

LGA Comprehensive Spending Review Submission

Purpose of report

For information.

Summary

The LGA has been developing a submission to the Comprehensive Spending Review. This paper outlines the proposed elements relating to the Culture Tourism and Sport Board's remit, which have been developed from the Board's previous asks, and conversations with members and stakeholders.

Recommendation

That the Board note the report.

Action

The full submission will be sent to Government by 24th September 2020.

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Background

1. The review will set UK Government departments' resource budgets for the years 2021/22 to 2023/24 and capital budgets for the years 2021/22 until 2024/25, and devolved administrations' block grants for the same period.
2. The Chancellor has stated that the CSR will prioritise:
 - 2.1. strengthening the UK's economic recovery from COVID-19 by prioritising jobs and skills
 - 2.2. levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation and people – thus closing the gap with our competitors by spreading opportunity, maximising productivity and improving the value add of each hour worked
 - 2.3. improving outcomes in public services, including supporting the NHS and taking steps to cut crime and ensure every young person receives a superb education
 - 2.4. making the UK a scientific superpower, including leading in the development of technologies that will support the government's ambition to reach net zero carbon emissions by 2050
 - 2.5. strengthening the UK's place in the world
 - 2.6. improving the management and delivery of our commitments, ensuring that all departments have the appropriate structures and processes in place to deliver their outcomes and commitments on time and within budget.
3. Submissions must be received by 24 September 2020.

Culture Tourism and Sport content

Sport and physical activity

4. The Government's manifesto commitments to invest in the future of sports facilities is a positive step to ensuring that our communities can be active and investing in their future wellbeing. Regular physical activity can reduce the risk of many chronic conditions, including coronary heart disease, stroke, Type 2 diabetes, cancer, obesity, mental health problems and musculoskeletal conditions.

5. Sport England has commissioned research into the costs of physical inactivity, which showed that NHS providers in England spent more than £900 million in 2009/10 treating people with diseases that could be prevented if more people were physically active.¹ This country's sporting infrastructure is ageing, with Sport England estimating that 63 per cent of main sports halls and 60 per cent of swimming pools are past their expected lifespans or overdue refurbishment.²
6. This does not mean replacing like for like, but working with communities to design the leisure centres, sports pitches, parks and other infrastructure that will best meet their needs and enable them to build activity into their lives. This could also mean realising the potential for new facilities to revitalise the high street, be co-located with other facilities to form wellbeing or community hubs, and ensuring they meet the latest environmental standards for energy efficiency. Sport England has been providing effective support and investment in infrastructure, but their funds are oversubscribed with 1054 bids submitted to a grant fund that could only make 151 grants. Had Sport England been able to fund those bids, it would have unlocked match funding worth at least £540 million from councils and partners. During its operation, the fund typically achieved a 30 per cent reduction in capital build cost and a 40 per cent improvement in efficiency averaging £500,000 per annum per facility.
7. We are calling for a **strategic investment of £500 million for councils to invest in leisure facilities, pitches, and parks** to reduce obesity; ensure a healthier, more active nation in the future; reduce our carbon footprint; and prepare our communities for the inspiration provided by the Commonwealth Games.

Parks and green spaces

8. The Government have already committed to spending £2 billion in this parliament on cycling and walking. During our lockdown period, many people used their hour of exercise to enjoy our public parks and green spaces, with Sport England data showing 30% of people being more active during this time. As we invest the £2 billion in active travel, we must ensure that our parks and green spaces are fully connected to these plans and invested in. Building on the success of the Green Chain Walk and Thames path in London, when connected up, these spaces can make a powerful contribution to tackling obesity and getting more people active.
9. The coronavirus pandemic has hit those from more deprived backgrounds and the black, Asian and minority ethnic community hardest, whether that be through deaths, digital poverty or a lack of accessibility to parks, private gardens and green spaces to exercise.

¹ <https://www.sportengland.org/research/benefits-of-sport/health-and-benefits-of-sport/engaginginactive-people/>

² Based on figures taken from a January 2020 data cut of Sport England's Active Places Power.

Research by Public Health England³ has revealed that the most vulnerable do not have equal access to green space. This needs to be addressed. Existing parks have also been badly affected by the loss of income during the pandemic. Figures produced by the Government's Parks Action Group that in 2010 £1.3B was being spent on English local authority Parks of which £880m was from budgetary funding and £420m was from commercial income, fees and charges. By financial year 2016/17 only £1.2B (26% cut unadjusted for inflation or 32% cut adjusted and it has worsened since) was being spent collectively on parks of which £610m was from budgetary funding and £590m was coming through commercial income, fees and charges.

10. It is going to take time to return to these levels of income generation following Covid-19, particularly in terms of festivals and events with large attendance. Meanwhile, parks have shown their importance to communities during a period of crisis. We must ensure that they are in a good state to support everyone in the future.
11. They provide a cheap and cost-effective way to get people active, reduce obesity, boost mental wellbeing, and strengthen immune systems. At the same time, they can help act as green corridors for wildlife, refuges for pollinators, act as sustainable drainage systems, and mitigate the impact of air pollution.
12. Small scale, affordable initiatives, can add up to a major impact on our nation's health, environmental footprint, and resilience. We are calling for a flexible investment fund for councils to invest in their parks and green spaces. Indicative projects that councils would like to invest in are:
 - 12.1. **Parks Activation funding** - Creating jobs for a new breed of "community park rangers" to help "activate" our green spaces and deliver more community health focused outcomes such as green prescriptions /activities /volunteering, linking into the more hard to reach sections of society who need a lot more reassurance to use our green spaces. **£30 million revenue funding.**
 - 12.2. **Meadow creation** Transformation fund for the creation of pollinator rich grassland meadows on currently areas of close mown grass in parks and open spaces, as referenced in the environment 25 year action plan and Defra's bees needs campaign. **£10 million capital funding.**
 - 12.3. **Playbuilder +** - Capital funding for the refurbishment of play facilities to encourage active play as part of the anti-obesity strategy. Not just confined to children's play equipment but also things such as exercise equipment for all ages along with

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/357411/Review8_Green_spaces_health_inequalities.pdf

removing any accessibility barriers. **£350 million capital funding [based on 10 play areas at 100k per authority = 1 million per authority]**

12.4.Quality Parks, in partnership with Green Flag Award - Capital and revenue funding to transform parks in target wards into Green Flag Quality Standard green spaces delivering community cohesion, health and wellbeing, or climate mitigation outcomes. **£50 million blend of capital and revenue funding (based on 500K per park x 100 parks)**

12.5.Green Space Protection (in partnership with Fields in Trust) - A national campaign to protect existing green spaces with funding that covers legal and dedication costs, allowing landowners to donate to our nation's health and green future in a way comparable to the post-war donations of historic buildings to what became the National Trust. **£1 million revenue funding.**

12.6.Emergency Parks Fund - Emergency revenue funding to support parks through the current challenges, including emergency repairs to existing equipment and paths to embed and enable active habits during lockdown to be maintained. **£500 000 revenue funding.**

Tourism and the Visitor economy

13. The visitor economy is one of this country's fastest growing economic sectors. The cost of failing to invest in it now will have a significant impact on the economy and unemployment levels. The critical success factors for unlocking further growth – skills, transport, digital infrastructure and business support, are all policy areas where the evidence suggests devolution will enable better and more efficient decisions to be made for the visitor economy, particularly in coastal and rural areas.
14. Different areas will have different levels of need, with some areas, such as coastal communities, more at risk. A place-based and collaborative approach will need to be adopted by national partners, including Arts Council England, Historic England and VisitEngland.
15. There is a clear need for direct investment in the tourism sector of at least £1 billion, in addition to the extension of existing packages of support. The new £1.57 billion cultural and heritage fund announced on 5 July should also complement a comparable investment in tourism, given the close inter-relationship of these sectors. However, the cultural fund alone will not address the needs of the tourism sector and will itself fail to have the desired impact if supporting visitor economy businesses, such as coach companies, do not survive and are unable to channel large numbers of visitors to the cultural organisations.

16. We are calling on the Government to:

16.1. Introduce a £100 million funding programme that builds on the work of the Cultural Destination Programmeⁱ, Great Places Schemeⁱⁱ, and Discover England Fundⁱⁱⁱ which enabled arts and culture organisations to increase their reach by working with the tourism sector. With some of our member councils with seaside resorts to be the hardest hit due to the pandemic, it is crucial local authorities have every opportunity to support this sector at their disposal.

16.2. In the short term, it is important to avoid a cliff-edge, with a shortened and smaller summer season, followed by an end to government support in October which leaves these economies facing ‘three winters’. Government should work to maximise 2020 income through extending the season into autumn and winter. Councils and Combined authorities have suggested a variety of ways this can be achieved:

16.2.1. Visit Britain/England to devolve budget and/or of control of promotion of region to focus on autumn and winter, as well as periods beyond this

16.2.2. Out of season events development funds and by relaxation of restrictions on holiday parks and resorts to allow out of season operation

16.2.3. A specific support plan for the tourism and hospitality sector to see it through until March 2021, and beyond that, funding to deliver the tourism sector deal priorities.

17. Freedom and flexibilities around different funding streams would allow the refocus of existing funding to support place-based recovery, led by growth boards. Working with other departments and expanding criteria and objectives for the Cultural Development Fund, High Streets funding, and Stronger Towns funding, this could support councils to convert and adapt buildings, including high street premises, into studios to facilitate the creative industries contribution to recovery.

18. Over the longer-term, the UK Shared Prosperity Fund should explicitly acknowledge cultural, creative, heritage and visitor economy objectives in addition to supporting wider economic growth through strategically planned infrastructure investment including broadband and digital connectivity.

19. Destination Management Organisations (DMOs) are critical during the recovery period. **A rapid review of DMOs** must be conducted to ensure they are appropriately structured and resourced to deliver on our marketing and business support needs. There has been variable performance even before this period and, while some have provided invaluable

support to business recently, others have had to furlough staff from financial necessity. Effective marketing and business support to tourism businesses and potential visitors will be critical in the months ahead.

20. **Tourism Zones**, announced as part of the Government's Tourism Sector Deal, should be expanded in scope and number to 40, with appropriately scaled funding levels of £40 million, and brought forward as soon as possible. This should include innovative options for raising finance, building on proposals from the [Cultural Cities Enquiry](#), the option of a tourism levy, and business improvement districts. Receipts from taxation should be ringfenced for investment in the area that raised the tax. Possible expenditure included local authority services (public realm), tourism market intelligence and out of season marketing in order to ensure industry buy-in.

Skills

21. Government should ensure that funding streams for delivering skills training and development are accessible to cultural organisations that are currently unable to operate viable models under social distancing. These organisations will not only be able to contribute soft skills training that contributes to levelling up a community, but also offer large facilities that lend themselves to socially distanced face-to-face training sessions. Working with universities, councils and other education providers, these facilities can be brought in to provide key skills training while also supporting our cultural infrastructure to survive through to a point where they will again be independently financially viable.

Culture

22. Government statistics published in February 2020⁴ showed that in 2018 the UK's creative industries contributed more than £111 billion to the UK economy, equivalent to £306 million every day or £13 million every hour. That's more than the automotive, aerospace, life sciences and oil and gas industries combined. This was a 7.4 per cent increase on 2017, so growth in the creative industries was more than five times larger than growth across the UK economy as a whole.⁵ Meanwhile statistics released in February 2020 show the creative industries have increased their combined contribution to Gross Value Added (GVA) by 43.2 per cent in current prices since 2010.
23. More than 2 million people work in the UK's creative industries and, before the COVID-19 crisis, the sector was projected to create another million jobs by 2030. Jobs in the creative economy tend to be higher value, better paid and be more skilled than the

⁴ <https://www.gov.uk/government/news/cks-creative-industries-contributes-almost-13-million-to-the-uk-economy-every-hour>

⁵ <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2018-gva>

average in the wider economy. However, to sustain this requires a talent pool to be developed and maintained.

24. Parts of the creative industries have been hit harder by lockdown and the ill-effects will last longer than for other sectors of the economy. Those businesses that rely on attracting audiences or visitors will be the last to return to normal operations with no clear picture of when that might be. If we value the sector, we must all work together to secure its future.
25. As well as supporting the sector in its time of need, we must also consider the part creative enterprises and freelancers will have in helping us lead the nation's recovery. These businesses and individuals are naturally creative, adaptable and resilient. We must harness this creativity and innovation inherent in the sector to take on the challenges of a post-COVID world, generating jobs and investment in local economies.
26. To do this, the LGA is calling for:

- 26.1. **Adopt a place-based approach to recovery.** Each area faces different conditions, has lost different elements of its local ecosystem and will be in a different starting point for recovery. Councils are the local leaders of place and best placed to coordinate recovery. By ensuring councils are at the top table for discussions – including the new Cultural Renewal taskforce and the Tourism Industry Council – you will harness their resources and expertise and maximise impact. Arts Council England's (ACE) new strategy recognises the approach, and DCMS should support ACE to return to its delivery plans as soon as is feasible.
- 26.2. Culture drives footfall in high streets - the west end remains empty without the theatres. Liverpool city centre is experiencing 40% reduction in footfall due to their absence. We need to collaborate to revive and drive the cultural recovery, with the proven impact on GDP (joint fastest growing economic sector, with tourism, prior to Covid). Leadership is critical. Councils and Combined Authorities should be supported by ACE to **develop more cultural compacts**, as identified by the sector for the sector. £400 000 revenue funding.
- 26.3. **Invest £30 million capital funding in libraries to develop a network of makerspaces and public access computers** to turbocharge our country's recovery, close the digital skills divide in many of our most deprived areas, and grow the entrepreneurs and innovators in every council area. The business case developed the Leadership for Libraries Taskforce, convened by DCMS and the LGA, demonstrated that makerspaces are a swift, cheap, and popular way of bringing creativity and innovation into communities that have previously had few creative outputs. 17.3 million people in the UK lack the essential digital skills for life

or work, which makes the provision of public access computers in libraries, and the support provided to train people in the skills to use them, are more vital than ever.

26.4. Rapid rollout of the announced next tranche of business and intellectual property centres. These centres have proven their ability to reach and support a broader and more diverse range of entrepreneurs and will be critical to re-establishing a thriving ecosystem of small businesses and freelancers. Alongside this, a specific cultural and creative support offer should be developed, similar to Arts Council England's digital champions.

26.5. Provide councils with £500 million to invest in providers of social prescribing facilities, including leisure centres and libraries which support community activities. Building on existing work to develop social prescribing models, DCMS should work with the National Academy for Social Prescribing to ensure that cultural organisations are funded to deliver wellbeing outcomes, resulting in a more resilient and productive workforce. While the National Academy is funding link workers, we need investment in providers to ensure they have the capacity, skills, and know how to deliver the improvements to individuals, and the savings to the health service, that are needed for our nation to thrive.

26.6. Make £100 million capital funding available to convert disused retail units on the high streets into creative studios to enable creative industries (worth £111 billion GDP) to thrive and drive footfall to high streets by offering chance to grow entrepreneurs and innovators for the future by delivering 3d printing, coding and display spaces for creative experimentation. This must be coupled with the planning powers needed to curate high streets, as was done by removing permitted development rights from theatres and performance venues, protecting them from inappropriate development and preserving them for the community.

Implications for Wales

27. Culture Tourism and Sport policy and services are devolved to the Welsh Assembly.

Financial Implications

28. None.

Next steps

29. The LGA's finance team will send the submission to the Treasury following clearance by the LGA's Group Leaders.

ⁱ <https://www.artscouncil.org.uk/cultural-destinations#section-1>

ⁱⁱ [https://www.artscouncil.org.uk/funding-finder/great-place-scheme#:~:text=The%20Great%20Place%20Scheme%20is,cohesion%20and%20health%20and%20wellbeing\).](https://www.artscouncil.org.uk/funding-finder/great-place-scheme#:~:text=The%20Great%20Place%20Scheme%20is,cohesion%20and%20health%20and%20wellbeing).)

ⁱⁱⁱ <https://www.visitbritain.org/discover-england-fund>