

Llywodraeth Cymru Welsh Government

Ein cyf/Our ref DC/DB/00035/24

Delyth Jewell MS Chair Culture, Communications, Welsh Language, Sport, and International Relations Committee

24 January 2024

Dear Delyth,

Thank you for your correspondence of 16 January about the Arts Council of Wales' Investment Review and its decision not to fund National Theatre Wales from April 2024. I am not in a position to meet at this time.

Under the arm's-length funding principle, the Investment Review is an issue for ACW and the Welsh Government does not interfere in its funding decisions. I maintained close contact with ACW throughout the Investment Review process through existing arrangements and was briefed at key stages about progress. My officials have also been in contact with ACW on your behalf to address the issues you raised in your letter.

ACW took a number of steps throughout the development, application and assessment stages of the Investment Review to ensure the process was equitable and appropriate. ACW undertook an extensive consultation process on the proposed new approach to the Investment Review, the application process and the appeals process. ACW sought to get as broad a range of representations as possible with consultation sessions held on Zoom and opportunities for the sector to respond via an online survey and email. Throughout this period, ACW actively promoted the consultation, through a variety of networks, social media, newsletters, and direct mailings and received circa 80 responses.

Whilst, for fairness and transparency considerations, ACW applied the same application and assessment process to all applicants, the approach and proposals were designed in a way to accommodate organisations of all sizes, resources and experience of investment Reviews. ACW published its <u>Investment Review Consultation Response</u>, its <u>Investment Review 2023 Guidance</u> and its <u>Appeals Process</u> ahead of the opening for applications on the 9th January 2023.

ACW also offered support during the application window, with the opportunity to have a guided conversation with an ACW Officer. Whilst these conversations did not provide any further detail than the published Guidance, they were available to assist applicants on specific questions. ACW also maintained FAQ's to further assist organisations and ensure that all potential applicants had access to the same information at the same time.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Organisations were also able to submit applications in a number of ways, through Welsh, English, or BSL and also in written, audio or video format.

ACW undertook a robust assessment process in line with the published guidance, focused on six principles: Creativity, Widening Engagement, Welsh Language, Climate Justice, Nurturing Talent, and Transformation. ACW also applied five balancing factors to take a wider view. Following the announcement of indicative funding decision in September, an independent appeals process then opened to organisations who were unsuccessful which concluded in December.

ACW arranged for its internal audit service provider to undertake their own scrutiny of its proposals through a series of internal audits throughout the project. These examined a number of areas, including the Investment Review Guidance, the Appeals process and the assessment process, details of which were also included in the published Guidance. These internal audits were commissioned to provide the Council with an independent opinion and additional assurance on the key stages of the Investment Review. All audits returned a rating of Substantial Assurance.

I understand that not everyone is satisfied with the Investment Review decisions, and should NTW not be content, they have been advised that they could consider taking the matter to the public ombudsman. It would not be appropriate for the Welsh Government intervene in the process.

I am aware that of ACW's commitment to undertake strategic interventions across a number of disciplines from 2024. The Strategic Interventions are a direct response to the learning gathered and decisions made as a part of the Investment Review process. I welcome ACW's commitment to undertaking a strategic intervention on English language theatre.

In line with ACW's published Guidance, organisations that were unsuccessful in their application to the Investment Review 2023 would still be eligible to apply to ACW through its published lottery programmes for funding for specific project activity.

Additionally, there is <u>Transition Support</u> available to current Arts Portfolio Wales organisations, including National Theatre Wales, who were unsuccessful in their application this Investment Review. This support includes both financial support and the offer of additional and specific advice and expertise to help the organisations adjust to no longer receiving their core annual funding.

National Theatre Wales have been made aware of both of these options and ACW is awaiting a response to its offer to meet with them to discuss their options going forward.

Yours sincerely,

Dawn Bowden AS/MS Dirprwy Weinidog y Celfyddydau, Chwaraeon a Thwristiaeth Deputy Minister for Arts, Sport and Tourism