

**THE BARING FOUNDATION'S SMALL ARTS GRANTS
1997 - 2004**

AN OVERVIEW

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Foreword

The Baring Foundation has regarded the arts as one of its principal areas of activity from its inception in 1970, concentrating initially on the encouragement of performance or composition for its own sake, in recognition of the financial risks and difficulties involved in putting on new or unconventional performances, or even relatively conventional performances in unusual locations. Over the years, the Foundation started to develop an interest in performances with a specific audience in mind for whom there would be a special benefit, whether educational or rehabilitative.

Following the drastic reduction in its financial resources in 1995 the Foundation decided to direct its arts funding exclusively towards educational or community activities. The timing of this change of direction had been dictated by the Foundation's financial position and was adopted with some regret. There was, however, a surprising element of serendipity about it because, with hindsight, it can be seen that it was exceptionally well timed.

The emotional and imaginative benefits of artistic experience may have been understood for centuries but there was what seemed to be a new and improved recognition of this in the mid-1990s by government, encouraged by the experience of workers in the more intractable areas of health, education, community affairs and the prison and probation services. In 1995 the arts became one of the beneficiaries of the National Lottery but, initially, grants were for capital projects only. For small and genuinely innovative arts organisations that were capable of putting together effective, relatively small-scale, community or educational arts activities and events, the immediate need was for grants that would enable those activities and events to happen and which would require some courage and imagination in the making.

This sort of grant called for a funder who was prepared to give a relatively large proportion of the project budget to arts organisations of different types and sizes, some of which were new companies with only a tenuous financial record. From the funder's point of view this had the advantage of requiring a direct dialogue and, albeit briefly, a relationship with the artists who were driving the project. All this naturally suited the Foundation, including both its staff and trustees, and as a result the Arts Committee, while necessarily selective and on occasions quite hard-nosed, derived a notable amount of pleasure and interest from the programme.

Between 1997 and 2004 the Foundation received 3,328 eligible applications and awarded 535 grants totalling £1.75million. It was a constant source of satisfaction to see how much in terms of performance could be secured by a grant of £7,000 or less and our only regret – an inevitable feature of small grant giving on a selective basis – was the difficulty we experienced in restraining the cost of assessment while remaining fair and adequately thorough as regards all applications. Our own economies never seemed to match the economies achieved by the artists we were supporting.

Apart from the artists themselves, the direct beneficiaries of the arts programme, post 1997, were not expected to include substantial numbers of the general public. However those who have been observers of the various events and activities and their impact on the intended beneficiaries have consistently commented on their excitement and evident value.

At the end of eight years there is still a vigorous demand for small project grants and every sign that they can be used productively. New companies are being formed all the time and are looking for funders to get them started. However there are now many more sources of funding and most of the larger arts companies have developed their own education departments which

widen access to their mainstream activity. Some of the small arts companies that received grants under the Foundation's programme are now capable of presenting financial and performance records that will satisfy most funders so far as individual projects are concerned. The increased availability of project funding means that what many smaller companies now need is longer-term support to enable them to develop and maintain their core administrative and artistic operation at a viable basic level. With this in mind the arts programme is now restricted to three-year, core grants to a much smaller number of arts organisations. We are confident that there will be plenty of suitable applicants and look forward to learning from the longer-term relationships we will have with them.

The Overview of the Small Arts Grants Programme has been prepared by Phyllida Shaw who with a small team of advisers has managed the programme throughout its existence.

Jim Peers
Chairman
Baring Foundation Arts Committee

17/2/06

1. Introduction

For eight years, from January 1997 – September 2004, the Baring Foundation ran a grants programme to support small-scale arts projects in educational and community settings. An Arts Committee, with a membership of up to four trustees and two independent advisers¹, supported by the Foundation's Director and its Arts Adviser, met 25 times over eight years, considered applications from 3,428 arts organisations and awarded £1.74m to 535 projects.

The Arts in Education and the Community Programme (as it was initially called) was created to meet the demand for small grants to support projects involving professional arts organisations in educational and community settings. This type of arts practice had been of interest to the Foundation for some time and since 1992 it had been tracking its expenditure on 'arts education'.² In 1994 (the last full year of operation before Barings Bank plc went into administration in January 1995) just over £2.1m had been spent on arts projects, of which £0.84m (40%) had been categorised as arts education.

In autumn 1995, as part of the process of designing its new grantmaking programmes, the Foundation commissioned freelance researcher Phyllida Shaw to review its support for arts education and to advise on how it might continue to invest in this work with a reduced budget. The review³ concluded that for arts organisations working in education and community settings, a small grant towards a small project would be valuable in three ways. It would contribute to the cost; it would give the applicant confidence that it could raise similar sums from other sources; and the Foundation's reputation as one of the UK's best known grantmaking trusts was likely to persuade other funders that the applicant organisation was worth supporting (whether for the current project or a future one).

In January 1997, the Foundation launched its Arts in Education and Community Programme. The programme initially comprised three funds: the Core Costs Fund, for solicited applications only, the Small Projects Fund and the Knowledge and Skills Exchange Fund. The latter two funds were open to constituted arts organisations, in the UK, planning projects costing up to £20,000, towards which applicants could seek a maximum grant of £5,000.

In 2002, the programme was renamed the Arts Programme. The Core Costs Fund remained in place and the other two funds were merged into a single fund for small arts projects. The Arts Programme continued, with a few adjustments, described below, until September 2004.

The Foundation decided to close its Small Projects Fund for three main reasons. The first was that the Foundation's priority, in all of its programmes, is now to help organisations to increase their capacity to deliver their objectives. While it could be argued that an organisation learns from every project it undertakes and may become more effective as a

¹ The advisers were, in chronological order of service, Sue Harries, Tim Bostock, Ester Salamon and Deborah Sathé. The Arts Committee was chaired successively by Lord Ashburton, Nicholas Baring and Ranjit Sondhi. Phyllida Shaw was asked to join the Foundation as Arts Adviser in 1997 and remained in that role for the duration of the programme.

² Arts education meant education *in* the arts (e.g. the acquisition of dance skills) and education *through* the arts (e.g. learning about people, or a place, or a subject through theatre; learning how to work together through music, etc). The Foundation also used it to describe participatory arts projects in community settings.

³ Shaw, P (1996) *Support for the Arts in Education and the Community. A paper for the Baring Foundation*. 5 January 1996. Internal paper

result, increasing the capacity of arts organisations has not been a stated purpose of the Arts Programme since 2002.⁴

The second reason was that, since 2000, the Foundation has had less money to distribute. The budget for the Arts Programme was reduced from £250,000 in 1997 to £165,000 in 2004. Each year, fewer projects had been benefiting. In 2000, 66 projects had been funded, in 2002, 48 and in 2004, 38. The Foundation took the view that the administrative expense involved in distributing small amounts of money was becoming harder to justify.

The third reason for winding up the Small Project Fund was that, while the demand for funding for small-scale, community-focused arts activity continues to outstrip the supply, there are more sources of funding for this type of activity than there were in 1997. (See section 4 for an overview of the changing policy and funding context for the arts since 1997.)

Before closing the book on its funding of small-scale arts projects, the Foundation thought it would be useful to reflect on who had benefited from the programme and to consider the lessons learned from the delivery of the programme over eight years. Phyllida Shaw was asked, by the Foundation, to produce a paper that would:

- look at the type of arts organisation that had applied for a grant from the Small Projects Fund, the types of organisation supported, the activities involved and the groups they expected to benefit, and to describe any trends over the eight years;
- draw conclusions about these trends, in particular the influence of changes in government and Arts Council priorities and the establishment of complementary funding programmes since 1997.

The Arts Committee anticipated that the paper would add to the Foundation's knowledge and understanding of the funding environment in which arts organisations working in educational and community settings operate, and that it might inform the Foundation's future approach to small-scale grantmaking in other areas.

1.1. Methodology

This paper draws on:

- an analysis of all applications made and grants awarded between 1997 and 2004, using the Foundation's grants database, Council minutes, Arts Committee papers and annual reports;
- a review of all monitoring forms submitted by organisations on the completion of their projects, 1997 - 2003;⁵
- the Arts Adviser's overview of policy and funding programmes relevant to arts organisations seeking project funding.

⁴ Grants made, until 2002, from the Knowledge and Skills Exchange Fund were often directed at increasing organisational capacity.

⁵ At the time of writing 9 grants made in 2004 were still being spent and monitoring forms were not available.

2. Summary of Findings and Reflections

2.1. Applicants

The profile of applicants, in terms of the type of arts organisation (those with and without venues, festivals, etc), their national or regional location, the type of activity for which they were seeking funding, and the people they intended to benefit remained remarkably consistent from year to year (sections 3.4 – 3.6).

2.2. Beneficiary groups

The most common beneficiaries of the programme were children and young people, followed by communities, defined by place (e.g. residents of a particular part of a town, a village or housing estate). Black and Minority Ethnic (BME) communities and people with physical disabilities and/or learning disabilities were the next most common beneficiaries.

Arts practitioners (artists, technicians, arts managers, etc) featured high on the list of direct beneficiaries until 2002, when the Knowledge and Skills Exchange Fund (KSEF) ceased to exist as a separate fund. The KSEF had been designed to support individual and organisational development. While applicants of this type were still eligible to apply to the new, combined programme, those applications began to reduce in number and those that were submitted found it hard to compete with small projects that involved direct contact with a beneficiary group and higher levels of public participation.

Since the Arts Programme was open only to constituted arts organisations (which in most cases meant the project would involve salaried or freelance workers), arts practitioners also benefited from almost every grant made (section 3.8.)

2.3 Regional spread

For the first three years (1997 – 1999 inclusive), the programme supported work in all four nations of the UK. From 2000 it supported work in England and Wales only. Throughout the eight-year period, the largest number of applications came from London, followed by North West England and South West England. For the purposes of categorising applications, the Foundation used the regional boundaries used by the Arts Council of England in 1997. Those boundaries changed in 2003, but the Foundation retained the 1997 version for the duration of the programme.

The only region that significantly increased its share of applications and awards was the South East. This is a region with no major urban centres and a smaller number of constituted arts organisations. The increase in applications from the South East appears to have been a direct response to the Foundation informally notifying the Arts Council's regional office (then called the Regional Arts Board) and arts networks in the South East that the number of applications was low. The proportion of applications from organisations in some other regions and in Wales remained low, despite similar, informal prompting. (Section 3.6).

2.4 Money

In the first year of the programme, the Foundation made 110 awards. The number of awards decreased every year, as the budget decreased from £250,000 in 1997 to £165,000 in 2004. In 2004, only 38 grants were made.

The average value of each grant increased from £2,394 in 1997 to £4,525 in 2004 - an increase of 89%. This is explained principally by the increase in the upper limit of awards from £5,000 to £7,000 and organisations' natural tendency to apply for close to the maximum amount available.

The decision to limit the size of the project for which funding could be requested (initially up to £20,000, then rising to £25,000) increased the likelihood that the Foundation's contribution would 'make a difference'. The Foundation had no expressed wish to be the major funder, but it was often one of the major funders of the small projects it supported. The monitoring reports submitted by grant recipients confirmed that the Foundation's name was continuing to be useful in leveraging funds from other sources – public, private and charitable. No research has been done to this end, but there is anecdotal evidence to suggest that the association with Baring's Bank (and subsequently ING) may have helped some arts organisations to open the door to commercial sponsorship.

Another effect of the upper limit of the project budget was to attract smaller organisations and to deter larger ones with plans for more expensive projects. When larger organisations (symphony orchestras, national museums and galleries, the National Theatre) did apply for support for a small grant, they found themselves in competition with smaller organisations that consistently submitted challenging and interesting applications and that made a stronger case for funding (sections 3.1 – 3.2).

2.5 The value of the grants to the sector

The Small Projects Fund regularly received applications from organisations that had been in existence for only a year or two. For young organisations, project funding is the only point of entry to longer-term funding (whether from the Arts Council or another source) and, depending upon their 'product', income generation. On condition that the proposal was sound, the Arts Committee was always ready to take a risk on relatively inexperienced organisations in the early stages of their development. Some organisations credit the project grant they received from the Foundation with helping them to become established players in the field. This has notably been the case in the fields of criminal justice and disability.

The small grants were been important not only in supporting individual and collective creativity for its own sake, but also in the contribution they appear to have made to community development and the building of social capital.

2.6 The value of small-scale grantmaking to the Foundation

The number and range of applications to the Small Projects Fund and the Knowledge and Skills Exchange Fund enabled the Arts Committee to develop a good understanding and knowledge of the practice of arts organisations working in educational and community settings and of the needs they aimed to meet. The diversity of the applications considered by

the Arts Committee invariably led to discussions about the relative needs of different groups and different parts of the country and about the skills required of the artists to undertake the projects their applications described.

The Small Projects Fund had an important influence on the themes of the Core Costs Fund. It was the applications to the Small Projects Fund that highlighted the value of a Core Costs round focusing on, for example, the arts in rural areas, children, and work by and for BME communities.

The decision to open up the Core Costs Fund to smaller organisations was a direct result of the Foundation's interaction with smaller organisations through the Small Projects Fund. Until 2002, the Core Costs Fund was targeted mainly at organisations with an annual turnover of £200,000 or more. In 2003 the Trustees agreed to a Core Costs round specifically for smaller organisations with a turnover of between £60,000 and £120,000 working with disadvantaged groups.

As well as informing the themes of the Core Costs Programme, the Small Projects Fund has also produced many of the nominees. The Small Projects Fund became a useful 'feeder' to the Core Costs Programme and helped to keep the Foundation's finger on the pulse.

2.7. Reflections

2.7.1. Eligibility

Only independently constituted arts organisations were eligible to apply to the Arts Programme.⁶ This condition excluded venues (e.g. theatres, concert halls, arts centres, museums and galleries) run by a local authority, a university, college or school. It also excluded hospital arts programmes and community-based organisations that had a remit other than the arts (e.g. youth work or play).

For non-arts organisations using the arts (e.g. youth or community organisations) a future small grants programme might include an 'exceptional case' category that would enable the Foundation to support a non-arts organisation that was using the arts to meet a need in a particular area or to test a new way of working. The time required to assess such applications could be controlled by a two-stage process. Applicants would submit a one-page summary arguing that they were an 'exceptional case'. If the assessor agreed, the applicant would be invited to make a full application.

From 2000, applicants based in Scotland and Northern Ireland were excluded. Activity in Scotland or Northern Ireland could still be considered if it was part of a tour, but the bulk of the funded activity had to take place in England or Wales. The decision to focus on England and Wales was prompted by the reducing budget and by an assessment of the other funding opportunities for arts organisations in Scotland and Northern Ireland. On reflection, the Arts Programme would have been enriched by the continued inclusion of projects from Scotland and Northern Ireland, where some exemplary arts work in educational and community settings continues to take place.⁷

⁶ Limited companies, charities, cooperatives, unincorporated associations, partnerships, etc were all eligible. It was not necessary for an applicant to be a charity.

⁷ This exclusion also applied to the Core Costs Programme.

2.7.2. Responding reductions in budgets

The decision to increase the largest grant available from £5,000 to £7,000 was swiftly followed by a reduction in the programme budget. While the larger grants were undoubtedly welcomed by those who received them, it may be that when a programme budget has to be reduced, the upper limit of grants should also be reduced, so that more organisations can be supported.

2.7.3. Increasing applications from under-represented regions and groups

The South West submitted a large number of applications relative to some regions with more urban centres and more arts organisations. The reason for this is not clear. One possibility is that the arts organisations in the region are well networked and that when one received a grant, others heard about it and were encouraged to apply. Another possibility is that the three Core Costs grants awarded in the South West (to Exeter Phoenix, the Barbican Theatre in Plymouth, and ACTA in Bristol) were publicised locally and more organisations became aware of the Foundation as a result. It is also possible that arts organisations learned that Devon and Cornwall were priority areas for the Foundation for part of the eight-year period (although this was in relation to the Strengthening the Voluntary Sector Programme and not to the Arts Programme) and thought their chances of success would be greater.

In the South East, where the number of applications submitted was low, the Foundation's informal prompting of regional arts networks appears to have stimulated a growth in applications. There is no hard evidence that this was the case and the increase in numbers may have been a coincidence, but it prompts the reflection that the Foundation could be more proactive in using local and regional networks to advertise its programmes.

2.7.4. The internet and email

Since the Arts Programme started in 1997, the arts sector and grantmakers have greatly increased their use of the internet and email. The internet provides easy access to information about who has received funding for what type of activity. More grantmaking trusts are publishing annual reports and lists of grants made on their websites. Potential applicants are able to download guidelines and application forms. These developments have resulted in the Foundation's office receiving fewer enquiries by telephone, but more applicants have contacted the Arts Adviser, by email and telephone, to discuss potential applications. The Foundation could make more use of its website to describe the types of activity supported (e.g. through a regularly changing collection of short case studies) and to reflect on the impact of its programmes.

2.7.5. Monitoring and evaluation

Recipients of projects grants were required to submit a monitoring form to the Foundation on completion of the project. This form was updated once during the eight-year period. Samples were reviewed every two to three years, by the Arts Adviser, who made occasional reports to the Arts Committee and one to the full Council. The forms asked for a combination of

numbers (e.g. How many people participated? How many events took place?) and opinion (e.g. What did you learn from the project? Were there any surprises?).

Were the Foundation to launch a programme now, it would benefit from being clearer about whether it was collecting information for monitoring purposes (Did the organisation do what it said it would do?) or for evaluation purposes (Did the funded project achieve what the applicant wanted it to achieve? Is this programme achieving what the Foundation wants it to achieve?). This would help it to design more appropriate methods of collection and analysis of information from grant recipients.

3. The Arts Programme

This section describes the purpose the Arts Programme and who benefited from it and suggests explanations for the findings.

In January 1997, the Baring Foundation launched a new grants programme to support small-scale arts projects in educational and community settings. The Arts in Education and Community Programme comprised two funds: the Small Projects Fund and the Knowledge and Skills Exchange Fund.

In 2002, the Small Projects Fund and the Knowledge and Skills Exchange Fund were merged and became part of the Arts Programme. The Arts Programme also included a Core Costs Fund. This was a 'by invitation only' fund, awarded initially by region and currently by theme (e.g. refugees and asylum seekers). References to the Arts Programme in this paper refer only to project funding.

3.1. Eligibility and funding criteria

The name of the Arts Programme changed, but its aim remained the same. This was to support constituted arts organisations in increasing opportunities for people to participate in and enjoy the arts, especially where such opportunities were in short supply.

The Foundation's priority was activity involving professional arts practitioners in 'educational and community settings'. These settings typically included arts venues, schools, youth clubs and play centres, drop-in centres, community centres, parks, adventure playgrounds, housing estates, villages, leisure centres, day centres, residential homes, hospitals, hospices, health centres, prisons and young offenders institutes.

For the first three years, the programme was open to arts organisations in England, Scotland, Wales and Northern Ireland. From 2000, organisations in Scotland and Northern Ireland were no longer eligible to apply. The Foundation's distributable income was reducing. The Trustees could respond by funding fewer organisations throughout the UK or it could redraw its boundaries with a view to reducing the number of applications. The Trustees took the view that, as a result of devolution, arts organisations in Scotland were likely to have access to more sources of funding than previously. In Northern Ireland the number of applications had been low and here, too, there were thought to be more funding opportunities for arts organisations working in educational and community settings (e.g. peace and reconciliation budgets) than before. The Foundation decided that it would fund in England and Wales only.

Organisations of any size could apply, but the financial limit on projects that would be supported tended to attract smaller organisations. From 1997 - 2001 the maximum grant available was £5,000 and the budget for the project towards which a grant would be made could not exceed £20,000. In 2002 these upper limits increased to £7,000 and £25,000 respectively.

3.2. The budget

The annual budget for project funding, over the eight-year period of the programme, is shown in Table 1, alongside the actual sum spent.

Table 1 Budgeted and actual expenditure for arts projects 1997 – 2004

Year	Budget £	Actual £
1997	250,000	263,395
1998	250,000	239,144
1999	250,000	250,666
2000	190,000	221,717
2001	200,000	224,069
2002	200,000	194,660
2003	165,000	174,985
2004	165,000	171,969
Totals	1,670,000	1,740,605

The higher actual spend was usually the result of a grant awarded in a previous year having been returned by the recipient, because a project had been cancelled. Occasionally, at the final meeting of the year, the Chair of the Arts Committee would authorise an increase in the budget to enable the Committee to support applicants to the level required to deliver their projects.

For the first three years of the programme, a notional 36% of the budget was allocated to the Knowledge and Skills Exchange Fund and 64% to the Small Projects Fund. In practice the ratio was closer to 30:70 because of the large number of applications to the Small Projects Fund.

This trend continued and in 2000, when the programme budget was reduced from £250,000 to £190,000, the budget for the Knowledge and Skills Exchange Fund was lowered from 36% to 21% of the total available (£40,000).

When, in 2001, the programme budget rose again to £200,000, the Knowledge and Skills Exchange Fund allocation remained at £40,000 (20%).

3.3. The number of applications received

Table 2 Applications received 1997 – 2004

Year	No. of eligible applications	Grants made	Success rate %
1997	752	110	14.6
1998	462	88	19.0
1999	433	80	18.5
2000	452	66	14.6
2001	336	63	18.8
2002	286	48	16.8
2003	299	42	14.0
2004	308	38	12.3
Totals	3,328	535	16.1

Between 1997 and 2004, the Foundation received 4,127 applications for arts project grants of which 3,428 (83%) were eligible. The analysis in this section relates only to the *eligible* applications.

Table 2 shows the number of eligible applications received in each year of programme, the number of grants made and the percentage of applications that were successful.

In its first year, the programme attracted 39% more eligible applications than in any subsequent year. From 1998 to 2000 the number of eligible applications remained steady, in the mid 400s.

In 2000 the Foundation had less to spend but it took a year for this to make an impact on the number of applications submitted. In 2001 the number of eligible applications dropped from 452 to 336. There are three possible reasons for this:

- potential applicants may have become aware that the budget had been reduced and that their chances of success were smaller and decided not to apply;
- the ineligibility of applicants in Scotland and Northern Ireland (applications from Scotland had previously accounted for between 5% and 10% of the total and applications from Northern Ireland for between 1% and 2%);
- the availability of new funding schemes for small projects, from the Arts Councils of England and Wales, and from the combined Lottery programme (Awards for All) that offered a higher success rate.

From 2002, the number of eligible applications reduced further (from 336 in 2001 to 286 in 2002). The main reason for this appears to have been the closure of the Knowledge and Skills Exchange Fund as a discrete fund. Although the exchange of knowledge and skills remained an eligible activity, the Foundation was no longer signalling that it was a priority.

From 2002 it was hard for an application involving an exchange of knowledge and skills to compete against a small project that promised a more direct impact on a beneficiary group.

So, for example, a proposal to produce a directory of musicians working in hospitals would be less likely to be funded than an activity involving musicians directly with patients. Similarly, an exchange between two dance companies working in youth clubs to learn more about each other's practice would be less likely to be funded than a series of youth dance workshops leading to a performance.

The lower success rate in 2003 and 2004 was due not only to the smaller budget but also to the fact that from 2002, applicants could apply for £2,000 more (up to £7,000).

3.4. The type of organisation applying for grants

It is not possible to provide reliable, comparative data on types of applicant for the whole eight-year period of the programme. Until 2000, the categorisation (coding) of applications was undertaken by the Arts Adviser and the Foundation's administrative team. In 2000, additional categories were introduced and applicants were asked to classify themselves, using a multiple choice system. The most reliable comparative data therefore relates the period 2000 – 2004.

Table 3 Type of organisation applying for small project grants (excluding Knowledge and Skills Exchange grants) 2000 - 2004

Type of organisation	Average % of applications per year
Arts companies without a public venue	35
Arts companies with a public venue (also referred to as 'building-based companies')	17
Venues (applying in own right)	12
Touring companies	11
Festivals	7
Service organisations	4
Other	14

From 2000 until 2004, the most common type of applicant was the **arts company without a public venue**. This group submitted 35% of applications per year and was made up mainly of companies of arts practitioners (actors, musicians, dancers, visual artists, youth arts workers etc) running projects and events in their own area and taking their work to other parts of their region or country. Typically they would have an office base and perhaps a workshop, but no permanent venue in which to work with participants or audiences.

Touring companies made an average of 11% of applications per year. These companies toured theatre productions, dance, opera and music. Some of them ran a participatory education programme in parallel with their touring production. If this group is added to those described above, the proportion of applicants without a venue of their own rises to 46%.

Festivals (many of which had no permanent venue, but used several different venues locally) made up a further 7% of applicants.

Arts companies with a venue (e.g. an opera company based in an opera house) accounted for 17% of applications per year between 2000 and 2004 and applications from venues themselves (e.g. an art gallery or an arts centre) made up a further 12%.

An average of 4% of applicants each year described themselves as service or networking organisations in the arts.

The Foundation regularly received applications from newly constituted arts organisations. These were sometimes run by individuals with little experience (recent graduates, for example, or local residents) and sometimes by people who had worked for many years with other arts companies and who were starting a new venture. The period 1997 – 2004 coincided with the promotion of government policies encouraging arts activity in economically and socially disadvantaged neighbourhoods, in the health sector and the criminal justice system and this was reflected in the priorities of emerging organisations.

There are many more arts organisations in the UK without a venue than there are with one and the type of activity the Foundation was interested in funding (work in educational and community settings, benefiting groups with the fewest opportunities) is frequently undertaken by small-scale, peripatetic or community-based organisations that use the facilities available locally.

Building-based organisations have a higher turnover and tend to run larger-scale, more expensive projects. Although the Foundation set an upper limit of £20,000 and later £25,000 on the budget of projects for which a grant could be sought, it regularly received enquiries from building-based organisations wanting to apply for a contribution towards a larger project. Sometimes it was possible to fund the pilot phase of a larger project, which fell within the budgetary limit, but not the project itself.

Larger organisations tended to be unsuccessful in the early years of the programme. It is possible that those organisations reviewed the list of grants made by the Foundation and concluded that the priority was smaller organisations. For some, the size of grant available may have been too small to justify the effort.

While some applications from larger organisations were rejected because it was thought they had more funding opportunities than smaller-scale competitors, the most common reason for rejection was the quality of the application (in relation to the programme criteria). Proposals from larger organisations were sometimes disappointing, both in terms of their understanding of the community with which they were planning to work and the artistic content.

In some cases this was due to the fact that the application form had been completed by a fundraiser rather than by the member of staff who would be delivering the project. In other cases the project had been planned in outline, but there was insufficient detail about what would happen and who would be involved. Smaller organisations consistently submitted more interesting and better argued proposals.

3.5. The type of activity

The most common type of application was for a project involving participatory activity leading to a public performance, exhibition, screening, recording or publication, for example,

a youth theatre summer school culminating in a performance, or a film-making project resulting in a screening.

The second most common type of activity was a participatory project with no wider public manifestation, for example, a series of dance workshops for elderly people in a residential home.

Projects involving a number of different art forms (categorised as combined arts projects) were more common than those involving a single art forms. Among the single art form, the most popular were music and theatre, followed by the visual arts. Prior to 1997, the Foundation received few applications from visual arts organisations, relative to the number from performing arts organisations. The guidelines, prior to 1997, did not specifically mention the visual arts. From 1997 onwards they did and the proportion of applications from this sector increased.

3.6. Geographic spread

Applications for activity in England were categorised as benefiting a region, or the whole of England or the whole of England and Wales (this applied to some touring productions). England was subdivided into the regions used by the Arts Council of England in 1997. When the Arts Council boundaries changed in 2002/03, the Foundation retained the old boundaries for the sake of consistency.

Wales, Scotland and Northern Ireland were not subdivided. This meant that an activity taking place in Cardiff was categorised as Wales, rather than ‘South Wales’. Similarly an activity taken place in Glasgow was categorised as Scotland, rather than ‘Central Belt’. An activity taking place in several locations (e.g. a tour) in Scotland, Wales or Northern Ireland was also categorised by the country’s name.

Table 4 shows the number and percentage of applications received by country. As noted above, no grants were made in Scotland or Northern Ireland after January 2000.

Table 4 Applications by country 1997 – 2004

Country	Number	%
English regions	3,046	88.9
All of England	45	1.3
England & Wales	24	0.7
Wales	148	4.3
Scotland	135	3.9
Northern Ireland	30	0.9
Totals	3,428	100

Table 5 shows the percentage of applications received from each English region over eight years and Table 6 provides an annual breakdown of the same data.

Table 5 Percentage of total applications from each English region 1997 – 2004

Region	% of total applications received
London	31.1
South West	9.9
North West	9.0
Yorkshire	8.5
West Midlands	6.3
Eastern	5.6
South East	5.7
Southern	4.9
East Midlands	4.1
North East	3.8
Total	88.9

London was the focus of just under one third of all applications (31%). The South West and the North West were the next two most active regions (9.9% and 9% respectively). The East Midlands and the North East were the least active (4.1% and 3.8%).

The high proportion of applications from London is explained by the large number of arts organisations and artists in the capital and the demand for education and community-based activity. The relatively high number of applications from the North West is partly due to the scale of the region and the volume of arts activity in its urban centres (Manchester and Liverpool, but also Preston and Lancaster).

Merseyside's long-term relationship with the Foundation may have influenced the volume of applications (although this did not apply in the Foundation's other historic priority area, the North East). The number of applications from the South West may be linked to the quality of networking between arts organisations and the success of one organisation may have encouraged others to apply, although this has not been the experience of the Strengthening the Voluntary Sector programme.

The Arts Programme was not unusual in receiving a relatively small number of applications from the North East, the East Midlands and Wales. Traditionally these areas have generated fewer applications to arts funding bodies. The situation in the North East is changing with the Northern Rock Foundation supporting the voluntary sector (including arts organisations) with grants, loans and capacity building programmes.

Smaller arts organisations in Wales have not attracted a great deal of their income from grantmaking trusts outside Wales. This seems to be due largely to a lack of organisational capacity. The quality of information about the funding available is improving and there are

more voluntary sector agencies with a remit to provide information and to support arts managers (and others) in applying for funding.

With the exception of London, the annual number of applications from each region was small, so the percentages are of limited value, but they do show a remarkable consistency within regions, from year to year (Table 6). The only region that significantly increased its share of applications, from a low base, was the South East. From time to time the Arts Adviser communicated, informally, with arts networks in under-represented regions and took the opportunity to talk about the Arts Programme at conferences and in lectures (to post graduate students working in the arts). It is not clear why the number of applications from the South East increased while the number from the Southern region declined.

Table 6 Percentage of applications by English region and Wales 1997 – 2004

Region	1997 %	1998 %	1999 %	2000 %	2001 %	2002 %	2003 %	2004 %
London	30.2	29.8	28.7	34.4	35.4	31.5	31.4	28.2
South West	7.5	8.7	12.9	12.9	11.6	8.0	10.7	8.1
North West	10.4	6.9	7.8	7.8	8.9	9.1	12.4	10.1
Yorkshire	10.8	9.2	7.1	7.3	8.3	7.0	7.7	7.5
West Midlands	7.0	7.6	6.0	4.2	6.0	7.3	4.3	6.8
Eastern	6.1	5.3	4.4	4.2	7.7	7.7	3.7	6.2
South East	4.6	3.0	5.8	6.9	6.8	7.0	5.0	9.4
Southern	4.8	5.5	6.0	6.7	4.2	4.2	3.0	3.6
Wales	3.8	4.4	4.7	4.9	4.2	4.2	5.4	4.5
East Midlands	3.5	5.1	3.8	3.8	3.3	3.5	6.0	4.5
North East	4.9	3.0	3.1	5.5	3.0	2.4	3.7	2.9

Achieving an equal geographic spread was not a priority for the Arts Programme. Had it been, more would have been done to stimulate applications from under-represented regions. Were the Arts Programme being launched now, the regional (and in the case of Wales, national) agencies that have been formed since 1997 could be used to advertise the programme more widely.

3.7. The number and value of grants made

Table 7 shows the number and value of arts project grants awarded between 1997 and 2004. The number of grants declined over eight years but the average value rose from £2,394 in 1997 to £4,525 in 2004, an increase of 89%.

The increase in the average value of grant coincided with the increase in the maximum grant available. In 2002 the maximum amount that could be applied for rose from £5,000 to £7,000 and more applicants asked for more money.

While there were exceptions, the Arts Committee preferred to award as close to the amount recommended as possible, so that the project could be delivered in the way described in the application.

Table 7 Number and value of arts project grants made 1997 – 2004

Year	Grants made	Average value of grant £	Total value of grants £
1997	110	2,394	263,395
1998	88	2,717	239,144
1999	80	3,133	250,666
2000	66	3,359	221,717
2001	63	3,557	224,069
2002	48	4,055	194,660
2003	42	4,166	174,985
2004	38	4,525	171,969
Totals	535	3,253	1,740,605

A review of monitoring forms returned by grant recipients from 1997 – 2003 confirms the importance of grants made by the Foundation in support of small projects. The decision to limit the size of eligible projects meant that the Foundation was a significant player in most of the work it supported.

In some cases the Foundation was the major funder and in most cases it provided at least 20% of the total cost of the project. This enabled the recipient to highlight the Foundation’s involvement and to attract the interest of other funders in the charitable, private and public sectors. The Foundation’s spending power is smaller than in the past, but its name still adds value.

3.8. Beneficiaries of funding

Applicants were asked to state who was intended to benefit from a grant, were they to receive one. A list of potential beneficiaries was provided and applicants could list others also. More than half of all successful applicants cited more than one beneficiary group (e.g. young people with learning disabilities; elderly Bengali women in Tower Hamlets; young offenders). Table 8 shows the number of beneficiary groups cited each year by successful applicants. So, for example, in 1999, the 80 successful applicants cited 111 beneficiary groups between them.

Table 8 Number of beneficiary groups cited by successful applicants 1997 - 2004

	1997	1998	1999	2000	2001	2002	2003	2004
Number of grants made	110	88	80	66	63	48	42	38
Number of beneficiary groups	151	154	111	84	79	74	59	56

Table 9 shows the most commonly cited beneficiary groups and the proportion of successful applicants that cited them.

Table 9 Percentage of different groups benefiting from funding 1997 - 2004

Beneficiaries	%
Children/young people	33.7
Community	15.0
Arts professionals	11.8
BME	8.4
Learning disability	7.5
Physical disability	6.7
Prison/YOI/ excluded/at risk	3.8
Teachers/youth workers/other	3.6
Elderly	3.2
Women	2.0
Physical health	1.7
Mental health	1.1
Parents/carers	1.1
Homeless	0.8
Unemployed	0.4

Children and young people were cited by 33.7% of successful applicants over the eight-year period of the programme. Communities (usually defined by place of residence, e.g. a housing estate, a village, an area of a town or city) were the second most common beneficiary. They were the focus of 15% of applications.

Arts professionals (artists, directors, designers, arts managers, etc) appear third in the list (11.8%) because they were the principal beneficiaries of the Knowledge and Skills Exchange Fund. Table 10 shows that when the budget for the KSEF reduced in 2000 the number of applicants citing arts professionals as beneficiaries also reduced. The Fund ended in 2002 and the effect of this is also shown in Table 10. That said, the Arts Programme's stipulation that only constituted arts organisations could apply for a grant meant that in almost every case, employment for artists and other arts professionals was sustained or created as a result.

Projects involving BME individuals and groups were the focus of 8% of funded projects over this eight-year period, reaching a maximum of 12% in 2003.

There were few strong proposals involving elderly people. Arts projects targeted at women and at unemployed people are much less common than they were in the 1980s and early 1990s and this is reflected in the small number of projects funded.

Table 10 Percentage of different groups benefiting from funding 1997 - 2004

Beneficiaries	1997 %	1998 %	1999 %	2000 %	2001 %	2002 %	2003 %	2004 %
Children/young people	38	22	41	30	30	30	36	43
Community	9	14	7	21	19	16	25	9
Arts professionals	19	23	20	11	11	7	0	4
BME	9	8	4	7	10	8	12	9
Learning disability	6	8	11	4	9	11	2	9
Physical disability	7	9	5	5	6	5	10	7
Prison/YOI/excluded/at risk	0.7	2	4	4	4	4	3	9
Teachers/youth workers/other	3	5	3	4	5	5	2	2
Elderly	5	1	2	6	1	5	2	4
Women	0.7	3	3	4	3	0	2	0
Physical health	2	2	0	4	0	1	2	2
Mental health	0.7	1	0.9	1	0	3	2	0
Parents/carers	0	1	0	0	0	4	2	2
Homeless	0	0.6	0	1	1	0	2	2
Unemployed	0.7	0.6	0	0	1	1	0	0

The arts and health sector has grown rapidly in the past ten years but relatively few applications were received and few were funded. The main reason for this was that the instigators of this activity were more often departments, committees or Friends groups within a hospital, than constituted arts organisations and they were therefore not eligible to apply. As the sector matures, health care providers are creating independently constituted groups with a view to increasing their funding options.

In similar situations involving public sector institutions (notably the criminal justice system) the application was made by the arts organisation that the non-arts organisation (e.g. the Prison Service) wanted to run the project. (Over the eight-year period around 4% of funded projects - rising to 9% in 2004 - benefited prisoners, young offenders, young people excluded from school and people of all ages 'at risk' of offending.) In the case of hospitals, the ambition was often to employ a single, freelance visual artist, musician or writer who would also have been ineligible for funding.

The preponderance of projects benefiting children and young people was a direct result of the 'arts in educational settings' priority. There are many more arts organisations in Britain working with children and young people than with 'communities'.

It is evident that the quality of networks within the arts influenced the pattern of applications involving different beneficiary groups. Arts organisations talk to each other about their fundraising successes and failures and the figures suggest that an increase in applications relating to a particular beneficiary group may have been prompted by news of a successful

application by a similar group in the previous year. This was particularly noticeable in relation to BME communities and disabled people.

It is likely, too, that news of substantial awards from the Core Costs Fund to particular organisations increased awareness, among those organisations' peers, of the Foundation as a potential source of project, as well as core, funding.

This networking between organisations also worked to deter applicants. The clearest example of this was arts projects in schools designed to support the delivery of the National Curriculum. The Arts Committee's preference was to support activity that was additional to the curriculum. So, for example, a theatre company touring a play about bullying (a common theme of theatre in education work in the late 1990s) to schools in a city would be less likely to receive a grant than a company touring a new play to tiny rural schools in Norfolk that could not afford to pay the full cost of the company's visit and that would have little opportunity to travel to a theatre.

4. The Policy and Funding Context 1997 - 2004

The Arts Programme did not operate in isolation. This concluding section provides an overview of the policy and funding context in which arts organisations were working during the lifetime of the programme. It highlights the themes that were a priority for government and for funders during this period and points to the new opportunities for arts organisations that emerged. These developments have helped to fund arts activity but that they have also created a demand for funding that is not being (and is unlikely to be) met.

The Baring Foundation's Arts in Education and the Community Programme made its first grants in January 1997, shortly before the election of the first Labour government in 18 years. Arts organisations and arts practitioners working in educational and community settings anticipated that the new government's priorities would create more and better opportunities for them and to a large extent they were proved right.

4.1. The National Lottery

By January 1997, the National Lottery had been making grants to arts organisations for two years, not only through the Arts Councils (which had the remit to distribute the Lottery's arts budget) but also through the National Lottery Charities Board (later the Community Fund). The outgoing Conservative government had ensured that the Arts Council was able to make available grants for *activities*, as well as capital projects. This decision was to result in many arts organisations applying for and receiving 'Lottery grants', from a few hundred pounds to tens of thousands. Many applicants to the Baring Foundation were able to fund their proposed projects partly with Lottery funding.

The Millennium Commission was short lived, but it was an important funder of grassroots arts activity and a number of groups undertook their first projects with a grant from the Commission. The New Opportunities Fund was a new distributor created by the Labour Government. Its remit to support (among other things) after-school activity did benefit some arts organisations, but mostly larger ones. Community-based activity received a further boost with the creation, in the late 1990s, of Awards for All. This was a scheme supported by all of the Lottery distributors and offered small and new organisations (often community based)

grants of up to £5,000. Grants were (and still are) distributed regionally according to regional priorities (e.g. isolated rural areas; Black and Minority Ethnic communities, etc). Small-scale arts projects have found this a very useful source of funding.

Also in 1999 the then Secretary of State for Culture and the Secretary of State for Education agreed that the Lottery could be used to increase music-making opportunities for young people. Music in schools (and after school) had been in decline since the mid 1980s. While the Secretary of State for Education oversaw the establishment of a Standards Fund for Music to support music teaching in school, the Secretary of State for Culture earmarked £10m per year from the Arts Council of England's Lottery budget to establish the National Foundation for Youth Music (Youth Music) to provide opportunities for young people to make music out of school hours. Youth Music has become a significant source of funding for organisations in this field.

4.2. Devolution

Devolution and the development of regional government in England have also been important for arts organisations working with communities. The Northern Ireland Assembly was established in 1998 (currently suspended) and the Scottish Parliament and Welsh Assembly both started work in 1999. The relationship of the Arts Council in each country was to be with its newly elected national body rather than the newly created Department for Culture, Media and Sport (DCMS) which replaced the Department of National Heritage in 1997. That said, DCMS policy and research have continued to influence, though not to direct, policy in the four nations.

Eight of England's Regional Development Agencies (RDAs) were created in 1999 and the ninth, the Greater London Authority, the following year. The RDAs' remit for regeneration has made them a useful source of support, regional intelligence and networks for some arts organisations. Meanwhile the DCMS created Regional Cultural Consortia (RCC) in each of the regions (with a slightly different model in London). Each RCC comprises representatives of the arts, heritage, museums, libraries, archives, sport, tourism, local authorities and creative industries, who are expected to work together to support and promote the cultural life of the region.

4.3. Funding themes

The Baring Foundation's priority has been to support arts activity that increases access to opportunities in and through the arts, particularly (but not exclusively) for people whose opportunities are limited by where they live or by social, economic and other personal circumstances (e.g. ill health, old age, disability). The new Arts in Education and the Community Programme reflected the Foundation's overall priorities in 1997 and was a response to the growing demand for funds for this type of work.

At the time, the Arts Council of England was supporting little locally-based work (its focus was on activity of national or at least regional importance). The Arts Councils in Wales, Scotland and Northern Ireland did fund locally, but most of their budgets were committed to established organisations. Local authorities, some of which had been direct providers of arts activity, as well as funders of arts organisations in the past, in many cases, having to reduce their spending on non-statutory activity. Schools were focusing increasingly on the delivery

of the National Curriculum and new testing requirements and had less time and fewer resources to work with artists and arts organisations.

During the lifetime of the Foundation's Small Projects Fund, the market for this type of arts activity grew, as youth workers, community development workers, teachers, professionals working in health, criminal justice and crime prevention and homelessness recognised the role the arts can play in the fulfilment of their objectives. As a result there are many more players in this field and there is stiff competition for funds. There may be more funding available to arts organisations but it is often targeted at specific groups (e.g. young people) living in particular areas (often the most economically deprived) and is not open to general application. Another factor is that schemes financed by the public purse (national and European) usually require detailed reporting that is beyond the means of many small organisations.

The following paragraphs briefly describe the policy and funding priorities to which arts organisations and others using the arts to achieve educational, social and economic objectives have been able to respond.

Social exclusion

Social exclusion and social inclusion became part of the UK public sector's vocabulary in 1997 with the establishment, by the Prime Minister, of the Social Exclusion Unit. The SEU created 18 Policy Action Teams to look at how different areas of public policy could be used to improve the quality of life in the country's poorest neighbourhoods. The arts and sport were the remit of Policy Action Team 10. The PAT 10 report and the arts sector's response to it put in train a new stream of research activity and funded programmes designed to implement its recommendations.

Regeneration

Regeneration has been a priority for successive governments since the early 1980s. For much of that time the focus has been on physical regeneration and employment. Since the mid 1990s, there has been greater recognition of the need for 'social regeneration' through community development and the creation of 'social capital'. More funds have been made available for activity contributing to these objectives from European, government, local and charitable sources.

Access

Access to opportunities to participate in the arts has been a priority of public sector and charitable funders for well over 20 years. The term has different meanings in different contexts and most funders find they need to qualify it in some way (e.g. access for disabled people; access for people on low incomes; access for people living in remote areas).

Physical and intellectual access for disabled people is supported by a number of specific funds (some public, some charitable). The Disability Discrimination Act has created particular pressure on those funds that can be used to make premises more physically accessible. The Arts Council provides funds for disability awareness training (as well as for arts activities involving disabled people). There has been a notable expansion in arts organisations working with learning disabled people and while the arts funding system still finds it hard to assess this work, some of the best companies are competing successfully for mainstream arts funding. Other funding sources include contracts from local authority social services departments, other care providers and the education system, as well as grants for advocacy from government agencies and grantmaking trusts.

Children and young people

Arts organisations working with children and young people have an unprecedented number of opportunities to finance their activities. Examples cited by the Foundation's grant recipients in England include Sure Start (to support work with very young children); the DfES Standards Funds (e.g. for music); Positive Activities for Young People (formerly Splash) supported by the Youth Justice Board and the Arts Council; Creative Partnerships (supported by DCMS and the DfES); Pupil Referral Units; Youth Offending Teams; the National Foundation for Youth Music; the Learning and Skills Council; Connexions Initiative Fund.

Grantmaking trusts and corporations' charity committees have also invested heavily in children and young people. Several relatively new charities have made young people a priority (e.g. Camelot Foundation, KPMG Foundation, Shine, and Diana Princess of Wales Memorial Fund).

Education

Arts organisations that offer to work with teachers in the delivery of the National Curriculum (e.g. creative writing projects in support of literacy; music projects in support of 'creating' or 'listening'; theatre in education productions about bullying or drugs awareness, etc) have continued to find employment in schools. The Foundation's priority has been to fund work with schools that is unrelated to the curriculum and that provides pupils and teachers with a different kind of opportunity.

In 2000 the DCMS, the DfES and the Arts Council agreed the establishment of Creative Partnerships. This is a multi-million pound scheme to involve 'creative practitioners' (mostly artists, but also engineers, architects, etc) in schools (within and outside school hours). Creative Partnerships has its origins in the findings of the National Advisory Committee on Creative and Cultural Education which pointed to the dearth of creative activity in education. The report's use of the term creativity went well beyond the arts but it helped to reinforce the influential role that skilled artists (in any discipline) can play in people's lives. Creative Partnerships' priority is economically disadvantaged areas.

Reference has been made above to the importance of Youth Music as a source of funding for music projects with young people and while most of this activity takes place outside school hours, its links with schools are strong.

The Clore Duffield Foundation has recently launched a new five-year programme for performing arts in education, with a budget of approximately £200,000 per year and grants of up to £10,000 each.

Training and employment

Some arts organisations have been able to access funds for training and employment (notably through the Learning and Skills Council). This has not been a priority for the Foundation.

Black and Minority Ethnic (BME) organisations and communities

In the 1980s and 1990s BME groups were the focus of a number of targeted funds (notably for access to education, training and employment and anti-discrimination activity). Research for the Home Office and more recently for the Joseph Rowntree Foundation (by the 1990 Trust) suggests that BME voluntary and community organisations are finding it increasingly difficult to access funds. Arts Council England's most recent attempt to redress the balance has been a programme called *Decibel*. This ran until March 2004 and aimed "to build more resources, increase recognition and profile, create stronger networks, develop managerial skill

and artistic talent in the culturally diverse arts sector". In the short term at least, *Decibel* is said to have increased public awareness of the work of BME artists.

There is an increasing interest in the use of the arts with and for refugees and asylum seekers, on the part of national and local government and grantmaking trusts. The motivations range from community cohesion to providing a platform for artists from other countries who have become refugees or asylum seekers. Relatively little work has been done with migrant workers in the UK, but this looks likely to increase.

Criminal justice and crime and disorder reduction

The role that the arts can play in reducing crime and disorder, supporting the education and personal development of prisoners and young offenders, promoting the rehabilitation of offenders, and working with their families has become increasingly prominent since 1997. The Home Office, the Youth Justice Board, individual prisons and young offenders' institutes, Youth Offending Teams and probation services are working with artists and arts organisations with increasing regularity and often funding them directly.

Health and well being

Health and well being is a priority of the English government and of the Scottish Parliament and Welsh Assembly. The Foundation has received relatively few applications in this category, mainly because few hospital arts teams are constituted arts organisations. The Foundation has supported constituted arts organisations to work with people with mental ill health and many of the arts activities the Foundation has funded could be described as contributing to the well being of communities.

Arts Council England is currently producing an arts and health strategy and several of the regional offices have a nominated arts and health officer. The Arts Council of Wales is also working on a strategy and funding is likely to follow.

NHS trusts are employing arts specialists and buying in services, although with another restructuring imminent, funding from this source may be vulnerable. Healthy living centres and Health Action Zones in some parts of the country provided funding for arts activities in the 1990s but both are now being wound down.

5. Concluding remarks

Please refer to section 2 above for reflections on the design and delivery of the Arts Programme.

In conclusion, the Arts Programme was an important contributor to the ecology of arts funding between 1997 and 2004. The fact that the programme's priorities complemented those of the newly elected Labour government meant that arts organisations working in educational and community settings found they had more opportunities to do the work they wanted to do.

The increase in funding for this type of work has come from the public sector, including the National Lottery. There is some concern now emerging that project funding from these sources is becoming more target driven and the monitoring requirements more onerous, and the future of the arts as one of the Lottery's good causes is uncertain. Grantmaking trusts will continue to have an important role to play in providing grants to arts organisations working in educational and community settings for whom other sources of funding are not available,

either because of where they are located, who they are working with, their relative newness or their lack of capacity to meet the targets required by public sector funding sources.