Bedford opened in June 2013.

1.7 These changes did not affect the governance structure of Cecil Higgins Art Gallery as it outlined at 1.2-1.3 above.

2. Current Management Arrangements and Responsibilities for The Higgins Bedford

Bedford Borough Council

2.1 Bedford Borough Council owns and provides the building housing The Higgins Bedford (and including the Cecil Higgins Art Gallery), which provides for the appropriate display and storage of the Council-owned museum collections and the Cecil Higgins Collection of fine

and decorative arts. The Council is responsible for the management and maintenance of the site, including all related costs such as repair, maintenance and insurance.

2.2 The Council owns and is responsible for the Council-owned museum collections, including providing revenue funding towards all related costs, such as insurance, storage and conservation.

2.3 The Council is responsible, and provides core revenue, for the operational management of the service, including staffing and providing support services to The Higgins Bedford.

2.4 In relation to **Cecil Higgins Art Gallery**, the Codicil to the Will of Cecil Higgins requires the Council to:

- Provide the Art Gallery building to house the Cecil Higgins Collection. (Codicil Page 3 Paragraphs 2, 3 and 6)
- Manage the Art Gallery. The Council manages the Cecil Higgins Collection on behalf of the Trustees in accordance with the terms of the Codicil. (Codicil Page 4 Clause 5(1))

Trustees of the Codicil to the Will of Cecil Higgins

2.5 The Trustees own the Cecil Higgins Collection of fine and decorative art and loans the Collection to Bedford Borough Council as long as the provisions in the Codicil to the Will of Cecil Higgins are observed. (Codicil Page 3 Paragraph 2)

2.6 The Trustees are responsible for the management of the Cecil Higgins Collection. The Trustees, in conjunction with the Art Gallery Board, have authority over elements of the management and use of the Cecil Higgins Collection, and are able to apply all or any part of income of the Trust Fund towards the following costs: (Codicil Page 4 Clause 4)

- Conservation of the Cecil Higgins Collection
- Insurance of the Cecil Higgins Collection
- Salaries of the Curator or Assistant Curator, and the costs of experts appointed to the Art Gallery Board
- Purchase of new objects for the Cecil Higgins Collection
- Other approved expenses connected with the Art Gallery.

2.7 In relation to **Cecil Higgins Art Gallery** and the **Cecil Higgins Collection** Gallery, therefore, the Council has responsibility for operational management, staffing, custody of the Collection, provision of the building including repairs and maintenance and insurance, and programming. The Trustees have responsibility for ownership of the Collection, acquisitions, disposals and loans from the Collection, and insurance of the Collection.

Art Gallery Board

2.8 The functions of the Art Gallery Board are to give their consent and approval to any step or proposed in certain matters as outlined below, and generally to assist and advise the Council in the management of the Art Gallery. In addition, the Art Gallery Board is responsible for ensuring that the conditions regarding Cecil Higgins Art Gallery laid down in the Codicil are observed, reporting to the Trustees if any breach of them occurs. (Codicil Page 3 Paragraph 5)

2.9 Approval of the Art Gallery Board is required on the following subjects: (Codicil Page 5 Clause 5(h))

- The appointment or dismissal of a Curator or Assistant Curator
- The acquisition of any object for the Cecil Higgins Collection
- The disposal of any object from the Cecil Higgins Collection
- The display of any objects on loan to the Art Gallery
- Any alteration in the method of display or the removal from one room to another of any part of the Cecil Higgins Collection
- Any other matter appertaining directly or indirectly to the artistic and educational control and management of the Art Gallery.

2.10 The Art Gallery Board meets quarterly to consider requests for loans from and to the Collection, and any proposals for acquisitions or disposals. With reference to the role of The Higgins Board, the Art Gallery Board continues to meet to fulfil its key responsibilities in respect of the management and use of the Cecil Higgins Collection. These meetings will be held immediately after meetings of The Higgins Board, so that relevant members are able to attend both meetings.

Appendix B - Terms of Reference for the Higgins Board

1. Background

1.1 The Higgins Bedford opened in June 2013 following a major redevelopment project uniting on one site the buildings of Bedford Museum and Cecil Higgins Art Gallery.

1.2 The governance arrangements in relation to The Higgins Bedford are complex and Cecil Higgins Art Gallery is Accredited as a separate museum within the wider Higgins complex. The Codicil to the Will of Cecil Higgins authorises the Trustees of the Cecil Higgins Collection to lend the Collection to Bedford Borough Council for the purposes of providing a museum. Responsibilities for the management of the Collection and Art Gallery, which are divided between the Trustees, Council and Art Gallery Board, are set out in the Codicil and summarised here at Appendix A.

1.3 The Council is solely responsible for its collection, usually referred to as the 'museum collection', which is also housed in The Higgins Bedford, and is responsible for the management, maintenance and running costs of the building and staffing associated with the operation of The Higgins Bedford.

1.4 The Higgins Board (the Board) has been created to support the shared objectives of the Council and the Trustees to enable The Higgins Bedford to set and deliver against a more ambitious strategy, and to improve its ability to generate income and raise funds. The Higgins Board is independent of the executive leadership of the Council.

1.5 Meetings of the Art Gallery Board take place immediately following the Board meetings and deal with the matters for which the Art Gallery Board has responsibility as set out in the Codicil to the Will of Cecil Higgins.

2. Purpose

2.1 The purpose of the Board is to:

- Advise the Council on the strategic direction and operation of The Higgins Bedford, enabling it to fulfil its potential as a cultural attraction.
- Support the achievement of The Higgins Bedford's strategic aims through an effective fundraising strategy that reduces its dependence on the Council.

2.2 The Board also has responsibility for overseeing The Higgins Bedford's National Portfolio funding agreement with Arts Council England in place for the period 2023/24 to 2025/26.

3. Responsibilities

3.1 The responsibilities of the Board in relation to this purpose are as follows.

3.2 To generate income to support the implementation of The Higgins Bedford's strategy and to contribute towards running costs, including working towards the establishment of a fundraising charity to generate sponsorship, donations and funds from trusts and foundations.

3.3 To advise the Council on the setting and implementation of, and to receive regular reports on and review progress against, a strategy for The Higgins Bedford that seeks to:

(i) Promote public engagement with, access to and use of the collections and heritage.
(ii) Encourage partnership working to raise the profile and broaden recognition of the museum.
(iii) Increase the ambition and reach of museum programmes, inspired by the collections and heritage.

3.4 To advise on potential public programming and activity in relation to (i) to (iii) above.

3.5 To advise the Council on and ensure the development and progression of The Higgins Bedford's assets, including the building and (Council-owned) collections, including:

- Policy and planning for collections development, collections care, and collections information in accordance with relevant professional standards.
- Maintaining a museum estate that provides a high quality visitor experience and ensures the long-term preservation of collections.

3.6 To have responsibility for ensuring the efficient and effective delivery of The Higgins Bedford's National Portfolio funding agreement with Arts Council England. This includes ensuring that The Higgins Bedford's executive officers are held to account for making progress against the targets and success measures that form part of the funding agreement, and that the Arts Council receives regular reports on that progress. This includes:

- Meeting with the executive leadership to review progress on the National Portfolio funding agreement, according to the agreed NPO Activity Plan.
- Receiving and reviewing regular reports on progress against the funding agreement and ensuring that these reports are forwarded to Arts Council England on a timely basis.
- Meet and communicate directly with Arts Council England, independent of the executive leadership if required, via the Chair.
- Ensuring that The Higgins Bedford has policies and procedures in place that comply with legislative best practice, that they are implemented, and that they are reviewed regularly.
- Taking an active role in ensuring that Arts Council England's four Investment Principles are embedded in the culture and working practices of The Higgins Bedford.

4. Membership

4.1 The Board is independent of the Council's executive leadership. Membership is made up of representatives of the Council, the Cecil Higgins Trustees, and other individuals with the appropriate skills to develop and animate The Higgins Bedford's strategy by providing expertise, networks, influence and resources.

4.2 Members are appointed on the basis of securing a balance of representation covering the following areas of expertise and skills:

- Fundraising and income generation
- Audience development and engagement
- Diversity and inclusion
- Community partnerships
- Health and wellbeing
- Artistic programming
- Curatorial and collections-related expertise.

4.3 The Board shall consist of not more than 11 members. Membership consists of the following:

Ex-Officio Members
Chief Officer for Regulatory Services & Culture
Manager for Libraries & Culture

Members
Independent Chair
Two representatives of Bedford Borough Council (Portfolio Holder for Leisure & Culture and Chair of the Cecil Higgins Art Gallery Board)
Two representatives of the Trustees of the Codicil to the Will of Cecil Higgins
Up to six other independent, external members appointed on the basis of the representation identified at points 4.2 and 4.5

Clerk
Democratic Services Officer

4.4 The Board may co-opt members who they consider have particular skills and experience which would assist its work.

4.5 The Board will proactively seek to ensure its membership is reflective of the diversity of Bedford's communities and The Higgins Bedford's audiences.

5. Terms of Membership

5.1 Board members will serve for a term of three years. Members are able to be reappointed for subsequent three year terms.

5.2 Vacancies on the Board caused by a Trustee standing down or ceasing to be a Trustee of the Codicil will be filled through the appointment of a new Trustee.

5.3 Council representation on the Board consists of the Portfolio Holder for Leisure & Culture, and the Member elected to serve as Chair of the Cecil Higgins Art Gallery Board.

5.4 Any other vacancy will be filled by resolution of the Board, subject to an identified and agreed recruitment process.

5.5 Board members shall cease to be a member of the Board if they:

- Resign from the Board
- Fail to attend three consecutive meetings
- Breach confidentiality
- Act in a matter that is detrimental to the interests and objectives of Board.

5.6 The Board shall elect a Chair and Vice-Chair who will hold office for a period of three years, renewable for further terms as determined by the Board. The Chair, or in their absence the Vice-Chair, shall preside at all meetings. If there is no Chair or Vice-Chair present at a meeting, the Board may nominate from those present someone to be chair for the purposes of that meeting.

5.7 A quorum is five and items requiring approval at a meeting are decided by majority vote, with the Chair having a second or casting vote where necessary. The Board may continue to act notwithstanding any vacancy, provided that quorum is met.

5.8 The board may adopt such other procedural rules as it considers appropriate.

6. Minutes and Meetings

6.1 The Board meets quarterly, with meeting dates set at least 12 months in advance. Agendas, minutes and all relevant papers will be sent to members no less than 10 working days in advance of a meeting. Meetings will be held at The Higgins Bedford or virtually as the Board decides from time to time.

6.2 The Clerk to the Board is required to Minute each meeting. Minutes will be submitted for approval at the next meeting of the Board and when approved will be signed by the Chair or, in their absence, by the person acting as chair for purposes of the meeting.

7. Review

7.1 These Terms of Reference shall be reviewed every three years or as otherwise directed by the Board.

Supporting Information

Actions that may be taken by the Board

The Board may:

- Note
- Receive
- Consider
- Advise
- Endorse
- Approve
- Recommend
- Reject

Most appropriate minuting style

Traditional/formal minutes in accordance with Council committee procedures.

Resources

Clerk	Democratic Services Officer
Meetings	Four times per year