

Eich cyf/Your ref
Ein cyf/Our ref



Llywodraeth Cymru
Welsh Government

Nick Capaldi
Chief Executive
Arts Council of Wales
Bute Place
Cardiff
CF10 5AL

April 2020

Dear Nick

2020/21 Grant in Aid – Interim Funding Letter

I am writing to you with interim Grant-in-Aid figures for 2020/21 as presented in the table below. These figures are based on the Welsh Government's published budget for 2020/21 but you should be aware that due to the Covid-19 crisis and the need to re-prioritise funding to support critical functions all Welsh Government funding is now subject to possible change as the year progresses. Any changes to the funding as indicated below will of course be communicated to you at the earliest opportunity.

To note also that we have approved the carry-over request of up to £1.166m at the end of 2019/20, on condition that 100% of this funding is for use as part of the Arts Council of Wales' emergency response to COVID-19 and subject to enhanced monitoring of your finances in year to ensure that this situation is not repeated.

Payments from Welsh Government should not be considered as a commitment to a particular level of funding for the year but are being provided as cash Grant-in-aid payments and will be reconciled with the overall funding position if changes to the published budget are required.

Could you now please send us your 2020/21 GIA claim profile for 2020/21, based on these interim figures, as soon as possible.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nicola Guy'.

Dr Nicola Guy
Deputy Director
Culture & Sport Division

Expenditure

THE ARTS COUNCIL OF WALES	Budget 2020/21 £'000
Revenue - Current Expenditure / Running Costs	31,923
Non Cash - Depreciation*	119
Arts Council/WMC**	355
Additional Capital Expenditure***	400
Total	32,797

The breakdown between expenditure and running costs is to be confirmed.

* This is a non cash item and is not available for draw down in the course of the year

** The allocation of £355,000 of capital funding comprises £300,000 to Wales Millennium Centre under a long-standing Welsh Government arrangement. The balance of £55,000 funds the Arts Council's own capital costs

*** Up to £150,000 of this allocation is for the Robert Owen Memorial/Commemorations.

TOTAL Grant-In-Aid 2020/21

£32,797,000

Terms and Conditions of Grant-in-Aid funding:

The Arts Council of Wales' funding agreement with the Welsh Government (the Framework Document) sets out the details of the sponsorship relationship and the terms and conditions under which the Welsh Government provides Grant-in-Aid funding to the Arts Council as a Welsh Government Sponsored Body. Grant-in-Aid funding is provided to the Arts Council under Section 61 of the Government of Wales Act 2006.

The Framework Document also sets out various operational requirements and refers to government guidance and policies with which the Arts Council of Wales needs to comply, in addition to its own duties and responsibilities as a Charter body, Registered Charity and public institution in Wales. As stated in the Framework Document, the Welsh Government's Culture, Sport and Tourism Departments (Arts Branch) is the sponsor department for the Arts Council of Wales and monitors its progress against key targets and milestones through quarterly meetings.