

Relationship Framework

How Arts Council England works with Creative People and Places Programmes

The 2022-25

Creative People and Places National Portfolio



Awarding funds from

THE NATIONAL LOTTERY®

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We are committed to being open and accessible. We recognise that some people may encounter barriers to meeting the requirements of the funding agreement, as set out in this Relationship Framework. Please read our **Access support information sheet** (<https://www.artscouncil.org.uk/national-portfolio-2023-onwards/making-your-application#section-2>) to find out about the type of bespoke support we can offer to organisations that we fund.

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

Email: enquiries@artscouncil.org.uk

Web: [artscouncil.org.uk](https://www.artscouncil.org.uk)

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

Telephone: 0161 934 4317

You can also **Livechat** with us by visiting our website:
[artscouncil.org.uk](https://www.artscouncil.org.uk)

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

The 2022-25 Creative People and Places National Portfolio

Between 2022-25, the Arts Council will invest £38.3 million in 39 Creative People and Places (CPP) programmes across the country. These programmes will be supported to help us to achieve the vision and Outcomes set out in our Strategy for 2020-30, **Let's Create** (<https://www.artscouncil.org.uk/letscreate?msclkid=cc8317c2af4611eca35a1b4fce45b371>).

The criteria for becoming a CPP programme have been set out in our **Guidance for Applicants** ([https://www.artscouncil.org.uk/sites/default/files/download-file/New Creative People and Places National Portfolio Programme 2022-25 Guidance for applicants_07_04.pdf](https://www.artscouncil.org.uk/sites/default/files/download-file/New%20Creative%20People%20and%20Places%20National%20Portfolio%20Programme%202022-25%20Guidance%20for%20applicants_07_04.pdf)). Alongside this Relationship Framework, it describes what we expect from the organisations we invest in and what they can expect from us throughout the investment period.

A full list of the 39 projects we are funding in the CPP portfolio can be found on our **website** (<https://www.artscouncil.org.uk/creative-people-and-places/creative-people-and-places-projects>).

While this framework aligns with that for National Portfolio Organisations in many ways, there are also differences, particularly as Creative People and Places forms part of our place-based development work across the country and this sometimes means more contact or support is needed.

We will review the Relationship Framework annually.

The principles of our relationship with your programme

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

As an action-research programme, Creative People and Places tests out new and different approaches to engage people in arts and culture, reflecting on what worked and what didn't, capturing lessons to share with others and inform future approaches to engaging communities. All reporting and monitoring for CPP programmes will also feed into the Action Research and Evaluation Framework for the programme, which is based around the following three core research questions:

1. Are more people from places of least engagement experiencing and inspired by the arts?
2. To what extent was the aspiration for excellence of art and excellence of the process of engaging communities achieved?
3. Which approaches were successful and what have we learnt?

Our relationship with our CPP programmes will be conducted mainly through our monitoring and reporting processes. Through these arrangements, we expect to see CPP consortia and delivery teams take responsibility for delivering on the

funding agreements with us. This will involve you regularly and accurately tracking your performance against the targets and success measures in your business plan (agreed by Arts Council England) and using your regular reports to your consortium and to us via your quarterly and annual submissions, to provide us with accurate information on progress. We will then use these reports to help us identify any risks that we believe exist in relation to the delivery of the funding agreement with us. We will also expect you to supply accurate, timely and relevant data that we request, in accordance with our **CPP: Data Guidance** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>). These provide us with vital information on the state of the sector and help us evidence the impact of our investment and the progress we are making on delivering Let's Create.

We will try to ensure that our reporting and monitoring arrangements are both proportionate and responsible. However, we recognise that in many cases, CPP programmes are operating in places where there has been limited infrastructure to date. This may mean that CPP organisations who are relatively new to the programme may require additional time and support as they develop their programme. This aligns with our wider strategic ambition to focus more of our development time and resources on communities that have had relatively little support from the Arts Council to date.

Our relationship with Creative People and Places programmes

The funding agreement

When we made you an initial offer of investment in December 2021, it was conditional and dependent on finalising a mutually satisfactory funding agreement. This involves a period of negotiation (from January to March 2022) which includes reviewing the activities, targets and success measures that were included within your application and agreeing appropriate revisions. In addition to finalising your activities and plans for the first year of delivery, we will also need to receive a finalised budget and cash flow forecast for 2022/23, together with indicative budgets for 2023/24 and 2024/25, all of which will have been approved by your consortium. We expect these negotiations to have concluded by March 2022 and, if successful, a final funding agreement will be signed at that point.

The funding agreement is between the Arts Council and the lead organisation for your consortium. The lead organisation will be responsible for ensuring that the terms and conditions of our investment are met. The lead organisation holds the grant on behalf of the consortium as set out in the guidance and funding agreement.

Our ongoing monitoring relationship, however, will be with your consortium, and by this we mean a group of separate organisations joining together via a partnership agreement and co-operating to facilitate delivery of the programme of activity for the duration of the funded period. In CPP programmes, we expect your consortium to operate as an oversight board or group that holds a specifically recruited team (the 'delivery team') to account to deliver the programme.

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

The funding agreement also contains our standard terms and conditions, many of which are explained in this document. It is essential that your consortium members and senior leadership read and understand these terms and conditions. All of your consortium partners should read the funding agreement and its terms and conditions and, working with the lead organisation, should act swiftly if they believe that any of the terms and conditions have been breached.

Working with the Arts Council

Every CPP programme will have an Arts Council member of staff who acts as the Relationship Manager. They act as the main point of contact and communication with the Arts Council, can suggest other sources of advice and support, and lead our monitoring of your performance. They will also endeavour to engage with your work throughout the investment period. However, they do not provide legal, financial or other professional advice to organisations, nor should you expect them to provide feedback on draft applications. If you are looking for help in improving the way you run your CPP programme, you should use the resources available via our **CPP Learning Hub** (<https://www.artscouncil.org.uk/creative-people-and-places/learning-creative-people-and-places>) and

Investment Principles resource hub (<https://www.arts-council.org.uk/explore-investment-principles/applying-investment-principles>) rather than seeking help from your Relationship Manager. You will also have access to the new Place Based Peer Learning Programme.

A senior leadership role, from the CPP delivery team (usually the CPP director), must be designated to hold a direct ongoing relationship with Arts Council England, via your Relationship Manager. This senior leadership role should be empowered to act on behalf of your consortium partners and the CPP project, in line with the aims and ambitions of the overall CPP programme. The Arts Council will also expect to maintain a relationship with the lead organisation as the accountable body for the funding agreement.

For most CPP programmes, your regular contact with your Relationship Manager will be via quarterly meetings. We are likely to increase the level of formal contact we have with you if we assess your programme as relatively high risk. In making our risk assessment, we will take into account the information we receive in your consortium's minutes and quarterly/annual submissions and other risks that you have made us aware of, as well as external factors such as issues relating to the Covid-19 pandemic or the broader economic climate. For information on our risk assessment process see '**risk monitoring**'.

Your Relationship Manager also has the right to attend your consortium meetings as an observer. We also expect to be involved in strategic recruitment activities, especially for senior appointments (as per the funding agreement conditions). This will include approval of the job descriptions and involvement in the recruitment process for senior level posts.

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

The roles and responsibilities of your consortium

It is the responsibility of your consortium to monitor and report on the progress being made to achieve the targets and success measures on which your business plan and funding agreement are based. In many cases consortia will delegate reporting to the CPP director, but it must still retain oversight.

Advice on **effective consortia working** (<https://www.arts.council.org.uk/creative-people-and-places/consortium-approach>) can be found here.

All CPP consortia must:

- include at least one arts or cultural organisation and one community and/or grassroots organisation (non-arts and culture); these cannot be the same organisation
- meet regularly (at least four times a year) with the senior leadership to review progress on the national portfolio funding agreement
- be independent of the senior leadership of the lead organisation
- have – in either direct or delegated form – responsibility for overseeing the CPP programme funding agreement and business plan

- receive and review regular reports on progress against the funding agreement and ensure that those reports are forwarded to the Arts Council on a timely basis
- meet and communicate directly with the Arts Council, independent of the senior leadership if required
- ensure that the programme has policies and procedures in place that comply with legislative requirements and best practice, that they are implemented, and that they are reviewed regularly
- ensure that they are fully briefed on progress and risks associated with the CPP programme

In addition, we expect your consortium to take an active role in ensuring that the CPP programme aims and objectives and the CPP guidance are embedded in your programme.

Reporting and monitoring requirements

The reporting requirements for Creative People and Places serve a number of purposes:

- to monitor your governance and finances, in order to fulfil our responsibilities as a distributor of public funds
- to monitor your programme and ensure you are contributing to the aims and objectives of the CPP programme
- to assist your Relationship Manager in supporting your CPP programme in the development of community engagement in arts and culture in your place
- to collate evidence and data to report to central government and advocate for arts and culture to stakeholders
- to collate learning to contribute to our CPP action research and national place-based peer learning programme and development approach

The reporting and data monitoring requirements for your CPP programme are detailed in the funding agreement and reflected in the payment conditions. You should check the funding agreement for any bespoke additional conditions relating to your project.

Quarterly payments are made to the lead organisation and are paid in arrears, based on evidence of need and expenditure.

The deadlines for submission of these documents are detailed on Grantium and in the funding agreement schedule, but follow the pattern below:

- **Data submission: Q1**
Submission deadline and payment release date: August
- **Data submission: Q2**
Submission deadline and payment release date:
November
- **Data submission: Q3**
Submission deadline and payment release date: February
- **Data submission: Q4**
Submission deadline and payment release date: May

Standard quarterly submissions

Each quarter CPP programmes are asked to submit the following documents:

1. Quarterly data from the previous quarter of funded CPP activity

Each quarter the CPP project must submit accurate data about all of their activity to Arts Council England.

Around six weeks before the project's quarterly submission is due, all CPP programmes will receive a unique email for their projects, containing a link to upload your quarterly submission. This will come from the **cpp@artscouncil.org.uk** email address.

When you have submitted your data online, you will be prompted to save a PDF of your submission. You will need upload this to Grantium as part of the quarterly submission, in order to release payments. **CPP: Data Guidance can be found here** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>).

2. Quarterly progress report from the previous quarter of funded CPP activity

Each quarter, the CPP project must also submit a quarterly progress report using the **CPP: Quarterly Narrative Report Template** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>).

3. Project income and expenditure statement, up to end of previous quarter of funded CPP activity

We expect all projects to submit quarterly management accounts, which should detail spend against budget and variance, using the **CPP: Management Accounts Template** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>).

4. Forward facing cash flow, up to end of current quarter

CPP: Cashflow Template (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>)

5. Minutes of most recent consortium meeting

Standard annual submissions

Each May every CPP programme should also submit the following:

- 1. Data monitoring and quality evaluation monitoring reports for previous financial year in the format Arts Council England requests**

This condition relates to the annual reporting that will be done in partnership with Arts Council England's CPP evaluation partners for audiences and quality. CPP: **Data Monitoring, CPP: Postcode Data Monitoring and CPP: Quality Evaluation Monitoring Guidance can be found here** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>).

- 2. Annual progress report, covering the previous financial year**

Each financial year the CPP project must also submit an annual narrative report using the **CPP: Annual Narrative Report Template** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>).

- 3. Updated business plan for the investment period including an updated activity plan for the coming financial year, SMART targets and an updated budget**

A business plan checklist, with links to resources is available here (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>)

- 4. Interim evaluation report for the previous year of activity**

This should be an interim report from your external, independent evaluator.

5. Confirmation that consortium partnership agreements have been reviewed and refreshed, if required

This should be an annual discussion, noted in your consortium's minutes. If changes are required, new partnership agreements should be submitted to the Arts Council.

Standard end of project submissions

Your final payment is worth 5 per cent of your overall grant and will only be released when you provide the following:

1. Final evaluation report

This can be your independent local evaluation report.

2. Statement of income and expenditure for the funded period, that has been certified by an independent qualified accountant*

*Please read Appendix A if you are a CPP programme that was funded prior to 1 April 2022.

Audience and participant data and quality evaluation

It is vital that the Arts Council obtains robust data about Creative People and Places' audiences. CPP programmes will therefore be required to provide the Arts Council with their total engagement numbers, as well as collecting postcode and demographic data (ie ethnicity, age, gender, disability, socio-economic background) from audiences and participants involved in all of their activities and submitting this information via your quarterly data return as above.

These requirements mean you should survey your audiences and participants in order to collect this data, **using the CPP: Data Guidance** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>) to design and collect your survey.

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

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

Postcode data submission

Throughout the year you should collect as much postcode data from your audiences and participants as possible, for use by our audience data monitoring partner. The submission of these postcodes to our partner will form part of your May payment submission each year.

CPP: Postcode Data Monitoring Guidance can be found here (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>). <https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>

Quality evaluation

From April 2022 onwards, all CPP places will be required to carry out quality evaluations around their work each year, with our quality evaluation partner. Submission of your quality evaluation report/s will form part of your May payment submission.

CPP: Quality Evaluation Monitoring Guidance can be found here (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>). <https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-2>

Risk monitoring

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

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

Activity

- Is the activity/programme being delivered as set out in the funding agreement?
- Is the activity in line with the aims and objectives of the CPP programme?
- Is there a clear mechanism for community decision making?
- Are there any current risks to the achievement of targets and success measures?

Investment Principles

- Are any agreed actions being delivered and progressed?
- Are any agreed ambitions and priorities on target to be achieved?

Governance and management

- Is the consortium membership in line with the CPP guidance (with representation from both a community/grassroots and arts and culture partner)?
- Is there an effective, up-to-date business plan being used to plan activity, and is it on track?
- Is progress and performance of the organisation being effectively evaluated by the consortium and delivery team?

- Does the consortium have clear and up-to-date partnership agreements and conflict of interest policies?
- Is there an effective delivery team and are they being held to account by strong governance, via the consortium?
- Does the consortium have an appropriate level of independence from the lead organisation, in line with CPP guidance?
- Are the delivery team empowered to act on behalf of the CPP programme and consortium?
- Is there evidence of community voice at governance level?
- Are policies and procedures in place in compliance with legal/regulatory requirements and the terms and conditions, and is the programme complying with those policies and procedures, for example in respect of equality and diversity, safeguarding and child protection?
- Does the consortium meet regularly with the executive team and review progress on the funding agreement?
- Does the leadership invest in the development and training of staff?
- Does the delivery team and consortium have access to up-to-date data on the programme's performance to help inform its decision making?
- How does the programme manage and mitigate risk? Is the consortium involved in risk review?

Financial viability

- Does the lead organisation manage the funding **on behalf** of the consortium and does the consortium have sufficient input into budgetary decisions?
- Are financial controls, monitoring and reporting detailed and appropriate?
- Is the senior leadership in the delivery team fully informed with regard to their programme budget?
- Does the programme produce accurate financial information?

- Is the quality of financial documents submitted to the consortium and Arts Council England appropriate?
- Is the programme evidencing need in their cashflow?
- Does the programme assess financial risk?
- Is the projected income realistic?
- Is the organisation successfully building on existing earned/contributed income and actively looking for new sources of income?

Reputational risk

- Are there any risks or allegations of fraud or corruption?
- Are conflicts of interest managed appropriately?
- Has there been any damaging press and/or social media coverage?
- Has there been any failures to comply with policies and procedures, for example in respect of equality and diversity and safeguarding?
- Is there potential for reputational risk to the Arts Council or other stakeholders?
- Are there regular discussions at the consortium meetings about actual or potential reputational risks?

What do we mean by reputational risk?

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

The type of action or activity that may constitute or influence an increase in reputational risk can include, but not be limited to, allegations of fraud or corruption, legal and compliance issues, failure to uphold best practice in relation to equality and diversity, financial concerns, issues with artistic and creative output that might be deemed controversial, and partnerships with organisations that might be perceived as being in conflict with the purposes of public funding of culture. Risks posed by negative press or social media coverage in relation to any of these issues, or to whistleblowing or similar concerns, should also be taken into account.

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

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

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

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

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

[The standard print version shows a pyramid diagram with 3 tiered sections. The levels from top to bottom are as follows:

- **Major risk (red)**
Immediate feedback, intervention as necessary
- **Moderate risk (yellow)**
Feedback as necessary, increased monitoring
- **Minor risk (green)**
Annual feedback, ongoing monitoring]

We record risks at least every three months (or as they arise). You will be advised of any changes to our monitoring of your organisation, if applicable.

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

We expect the majority of our CPP programmes to be minor to moderate risk. Our Relationship Managers will prioritise their national portfolio time to focus on those organisations and programmes that we consider carry a major degree of risk to our investment. We will expect to hold conversations with your consortium as well as with the programme's senior delivery

team (usually the CPP director) for the programme about action that may need to be taken to mitigate risk. These conversations aim to help you to improve the situation, but if no progress is made, your funding could be at risk. See the next section, **Keeping to the terms of your funding agreement** (page 25), for further details.

Keeping to the terms of the funding agreement

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

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

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

For the avoidance of doubt, the terms and conditions of our funding agreement require programmes to deliver the activity to which they have committed, including achieving the targets they have set for themselves. As an action learning programme, led by the community, we anticipate that CPP programmes will maintain flexibility and be responsive to their community. However, we will monitor your programme (through your quarterly and annual narrative reports and business plan updates). This will ensure that your programme is delivering on

the aims and ambitions of Creative People and Places, **as set out in the programme guidance** (<https://www.artscouncil.org.uk/cpp-guidance-and-templates#section-1>) and detailed in the funding agreement. Significant changes to your activity should be discussed with your consortium, your lead organisation and with your Arts Council England Relationship Manager. Your funding agreement sets out other changes that should be discussed with Arts Council England (for example, changes to your consortium membership and senior leadership).

Prevention and intervention

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

- **Action plans:** we may ask for and agree an action plan for improvement in response to the concern(s) raised. Within this plan we may ask you to consider changing your key officers, both executive and/or non-executive. You will be responsible for this action plan and we will monitor its effect over an agreed timeframe.
- **Additional payment conditions:** we may place extra conditions on our grant payments if you have not met the terms and conditions set out in the funding agreement or where we are particularly concerned about the risk to our investment.

- **Consultancy:** we may ask external consultants to provide us with detailed information on areas of concern. This may be because we need more information, because we need specialist input, and/or because we want to support you to develop and improve.
- **Increased monitoring and reporting:** we may ask that relevant representatives from your consortium and/or senior delivery team meet with senior Arts Council officers to confirm that areas of concern we identified are being dealt with (for example if progress to deliver against the aims and ambitions of the CPP programme and guidance is not being met). We may also ask for written reports more frequently on certain issues.
- **Reduction of funding:** where you have breached the terms and conditions of the funding agreement, we may decide that your funding should be reduced on either a temporary or permanent basis.
- **Repayment of funds:** in cases where you have clearly continued to breach the terms and conditions, we may ask you to repay our investment.
- **Consortium review:** we may hold a joint review meeting with members of your CPP consortium and/or the lead organisation and discuss areas that can be improved or developed.
- **Withdrawing investment:** where you are in either significant or sustained breach of the terms and conditions of your funding agreement, we may decide that continued investment is not a proper use of public funds and we will discontinue it. We would take into account the evidence available, interventions we have made and the progress you have made against your action plan/s.

- **Withholding payment:** if your organisation has not met the conditions of our funding agreement within an appropriate period, we may decide to withhold payment of a grant instalment (or part of a payment) until you have met the necessary conditions.

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

There may be situations where a breach of terms and conditions could lead to an immediate withdrawal of funding, for example if you have worked with a proscribed organisation under the Terrorism Act 2000 (see **here** (<https://www.gov.uk/government/publications/proscribed-terror-groups-or-organisations--2>) for further information), or where the board has resolved to wind down the organisation.

Other organisational requirements and expectations

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

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

- a) Taking civil action in matters where fraud is an issue, but it is unlikely to lead to a criminal investigation.
- b) Taking civil action where there has been an irremediable and substantive breach of the terms and conditions of grant.
- c) Taking action, as is considered fit, in cases of minor or inadvertent breaches.
- d) Withdrawing a live grant or offer letter following the conclusion of an investigation based on breaches of our terms and conditions or identified illegal activity as per the Grant Withdrawal Process 2022.
- e) Making applicants ineligible for the funding programme, as per the 'Ineligible applications criteria'.
- f) Seeking recovery, as the prime consideration, in cases of fraud.
- g) Prosecuting offenders, and using the Proceeds of Crime Act 2002 to recover funds, in cases where money laundering is proven.
- h) Considering and using all relevant legislation, either through criminal or civil action when fraud, bribery or corruption are identified following legal advice.

For further information please read our **Counter Fraud Strategy and Policy** (https://www.artscouncil.org.uk/sites/default/files/download-file/Counter_Fraud_Strategy_and_Policy_Dec2019_0.pdf) or **email fraud@artscouncil.org.uk**.

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

Our current Delivery Plan sets out our **four Equality Objectives** (<https://www.artscouncil.org.uk/our-delivery-plan-2021-2024/equality-objectives>) which explain how we will put our legal duty into action.

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

We will expect all CPP programmes to share and uphold these commitments and we have published further information about **Equality and Fair Pay** (<https://www.artscouncil.org.uk/national-portfolio-2023-onwards/making-your-application#section-2>) and **Supporting Practitioners** (<https://www.artscouncil.org.uk/national-portfolio-2023-onwards/making-your-application#section-2>) to support you to meet these expectations. We also expect all organisations we fund to take all reasonable steps to ensure the safety of the children and adults at risk that they will work with.

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

Slavery Statement ([https://www.artscouncil.org.uk/sites/default/files/download-file/Arts Council England Modern Slavery Statement Sept 2021.pdf](https://www.artscouncil.org.uk/sites/default/files/download-file/Arts_Council_England_Modern_Slavery_Statement_Sept_2021.pdf)).

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

Our existing terms and conditions require funded programmes to comply with all relevant laws and government requirements, which includes the Modern Slavery Act 2015. In addition, our terms and conditions also require recipients of funding to have appropriate policies and procedures in place and to act in accordance with them at all times to help them comply with any relevant law, government requirements or best practice.

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

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

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

Funded organisations and programmes found to be working with and/or supporting any groups or organisations banned under UK law will be in breach of their funding agreement (see **here** (<https://www.gov.uk/government/publications/proscribed-terror-groups-or-organisations--2>) for further information). This will lead to an immediate withdrawal of funding.

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

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

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

- **Raising a concern:** The Arts Council published a revised **Raising a Concern policy** (<https://www.artscouncil.org.uk/publication/raising-concern?msclkid=6f6c0cbeaf7611ec928f9bc68c279967>) in January 2022. All those receiving funding from us should be aware that when concerns are raised with us by third parties (or when we are made aware of concerns through press or social media) we will investigate and will contact the named organisation/s to seek assurance that our terms and conditions of funding have not been breached. Organisations in receipt of Arts Council funding are required to cooperate fully and promptly with our investigation.

Current and future investment

Our funding agreement with CPP programmes will state that the amounts offered for each year of the investment period are indicative. We can only guarantee future instalments of your investment as long as sufficient funds from the Government and/or the National Lottery are available to us. It is possible therefore that our funding to you during this investment period may be reduced.

In the funding agreement, we make it clear that CPP programmes should not assume investment beyond the current funding agreement. Any future investment beyond the 2022-25 investment period will involve an application process and the timing of this will be confirmed at a later date. We will provide as much notice as possible about when applications will be welcomed, along with details of other information we will need.

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

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

Appendix A

If you are a CPP programme that was funded prior to 1 April 2022 and received additional funds in our national portfolio round 2022-25, you must show your original CPP grant as one income line and your additional award as a separate income line on your budget and certified income and expenditure.

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