

LGA response to the Culture, Media and Sport Committee's Inquiry on the Work of the Arts Council (England)

February 2014

About the Local Government Association

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government.

We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

The LGA covers every part of England and Wales, supporting local government as the most efficient and accountable part of the public sector.

Summary

- From East Lindsey District Council's SO Festival to Portsmouth City Council's support for the new Mary Rose Museum and Birmingham City Council's new flagship central library, councils understand the importance to people of a culturally-rich life. Ultimately, councils are about people and places and culture – in all its ever-changing forms – is absolutely central to how people live their lives.
- It follows that the relationship between councils and Arts Council (England) (ACE) is absolutely critical. Outside London, councils spend as much as ACE on cultural infrastructure and co-fund around 60 per cent of ACE's 695 National Portfolio Organisations (NPOs).
- We are very encouraged by our strategic relationship with ACE. We have a shared focus on supporting council-led improvement, innovation and strong political and professional leadership. We were also pleased that ACE agreed with us on the importance of the new Area Councils retaining strong membership from local government. In particular, over the last two years our very successful joint improvement programme has supported over 100 portfolio holders to lead transformational change of culture, libraries and museums through leadership academies, seminars and peer challenge.
- The fiscal climate for cultural services is, of course, extremely challenging. Between 2011/12 and 2014/15 local government's core funding will fall by 40 per cent. Although the comparatively positive 2013 Spending Review settlement for the arts helped to reduce a little of the pressure on councils' cultural budgets, the scale of the savings that councils are required to make means that, in the absence of radical public sector reform, more very difficult decisions will have to be taken about frontline cultural provision.
- We want to continue to work with ACE to support councils to drive excellence and participation in culture through imaginative sector-led solutions, creative partnerships within and beyond the culture world and to take advantage of opportunities from

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wider public sector reform, such as being commissioned to achieve health or social care outcomes.

Further Information

ACE brings an expert national overview and local reach; local government has the democratic legitimacy and depth of understanding of the communities that they serve. Together, we are the biggest public investors in culture.

ACE's additional responsibilities for museums and libraries took their partnership with the LGA and local government into new territory, building on many years of joint working nationally and locally to develop this country's exciting and rich cultural offer.

In 2012, the LGA and ACE agreed a Joint Practical Statement of Purpose which sets out how, in the current fiscal climate, we are working together to help councils and local cultural partners to offer an excellent cultural offer that is sustainable and accessible. We do this by setting out how national collaboration will support the local collaboration that already exists to unlock fully the benefits of closer working between libraries, museums, culture and the arts.

Outside London, councils spend as much as ACE on this country's cultural infrastructure. Councils spend more than £539 million every year on the arts, museums, galleries, theatres and heritage. They also co-fund around 60 per cent of the 695 organisations in ACE's National Portfolio. Councils spend over £800 million annually on libraries and take the decisions on how to meet the statutory duty set out in the Public Libraries and Museums Act 1964.

The LGA's year-long focus on the link between investment in the arts and economic growth paved the way for ACE and the Department for Culture, Media and Sport (DCMS) to secure the Treasury's support and limit the reduction in arts funding to five per cent in the 2013 Spending Review, compared to an average seven per cent cut across DCMS. This was a good result for councils because, as so many organisations are co-funded with ACE, less pressure from the ACE side meant less knock-on pressure on councils.

The overall financial context for cultural services remains extremely challenging for local government and ACE. Between 2011/12 and 2014/15 local government's core funding will fall by 40 per cent and, in the absence of radical public sector reform, more very difficult decisions will have to be taken about frontline cultural provision.

We welcome the more flexible approach to lottery funding that ACE announced as part of its application process for National portfolio and Major Partner Museum 2015-18 programmes. It is vital that ACE continues to work very closely with councils where there are changes to ACE's investment in co-funded organisations. Four-year funding agreements are very welcome. The government's announcement in the 2013 Autumn Statement that local government will have longer-term financial settlements is also helpful because councils will potentially be in a better position to offer more stability to co-funded and other cultural organisations.

Against this backdrop, the LGA and ACE agreed a shared approach about how we can help councils and local cultural partners to offer excellent, sustainable and accessible cultural opportunities. We set out how national collaboration through a "single cultural conversation" will support the local collaboration that already exists to unlock fully the benefits of closer working between libraries, museums, culture and the arts. We agreed the following principles which continue to underpin everything that we do:

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- A recognition of the wider political and financial context within which local government and ACE operate and the need for culture to position itself as central to local commissioning conversations on issues ranging from the economy to health and young people.
- A place-based approach to investing in and supporting culture which aligns publicly funded cultural provision with the needs of that place.
- The role of strong local political leadership in driving partnerships, understanding local need and aspiration and articulating the value of culture to local communities.
- Driving excellence and participation in culture through imaginative solutions that are locally appropriate and owned and driven by councils themselves.

We are looking forward to continuing to developing our relationship with ACE by focussing on:

- **Partnerships** – continuing to embed the “single conversation” between ACE and local councils, spanning libraries, museums and the arts. More joined-up conversations about key issues including commissioning, assets, reaching marginalised communities and the contribution of culture to the overall priorities of a place will lead to a more efficient use of resources and better outcomes. This partnership approach also extends to the local cultural organisations in the voluntary and private sectors who play such a vital role in sustaining vibrant cultural offers. In particular, as local government adopts a stronger commissioning role, ACE can help to support and build the capacity of local cultural organisations, and encourage the joint commissioning of cultural activity – with ACE where appropriate.
- **Self-improvement, innovation and modernisation** – the cultural sector has a strong track record of grasping new delivery models. For example, the joint Colchester and Ipswich Museum Service, the Tri-borough shared library service and Luton Culture. ACE is playing a vital role by working with LGA to actively support councils to develop imaginative solutions that are locally appropriate and owned and driven by councils themselves.
- **Leadership** – we need to continue to harness political and professional leadership to ensure that culture has a strong voice at the top table. ACE can help to build leadership capacity and visibility by supporting councils to break down silos and encourage the development of a ‘whole culture’ approach to strategic planning and investment in culture.
- **Taking the single cultural conversation beyond culture** – we need to keep reinforcing the value of culture across other sectors; emphasising the contribution our sector makes to growth, community cohesion, engaging young people and health and well-being.

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