



CEFNOGI CREADIGRWYDD
CYNGOR CELFYDDYDAU CYMRU
THE ARTS COUNCIL OF WALES
SUPPORTING CREATIVITY

Arts Council of Wales Submission to the National Assembly for Wales Petitions Committee, 2nd October 2008.

Introduction

1. On 23rd July 2008 the Wyeside Arts Centre presented a submission to the Wales Petitions Committee. The submission called on the Assembly to petition the Arts Council of Wales to overturn its threatened withdrawal of funding to the Wyeside Arts Centre.

There was, in fact, no proposal to withdraw funding

2. During 2007 the Arts Council undertook a review of its portfolio of 111 revenue funded organisations. The aim of this review was to examine the effectiveness of the Arts Council's current investment and to identify those organisations that presented the most persuasive case for future support.
3. The findings of the review were presented to our Council meeting on 25 January 2008. At that meeting Council decided that it would provide no further revenue funding to 5 organisations. Wyeside Arts Centre was not one of those organisations.

The Arts Council recognised the strategic importance of Wyeside Arts Centre

4. The Arts Council's review of revenue funded organisations considered a number of strategic issues: the quality of artistic activity; ease of access to such activity, the financial and organisational strength of funded organisations; and the value for money of the Arts Council's investment.
5. At the January 2008 meeting our Council specifically acknowledged the important role that Wyeside Arts Centre plays in delivering the arts in Powys. It also noted the lack of alternative provision within the region. Given these factors, Council needed to feel sure that Wyeside had a

viable and financially sustainable future. At the time of the meeting, this was not certain.

6. The minutes of the January 2008 meeting clearly note that:

“Council were anxious that every possible way of avoiding closure was explored.”

The Arts Council encouraged Wyeside to address the issues that affected its future viability

7. We attached a clear set of conditions designed to ensure that Wyeside would focus in a structured way on its ongoing development.
8. The continuation of revenue funding was, of course, dependent on meeting these conditions, (as is quite often the case in funding agreements of this nature). At no time was Wyeside Arts Centre “threatened with closure” by the Arts Council.

We knew back in January that Wyeside faced, and continues to face, a range of challenges to its ongoing viability and long-term sustainability

9. We wrote to Wyeside Arts Centre on 20th February 2008 confirming the offer of revenue funding for 2008/09. We informed the Wyeside that the offer was subject to the normal standard conditions of grant, and one additional condition. This condition said:

“That you need to submit a Business Plan confirming the financial viability of Wyeside Arts Centre on the present level of regular revenue funding and demonstrating clear support from other partner organisations such as your Local Authority. This should be submitted ... as soon as possible and no later than the close of business of Monday 31st March 2008”.

10. At no time was there any reference to the possibility of Wyeside’s closure. Instead, the Arts Council was seeking clear confirmation from Wyeside that it could continue to function within a standstill budget as no inflationary increases could be made to Wyeside (or indeed to any of the Arts Council’s revenue clients).

On 14th April 2008 Wyeseide Arts Centre formally accepted the Arts Council's offer of funding

11. The Director of Wyeseide Arts Centre subsequently contacted the Director of the Arts Council's Mid and West Wales Office to seek an extension of time for the completion of the Business Plan. This was agreed and the submission date was later extended to 30th June 2008.
12. Wyeseide's Director understood that in seeking the extension, the release of funding would be delayed, as it was conditional upon completion of the Plan. The Business Plan was received by the Arts Council on 29th June 2008.

Within a week we had completed a review of Wyeseide's Business Plan

13. The Business Plan was reviewed in detail by senior Arts Council Officers (who sought clarification from Wyeseide on a number of points, and provided feedback on certain areas). A paper was presented to our Council meeting on 8th July 2008.

We concluded that good progress had been made

14. Wyeseide's Plan demonstrated that financial projections were generally realistic, and that overall planning was prudent in nature. The Centre had opened discussions with its local authority, as we had requested, and had received positive communication from the Chief Executive of Powys County Council regarding ongoing financial support.
15. Officers remained concerned, however, that annual fundraising targets of up to £37,000 per annum were not realistic or achievable on an ongoing basis, and that further work was necessary in this area.

Although more work was needed, we were sensitive Wyeseide's financial position

16. Council agreed that Officers should continue to work with the Centre on the development of the Business Plan. Members also gave Officers the delegated authority to release the first tranche of revenue funding on the understanding that Wyeseide agreed to continue working on the plan. A payment was released on 17th July 2008.

Positive and constructive dialogue followed

17. On 7th August 2008 we met with the Chair, Vice Chair, Director and Finance Manager of Wyeside Arts Centre. The meeting was extremely constructive and we jointly agreed a clear way forward. Particular emphasis was placed on the potential for co-working with other venues, strengthening the relationship with Powys County Council and the ongoing development of the Business Plan.
18. We were particularly pleased to note the reinvigoration of the Arts Centre Board following a number of new appointments, including Cabinet members from Powys County Council. This was confirmed in a letter to the Chair of Wyeside on 13th August 2008. Throughout the discussions, the tone was positive, constructive and partnership was the overriding theme.

Wyeside has now addressed some of the key issues identified as on-going development priorities.

19. The fundraising target for 2008/09 has now been met, and discussions with other partner organisations regarding co-working arrangements are moving forward. The relationship with Powys County Council is stronger, and the Board of Wyeside is continuing to build on this.
20. We presented a report to our September 2008 meeting of Council. The paper noted the progress made to date and also identified those areas that still require further work. In particular, it was noted that while the funding shortfall for 2008/09 had been addressed (indeed exceeded), a fundraising plan for the next three years needed to be put in place.

We agreed to confirm in full the 2008/09 funding to Wyeside Arts Centre

21. It was agreed that we should continue to work with the Wyeside on this aspect of its operation, and a further progress report should be presented to the November 2008 meeting of Council. On the basis of the positive developments to date, Council agreed that Wyeside's funding for 2008/09 should be confirmed (as the condition of grant set out in the February 2008 offer letter had been met).

A year of patient and careful development

22. We believe that Wyeside Arts Centre's future is significantly stronger now than it was in January 2008. We have been clear from the beginning that our desire to provide continuing support to Wyeside had a clear strategic rationale. However, as custodians of public funds, the Arts Council also has a duty to ensure that the funds that it provides are used effectively. On the basis of the positive dialogue that we have had throughout the year with Wyeside, we are more confident that the organisation is better placed to play a more effective role in the developing the arts in Powys.
23. By end of 2008/09 Wyeside Arts Centre will have received its full year grant of £67,381.

**Arts Council of Wales
September 2008**