

make it new?

Communiqué 2

May 2007



Welcome to the second communiqué in the *Make It New?* process

I. INTRODUCTION

In April 2006 the Australia Council's Theatre Board published *Make It New?*, a discussion paper which suggested new approaches to theatre funding¹. The paper was widely circulated and we held forums around the country to encourage discussion. Most of the written responses we received are on the Australia Council's website².

A first communiqué was published in October 2006 outlining some of the general directions we were considering in the light of the consultation³.

The purpose of this second communiqué is to let you know in more detail what our funding programs might look like in 2008, and to invite your feedback.

The final decision will be made in August 2007 and implemented through the *Grant Seeker's Guide 2008*.

Note that the proposed changes are only to the *New Work, Program and Key Organisations* categories. There are no plans to change *Skills and Arts Development, Fellowships and Playing the World*.

At the end of the document we include a brief summary of our current funding programs and their budgets.

II. WHY ARE WE DOING THIS?

The *Make It New?* project aims to strengthen theatre as a vibrant contemporary artform by:

- encouraging a diverse yet networked theatre culture within Australia
- sustaining a number of key organisations to be hubs in this network
- empowering an enabling infrastructure for artistic development.

We are changing because the performing arts environment of which we are a part has itself changed. The infrastructure of venues, festivals, producers and companies has grown and diversified. More adventurous programming is

¹ http://www.ozco.gov.au/make_it_new/

² http://www.ozco.gov.au/news_and_hot_topics/hot_topics/make_it_new_discussion_forum/

³ http://www.ozco.gov.au/news_and_hot_topics/hot_topics/make_it_new_discussion_forum/

happening, and artists and companies are finding new pathways for developing their work and getting it to audiences. Our funding strategies need to acknowledge this and help connect artists with opportunities.

This then is the theme that runs through all the proposed changes: how do we encourage and value the *connectedness* of projects and organisations?

III. THE PROPOSALS

New work funding

Artists want to make new work. This is what makes the artform contemporary.

One clear message we received from the 2006 consultation was that the Theatre Board's funding was critical in the development of new work. There are now more opportunities for presenting and touring work than in the past, but development is where the risks are high, the income possibilities are minimal and the range of alternative funding sources is limited.

We propose therefore to focus our *New Work* funding on the developmental and rehearsal stages. At the same time, we wish to encourage artists to build the partnerships necessary to present the work.

Many are doing this already: most of the recent successful applications to produce new work have been from artists and companies with a presenting or producing partner.

To support this trend, we are considering changing the *New Work – Production* category.

The main proposed change would be to our funding for the **presentation** phase of performance projects. We are considering giving priority to projects that have a committed partner for their presentation. This partner may be a venue, but may also be a festival, another theatre company, an independent producer: in fact our definition of a *presenter* is anyone able to provide or raise the resources needed to present work to the public.

A simple way for us to do this is through the criteria for the category. A new criterion could be added that values the extent of support the project has from a presenting partner. This would mean that, all other things being equal, a proposal that had, for example, a venue agreeing to present the work and pay a fee covering the full presentation costs of the applicant would score better than a proposal that had only negotiated discounted venue hire. Or (another example), a project that already had a financial commitment from a festival would compete more strongly than one that just had an expression of interest from a festival.

A stronger approach would be for us to make our funds mainly for a project's development and rehearsal costs. If we went this way, applicants could request support for wages and fees for the creative development, rehearsal

and performance of the work as well as pre-production costs such as set, costumes and other design or audio aspects. We would however no longer support presentation costs of new work such as venue hire, marketing and most of the production costs associated with the presentation itself such as lighting and bump-in costs, etc. For these costs, the applicant would need to have negotiated an arrangement with a presenting partner before applying to us.

The benefits of this change are:

- it encourages applicants to develop their relationship with their eventual presenter before approaching us
- it encourages presenters to contribute more fully to the shows they present
- it focuses our scant funds on where they are least replaceable: the development of new work

The challenges would be:

- presenters have financial pressures that could inhibit risk-taking
- ensuring that site-based work and other genres with unconventional presentation requirements are not disadvantaged
- not all regions have adventurous local presenters
- many presenters already have complex timelines for their programming decisions, yet we would expect them to commit financially to projects then await our decisions three or four months later.

The changes proposed would place new financial responsibilities on presenters and would also give presenters more influence on our decision-making. We would not soften our commitment to funding exploratory work that develops the artform, but we would be acknowledging that an artistic project needs more than our money if it is to realise its potential: it needs the backing of others.

Note that there are no plans to change *New Work - Creative Development* and *New Work - Young Artists Initiative*: applicants for these grants will not be expected to show that they have interest from presenters.

Program funding

In its current form, program funding is a one-year grant. There are two types: *General Program* grants for 'organisations that are pushing boundaries, extending practice and exploring new forms', and *Youth Arts Program* grants for organisations 'providing resources, skills development and opportunities for young people to participate in theatre activity'.

A separate paper has been prepared discussing options for the future funding of youth arts. What follows deals only with *General Program* grants.

These grants were introduced in 2002 as a funding option between one-off *New Work* grants and *Key Organisations – Triennial* grants. While they entail no future commitment - it is a new competition each year - they have offered a

measure of security and a growth path to a number of companies. But a growth path to where? Our budget pressure has meant there have been no new triennial companies since 2001. We need therefore to create a *real* pathway that would allow a limited number of companies to progress from project to triennial funding.

However, not all groups will have this aspiration, and we do not want our funding programs to encourage them to accumulate governance and accountability structures that may be unnecessary for them, and could in fact hinder them from getting on and making their work. As foreshadowed in the original *Make It New?* paper, we want to encourage more flexible structures that would allow theatre artists to develop and produce work without the need to create their own companies.

We are therefore proposing that *General Program* grants in their current form are no longer offered in 2008. Instead, we will offer two new forms of funding:

1. *Emerging Key Organisations* grants

The purpose of these grants would be to offer a structured development process for companies aspiring to triennial funding. They would in effect become the antechamber for *Key Organisations – Triennial* grants.

These grants would be offered to new applicants every three years. Companies would apply initially by putting in an expression of interest, outlining their case for eventual triennial funding. If accepted, they would receive an *Emerging Key Organisations* grant each year for up to three years. During this time, the Australia Council's Key Organisations staff would work with them on the reporting and governance structures expected from triennially-funded companies. Funding would be reassessed each year and continued if the company was, firstly and most importantly, maintaining the standard of its artistic work, and, secondly, satisfactorily developing its governance and business planning capabilities, audit processes and financial reserves.

Companies would only receive this form of funding for three years, at the end of which they would apply for triennial funding. The outcome would be either receipt of a *Key Organisations – Triennial* grant, or a return to project funding.

The benefits:

- a clear process, timeline (and time limit) for achieving triennial funding
- support for younger companies so that they can compete with established organisations on a more equal basis

The challenges:

- some companies will not achieve triennial funding and will need to compete again for project funding - this could be discouraging and destabilising.
- we will need to reconcile the valid aspirations of new companies with the realities of our budget.

2. *Presenter grants*

The purpose of these grants would be to assist the presentation of a program of new high quality contemporary theatre work. They would be available to most presenters. However, they would not be for companies or groups that primarily exist to create their own work and which are led by the key artists in the work presented. Our current thinking is that they would also not be for organisations that receive *Key Organisations – Triennial* grants from the Theatre Board or are funded through the Australia Council's Major Performing Arts Board.

One approach would be for this funding to support the fees of the artists and production staff directly associated with the presentation. It would not be for developing or rehearsing the work, nor for any of the core costs of the presenter, nor for the venue and marketing costs of the presentation. It would thus complement the proposed changes to the *New Work* grants above, though the work presented need not necessarily be that funded through the *New Work* category.

This may however be drawing too stark a distinction between those who make work and those who present it: many do both. Another approach then would be for the funding to support the *development* as well as the presentation of work. For example, presenters could, with our assistance, seed a number of projects, then choose which to produce fully. This would obviously demand more resources, but would help build stronger links between artists and presenters.

The selection criteria would focus on three areas:

- the presenter's curatorial policy - how and why they make their programming decisions
- their record of successfully developing or presenting new high quality contemporary theatre projects
- the amount of other resources they can bring to the proposed program, relative to their size (the bigger the organisation, the more we would expect them to contribute).

Applicants would not need to state in detail which artists or projects they would support, but we would require a clear outline of their selection process and the resources they would commit to the program. We might also want them to state their strategies to ensure the work had a life beyond its initial season.

Presenter grants could be for one, two or three years.

The benefits of such grants are:

- it encourages risk-taking by presenters by underwriting some of their costs
- it encourages presenters to articulate their programming rationale
- it encourages stronger partnerships between presenters and artists

The challenges would be:

- to ensure the competitiveness of presenters that are smaller or more artist-driven
- to ensure our funds do not simply replace the investment that presenters would have made anyway from their own resources.

Triennial funding

Nearly half of the Theatre Board's budget currently supports 30 organisations on a triennial basis. This has therefore been our main contribution towards supporting a 'small-to-medium' theatre infrastructure.

We are very aware that these companies are under intense financial pressure and that we have not been able to support them as well as they need. A single fact illustrates this: our average triennial grant in 1998 was \$124,228; in 2006 it was \$126,802. The companies are coping responsibly and creatively, and we have assisted with a range of small initiatives such as *Theatre Biz* and *Flying Start*.

The recently announced increase to the Australia Council budget means that we will be able to do more to assist these organisations. We will also be able to create space for emerging artists and companies, thus ensuring that the artform remains vibrant and contemporary. Our *Emerging Key Organisations* grants would address this to some extent, but we need to think about what an infrastructure that continues to cultivate new energies would look like.

The current companies are funded because of a series of separate decisions made in a range of different circumstances over the past thirty years. If one was planning to develop an infrastructure that best supports artists and work across the full range of genres and practices, it would probably look quite different to what we have today.

But this is not a bad thing: master plans rarely work, and the longevity of most of these companies is both a tribute to the people who have contributed to their work over many years as well as an important mark of their value. Most have survived because successive generations of artists have wanted to inhabit them. (We must also acknowledge though that this has not been a 'natural' process: our funding itself creates institutional momentum that can keep companies going when the artistic fire has died.)

We do not want to impose a new order where there are already delicate rhythms and cycles. But we do want to ensure that the infrastructure we support is open-ended and responsive, and has renewal built into its very design.

We propose that the *Key Organisations – Triennial* grants category has three separate strands within it.

1. *Producing hubs*

This strand would be for producing hubs, and this is where the majority of currently funded triennial organisations would sit. As is currently the case, they would be assessed on the quality of their work and their organisational strength. Added to this would be a new measure: their role in linking artists with opportunities. This would value their connectedness. They would be acknowledged leadership organisations working within a rich mesh of networks and supporting a wide circle of artists and (perhaps) artistic visions. They would usually be organisations that have passed through successive generations of artistic stewardship, retaining their vitality through the strength of their vision and their organisational structures. In short, they would be the *institutions* of the small-to-medium theatre sector.

While many of these organisations would have an artistic director who took a leading creative role in much of the work made, we would also expect them to assist independent artists and smaller companies to create and present work. In this way these proposed changes link back to the *New Work* changes - producing hubs could be the presenting partners for applicants in that category.

They would continue to be subject to review every three years, and the assessment criteria would take account of:

Artistic plans and achievements, including:

- contribution towards strengthening theatre as a vibrant contemporary artform
- artistic program and its rationale
- quality of the artists and other professionals.

Coherence as an organisation, including:

- mission and vision
- strategic planning
- governance and succession planning
- financial planning and management.

Their inter-relatedness to the artists and communities around them, including:

- the extent of their support for a wider circle of artists, groups and companies
- contribution to the creation and maintenance of networks
- their connections with their local communities.

2. *Artistic explorers*

The second strand would be for artistic explorers. Its purpose is to support risky, distinctive work. It would be for companies that are pursuing their own unique artistic goals, often under the artistic leadership of their founders.

A company funded here would be creating cutting edge work and would be assessed accordingly. Its organisational structure would be assessed on the extent to which it created a supportive vehicle for this work.

We would commit to such companies for as long as they are producing adventurous work and for as long as their leading artists remained. There would be no automatic succession: our forward commitment would end when the primary animating artist (or artists) moved on. If the company wanted to continue under new leadership, it would be offered an *Emerging Key Organisations* grant and need to compete for triennial funding with other new contenders.

Criteria for this strand would be something like:

- a record of achievement in the creation of exploratory contemporary theatre
- a coherent and creatively ambitious artistic plan
- the quality and appropriateness of the artists
- an effective organisational structure that supports the artistic vision.

3. *National strategic organisations*

The last strand would be for national service organisations: those bodies that provide high quality nation-wide services to theatre artists and companies. We would fund only a few organisations in this strand, and entry would be through negotiation and perhaps through a graduated process.

Producing companies - those whose value is mainly determined by the quality of their artistic work- would be funded through the other strands.

IV. TRANSITION

Moving to a new funding structure will cause some pressures. There will be new opportunities for some, but others may see threats ahead.

Here are some of the transitions we foresee and how we intend to handle them:

- All recipients of *General Program* grants and *Key Organisations* grants in 2008 are eligible to apply for *Key Organisations* grants on 1 June 2008.
- Any other organisations wishing to be considered may submit a brief expression of interest by 1 November 2007. The Theatre Board will decide by 31 March 2008 which of such organisations will be invited to apply, and those selected will also apply on 1 June 2008.
- Unsuccessful *Key Organisations* applicants in 2008 may be offered an *Emerging Key Organisations* grant, or may be advised to apply henceforward for project funding.
- The Theatre Board will decide which organisations will be invited to apply for the *Key Organisations - National Strategic Organisations* strand and advise them by 31 March 2008.

- All other eligible *Key Organisations* contenders may decide themselves whether they wish to be considered a *Producing Hub* or an *Artistic Explorer*. Australia Council staff will be available to give advice.
- The first closing date for *New Work - Production* and *Presenter* grants under the new arrangements will be 1 June 2008.

We will also be assisting artists and smaller companies to develop their negotiating skills so that they can form productive relationships with presenters, and we welcome feedback on the most effective way to do this.

V. CONCLUSION

To recap:

- *New Work – Production* may be changed to encourage applicants to build partnership with presenters
- *Presenter* grants and *Key Organisations – Producing Hubs* grants would encourage organisations with presenting capacity to assist independent artists to realise their work.
- *Emerging Key Organisations* grants would ensure dynamism by providing a growth path (and hope) for new organisations
- *Key Organisations – Artistic Explorers* would create a secure space for companies pursuing a singular artistic vision

VI. HOW TO RESPOND

While we are committed to change, no final decisions have yet been made. We welcome your feedback over the coming months, and we will also be consulting with our state and territory funding partners

The *Make It New?* web forum is open again if you wish to share your views publicly. You may include your name, or you can post anonymously. The website address is: www.ozco.gov.au/make_it_new/

If you would prefer to respond to the Australia Council alone, email this address: makeitnew@ozco.gov.au All responses to this address will be treated confidentially.

The deadline for responses is **15 July 2007**.

John Baylis
Director
Theatre
Australia Council for the Arts

Tel: 02 9215 9192
Fax: 02 9215 9136
E-mail: j.baylis@ozco.gov.au

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PO Box 788
Strawberry Hills NSW 2012
www.ozco.gov.au

CURRENT THEATRE BOARD GRANT CATEGORIES

New Work grants

New Work grants support one-off projects that result in the creation of new theatre work. This can include a new production of an established text.

There are three types of New Work grants:

- Creative Development: Supports the development stages of a new work, such as research, creative development workshops or commissioning a writer.
- Production: Supports a public performance of a new work and any stages leading up to the production.
- Young Artists Initiative: Supports either the creative development or production of a new work. These grants are supported through the Australian Government's Young and Emerging Artists initiative.

Expenditure in 2005/06 was \$1,602,311 - 19% of our total budget.

Playing the World

Playing the World assists Australian theatre artists develop international markets and reach new audiences overseas. It does this by supporting international tours of innovative Australian theatre productions, as well as other international market development opportunities.

Expenditure in 2005/06 was \$291,182, or 3% of our total.

Skills and Arts Development

Skills and Arts Development grants support activities that provide professional development opportunities to individual theatre workers or that contribute to the overall development of the artform in Australia.

Expenditure in 2005/06 was \$288,154 - 3% of our total budget.

Fellowships

Fellowship grants provide individual artists with financial support to undertake a two-year program of creative work and/or professional development that extends their practice and develops their career. It is for artists with a record of outstanding achievement.

Expenditure in 2005/06 was \$180,000 - 2% of our total budget.

Program Grants

Program Grants provide one-year funding to a limited number of significant organisations. Program Grants are for 12 months only, and the receipt of a Program Grant in one year is no guarantee of funding beyond that year. Each year all applications compete on their merits for available funding.

There are two types of Program Grants:

- General Program Grants provide one-year funding to a limited number of innovative organisations. They are for organisations that are pushing boundaries, extending practice and exploring new forms.
- Youth Arts Program Grants provide one-year funding to a limited number of outstanding youth arts companies. This category provides support for organisations providing resources, skills development and opportunities for young people to participate in theatre activity.

Expenditure on General Program Grants in 2005/06 was \$668,500 - 8% of our total budget. Expenditure on Youth Arts Program Grants was \$585,000 - 7% of our total budget.

Key Organisations Triennial Grants

Key Organisations Triennial Grants provide funding to a limited number of outstanding organisations to assist the development and advancement of theatre in Australia. Applicants should be leading exponents or advocates of theatre practice. They must have a substantial record of achievement and be able to demonstrate that they have enriched Australian theatre both by their work and by the role they have played in fostering new artists, new ideas or new ways of working. They must also demonstrate that triennial funding will enhance their ability to fulfil this role in the future.

Expenditure on Key Organisations Grants in 2005/06 was \$3,923,923 - 46% of our total budget.

Initiatives

The Theatre Board also funds a number of strategic initiatives. Most are supported with central Australia Council funds rather than the Board's own funds. Recent initiatives have included Theatre Biz, Developing Independent Producers, and three regional performing arts centre partnerships. A full list is in the Council's 2005/06 Annual Report.

Expenditure on initiatives in 2005/06 was \$970,7973 - 11% of our total budget.