

# REPORT

**Cllr Cole-Morgan : Cabinet Member for Community & Housing**

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## **Arts & Museum Funding Review Report**

### **1. Report Summary**

To agree the recommendations from Arts & Museum Funding Review

### **2. Background**

- 2.1** Cabinet approved the process for a review of the Arts & Museum funding on 25<sup>th</sup> June 2003 asking for a report with recommendations to come back to Cabinet. A working group of Members and officers was appointed who have carried out the review. (Appendix 1)

### **3. Review Process**

- 3.1** The review sought and analysed background information regarding other local authority funding levels for the arts; feedback from the local Business Community and statistical information from currently funded arts/museum organisations including Bournemouth Symphony Orchestra (BSO) whom SDC fund via a Partnership Agreement with the other Wiltshire Local Authorities and Sarum Chamber Orchestra (SCO) who received funding this year from SDC through the Community Grants.
- 3.2** The working group looked at the Council's criteria for the funding of arts/museum organisations and revised those of the current Arts Policy to include relevant new corporate priorities. (Appendix 2)
- 3.3** The services of the 3 Major Arts Organisations (MAOs) - Salisbury Playhouse, Festival & Arts Centre - and Salisbury Museum were assessed against these revised criteria. This has resulted in recommendations for their funding levels being drawn up against a scoring system that assesses:
- i) the level to which the organisations deliver the Council's priorities
  - ii) their financial need for support from SDC
  - iii) the gains and losses, in terms of achieving the Council's priorities, that would occur as a result of increasing or decreasing the Council's revenue funding

### **4. Current Position re Arts/Museum Funding**

- 4.1** SDC funding for arts/museum organisations from the 2003/04 Arts Budget stands at:

- Salisbury Arts Centre **£ 67,016**
- Salisbury Festival **£102,500**

- Salisbury Playhouse **£135,591**
- Salisbury & South Wiltshire Museum **£ 40,777**
- Bournemouth Symphony Orchestra **£ 2,434**

**Total                    £348,318**

- Total population of Salisbury District (2002) = **114,800**
- Total SDC spend (03/04) on regularly funded arts/museums organisations per head of population = **£3.03**
- % of total SDC revenue budget spent on regularly funded arts/museums organisations = **2.95%**

## **5. How we compare**

- 5.1** Chichester District Council is of a similar size and nature to Salisbury District having a similar reputation for high quality arts & cultural activities as Salisbury has. Their spend on arts/museums funding was **£420,000** which is a spend of **£3.92** per head of population by the district council.
- 5.2** Another similar district was Exeter City Council, again with a range of arts funding. Their spend was **£2.53** per head of population.
- 5.3** From the survey sent out to a range of individuals working in Salisbury District's Business sector the response showed that **83%** thought that SDC was spending about the **right amount** on arts/museums funding whilst the remaining **17%** thought that the amount spent by SDC was **too low**.
- 5.4** In terms of specific questions about the MAOs & Museum the following responses from the Business sector were received:
- Approx **50%** thought that these organisations contribute significantly or very significantly to addressing **social inclusion**
  - Approx **60%** thought that the organisations contribute significantly or very significantly to **educating people**
  - Approx **50%** thought that **tourism** was significantly or very significantly addressed by the organisations
  - Approx **60%** thought that these organisations significantly or very significantly contributed to the **local economy**

## **6. Analysis of Financial, Social & Economic impact of the regularly funded arts/museum organisations**

- 6.1** Information gathered from the MAOs & Museum demonstrates that they play an important part in the economic and social life of the district::
- The overall **total expenditure** of the organisations for 02/03 was **£3,140,181**. **£528,040** was spent with local businesses meaning that **17%** of their turnover in 02/03 was **spent in the local economy**. One example of this is the number of **paying nights accommodation** the organisations generate totaling **4,499** in 02/03

- These organisations attracted **£1,491,312 funding** in 02/03 into the district plus an additional **£758,175 Lottery funding** between 2001 - 2003
- **221,547 customer uses** for both paid and free activities took place in 02/03 with an average of **61%** of these being from **people living in Salisbury District**
- The organisations give employment to **241 employees** with an average of **76%** of these **living in Salisbury District**
- **265 volunteers** work for the organisations with approx **90% living in Salisbury District**
- The organisations provide over **2,362 sessions of activities** per annum with **1,928 hours** of these being **provision for children/young people**
- All of the organisations provide **discounted and free activities** meaning that access to their services is open to anyone
- All of the organisations run a range of **educational activities** including workshops, teacher training, talks/lectures, student placements
- All of the organisations provide **opportunities within the local community for other arts/cultural providers** including making their spaces/equipment available, or providing staff expertise

## 7. Process for determining funding levels from 2004/5

**7.1** An assessment of questionnaires, meetings, current service delivery and working knowledge of the MAOs & Museum was made by a working party. A system of scoring the organisations against the criteria (Appendix 2) was used. These assessments were then calculated to take into account the current funding level of each organisation, their score against the criteria and their score against a financial appraisal of the level of funding required from SDC to allow them to continue to deliver those services which meet our objectives. This has resulted in recommendations for the organisations to be funded at the following percentages of the total arts funding budget (minus provision for BSO and SCO):

- |                                |               |
|--------------------------------|---------------|
| • <b>Salisbury Playhouse</b>   | <b>38.2 %</b> |
| • <b>Salisbury Festival</b>    | <b>30.05%</b> |
| • <b>Salisbury Arts Centre</b> | <b>22.41%</b> |
| • <b>Salisbury Museum</b>      | <b>9.33%</b>  |

**7.2** This leads to the following funding levels being recommended:

- |                                |                 |
|--------------------------------|-----------------|
| • <b>Salisbury Playhouse</b>   | <b>£130,383</b> |
| • <b>Salisbury Festival</b>    | <b>£102,566</b> |
| • <b>Salisbury Arts Centre</b> | <b>£ 76,489</b> |
| • <b>Salisbury Museum</b>      | <b>£ 31,844</b> |

<b>Total</b>	<b>£341,282</b>
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**7.3** Provision has been made to reinstate the **Bournemouth Symphony Orchestra** funding to **£5,000** as their services would not have continued from 2004/5 at the current level of £2,434. It is important to retain the Partnership Agreement with the rest of the Wiltshire Local Authorities, as it has been very successful in bringing the Orchestra into Wiltshire for both concert and participatory activities.

- 7.4** It also allows for a funding allocation of **£2,000** for **Sarum Chamber Orchestra** whose services deliver against the funding criteria in Appendix 2 thus being able to bring them into the arts funding stream. A full amount of **£3,000** is recommended subject to being able to identify an additional £1,000.
- 7.5** This totals **£348,282** to be allocated for arts/museums funding from the current arts funding budget of £348,318.
- 7.6** It is acknowledged that if a further reduction of the arts funding budget has to be made that the commitment to fund BSO at £5,000 and SCO at £2,000 from this budget would remain with the remainder allocated to the MAOs & Museum as the percentages in paragraph 7.
- 7.7** The working group looked at the current service agreements and proposed the agreements are tightened up to include the Council proactively seeking to recoup any unspent funding if the organisations create a surplus on their annual budget. Further work to be undertaken in consultation with Arts Council, South West and SDC's Finance and Legal Units. It was also agreed that the current levels of implementation of the Wisecard by the organisations be maintained and if possible be increased over the duration of the service agreements.

## **8. Consultation Undertaken**

The Major Arts Organisations, Museum, Bournemouth Symphony Orchestra and Sarum Chamber Orchestra have all been consulted as part of this funding review.

## **9. Recommendations**

It is recommended that in principle the funding levels above be implemented as follows to be taken forward to the preparation of the Council's budget for 2004/05:

- **Salisbury Playhouse** – 3 year service agreement at the recommended funding level in paragraph 7
- **Salisbury Festival** – 3 year service agreement at the recommend funding level in paragraph 7 with targets built in for an increase in free activities
- **Salisbury Arts Centre** – 3 year service agreement with funding level for **year 1** being at **£71,489** building up to **£76,489** from **year 2**
- **Salisbury Museum** – A 3 year service agreement with funding for **year 1** being **£36,844**, reducing in **year 2** to **£31,844**
- **Bournemouth Symphony Orchestra** to continue on their annual Partnership Agreement with the Wiltshire Local Authorities at a reinstated level of **£5,000**
- **Sarum Chamber Orchestra** to be put onto an annual service agreement at a level of **£3,000** (pending an additional £1,000 being identified)

## **10. Background Papers:**

Completed questionnaires from Local Authorities, Business Community and arts organisations

## 11. Implications:

- **Financial** : The proposed funding levels are able to be met from the existing budgets available, subject to the budget setting process for the 2004/05 financial year maintaining them at the current level. If through the budget setting process funding levels are changed then funding for the MAOs and Museum will be apportioned in line with the percentage split outlined in the report. Members are reminded that funding levels are recommended to be set subject to three-year service agreements between these organisations and the Council. However there will be a caveat in the service agreements that maintaining these funding levels cannot be guaranteed, as they will be determined annually through the budget setting process.
- **Legal** : None at this stage
- **Human Rights** : The services provided are open to all residents of the district. Some activities may be for targeted groups eg children or youth and some activities/access to venues are free.
- **Personnel** : None
- **Community Safety** : The provision of some of the activities targeted at specific groups will provide diversionary activities.
- **Environmental** : By maintaining a diverse level of quality arts provision for the district the quality of life is enhanced.
- **Council's Core Values** : Already detailed in the report & Appendix 2
- **Wards Affected** : District wide.