



# REPORT TO EXECUTIVE

## PORTFOLIO AREA: Community Engagement

---

Date of Meeting: 21 January 2007

---

Public

---

Key Decision: No

Recorded in Forward Plan:

No

---

Inside Policy Framework

---

**Title:** ARTS COUNCIL ENGLAND-NORTH WEST FUNDING PROPOSALS

**Report of:** DIRECTOR OF COMMUNITY SERVICES

**Report reference:** CS 03/08

**Summary:**

This report outlines the proposal for future funding from ACE North West.

**Recommendations:**

The Executive is asked to endorse the response sent by the TC&CE to ACE North West.

**Contact Officer:** Mark Beveridge

**Ext:** 7350

**Note:** in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. INTRODUCTION**

- 1.1 Arts Council England North West (ACENW) have notified all Local Authorities in Cumbria regarding their proposals to amend the current funding arrangements that exist.
- 1.2 ACENW accepted from Northern Arts, as it was at the time, the direct funding arrangement of Local Authorities in Cumbria. Which was a different process to the one which existed in other authorities in rest of the North West region. Carlisle in turn use the grant to develop art directly or with partners or the voluntary sector in our local area.

## **2. PROPOSAL**

- 2.1 ACENW have proposed an amendment to the direct funding arrangement for Cumbria. For Carlisle it would reduce our current grant of £71,700 for 2008/09, by 50% for 2009/10 and to zero in 2010/11. There is no proposal by ACENW, currently being made for how this grant shortfall would be made up, if at all, through for example, direct grants to organisations currently assisted by the City Council using this grant.

## **3. IMPLICATIONS**

- 3.1 If the proposed grant reduction is agreed at the ACENW Regional Council on 25<sup>th</sup> January 2008, existing City Council arrangements will have to be changed within 12 months, to take account of the reductions in grant.
- 3.2 Currently the grant is used for the exhibition programme in the Tullie House Gallery, Tullie House events, Classical Concert Series at the Sands, Brampton Live and Carlisle Folk and Blues Club. Officers would have to write to our partners who have been in receipt of grants to outline the impact of this change, once a final decision is taken by ACENW.

## **4. CONCLUSION**

- 4.1 The proposal as it has been made will have a serious and detrimental impact upon the development and provision of cultural events and activities in Carlisle.

4.2 A response has been sent from the Town Clerk & Chief Executive expressing grave concerns and a request to meet the ACENW Regional Director has been made by officers in all the Local Authorities in Cumbria.

## **5. CONSULTATION**

2.1 Consultation to Date.

PFH, SMT

2.2 Consultation proposed.

Executive, SMT, PFH

## **6. RECOMMENDATIONS**

The Executive is asked to endorse the response sent by the TC&CE to ACE North West.

## **7. REASONS FOR RECOMMENDATIONS**

To show ACENW that their proposal to cut the arts grant to Carlisle is unacceptable and will reduce the cultural offer to the area.

## **8. IMPLICATIONS**

- Staffing/Resources – The implications of the complete removal of grant will be assessed as part of the Arts Service review due in May 08
- Financial – As stated in 2.1 above, the current draft budget for 2008/09 assumes that an amount of £71,700 will continue to be received from the Arts Council from 2008/09 onwards.  
If the proposal to reduce this by 50% in 2009/10 and 100% in 2010/11 is approved by the Arts Council then deficits of £35,850 and £71,700 will need to be planned for.

The potential deficit is further complicated by the current proposal in the draft budget to deliver savings in the Arts Services budgets of £15k in 2008/09, and £32k per annum from 2009/10 onwards. (The impact of any proposed reduction in the Council's budgets on the amount of grant received from the Arts Council is

being assessed as part of the savings proposal as set out in Report CS99/07 Executive 17 December 2007).

Taking account of both of these factors, the potential deficits could add up to £35,850 plus £32k in 2009/10 and £71,700 plus £32k from 2010/11 onwards, ie £67,850 and £103,700 respectively. If the Arts Council decide to reduce the amount provided because the Council is proposing to reduce the amounts it spends, the position could be worse.

- Legal – No specific comments at this stage.
- Corporate – Any implications will have to be assessed as part of the arts service review
- Risk Management – As above
- Equality and Disability – Any reduction in service delivery could have an impact, the details will have to be assessed, some groups assisted currently have a specific remit to enhance access by people in hard to reach groups
- Environmental – Not applicable in the context of this report
- Crime and Disorder – Cultural activities have been used to help provide diversionary opportunities for groups of young people in the area
- Impact on Customers – Any reduction in grant and consequential service implications which might arise will have to be assessed once a decision is taken by ACENW

Mick North  
Arts Development Manager  
Carlisle City Council  
Arts Unit, Tullie House Museum & Art Gallery  
Castle Street, Carlisle  
Cumbria  
CA38TP

12 December 2007

Dear Mick North

**Re: Regular Arts Funding 2008/09 to 2010/11**

I am writing to you about the Arts Council's intentions for Regularly Funded Organisations for 2008-11, in light of the recent Grant in Aid settlement the Arts Council has received from DCMS.

As the national development agency for the arts we are looking to fund a portfolio of strong, effective organisations that collectively can help to deliver increased attendance and participation in high quality arts, appropriate provision in emerging priority places, and a strengthened visual arts infrastructure.

It has always been our intention to ensure that the majority of the organisations that we fund from 2008-09 to 2010-11 receive at least an inflation uplift in revenue funding of 2.7% on their 2007-08 funding level. As a result there are a number of organisations that will not have their funding agreements renewed, or whose funding will continue at a reduced level.

It is our intention not to renew funding to your organisation beyond 2009/10. The proposed funding allocation for the next two years is as follows:

2007/8 (current funding)	£ 71,700
2008/9	£ 71,700
2009/10	£ 35,850
2010/11	£0

We have made this recommendation for the following reasons:

*We have reviewed the funding of Local Authority arts development in the North West and wish to move from funding joint programmes of activity with all local authorities to working with our stated geographic areas and to respond to new opportunities for growth. We have discussed this new policy with you and have outlined the possible implications for the funding of Local Arts Development Agencies (LADA's) in Cumbria*

*Only in Cumbria have we funded the local authority's own arts development services through our RFO investment stream. We are proposing a staged exit for the Cumbria Local Arts Development Agencies (LADAS) from our portfolio to allow the transition to take place smoothly, ie 100% funding in 08/09, 50% funding in 09/10 and zero funding in 10/11. This will bring Cumbria into alignment with all other local authorities in the North West by 2010/11.*

*The non-renewal of funding to Carlisle LADAs could have a particular impact on the Tullie House Art Gallery that benefits from a proportion of the Carlisle LADA grant for its programme activities. Tullie House is of strategic importance for visual arts provision in the region and part of the Renaissance Hub. During the funding transition period we will give attention to our longer term funding relationship with Tullie House*

*We will of course maintain a generic offer of service, specialist advice and regular communication around joint strategic work with you as with all of our local authorities.*

Please note that this is not a final decision. It is a recommendation that will be put to the regional council on 25 January 2008 where a final decision on your funding will be made. We have not come to this recommendation lightly. Arts Council England has undertaken a rigorous planning process and all proposals have been subject to review and moderation by art form and by region.

You are entitled to submit a response to our regional council outlining why you consider that our recommendation is wrong. If you choose to do so our regional council will consider your response alongside our recommendation. However, I must stress that regional council is likely to only change a recommendation if your comments suggest that it has been based on flawed evidence or rationale.

If you consider that this is the case and would like to submit a response **we must receive it before 15 January 2008.**

We can only accept a single response from your organisation emailed to [aileen.mcevoy@artscouncil.org.uk](mailto:aileen.mcevoy@artscouncil.org.uk). This will enable us to send it on to our regional council members for consideration in advance of their meeting. As our councillors may be considering a number of similar responses at the same meeting we suggest your response is brief and concise.

On the 25 January 2008, our regional council will be meeting to consider this recommendation and any responses. Final confirmation of your funding will be sent in early February. This timeline is available from our website:

<http://www.artscouncil.org.uk/funding/regularfunding.php>

Although our recommendation is not final at this stage, it may have an impact on your organisation's ability to deliver planned activity over the coming months.

Any payments outstanding from current funding agreements or other grant offers already made to you will not be affected by this recommendation. In cases where we do decide not to renew, or to reduce our funding, although we have no obligation to provide additional financial support, we may choose to do so on a case-by-case basis. You should be aware, however, that very limited resources will be available for this purpose.

If you have any questions please do not hesitate to contact your lead officer or me over the coming weeks.

Yours sincerely

Michael Eakin  
Regional Executive Director  
0161 8279 241  
[michael.eakin@artscouncil.org.uk](mailto:michael.eakin@artscouncil.org.uk)

## Town Clerk and Chief Executive

Maggie Mooney

Civic Centre Carlisle CA3 8QG • Telephone (01228) 817000 • Fax (01228) 817029

Document Exchange DX 63037 Carlisle • Type talk 18001 01228 817000 •

---

Ms Aileen McEvoy  
Arts Council England  
Manchester House  
22 Bridge Street  
Manchester  
M3 3AB

Please ask for: Maggie Mooney  
Direct Line: 01228 817114  
E-mail: maggiem@carlisle-city.gov.uk  
Your ref:  
Our ref:

14 January 2008

Dear Aileen

I write in response to Michael Eakins' letter (to Mick North) of 12 December. Whilst the proposed withdrawal of funding is not unexpected, and some discussion has taken place around how the Arts Council might continue to support activity in Carlisle within new policy guidelines, we are concerned that a decision to withdraw looks likely to be made before anything concrete has been agreed regarding alternative mechanisms for grant aid. I hope that in the coming weeks and months we can discuss these issues further to ensure that the progress achieved through our productive partnership over the last five years continues. Due to the seriousness of the implications for Carlisle, this issue will be discussed in a report taken as an urgent item at the City Council Executive next week,. In the meantime, we are asked to focus our comments on what may be "flawed evidence or rationale" and I would like therefore to emphasise the following points:

- So far as I know, ACE North East has no plans to withdraw either funding or RFO status from its existing local authority clients, which rather begs the question as to why the North West feels it should take this course. The funding of Cumbrian LAs as RFOs may be anomalous within the North West as a region, but the continuation of this approach across the Pennines creates a kind of precedent as well as an example of good practice. One might be forgiven for thinking that the priority in the North West is to create a neat, coherent system with no rough edges - but one that the individuals and organisations you serve have to fit into - rather than one that is more flexible and able to accommodate a greater range of needs and situations.
- Similarly, I understand that your commitment to Eden Arts Trust will continue (subject to further review) as the trust is not a local authority. However, as Eden District Council



has outsourced its arts development function to an independent organisation, we would argue that because of a technicality, Eden district is being treated differently. This seems unfair and not entirely logical.

- Michael's letter states that ACE wants to "... move from funding joint programmes ... with all local authorities to working with our stated geographic areas and to respond to new opportunities for growth." I appreciate that your priority area in Cumbria is West Cumbria, but your *Our agenda for the arts in the North West 2006-08* document also states that: "We will also focus on a number of local authority areas where there is identified under-provision and potential for growth through major regeneration initiatives, and in areas prioritised in the *Northwest Regional Economic Strategy 2006*." Carlisle's under-provision has been informally recognised for some time and we are one of those areas prioritised (with Crewe, Chester, Warrington and Lancaster) in the NWDA economic strategy document. On that basis, surely there is a strong case for greater engagement and investment, not less?

I am pleased to note that Michael's letter recognises the strategic importance of Tullie House Museum & Art Gallery. We are very proud of Tullie House's recent awards of Large Visitor Attraction of the Year in both Cumbria and the whole North West region, an achievement which underlines the very valuable contribution that the arts and museum sectors can make to cultural tourism. Tullie House is also of critical importance as an arts centre - for its vibrant events programme as well as its exhibitions - and is a key member of the North West Hub, delivering the MLA's Renaissance in the Regions strategy. We are committed to continuous improvement of the service, as illustrated by the current consideration of trust status for Tullie House and ongoing work (part funded by HLF) on a major Development Plan, both of which are potentially transformational.

It is essential that this excellent work continues without any loss of momentum, and Michael's letter implies that we are of the same mind on this. However, you will be well aware that your annual grant has historically supported other programmes that we regard as equally important, principally Brampton Live music festival and the Sands Centre's International Classical Concert series. Over the last thirteen years Brampton Live has steadily developed into the leading festival of its kind in the north of England, and the Sands offers audiences a programme of orchestral music that they would otherwise have to travel to Newcastle or Preston for. Arts Council funding is critical to the financial viability of these events, and their loss would represent a significant reduction in cultural provision, not only for Carlisle but also for the rest of Cumbria and the whole sub-region that the city serves as a regional capital.

Carlisle's status as a regional centre must surely be of major importance in the context of future funding arrangements. For many years, Arts Council investment in the city and district has been essential to the development of the arts here, but the level of investment

has been relatively modest. It is sobering to compare the current annual grant to the City Council - by far your largest grant into Carlisle - with those invested in individual RFOs in Cumbria. Even medium-sized organisations like the Lakeland Arts Trust and The Wordsworth Trust receive larger grants. Or we might compare investment into Carlisle with that of another small, historic city like Lancaster - again, the difference is notable.

Of course, I appreciate that a main reason for these apparent disparities is simply historical. Areas like South Lakeland and Lancaster, unlike Carlisle, have long been home to a critical mass of independent arts organisations that have attracted substantial funding, but this also serves to illustrate the special needs of places like Carlisle and the important role that local authorities can play when they are, by circumstance, the main agents for arts development.

It was the recognition of such circumstances that led Northern Arts Board (as was) to take the radical step of creating a network of Local Arts Development Agencies, in active partnership with almost every local authority in the region, thereby attempting to address the gaps in provision that appear when resources are too heavily concentrated in large urban centres or in places where arts organisations happened to have clustered over time.

In the end, whether or not we agree on questions of interpretation like this is almost irrelevant, but it matters that our views are clearly stated and properly heard. It matters also that we continue to find ways of working together for the benefit of communities that we both serve. Although Carlisle may not, in the past, have proved a fertile area for the growth of a thriving independent arts sector, our aspirations are high. As you know, our Carlisle Renaissance programmes are pursuing an ambitious agenda for change and regeneration in which culture is a significant strand. For example, current and key projects include the Public Art Strategy commissioned as part of the Urban Design and Public Realm Framework for Carlisle city centre, and the Historic Quarter Development Strategy. We continue to strive, with your help, to create a new performing arts centre in the city. The opening of the University of Cumbria will have a major social, economic and cultural impact on local life.

These are challenges and opportunities that I hope we can address and exploit together, but we will need your continuing financial support as well as your specialist advice and other services. Disinvestment on the scale proposed would have a disastrous effect and must be avoided.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Maggie Long'.

**M Mooney**

Town Clerk & Chief Executive