



Cyngor Celfyddydau Cymru
Arts Council of Wales

19 April 2011

Naomi Stocks
Clerk
Petitions Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

Dear Ms Stocks

P-03-317 Hijinx Funding

I'm writing in response to the letter of 18 March 2011 on the above from Christine Chapman AM.

You asked for further information on three matters:

1. The background to our decision to reduce the level of our revenue funding to Hijinx
2. The impact of this reduction on the Unity Festival
3. Levels of funding in future years

Hijinx Theatre's revenue funding

Over the past two years we've been engaged in a 'root and branch' review of our arts funding, what we called our Investment Review. The Investment Review reflected a requirement placed on us in our 2009/10 Remit Letter from the Heritage Minister. We were asked Council to:

"...develop a funding strategy that places the funding of the Arts Council's revenue funded organisations on a more sustainable basis. This strategy should not be dependent on current or historic funding agreements. You should take a fresh look at funding strategy and be prepared to look robustly at the effectiveness of current investment. We wish to see ambitious proposals for the future. The aim must be to secure a vibrant and dynamic arts sector, better able to bring the highest quality arts activity to audiences and participants across Wales."

Plas Bute, Caerdydd CF10 5AL
Ffôn: 0845 8734 900
Ffacs: 029 2044 1400
Minicom: 029 2045 1023
Epost: gwybodaeth@celfcymru.org.uk
Gwefan: www.celfcymru.org.uk

Bute Place, Cardiff CF10 5AL
Tel: 0845 8734 900
Fax: 029 2044 1400
Minicom: 029 2045 1023
Email: info@artswales.org.uk
Website: www.artswales.org.uk

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The objectives, parameters and conduct of the Investment Review were subject to several months of detailed consultation. The outcome of that consultation was published in its final form in September 2009 as the Review's Terms of Reference.

We received funding submissions from 116 organisations, including from Hijinx. All submissions were assessed according to a common set of criteria. Having considered all of the submissions, we announced in June 2010 a new portfolio of organisations that would receive revenue funding from April 2011.

Hijinx was included as one of those organisations, albeit with a reduced level of revenue funding. Levels of revenue funding for all organisations were announced in December 2010. The level of funding allocated to Hijinx for 2011/12 was £160,000 (2010/11 - £234,448).

The reasons for our decision were summarised in a detailed public document *Renewal and transformation* (available from our website) published in June 2010. The reference to Hijinx is as follows:

"The successes of Hijinx are, in our view, more mixed. Hijinx has attracted praise for its developmental work around Odyssey Theatre and the Unity Festival, but community touring has been less consistent. This dual activity – community touring on the one hand, and work with and for people with learning disabilities on the other – is set out in Hijinx's business plan.

We could see real dynamism in Hijinx's descriptions of its work on the Odyssey Theatre project. This is an area in which we feel Hijinx has excelled. It serves a specific audience, but one that isn't served widely elsewhere. Hijinx's touring activity, however, seemed largely about maintaining more established and familiar ways of working. We couldn't feel confident that this would achieve the kind of transformational change in theatre that we believe the sector needs."

In reaching this decision, we considered Hijinx both on its own individual merits, and as part of the overall 'infrastructure' of theatre activity in Wales. We concluded that the touring activity didn't present a strong case for support, and other theatre activity elsewhere was felt to be a higher priority for our support.



We explained to Hijinx back in June 2010 that we wouldn't be continuing our funding for this touring activity, and that we would, with a reduced allocation of funding, focus instead on the company's well-regarded programme of work involving people with learning disabilities. We remain convinced that this is the right approach.

The Unity Festival

Hijinx expressed concerns to us that the new level of funding on offer might not enable them to fulfil their revised role to the standard of quality that they would wish. Our discussions looked in particular at the Unity Festival.

As part of our wider Investment Review process, we agreed to take a different approach to the future funding of festivals. In *Renewal and transformation* (June 2010) we said:

“...we'll bring together all sources of funding – grant-in-aid and Lottery – to give us the flexibility we need to ensure effective, 'joined up' implementation of our priorities...

...it's our intention to invest in festivals from Lottery funds from 2011/12. Festivals remain an area of Council priority, but revenue funding will be used to focus on the needs of those organisations delivering a year round programme of activity.”

We explained the new arrangements to Hijinx, who submitted an application for the Unity Festival earlier this year. As a result, they've been awarded funding of £50,000 for 2011.

It's possible that there might well be some staff redundancies resulting from our focusing on the priority area of work with and for people with learning disabilities. However, given this reduced remit, we believe that it's right for Hijinx to look at its running costs to ensure that it is able to concentrate as much money as possible on its 'front-line' arts activity. We've provided a further £20,000 of funding to enable Hijinx to develop new business models.

Looking at the funding picture 'in the round', and we believe that Hijinx is now well placed to enhance, rather than diminish, the impact of the Unity Festival, and we look forward to a very successful event later in the year.



Funding in future years

In December 2010 we wrote to Hijinx to say that we expected to continue our 2011/12 level of revenue funding at the same level in the two subsequent financial years. That remains our intention.

We understand that Hijinx will be concerned that part of their annual programme of activity (the Unity Festival) will in future be funded through the Arts Lottery rather revenue funding. However, this is consistent with our agreed and published strategy (as explained above) and applies to our support for all festivals who will in future apply for funding on a competitive basis.

It's worth noting, however, that this does open up new potential opportunities. As we've seen in 2011, Hijinx has been able to secure increased funding for the Unity Festival. We see no reason why Hijinx shouldn't be able to present similarly persuasive cases in future years.

In conclusion, I'd want to emphasise that we have the highest regard for the Hijinx team and we have every wish to see them succeed. And it's why Hijinx will continue to be an important part of our future plans. We believe that with the funding that is in place, this is entirely possible.

With declining budgets we are constantly having to make choices, often very difficult ones. This hasn't always made us popular, but we believe that we have made our funding decisions on a strategic basis that is consistent with our published advice. If I can provide any further information on this issue please don't hesitate to contact me.

Yours sincerely
Nick Capaldi

Nick Capaldi
Chief Executive

