

**Podcast discussion: transcript**

**ComRes report on Arts Council England’s investment process, 2018-22**

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**Discussion Chair:**

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**Discussion Panel:**

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**HOLLY WICKS:** We are here today having a round table discussion about the report that the Arts Council has released on the findings from its consultation with the sector on how it is going to be spending its 2018 and beyond funding.

With me I have got Althea Efunshile, Arts Council England Deputy Chief Executive; Brian Ashley, Arts Council England Director of Libraries; Mark Ball, Artistic Director and Chief Executive of LIFT, London International Festival of Theatre, and previously Arts Council Joint Executive Director of Arts and Culture; Matthew Tanner, the Chairman of AIM, the Association of Independent Museums and I am Holly Wicks, I am the Arts Council Lead from ComRes, the research agency commissioned to undertake this work.

So, to start off with it would be great to find out from you, Althea, for those who might not know, what the Arts Council do and how you invest in arts and culture in England.

**ALTHEA EFUNSHILE:** Okay Holly, I will kick off with that. We are the funding and development agency for arts, museums and libraries in England. We have something like £700 million per year that we spend to invest in our infrastructure across the country to make sure that we have great art and culture for everyone. That is our mission and it is a mission and a strategy that we developed with the sector.

We have got five goals and in summary they are making sure that we have excellence in terms of the arts and cultural provision, making sure that the greatest number of people can access that excellence, making sure that we have strong, resilient arts and cultural organisations, we have got skilled leadership, and finally making sure that children and young people can really access the art that we have in this country. So those are our five goals.

**HOLLY WICKS:** And you commissioned the research agency that I work for, ComRes, to undertake a consultation exercise about your investment process beyond 2018. Why was it important to consult the sector before you made your proposals?

**ALTHEA EFUNSHILE:** We had carried out a review of where we had got to five years into a 10 year strategy. Great Art and Culture for Everyone is a 10 year strategy and we were looking at where we were five years in and we realised that there were still some challenges that we needed to address.

We realised that we wanted, therefore, to change the way we were using that £700 million per annum. But what we did not want to do was just go into a dark room and come up with some ideas all by ourselves, that does not make any sense. If what we are doing is for the benefit of our sector, and by sector I mean our arts organisations, our libraries, our museums, then it is really important that we talk to them, which is what we did.

**HOLLY WICKS:** And what did the sector say? What are the key changes to the Arts Council’s investment approach beyond 2018, in brief?

**ALTHEA EFUNSHILE:** In brief, we said, for example, that rather than one group of organisations that we are going to fund we are going to now band them into three dependent on the sizes. And the sector came back and said yes, that is quite a good idea. And they liked it because it meant we would have the opportunity of having, in one group, those organisations with the smallest grants and we could make less demands on them in terms of the administrative burden, and so on. And in the largest group, with those organisations where we are funding them for £1 million and more, we could be clearer about the requirements that we are putting on those organisations, in terms of how they support the rest of the sector. So things like that, and they liked that idea.

We are also introducing something called Sector Support Organisations – those will be organisations that have a national brief to support the whole sector.

The sector was really pleased with our proposal to extend the time of funding from three years to four years, and of course they would be pleased with that because it means they have got a longer period of time to plan, and that is really good news for them.

And then I suppose the last one that I would want to mention is that we want to integrate our funding for museums and libraries and arts organisations. Previously we have had ring-fenced pots, and the sector liked that as well. We want to do that because we think it will really benefit the public, it will benefit artists, it will benefit practitioners working across those boundaries.

The sector liked it but they were a bit worried about whether that will lead to more competition for funds and that is something that we will think about.

Other things that we talked about were more support for individual artists and practitioners and also opening up our Grants for the Arts, which is a small grants fund, opening that up so that it is more responsive to the way modern art in the twenty first century is produced and delivered.

**HOLLY WICKS:** I want to start thinking about integration of museums and libraries funding and for the first time funding for museums and libraries is going to be brought together with funding for the arts. Starting to bring Brian, Mark and Matthew into the conversation, what difference will this make do you think for the sectors in which you work?

**MATTHEW TANNER:** Well, shall I start off in terms of museums? I think that this, so far, has been undercooked as an opportunity. It is really quite a radical change and I suspect that we will see a huge blossoming, thousands of flowers growing all around the country because it allows the Arts Council to move from, at times, a more subsidy like investment process to a genuine investment process that allows innovation to appear in all sorts of places and I think we will see people seizing this opportunity all over the place. It is very exciting.

**HOLLY WICKS:** Great, thanks Matthew. Mark?

**MARK BALL:** I think it is hugely exciting for the arts as well. I think, firstly, the public does not divide up its experiences as particular types of theatre, music, dance and museums, it experiences culture in the broad sense. And I think at a time when those definitions and sharp lines between art forms and practices are becoming more blurred for all sorts of reasons, to integrate museums into the Arts Council portfolio seems absolutely the right thing to do. And I think it will open up huge possibilities for partnership.

Museums are great positives of our culture and I think they are hugely exciting places. I know from first-hand experience whenever we take performing artists into a museums context they get fascinated by the possibility of working with collections, of working with curators, they come up with all sorts of interesting ways of bringing those collections alive and also informing their own practice. So I think there are huge advantages of doing it and it seems to be a sensible, very twenty first century thing to be doing.

**HOLLY WICKS:** And Brian?

**BRIAN ASHLEY:** I would agree entirely with what both Matthew and Mark have said. It is a reflection of how we live our lives now that people do not experience culture and arts in isolation of different silos of institutions or organisations.

And I think one of the real opportunities that bringing libraries into this integrated offer brings is a reach into places and to audiences that can perhaps go beyond some of the traditional ones that the Arts Council has reached over many years. Libraries are spread across the country, there is over 3,000 of them, and they reach a wide reflection of the audience, their users, their visitors. They have a very strong relationship with the demographic make-up of our society.

So, if you add that, then, into the opportunities of creative partnership across museums, across libraries, across arts organisations and indeed other partners as well, I think at that point you have got – to use Matthew’s analogy – a blossoming of flowers, of opportunities for the future, which, frankly, if we did not do it now it would be a huge missed opportunity.

**MARK BALL:** And I think just the ability to bring people in the same room together, you know, I met Matthew this morning and we are already thinking what could be the relationship between different organisations and how they might benefit each other, so I think the ability to bring people into the same room in the same conversation is going to reap big dividends.

**BRIAN ASHLEY:** There is one other point I want to add in as well, which is that at a local level these kind of partnerships have been happening forever. I used to be a Director of Culture in one of our major cities, in Nottingham, and I was responsible for arts, museums and libraries at that time, so it is bringing together at a national level the partnerships that have been happening for real at a local level for a long time.

**MATTHEW TANNER:** I think that is an important point, too – just as there are many libraries in communities all over the country, there are some 1,300 independent museums all over the country, so we are not just talking about the very familiar, perhaps usual suspects, in terms of the museums that are engaging with the arts. Everybody can now do it and this really enables those kind of relationships to grow and develop.

**HOLLY WICKS:** It is great to hear that you see many of the positive results of working together, and the sector saw them when we worked with them in consultations through the events and the online responses. One of the concerns that came up was that perhaps it might mean there would be less money to go around and more competition, so, Althea, if I move to you as the expert on such things, is this something that you see will be happening? How will this be managed?

**ALTHEA EFUNSHILE:** I think there is likely to be a little bit more competition but in a way that is healthy because it means we have got the opportunity, then, to really make sure that we are investing in those organisations with the most ambitious and the most creative and innovative and important cultural offers. And also that we are starting to think really across those boundaries of arts and museums and libraries, and just think, what is the offer in this place? And how do we use our investments?

Having said all of that, and I think it is important that we do not overestimate the demand we think we are going to get from the thousands of libraries and museums, we have done a bit of pre-work and our modelling suggests that there will be differences but I would be very surprised if the balance was completely turned on its head in terms of the amount of money that we currently spend on the arts compared to the money that we are spending in museums.

So, I do not think anyone should come into this worrying, I think they should think about the opportunities that have been discussed here already, the opportunities of partnerships, of collaborations and of working on the ground for the benefits of the people that come and love our art and love our culture.

**HOLLY WICKS:** Great, some nodding round the table here, any thoughts?

**MATTHEW TANNER:** Yes indeed, perhaps an extension of that idea is that it is not that the museums and perhaps the libraries too have to suddenly think of themselves as arts organisations, it is more trying to establish or embrace the idea that actually a really good museum is a performance in its own right, it is an art form in its own right. You do not actually need to change yourself, it is about opening up your horizons.

**HOLLY WICKS:** Thanks Matthew. From an arts or a libraries point of view?

**BRIAN ASHLEY:** From a libraries point of view, as Althea says, we have to acknowledge that sense that there may be a bit more competition, but equally not be afraid of it because if that means the best applications, the best work, gets funded and invested in that can only be a good thing.

I think the other thing to think about as well is that when you start creating these partnerships that we have talked about, those then become attractive to other funding partners and so this might be a vehicle for attracting greater sums of money, using – if you like – the Arts Council investment as a critical mass that has a gravitational pull for other funding sources that can only benefit our organisations.

**HOLLY WICKS:** Mark?

**MARK BALL:** Yes, I am absolutely with everything that has been said. I think inevitably there will be a bit more competition but I think inevitably we will also see more ambitious, more interesting projects and we will – as Brian says – be introducing artists to other parts of the sector and potentially other funding avenues for their work.

**HOLLY WICKS:** Something you mentioned earlier, when running their proposals, Althea, is that there are three bands within the National Portfolio, could you explain a little bit more about what this is and how it will work?

**ALTHEA EFUNSHILE:** Okay, well let me start with what we do at the moment. So, at the moment we have something that we call the National Portfolio Organisations, NPOs, and basically all that means is arts organisations that we are funding over a period of three or four years and we are revenue funding them, so we are saying they can have x amount of money every year for four years.

The integration point, just to go back to that, is to say that we will continue to have NPOs but now we will be including museums and libraries as part of that portfolio. So arts organisations and museums and libraries. At the moment, that is it, we have just got one group of NPOs.

In the future what we are going to say is within that NPOs group we are going to have three bands and then this other group called Sector Support Organisations, and they together, those four groups, will then comprise our NPOs.

So Band 1 organisations will be the organisations where we are paying the smallest grants, so £40K up to £250K per year. Band 2 organisations will be the organisations where we will be paying £250K per year right up to £1 million per year, and Band 3 organisations are the ones to which we will be paying the largest amounts of money, so those organisations where our grant will total £1 million and above.

And the reason we have done that is two-fold: one is because some of our smaller organisations, our current NPOs, are telling us that actually the demands of being an NPO are actually quite burdensome, and we have challenged ourselves on whether we are asking for more than we need in terms of the administration that we expect of them. So we have guaranteed that we will have a less onerous application process and monitoring process and funding agreement process for those smaller organisations. It means that they are freer to get on with producing the art and the culture that we want them to produce. If I go to the other end, the Band 3 organisations, the largest organisations, this gives us the opportunity to ask more of them, to make more demands of them, to say, look, you are larger, you get more of our money and actually there is more that you can do to lead the country, to lead your sector in terms of dance or in terms of theatre or in terms of talent development or whatever it might be.

So that is it in a nutshell really, we are banding in accordance with the size of the grant but then we are also making requirements of organisations that are proportionate.

**HOLLY WICKS:** So moving on to you, Matthew, any thoughts about banding?

**MATTHEW TANNER:** Yes indeed, I think there are a couple of things there. I noticed, Althea, when you described that that you kept saying size of organisation as opposed to size of grant.

**ALTHEA EFUNSHILE:** Yes, I kept slipping into that and you are right to raise it.

**MATTHEW TANNER:** That needs clarity does it not, because it is actually all about the size of the grant.

**ALTHEA EFUNSHILE:** It is the size of the grant.

**MATTHEW TANNER:** And while there may be a natural correlation between large organisations being able to handle grants of £1 million or more, it does not have to be like that. It could be anybody applying at any level but the obligations that they incur would be different for each band.

But the extension of that has been – I think – one of just semantics, language; a lot of the comments that we have heard from the report and elsewhere has been about bands – is that a league table, is there a hierarchy? That is the very point about not being organisation it is about grant sizes.

And I think the Arts Council went through every single word in the thesaurus to try to describe a band and then went through it again, and there is not a word that just captures that other than your straight statements that you have made already that there is no hierarchy, there is no prestige in being in any particular band or any other band and that needs to be said really clearly and not worry about the language itself.

**ALTHEA EFUNSHILE:** I think that is really, really important and by saying that our requirements are going to be more of those organisations to whom we are paying the biggest grants, not necessarily the biggest organisations, it is because we want it to feel as if – you know what, I am not sure I necessarily want to be a Band 3 organisation because I will be expected to contribute more to the sector. And it is really important that we get across that just because it is a Band 1 organisation it does not mean it is less important or that there is some sort of league table or hierarchy.

**HOLLY WICKS:** Brian, moving to you on libraries, because obviously this is quite a change for libraries and how the Arts Council works with them.

**BRIAN ASHLEY:** Yes, it will be a completely different experience for the libraries in their relationship with the Arts Council and so I could well imagine that for a libraries audience the consideration will be actually getting their head around what it takes to be a National Portfolio Organisation per se rather than worrying too much about which band they might be in. That will be a consideration, but actually the ask from the Arts Council of National Portfolio Organisations is, quite reasonably, quite significant. It is a significant amount of money that is being invested and it is to assist the Arts Council to deliver our goals and priorities.

So, as I say, I think from a library perspective it will be more about getting a grip on that spread of expectation of a National Portfolio Organisation and then the notion of bands – it is not a new idea because it is all wrapped up with one big new idea for the library sector to become part of the portfolio, taking libraries into the era where they see that they are increasingly seeing themselves as cultural venues, as cultural programmers alongside all the other functions they perform. They will see it as a very positive outlook.

**ALTHEA EFUNSHILE:** It is important to stress that when it comes to libraries, we will be inviting libraries to apply to the portfolio but to do arts and cultural activity rather than the statutory functions that are funded by local authorities, because as Brian has just said there is a range of services that libraries provide.

So, I have talked about the three bands which will be divided in accordance with the amount of grant that we are giving them; sector support organisations will also be part of the NPO portfolio but they will not be divided up by size of grant. What they will have is a responsibility to provide a service to the sector rather than producing art and culture themselves. So we will not be investing in them in order that they are then providing collections or producing art.

We have umbrella organisations at the moment, organisations that provide support for a particular sector, theatre umbrella groups, and there might be strategic library and museums partnerships and groups that would then provide a service back to those sectors, and so on.

We currently fund 10 bridge organisations, for example, that provide support to schools and to arts organisations in terms of our Goal 5, and Goal 5 is our work with children and young people; they would be sector support organisations.

So it is organisations that are doing a job, if you like, and we would be investing in them for that job rather than for the art and culture that they produce.

There might also be, by the way, organisations that produce art and culture and they might apply to us to be an NPO in another category, but that is not their sector support role.

**HOLLY WICKS:** So, the National Portfolio, the bands and the integration, that is not the only way that the Arts Council invests funding. What changes are being proposed to Grants for the Arts and strategic funding?

**ALTHEA EFUNSHILE:** You are absolutely right, so we have think of ourselves as having three main channels of funding. We have talked a lot in this discussion about National Portfolio Organisations, and you have just mentioned the other two – so Grants for the Arts, which is a small grants programme, and strategic funds, or Strategic Programmes, where we look at what the rest of our investment is doing and we think, there is a gap here, let us come up with a programme that plugs that gap.

With Grants for the Arts we are changing the name – we have all talked about integrating the portfolio – so we cannot call it Grants for the Arts because that does not imply integration so it will be Grants for the Arts and Culture. Now, I do not think that is very snappy but you get my drift and maybe we will come up with something a bit later on that will be snappier but still get that sense of it not just being for arts organisations. Grants for the Arts will now be accessible to libraries and to museums and to arts organisations. Now, they have always been accessible but museums have had to contort themselves to say that they are coming up with an arts project and then we have said, okay, it is an arts project and so we will allow you to have Grants for the Arts. They will now be able to say well actually for my museum’s purpose I will be able to apply for Grants for the Arts, so that is quite a big shift.

We are also wanting to make sure that Grants for the Arts is more open to creative media, to digital activity, to creative industries and we are doing more thinking about what precisely the boundaries and criteria will be in those areas. And that is in order that Grants for the Arts keeps up with where modern art and culture is going. So that is Grants for the Arts.

On Strategic Programmes, our strategic funds, it is kind of more of the same really. Certainly what the sector told us was that they liked the fact that we were saying that we wanted to continue to focus on diversity, to focus on children and young people and to perhaps put more of a focus on place and to make sure that there was maximum opportunity for organisations and individuals to think about how they could contribute culturally to their place.

So, for example, we will have something called the Great Place Scheme, which will be where organisations can apply for funding to develop a better offer and that will build on existing programmes like our Creative People and Places Scheme, our strategic touring, which has all been about trying to make sure that those areas that we call ‘cold spots’ because they have a low supply of arts or a low demand, that we are doing what we can to build that up.

And then finally just one last thing that I want to say, going back to Grants for the Arts, is that we also talked to the sector about our desire to have much more support for individual artists, and that drew a lot of support from the sector there, and we are going to have an individual align probably in our Grants for the Arts which will be for individual artists because it is important that they are not pitted up against organisations because they tend to fall short. So if there is a fund which is just for individual artists and practitioners then we can focus on the needs of that group as well.

**HOLLY WICKS:** Great, so starting with individual artists, Mark, have you got any thoughts working in the arts sector specifically about this proposal?

**MARK BALL:** Yes, I think this is a really important development, and again, it is something that the sector was really very keen on.

The external operating environment for artists is tough, you know, you look at all the stats, data from the Society of Authors, authors earnings are the same now as they were 20 years ago. Independent theatre directors, on average through their professional work, make less than £10,000 a year. It is a very hard external environment and when I was at the Arts Council one of the things that we did was look at the success rates between artists and organisations and artists clearly fare worse because they do not necessarily have the ability to access partnership funding in the same way as organisations, they find it more difficult to express public benefit, both things which Grants for the Arts talks about a lot.

And so I think finding a way to ring fence support for individual artists is going to be really important. They are the life blood of our culture. The success of what we do as organisations is based entirely on the creativity, imagination, vision and thoughtfulness of individual artists, so it is really crucial – they are the blood that runs in the veins of the arts world, it is really, really crucial that we provide them with as much support as possible.

It is tough out there, they have had a tougher time than organisations in accessing money from the Arts Council and I think anything that we can do, that the Arts Council can do, is going to be massively welcomed and applauded by the sector.

**HOLLY WICKS:** And Matthew there was some nodding from you when Althea was talking about opening up Grants for the Arts to museums and libraries. Have you got some thoughts on how that would work for museums?

**MATTHEW TANNER:**  Yes, I think there are two points in particular I nodded at – one was that Grants for the Arts becomes Grants for the Arts and Culture; this is terribly important. Is it G for A&C? I am not sure what it is going to be called but there is a very large group of museums, maybe a third maybe half of the museums, who do not naturally see themselves as an art museum.

A lot of the independent sector has grown out of our industrial legacies and our scientific legacies and so forth, which are actually a terribly important part of our culture, and that is what makes us what we are. And so breaking down the artificial divide between what is art and what is not art and just embracing culture and cultural activity as a whole is fantastic and it is very welcomed across the sector.

**HOLLY WICKS:** And for libraries also Brian?

**BRIAN ASHLEY:** Yes, in a sense this is more of a natural progression from what we have been doing, from the Arts Council, over recent years because there has been a ring-fenced sum from Grants for the Arts for libraries which means that applications for that have to be led by a libraries service. So in a sense we have been providing that access through that route and of course this gets caught up – rightly so – in the whole integration of funds, so that we break down that ring-fencing.

But by working with libraries in that way for the last four years we have been supporting them to build their expertise, their familiarity, their confidence in coming up with applications of sufficient quality and innovation and impact that will enable them to succeed in open competition with everybody else, and also to encourage, again, as we talked about earlier, that inter-relationship between artists, arts organisations, museums and libraries coming up jointly with applications. That will be very exciting to see.

So, as I say, it is a natural development on rather than a brave new world for libraries around Grants for the Arts, but it is a good development.

**HOLLY WICKS:** Looking at the strategic funds more broadly than place, and I realise it is a lot to cover in quite a short space of time, but what do you think will be the outcomes of some of those changes? As Althea mentioned it is quite consistent with what came before in terms of strategic funding, but anything that jumps out at you as having an impact in the sectors?

**MARK BALL:** For me, it is the greater emphasis on place. There is a lot of conversation about place but as Matthew was just saying, the events of recent weeks make this even more powerful, even more important for us to be able to harness the combined opportunity that our whole sector provides to get in to those places where people feel as though art and culture has not been for them.

And we know through Creative People and Places that when we get that right it is extraordinarily exciting to see how people have opened their eyes to see what is possible in ways that they did not have the opportunity before. So the more we can do more of that, and again by connecting in with other funding organisations, other partners, to create a larger critical mass, it is just a great opportunity but very much with the flow of current times.

**ALTHEA EFUNSHILE:** I think that is so important because of the power of arts and culture to bring communities together, so to reflect your own community to reflect your own values but also to learn about others and to create a new kind of community and a new sense of identity I think is really important and I do think that we have a responsibility as arts and cultural providers to take up that mantle and to actually exercise that responsibility.

**HOLLY WICKS:** So to finish off it would great to get a sense of what your vision for the arts and culture sector beyond 2018 and once these changes come into effect might be, looking very far forward.

**ALTHEA EFUNSHILE:** I think we can be proud of a really dynamic and vibrant arts and cultural scene at the moment and we should own that and say, yes, we are doing really, really well and actually this country is renowned for its arts and cultural offer, so that is fabulous.

We want that to continue, we want that spirit of adventure to continue, we want the excellence to continue, but we also want to make sure that the investment that the Arts Council deploys on those organisations is reaching parts of the country that hitherto, perhaps, have not been reached, so right across the country there is that opportunity to benefit from the investment as we have just been talking about, so that is really important.

And I think it is really important going forward that our arts and cultural organisations better reflect the diversity of a modern day Britain, modern day England, because they still do not and that is one of the challenges that we have really got to grasp and continue to make right.

And I suppose we have not mentioned – and we ought to – that we want a resilient sector, a sector that is strong, because there are real financial challenges at the moment. The local authorities, for example, have quite a lot of difficulties in terms of their funding, and they are key funders of arts and culture and we ought to mention that because they are key partners of the Arts Council.

So it is important that our sector finds ways of being as resilient as possible, of diversifying their income streams as far as possible so that we just keep being vibrant, we just keep being excellent.

**HOLLY WICKS:** Thank you very much.