

Evaluation of Grants for the Arts

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**This report was prepared by
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Executive Summary

This report provides an Evaluation of Arts Council England's (ACE's) Grants for the Arts (GFTA) Programme. It is written and researched by Tom Fleming Creative Consultancy¹, commissioned by ACE.

Based on a methodology that includes intensive summative research, digging deep into the monitoring and reporting evidence base of GFTA; and extensive qualitative consultation with stakeholders and partners from across the arts, this report explores:

- The role and impact of GFTA over five years against the core outcomes of *Great Art for Everyone*: reach, engagement, diversity, excellence and innovation.
- The efficiency and efficacy of GFTA structural and operational characteristics.
- The strategic opportunity landscape for GFTA to play a stronger and more effective role in delivering against ACE's core outcomes, as well as for it to play a more innovative and enabling role across a set of wider strategic agendas.
- The required structural and operational reform required for GFTA to be a fitter for purpose programme that lifts the performance and sustainability of the arts across England.

An Open, Accessible, Value-adding Investment Programme

GFTA 'punches above its weight' as an investment programme that delivers a lot for a relatively small investment. The role and impact of GFTA must be considered proportionately. It represents less than 20% of Arts Council England's annual direct investment into the arts. It can thus only be understood as part of a wider mixed ecology of arts investment, as a complementary tool alongside other forms of ACE investment, which itself sits within a much larger ecology of arts funding. By example, the annual budget for ACE's Regularly Funded Organisations (RFOs) exceeds the total five years of GFTA investment. Around £350 million a year is invested in 880 RFOs: a total investment of over £1.2 billion between 2003 and 2008, which compares with GFTA investment of just over £335.5 million for 12,806 beneficiaries over the same period².

By understanding GFTA in this proportionate way, its value and potential can be better assessed and acknowledged. For example, its direct reach extends beyond other sources of arts funding, with access available to individuals and small organisations which would not ordinarily be in a position to benefit from RFO or other types of investment.

¹ www.tfconsultancy.co.uk

² The Managed Funds investment for the same period was £120,228,000.

Moreover, as an open access, rolling programme, GFTA invests eclectically across the arts and for activities that range from one-off shows to professional development, research to touring. It is thus the most immediate, obvious, relevant and flexible investment option open to artists that want to innovate or organisations that want to develop.

It is this openness, accessibility and flexibility that provide GFTA with its major strengths. Correspondingly, it is these characteristics that provide the asset and opportunity base for ACE as it seeks to embed *Great Art for Everyone* and revitalise its wider arts strategy.

This is at a time when the very role of public investment in the arts is being scrutinised for its value and impact. This is not just a response to recession, with public borrowing at a high and the prioritisation of public resources more politicised than in recent years. It is also a response to a wider set of debates underway that traverse the public value of the arts, the extent to which arts and culture can be recognised as public goods, and thus the contestation of the extent, focus and required/desired outcomes of what some continue to term 'subsidy'.

Any analysis of GFTA is inseparable from these debates, and this report seeks to advance understanding of the role of GFTA as a clear and effective tool in stimulating different types of public value for Arts Council England and a wider set of institutional and strategic interests.

Grants for the Arts: Delivering Great Art for Everyone

It is clear throughout our analysis that GFTA provides a critical service to the health and sustainability of the arts across England. Its flexibility and mobility, plus its openness to a wide spectrum of 'eligible activities', give it an unparalleled development role – particularly for new/emergent work and audiences, organisational and professional development, and for on the whole neatly balancing excellence against a set of instrumental concerns.

GFTA traverses the five outcomes of *Great Art for Everyone* as a fleet-of-foot and relatively legible and accessible development tool which majors on:

A: Extending Reach

Extending the reach of the arts has always been both a central objective and a challenge for ACE and GFTA has played a significant role during its lifetime in extending the reach of the arts by supporting new work, delivered by new and established organisations in different places to different audiences. Nearly 6,000 individual artists and almost 7,000 organisations have received funding through GFTA. One fifth of all beneficiaries are from socially excluded backgrounds.

From support for festivals which have led the way in developing art with broad appeal to support for national and regional touring, GFTA has been pivotal in ensuring that the arts are enjoyed by more people and in more ways than before.

However, more could be done to open up access to the programme, demystify the application and decision-making procedure and establish a more strategic balance between adding value to 'hot spots' of activity and nurturing audiences in 'cold spots'

such as rural areas.

B: A Tool for Engagement in the Arts

GFTA has funded organisations and individuals to deliver work which has as one of its main objectives extending the engagement of people in arts and cultural activity. Here GFTA can be understood as a tool for supporting organisational capacity and professional development; and as a means to open-up programming and encourage greater co-creation and participation-driven activity.

For example, GFTA has supported organisations in the development of digital platforms to deliver and showcase activity and engage with audiences in ways that organisations and individuals could otherwise have not afforded or contemplated. In addition, 67% of respondents to our evaluation survey stated that GFTA had helped them develop new collaborations; 61% recognised its value in brokering new partnerships; and GFTA has been at the forefront of supporting projects which engage in the mainstreaming of arts and culture as part of the curriculum in schools and into the lives of those who live in areas which traditionally have had an underdeveloped arts and cultural infrastructure.

GFTA has also played a critical role in enabling artists and organisations to deliver in new ways - from site specific theatre, through to new forms of collaborative work in hospitals. GFTA has been vital here in encouraging a wide range of organisations to engage with the arts, where otherwise they would have lacked the knowledge, courage and/or funds.

However, GFTA has faced challenges in broadening engagement with the arts. One example here is the tension between the goal to fund excellence and the goal to fund engagement - most pronounced in areas with an underdeveloped arts and cultural infrastructure, where the strategic desire to see artistic activity can over-ride the need for that work to be excellent in all respects. It is also clear that GFTA can do more to embrace open source and user-generated culture to open-up engagement in the arts; and it can do more to support different types of producer in this context.

C: A Tool for Diversity in the Arts

GFTA – as an open, flexible funding tool – is well equipped to traverse the complexity of England’s diversity and embrace the multi-faceted opportunities for producing great art that grows from this complexity. England can no longer be understood as a multicultural society of recognisable through relatively discrete communities. Rather, it is increasingly an intercultural society of interconnected, increasingly syncretic communities, the combination of which transform notions of ‘audience’ and provide the talent base to produce new and innovative art.

Equally, diversity in this context does not solely refer to ethnicity and culture. Of course, it also refers to disability, which further increases the need for investment capable of enabling this diversity to develop great art.

GFTA has played an important role in opening up the arts to different communities, its flexibility key for individuals and organisations from multiple different backgrounds. To illustrate, nearly 3,000 BME individuals and organisations have received GFTA awards from 2003-2008, 12.5% of total awards made, showing level of access in line with the proportion of total BME population for England. A fifth

(20.5%) of respondents indicated their GFTA funded activity involved engagement with disabled people.

However, it is less clear whether the profile of GFTA beneficiaries is expressive of the complexity of England's intercultural population or whether it serves the mainstream of culturally identifiable 'minority communities'. Our qualitative research suggests that GFTA funding is critical to the development and then sustainability of BME artists and organisations, but that a core constituency appears to benefit most fulsomely. For emergent artists and organisations, and particularly for those without a building (and thus with less visibility), GFTA has been less flexible and open than is desirable.

Equally, it is clear that GFTA has the in-built openness and flexibility to embrace more effectively with the complexity of different types of disability, but to do so requires building stronger and deeper relationships with disabled people and encouraging the co-creation of risk so that people with disabilities can not only take part but they can lead the way as pioneers for new types of work. This places GFTA investment in disabled artists firmly in terms of what they are capable of rather than what constrains them.

D: A Tool for Excellence in the Arts

Unlike many of the other funding streams that artists and organisations can and do apply to, GFTA places the weight of its criteria for success on the quality of the work to be funded. This means artists and organisations can largely concentrate on what they do best – creating excellent work. The primary means by which GFTA has supported excellence in the arts has been through funding organisations and individuals that have produced great work which in turn has delivered excellence for audiences. Of equal importance though has been the way in which GFTA has funded the conditions from which excellence can flow. These include supporting the professional development of staff members, nurturing new collaborations, investing in research and development, committing to high production values and quality, and gearing-up beneficiaries toward up-scaling and enhancement of productions.

However, Excellence is not a 'black and white' concept and needs to be seen within local contexts and needs. Here, GFTA could be applied more smartly to balance excellence with agendas in reach and engagement. The current monitoring and evaluation process for GFTA does not present a clear narrative through which notions of excellence can be judged. This means notions of excellence can be applied too loosely and the rationale for investment or non-investment often lacks clarity where issues of excellence are involved.

E: A Tool for Innovation in the Arts

GFTA – an open, flexible, non-art form-specific investment programme that supports individuals and organisations to develop new work and engage in professional and organisational development – is well-positioned to be *the primary innovation fund for the arts in England*. Indeed, 76.5% of survey respondents indicated that GFTA had enabled them to work in new and innovative ways.

By continually investing in new, often very emergent work; or by supporting individuals and organisations to explore divergent pathways toward growth and sustainability, GFTA offers the most pronounced and visible investment in talent, experimentation and personal development available across the arts in England. Its

ability to be there first, to go where other funders do not venture, and to avowedly avoid funding 'more of the same', mean that it has a lightness of touch and fleetness of foot required for the new, experimental, *and innovative* work to emerge.

However, this role as an investor in innovation is under-recognised. Moreover, currently GFTA lays down little expectation for collaboration and its open access qualities can in some cases atomise production and consumption, as well as knowledge and professional development. That this doesn't happen often is testament to the strategic brokerage role of ACE officers, as much as it is the hunger to collaborate from the arts sector.

For GFTA to drive innovation across the arts will require a much more purposeful push toward collaboration, perhaps through the encouragement of partnership-based applications and/or smarter brokerage between individuals and organisations which have complementary perspectives and skills.

Moreover, increased innovation will require accelerated take-up of and literacy in digital technologies – as key enablers for boundary-crossing activity. Finally, investment in innovation is absolutely threatened by the 'leakage' of GFTA funds toward other purposes – as introduced below.

Grants for the Arts: A Lever and Bridge

Over the last five years, GFTA has, by virtue of its extensive reach across the arts, operated as an investor in positive change, enabling experimentation, research and development and platforming challenging work. However, to give one example, innovation in the arts is not as pronounced or recognised as it might be given the opportunity presented by five years continued investment. Nor, when it occurs, is it adequately embedded within a system that builds individual careers or organisations through their innovation potential. In this sense, too little innovation leads to growth and sustainability across the arts.

This under-realisation of potential is in part due, perversely, to the very core strength of GFTA: its openness and flexibility. In some instances, these characteristics present GFTA so open to interpretation as to render it open to uses that distract from core investment purpose: to *directly* deliver *Great Art for Everyone*. This is all the more concerning in a challenging economic climate where many arts organisations are struggling and in turn the calls on GFTA are increasing.

In some instances, GFTA plays a positive leverage role – attracting co-investment to support the development of great art. In some instances, it plays a positive bridging role – complementing RFO investment and increasing overall impact. However, GFTA is not 'paired' as effectively as it could be with other funds, its leverage becoming more akin to the plugging of gaps and its bridging role becoming more akin to core-funding organisations and activities where existing core funding is insufficient.

This is of particular concern in areas of the country – such as inner London – where demand for GFTA far outstrips supply. With increasing calls on GFTA to provide a flexible leverage and bridging role, direct investment into new, innovative work becomes more and more difficult. This represents **the major threat** to GFTA's capacity to deliver *Great Art for Everyone*; and it presents **the major challenge**

direct to the heart of ACE's investment strategy, where innovation and sustainability must co-exist for a flourishing arts sector.

This and other challenges and opportunities for Arts Council England are presented below, following a SWOT overview of GFTA.

Strengths

Simplicity – One funding scheme that replaced over a hundred

Straight-forwardness – Process, including the application, is relatively easy to follow and navigate

Flexibility – Has proved capable of adaptation to the regional and sectoral variations in the English arts and cultural landscape.

Clear criteria – clearly defined criteria for funding

Role of ACE staff – ACE officers have integrated GFTA into their work strategically supporting the sector, providing clear advice

Funding focus – Devotion to artistic merit, innovation and risk and funding work 'which otherwise wouldn't happen'

Leverage & Bridge – has encouraged and brought new players to the table

Light-touch approach – to auditing, assessment and monitoring

Support for five outcomes – Reach, engagement, diversity, innovation and excellence are all well supported.

Weaknesses

Short-termism – two and three year funding is too rare

Lack of strategic coherence – fit with other programmes, such as RFOs, not consistent or clear

Feedback and Follow up – ARFs and other follow up measures poorly and inconsistently used

Process – 12 week time for decision frustrates some applicants causing a lack of momentum (although this is set to change)

Technology and digitisation – poorly supported and funded

Lack of support for commissioning – not enough to encourage the growth of organisations as strategic commissioners and brokers

Unwritten rules - are the process and criteria as clear as they could be?

Leverage & Bridging role becomes a plugging role – investing where others have ceased to invest or adding value to existing investments, which in turn reduces direct access for individuals and smaller organisations

Opportunities

Develop intermediaries – who can create advise, support and mentor talent in the process

Sharpen focus – further and deeper on innovation, risk and artistic excellence

Develop strategic support role of external partners – by funding RFOs and others to provide more support

Widen reach of programme – geographically and sectorally, through growing awareness, focussing on outcome and not art form

Increase connection with audiences/public – develop new ways of connecting the programme to the public through widening awareness and openness.

Threats

Changing funding landscape - How to maintain focus when funding pressure increases and leverage becomes harder?

Changing sectors – ever more convergence, digitisation and new platforms, mean nature and type of activity will change

Sustainability – Can GFTA provide the step-changes in size, scale, model required by the sector to thrive in the future?

Maximising Returns: Five Types of Step-Change for Investment in the Arts

GFTA has in many ways stood out amongst other ACE programmes and tools as an example of a stable, consistent and straight-forward scheme which has helped arts organisations and individuals develop in sustainable and often innovative ways. By doing so, it has provided real *reputational value to ACE*, bringing the arts to the organisation and the organisation to the arts, engendering confidence, trust, knowledge exchange and real partnership working.

This evaluation absolutely endorses the many positive attributes of GFTA and does so by describing its many positive outcomes. Yet, as with anything that can broadly be termed successful or an asset, GFTA offers so much potential to deliver so much more. Below, we outline **five types of step change** that GFTA can deliver and **8 corresponding recommendations for ACE**. Each of them needs to be linked to a set of major strategic considerations for ACE as it moves forward – such as how investment priorities are balanced, how national priorities can be delivered in distinctive local contexts, and how innovation can be encouraged as a feature of rather than addition to sustainability.

Step Change 1: Operations & Scale

The imminent establishment of a central GFTA team in Manchester will enable more effective coordination of operations, including the ways GFTA is assessed, distributed and monitored. Moreover, it will allow for greater consistency in decision-making and clearer rationale for the success and non-success of projects. The digitisation of the application and due diligence process will also reduce the more arduous elements currently experienced.

Alongside this restructure, additional opportunities exist to improve the legibility and consistency of GFTA, as well as explore options regarding the scale/length of investments plus the scale of the overall programme:

- **Recommendation 1 - Stage the Conversation:** Digitisation brings with it the opportunity to combine formal details (on process, structure, eligibility) alongside case studies and user-generated narratives. For the first time, a **public conversation can be staged** that explores the role and impact of GFTA through the perspectives of beneficiaries and funders. This provides a means of (re)shaping the agenda, presenting GFTA as an act of confidence in the sector to create great art.
- **Recommendation 2 - More for Longer – Extend the Commitment Period:** If GFTA is to deliver greater sustainability across the arts, then serious consideration should be given to **investing a greater proportion of investment to longer-term commitments**, up to 3-years in duration. This would align GFTA with the RFO portfolio – enabling the bridging role to be performed more effectively. It would also embed security and confidence in awarded organisations and individuals. However, to concurrently support innovation and experimentation and to retain flexibility and openness as core assets, opportunities for rapid-turn-around risk investment would provide for an exciting counterweight to a more prolonged and sustained investment element. This is explored further in **Step Change 4** below.

- **Recommendation 3 - More for More – Increase the size of GFTA by at least £20 Million:** GFTA is under constant pressure to bridge gaps in funding, attend to market failure, and underpin or overlay investments considered 'strategic' and 'non-negotiable'. Here the flexibility and openness of GFTA is open to some measure of abuse, with its resources plundered for activities that do not readily deliver across the five required outcomes. It is likely in the future that the calls on GFTA will be greater and thus, in straightened times, its capacity to play to its strengths will be diminished. The most obvious way of addressing this **issue is to increase the overall scale of GFTA**, accept that it will play a more broadly strategic role (with a closer relationship to the RFO portfolio and managed funds), but provide sufficient flexibility and reach to invest smartly in innovation as a core stepping stone to excellence, perhaps as a new ring-fenced innovation fund (see **Recommendation 7** below).

Step Change 2: Relationships – Trust, Intimacy & Knowledge

GFTA is the 'gateway' point for many organisations and individuals in their relationship with Arts Council England. It often initiates a relationship which evolves and matures alongside the creative and explorative journey that many artists go on and which involves Arts Council England as a funder, strategic developer, supporter and more. With the move of GFTA operations to Manchester, real consideration needs to be given to ensuring that a serious and two way debate is created on the nature of the optimum relationship between officers and GFTA recipients and how this can be achieved. It is clear that a situation must be avoided where too great a consideration is given to the system and process and not enough to the personal dynamic upon which any effective delivery organisation in the public sector depends.

- **Recommendation 4 - Support the Broker:** ACE can ensure a strong 'on the ground' relationship with the arts by engaging intermediary organisations to take on parts of the broker and connector role. Many larger arts organisations operate as the intersection of flows of talent, or as the aggregator that brings different parts of the value chain together. They are placed to promote GFTA to the networks of talent that surround and run through them, grounded as they are in local contexts with a close appreciation of the dynamics of artists and audiences. It is recommended that a **pilot programme** be introduced where two Regional ACE offices contract leading intermediary organisations to increase the visibility and accessibility of the GFTA programme, offer mentoring and ensure effective 'deal flow' to GFTA. While there are legitimate concerns regarding independence and artistic judgements, with safeguards and plurality in place an expanded role for the intermediary organisations in the strategic development of talent would seem to be a 'win win.'

Step Change 3: Presentation, Celebration & Knowledge Capture

GFTA is under-recognised and under-celebrated for its value and impact – either for its role in supporting individual artists and organisations or for its wider impact for the overall sector. Greater esteem for investees and clearer acknowledgement of impact would increase confidence across the arts, provide ACE with an opportunity

to build its brand and profile, and genuinely open-up GFTA toward greater reach and engagement.

- **Recommendation 5 - Present & Celebrate:** Currently, wide-scale awareness of what GFTA entails is not forthcoming and the degree to which it represents a real endorsement of support for an artist or organisation is not pronounced. Increasing the reach of GFTA has to be a real focus in the coming years of the programme. Currently, PR relating to the scheme lacks clarity and coherence, while case studies and information on recipients are not dynamically presented. A joined-up approach to how GFTA is celebrated and presented across platforms and media would go some way to ensuring it can build on its current strengths. The digital footprint of the programme presents one option, as does the role of intermediary organisations as emissaries and advocates. However, a new and ongoing **communications and marketing programme** is recommended – driven by the website and supported by case studies, publications and a possible annual celebration event(s).
- **Recommendation 6 - Knowledge Capture:** Currently, knowledge capture from GFTA is unfocused and inconsistent. While online application and processing will help, real thought needs to go to ensuring the right information is captured at the right time. In a sector where information and knowledge capture is not as advanced as it should be, leading to real issues on audience reach, marketing and product development, the more that GFTA can become a positive partner in helping build the knowledge base for the sector, the better. This needs to be coupled with increasing openness, ensuring that information gathered is disseminated to a wide audience with active forums for discussion and debate on key issues (such as how excellence is judged). There are risks with openness, but the benefits of developing an **open knowledge strategy** outweigh them as long as the right framework and safeguards are in place. Such a strategy should be focused less on collecting statistics (though accurate data is a critical issue) and more on capturing what worked, what lessons have been learned, and what would be done differently in the future.

Step Change 4: Innovation and Risk

Innovation and risk are essential to the production of excellent art and GFTA has a good track record in fostering new and exciting work. However at the same time, funding constraints such as the need to prove a track record coupled with the general pressure on resources, mean that not all activity funded by GFTA is especially innovative or new. With other sources of funding for the arts, especially those from Local Government and RDAs, often coming attached to goals and targets connected to the instrumental role of the arts, it is vital that GFTA is developed even further as *the* source of funding for the risky, the challenging and the new. This means that even greater consideration needs to be given to ensuring that funding will support the conditions that lead to excellence through the development of work which challenges current sensibilities and models of practice.

- **Recommendation 7 – A New Innovation Fund:** To advance the innovation outcomes of GFTA requires a repositioning of the programme so that it is recognised as the primary form of risk funding for new and / or experimental work and the major broker of collaborative working – whether

in the production of work, the way it is consumed, or through organisational and professional development. Indeed, if the arts in England are to be supported to break new ground, explore alternative perspectives and mine the rich seam that their collective talents provide, then GFTA needs to be more readily presented and understood as *the fund* that relishes risk and thus *the fund* that embraces innovation as the core business for a sustainable arts sector. To achieve this, it is perhaps neater and clearer to target a minimum amount / proportion of GFTA funding or to set up a new fund parallel to but administered by GFTA that invests wholly in new work, cross-art-form practice, experimentation and extreme collaboration. With the addition of at least £20 million to GFTA resources (see **Recommendation 3** above), this can be possible without eroding the leverage and bridging role of GFTA. Indeed, a **new innovation fund for the arts of at least £15 million of this recommended £20 million** would set exactly the right agenda to deliver across the outcomes of *Great Art for Everyone*.

Step Change 5: Sustainability

The funding ecology for arts and cultural organisations has undergone considerable change over the last decade, with wider sources of funding such as regeneration, education and public realm investment playing an increased role as arts, culture and creativity have been mainstreamed across multiple strategic agendas. GFTA has been successful in leveraging in these funding sources and encouraging others to take risks and explore new areas.

The funding ecology is likely to change again over the next five years as cuts to public spending will effect priorities at all levels. It is vital that in the transforming investment landscape for arts and culture GFTA does not become a sticking plaster, used too often to cover-up emerging gaps in funding which will be experienced by many organisations and individuals. It must continue in its role as the early stage investor in the new and experimental which encourages and enables other funders to follow. To do this will mean that it has to play a role in helping the sector to navigate and adapt to the contours of the new landscape rather than attempting and failing to prop-up the status quo. With this in mind, the future of GFTA needs now to be (re)considered.

- Recommendation 8 – The Holistic Approach - Review GFTA investment alongside RFO and Managed Fund Investment:

GFTA sits at the heart of a complex funding ecology and represents a relatively small investment in the arts – certainly by comparison with RFO investment or the wide sweep of arts and cultural activities supported by local authorities, trusts and foundations. However, its flexibility, accessibility, and brand value as a strategic development tool for ACE, mean that it has a reach and influence that substantially exceeds that which might reasonably be expected. This report makes it clear that GFTA could do much more to play at once a more strategic leverage and bridging role *and* major on investing in innovation. However, without a **coordinated review of ACE’s overall investment portfolio**, improvements in GFTA will be undermined by imperfections elsewhere. It is therefore recommended that a direct outcome of this evaluation is a complementary review of other investment tools, with the overall aim to establish a coherent and coordinated investment landscape for ACE’s contribution to the arts in England.

1. Introduction

1.1 The Research Focus

"Broadly...although levels and breadth of activity in the arts have grown incrementally, and the sources of funding grown and diversified, the scale of activity seems destined always to outstrip the funding that can sustain it, and the quantum of activity seems continuously fated to fall behind the quantum of funding that is required for the arts to thrive rather than simply survive at any given level"(Adrian Ellis – 'Missions, Money and Models' 2004).

This evaluation comes at a critical time for the arts and wider cultural sector in England, with the recession placing pressure on organisational capacity and resources; trimming back areas of the ecology for arts funding, such as in corporate giving; and transforming the 'market' for arts, with a real churn in audience behaviour underway.

Of course, it also comes a critical time for Arts Council England as it undertakes an operational review, lays the ground for a new strategy beyond 2011, seeks to embed *Great Art for Everyone* to establish a new value range for arts funding, and moves to secure the sustainability of those more fragile parts of the arts ecology through the *Sustain* programme.

In this report we introduce a set of challenges here regarding how arts and cultural funding can move the funding framework forward in a way which pushes the arts and cultural sector to be even bolder, more innovative, more creative and thus generative of a richer mix of value(s). These challenges are all pertinent to the future role of GFTA. They include:

1. How to support innovation and risk while supporting existing excellence? Supporting innovation and risk means supporting failure in the market as well as supporting success. Collaborative and disruptive innovation require that models change, organisations die and parameters shift. Therefore, how can the arts funding system better enable this to happen?

2. How to continually drive culture's ability to connect with new audiences? As Leadbeater writes, *"(S)uccessful arts organisations are arts led but audience focused."* Therefore, how can GFTA ensure that arts organisations continue to push to reach audiences that are ever more demanding, fragmented and fragile?

3. How to connect institutions more effectively to individual talent within the funding ecology? Supporting creative talent is a major priority for the government and cultural funders. How can GFTA create more effective mechanisms for Continual Professional Development that can support talent at all stages of a career and for different types and 'success levels' of career?

4. How to develop a richer and deeper understanding of sustainability within the funding ecology? Sustainability remains an under-defined area. On the one hand it means clearly developing the size and scale, ambition, drive and creativity which enables organisations to navigate the funding maze that is required to achieve a measure of stability within the current funding system. On the other, in

terms of public sector reform, it means the ability of an organisation to stand on its own feet with a gradual reduction and removal of grant support.

1.2 Strategic Context: The Big Picture

This evaluation comes at a crucial time, as Arts Council England (ACE) and the arts and cultural sector it seeks to support enter a period of strategic reform and cyclical change. The last three years have seen a succession of important policy and strategy documents underpinned by thinking that has shaped the current direction of ACE as well as the broader relationship between public investment and the arts and cultural sector. The aims, objectives and outcomes in *Great Art for Everyone*, ACE's strategic plan for 2008-2011, can be traced back to the following:

- In 2006, ACE launched '*The Arts Debate*' - the largest piece of research ever undertaken that focuses on what people think about the arts and arts funding. The findings showed that most people believe the arts are important to individuals and society in the way they build people's capacity for understanding the world, enriching experience and creating links within and between communities. However, they also showed a need to demystify the relationships between funder and funded, and thus increase access to an arts funding landscape that appears more legible to some than others.
- In 2008, the DCMS commissioned the *McMaster Review on Supporting Excellence in the Arts*³. This placed particular prominence on relationships between the arts and their audiences. One of its central points was the unique potential of the arts to embrace, engage and inspire audiences. The report argues that the primary goal of arts organisations should be in delivering excellence, which "*occurs when an experience affects and changes an individual. An excellent cultural experience goes to the root of living*". McMaster couples excellence with a set of other attributes essential to the delivery of culture of the highest standard. These include innovation and risk, diversity, internationalism, robust governance, professional development and a mixed funding ecology where public subsidy continues to play a strong though proportionate role.
- Launched in 2008, *Creative Britain* set out the Government's policy for supporting and growing the UK creative economy. It sees arts and culture in particular as having a critical role in the development of creative individuals and improving education and in ensuring the ongoing strength of our creative industries: "*The bedrock on which the strategy is built is the Government's fundamental belief in the role of public funding to simulate creativity and sharpen Britain's creative edge*".

The influence of these three reports can be seen in *Great Art for Everyone*. This sets out an investment agenda for the arts with four main priorities: Digital, Children and Young People, Visual Arts and London 2012. Across these four priorities, the ambition is set as:

³ Sir Brian McMaster - Supporting Excellence in the Arts - From Measurement to Judgement (2008).

⁴ Creative Britain, New Talents for the New Economy (2008).

“Creating the conditions by which great art can happen, and then making sure as many people as possible can engage with the arts and discover what art can do for them.”

This has shaped a set of **five national objectives** against which all elements of ACE’s work are to be judged. Thus the following are the five objectives against which the impact of Grants for the Arts should be evaluated:

- **Excellence** – high quality art and high quality arts experiences.
- **Reach** – more people attending and taking part in the arts.
- **Engagement** – more people feel that there are opportunities to enjoy and get actively involved in arts activities that are personally relevant to them.
- **Diversity** – arts that reflect the diversity of contemporary England.
- **Innovation** – artists have the freedom and are challenged to innovate.

These five objectives, and the strategic work they relate to, represent an attempt to move progressively beyond a debate surrounding public funding of the arts which has traditionally polarised around whether arts should be supported for their *instrumental* or *intrinsic* value. While these objectives represent an acceptance that the arts should be funded for their intrinsic value and the experience they offer individuals, they also shape a wider set of qualitative indicators where the arts’ inbuilt and inherent contribution to innovation and the way they describe and reflect the growing diversity of our society, are equally important. Thus a successful Grants for the Arts Programme needs to be read as delivering across a value range that mixes outcomes previously seen as competing or incompatible. This is not to say that each Grant needs to deliver across this value range; but that the Programme as a whole enables a mix of outcomes that collectively deliver *Great Art for Everyone*.

1.3 Grants for the Arts – the History

The Grants for the Arts (GFTA) programme was launched in April 2003, following the merger of the regional arts boards with Arts Council England into a single organisation. The single Grants for the Arts fund streamlined the 100 or more regional funding strands into a single application process for individuals and organisations across England.

GFTA has three ‘funding strands’ – individuals, organisations and national activity – all now funded through the National Lottery (Between 2003 and 2006 individual grants were funded through the Grant in Aid budget). The Lottery priorities of *increasing participation, inspiring young people, involving communities, encouraging new talent* and *developing new skills*, provide the framework for the open access nature of the GFTA programme.

Total Investment

In the first five years of GFTA, a total of £335,584,422 has been awarded to 12,896 different organisations and individuals across England. London has received almost a quarter of the overall GFTA investment, reflecting the high concentration of artists and arts organisations based in the capital. After London, the South East and the North West have the next highest levels of GFTA investment with 13% and

12% respectively. 18% of the total GFTA investment has supported national activities, touring programmes of work taking place in more than one region⁵.

Proportional and Inseparable Investment

GFTA represents less than 20% of Arts Council England's annual direct investment into the arts. Its role and impact can thus only be understood as part of a wider mixed ecology of arts investment, as a complementary (or otherwise) tool alongside other forms of ACE funding, plus a complex range of funds delivered by Trusts and Foundations, local authorities, and multiple additional sources of public and private investment (see **Section 3**).

The annual budget for Regularly Funded Organisations (RFOs) exceeds the total five years of GFTA investment. Around £350 million a year is invested in 880 RFOs: a total investment of £1,220,141,000 between 2003 and 2008. The Managed Funds investment for the same period was around £120,228,000. Moreover, investment from other public sector sources – such as local authorities and regional development agencies – outstripped ACE funding many times over. The role and impact of GFTA must therefore be considered proportionately, although it does, as will be shown, play an important role in this mixed ecology as a lever, agenda-setter, stimulant and bridge.

Moving to Manchester

As part of the ongoing efficiency review at Arts Council England, from March 2010 the GFTA programme will be managed by a centralised team in Manchester. The team will work closely with regional offices to ensure a coordinated approach to knowledge exchange, assessment and monitoring; with overall responsibility resting with the new dedicated GFTA team in Manchester. Eligibility and assessment criteria will remain the same and an online application will be available for the first time, creating administrative savings and improved data management and monitoring.

1.4 Evaluating Grants for the Arts – Our Approach

The approach to the Grants for the Arts evaluation has combined a detailed summative evaluation (to analyse the mix of outputs and outcomes, plus a range of structural, operational and process factors); with an expansive formative evaluation (providing strategic analysis and recommendations for an effective realignment of GFTA so that it is fitter for purpose and a provider of greater public value).

A mix of qualitative and quantitative methods has been employed to provide a robust as possible analysis of the five year GFTA programme. This has included:

- **An intensive review and analysis of Arts Council England values and volumes data** (data extracted from ARENA the ACE data system) investigating the size and scope of the programme investment. Seven data reports have been analysed including – GFTA regional value and volumes; GFTA art form; GFTA to RFO; GFTA income analysis; GFTA BME summary; and GFTA diversity summary.

⁵ National Activity Grants are allocated to a single region within the ACE data system, when the activity is actually taking place in more than region. The total GFTA investment in any one region will therefore be slightly below that reflected in the total investment figures, particularly for regions like London which receive high levels of national activity funding.

- **Review and analysis of a sample of 1,000 GFTA Activity Report Forms** (ARFs)⁶, 200 from each of the five years being evaluated. A test sample of 70 ARFs from 2006/07 and 2007/08 was reviewed to inform the development of the indicator framework and to facilitate the establishment of an analysis framework.
- **Demand and supply led focus groups in the nine English regions.** 44 GFTA applicants representing arts organisations, individual creative practitioners and non-arts organisations attended nine 'demand-led' focus groups⁷ to explore perceptions of GFTA from a 'beneficiary perspective'. Those attending were selected from recommendations of invitees provided by regional ACE staff and balanced with randomly selected people to represent the range of art forms, grant size and number of grants. 53 ACE regional representatives attended the 'supply side' focus groups to explore GFTA from a strategic and delivery perspective (See **Appendix 1** for a full list of attendees).

The structured focus group sessions explored both operational and strategic issues including:

- Practical experiences of the programme – both demand and supply side successes and challenges, including project management, brand, partnership value.
 - The role and importance of GFTA as a funding mechanism for the arts.
 - Effectiveness in supporting sustainability of artists, arts organisations and the wider arts sector with regard to issues such as professional development, partnership, audiences, profile raising and innovation.
 - Strategic, sectoral and geographic fit(ness) – related to a wide range of strategic agendas and values, but focusing on the five core outcomes of *Great Art for Everyone*.
 - Recommendations for the future – in strategic fit and against a series of process and operational issues.
- **A targeted online survey of 40 GFTA applicants from each region.** A link to the online survey was sent to 360 GFTA applicants (See **Appendix 2** for a copy of the survey). Organisations and individuals were strategically targeted to ensure fit with the stratification employed above for the focus groups. Skip logic was used within the survey to filter respondents to relevant questions in the survey. A total of 153 responses were received - a 43% response rate.
 - **Strategic interviews** with senior ACE stakeholders at national and regional level – to explore their perceptions of the programme and to seek guidance on their desired outcomes for the evaluation – in both practical and strategic terms.

⁶ Activity report forms are completed as a requirement for the final payment of all GFTA awards. They gather quantitative and qualitative feedback on the GFTA funded activity.

⁷ These focus groups, staged in each regional ACE office, were attended by GFTA beneficiaries – individuals and organisations previously or currently in receipt of a GFTA. In addition, a smaller number of attendees had unsuccessfully applied for GFTA.

1.4.1 Data 'Health' Challenges

The summative element of this evaluation required intensive analysis of available GFTA data both from the Arts Council England database system ARENA and review of the Activity Report Forms completed by GFTA recipients. A substantial process of data cleaning and reorganisation was required to provide data sets that allowed the 'health' and outcomes of GFTA to be robustly analysed. This is a serious operational and strategic issue – a future GFTA will require a coordinated and consistent approach to establishing a strong data footprint, with ongoing digital data capture and its monitoring and evaluation a critical requirement. The online application and revised data systems being implemented in Manchester will address some of the needs for more robust data management systems and structures. The recent work on the ACE central data system ARENA and integration and alignment of different data systems within the single ARENA system have already resulted in considerable data reporting improvements.

The major data challenges are introduced in **Appendices 3 and 4**.

1.5 Overview of Report and Appendices

This report should be read as the top document to a set of technical appendices. It provides the headline narrative for GFTA, with other documents providing the data and intelligence baseline.

Section 2 provides an overview of headline GFTA 'facts and figures. This is to represent the baseline for GFTA.

Section 3 introduces the Evaluation Framework and the five strategic outcomes for this research: reach, engagement, diversity, excellence and innovation.

Sections 4-8 provide a more detailed introduction to the impact of GFTA against these outcomes, presented in the following order: Reach (**Section 4**); Engagement (**Section 5**), Diversity (**Section 6**), Excellence (**Section 7**); Innovation (**Section 8**).

Section 9 explores the ways Grants for the Arts invests in sustainability across the arts.

Section 10 provides a summary of findings, an overall SWOT for the programme and a set of five themes that encourage improvement and introduce options for reform.

Appendix 1 provides a list of consultees to this evaluation research.

Appendix 2 provides the template for the on-line survey.

Appendix 3 provides an overview of Values and Volumes data⁸.

Appendix 4 provides an overview of data generated through the sample of 1,000 Activity Report Forms⁹ (200 from each of the five years being evaluated).

Appendix 5 provides an introduction to the evaluation indicators.

Appendix 6 provides a selection of case studies to illustrate the impact of GFTA.

⁸ Data extracted from Arts Council England's data system ARENA. A number of different data reports extracted from the system have been analysed. These include: GFTA regional value and volumes; GFTA art form; GFTA to RFO; GFTA income analysis; GFTA BME summary; GFTA diversity summary; and GFTA LGB summary.

⁹ These forms are completed by all GFTA recipients as a final requirement of their grant contract. The form gathers both quantitative and qualitative information regarding the project activity and income and expenditure data.

2. The Facts & Figures: GFTA Outputs 2003 – 2008

This Section provides an overview of the headline GFTA facts and figures. The story behind the data is further developed in **Sections 3** onward, through a more nuanced analysis of the impacts of GFTA.

2.1 Total GFTA Investments 2003 - 2008 – Size and Scope¹⁰

GFTA has attracted over 43,000 applications (43,156) between April 2003 and March 2008, with applicants requesting a total investment of £693,642,017.

The total value of GFTA investment made between 2003 and 2008 is £335,584,422¹¹, with just under 21,000 (20,969) GFTA made to 12,896 organisations and individuals.

2.1.1 Total investment value by region

It is no surprise that the region with the highest concentration of arts activity in the country, London, has received almost a quarter of GFTA investment (24.5%), a total investment of £82,268,578. However, the high level of funding through the national activity strand for London-based organisations (45.5% of the total national activity strand: £27,765,091 and 33.7% of the total London investment) reduces the overall investment in activity *actually taking place in capital*¹².

The South East region has seen the next highest level of overall GFTA investment: £44,542,537, which is 13.3% of the total. This is followed by the North West, with organisations and individuals in the region receiving a total investment of £39,913,915, or 11.9% of total GFTA investment. Despite the quite high proportions of overall funding, the South East and North West have received lower levels of funding through the national activity strand (10.6% and 5.4% respectively of total National Activity Funding or 14.% and 8.3% of the regions' total budgets) meaning a higher proportion of their investment is actually supporting arts activity within their regions.

The North East received the lowest proportion of the overall investment: 5.9%, which is £19,658,955. However, the North East has a relatively high level of funding through the National Activity strand (4.8% of total national activity), higher than both the East Midlands and East of England (4.0% and 2.8% respectively). This

¹⁰ All facts and figures in this section are taken from the Values and Volumes Data report extracted from the ACE data system ARENA in May 2009.

¹¹ This figure is taken from the regional values and volumes data report run in May 2009. Ace management accounts provide slightly different overall figures, primarily due to the way the two reports treat grants that are not paid out in full. In a small number of cases, funded projects are either successfully completed without needing all the funds that have been granted or not completed due to unforeseen circumstances. In the case of the values of volumes for the sake of simplicity, ACE reduce the amount originally stated as awarded within the ARENA system. For management accounts (which are prepared to monitor financial commitments against budgets), the original amount awarded is unaltered and an additional negative entry is made to reflect the amount that will no longer be paid. These two entries may well be in different financial periods.

¹² The way national activity funding is recorded means the region where the delivery organisation is based is where the activity is recorded, when in fact the activity will actually be taking place and engaging practitioners, communities and audiences across a number of different regions

indicates that organisations and individuals within the region are producing work on scale and profile that reaches audiences beyond regional boundaries.

Table 1: Total value of Grants for the Arts awards by region for five years 2003/08

Region	Total	
	£	%
East Midlands	23,897,005	7.1%
East of England	27,199,308	8.1%
London	82,268,578	24.5%
North East	19,658,955	5.9%
North West	39,913,915	11.9%
South East	44,542,537	13.3%
South West	30,695,882	9.1%
West Midlands	32,821,053	9.8%
Yorkshire and Humber	30,987,960	9.2%
Other	3,599,229	1.1%
Total	335,584,422	100.0%

Table 2: Total value of National Activity funding by region over five years 2003/08

National Activity Funding Strand			
Region	£	% of total Nat. Activity funding	Nat. Activity funding as % of total regional funding
East Midlands	2,448,296	4.0%	10.2%
East of England	1,708,369	2.8%	6.3%
London	27,765,091	45.5%	33.7%
North East	2,925,341	4.8%	14.9%
North West	3,306,544	5.4%	8.3%
South East	6,465,387	10.6%	14.5%
South West	3,735,655	6.1%	12.2%
West Midlands	6,929,431	11.4%	21.1%
Yorkshire and The Humber	3,723,248	6.1%	12.0%
Other	2,014,730	3.3%	56.0%
Total	61,022,092	100.0%	

2.1.2 Total value by type of investment

GFTA investment is distributed through three separate funding strands – individuals, organisations and national activity¹³. Over the five years:

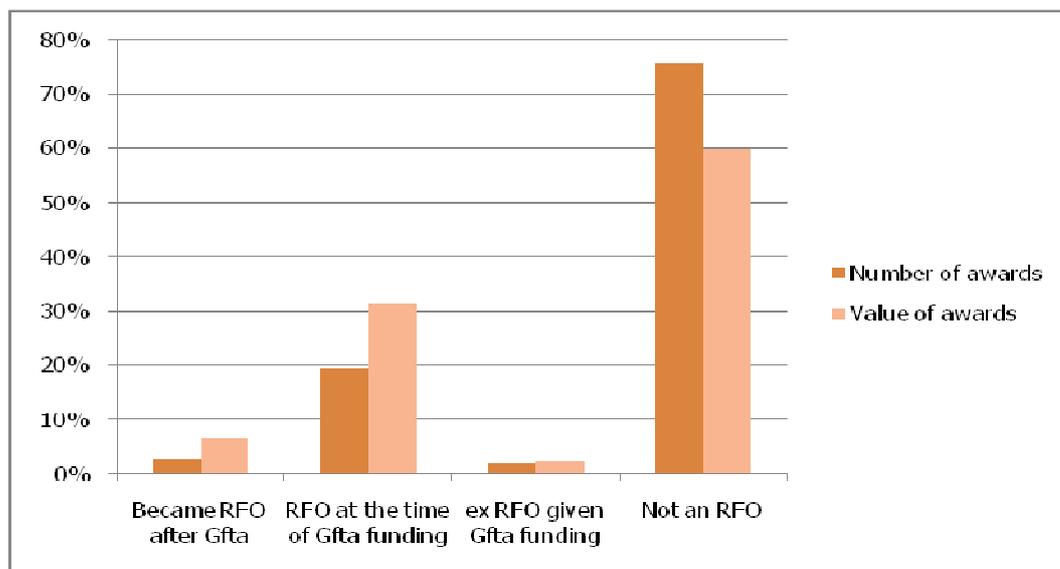
- 70% of GFTA has been awarded to organisations, a total of £235,545,403.
- 12% - £39,016,927 - has been awarded to individuals.
- 18% - £61,022,092 – has been awarded as national activity. Unsurprisingly, given the need for capacity and reach, 97% of national activity funding has been awarded to organisations.

Total value of GFTA investment in Regularly Funded Organisations

Applications from RFOs accounted for just 12.9% of the total number of GFTA applications, and 22.5% of all funding applied for over the five years. However, in terms of numbers of awards, RFOs accounted for just under a fifth of awards made (19.3%) but 30.8% of the total value of GFTA investment: just under £100 million (£98,110,265).

A further 6.1% of the total value of GFTA investment has been awarded to organisations that have gone on to become RFOs after their GFTA awards.

Figure 1: GFTA investment in Regularly Funded Organisations (RFOs)



There is considerable variation by region of investment in RFOs. Despite having the smallest number of RFOs, just 33, the East of England shows the highest level of investment in their RFO portfolio, with 47.4% of their GFTA investment allocated to RFOs. The North West invests 40.7% of their investment in RFOs, of which there are 109. The West Midlands invest the lowest proportion of their overall budget in existing RFOs, just 18.8%, but 14.4% of investments resulted in organisations becoming RFOs, the highest 'conversion to RFO' through GFTA of any region.

¹³ Until 2007, the funding for the individuals' funding strand came from the Arts Council England Grant in Aid budget. Post 2007, the funding for individuals has come from the lottery along with funding for organisations and national activities.

Table 3: The proportion of investment by value made to RFOs and organisations which were offered funding by region (2003-2008)

Proportion of awards by value	East Mids	East of England	London	North East	North West	Other	South East	South West	West Mids	Yorkshire and H.	Total
Became RFO after GFTA	5.3%	5.8%	9.8%	2.1%	3.6%	0.0%	3.8%	0.9%	14.4%	3.9%	6.1%
RFO at the time of GFTA funding	26.9%	47.4%	30.0%	40.7%	35.3%	17.1%	27.2%	24.8%	18.8%	35.1%	30.8%
ex RFO given GFTA funding	0.2%	3.4%	1.8%	7.9%	0.8%	3.0%	3.2%	2.7%	3.9%	0.7%	2.4%
Not an RFO	67.6%	43.4%	58.5%	49.3%	60.3%	80.0%	65.8%	71.6%	62.9%	60.3%	60.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

2.1.3 Total value by art form

Visual Arts has received over a quarter of GFTA investment: a total of £89,410,888. This is followed by Theatre, Combined Arts, Music, Dance then Literature. Between 2003 and 2007, 7.2% of grants or £24,269,299 did not have an art form classification. In 2007, two new categories were introduced to replace 'art form not classified', 'all art forms' and 'not art form specific', which account for 2% of the total GFTA investment: £6,661,038.

Table 4: GFTA investment by art form

Art Form	£	%
Visual arts	89,410,888	26.6%
Theatre	66,204,558	19.7%
Combined arts	49,809,650	14.8%
Music	38,921,751	11.6%
Dance	34,849,600	10.4%
Literature	25,457,638	7.6%
Art form not classified	24,269,299	7.2%
All art forms (new classifier from 2007)	4,049,719	1.2%
Not art form specific (new classifier from 2007)	2,611,319	0.8%
Total	335,584,422	100.0%

Investment variations in art forms by region

Reflecting the lead that Visual Arts takes in terms of overall GFTA investment, Visual Arts receives the highest proportion of regional investment in all but one of the nine regions. The East of England is the exception, where Theatre received the highest proportion of the region's GFTA budget over the five years: 23.3% or £6,340,654 compared with 21.6% expenditure on Visual Arts (£5,877,893).

Between 2003 and 2008, London has invested the highest level of GFTA funding in the Visual Arts: £20,676,585, which is a quarter of the total GFTA budget in the region. This is followed by Theatre with 21.3% of the budget. In terms of overall value, the South East and North West are the next largest investors in Visual Arts, with £13,227,283 and £10,475,024 respectively.

In terms of proportion of their overall investment, the North East allocates the most to the Visual Arts: 31.6%. Yorkshire and Humber and the South West also allocate just over 30% of their budgets to the Visual Arts.

In five of the eight regions where Visual Arts receives the highest level of GFTA funding, Theatre is the second strongest art form in terms of value of investment. The exceptions being East Midlands with Combined Arts, the West Midlands with Dance and the North West with 18.2% of unclassified art form spend and 17.2% of Combined Arts ahead of Theatre spend.

London is the largest overall investor in Theatre, investing a total of £17,562,578. This is followed by the South East with £10,071,015.

After London, the North West has invested the most in Combined Arts and Literature, the South East in Music, the West Midlands in Dance.

Investment for Black and Minority Ethnic (BME) individuals and BME led organisations¹⁴

GFTA has been effective in reaching BME individual artists and organisations with 7.7% of total GFTA investment - £25,866,119 – being invested in BME arts activity. 2,624 awards have been made to BME individuals and organisations, 12.5% of total GFTA awards.

Regions with high levels of diversity in the population are largely the areas with higher levels of GFTA investment in BME individuals and organisations. In terms of overall numbers of GFTA awards to BME individuals and organisations, the highest proportion is in London (39.9% or 1047) reflecting the diversity of the capital. London represents an even higher proportion in terms of value of GFTA: 46.1% or £11,921,407. The West Midlands, although considerably below the London in terms of numbers and value of BME investment, has the next highest proportions: 13.5% of overall numbers and 12.1% of value.

¹⁴ Organisations where at least 51% of the senior managers, management committee, board, governing body or council consider themselves to from BME communities.

Table 5: GFTA investment in BME individuals and BME led organisations

BME	Total value of GFTA Investment in BME Individuals and Organisations		Total numbers of GFTA Investment in BME Individuals and Organisations	
	£	%	No.	%
East Midlands	£2,227,493	8.6%	201	7.7%
East of England	£1,123,824	4.3%	85	3.2%
London	£11,921,407	46.1%	1,047	39.9%
North East	£1,661,061	6.4%	177	6.7%
North West	£1,587,857	6.1%	237	9.0%
South East	£2,382,891	9.2%	229	8.7%
South West	£863,119	3.3%	139	5.3%
West Midlands	£3,127,299	12.1%	353	13.5%
Yorkshire and H.	£834,924	3.2%	141	5.4%
Other	£136,244	0.5%	15	0.6%
Total	£25,866,119	100.0%	2,624	100.0%

Section 6 explores in more detail the impact of GFTA for BME individuals and organisations.

Investment for individuals with a disability and organisations led by people with disabilities¹⁵ Total investment in individuals with a disability or organisations working with disabled practitioners /audiences is £3,585,646: **just 1% of total GFTA investment.** 390 awards have been made, 1.9% of the total number of awards¹⁶. The level of investment in disabled artists and organisation led by people with disabilities appears low, but it is likely there is considerable under-reporting here with many individuals not disclosing their disability. Indeed, many awards are made which benefit disabled people, but these are not recorded as having such a benefit because the primary audience/participant does not have a disability. Improvements in collection and monitoring would give a clearer indication of the overall beneficiary level for people with a disability.

London has seen around a third of all GFTA investment in individuals with a disability or organisations working with disabled practitioners /audiences. In terms of value of investment, the South East and then the South West follow London. In terms of numbers of GFTA awards, the South West and then North West follow London.

¹⁵ Organisations where 51% of the senior managers, management committee, board, governing body or council consider themselves to be disabled.

¹⁶ 42.3% of the investment is in individuals, 38.1% in organisations. National activities accounted for 19.6% of investment.

Table 6: GFTA investment in individuals with a disability and organisations led by people with disabilities

	Total value of GFTA Investment in Individuals with a Disability and Organisations Led People with a Disability		Total numbers of GFTA Investment in Individuals with a Disability and Organisations Led People with a Disability	
	£	%	No.	%
East Midlands	£124,629	3.5%	10	2.6%
East of England	£225,379	6.3%	36	9.2%
London	£1,302,415	36.3%	114	29.2%
North East	£201,067	5.6%	27	6.9%
North West	£303,212	8.5%	51	13.1%
South East	£528,953	14.8%	25	6.4%
South West	£494,129	13.8%	62	15.9%
West Midlands	£219,245	6.1%	19	4.9%
Yorkshire and H.	£186,454	5.2%	45	11.5%
Other	£163	0.0%	1	0.3%
Total	£3,585,646	100.0%	390	100.0%

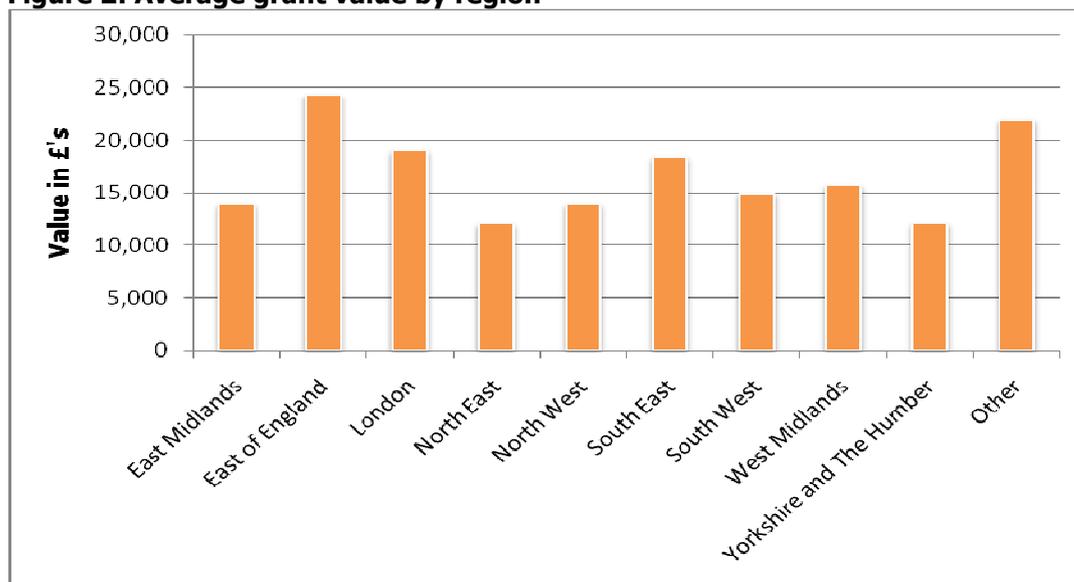
Section 6 explores in more detail the impact of GFTA for individuals with a disability or organisations working with disabled practitioners /audiences.

Average grant value

The average grant value of all GFTA awards over the five years has been £16,004. However, the average value varies across the regions with the East of England showing the largest average grant at £24,285. Grants in the 'other' category show the next highest average grant size¹⁷. Yorkshire and Humber and the North East have the lowest average value of grants with both regions showing an average of just over £12,000.

¹⁷ The 'other' category for geographical classifiers refers to applications from outside England and applications where geographical information could not be derived from their postcode.

Figure 2: Average grant value by region



The average grant size by funding strand also varies. As would be expected considering the likely varying scale of activities, the average grant for national activities (£43,186) is twice that for organisations (£19,844) and average grants for organisations nearly four times that for individuals (£5,076).

There are also considerable regional variations in the average size of grant within the different funding strands as can be seen from Table 7 below:

Table 7: Average grant size by region and funding strand

Region	Individuals	Organisations	Nat. Act	Total
	£	£	£	£
East Midlands	5,115	18,380	32,214	13,934
East of England	6,312	39,453	35,591	24,285
London	6,602	21,330	45,442	19,013
North East	5,087	14,193	52,238	12,016
North West	4,276	17,300	32,102	13,917
South East	4,338	23,953	47,540	18,368
South West	4,530	20,504	30,371	14,915
West Midlands	4,452	18,162	67,276	15,696
Yorkshire and The Humber	3,907	15,296	36,502	12,081
Other	6,468	20,886	36,631	21,947
Total	5,076	19,844	43,186	16,004

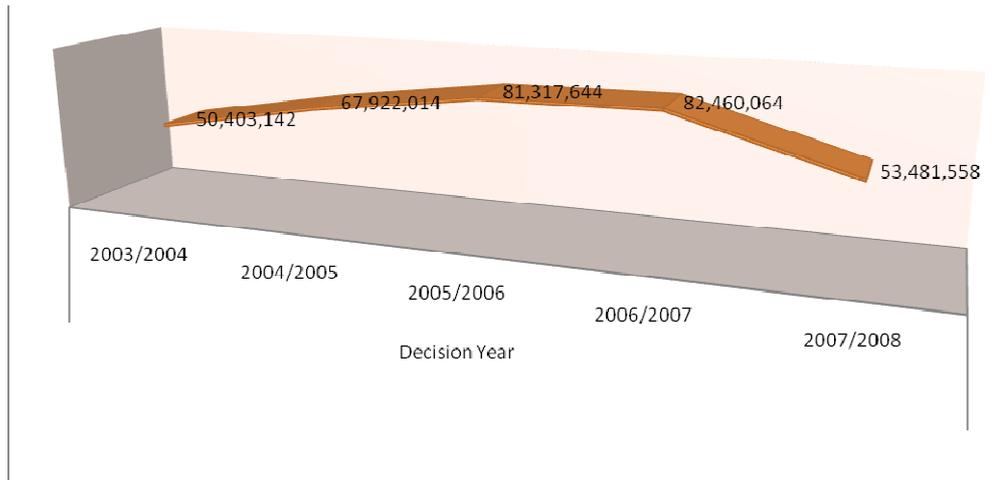
Appendices 3 and 4 provides a set of detailed tables that show investment by art form across each region; plus multiple other profiles of the 'footprint' of GFTA.

2.2 Shifts in Investment - How GFTA has Changed Since 2003-04

2.2.1 Shifts in total investment over the five years

GFTA investment peaked in 2006-07, with an investment of nearly £82.5 million. In 2007-08, with cuts of 35% in GFTA due the proportion of Lottery funding across all the distributors being allocated to the London 2012 Olympic and Paralympic Games, investment fell back to just above the first year value of close to £50.5 million.

Figure 3: Value of GFTA investment 2003-2008



2.2.2 Shifts in value of regional GFTA investment over the five year 2003 - 2008

London has consistently seen the highest level of GFTA investment over the five years. In the first two years, London accounted for just under a quarter of total annual GFTA investment. In 2007-08, London's proportion of GFTA funding had dropped down to just over a fifth. 2005-06, the year with second highest level of overall GFTA investment, London's GFTA investment also peaked. London's proportion of the total annual investment rose to 28.5%, bringing the total value of investment that year to over £23 million for the London arts sector.

2005-06 also saw the South East lose its place to the North West as the second highest GFTA investor. The South East regained its position as second largest GFTA regional investor in 2006-07 and retained the position into 2007-08.

2005-06 also saw the East of England drop behind the East Midlands to become the second lowest GFTA investor after the North East. During the 2005-06 year, the East experienced a 2% drop in the GFTA awards it made, from 8.9% to 7.1%. In 2006-07 it was back up to 8.9%, falling again in 2007-08 but still ahead of the East Midlands.

2.2.3 Shift in investment by art form

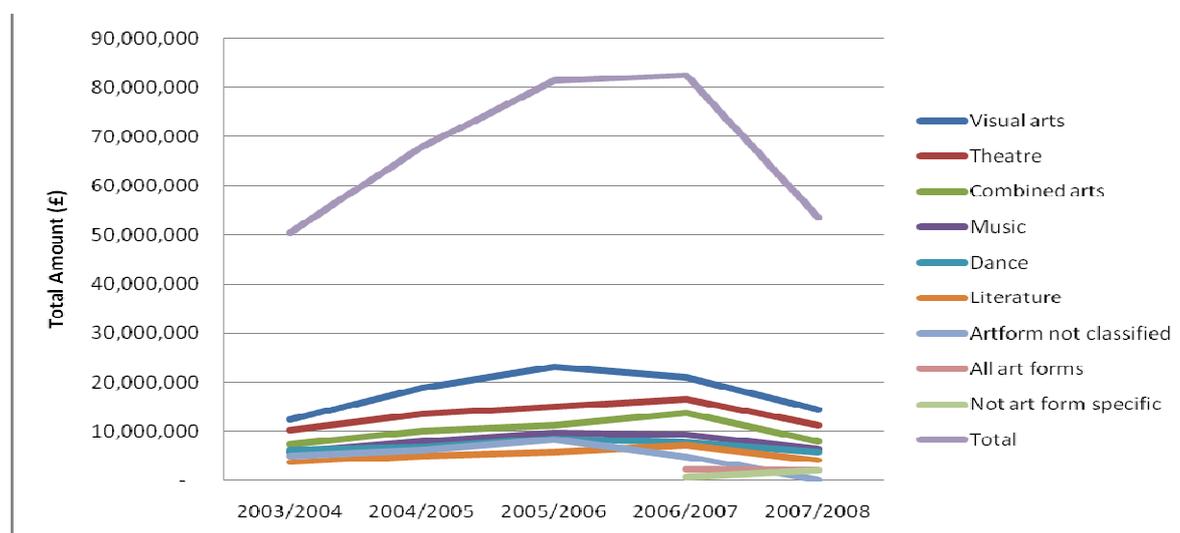
Investment in all art forms saw a dip from 2006-07 to 2007-08, in line with the reduction in overall GFTA investment.

Investment in Theatre and Combined Arts rose steadily from year one to a peak in 2006-07 of nearly £16.5 million for Theatre and just under £13.5 million for

Combined Arts. Investment in Visual Arts reached a high in 2005-06 of £23 million falling to just under £21 million in 2006-07 and below £14.5 million in 2007-08.

Investment for music and dance also reached peaks in 2005-06 of £9.5 million and £8.5 million respectively.

Figure 4: Investment by art form 2003-2008



2.2.4 Shifts in average grant size by region by year

Out of the nine regions, the East of England has had the highest GFTA average grant size for four out of the five years. This increased, in line with the overall increase in the GFTA budget, from just over £20,000 in 2003-04 to nearly £31,000 in 2006-07. However, in 2007-08 average grant sizes dropped with the cut in GFTA budget and the South East edged ahead of the East of England with an average grant size of £24,424 compared to £22,298 in the East of England¹⁸.

Table 8: GFTA Average Grant Size by Region 2003-2008

	Average (Year by Year)					Overall Av. (£)
	2003-2004 (£)	2004-2005 (£)	2005-2006 (£)	2006-2007 (£)	2007-2008 (£)	
East Midlands	9,313	11,715	15,119	16,867	19,608	13,934
East of England	20,307	21,359	26,222	30,816	22,298	24,285
London	14,129	17,230	21,473	21,888	20,619	19,013
North East	7,939	11,626	13,144	13,641	14,756	12,016
North West	9,222	11,923	16,489	17,065	15,653	13,917
South East	12,754	17,228	17,348	22,935	24,424	18,368
South West	10,192	13,973	17,383	15,124	20,201	14,915
West Midlands	12,746	14,811	13,927	19,137	17,759	15,696
Yorkshire and The H.	9,225	11,106	12,761	14,953	12,497	12,081
Other	26,911	15,623	22,975	16,993	30,569	21,947
Regional Av.	11,563	14,576	17,232	18,900	18,648	16,004

¹⁸ These figures do not include the 'other' category, which in 2007/08 had an average grant size of £30,569.

2.2.5 Shifts in RFO investment

GFTA investment in RFOs rose from £14 million in 2003-04 to £28 million in 2006-07, dipping in 2007-08 to £12 million, shifting from around a third of overall investment 2003-2006, falling to just above a quarter of investment in 2007-08.

2.2.6 Shifts in investment by funding strand

The total value and the proportion of investment for organisations grew from 2003-04 to 2006-07. While the value of investment for individuals grew slightly between 2003-04 and 2006-07, as a proportion of overall GFTA investment, investment in individuals has fallen slightly from 12.8% in 2003-04 to 11.0% in 2007-08.

Investment for National Activities grew in value to 2006-07. However, in terms of proportion of overall GFTA investment, investment in National Activities has fluctuated, rising in the second year, then falling in 2006-07 and rising again to almost 20% of the overall budget in 2007-08.

3. GFTA – Impact and Benefit Across Five Strategic Outcomes

3.1 The Evaluation Framework

3.1.1 Introducing the five outcomes and their rationale

The impact of GFTA has been assessed against five key outcomes:

- **Reach** – more people attending and taking part in the arts.
- **Engagement** – more people feel that there are opportunities to enjoy and get actively involved in arts activities that are personally relevant to them.
- **Diversity** – arts that reflect the diversity of contemporary England.
- **Excellence** – high quality art and high quality arts experiences.
- **Innovation** – artists have the freedom and are challenged to innovate.

These five outcomes were identified through the *Arts Debate* - the major programme of research and consultation with all ACE stakeholders (including members of the public) – to underpin ACE’s mission of *Great Art for Everyone*. They have been adopted as the key outcomes for this evaluation so the findings can sit within the framework against which ACE is assessing its overall strategic role to offer quality artistic opportunities for a wide range of people that reflect the make-up of society (the definitions for the each of the outcomes as applied in this study, are set out in **Section 4**).

ACE is currently developing a series of indicators to measure their success in delivering against the five core outcomes. The evaluation framework for GFTA has built on the early emerging indicators, developing a series of additional quantitative and qualitative indicators and metrics through which to assess the impact of GFTA. A copy of the evaluation indicator framework is attached in **Appendix 5**.

3.1.2 Introducing the cross-cutting themes and their rationale

In addition to the five core outcomes, this evaluation has considered two additional outcomes which can be viewed as cross cutting themes:

Sustainability

To survive and thrive, organisations and individuals in the arts sector must operate in a similarly entrepreneurial and flexible way to other sectors. Thus the role of GFTA in supporting professional development, capacity building and organisational development means that *sustainability operates as a cross-cutting theme for this evaluation*. The funding of new collaborations and partnerships, and the leverage required and secured for projects, are also considered across this evaluation as core elements of the push that GFTA has provided for successful sustainable organisations and individual practices.

Added Value

The inseparability of GFTA from the context in which it operates has required the consideration of the position and fit of this 'investment tool' across a range of strategic agendas. This has entailed looking back at the role and impact to date as well as assessing the potential position for GFTA, within a funding ecology of the future.

3.1.3 Shifting Themes

This evaluation of GFTA – assessing its impact over five years since 2003 – has required an approach that retro-fits the above five outcomes and two cross-cutting themes to embrace sets of outcomes that changed over time. Put simply, the outcomes against which we are currently measuring impact are not the same as those adopted at different stages of GFTA's lifetime, which in turn presents challenges when comparing impact over time. For example:

For the period 2003-2006, the corporate strategic outcomes of Arts Council England were:

- Supporting the artist
- Enabling organisations to thrive not just survive
- Championing cultural diversity
- Offering opportunities for young people
- Encouraging growth
- Living up to our values

However, while changing priorities will have impacted on the assessment and selection process, it is felt that earlier GFTA priorities sit comfortably within the current five outcomes, with the 'retro-fitting task' a minor one.

3.2 The Arts Funding Ecology

Grants for the Arts sits at the heart of a complex funding ecology and represents a relatively small investment in the arts – certainly by comparison with RFO investment or the wide sweep of arts and cultural activities supported by local authorities, trusts and foundations. However, its flexibility, accessibility, and brand value as a strategic development tool for Arts Council England, mean that it has a reach and influence that substantially exceeds that which might reasonably be expected. This is important if it is to deliver value beyond that experienced directly through each investment (i.e. by levering or adding value to additional resources). It is also key if it is to effectively join together the five strategic outcomes of reach, engagement, diversity, excellence and innovation – because these are outcomes that cannot always be delivered in isolation¹⁹ and without co-investment or at least the pursuit of complementary agendas by other parts of the arts funding ecology.

As a fund that can reach flexibly across different art-forms and types of institution; and as a fund that has open and ongoing access, GFTA operates as an *open tool for stimulating and mobilising activity* that has a presence across the country, in every area of the arts, and for multiple purposes. This gives it a presence and reach unobtainable for other funds. It also provides it with a fleetness of foot to realise new opportunities, add value to investments where it is not the majority funder,

¹⁹ Which introduces a further challenge of identifying causality of impact.

broker new or additional investment by opening-up an investment opportunity, and bridge any short term or local gaps in investment as a means of encouraging sustainability in a local or regional arts sector. It is the two core traits of *flexibility and openness* that provide GFTA with a strategic development role far in excess of that which might be assumed reasonably achievable given the relative size of the investment. Below we introduce the role and position of GFTA within a wider arts funding ecology and point to its strengths plus opportunities for greater reach, influence and impact.

3.2.2 The position of GFTA in a funding ecology:

Grants for the Arts sits at the heart of a complex funding ecology, operating alongside and often directly in relation to ACE's RFO portfolio and managed funds, plus a plethora of public and private funds from multiple sources. The funding ecology that GFTA exists within includes of four main areas:

- **Central Government Funding** - which is largely distributed by non-departmental bodies, including Arts Council England, Museums Libraries and Archives Council, UK Film Council, and so on. There is also direct funding from government departments for National organisations and through specific programmes.
- **Trusts and Foundations, Social investment and donations** – This ranges from large funders with specific goals such as Esmée Fairburn and the Clore Foundation through to personal philanthropy and corporate sponsorship.
- **Local and regional funding –This includes** Regional Development Agencies and local authorities, often connected to regeneration, economic or social outcomes
- **Commercial activity** – revenue generated by tickets, retail sales, bar/cafe takings, exploitation of IP, research activity, and sponsorship.

An aerial view of this funding ecology is provided in **Figure 4** below.

The position of GFTA within this ecology can be characterised as having three key roles: as *lever*, *bridge* and *independent funder*.

GFTA as Lever

GFTA levers other funding and brings new partners to the table through the visibility, accessibility and credibility delivered by being a core programme of Arts Council England. This means it 'punches above its weight' as a tool of strategic development. In addition, its common focus on artistic outcomes rather than social or economic ones, means that it has a special value and importance for organisations who have to meet the diverse requirements of a spread of funders: it often delivers resources to the core business of arts organisations, with other funding surrounding this core business to deliver a set of more instrumental concerns.

However, ACE is not always perceived as being as close or in touch with its beneficiaries or partners as desirable, with art form officers working in complex geographic, strategic and cultural contexts where shifts in practice, strategic focus, and thus the demand for investment can change rapidly. Correspondingly,

knowledge on for the leverage role of GFTA to improve will require a closer working relationship with strategic partners 'on the ground' – such as local authority arts officers and partners working in regeneration.

There is some good practice here. For example, local authority officers have been given the opportunity to look at and advise upon GFTA applications, and in theory this should help ensure that resources are jointly focussed. But this is not always the case due to a lack of coordination. Similarly, some Trusts have close relationship at a regional level with ACE officers, but not in a formalised way. Correspondingly, a perception exists that GFTA is not 'paired' as effectively as it could be with these funds.

GFTA as Bridge

For both RFO and Managed Funds, GFTA can be understood as a *bridging tool* – supporting individuals and organisations to develop work that complements their wider sustainability (which may be supported as an RFO or via Managed Funds). GFTA bridges the gap between other funding streams, most obviously by resourcing new activities and content that would otherwise be difficult to create. However, in some cases, GFTA funding has operated as direct bridging tool that supports an organisation to grow toward RFO status or to underpin the short-medium term sustainability of an organisation.

RFO funding each year is currently equal to approximately what GFTA has awarded to date over its lifetime, so its scale is different. It also has a very different function, providing core funding to organisations within the managed context of ACE's overall funding portfolio. Accordingly, RFO funding comes with far greater scrutiny and obligations and does not suit all organisations, particularly those which need flexible-project funding. RFOs can apply for GFTA, but current guidelines insist that they gain written approval from an Arts Council England Lead officer first. Unlike GFTA, there is no application process to become an RFO and no requirement for Arts Council England to provide any feedback to those that apply.

Managed funds are traditionally those discretionary funds that Arts Council England uses to strategically support and grow the sector at a regional level. Their size has declined over the lifetime of GFTA, with GFTA now the funding tool most frequently used to support artistic activity with managed funds playing a secondary role.

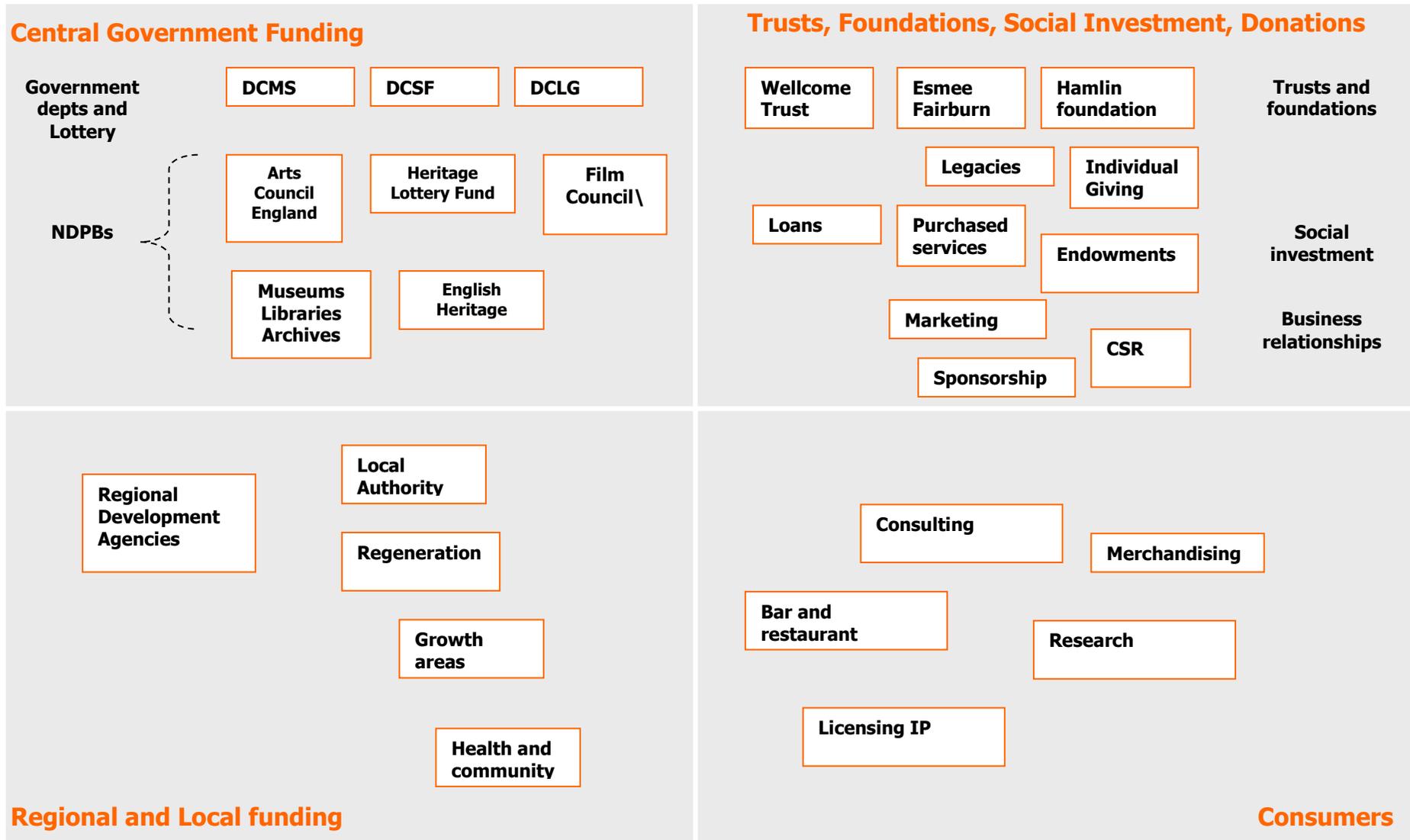
The extent to which the above represents a *bridge too far* – overly-exploiting the flexibility of GFTA to deliver strategic development role more suited to other types of funding (i.e. attending to a market failure in the funding ecology by bridging gaps in resources), requires critical strategic consideration. Indeed, should such investment grow from the solicited brokerage of GFTA as a co-investment vehicle, could in some instances transgress lottery regulations. Correspondingly, there is a danger that the flexibility and openness of GFTA is open to a measure of abuse that might very well increase if other funding sources are squeezed.

GFTA as independent funder

GFTA's role as funder of artistic activity for individuals and organisations remains its primary strength and position in the arts funding ecology. While this purity of purpose is placed under intense pressure due to wider funding shortfalls (extending the bridge and leverage role), GFTA remains the funder of choice for experimental artistic activity for individuals and organisations. Particular strengths include:

- **Early stage research and development:** from authors funded to research books which otherwise would never see the light of day to complex multi-partner projects which take considerable research in setting-up and initiating, it funds the building blocks of creativity.
- **Showcasing and tours:** Whether it is ensuring that work can be shown in public to financing major national tours by established groups, GFTA plays an important role in bringing art to existing and new audiences.
- **Quality and excellence:** GFTA is widely respected for funding work of the highest-quality. While not a guarantee of excellence, awardees often feel that support from GFTA is part of the way that they are recognised for what they do as artists

Figure 4. An Aerial View of the Arts Funding Ecology in England



3.3 The five core supply-side features of GFTA

GFTA, located as it is at the heart of a complex arts funding ecology, stands out as a clear, accessible, open and flexible investment tool. This ensures has the potential to deliver investment as a lever, bridge or, perhaps most productively, in independent activity that would otherwise not be funded. Its core strengths lie in the ways it can nurture a relationship with other funds so they are mobilised to complement the delivery of the five core outcomes of *Great Art for Everyone*, and the ways it can emphatically deliver these outcomes through discrete investments in excellent and innovative activities.

However, conversely, its core weaknesses lie in the ways its flexibility means it can be mobilised toward delivering (or meeting shortfalls in investment) for agendas driven by other partners; or the ways its leverage and bridging role focus on organisational and strategic development agendas, which can take priority over the development of new, innovative and excellent art. Moreover, flexibility and openness mean that GFTA is absolutely open to interpretation, with multifarious calls on it as an important provider of resources. This makes consistent, like-for-like rationalisation of the reason for or against investment difficult to uphold.

The following summarise the top five supply-side features of GFTA:

GFTA as an open, flexible tool

This ensures it is pervasive and engaged across multiple agendas but not always directed and certainly difficult to rationalise and 'explain' on an investment-by-investment basis (i.e. it is difficult to compare like-for-like between a grant to an individual and organisation). This means GFTA has been mobilised to shape different agendas as well as in response to demand, but this has not been a consistent process by region, art form or even on an individual officer basis.

GFTA as straightforward to manage and appreciated for its clarity

Arts Council officers are broadly positive about the delivery, due diligence and management process, and they value it for its legibility (when compared to other funding programmes) and flexibility (meaning that it is a tool that is open to the full range of their stakeholders). It is though seen as time-consuming and disproportionately labour intensive when working with new entrant applications or fielding queries from individual artists. The provision of feedback to unsuccessful applicants is also a challenging and at times distressing process – not least because it is sometimes difficult to give a consistent and equivocal explanation for not funding certain applications (e.g. where it is simply a matter of unavailable funds or the officer's perception of 'risk').

GFTA as a means of building strong relationships with the arts sector

This is the single most compelling supply-side GFTA asset for ACE officers - GFTA ensures visibility for parts of the arts sector that would otherwise be hard to reach. Put simply, the opportunity for investment brokers a relationship between potential beneficiary and ACE and provides it with strategic focus and goal. It is also a critical means of increasing ACE's awareness of the local / regional talent base, exposing it to shifting patterns in demand for investment as well as in a wider set of development issues such as skills, workspace and events. *It brings the sector to ACE and brings ACE to the sector.* It sets up opportunities for the co-creation of agendas,

demystifies the role of ACE and even attends to basic issues such as enabling ACE officers to better understand the social and cultural milieu in which it operates.

However, GFTA has perhaps been under-used as a tool in this respect: for example, it can be better used to build a stronger narrative with regard to the role and reach of ACE; it can be more effectively communicated as an investment tool in the five outcomes of GFTA (again re-affirming the role of ACE); and its success stories can help establish a picture of the type of practice and process that ACE encourages.

GFTA as a flexible strategic investment tool

Here, GFTA is used as additional investment to underpin / overlay the RFO portfolio; or its regular allocation to certain organisations effectively establishes them as 'hidden RFOs' and thus as organisations to which ACE is in principle committed over the longer term; or it is mobilised to different strategic agendas as a type of pump-primer or gap funder, often as an alternative or in addition to managed funds. Here GFTA operates as the 'oil and glue' for strategic investment across the arts; while in some regions – in particular the East – it is a critical contributor to the crowding-together of ACE funds, with significant overlap between the RFO portfolio and the allocation of Managed Funds and GFTA. The extent to which this approach facilitates flexibility and an openness to new and emergent individuals and organisations can perhaps be contested, but it certainly enables ACE to crowd-in investment and maximise the leverage, bridging role and value-added of GFTA.

3.4 Demand-side Considerations

3.4.1 Variations and Shifts in Demand

Sections 1 and 2 above provide an overview of the shifting profile of GFTA investments over the last 5 years. They show how GFTA invests across different art forms and geographic contexts. Correspondingly, they also provide some of the baseline evidence that indicates the flexibility and mobility of GFTA as an investment programme that adapts to shifts in demand as well as an open tool that enables exploration in areas that in turn nurture new types of demand.

While data is available within the ACE ARENA system that would allow some investigation of variations in demand by organisation type – from strategic organisational development to networks; individual artists to large touring theatre companies – the data was not available in an appropriate format to all for analysis in time for this report. However, it has been possible to compare the number of applications by individuals and organisations and to make assumptions regarding the ways GFTA is used as an enabling tool for new work or as a strategic tool more aligned to supporting the ongoing sustainability of existing organisations or more established individuals. When aligned with our qualitative engagement with GFTA beneficiaries and ACE officers, the range of uses for GFTA becomes even clearer.

Number of Applications

The number of applications has changed in line with the overall available budget, which suggests information and promotion of GFTA has been effective in sending out the right message about funding available: 8,085 applications were received in 2003-4. The number of applications rose to just over 9,000 in 2004-05 and remained around this level till 2006-07, falling in 2007-08 to 7,701.

This pattern largely reflected across the regions, although London and the East of England did experience a slight drop in the number of applications in 2006-07 (which is earlier than elsewhere), but the overall value of requests did not drop until 2007-08.

Demand by funding strand

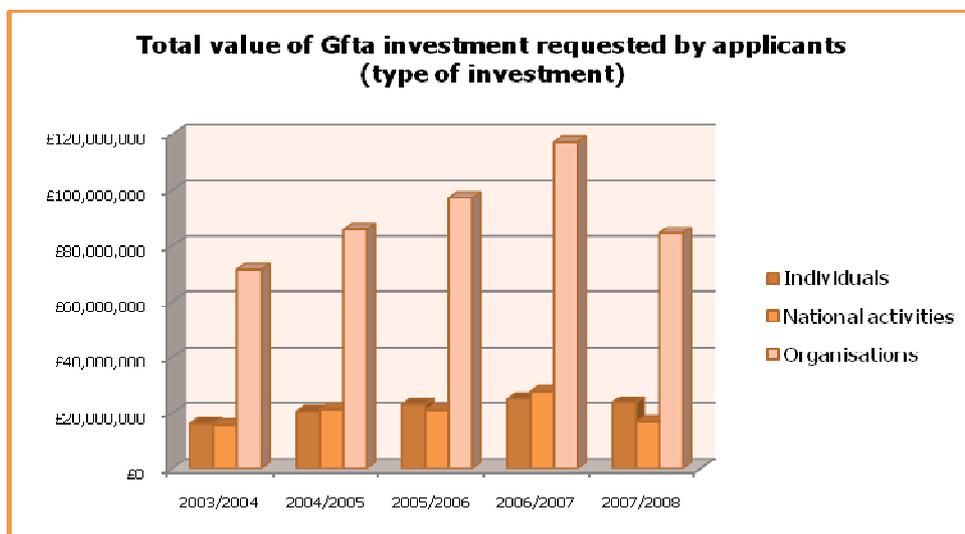
The amount requested from **individuals** (through the individual funding strand) peaked in 2006-07 at £25,034,948 (14.7% of all GFTA funding requested), rising from £16,098,625 in 2003-04, 15.6% of total funding requested.

The total requested fell slightly to £23,657,475, but this represented an increase in the overall percentage of funding requested: 18.9%.

Organisation applications, through the 'Organisation funding strand', rose from £71,418,383 in 2003-04 to £117,109,950 in 2006-07, and then fell to £84,492,988 in 2007-08. Across the five years, organisation applications represent a fairly constant proportion of overall funding application value, at around 68-69%.

National Activity funding, with the majority of applications coming from organisations, followed the same pattern as Individual and Organisation applications: rising to 2006-07 and falling in line with budget reductions in 2007-08. National Activity as a proportion of overall funding requests has fluctuated a little more, starting at 15.1% of overall requests, rising to 16.7% in 2004-05 and then falling and rising and falling again to 13.4% of total value of requests in 2007-08.

Figure 5. Total value of GFTA investment requested by applicants (type of investment)



Demand from individuals and organisations from diverse backgrounds

The number of known²⁰ applications from BME individuals and organisations peaked at 1,324 in 2005-06 (944 through the Individual funding strand, 333 through the

²⁰ 25% of applications over the five years have no indication of ethnicity. Since 2006-07 the number of 'unknown' ethnicity has dropped considerably with the policy of more rigorous gathering of ethnicity data.

Organisation funding strand and 47 through the National Activity strand). However, the overall value of requests did not drop until 2007-08, so the average amount requested was greater in 2006-07.

The number of known applications from disabled artists and organisations working with disabled artists and audiences has grown year on year, from 169 to 309 in 2007-2008 and in value from £1,026,161 and £3,377,100, bucking the trend of drops in 07-08 year. It is unclear whether this is a result of real increases or better recording and reporting of disability awards.

Balancing Supply and Demand – Regional Variations

It is not possible to robustly explore the extent to which the availability of GFTA resources is proportionate to the extent of demand by region. This is because of the close relationship between available funds and their promotion/brokerage to the regional arts sector(s) (i.e. demand is to an extent nurtured); substantial difficulties in identifying and measuring 'latent demand'; the impact of GFTA for national touring activities (which means investment in one region will have an impact in other regions); and incomparable arts ecologies across each region (e.g. some regions are more urban, diverse, have a more established infrastructure base, and so on).

However, it is clear that demand varies by region and, correspondingly, the profile of beneficiaries is not consistent across the country, however dutifully the five core outcomes are pursued. Indeed, it is almost certainly the case that to deliver the five core outcomes requires a considered approach to investment that balances investment across a portfolio expressive of the distinctive qualities of each region, with the flexibility of GFTA opening the way to invest in the cultural and creative dynamics of place.

Yet, this embrace with local distinctiveness is more challenging in regions with a larger, more diverse, often more established, and in many ways more demanding arts sector. In addition, areas where the arts have a critical role to play in agendas such as regeneration and social cohesion, can place additional demands on limited GFTA provision. By contrast, areas with a relatively small and emergent arts sector, perhaps with fewer RFOs and less oncoming demand through emergent artists and early-stage organisations, are well positioned to align GFTA investment directly to demand and to coordinate investment that maximises the leverage and bridging role of GFTA (e.g. by adding value to the RFO portfolio).

In Inner London, which presents the most obvious example of an area with very complex, diverse and shifting demand, GFTA resources can only reach and engage a small proportion of the overall sector and thus overall impact will be less visible. Indeed, in areas such as the East End of the city, which is heavily populated with RFOs, has more individual artists than anywhere in the country, and faces very considerable social and economic challenges as well as major opportunities such as London 2012; GFTA is simply too insubstantial.

This raises strategic dilemmas to ACE London – regarding the balance of investments that go to individual artists, established organisations, social and regeneration initiatives, and so on. Moreover, it presents a major challenge in explaining the logic of decision-making to both beneficiaries and unsuccessful applicants. With increasing

pressure on diminishing resources across the arts funding ecology, the balance between demand and available supply will be further tested.

By contrast, in rural areas or areas without such a dynamic demand mix, the opportunity exists to have a more considered, nurturing approach to investment through GFTA. In regions such as the East Midlands, GFTA plays a nurturing role to the heart of the strategic arts development landscape and ensures the coordination of investments to target the delivery of the five outcomes. A further and even more coordinated example is the Escalator Programme in the East, where GFTA investments are closely aligned to other ACE investments – in RFOs and via Managed Funds.

However, it might be questioned whether an approach that is sharply coordinated is capable of investing in the type of innovative and often very emergent activity that GFTA often reaches when at its most open and accessible. This raises questions regarding what is most strategically valued and how different regions interpret the challenge of meeting demand and nurturing new demand; of investing in known assets and opening opportunities for unknown gems; and of balancing investment in 'hot spots' with those which are appreciably 'colder'. Here the more flexible approach adopted in the East Midlands may be more applicable to the shifting landscape in other regions than the Escalator programme

Finally, it is also clear given the above complexity – that the allocation of regional budgets is based on historical allocations rather than any evidence of size, scope and need of the sector in each region. Put simply, supply is not shifting to accommodate demand. Closer scrutiny and tracking of various demand side issues will be necessary in future if GFTA is to become a truly responsive and fit for purpose funding mechanism. The collection of consistent and relevant data will also be necessary to ensure all key demand issues are considered.

3.4.2 The five core demand-side features of GFTA

The following summarise the top five supply-side features of GFTA. Each is explored in more detail through the following sections of this report.

Exposure, confidence and gratification

GFTA provides a direct and relatively accessible link to ACE (although this does vary relative to available supply and the effectiveness of ACE officers in nurturing demand from harder-to-reach beneficiaries), opening up a conversation on issues of art as well as issues of process, and nurturing mutual respect and - to an extent -the co-creation of agendas. Indeed, the receipt of a grant represents trust and confidence in the beneficiary from ACE, although this could and should be a stronger asset than it currently is – e.g. by utilising beneficiary status as an award or as confirmation of excellence and / or one of the other five outcomes of *Great Art for Everyone*.

Accessibility, Clarity and Consistency

GFTA is a relatively straightforward form to fill-in, with clear guidelines and flexibility to different types of applicant. Access to individual ACE officers further opens-up the funding programme to potential beneficiaries and certainly compares well to other funding programmes. The level of detail in responding personally to unsuccessful applicants should also be credited. However, this accessibility is not universal – there are specific constraints (e.g. relative to language, disability or even the culture of

form-filling; or due to the relative accessibility of ACE officers). The paper-based format is also a major impediment to efficiency.

Moreover, some applicants – both successful and unsuccessful – feel that GFTA is not consistently or coherently implemented – it is seen as having a shifting strategic role – where like-for-like activities / organisations are not funded in the same way; as overly dependent on the perspective of individual ACE officers (which is also influenced by their taste / knowledge); and as overly forceful of the need to ‘innovate’, which can be interpreted by some as change for the sake of it or ‘fixing that which isn’t broken’. Certainly, once again, the consistency of decision-making and thus the legibility of GFTA as an accessible and open funding mechanism, is dependent on the scale and complexity of demand. For ACE officers in London and our core cities, simply reading the shifting arts landscape and moving sufficiently quickly to respond to shifts in demand, nurture new demand and crowd-in investment for strategic projects, and present the reasons for or against investment with clarity and consistency, has proved very challenging.

Art Form Definition and Parameters of Impact

For some, the art form definitions of GFTA are seen as out-of-date, with so much practice increasingly cross-art-form and convergent. GFTA is seen as overly prescriptive in this context. In addition, further complexity arises with regard to touring work, where there is a perception of significant London-centrism here, where London-based organisations supported by GFTA to tour work that, it is argued, could in some cases be produced in the regions by supporting local organisations. The balance between investing in the capacity and brand value of London-based organisations Vs nurturing local talent / capacity is a key tension that runs throughout GFTA.

Talent & Churn Vs Stability

In a context of reduced available funding and a wider sense of austerity across the arts, it is becoming more difficult for new and emergent talent to ‘break into’ the GFTA portfolio, with lower risk propositions coming to the fore. This is in part because the GFTA portfolio is increasingly bridged to connect to the RFO portfolio, GFTA is being used where managed funds were the normal device, and relatively stable organisations have been rendered unsustainable by the downturn. There is also a perception by some that GFTA favours building-based organisations, which are disproportionately likely to be very established and thus unlikely to be BME-led or focused.

Production Vs Consumption

GFTA is used, at once, to develop practice and audiences. This means it can be a cumbersome tool given the complex differences between nurturing capacity, building confidence, engendering innovation and facilitating excellence; as against extending reach, encouraging participation, and growing audiences. At its best, GFTA is able to coordinate development and growth across production and consumption; at its worst, there is a disconnect between supporting an organisation or individual to major on their strengths and embedding this organisation or individual more effectively in their community. Here the tension between GFTA as a flexible demand-led funding tool and a more controlled strategic tool is most palpably played out.

The following Sections explore in more depth the shifting relationships between demand for and supply of GFTA, with analysis structured against the five outcomes of reach, engagement, excellence, diversity and innovation.

4. GFTA – a Tool for Extending Reach in the Arts

"Reach – more people attending and taking part in the arts" - Great Art for Everyone

Reach is one of the five outcomes for Arts Council England's activities and in one form or other it has been so since its founding in 1947. Extending the reach of the arts in England, through funding and supporting organisations and individuals which leads to more people attending and taking part in the arts, was enshrined in the Arts Council's very first motto *'The Best for the Most'* with John Maynard Keynes declaring as the first chairman of the Council his intention of making *"the theatre and the concert hall and the art gallery...a living element in everyone's upbringing."*²¹ However, the motto soon changed to *'Few but Roses'* as an internal Arts Council report revealed the failure of its outreach activity and that it was struggling in a meaningful way to engage large numbers of working class people in the arts²².

So extending the reach of the arts has always been both a central objective and a challenge for ACE and GFTA has played a significant role during its lifetime in extending the reach of the arts by supporting new work, delivered by new and established organisations in different places to different audiences. From support for festivals which have led the way in developing art with broad appeal to support for national and regional touring, GFTA has been pivotal in ensuring that the arts are enjoyed by more people and in more ways than before.

4.1 Defining Reach

The current attribute of 'reach' as defined by ACE in their outcomes framework is *"The number of people in the general population attending or participating in arts events or activities"*. The target for ACE is to increase attendance at and participation in the arts. A second target is to *"increase in the amount of time children spent attending or participating in the arts in the last seven days"*.

This GFTA evaluation broadens the definition of 'reach': whilst assessing 'reach' in terms of audience – those attending events and activities supported through GFTA, also key here is the overall 'reach' of GFTA into the arts sector itself - the numbers of individual artists and organisations that have accessed GFTA and impact on their ability to reach audiences. The participation – taking part element - is not included here under reach but covered under the 'engagement' outcome.

Another area of reach that should be assessed in future is the level of investment of GFTA in places which have limited or no opportunities for people to engage in arts activity. Analysis of the local authority values and volumes²³ data against the local authorities identified within the overview scoring guidance as spatial focus areas, would provide an assessment of the effectiveness of GFTA in 'reaching' these areas disadvantaged through their lack of arts activity.

²¹ Quoted in *Austerity Britain 1945-51*, by David Kynaston.

²² *ibid*

²³ The ACE ARENA system holds data on the number and value of GFTA investment by local authority. It has not been within the scope of this study to analyse this data.

4.1.1 Indicators of Reach

Number of people attending GFTA funded activity and events

A total of audience 6,791,939 was recorded for events and activities in the 1,000 ARFs analysed for this evaluation. The average audience figure of the projects in GFTA sample was 8,437. National Activities has the highest audience figure, with an average of 12,221 per project, followed by an average audience of 8,510 for organisations and 7,494 for individuals (the different nature of the projects within the sample and the small sample size means it is unreliable to compare year on year change or to draw an estimates of likely overall audiences reached through GFTA).

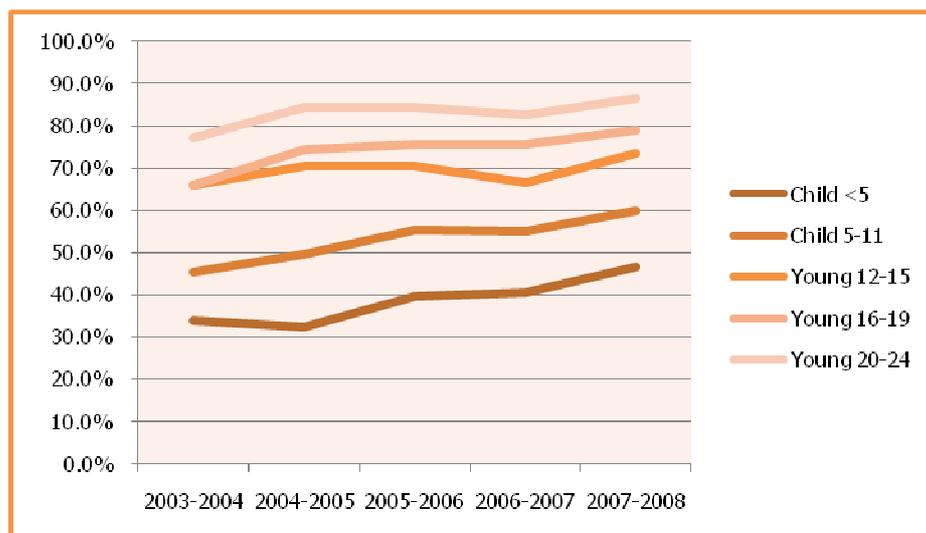
"Over the years the audience increase is remarkable from less than hundred in number rising to five hundred and over". (Literature organisation – survey respondent).

Different age groups accessing GFTA events and activities

The analysis of the ARFs provides the following indications of the 'reach' of GFTA among different age groups:

- The 25-64 age group has 'benefited' most from GFTA activity: 91.7% of activity reached this age group. This rises to 97.1% for National Activities, with Individuals and Organisation activity at 91.3%.
- Activities reaching the 65s and over increased 17% from 64.5% in 2003-04 to 81.5% in 2007-2008.
- The percentage of activities reaching children and young people has increased over the five years of GFTA activity, with the largest increase, 14.5%, in activities reaching the 5-11 age group.

Figure 6: Percentage of GFTA projects reaching children and young people



Source: GFTA Activity Report Form analysis

"We have delivered live arts performance to children and families in rural areas, for many of whom it was a first time experience of live arts" (Combined Arts organisation – survey respondent).

GFTA investment allocated to audience development

Overall investment in audience development appears to have been quite low. The values and volumes nature of activity data²⁴ identifies just 4.7% of total GFTA investment has been allocated to audience development activity, a total investment of £15,621,079. This ranges from 5.3% of investment for organisations, to 4.1% for national activities down to 1.4% for individuals. Investment in audience development over the five years has largely followed the rise and fall overall GFTA rising from just over £2 million in 2003-04 to a high of nearly £5 million in 2006-07 then falling back in 2007-08 to £3.3 million.

Investment across the regions in audience development varies considerably from £4,572,446 in London to just £318,943 in the East of England. As a percentage of overall investment, West Midlands invests the highest proportion of their overall budget in audience development, 10.7%. This is followed by London with 5.6%. The lowest level of investment in audience development is in the East of England, at just 1.2%²⁵.

The number of individual artists and organisations accessing GFTA funding

Our research shows that 25,408 individuals and organisations have made one or more applications for GFTA over the five years²⁶. 12,896 individuals and organisations have received one or more GFTA. Only just over half of organisations and individuals applying for GFTA are successful in their applications.

5991 individual artists have received a total of £39,016,927 through the Individual funding strand with a further £1,526,331 going to individual artists through the National Activities. The exact numbers of artists funded through this strand is unclear but 90 awards have been made to individuals.

6593 organisations have received a total of £235,545,403 through the organisation funding strand. A further £59,495,761 has been invested in organisations through the National Activity Funding strand with 1,323 awards made.

Socially excluded groups and individuals

Our research shows that just over a fifth (20.4%) of projects engaged with people from socially excluded backgrounds. Yorkshire and the Humber is the region with the highest level of engagement (24.6%) followed by the North West (23.3%), the East Midlands (23.3%) and London (22.1%). The East of England (6.8%), the South West (17.2%), and the South East (17.5%) are the regions with the lowest level of engagement with socially excluded groups.

²⁴ The Nature of Activity data provides approximate figures for investment in different activity areas. Total Nature of Activity figures do not match total GFTA investment figures due to not all data being imported into the ARENA system when regional systems were brought together. The classification of Nature of Activity is also open to interpretation of individual officers - At the assessment stage, each GFTA award is allocated as 25%, 50%, 75% or 100% against a set of nature of activity classifiers (assessment must total 100%).

²⁵ Some of the differences in levels of investment in audience development and other areas of activity may be due in part to how ACE officers allocate funding categorisation across activity headings.

²⁶ The changes in numbers of applicants over the last five years cannot be robustly extracted from the data provided. Likewise, a comparison by region and funding strand requires more detailed data than collected at present. The number of applicants by art form is not available from the current data lists.

4.2 Extending Reach - Organisational and Professional Development

Here GFTA can be seen as a seed fund and enabler – supporting the development of new audiences. Individuals and organisations funded by GFTA have been at the forefront in developing new types of work and new ways of reaching wider audiences. While ACE ARENA system shows only 4.6% of GFTA funding being focussed on audience development, over 92% of respondents to our survey said that GFTA had helped them reach new audiences indicating the degree to which this has been an important aspect to the programme. Much of the activity GFTA has funded has had this as a direct and desired outcome. Examples of the type of activity supported cover a wide spectrum including:

- **Residencies:** supporting the development of international residency programmes, bringing artists and work for overseas to the UK.
- **Touring activity:** this includes the support of touring in unconventional locations and alternative venues for site-specific projects such as hospitals, night-clubs, schools, public spaces.
- **Niche groups and targeting:** funding the development of targeted activity for niche audiences (such as young people with a particular interest or older people who don't often engage in cultural activity) which are then delivered in alternative venues. This activity includes the funding of specific support for projects to ensure they reach diverse audiences through for example, signing and adaptation.
- **Marketing:** extending reach through the production of higher quality materials with higher impact, digital platforms, paid for advice and consultancy, PR, access to region-wide development programmes networking. Nearly 90% of respondents to our survey said that GFTA had helped them through increasing publicity and critical acclaim for their work.

In addition to providing the resources to enable the delivery of work, GFTA has also been used to support the professional development of companies and individuals, providing them with the specific skills and knowledge needed to develop in ways which mean they are able to reach new audiences. This type of professional support ranges from paying for professional consultancy advice for developing marketing/PR; business planning; through to specific training on best practice and delivering more ambitious projects.

4.3 Limitations on Reach – Where GFTA falls short

GFTA, as a tool for extending reach in the arts, has been largely successful. However, its ability to deliver has been constrained through a series of limitations. These limitations are a combination of structural, strategic and procedural considerations which hold back GFTA from achieving all it could. They include:

- **Openness and application procedure:** While the application procedure is open and the process is seen as relatively straightforward, it is still the case that many artists and organisations feel intimidated by the process of applying for GFTA. Only after making a successful application do many artists tend to realise that it isn't as hard as they thought. More could be done,

through intermediaries perhaps, to ensure that the scheme is demystified and genuinely opened.

- **Pressure on supply:** The continual over-subscription for GFTA and the fact that it is sometimes used to make up funding shortfalls or scale-up other investments mean that there is perception that GFTA has to be used to fund work which does not really fit the 'spirit' of the scheme.
- **Geographic pressure:** balancing the requirement to support culture in 'hot spots' (such as certain towns and cities) and for specific events (such as festivals) against using it to support culture in areas which currently have an under-developed infrastructure, is a continual tension within the scheme.
- **Local 'fine grain' knowledge:** While the knowledge of regional ACE art form officers is generally strong (e.g. of the dynamics of specific art forms), with their support praised by many applicants, it is not as uniform as it could be and perhaps subject to a critical orthodoxy regarding art from practice. Consultees also expressed some reservations regarding the geographic knowledge of art form officers – which perhaps tends to align itself to the 'hot spots' of activity and be less appreciative of work that emerges from areas not known for their artistic dynamism.
- **Lack of knowledge and learning:** The absence of sufficient and verifiable evaluation data means that it is extremely difficult to say whether genuinely new audiences are being reached. While audience data is a problem for the whole arts and cultural sector, GFTA does not substantially add to the knowledge base by conducting more targeted and rigorous audience evaluation in relevant areas and art forms. There is an opportunity to improve the knowledge base through the move to Manchester.

5. GFTA – A Tool for Engagement in the Arts

"Engagement – more people feel that there are opportunities to enjoy and get actively involved in arts activities that are personally relevant to them" – Great Art for Everyone.

One of the key findings of Arts Council England's *Arts Debate* in 2007 was that people felt actively engaging with the arts developed an individuals' capacity to understand the world around them. McMaster, in his review of excellence in the arts, goes even further by describing how real engagement in excellent art can go the very root of what it means to be alive. What's more, thanks to new technology there is an increased number of ways that individuals can engage with the arts beyond being a 'passive' member of an audience. From book clubs through to one source arts events which adapt elements of gaming culture and social networking, the landscape within which individuals engage with arts and culture is rapidly evolving.

Alongside the growth in understanding of the potential benefits of engagement in arts and culture, the concept of cultural entitlement has come to the fore. This includes the government stipulation that all children should engage in 5 hours of culture a week as well as increasing understanding that culture and creativity should be mainstreamed at the heart of planning and development in cities and regions. Arts and culture are increasingly moving from being something 'nice to have' to being core to the way we live, work and play:

"Once the initial barrier of engagement is overcome, audiences must be given the opportunity to deepen their experience and be introduced to more complex work. The best person to communicate with audiences is the artist; therefore artists, practitioners and cultural organisations need to explore ways of communicating more effectively with their audience"
(McMaster – Supporting Excellence in the Arts).

5.1 Defining Engagement

This evaluation of GFTA defines 'engagement' as taking part in arts events and activities. This may be as a contributor to the creation of work as artist or member of the public engaged in the creation process through workshops or other activities; or in a learning or training activity as part of artistic professional development or where arts are used as tool to engage in learning.

5.1.1 Indicators of Engagement

The following were used as indicators to measure engagement in activities and infrastructure supported through GFTA: organisations and individuals engaged; spread by art-form and region; spread by organisation type / scale; and the churn of demand and supply. Unfortunately, the ARFs are better equipped to evidence reach rather than engagement, with the nature of audience participation often under-explained and certainly inconsistently presented.

Number of people taking part

Responses from 948 ARFs show total engagement with 368,654 'others' (Taking Part). An average of 467 'others' took part in GFTA funded activity. Organisations saw 627 people take part, National Activity projects had an average 505 people taking part and Individuals with 73 participants.

60% individual respondents engaged with 25 people or less with over a quarter having five people or less taking part in their activities. Among organisations just over half (56.1%) engaged with 100 people or less with 21.9% engaging between 1001 and 500. A couple of large scale projects stated engagement with 1000's.

67.5% of projects within the ARF sample are providing education, training or taking part sessions. From the sample there appears to be a gradual decline in the number of sessions from a total of 31,220 in 2003-04 to 7,101 in 2007-08. It is unclear why this might be, although it could be a result of the different nature of projects selected in the sample to those across the mainstream of GFTA investment.

Number of artists taking part

Our research shows that 67,493 artists have benefited from GFTA investment in the 1,000 ARFs reviewed. The numbers of artists peak at 24,602 in 2005-06, dropping back to 6797 in 2007-08, below the number 2003-04. The fluctuations in number are likely to be due to the different nature of the project activity among the ARF sample.

There was a rather high average of 74 artists per project, rising to 112 artists per Organisation project, 43 per National Activity project and 27 for Individuals.

103,419 days of employment were provided for artists through the projects. There was an average of 103 days employment per project. Based on the overall number of artists and number of days of employment, average employment for each artist from GFTA funded activity is a rather low 1.5 days. It may be that the artists identified are in some instances unpaid and/or members of the community the project is working with contributing to the creation of work.

"I worked with well over one hundred creative practitioners and artists on my projects as a result of funding through GFTA" (Survey respondent - individual artist).

Engaging with audiences through technology

Our research shows that 23.6% of respondents in ARF analysis reported online activities such as online promotion or interaction and social networking as part of the programme. It is likely that many more projects will be involved in online activity but the structure of the ARF form means details on the nature of activities may be given elsewhere in the form. Yet the values and volumes data analysis shows just a 0.1% investment in web based activities.

"The GFTA award allowed us to revise and expand our core commissioning scheme into a much broader programme, with an online exhibition emphasis, and to develop collaborations with partners on multi-platform projects" (Survey respondent).

5.2 Broadening, Deepening & Intensifying Engagement – the Role of GFTA

Here GFTA can be understood as a tool for supporting organisational capacity and professional development; and as a means to open-up programming and encourage greater co-creation and participation-driven activity.

GFTA has funded organisations and individuals to deliver work which has as one of its main objectives extending the engagement of people in arts and cultural activity.

The ways that GFTA can be said to have increased engagement include:

- **New technology and new platforms:** GFTA has supported organisations in the development of digital platforms to deliver and showcase activity and engage with audiences in ways that organisations and individuals could otherwise have not afforded or contemplated. However, the percentage of grants awarded for this activity has been very small accounting for less than 0.1% of the total GFTA investment according to values and volumes data. With digital opportunities one of the four priorities for *Great Art for Everyone*, greater investment and support for digital innovation will be necessary.
- **New collaborations:** Active support and encouragement for new artistic collaborations with UK-based and international groups which leads to engagement with more artists and the development of work which appeals to new audiences. 67% of respondents to our survey stated that GFTA had helped them develop new collaborations, an indication of how important it has been.
- **New partnerships:** Active encouragement for work which is developed with new partners from inside and outside the cultural sector such as universities, libraries, sports clubs, businesses and the public sector. This exposes organisations and individuals to fresh thinking and new ways of working, which in turn enables them to engage audiences in different environments and new contexts. 61% of respondents to our survey said that forming new partnerships had been one of the main impacts of GFTA.

5.3 Ambition, Taking Part and Co-Creating

Engaging audiences with the arts in ways that are personally relevant to them is one of the core strengths of GFTA. It has worked in three main ways to ensure that engagement with culture is broadened:

- **Cross-art form activity:** One of the most significant changes to the arts and cultural landscape during the lifetime of GFTA has been the increasing importance of cross-art form and convergent activity. Driven partially by technology and new platforms, much of the most experimental work over the past five to six years has involved the blurring of traditional boundaries between art form. This has been supported by GFTA which has seen nearly 15% of all work supported being categorised as combined arts according to the ACE ARENA system, while many other projects have involved collaboration and partnership. However, as outlined in **Section 8**, far more collaboration is required for genuine step-change in the innovation potential of GFTA.

- **Supported cultural entitlement:** An ever-growing theme during the life of GFTA has been the shift toward an understanding that culture is vital to everybody's life. GFTA has been at the forefront of supporting projects which engage in the mainstreaming of culture as part of the curriculum in schools and into the lives of those who live in areas which traditionally have had an underdeveloped cultural infrastructure. Through partnership with regeneration agencies, cultural agencies including Creative Partnerships and work with local authorities, it has worked as a key lever in ensuring that culture is now considered as vital in improving quality of life and increasing opportunities for fuller social and economic participation.
- **Delivering in new ways:** From site specific theatre, through to new forms of collaborative work in hospitals and work which engages young people who are at risk of offending, GFTA has been a critical tool for organisations and individuals who have developed artistic practice in these new and emerging areas. GFTA has been vital in encouraging other organisations to engage with the arts, where otherwise they would have lacked either the funds or the courage.

However, GFTA has faced challenges in broadening engagement with the arts which relate to historic failings within in the cultural sector as well as internal challenges for GFTA. These include:

- **Engagement and excellence:** There is a tension between the goal to fund excellence and the goal to fund engagement which GFTA has always suffered from. This is most pronounced in specific geographic areas which have an undeveloped cultural infrastructure, where the strategic desire to see artistic activity can come over-ride the need for that work to be excellent in all respects. Clearly it is a matter of judgement, but a clearer policy on when and where the need for work which leads to greater engagement takes precedent over excellence would be beneficial. There are many interlinked issues here, including those related to future funding and sustainability and cultural planning issues related to density and scarcity of provision in rural and urban areas.

- **Open source and user-generated culture:** To date GFTA has been a minor funder of activity which uses new technology in ways which promote user generated or open source approaches to culture. Through its AmbITion programme, ACE has highlighted the role and importance of new technology for cultural organisations, which have often lagged behind other sectors in terms of building capacity and expertise in this area. The challenge going forward is to go beyond the technology and to ensure that funding is in place for organisations and individuals who are adopting new ways of working based around cultures of openness, co-creation and user-generation (See **Section 8**).

- **Support for producers:** The role of the producer is one that has been undervalued and under-supported by GFTA, yet is increasingly important within the arts and cultural ecology. Individuals and organisations that commission and develop new work, such as through festivals and events, and via brokered collaboration between organisations, are at the forefront of new approaches to culture which engage new audiences as 'game players'. GFTA needs to ensure that it can adequately support these new ways of working which sit outside the boundaries of traditional arts and cultural organisations.

6. GFTA – A Tool for Diversity in the Arts

"Diversity – arts that reflect the diversity of contemporary England" - Great Art for Everyone.

England is becoming more diverse. It is increasingly ethnically and culturally diverse, with over 10% of the population from Black and Minority Ethnic (BME) populations and in some urban areas over 40% of the population from BME backgrounds. Indeed, some parts of England have shifted from having a 'diverse population', where there are several co-existent communities of different ethnicities, to a position of 'hyper-diversity', with multiple co-existent communities. For example, in the city of Sheffield alone, over 150 different languages are spoken.

Moreover, with several BME communities now settled into their third and fourth generations since initial large-scale in-migration, plus ongoing and often rapid change through new in-migration (such as for refugee communities and, in recent years, Eastern Europeans), England can no longer be understood as a multicultural society of recognisable through relatively discrete communities. Rather, it is increasingly an **intercultural society** of interconnected, increasingly syncretic communities. It is also a more complexly diverse society, with rural areas now home to relatively large populations of Eastern European communities, an ongoing suburbanisation of many minority ethnic communities, and rapid shifts in our inner cities – linked to factors such as housing provision.

This has far-reaching implications for, firstly, how diversity is understood; and secondly, how arts and cultural policy embraces the diversity dividend to reach, engage and deliver excellence and innovation. For example, long-held approaches to 'provision' for BME communities - which centred on targeting an identifiable and tangible community (often through self-appointed 'community leaders' or intermediaries) - are now relatively clunky and insensitive to the complexity of ethnicity, identity and culture as they are played out in reality.

Indeed, for established BME communities, many of which have developed confidence and capacity in the arts, and some of which have cultural identities and alliances that transcend their stated 'ethnicity', models of provision that target access, engagement and culturally-specific art-forms, are no longer always fit for purpose. It is often at the margins of practice where innovation occurs. Intercultural, syncretic, often intertextual art that translates different cultural influences, is increasingly the norm in diverse England and is absolutely a strength of and opportunity for our arts sector.

Yet equally, some BME communities and parts of specific communities do of course lack confidence and capacity in the arts and are not as well-positioned to pursue opportunities to take part or attend. This is a particular issue for relatively new refugee communities and for people for whom English is not the first language spoken.

Moreover, there is of course ongoing demand to create and take part in art that might be termed 'culturally-specific', even if it is increasingly hybrid in the ways it draws on different influences, is produced and consumed.

Correspondingly, GFTA – as an open, flexible funding tool – needs to traverse the complexity of England’s diversity and embrace the multi-faceted opportunities for producing great art that grows from this complexity. To reach a proportionate amount of BME beneficiaries is thus just part of the challenge.

Equally, diversity in this context does not solely refer to ethnicity and culture. Of course, it also refers to disability and work with socially excluded groups, with ACE responsibly for delivering Great Art *for and with* Everyone. This means delivering art on ‘their’ terms and where access is understood as a right for the production of art as much as it is consumption.

6.1 Defining Diversity

The diversity outcome of *Great Art for Everyone* covers a broad range - including people with disabilities, organisations working with artists and audiences with disabilities, individuals and organisations from BME communities and working with BME communities. There are two key elements that the diversity outcome is assessing: firstly, the level of access to GFTA for artists and organisations from diverse backgrounds and secondly the reach and engagement with diverse audiences and participants.

6.1.1 Indicators of Diversity:

The indicators used for this evaluation are: organisations and individuals invested in; spread by art-form and region; and level of engagement with diverse communities.

6.2 BME Communities

Numbers of BME organisations and individuals accessing GFTA from diverse communities and value of investment

Our research shows that BME individuals and organisations have received 2,624 GFTA awards over the five years from 2003-2008, 12.5% of total awards made, showing level of access in line with the proportion of total BME population for England.

London, with the largest BME community in the country, invests in the highest number of BME organisations and individuals. Less diverse areas such as the East of England invest in fewer BME projects.

The total investment in BME individuals and organisations represents 7.7% of total GFTA investment.

Table 9: GFTA investment in BME individuals and organisations

BME	Total 2003-2008					
	No. of grants	% of total BME grants	BME investment	%	Total GFTA investment	% of total investment
East Midlands	201	7.7%	£2,227,493	8.60%	£23,897,005	9.3%
East of England	85	3.2%	£1,123,824	4.30%	£27,199,308	4.1%
London	1,047	39.9%	£11,921,407	46.10%	£82,268,578	14.5%
North East	177	6.7%	£1,661,061	6.40%	£19,658,955	8.4%
North West	237	9.0%	£1,587,857	6.10%	£39,913,915	4.0%
South East	229	8.7%	£2,382,891	9.20%	£44,542,537	5.3%
South West	139	5.3%	£863,119	3.30%	£30,695,882	2.8%
West Midlands	353	13.5%	£3,127,299	12.10%	£32,821,053	9.5%
Yorkshire and H.	141	5.4%	£834,924	3.20%	£30,987,960	2.7%
Other	15	0.6%	£136,244	0.50%	£3,599,229	3.8%
Total	2,624	100.0%	£25,866,119	100.00%	£335,584,422	7.7%

However, it is not possible to assess the extent to which BME-driven work reaches audiences of predominantly different ethnicities. For example, BME touring work in predominantly mono-cultural rural areas is recognised as an excellent means of developing sustainable careers for the artists and nurturing audiences that in turn improve social cohesion. However, subtleties in 'who' is reached by BME work are not adequately tracked through existing data / monitoring.

Moreover, GFTA allocation is not currently tracked in terms of its flexibility to shifts in population. For example, rapid localised growth in rural Eastern European populations or urban refugee communities do present a constantly shifting challenge to ACE as it seeks to reach and engage new and emergent audiences and artists. Broadly, GFTA operates as a responsive tool in these contexts, with a lag before grants start to reach relatively new communities. Opportunities to nurture demand more quickly and to identify investment opportunities earlier, would improve GFTA's flexibility credentials and accelerate cohesiveness and confidence for otherwise marginal communities.

Activities and events aimed at or relevant to different 'minority' communities

Around a quarter of ARFs analysed indicated their activity was aimed at or relevant to one or more 'diversity' group. When examined by region, as a proportion of their total projects, London appears to have the highest level of engagement with diverse communities (33.8% of GFTA funded projects indicated engagement with one or more diverse community) followed by the North West (32.6%) and West Midlands (32.4%). The engagement with diverse communities in these regions reflects the higher level of support for diversity groups. The focus on engagement with diverse communities in the North West suggests a higher level of engagement by non-diversity groups with BME, disability and socially excluded audiences.

The regions indicating the lowest level of engagement with diverse communities are East of England (18.2%), South East (20.6%) and the South West (19.0%)

BME Engagement

Nearly a quarter of GFTA-funded projects, in the ARFs analysed, are engaging with Black and Black British communities (24.4%) and Asian, Asian British communities (24.2%) with just 21.4% engaging other ethnic minority communities. Only 13.2% are engaging with Chinese communities. Across the regions, London, West Midlands and North West show a third of projects engaging with Black and Black British communities, with similar levels of engagement across these regions with Asian and Asian British communities (although the West Midlands show a slightly lower 27% engagement with this community).

The patterns of engagement with ethnic communities reflect the regions with larger urban centres and higher levels of diversity within the population - London (33 predominantly urban boroughs), West Midlands (Birmingham, Black Country, Coventry etc.), the North West (Merseyside, Greater Manchester etc.). Conversely, regions such as the East of England and the South West, have fewer urban centres and less diverse populations overall.

However, it is less clear whether the profile of GFTA beneficiaries is expressive of the complexity of England's intercultural population or whether it serves the mainstream of culturally identifiable communities. If it is the latter, then it is likely more established organisations and institutions will continue to disproportionately benefit from investment, with emergent (and often less ethnically 'rooted') BME activities harder to reach. Our qualitative research suggests that GFTA funding is critical to the development and then sustainability of BME artists and organisations, but that a core constituency appears to benefit most fulsomely. For emergent artists and organisations, and particularly for those without a building (and thus with less visibility), GFTA has been less flexible and open than is desirable.

In an increasingly intercultural society and thus a society primed to innovate through the ongoing re-negotiation of different identities and ethnicities and then the co-creation of new narratives and forms, GFTA is well-placed to invest in the new, recombinant and boundary-crossing. However, to realise potential here will require much smarter embrace with emergent activity that will be increasingly difficult to attribute to any one specific ethnicity.

6.3 GFTA – An Enabling Tool for People with Disabilities –

Here GFTA can be understood as balancing issues of accessibility (to attend, take part co-create) and openness to specific requirements, with reducing the sense of exceptionalism of people with disabilities by supporting them to operate uninhibited and confidently alongside able-bodied peers across the wider arts sector.

20.5% of respondents indicated their GFTA funded activity involved engagement with disabled people. The highest level of engagement with disabled people was the North West (23.3%), followed by London (22.5%) and Yorkshire and the Humber (21.5%)²⁷.

²⁷ Figures here are taken from the ARF analysis. The small numbers involved, just 495 indicating engagement with diversity communities and only 205 showing engagement with people with disabilities mean analysis by region should be taken as indicative rather than absolute.

The East Midlands and the North East were the regions indicating the lowest levels of engagement with disabled people (just 16.4%) followed by the East with 18.2% of respondents.

Artists with disabilities and organisations led by people with a disability have received 1,123 GFTA awards, 1.9% of total awards. This is well below the estimated 18% of the population with a disability.

Investment in disabled artists and organisations is fairly even across the country:

Table 10: GFTA disability funding – by region.

Disability	Total 2003-2008					
	No. of grants	% of total no. of disability grants	Total disability investment	% of total disability investment	Total GFTA investment	% of total GFTA investment
East Midlands	33	0.9%	£124,629	3.5%	£23,897,005	0.5%
East of England	77	3.3%	£225,379	6.3%	£27,199,308	0.8%
London	380	3.3%	£1,302,415	36.3%	£82,268,578	1.6%
North East	63	2.2%	£201,067	5.6%	£19,658,955	1.0%
North West	118	2.5%	£303,212	8.5%	£39,913,915	0.8%
South East	70	1.5%	£528,953	14.8%	£44,542,537	1.2%
South West	213	4.1%	£494,129	13.8%	£30,695,882	1.6%
West Midlands	50	1.4%	£219,245	6.1%	£32,821,053	0.7%
Yorkshire and H.	116	2.7%	£186,454	5.2%	£30,987,960	0.6%
Other	3	1.0%	£163	0.0%	£3,599,229	0.0%
Total	1,123	2.6%	£3,585,646	100.0%	£335,584,422	1.1%

As a proportion of total investment, there is fairly even spread across the regions with London and the South East investing the highest proportions in individuals and organisations with or working with people with disabilities.

Broadly, *GFTA is an absolutely critical source of funding for artists with a disability and/or for art that reaches and engages disabled people.* Since the cost of services/items that could be termed 'situation-specific' was accepted as legitimate additional costs for GFTA applications (e.g. carers can be costed on top of other costs), GFTA provides the most open and accessible source of funding for work made by or developed for people with a disability. The following quotes illustrate how and why:

"I have been able to take on an apprentice / trainee with learning difficulties who is working alongside our Production Manager / Lighting Designer and acts as Technical assistant and Stage Hand. This would not have been a possibility without the funds"
(Survey respondent).

"I have been able to integrate BSL interpretation throughout the tour and the money has allowed me to recruit an Audio Describer to write a script specifically for description for blind visitors"(Individual Theatre Practitioner – survey respondent).

However, total investment in disabled artists and organisations led by people with a disability is just 1.1% of total GFTA investment and just 390 awards have been

made: 1.9% of the total number of awards. This means that while many GFTA-funded activities may reach disabled audiences, too few do so purposefully and the numbers of directly-benefiting disabled-led organisations or artists with a disability are too low.

To some extent, this can be attributed to the relative significance of larger organisations in 'disability arts' – those with capacity and expertise in reaching and engaging people with a disability. Many of these are RFOs and/or benefit substantially from other resources (such as through local authorities). Such organisations operate as the aggregators and service providers.

However, it is clear that GFTA should and could reach more individuals and smaller organisations and support activity as entitlement. Moreover, GFTA has the in-built flexibility and at least provisional openness to nurture new and emergent activity that explores the boundaries of practice and delivers excellence and innovation because it is both challenging to develop, produce and in some cases experience and consume.

Disability is incredibly complex – as a construct and in terms of the diversity of disabilities, where no one experience of living with a disability is the same as another. It is clear that GFTA has the in-built openness and flexibility to embrace this complexity, but to do so requires building stronger and deeper relationships with disabled people and encouraging the co-creation of risk so that people with disabilities can not only take part but they can lead the way as pioneers for new types of work. This places notions of 'exceptionalism' firmly in terms of what they are capable of rather than what constrains them.

7. GFTA – A Tool for Excellence in the Arts

"Excellence – high quality art and high quality arts experience" – Great Art for Everyone.

As a participant in one of our focus groups stated, *"if the Arts Council doesn't fund excellence in the arts for its own sake, who else will?"*. Excellence has always been an important concept in the arts, and over the past few years it has risen to the surface in debates surrounding the public funding of culture. McMaster, in his review of Excellence in the Arts, summed up some of the reasons for this in the sub-heading for his report - *'(M)oving from measurement to judgement'*. In his words, *"(T)he driver [of why we support the arts] must be not the achievement of simplistic targets, but an appreciation of the profound value of art and culture"*.

For too long, many in the arts world felt funding had become too driven by the instrumental value of the arts (the way they can contribute to range of other agendas such as health, social inclusion, regeneration) at the expense of supporting them for their transformative and intrinsic value as something vital to the way we live.

Since 2007, excellence has been one of the core criteria used in evaluating GFTA and now sits very firmly at the heart of everything ACE does. As McMaster suggests, it is difficult to have excellence as an objective without also supporting innovation and risk. However, supporting excellence is not without tensions. In particular there can be a tension between the desire to open out investment into new geographic areas, with new organisations where there is a balance to be made between the desire to extend the reach of the arts and investing in known or proven excellence.

7.1 Defining Excellence

Arts Council England is currently assessing excellence through the attributes of artistic quality as defined by officers and the quality of arts experience as defined by the public in their assessment of whether they rate their last arts experience as being of high quality.

In this GFTA evaluation, it has been a challenge to identify indicators of quality, particularly quantitative indicators. We have relied here on qualitative indicators, providing examples of where GFTA investment has supported high quality arts practice. We have included one quantitative indicators GFTA investment in developing professional practice as a contributing factor towards excellence.

7.1.1 Indicators of Excellence:

Indicators used for this evaluation include organisations and individuals engaged; spread by art-form and region; spread by organisation type / scale; the churn of demand and supply. The indicators for excellence are largely qualitative and extracted from the survey responses and narrative sections of the ARF analysis. They provide examples of GFTA funded arts events and activities that have enabled opportunities for artists to develop their practice and their art form, and GFTA funded arts events and activities critically acclaimed in the press and by peers.

Development of artist and art form

75.6% of survey respondents said GFTA had supported professional development for themselves, artists they work with or the people they employ:

"There are limited funders who fund artistic practice - GFTA allows and funds the development of the 'art' of dance and the touring of work. Most others concentrate on community/education/outreach which is great, but I feel it is important as an artist to continue to develop yourself, grow..." (Survey respondent).

"The most important impact has been the interweave between my personal confidence and professional development. Money to tour has allowed me to reach audiences I had previously not worked with before, create partnerships with venues that had known nothing of my work and raise the stakes across the delivery. I have attracted highly skilled professionals who I would have shied away from in the past, because I had the money to properly remunerate them at ITC / Equity rates and that always helps!" (Survey respondent).

Our research also shows that 68.9% of survey respondents said GFTA had supported them to develop new creative collaborations - work with creative practitioners or arts organisations for the first time.

Artistic quality - critical acclaim in the press and by peers

"Publication of Notes for an Atlas took my working practice into a new space. The book was well received and has critical acclaim in national broadsheets, it has been anthologised and performed at Southbank Centre, London." (Survey respondent).

Throughout our focus groups, there was a clear feeling among artists that GFTA could and should be seen as a 'vote of confidence' in their work and that more should be done to raise awareness of what funding through the scheme meant. While not suggesting that it becomes seen as a 'arts or culture kite-mark' in the same way that receiving other awards is celebrated, a means of ensuring that the importance and responsibilities that come with a GFTA award would be welcomed.

"I have been involved in procuring funding for the arts for many years and I still think that Arts Council funding is the best, fairest and most accessible source of funding that supports high quality arts development and investment in creative practice across a wide range of artistic activity. It is increasingly hard to find other funding that is as flexible." (Survey respondent)

7.2 Supporting the Best to be Better – GFTA as an Investment in Talent

GFTA should be understood here as an investment programme that has consistently invested in established and proven talent, supported capacity and engaged new talent. The primary means by which GFTA has supported excellence in the arts has been through funding organisations and individuals that have produced great work which in turn has delivered excellence for audiences.

Of equal importance though has been the way in which GFTA has funded the conditions from which excellence can flow. These include supporting the professional development of staff members, nurturing new collaborations, investing in research and development, committing to high production values and quality, and gearing-up

beneficiaries toward up-scaling and enhancement of productions. The primary ways that GFTA has supported excellence include:

- **Investing in talent:** from mentoring and skills development through to professional development programmes (such as those in the East's Escalator), GFTA has played a pivotal role in bringing-on individual artistic and behind-the-scenes talent. It has supported artists as many stages of their individual journeys. For organisations, over 7% of GFTA awards have been made for organisational or business development - indicating how important this has been as a funding stream. In our survey, 76% of respondents reported professional development for artists and staff as one of the main outcomes of GFTA as far as their organisation was concerned.
- **Collaboration and partnerships:** Through supporting collaborations and links with UK and international organisations and individuals which extend artistic knowledge and promote new types of working and thinking. Nearly 70% of respondents to our survey said that GFTA had helped them work with creative practitioners or other organisations for the first time.

"GFTA funding has supported the company in beginning to establish relationships with international venues and arts organisations and foster international collaborations with high profile artists. The income has meant that the company can continue and expand on, its investigations into collaborative practice and its experiments with new media artists." (Survey respondent).

- **Driving up quality:** Improving production values and standards, through being able to afford higher class design and equipment, better venues and publicity materials, which lead to the audience and performers having an experience which is more likely to be excellent. Three quarters of respondents to our survey said that working in new and innovative ways was one of the main outcomes of GFTA from their perspective.
- **Research and development:** Funding artists so that they have time to research new work and ideas properly, as well as supporting the development of new business models, ways of working and delivering activity. For individuals, almost a quarter of all GFTA awards have been for artistic research and development, while for organisations the figure is around 10% - which suggests that this has been a highly significant stream.

"The level of creative freedom I think is probably quite unique to GFTA. I've found that most other forms of funding have more 'strings attached' which often means the work, as an artistic expression, is compromised" (Survey respondent).

7.3 Toward Excellence across the Arts

Supporting excellence is something that GFTA has done throughout its life, though it is only in the last three years that it has risen in prominence and debate as an issue. AS a strength of GFTA it can be seen in:

- **Criteria for awards:** Unlike many of the other funding streams that cultural organisations can and do apply to, GFTA places the weight of its criteria for success on the quality of the work to be funded. Which mean that artists and organisations can largely concentrate on what they do best – creating excellent work. When this is matched with the desired outcomes of innovation, engagement, reach and diversity

GFTA is the only source of funding which directly connects the most powerful current agendas in the arts and cultural sector. It is critical that its central concentration on the *power of excellent art as art* and not merely as a tool or means of delivering other desirables, is strengthened and maintained.

- **Tough love:** While some applicants (especially individuals and those who apply frequently) do complain strongly that the application process is long-winded and unnecessarily complicated, even its harshest critics admit that GFTA does actually force applicants to take a step back and consider their work. In a sector which is criticised for not being as sustainable as it could be, the process of thinking through all aspects of a work's development and production (including its budget, marketing and audience) can be extremely beneficial. The very act of having to consider a work of art from a different perspective undoubtedly helps drive up quality, particularly for smaller organisations and those new to public funding.

- **Excellence is not an add-on:** excellent cultural organisations, like excellent organisations in all sectors, have a deep-rooted *culture of excellence* which permeates through all their planning and delivery. Because within GFTA excellence is largely non-negotiable and something that must be in every project funded, it helps to ensure that the sector invests in the people, skills and experience that ensure excellence is not confined to the largest national organisations, but is associated with work at a local and regional level. This in turn helps drive audiences for new and experimental work with a broader range of providers.

The challenges for GFTA in delivering excellence are connected to balance, measurement and boundary crossing:

- **Excellence and other agendas:** Excellence is not a 'black and white' concept and needs to be seen within local contexts and needs. The challenge for GFTA is in deciding what constitutes excellence when applied to the delivery of work within areas previously under-served by arts and culture and where, for example, arts and culture are delivering on wider agendas such as in regeneration. If arts and culture are closely connected with other agendas such as the improvement of an area through public realm work or social inclusion projects which break down barriers between communities, then deciding on what constitutes excellence needs extremely careful consideration, balancing community needs and engagement with purely artistic merit.

- **Peer review:** Nobody throughout our consultation has asked for a return to peer review boards as a means of measuring excellence for funding decisions. They are seen as too open to bias and manipulation and non-transparent. However, how excellence is measured is a very live issue for GFTA, alongside ensuring that it becomes an ever more open and transparent source of funding. The current monitoring and evaluation process and even the attendance of ACE officers at events and performances, do not provide an effective and consistent monitoring framework against which current and future concepts of excellence can be judged.

- **Crossing-boundaries:** Innovation and collaboration are two of the factors which can help produce the conditions for excellence to flourish. While GFTA has been an important source of funding for new, experimental work and has fostered collaboration, it could do even more in both these areas. In particular, funding art that takes places outside of traditional institutions in different spaces and places

(including digitally) needs to be further supported and nurtured. As does art which is dependent on differing skills and perspectives from performers and organisations used to working in different fields. If excellence is ultimately judged by the experience of the audience, then those activities which deliver intense and challenging experiences outside of the conventional through collaboration need to be backed. In turn, this is a way of connecting excellence with innovation – see below.

8. GFTA – a Tool for Innovation in the Arts

"Innovation – artists have the freedom and are challenged to innovate" - Great Art for Everyone.

Grants for the Arts – an open, flexible, non-art form-specific investment programme that supports individuals and organisations to develop new work and engage in professional and organisational development – is well-positioned to be *the primary innovation fund for the arts in England*. Indeed, 76.5% of survey respondents indicated that GFTA had enabled them to work in new and innovative ways.

By continually investing in new, often very emergent work; or by supporting individuals and organisations to explore divergent pathways toward growth and sustainability, GFTA offers the most pronounced and visible investment in talent, experimentation and personal development available across the arts in England. Over the last five years, GFTA has operated as the primary source of risk investment, seed capital, proof of concept funding and development credit for many individuals and organisations across the arts. Its ability to be there first, to go where other funders do not venture, and to avowedly avoid funding 'more of the same', mean that it has a lightness of touch and fleetness of foot required for the new, experimental, *and innovative* work to emerge.

Building from this, GFTA has the scope to lead arts and cultural investment in:

- **Innovation through new convergent and boundary-crossing work.** Here GFTA can invest in work that combines different art forms and/or approaches, brings art to 'non-arts' contexts, and utilises technology to embrace opportunities that are multi-channel and multi-platform. Already, 15% of GFTA-funded activities are combined arts, but often this is delivered via analogue media or based upon tentative and perhaps overly comfy combinations of perspectives and skills, rather than explorative and challenging collaborations.

"The money has allowed me to experiment. I am now working with a speed reader alongside a blind actor in the rehearsal rooms and we are working on a set designed with that particular actor in mind" (Individual theatre practitioner – survey respondent).

- **Open Innovation:** This is effectively innovation through partnership. An arts organisation will seek to share knowledge with an artist(s), supplier or other external partner, rather than relying purely on in house expertise to solve a problem. In the commercial world, Procter and Gamble have pioneered this method through its scheme which involves inviting suppliers to help them solve commercial challenges through an open briefing process. In the arts world, investment in consultancy and the brokerage of networks of complementary organisations (such as the imminent national network of Cross-Art-form-Venues') illustrate the potential to exchange knowledge and explore new ways of seeing and doing.

'Enabled and accelerated by new technologies, innovation is becoming more open. Organisations are increasingly reaching outside their walls to find ideas – to universities, other companies, suppliers and even competitors. Users are also increasingly innovating independently or in collaboration with businesses or in the co-creation of public services'²⁸.

- **Innovation through 'the collective'**: otherwise known as 'we think' or 'the wisdom of crowds'²⁹, this is the process by which multiple organisations or individuals are collectively responsible for innovation or change. In some ways collective innovation is the most radical of all new types of collaboration, because it challenges existing notions relating to business models, control, organisation, and democracy. Supporting networks of organisations and individuals to co-curate arts and cultural activity might present an opportunity for GFTA to genuinely embrace its flexibility and openness, with the outcome a platform for innovative work and ways of working that marry the personal to the collaborative.

Put simply, all of the above point to the essential 'hygiene condition' for innovation as being *collaboration*. Currently, GFTA does not ensure collaboration. Rather, it invests across the arts, but not necessarily to broker relationships between the arts. The way the monitoring and data footprint for GFTA focuses on specific art forms exemplifies the bounded culture of many of the investments. Certainly, many consultees have pointed to the false dichotomy this enforces and have expressed frustration that it is difficult to raise funds for boundary-crossing work because it evades the norms for description and delineation.

Innovation flourishes in environments which encourage knowledge exchange and a complementarity of perspectives and skills. Furthermore it requires organisations and individuals to develop new and deeper relationships with end-users (their audiences) and other parts of their value chain, meaning that they need to have a conviction to openness if they hope to develop ground-breaking, unexpected and through these qualities often excellent new work.

Currently GFTA lays down little expectation for collaboration and its open access qualities can in some cases atomise production and consumption, as well as knowledge and professional development. That this doesn't happen is testament to the strategic brokerage role of ACE officers, as much as it is the hunger to collaborate from the arts sector. For GFTA to drive innovation across the arts will require a *much more purposeful push toward collaboration*, perhaps through the encouragement of partnership-based applications and/or smarter brokerage between individuals and organisations which have complementary perspectives and skills.

"When I have been embarking on something new it is difficult to sell at first because you make a commitment to go into the unknown. This (GFTA) funding helps you to make that commitment...(I)t has impacted on me as I have been allowed to follow my own vision for dance and develop new creative collaborations... to create something new, relevant and exciting" (Survey respondent).

Moreover, *increased innovation will require accelerated take-up of and literacy in digital technologies* – as key enablers for boundary-crossing activity. There is little evidence of digitally-enabled innovation through the review and analysis carried out in this evaluation. However, this is not confirmation that innovation is not happening;

²⁸ Department for Innovation, Universities and Skills, Innovation Nation 2008.

²⁹ Charles Leadbeater: *We Think: The Power of Mass Collaboration*, Profile books, 2008.

merely that pinpointing an evidencing innovation is a challenge. The 'nature of activity' data collected as part of the GFTA assessment process currently only has 'digital' indicators – 'web based activities' and 'buying and installing new technology'. Total investment in these two areas only accounts for around 0.2% of overall GFTA overall³⁰. Of course, this figure hugely under-represents the pervasiveness of digital technology and media across the arts, but it does at least suggest its under-development as a critical enabler for innovation.

8.1 GFTA – Generating New Work; Relishing Risk

Over the last five years, GFTA has, by virtue of its extensive reach across the arts, operated as an investor in positive change, enabling experimentation, research and development and platforming challenging work. However, innovation in the arts is not as pronounced as it might be given the opportunity presented by five years continued investment. Nor, when it occurs, is it adequately embedded within a system that builds individual careers or organisations through their innovation potential. In this sense too little innovation leads to growth and sustainability across the arts.

To advance the innovation outcomes of GFTA requires a repositioning of the programme so that it is recognised as *the primary form of risk funding for new and / or experimental work* and *the major broker of collaborative working* – whether in the production of work, the way it is consumed, or through organisational and professional development.

This is difficult when there are calls on GFTA funding for 'core business' activities. It is also challenging for some individuals and organisations to accept when they are recognised for consistently delivering excellence. Indeed, some consultees felt they were being pushed to innovate beyond a position where their excellent work was itself based on previous processes of innovation.

Correspondingly, it is perhaps neater and clearer to target a minimum amount / proportion of GFTA funding toward new work, cross-art-form practice, experimentation and extreme collaboration. Moreover, if the arts in England are to be supported to break new ground, explore alternative perspectives and mine the rich seam that their collective talents provide, then GFTA needs to be more readily presented and understood as the fund that *relishes risk* and thus the fund that *embraces innovation* as the core business for a sustainable arts sector.

³⁰ See footnote 19 re Nature of Activity data clarification

9. Grants for the Arts – Toward Sustainability in the Arts?

'Sustainability' in the arts shares many traits with sustainability in other sectors including business or the public sector. Those organisations and individuals which have the greatest chance of surviving and thriving in the medium to long term are those which have clear aims and objectives, a thorough understanding of their stakeholders' needs and desires (primarily shareholders, suppliers, staff and customers) and a viable business plan which can adapt to evolving political, economic and social contexts. Where the sustainability of arts and cultural organisations differs from the majority of private sector organisations is in the degree to which many rely on direct public subsidy for both their core funding and the delivery of activity.

While this puts many organisations on a similar footing to charities or social enterprises operating in the third sector, it also makes the arts sector vulnerable and sensitive to changes to a public funding framework they have little control over. From an institutional or organisational perspective, the experience of navigating the current funding system has been described as like playing a frustrating game of funding twister:

'Statutory and private funders have forced arts organisations to contort themselves in a game of funding Twister to accommodate the 'latest direction'. We desperately strain to keep our left leg on 'arts company' while arching backward to keep our right arm on 'trainer provider' and our right leg on 'education consortium'.³¹

While being part of this system or 'ecology', GFTA has in many ways stood out as an example of a stable, consistent and straight-forward funding scheme which has helped arts organisations and individuals develop in sustainable ways during its lifetime. Through its funding or professional support, capacity building and organisational development, it has played an important role in helping establish individuals and organisations on a more stable and professional footing. Through funding new collaborations and partnerships, it has directly led to organisations increasing their networks and connections in the UK and internationally. Through helping develop new audiences and driving up production values and standards, it helps ensure that organisations build their profile and with it their potential audience base.

Added to all this is the way that it is encouraged and forced organisations to look at alternative sources of funding through its requirements for leverage. Over two thirds of respondents to our survey saw this as one of its main outcomes. Examples of this in practice include one organisation reporting how it had provided them "with the foundation from which to lever support from the local authority and university" and another who felt that it "provides substantial credibility to the company" and thus the springboard required to lever funding from otherwise sceptical sources.

³¹ A. Devitt (2006), 'Because We're Worth It', Arts Professional.

From the survey results, GFTA has especially helped in releasing funds from local authorities and RDAs, indicating the degree to which as a funding source it has considerable credibility with other strategic bodies. As introduced above in **Section 3**, it is both a lever of and a bridge to other funding.

- ARF analysis shows 30.7% of GFTA recipients were successful in leveraging local authority funding for their activity. 307 projects levered in a total of £9,349,732, an average local authority leverage of £30,455. Seven projects brought in over £250,000 each in local authority funding.
- 49.0% of projects levered in other public sector funding. Recipients received an average grant of £12,364 from other public sector sources. The highest average grant came from RDAs, with £39,123 per grant, followed by European funding (£38,223) and other Arts Council funding (£20,050).

"Without GFTA funding we would cease to exist. We are at the early stages of becoming a sustainable organisation for our county and have just applied for charitable status. We were established in 2007. Demand for our services have proved that the work is needed in our area and without the support of GFTA we would not be able to develop creatively and build up the large range of partnerships that we have in such a short space of time" (Survey respondent).

There has also been significant investment in organisational and professional development. From ARF analysis, average expenditure of £8,106 for organisations, £1,382.39 for individuals and for National Activities £8,012.97 has been identified. Artists' fees and management and administrative fees were the largest areas of expenditure under the organisational and professional development heading. Perhaps though this indicates a lack of understanding of what is meant by 'organisational and professional development'.

"Without GFTA funding the literary scene across the sub-region would not have thrived and provided a platform for sharing and developing creative talent. We would not have been able to generate audiences or interest. Our work would not have taken the experimental cross art form and cross cultural approach that it has" (Survey respondent).

On the less positive side, there is clearly more GFTA could do to help sustainability in the sector and as explored above in **Section 8** – do so through a focus on innovation. The chief criticism from organisations and individuals is that grants are far too small amounts and for too limited a period. If GFTA was able to fund projects over two of three years on a more frequent basis, it would provide a more stable base. Indeed, there seems to be an 'investment gap' across the arts, with GFTA and RFO funding inadequately and inconsistently bridged. This is a particular challenge for organisations that lack capital infrastructure – such as festivals.

9.1 GFTA – Adding Value Across the Arts and Wider Creative Economy

The nature of activity funded by GFTA provides good evidence as to how it has added significant value to the cultural sector and more widely across the creative economy. While the **bulk of expenditure has gone on making and showing** (over 40% based on values and volumes data), nearly a third has been used for

research and development, audience development, capacity building or professional development. One of the criticisms of the arts and cultural sector is that it contains:

"Too many undercapitalised arts organisations, operating at near breaking point organisationally and financially, whose main preoccupation is survival diverting their energies from the central mission of cultural creativity."³²

Because such a considerable portion of GFTA funding has gone into activity which is not just about survival and being able to produce or put on work, but is connected to organisational development, innovation and creativity, GFTA has been a positive force in helping organisations to move forward.

Correspondingly, by supporting sustainability and growth across the arts, GFTA is **generative of value across the creative economy**. Activities (and the individuals and organisations that create them) funded by GFTA sit at the heart of the Creative Economy – they are the core creative fields identified by the DCMS through their Creative Economy Programme. They are the activities that provide energy and inspiration, content and human capital, ideas and innovation.

Over the last five years, GFTA has provided essential nutrients for the growth and health of a globally successful Creative Industries sector. It does not play a defining role. Rather, by investing across the arts and between different activities and disciplines, organisations and individuals, *GFTA would be noticed far more for its absence than it is for its ongoing existence*. The task now is to build from its existing assets, maximise its value across the arts and creative economy, and make its impact so pronounced that it delivers *step change as well as sustainability*.

³² John Knell, *The Art of Living*, 2004.

10. Developing the Narrative, Maximising Returns – Step-Change for Investment in the Arts

This evaluation and its supporting documents provide a summative and formative evaluation of the role and outcomes of Grants for the Arts. It is clear throughout our analysis that GFTA provides a critical service to the health and sustainability of the arts across England. Its flexibility and mobility, plus its openness to a wide spectrum of 'eligible activities', give it an unparalleled development role – particularly for new/emergent work and audiences, organisational and professional development, and for on the whole neatly balancing excellence against a set of instrumental concerns.

The technical appendices provide, for the first time, a detailed overview of the investment profile of the programme over the last five years. Clearly, this establishes an evidence base that can and must be built upon going forward, with opportunities for benchmarking delivery, even setting targets.

Complementing these appendices, this more qualitatively driven report provides, also for the first time, a review of the impact of GFTA across the five outcomes of reach, engagement, diversity, excellence and innovation. Clearly, this delivers the opportunity to move beyond reflection toward a consideration of how GFTA can be improved and more effectively aligned to maximise different returns on the investments it makes.

As a fund that can reach flexibly across different art-forms and types of institution; and as a fund that has open and ongoing access, GFTA operates as an open tool for stimulating and mobilising activity that has a presence across the country, in every area of the arts, and for multiple purposes. This gives it a presence and reach unobtainable for other funds. It also provides it with a fleetness of foot to realise new opportunities, add value to investments where it is not the majority funder, broker new or additional investment by opening-up an investment opportunity, and bridge any short term or local gaps in investment as a means of encouraging sustainability in a local or regional arts sector.

The challenge now for Arts Council England is to embrace the potential offered by GFTA and nurture a refreshed approach to arts investment where equal emphasis is given to innovation and sustainability; risk and safety; emergent and established. To help frame this process, below we introduce five types of required step change and a set of eight associated recommendations for a more effective and value-adding GFTA:

Step Change 1: Operations & Scale

The imminent establishment of a central GFTA team in Manchester will enable more effective coordination of operations, including the ways GFTA is assessed, distributed and monitored. Moreover, it will allow for greater consistency in decision-making and clearer rationale for the success and non-success of projects. The digitisation of the application and due diligence process will also reduce the more arduous elements currently experienced.

Alongside this restructure, additional opportunities exist to improve the legibility and consistency of GFTA, as well as explore options regarding the scale/length of investments plus the scale of the overall programme:

- **Recommendation 1 - Stage the Conversation:** Digitisation brings with it the opportunity to combine formal details (on process, structure, eligibility) alongside case studies and user-generated narratives. For the first time, a **public conversation can be staged** that explores the role and impact of GFTA through the perspectives of beneficiaries and funders. This provides a means of (re)shaping the agenda, presenting GFTA as an act of confidence in the sector to create great art.
- **Recommendation 2 - More for Longer – Extend the Commitment Period:** If GFTA is to deliver greater sustainability across the arts, then serious consideration should be given to **investing a greater proportion of investment to longer-term commitments**, up to 3-years in duration. This would align GFTA with the RFO portfolio – enabling the bridging role to be performed more effectively. It would also embed security and confidence in awarded organisations and individuals. However, to concurrently support innovation and experimentation and to retain flexibility and openness as core assets, opportunities for rapid-turn-around risk investment would provide for an exciting counterweight to a more prolonged and sustained investment element. This is explored further in **Step Change 4** below.
- **Recommendation 3 - More for More – Increase the size of GFTA by at least £20 Million:** GFTA is under constant pressure to bridge gaps in funding, attend to market failure, and underpin or overlay investments considered 'strategic' and 'non-negotiable'. Here the flexibility and openness of GFTA is open to some measure of abuse, with its resources plundered for activities that do not readily deliver across the five required outcomes. It is likely in the future that the calls on GFTA will be greater and thus, in straightened times, its capacity to play to its strengths will be diminished. The most obvious way of addressing this **issue is to increase the overall scale of GFTA**, accept that it will play a more broadly strategic role (with a closer relationship to the RFO portfolio and managed funds), but provide sufficient flexibility and reach to invest smartly in innovation as a core stepping stone to excellence, perhaps as a new ring-fenced innovation fund (see **Recommendation 7** below).

Step Change 2: Relationships – Trust, Intimacy & Knowledge

GFTA is the 'gateway' point for many organisations and individuals in their relationship with Arts Council England. It often initiates a relationship which evolves and matures alongside the creative and explorative journey that many artists go on and which involves Arts Council England as a funder, strategic developer, supporter and more. With the move of GFTA operations to Manchester, real consideration needs to be given to ensuring that a serious and two way debate is created on the nature of the optimum relationship between officers and GFTA recipients and how this can be achieved. It is clear that a situation must be avoided where too great a consideration is given to the system and process and not enough to the personal dynamic upon which any effective delivery organisation in the public sector depends.

- **Recommendation 4 - Support the Broker:** ACE can ensure a strong 'on the ground' relationship with the arts by engaging intermediary organisations to take on parts of the broker and connector role. Many larger arts organisations operate as the intersection of flows of talent, or as the aggregator that brings different parts of the value chain together. They are placed to promote GFTA to the networks of talent that surround and run through them, grounded as they are in local contexts with a close appreciation of the dynamics of artists and audiences. It is recommended that a **pilot programme** be introduced where two Regional ACE offices contract leading intermediary organisations to increase the visibility and accessibility of the GFTA programme, offer mentoring and ensure effective 'deal flow' to GFTA. While there are legitimate concerns regarding independence and artistic judgements, with safeguards and plurality in place an expanded role for the intermediary organisations in the strategic development of talent would seem to be a 'win win.'

Step Change 3: Presentation, Celebration & Knowledge Capture

GFTA is under-recognised and under-celebrated for its value and impact – either for its role in supporting individual artists and organisations or for its wider impact for the overall sector. Greater esteem for investees and clearer acknowledgement of impact would increase confidence across the arts, provide ACE with an opportunity to build its brand and profile, and genuinely open-up GFTA toward greater reach and engagement.

- **Recommendation 5 - Present & Celebrate:** Currently, wide-scale awareness of what GFTA entails is not forthcoming and the degree to which it represents a real endorsement of support for an artist or organisation is not pronounced. Increasing the reach of GFTA has to be a real focus in the coming years of the programme. Currently, PR relating to the scheme lacks clarity and coherence, while case studies and information on recipients are not dynamically presented. A joined-up approach to how GFTA is celebrated and presented across platforms and media would go some way to ensuring it can build on its current strengths. The digital footprint of the programme presents one option, as does the role of intermediary organisations as emissaries and advocates. However, a new and ongoing **communications**

and marketing programme is recommended – driven by the website and supported by case studies, publications and a possible annual celebration event(s).

- **Recommendation 6 - Knowledge Capture:** Currently, knowledge capture from GFTA is unfocused and inconsistent. While online application and processing will help, real thought needs to go to ensuring the right information is captured at the right time. In a sector where information and knowledge capture is not as advanced as it should be, leading to real issues on audience reach, marketing and product development, the more that GFTA can become a positive partner in helping build the knowledge base for the sector, the better. This needs to be coupled with increasing openness, ensuring that information gathered is disseminated to a wide audience with active forums for discussion and debate on key issues (such as how excellence is judged). There are risks with openness, but the benefits of developing an **open knowledge strategy** outweigh them as long as the right framework and safeguards are in place. Such a strategy should be focused less on collecting statistics (though accurate data is a critical issue) and more on capturing what worked, what lessons have been learned, and what would be done differently in the future.

Step Change 4: Innovation and Risk

Innovation and risk are essential to the production of excellent art and GFTA has a good track record in fostering new and exciting work. However at the same time, funding constraints such as the need to prove a track record coupled with the general pressure on resources, mean that not all activity funded by GFTA is especially innovative or new. With other sources of funding for the arts, especially those from Local Government and RDAs, often coming attached to goals and targets connected to the instrumental role of the arts, it is vital that GFTA is developed even further as *the* source of funding for the risky, the challenging and the new. This means that even greater consideration needs to be given to ensuring that funding will support the conditions that lead to excellence through the development of work which challenges current sensibilities and models of practice.

- **Recommendation 7 – A New Innovation Fund:** To advance the innovation outcomes of GFTA requires a repositioning of the programme so that it is recognised as the primary form of risk funding for new and / or experimental work and the major broker of collaborative working – whether in the production of work, the way it is consumed, or through organisational and professional development. Indeed, if the arts in England are to be supported to break new ground, explore alternative perspectives and mine the rich seam that their collective talents provide, then GFTA needs to be more readily presented and understood as *the fund* that relishes risk and thus *the fund* that embraces innovation as the core business for a sustainable arts sector. To achieve this, it is perhaps neater and clearer to target a minimum amount / proportion of GFTA funding or to set up a new fund parallel to but administered by GFTA that invests wholly in new work, cross-art-form practice, experimentation and extreme collaboration. With the addition of at least £20 million to GFTA resources (see **Recommendation 3** above), this can be possible without eroding the leverage and bridging role of GFTA.

Indeed, a **new innovation fund for the arts of at least £15 million of this recommended £20 million** would set exactly the right agenda to deliver across the outcomes of *Great Art for Everyone*.

Step Change 5: Sustainability

The funding ecology for arts and cultural organisations has undergone considerable change over the last decade, with wider sources of funding such as regeneration, education and public realm investment playing an increased role as arts, culture and creativity have been mainstreamed across multiple strategic agendas. GFTA has been successful in leveraging in these funding sources and encouraging others to take risks and explore new areas.

The funding ecology is likely to change again over the next five years as cuts to public spending will effect priorities at all levels. It is vital that in the transforming investment landscape for arts and culture GFTA does not become a sticking plaster, used too often to cover-up emerging gaps in funding which will be experienced by many organisations and individuals. It must continue in its role as the early stage investor in the new and experimental which encourages and enables other funders to follow. To do this will mean that it has to play a role in helping the sector to navigate and adapt to the contours of the new landscape rather than attempting and failing to prop-up the status quo. With this in mind, the future of GFTA needs now to be (re)considered.

- Recommendation 8 – The Holistic Approach - Review GFTA investment alongside RFO and Managed Fund Investment:

GFTA sits at the heart of a complex funding ecology and represents a relatively small investment in the arts – certainly by comparison with RFO investment or the wide sweep of arts and cultural activities supported by local authorities, trusts and foundations. However, its flexibility, accessibility, and brand value as a strategic development tool for ACE, mean that it has a reach and influence that substantially exceeds that which might reasonably be expected. This report makes it clear that GFTA could do much more to play at once a more strategic leverage and bridging role *and* major on investing in innovation. However, without a **coordinated review of ACE's overall investment portfolio**, improvements in GFTA will be undermined by imperfections elsewhere. It is therefore recommended that a direct outcome of this evaluation is a complementary review of other investment tools, with the overall aim to establish a coherent and coordinated investment landscape for ACE's contribution to the arts in England.