

## **Scrutiny Board (Sustainable Economy and Culture)**

### **Scrutiny Working Group – Arts@Leeds Scheme – 4 February 2015**

#### **Report of Scrutiny Board to Chief Officer Culture and Sport**

##### Background

The Sustainable Economy and Culture Scrutiny Board agreed at its January meeting to carry out pre-decision scrutiny on the allocation for the next 3 year Arts@Leeds grants 2015-18. The decision is due to be taken by the Chief Officer Culture and Sport following approval of the 2015/16 Council budget.

On 4 February, a scrutiny working group met with the Executive Member and officers to carry out pre-decision scrutiny on the proposals.<sup>1</sup>

The Scrutiny Board asks the decision-maker to take the following issues into account when finalising the decision on the award of grants under the Arts@Leeds scheme 2015-18.

##### Conclusions and recommendations

The working group noted the process that had been followed in establishing and publicising the scheme; supporting organisations to apply; and assessing applications in order to come to the indicative allocations that were presented at the meeting.

It was also noted that the reduction in total funding available for 2015/16 was now proposed to be 18.7% as against the 10% originally set out in the July 2014 Executive Board report. This saves around £0.5M per year. A further 5% reduction was proposed for 2016/17.

The working group also noted the three separate stages of the assessment process, aimed at ensuring an overall balance of funding, and how this aligned with best practice elsewhere.<sup>2</sup>

Members also noted the monitoring carried out by officers to ensure organisations are sustainable, including through observer status on the Board of organisations receiving larger grants.

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<sup>1</sup> The papers considered by the working group included indicative allocations. These were designated as exempt in accordance with paragraph 10.4(3) of Schedule 12A(3) of the Local Government Act 1972 on the grounds that the information contained within the documents relates to the business affairs of the organisations concerned and is not yet finalised. It was therefore determined that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

<sup>2</sup> The Executive Member reported that she had taken no part in any discussion in relation to the proposed grant to the Leeds Grand Theatre & Opera House Trust Ltd due to her position on the Board.

Members noted that last year Opera North spent £728k on its education programme, mainly within Leeds. Members felt that this type of information should be publicised more widely as it put a different context on the £550k grant from the council.

#### **Recommendation**

**That the benefits that organisations bring to the city need to be more clearly articulated in the key performance indicators for organisations receiving over £100k.**

#### **Recommendation**

**That the number of opportunities provided, in relation to the criteria of spotting and nurturing talent, is added to the key performance indicators for monitoring of grants.**

Members discussed the explicit link between Arts Council funding and local authority funding, particularly in relation to the largest grants. It was reported that the Arts Council grants to Northern Ballet, Opera North and West Yorkshire Playhouse announced last year covered the same three year period and were predicated on the level of local authority support remaining at the same level. It was felt that it was unlikely that Arts Council funding would be removed given the national picture. The Arts Council had been consistently informed by the council that it could not protect funding levels, although the organisations concerned may have to re-submit their business plans to reflect the revised council funding allocations.

Members discussed the ongoing development of the Tetley as a venue in the south bank area of the city. Although it was noted that there were links with the college for arts students, Members expressed a desire to see more affordable local community engagement activities on offer there, as against corporate and private events, in light of the proposed council grant.

#### **Recommendation**

**That the Tetley is challenged to increase the level of affordable local community engagement activity.**

The working group discussed the West Indian Carnival and the associated Reggae Concert. The working group shared the Executive Member and officers' disappointment that there had not been enough time to bring the two organisations more closely together so that they could present a joint application for grant, but felt that it was not enough to propose to address this through future work with both organisations, and the observer status at the organisations' Board meetings that the proposed new grant arrangements would bring.

Members also felt that there was significant opportunity to raise additional (potentially all) funding locally given the amount of additional revenue generated locally by the events. Some concern was also expressed about the infrastructure costs associated with the events through Parks and Countryside, and how these could be reduced. Members were particularly aware of the significant level of these proposed grants compared to the most of the others in the total scheme.

Whilst they recognised and supported the importance of the Carnival to the local community and for the city's wider reputation, the working group were unable to support the proposed total allocation of £249,000 to the Reggae Concert and West Indian Carnival.

### **Recommendation**

**That the proposed allocations to the Reggae Concert and West Indian Carnival are reviewed.**

The working group also gave consideration to the applications that it was not proposed to fund and the alternative support and signposting that would be offered to these organisations. In particular Members considered and acknowledged the specific reasons for turning down the applications from the West Indian Centre and the Leeds Irish Festival, and the support for organisations representing these cultures within other aspects of the scheme.

The working group noted that the St Patrick's Day Parade and Pride would be included within the city centre events programme.

### **General comments and observations**

During the course of the discussion, there were a number of additional issues raised:

- Recognition of the amount of work carried out by officers working with the arts organisations to develop the proposals to this stage.
- That arts organisations value the three year indicative grant allocation, even though it is subject to budget decisions, as it helps them in their business planning, as well as saving time for both parties in the application and assessment process.
- The scale of the cuts in Leeds compared to some other authorities.
- Members stressed the importance of organisations seeking other funding sources where possible, and becoming sustainable in their own right where appropriate. It was noted that this was not possible for some organisations and for others would mean a radical change in their offer.
- Members noted that changes in the tax rules for touring companies would bring a financial benefit to Opera North, Northern Ballet and West Yorkshire Playhouse.
- The potential for regional funding, which was felt to be limited.
- The importance of the arts organisations in attracting inward investment to the city
- The potential positive impact of the Business Improvement District (BID) for arts organisations in the city centre area.
- Concern about the capacity of smaller organisations to apply for grants, and confirmation of the support available to assist them.
- Positive support for the Grand Futures scheme set up by 12 arts organisations across Leeds, which has already created 8 apprenticeships and 12 internships.