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## Report of the Chief Libraries, Arts and Heritage Officer

### Scrutiny Board Working Group

Date: 18<sup>th</sup> February 2011

Subject: Grants to Cultural Organisations - Working Group Paper

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#### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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### 1.0 Purpose of Report

To outline the developing position with West Yorkshire Grants, Leeds City Council grant proposals and give more detail on other support Leeds City Council gives organisations.

### 2.0 West Yorkshire Grants

Since the last meeting the position with West Yorkshire Grants has changed significantly. The Leaders and Chief Executives of West Yorkshire have been discussing a wide range of options in terms of the overall West Yorkshire funding streams. The 'Arts' Grants fell into this discussion and they have looked at everything from ceasing completely through to a phased withdrawal.

This has most significant impact on Leeds as for every £1 Leeds City Council puts into the budget, organisations in Leeds receive £2. This is very different for other authorities, one of whom contributes £290K to get £50K into their arts organisations. The regional work our companies do and the fact that their local people come to Leeds to enjoy the work of these companies has been lost somewhat in the budget challenges authorities face. It is understood Leeds' representatives consistently reminded the meetings of these facts.

The current proposal is:

- Opera North, Northern Ballet and West Yorkshire Playhouse grants will be cut 15% for 2011 and cease from 2012.
- Grant to Citizens Advice will be cut from 2011

- Grants to other organisations will be cut by 10% in 2011 and cease in 2012.

Leeds City Council will consider the changes West Yorkshire Grants are proposing in the context of all of the Council's grants.

### **3.0 Arts Council**

The Arts Council announced a 6.9% reduction in its grant funding in 2011\12 and a complete review for future years. It asked for bids for a three year funding programme to be submitted by late January 2011. This will mean the funding of some organisations may grow while others cease. They aim to announce their results by the end of March 2011, which will give companies four years of funding certainty from ACE.

They also announced a grant of £1.4m to West Yorkshire Playhouse for a two year programme to review their organisation and management and to help them to build a sustainable future by trialing new ways of working.

### **4.0 Leeds City Council Grants**

Like all other budgets, savings are being sought on the Council's grant scheme. The scheme has run for many years and although there is a robust bidding and assessment process, it is difficult for organisations to bid for new activity support or for new organisations to be supported. It has also been difficult for the City to commission activity relevant to its priorities.

In deciding grant levels for 2011\12, the following has been taken into consideration.

- The strength of the organisation to find alternative funding or manage the budget reductions.
- Other cuts the organisations are faced with.
- The creation of a new grant fund open to all targeted at specific highly visible and inclusive activity for all.
- The desire to support smaller local organisations and to increase their profile.
- The desire to move to two or three year funding arrangements to enable greater sustainability for the organisations.

It has therefore been proposed to reduce grants currently over £150,000 by 15%, grants between £50K and £149K by 12%, grants between £5K and £49K by 7%. The annual small grant pot will stay about the same but no grant will be allocated that is less than £1,000. This proposal is part of the current budget discussions.

### **5.0 Council support to the Festivals other than through the Grants:**

At the last meeting, the Working Group requested further information on the other support Leeds City Council gives organisations. Of specific interest was Leeds Carnival.

City Development also pay for a range of services but this funding is not given to the organisers nor is it in their control.

### **Carnival**

○ Park staff costs for the Carnival	11,940
○ Refuse skips	1,800
○ Rent	7,000
○ Rent Maintenance	9,000
○ Equipment and Materials	4,790
○ Health & safety consultancy	3,750
○ Security costs	5,000
○ Hired services – mainly electrical distribution, marquee hire, PAs, toilets, staging	36,420
○ Medical fees	9,550
○ Transport costs including floats	9,700
○ Highway costs, road closure, etc.	3,490
○ Carnival Queen event	30,000

### **Reggae Concert**

○ F&E	310
○ Operational materials	680
○ Clothing	820
○ H & S Consultancy	3,860
○ Hired and contracted services	60,530
○ Publicity	1,550
○ Bought in services	6,480
○ Parks staff costs	11,750

## **Irish Festival**

In 2010\11 Leeds grant funded the Irish Festival organisers £17,871. Since the event has moved to the Stadium, Sport have supported the event with £38,897 of in kind work for which they have no budget. In the current financial climate this is untenable and options for the way forward will be discussed with the organisers.

## **Asian Festival (previous called Mela)**

In 2010\11 Leeds grant funded the Asian Festival organisers £33,428.

Parks and Countryside have supported the event with £6,569 of in kind work for which they have no budget, to support the clear up after the event.

All Leeds City Council budgets are under review as part of the Council's budgetary challenge.

## **6.0 Other Support**

Leeds City Council supports a wide range of other organisations through arrangements made in the past. The most common is providing peppercorn rents for Leeds City Council owned premises, particularly where the organisation and Council worked together in redeveloping the venues. These include Northern Ballet, Opera North.

For the larger organisations they give the Council 40 days free access in return which we work with smaller organisations to occupy or Leeds City Council puts on children and family focused arts events.

Work is still going on in Asset Management to identify other such arrangements.

## **7.0 Member Involvement in Grant Funded Organisations**

This was discussed by Member Management Committee on 12<sup>th</sup> January 2011 and the following proposals were agreed.

- All organisations that receive a grant from the Council of £500,000 and over should offer 3 seats on their Board to Leeds City Councillors.
- All organisations that receive a grant from the Council of between £499,000 and £100,000 should offer 2 seats on their Board to Leeds City Councillors.
- All organizations that receive a grant of less than £100,000 but are nonetheless judged to have a significant impact on one or more wards should offer a minimum of 1 seats on their Board.
- Consideration will be given however where the board would not be able to cope with the addition of this number of members. Councillors already on Boards in a personal capacity will be considered as a 'Council seat'.

## **8.0 Recommendations**

8.1 To discuss issues raised by this paper.

