

FROM STRUCTURAL PIVOT TO WALK ON PART? THE ARTS AND LOCAL GOVERNMENT RE-ORGANISATION

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It cannot be emphasised too strongly that local authorities have been confirmed by the Charter process as the structural pivot of cultural life in Scotland. There is almost no area of activity, from Scottish Opera to community video, in which they are not involved in some capacity. At best they have been able to combine a closeness to local grassroots with a flexible approach to definitions of cultural activity, an ability to see the community's needs in the round, and imaginative approaches to co-operation with the private sector, and the level of arts funding alone makes them key players in this field.

This glowing reference for Scottish local authority involvement in the arts from **The Charter For the Arts in Scotland** (1993) neatly encapsulates the reason why the Scottish arts community and the Scottish Arts Council (SAC) are very concerned about the possible implication of the proposal to re-organise local government.

The arts community recognises that the position of the arts is only a relatively minor consideration when put alongside the Government's proposals for the water and sewerage service and the wholesale redrawing of council boundaries. However, local government re-organisation could have profound effects on the arts in Scotland. Surveys of public opinion consistently show that there is a high level of public participation in, and support for, the arts.

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The arts are widely accepted by council taxpayers as a public good. The high level of public support has undoubtedly been brought about by, and in turn helped to encourage, local authority arts expenditure. There is concern that local government re-organisation could threaten local authority arts funding and result in Scottish local authorities ceasing to be the 'structural pivot of cultural life'.

LOCAL AUTHORITY ARTS EXPENDITURE

In the absence of detailed statistics about local authority arts expenditure, **The Charter For The Arts** had estimated that Scottish local authorities spend between £40m - £100m on the arts. In order to get a more accurate estimate of the level of local authority support for the arts, SAC and the Convention of Scottish Local Authorities (COSLA) carried out a survey of local authority arts expenditure. This survey shows that in 1992/93 Scottish local authorities spent a total of about £200m on all cultural services: £92m on libraries and museums and galleries (1991/92 figure), £35.5m revenue expenditure on performing and visual arts, £4.3m capital expenditure on performing arts and £68m on teachers in arts subjects and bursaries for arts courses.

The overall level of local authority expenditure on cultural services is substantially greater than central government's support for the arts. The importance of local authority arts funding can be seen from the fact that central government support via SAC amounts to just under £4 per head of population whereas local authorities across Scotland spend almost £7 per head of population on the performing and visual arts. Over the last ten years SAC's budget has increased by 23% above the level of inflation whereas local authority expenditure on the arts has increased by over 125%.

STRENGTHS AND WEAKNESSES

The existing two tier structure of local government has both strengths and weaknesses for the arts.

The last twenty years has seen a burgeoning of arts activity initiated and supported by local authorities. The great development of Scottish cultural life in the 1980s could not have taken place without the increased support of local authorities such as Glasgow, Edinburgh and Aberdeen District Councils and Strathclyde Regional Council. Many arts organisations have developed

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fruitful working relationships with their local authorities. There is only one SAC revenue client that does not receive some revenue grant from a local authority and in many cases SAC's grant is more than matched by local authority grants. More than half of Scotland's District councils now employ arts development staff.

District and Islands councils have statutory responsibility for the arts, and have developed proactive and expansive arts policies which have resulted in arts expenditure by these authorities increasing by about 140% since 1982/83. Although Regional Councils have no statutory responsibility they have increasingly involved themselves in supporting the arts and arts expenditure by Regional councils has more than doubled in the last ten years.

Regional councils contributed over £8m of the total of £35.5m local authority arts expenditure in 1992/93. In addition they also spend a further £65.5m on arts teachers, instructors and advisers and over £2m on bursaries for arts courses. It is estimated that approximately 10% of the total school staffing complement - 3,500 - are teachers, instructors and advisers in arts subjects.

Spurred on by Glasgow's Year as the European City of Culture in 1990, Strathclyde Regional Council has developed an extensive arts funding and support system. It now has a grants budget of over £2m and supports a whole range of organisations and activities ranging from international tours by Scottish Ballet and commissioning a series of concertos by Peter Maxwell Davies, to running the Strathclyde Arts Centre and encouraging involvement in the arts in many communities throughout the region. Much of Strathclyde's arts activity is supported through specialist cultural teams in the Social Work and Education Departments.

The Strathclyde experience is mirrored in varying ways in most other Regional councils. For example Dumfries and Galloway Regional Council is one of the major funders of the Dumfries and Galloway Arts Association which provides an arts development service throughout the region. Fife Regional Council has maintained Arts in Fife as an arts development team within its education department, and has identified about £1m of arts related expenditure within its Social Work and Community Education departments. Lothian Regional Council has a total arts grants budget approaching £1m, and spends about £1/2m on arts staff. It converted the old St Bride's Church hall into a venue for the Edinburgh Festival and Fringe, and has provided a substantial capital grant towards the creation of the Festival Theatre. The larger funding base of Regions allows them to take a strategic overview and

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use their discretionary powers to fund the arts to fulfil policy objectives in education and social work, as well as broader corporate objectives.

The duality of funding in the two-tier system, reflecting both the geographic differences between the two tiers and also the different services and policies for which they are responsible, has benefited many arts organisations. Plurality of funding sources considerably strengthens arts organisations. The more sources of funding that are open to an organisation, the more robust it will be in coping with variations in income from any one source. The differing policy priorities of the two tiers of local government have led to a creative response from the arts sector. Artists and arts organisations have developed programmes of activities specifically geared towards meeting the requirements of social work and education priorities - for example, in the sphere of special needs groups and theatre in education work. This has contributed to developments in these areas of activity.

However the two-tier structure of local government also has some weaknesses from an arts perspective.

There can be confusion amongst the public and within the arts sector over which tier of local government is responsible for funding, or in some cases not funding, the arts. Whilst the duality of funding is welcomed if it leads to increases in the overall level of arts funding it can be problematic when it creates duplication of funding applications. Problems can be caused by the varying, sometimes conflicting, objectives of the different funding bodies. Since the arts can underpin different policies, arts organisations can sometimes feel under pressure to meet the differing objectives and criteria for funding set by District and Regional councils, and can lose sight of their own artistic objectives.

A lack of liaison between authorities, sometimes exacerbated by the rivalries that exist between geographic areas and between the two tiers, can lead to inconsistency in funding decisions. Arts organisations supported for part of their work by one local authority might be rejected for funding by the other tier, thereby endangering the whole project. Timescales for decision-making can also vary enormously. There is sometimes a lack of clarity in the criteria for funding and very little actual monitoring of the effectiveness of funding decisions by the two tiers of local government.

**AN ARTS PERSPECTIVE
ON THE GOVERNMENT'S PROPOSALS FOR RE-ORGANISATION**

Although SAC and the arts community are concerned that the proposals to re-organise Scottish local government pose some threats to the arts, it is recognised that they also provide opportunities. The response to the Government's proposals has concentrated on trying to make the most out of the opportunity that new legislation presents whilst trying to ensure that the potential for damaging local government support for the arts is minimised.

SAC was not in a position to pass judgement on the basic proposal to abolish the two-tier structure or to decide between the various options presented for the new boundaries. There is no ideal size for local authorities as far as the arts are concerned. There are examples of small District Councils which provide excellent arts services and several large District Councils which make poor provision for the arts. The main concern is that re-organisation might lead to a reduction in the overall level of local authority support for the arts. The introduction of a single tier structure might lead to a reduction in the current overall level of combined funding for the arts from Regional and District councils.

The spending assessment that will be made for the new councils by The Scottish Office is going to be crucial for the arts in Scotland. Unless the new councils are given spending assessments and rate capping limits which take account of their needing to assimilate the total £35.5m which is currently being spent by both tiers of local authorities, there will be enormous pressure on them to cut back on arts spending. There is a danger that arts organisations and council arts departments will be overlooked in the wider consideration of the allocation of functions, responsibilities and funding that will accompany re-organisation. In these circumstances the temptation to reduce arts provision and expenditure in the transition from two tiers of local government to one must be avoided. The many arts organisations which currently rely on funding from both District and Regional councils will need to persuade the successor authority to take on board the grant expenditure that was previously met by two councils.

Most arts organisations exist on very narrow margins and already face financial difficulties arising from constraints on SAC funding, limits on local authority grant budgets and reductions in earned and sponsorship income. Any reduction in local authority arts funding arising from re-organisation would lead to a decline in the amount of arts activity, cutbacks in programming and a decrease in the number of jobs in the arts sector.

THE 1982 EXPERIENCE

The current legislative framework for local authority involvement in the arts was put in place by the Local Government and Planning Act (Scotland) 1982 which followed the Stodart Committee's review of services and functions which the 1973 re-organisation of local government had split between Regional and District councils. The 1982 Act gave statutory responsibility for the arts to District and Islands councils, and left Regional councils with only discretionary powers to fund and support the arts.

The experience of the implementation of this Act shows the damage that can be done to local authority support for the arts through a re-organisation process. In the initial period following the implementation of the Act there was a reduction in local authority funding for the arts. Some Regional councils withdrew from giving grants to arts organisations whilst District councils considered their Rate Support Grant insufficiently increased to enable them to make up the resultant shortfall.

The most notable example was Lothian Region which stopped funding major arts organisations such as the Edinburgh International Festival and the Royal Lyceum and Traverse Theatre companies. Edinburgh District Council did not increase its grants to these organisations to make up for the shortfall caused by the cessation of Regional Council funding. The problems caused by this situation persist. Although in 1990 Lothian once again became one of the Festival's major funders, it has not yet re-instated funding for the theatre companies.

The 1982 Act also led to one of Edinburgh's biggest cultural assets being taken out of the public sector. The ownership of the Playhouse Theatre was transferred from the Regional Council to Edinburgh District Council which sold it to private sector.

The national performing arts companies - Scottish Opera, Scottish Ballet, the Scottish National Orchestra and the Scottish Chamber Orchestra - faced particular problems after the 1982 Act since their local authority funding came predominantly from the Regional councils, and some District councils did not increase their contributions in line with a new funding formula which COSLA introduced.

The abolition of the Greater London Council and the Metropolitan Boroughs also shows what can happen when a tier of local government disappears. The

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experience of the arts organisations affected by the abolition was almost universally negative with many facing severe reductions in funding.

THE LEGISLATIVE FRAMEWORK

The legislative framework in Scotland is viewed with some envy by the arts community in England. English councils do not have a statutory duty for the arts. It is suggested that this is one reason why Scottish local councils spend on average almost £7 per head of population on the arts whilst English councils spend less than £4. However, SAC's view is that the existing legislation is inadequate in a number of areas and that the re-organisation of local government presents an opportunity to clarify and strengthen it.

Although the existing statutory duty refers to the 'adequate provision of cultural and social facilities', there is no definition of 'adequate provision'. There has never been any legal challenge as to whether a council is failing to comply with its statutory duty, and indeed it is doubtful whether there could be a suitable legal definition. Also the statutory duty only refers to the provision of cultural facilities. SAC believes that it should be extended to cover cultural and artistic activities. The existing legislation should be clarified and extended to take account of the broader requirements of the arts through direct provision of arts services by local authorities and the funding of independent arts organisations and artists.

The 1982 Act gives local authorities the power to provide or contribute towards the provision of facilities 'whether inside or outside their areas'. However, it is unclear whether this power is wide enough in relation to the funding of regional and national arts organisations or of venues which serve a wide geographical area. Again this part of the legislation refers only to facilities and not to activities.

The Government appears to have recognised the strength of the argument made by SAC and the arts community. The White Paper on local government reform (July 1993) stated that the new single-tier councils should retain responsibility for the full range of cultural activities. It also stated that the new councils 'will have both a duty to ensure adequate provision of cultural activities and library services in their areas and powers to promote and contribute financially towards a wide range of cultural facilities and activities'. This would provide the extension and clarification of the existing duty which SAC recommended.

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The White Paper also included a statement that the Government propose 'to take the opportunity of the Bill to provide an explicit power enabling the new authorities to contribute to the expenses of regional or national bodies which exist to provide or promote cultural facilities and activities. This will ensure that there is no doubt that the new local authorities will be entitled to engage in these activities'. This provision would be important, throwing a lifeline to organisations such as TAG, the Theatre in Education group based in Glasgow but with a wide base of activity around the whole of Strathclyde. It will be faced with having to approach at least 10 new councils for basic revenue funding whereas previously it received funding from Strathclyde Regional Council. Similarly the national companies welcome this strong statement from the Government that the new councils will have explicit power to fund regional and national organisations as it strengthens their case to receive funding from all local authorities.

SAC was therefore somewhat surprised and concerned that the Local Government etc (Scotland) Bill published in December 1993 did not include any reference to the arts or cultural services. However, The Scottish Office are planning to introduce relevant amendments to the Bill broadly in line with the two statements made in the White Paper.

ARTS PLANS

The Bill also provides the opportunity to introduce a mechanism to assess whether the statutory duty to ensure adequate provision of cultural activities is being fulfilled. SAC and the other national cultural agencies - the Scottish Museums Council, the Scottish Library Associations and the Scottish Film Council - have suggested that councils should produce arts or cultural plans.

Arts plans would allow judgements to be made as to how the duty is being fulfilled, by creating benchmarks against which local-authority performance can be measured. Plans produced following consultation with arts organisations and artists would help councils relate decisions about development of arts policies and expenditure on the arts to their corporate policies and objectives. They would also help to ensure that the authority avoids unfocused arts policies and haphazard funding decisions, and should improve the authority's ability to take a holistic approach to the arts. Moreover, the arts can have economic, social and environmental impacts and therefore should be included as an integral part of the whole range of local authority planning mechanisms including Structure Plans, urban regeneration strategies and Corporate Plans.

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It is interesting to note that the Welsh local government reform Bill includes a proposal that Welsh councils will have to produce 'service delivery plans' detailing how they intend to fulfil their statutory functions. It could be argued that Scottish councils should also have a duty to produce comprehensive service delivery plans which would include some information about how councils intend to fulfil their statutory duty to ensure adequate provision of cultural facilities and activities.

STRUCTURES

Obviously for those in local government a major issue will be the internal structure of the new councils. Although there are variations (for example, Glasgow has a separate Performing Arts Department and Stirling includes its arts section within the recreation service which is in turn part of a Community Services Department), currently most arts services are part of composite Leisure and Recreation Departments.

There is a concern that in the new councils arts and the other cultural services, libraries and museums will be incorporated within Education Departments, thereby weakening their position and subsuming their role into being an adjunct to the community education service.

However, re-structuring creates the opportunity to develop a logical and coherent structure for local authority arts provision and to create arts services where they do not already exist. The arts should have a clear and distinctive voice within the corporate structure of the new councils, thereby increasing the possibility of the arts being involved in the development of inter-departmental strategic and corporate policies. Although it would be inappropriate to legislate for the internal structures of the new unitary authorities, guidance could be given on departmental structures that maintain distinctive arts services and the specialist staff that follow from this.

TRANSITION

The arts community also has some concerns about the transitional period during which the shadow authorities will be operating alongside the existing councils.

Since the arts are not a major issue when compared with the life and death services such as social work and housing, there is a danger that they will be

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overlooked in the consideration of the allocation of functions, responsibilities and funding by the shadow authorities. A major concern is that existing commitments made by old authorities might not be maintained by the new councils. In many cases arts organisations will have to deal with a totally new set up - new staff, new policies and different budget priorities.

There will be pressure on the shadow authorities to dispose of assets in order to finance the transition to the new structure. These decisions will need to be scrutinised to ensure that the disposal of assets does not lead to the closure of arts facilities and venues. On the other hand there might be opportunities to make better use of buildings that are declared surplus to requirements. For example some buildings might easily be converted into arts uses such as artists' studios.

As well as the possible disposal of assets, the transferral of ownership and leases of buildings between the old and the new councils could create problems. For example some theatres are leased at nominal rents or with special arrangements. Will these be maintained by the new councils?

SAC will need to collaborate with arts organisations to ensure that the new councils do not make decisions about the disposal or leasing of property and the level of grants that might have a detrimental impact on the arts. SAC and the arts community will need to be alert to all these potential threats to local authority support for the arts.

Local government re-organisation will be taking place at the same time as major changes are being made to the education system, mainly through the introduction of the Expressive Arts Guidelines for ages 5 to 14, and Devolved School Management. The introduction of the Local Management of Schools and other changes in England has led to substantial reductions in schools arts provision, music services and theatre in education. Efforts will need to be made to find the resources necessary to ensure that Devolved School Management and the introduction of the Expressive Arts Guidelines produce their promised benefits and opportunities.

CONCLUSION

The re-organisation of local government could reaffirm the status of local authorities as the structural pivot of Scotland's cultural life by strengthening the legislative framework through which councils provide support and

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funding for the arts, and by ensuring that arts services in the new councils become integral elements of the new structure and planning systems.

On the other hand, there is a real danger that the level of local authority arts funding, especially grants to arts organisations, which the two tiers of local government currently provide, will not be maintained by the new single-tier councils. Arts services might be subsumed within large monolithic Education or community service departments thereby losing prominence and status. Arts venues could be sold off as part of the drive to generate income to offset the cost of transition. The good relationships that many arts organisations have built up with local authorities at a District or Regional level could be destroyed when the new councils replace existing councils.

Local government is too important to the arts to allow this to happen. It would not only be artists and arts organisations that would suffer from any major reduction in support and funding from local authorities. Any reduction in local authority support for the arts would impoverish Scotland's cultural identity.

It is important for Scotland's cultural well-being that local authorities remain as the structural pivot of cultural life in Scotland, rather than being reduced to having only a walk-on part.

REFERENCES

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