

# ARTs IMPACT FUND

## OVERVIEW

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The Arts Impact Fund is a new £7million initiative set up to demonstrate the potential for social investment in arts. The fund will lend to organisations that display artistic excellence, social impact and financial and operational resilience.

## ELIGIBILITY CRITERIA

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Applicants to the fund must undertake primary activities within the following fields:

Arts	Culture
Theatre, dance, literature, music, combined arts and visual arts	Museums, art galleries, theatres and non-venue based/seasonal including festivals, touring programmes and digital and creative media

Applicants must be:

- Registered and operating in England.
- Working in at least one of the following areas of social need: health and wellbeing; citizenship and community; youth and educational attainment.

## HOW MIGHT FUNDING BE USED?

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Purpose	Example
Cashflow support	<ul style="list-style-type: none"><li>• Seasonal cashflow</li><li>• Contract paid in arrears</li></ul>
Growth	<ul style="list-style-type: none"><li>• Expansion of proven business model to a new geographical area</li><li>• Increase existing capacity by hiring more delivery staff</li></ul>
Transition to a new business model	<ul style="list-style-type: none"><li>• Grow trading income through becoming more events focused</li></ul>
Asset acquisition	<ul style="list-style-type: none"><li>• New premises</li><li>• Need new minibus/website/equipment</li></ul>
Refurbishment	<ul style="list-style-type: none"><li>• Refurbishing facilities to make them more appealing to user/new user groups</li></ul>

## TO APPLY:

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Call 020 7438 2578 or 020 7438 2694; or complete the form here: <https://artsimpactfund.org/apply/>  
We will then be in touch to find out more about your organisation.

## WHAT INFORMATION WILL THE ARTS IMPACT FUND (AIF) BE LOOKING FOR?

Not everything will need to be documented - we can derive some of this information through conversations and meetings with you. Some information may not be applicable to your organisation.

In any event, please refer to the AIF team to guide you through what specific information is needed and when.

### A. Personnel

1. Names and CVs of key staff (typically the senior management team (SMT)).
2. Names and bios of all directors/trustees/advisory board members.
3. Organisational structure chart. This could be a simple diagram to illustrate your organisation's operational and reporting lines.
4. Overview of the governance arrangements. This should include the dates and frequency of SMT/board/trustee meetings, terms of reference for the directors/advisory group and reporting lines.
5. Skills audit of employees and directors/trustees/advisory board members. This could be a simple grid highlighting the skills that the organisation is able to tap into. Please include a list of any skills that the organisation needs to bring in.

### B. Social and Artistic Impact Indicators

6. Vision and mission statement.
7. Theory of change. We will be aiming to understand how the activities and services you offer impact each of your beneficiary groups, through an analysis of the outputs delivered, outcomes achieved and the lasting change these contribute to.
8. Approach to social impact measurement. How do you assess and track your impact on your target beneficiaries, particularly in (one of) the areas of Citizen and Community, Health and Wellbeing and Youth and Educational Attainment?
9. Scale and depth of impact. How many beneficiaries does your intervention reach and to what extent are their lives changed?
10. Organisational creative capacity. We consider creative capacity as follows: decision making regarding artistic goals and programme curation; degree of technical proficiency, skill and artistry; capacity to facilitate audience engagement and understanding with artistic output; approach to evaluating artistic impact and commitment to continuous improvement.

### C. Route to Market

11. Sales and marketing plan. This should set out what channels you intend to use and how.
12. Competitor analysis. Who are your main competitors and how do you differentiate yourself from them?
13. Customer pipeline. List of your current, target and ideal customers including information of what channel you use to reach them, what stage your discussions are at and the expected scale of work to be delivered (£ and beneficiary impact).
14. A copy of marketing materials. This could be a flyer, brochure or sales pitch that you use with potential customers.
15. Market data. Any reports or data that evidences the demand for your service and the market opportunity that exists.

### D. Financials

16. How much investment you require and a plan for how and when this funding will be spent.
17. Repayment plans. How and when do you expect to be able to repay the investment?
18. Details of any existing investment /loan finance. Copies of legal agreements or an overview of the key terms including investment period, rate of return, repayment schedule, change of control, and arrangements for termination/exit.
19. Cash flow statement. Ideally this should be on a monthly basis including forecasts for the next 24 months. It should show the opening and closing bank balance in every period.
20. Last three month bank statements.
21. Management accounts. Monthly statement of the organisations income, expenditure and cashflow. Where possible these should include a comparison of the actual results to the budget plan, with an explanation for any material variances.

### E. Miscellaneous

22. Legal objects – Memorandum and Articles of Association (if a company limited by shares), charitable objectives (if a registered charity).
23. Copies of contracts with key clients. These should highlight the key terms – for example, timeframe, pricing, success indicators.
24. List of policies and procedures. This should include any policies and procedures that you have already put in place or that you have identified that you will need.
25. Property documents. For example, lease agreements.
26. Risk management process. Overview of the key risks facing the organisation, an assessment of their likelihood of occurring, the scale of impact they would have and what mitigating actions you can and are taking. The risks will be drawn from your SWOT and PEST analyses for the organisation.

# ARTs IMPACT FUND

This page explains the steps and timescales involved in our investment process.

## OUR INVESTMENT OFFER:

- Unsecured loans from £150,000 to £600,000
- Interest rates: 4-7 per cent
- Term: 3-5 years
- Repayment terms: amortising (gradual) or bullet (all at the end)

Specific terms will be agreed upon on a case-by-case basis.

Please email [seva.phillips@nesta.org.uk](mailto:seva.phillips@nesta.org.uk) or [francesca.sanderson@nesta.org.uk](mailto:francesca.sanderson@nesta.org.uk) should you have any questions on accessing social investment from the Arts Impact Fund.

