

**Forward Plan reference number: (N/A)**

<b>Report title:</b> To Agree Sector Support Fund Grant Allocation to the Catalyst for Culture Project	
<b>Report to:</b> Chief Executive Officer of the SELEP	
<b>Report author:</b> Howard Davies, SELEP Capital Programme Officer	
<b>Date:</b> 15 December 2020	<b>For:</b> Decision
<b>Enquiries to:</b> Howard Davies: <a href="mailto:howard.davies@southeastlep.com">howard.davies@southeastlep.com</a>	
<b>Divisions affected:</b> Pan - LEP	

## **1. Purpose of Report**

- 1.1 The purpose of this report is to set out the recommendations and supporting documentation of the Sector Support Fund (SSF) Bid for the Catalyst for Culture (the Project). The Project has been through an Independent Technical Review (ITR) process, to enable £181,700 of Growing Places Fund (GPF) Revenue grant to be devolved to Kent County Council for Project delivery. The bid document is included in Appendix 1.
- 1.2 The ITR report sets out an analysis to demonstrate that the Project meets the criteria for funding.

## **2. Recommendations**

- 2.1 **Approve** the award of £181,700 GPF Revenue grant to Kent County Council to support the delivery of the Project identified in the Funding Bid and which has been assessed as meeting the criteria for funding.

## **3. Summary of issue**

- 3.1. On 9<sup>th</sup> June 2017 the SELEP Strategic Board (the Board) approved the use of the GPF Revenue grant to fund a programme of works to support the sector focussed activities that are being undertaken on a pan-LEP basis and predominantly led by the SELEP working groups, namely, the Sector Support Fund (SSF).
- 3.2. The Board agreed, in 2017, the programme of total funding available in each year would be up to £500,000 of revenue grant per annum for three financial years, beginning 2017/18.
- 3.3. At the June 2020 meeting a further £1 million was allocated to the SSF programme and it was extended until 31 March 2022 or when the fund is exhausted, whichever is sooner.

- 3.4. The purpose of the SSF is to support one-off, discrete pieces of work of a pan-LEP nature with a sector focus that brings demonstrable benefits and has support across the LEP. All applications must meet the criteria detailed in section 3 of the SSF Guidance and be submitted in line with the process in section 4 of the same. This process ensures that the funding is allocated in accordance with the requirements of the SELEP Assurance Framework.
- 3.5. The Catalyst for Culture project has submitted a bid for SSF of £181,700 to support the delivery of the Project, which was endorsed by the Board on the 11<sup>th</sup> December 2020

#### 4. Project Summary

- 4.1. As a response to the Covid-19 crisis, *Catalyst for Culture* supports venues to stay open, retain their existing workforce and provide much-needed new opportunities for regional freelancers and artists.
- 4.2. It develops industry knowledge in the creation, presentation and dissemination of socially distanced performance to existing and new (including marginalised) audiences; invests in the future with talent development opportunities for young people; and drives growth and productivity through a series of new regional productions.
- 4.3. The ***Catalyst for Culture Programme*** is a new partnership between established performing arts institutions of national and international standing in the SELEP region, providing live and on-line theatre experiences for audiences throughout **Kent, Medway, Thurrock, Southend, East Sussex, South Essex and Essex** during the Covid crisis, and supporting the creative, production and technical workforce, artists & freelancers across the SELEP region.
- 4.4. The partnership is the first of its kind between SELEP performing arts institutions, raising the profile of performing arts in the region and acting as a pilot for future development, as a base for performing arts production and skills development and as the foundation for a wider regional touring circuit.
- 4.5. The project is sponsored by Kent County Council

#### 5. Project Funding

- 5.1. The total cost of the Project is estimated at £268,200 including an SSF ask of £181,700, along with match and in-kind contributions from partners, as set out in Table 1 below.

**Table 1: Project Funding breakdown (£s)**

Source	2020/21	Total
SSF	181,700	<b>181,700</b>
<b>Other Funding Sources</b>		
Arts Council	4,000	<b>4,000</b>

England (Achieved)		
New Adventures – Cygnet School (Achieved)	25,000	<b>25,000</b>
Perfect Pitch (NPO) investment (Achieved)	6,000	<b>6,000</b>
Ticket income	20,040	<b>20,040</b>
In-kind support (Achieved)	31,460	<b>31,460</b>
<b>Total Project Cost</b>	<b>268,200</b>	<b>268,200</b>

### Issues for consideration

## 6. Risks and Dependencies

6.1. The Project risks and dependencies are detailed in Table 2 below.

**Table 2: Project risks**

<b>Risk</b>	<b>Mitigation</b>
Threat to live arts industry by uncertainties & extended social distancing period affecting viability	Culture Relief Fund support from government to support arts organisations until March 2021.  Development of new models, processes and investment routes (including partial pivot to digital & project funding).
Local Lockdown	Risk assessment have been carried out in all venues and are Covid19 secure. Local lockdown will simply pause for those projects affected. We have allocated time to re-schedule these projects into summer IF we needed. We have therefore given an extra month into the project for this (August). The majority of the programme can pivot to digital as a last resort.
Poor engagement from audiences and ticket sales are not achieved	A relatively low income for the project is allocated towards tickets. The income for tickets sales is based on a low forecast of 50% capacity. All three partners have a strong track record of selling tickets and good relationship with audiences. Each hub also has a strong marketing lead that will be involved in the project to ensure ticket sales are achieved
	Covid19 has seen a quick adaptation to virtual meetings, training sessions and networking

	events – audience will be receptive to this approach during and post-Covid-19. Each organisation will consult on/adapt to a gold standard of safety based on government and regional health officer advice to deliver this project. As a last resort, digital delivery can be provided.
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**7. Outcome of ITR Process (Accountable Body Comments)**

7.1. The Accountable Body has independently assessed the Project Bid Document and has confirmed that the Project meets the criteria for funding, including the Assurance Framework requirement with regard to the expectation that value for money will be achieved.

7.2. The Project aligns with SELEP’s strategic objectives to increase skills levels and STEM sector growth across the SELEP area by;

- Seeking to increase jobs and secure existing jobs by strengthening by supporting the performing arts in the SELEP region, following Covid-19. In addition, 15 young people from SELEP region will be given access to a one year dance training project, increasing skill levels.
- Primary Objective- Helping with post-Covid-19 recovery
- Aligns to ESS priority;
  1. Creating ideas & enterprise
  2. Developing tomorrow’s workforce
  3. Creating places
  4. Working together
  5. Accelerating infrastructure

7.3. The application references a target of;

Type of Benefit	Number of benefits created
A performance season reaching audiences drawn from all SELEP regions	Audiences (live & online) of 328,832
New creative commissions open to artists from all SELEP regions (6 in <i>Boards</i> ; minimum of 4 open call commissions/av fees)	10
1-year placements open to young dancers with Matthew Bourne’s Cygnet School	15

198 opportunities for artists & freelancers (total number of creatives involved across the project – stage managers, dancers, performers, designers, producers, musicians etc based on ITC daily rates).	198
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7.4. Exemption 1: This may be applied where a project does not present High Value for Money (a Benefit Cost Ratio of over 2:1); but

- has a Benefit Cost Ratio value of greater than 1.5:1; or
- where the project benefits are notoriously difficult to appraise in monetary terms.

7.5 The Project provides a BCR of 4.8:1 calculated

7.6 Exemption 1 will only apply if the following conditions are satisfied:

- (1) The funding sought from SELEP in relation to the project must be less than £2.0m and to conduct further quantified and monetised economic appraisal would be disproportionate; and
- (2) where there is an overwhelming strategic case (with minimal risk in the other cases); and
- (3) there are qualitative benefits which, if monetised, would most likely increase the benefit-cost ratio above 2:1.

## 8. Financial implications (*Accountable Body Comments*)

8.1 A total SSF fund of £1,206,500 was established for 2020/21; of this, successful funding applications of £345,510 have been awarded in year to date and should the projects which were endorsed by the Strategic Board in December 2020, all receive approval for funding awards, the remaining balance of SSF funding available for investment will be £261,729, as shown in Table 1.

8.2 The total of SSF projects (including Catalyst for Culture) endorsed at the December 2020 Strategic Board meeting, which are requesting approval in January 2021 (in separate decision reports) is £599,261. There is sufficient funding available to support the approval of these funding allocations as shown in Table 1.

8.3 The balance of funding of £261,729 is available for use in 2020/21 and 2021/22 (if not fully utilised in the current financial year), to support Covid-19 recovery SSF projects.

8.4 The Catalyst for Culture project in this report is seeking £181,700 of SSF. The Project came forward at the December 2020 Strategic Board meeting and was endorsed for funding by the Board.

**Table 1**

	<b>2020/21 £</b>
<b>Funding</b>	
Covid-19 Recovery SSF	1,000,000
C/f 2019/20	206,500
<b>Total 2020/21 funding</b>	<b>1,206,500</b>
<b>Approved projects 2020/21</b>	
Buy Local South East	69,510
Skills Working Group	76,000
Visitor Economy	200,000
	<b>345,510</b>
<b>Projects endorsed Dec. 2020 &amp; seeking approval</b>	
Gourmet Garden Trails (Extension)	35,000
Catalyst for Culture	181,700
Carbon Pathways (C-Path)	99,061
SE Export Development (SEED)	91,500
Building Back Better	192,000
	<b>599,261</b>
<b>Balance SSF remaining for investment</b>	<b>261,729</b>

## 9. Legal implications (*Accountable Body Comments*)

9.1. The grant will be transferred to Kent County Council via a notional grant agreement; the grant agreement will include a requirement for claw back of the funding if it is not fully expended or not expended in line with the Project Bid Document.

## 10. Equality and Diversity implications

10.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act;
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not;

(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

10.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

10.3 In the course of the development of the project business cases, the delivery of the project and the ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and where possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

## 11. List of appendices

11.1. Appendix 1 – Project Bid Document

11.2. Appendix 2 – Independent Technical Review report

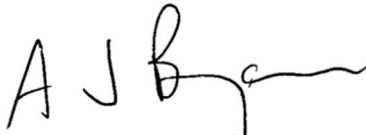
## 12. List of Background papers

12.1. Sector Support Funding Guidance [LINK](#)

12.2. SELEP Assurance Framework [LINK](#)

12.3. Minutes of the Strategic Board Meeting 11 December 2020. [LINK](#)

Role	Date
<b>Accountable Body sign off</b>  Peter Shakespear (On behalf of Nicole Wood, S151 Officer, (Essex County Council)	06/01/2021

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>    Adam Bryan Chief Executive Officer for the South East Local Enterprise Partnership	<b>Date</b>  19/01/21
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