



ARTS ALIVE WALES, Portfolio 2015 (image: Toril Brancher)

# Wales Local Authority Arts Investment and Partnerships Survey

## 2014/15



**Arts Development : UK**  
Working nationally, delivering locally

Research Team  
May 2016

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### Background

Since 2013 the Arts Council of Wales has worked in partnership with Arts Development UK (ADUK) on a combined local authority arts investment and partnership survey that would seek to address the needs of both organisations.

ADUK sent an online survey to all local authorities in Wales to assess the level of arts spending forecast for 2015/16 and for the first time, a separate but comparable survey, for outsourced services.

Arts Development UK produced a report on the complete data set <http://artsdevelopmentuk.org/2015/09/arts-devarts-development-uk-local-authority-arts-investment-partnership-survey-2015/>.

The following is a summary of the expenditure information relating to Welsh authorities compiled by the Arts Council of Wales.

## Summary

- 14 Local Authorities (including outsourced service providers) in Wales spent £20.4m on the arts in 2014/15, an average of £8.71 per head of population.
- The full ADUK survey sample (both Welsh and English Local Authorities) shows a total arts budget of £201m, averaging £2.73 per person in 2014/15.
- The average arts expenditure per responding Welsh local authority/outsourced service provider was £1,454,400 in 2014/15 with a range from as little as £53,850 to a high of £11,374,200.
- The arts budget for Welsh local authorities is projected to fall year on year at a higher rate (-13.1%) than the average for English local authorities (-0.1%) in 2015/16 indicating that Central and devolved Governmental cuts have taken longer to take effect in Wales.
- In terms of arts expenditure the picture is varied, the range of change projected from 2014/15 to 2015/16 varies from a decrease of -29.0% to an increase of 13.2% among the responding local authorities.
- Staffing costs across the responding Local Authorities make up, on average, just short of half (44.8%) the total arts budget. While the total expenditure is predicted to fall by -13.1% year on year, the staffing budget is predicted to decrease by -15.9% in 2015/16.
- The total revenue spend of local authorities was £17.3m in 2014/15. Over four-fifths (81.5%) of this revenue expenditure was spent on the direct management of arts venues.
- Just a third (35.7%) of responding Local Authorities reported expenditure on capital works during 2014/15, totalling £1.2m.
- Earned income of all responding authorities totalled £5.7m, with a range of £2,200 to £3.9m which can be largely accounted for by ticket sales.
- The Local authorities employ 319 full-time equivalents. Of these, 37 full-time equivalent posts include responsibility for arts policy or arts development work.

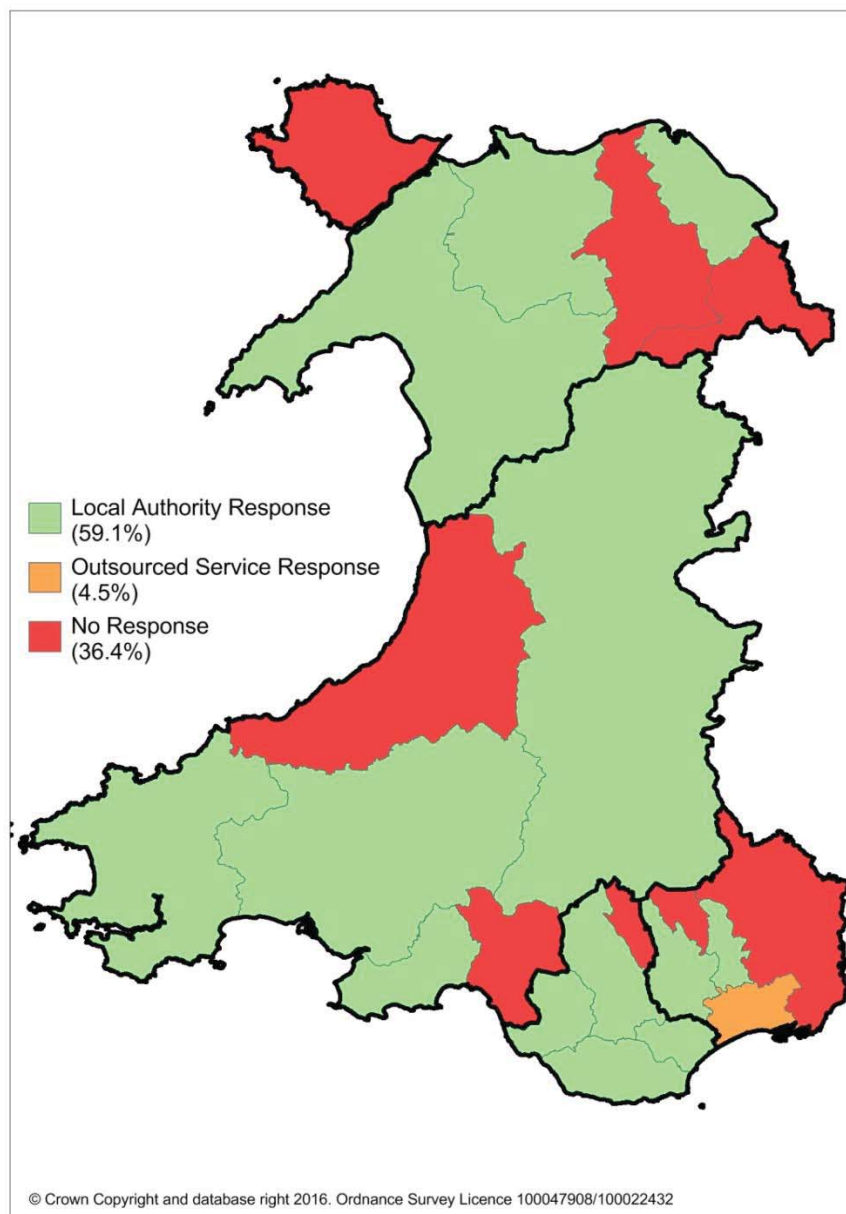
- The arts services in Welsh local authorities consistently work in partnership with other council departments including education (71.4%), libraries (64.3%), social services (57.1%), tourism and events (57.1%), youth services (57.1%) and adult services (57.1%), through collaboration, have a wide reaching impact on the development and delivery of corporate policies.

## Introduction

As with previous surveys, the 2015 survey asked questions focussing on financial information, the impact of funding cuts (if any), changes in the focus of funding and the move towards contracting out services. When possible, comparisons have been made throughout this report with previous years' surveys.

## The Respondents

Of the 22 Local Authorities in Wales, 13 (59.1%) responded directly to the survey. One further Local Authority area (4.5%) was covered by a response to the outsourced services questionnaire. A list of the responding authorities is included as appendix 1.



## Arts Council of Wales Regions

Responses to the survey by Arts Council of Wales region, was uniform across all 4 areas. Only when comparing the percentage of respondents by individual region does a difference become apparent. Four fifths (80.0%) of Local Authorities in the South Central region responded compared to a half (50.0%) of local authorities in the North region.

Region	2014		2015	
	No.	Regional Response Rate	No.	Regional Response Rate
North	3	50.0%	3	50.0%
South West	5	83.3%	4	67.7%
South Central	4	80.0%	4	80.0%
South East	4	80.0%	3	60.0%
<b>Total</b>	<b>16</b>	<b>72.7%</b>	<b>14</b>	<b>63.6%</b>

## Population of Local Authorities covered by responses

When comparing responses to the survey by population size it can be seen engagement in participation with larger authorities (those with a population of 150,001+) was more successful than engagement with smaller authorities. Of all the local authorities in Wales with a population between 50,000 and 100,000, just 1 (14.3%) took part in the 2015 survey.

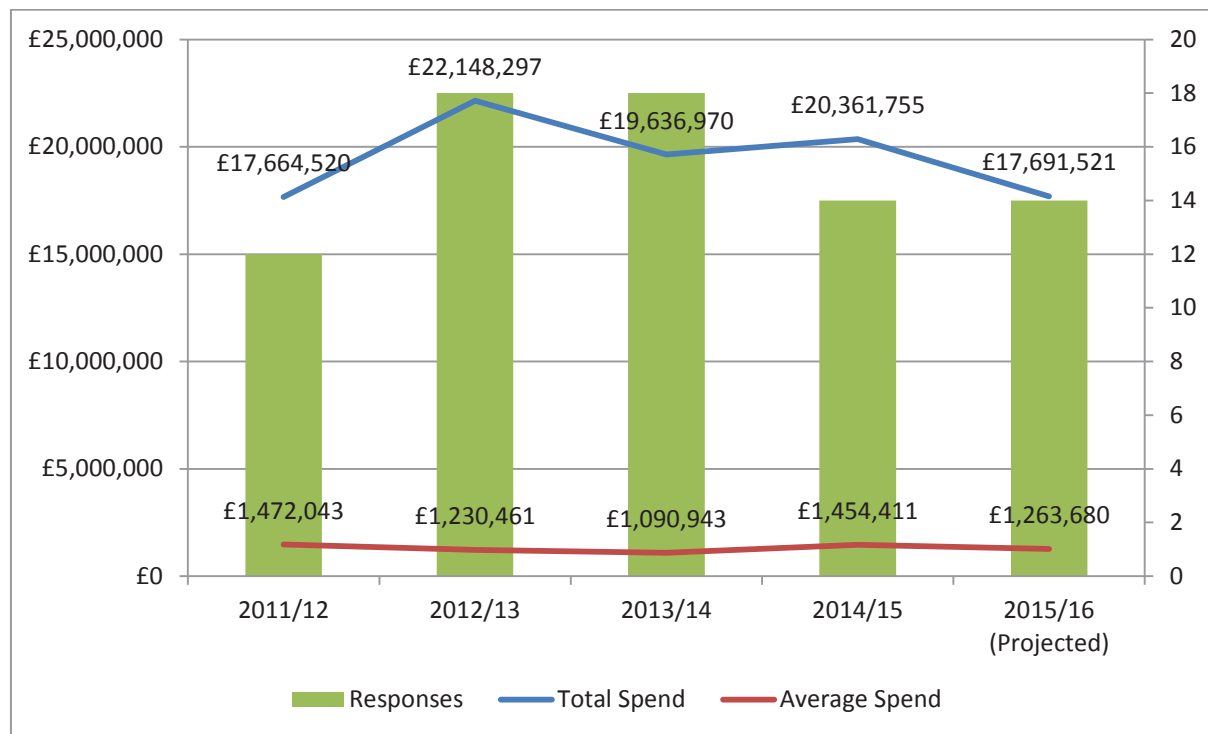
Population <sup>1</sup>	2015		All Wales LA's by Size	
	No.	Response rate by LA Size	No.	Percentage of all LA's
50,000 to 100,000	1	14.3%	7	31.8%
100,001 to 150,000	7	77.8%	9	40.9%
150,001 to 200,000	3	100.0%	3	13.6%
200,001 to 300,000	2	100.0%	2	9.1%
300,001 +	1	100.0%	1	4.5%
<b>Total</b>	<b>14</b>	<b>63.6%</b>	<b>22</b>	<b>100.0%</b>

<sup>1</sup> Source Office of National Statistics, 2014 Mid-year population estimates

## Arts Expenditure

The total arts budget for the 14 responding local authorities and outsourced service providers in 2014/15 (including staffing, service delivery, venue, promotions, marketing, grant and programme costs) was £20.4m or £8.71 per person.

The average arts expenditure per responding Welsh local authority/outsourced service provider was £1,454,400 in 2014/15 with a range from as little as £53,850 to a high of £11,374,200. In total there were 4 responding authorities with expenditure in excess of £1m.





Of the respondents participating in the survey, the projected spend for 2015/16 is £17.7m, an overall drop of -13.1% from 2014/15 expenditure. When comparing individual respondents projected spend in comparison to the previous year, changes range from a decrease of -29.0%, to an increase of 13.2%.

Total Arts Budget	Respondents	Total Budget	Average budget per respondent	% change
<b>Wales</b>				
2015/16 Projected	14	£17,691,521	£1,263,680	-13.1%
2014/15 Actual	14	£20,361,755	£1,454,411	-
<b>England</b>				
2015/16 Projected	46	£34,579,513	£751,729	-0.1%
2014/15 Actual	46	£34,602,952	£752,238	-

Despite respondents in Wales indicating a projected -13.1% decrease in total expenditure in 2015/16, and respondents in England indicating a -0.1% reduction, the average budget per authority is less in England than in Wales.

Due to the variance in budget between English and Welsh based respondents, spending patterns per head also differ:

- Wales 2015/16 projected arts spend per head of population is £7.56.
- England 2015/16 projected arts spend per head of population is £2.16.

## Staffing Costs

Staffing costs across the responding Local Authorities make up, on average, just short of half (44.8%) the total arts budget (£9.1m in 2014/15). While the total expenditure is predicted to fall by -13.1% year on year, the staffing budget is predicted to decrease by -15.9% to £7.7m in 2015/16.

When comparing individual Local Authorities, one accounts for three-fifths (61.4%) of the predicted -£1.4m decrease in overall staffing budget. Of the fourteen reporting Local Authorities, five indicated an increase in staffing budget from 2014/15 to 2015/16, two indicated no change in budget and seven a decrease. The change in estimated staffing cost by individual Local Authorities ranges from -67.4% to +52.1%.



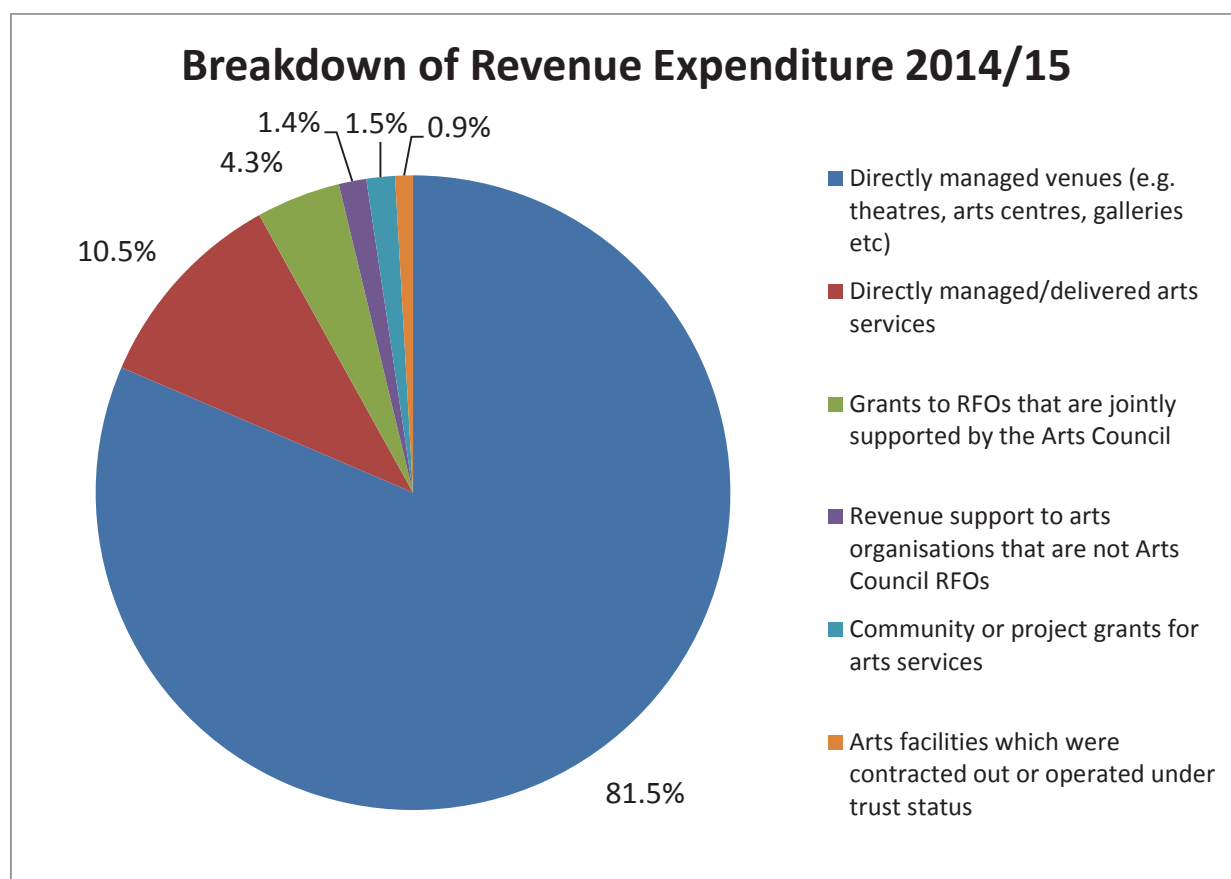
## Breakdown of expenditure 2014/15

		Count	Total (£'s)	% of Total
Directly managed venues (e.g. theatres, arts centres, galleries etc)		8	£14,071,986	76.0
Directly managed/delivered arts services		9	£1,813,254	9.8
Grants to Regularly Funded Organisations (RFOs)	Grants to RFOs that are jointly supported by the Arts Council	9	£741,783	4.0
	Revenue support to arts organisations that are not Arts Council RFOs	6	£242,247	1.3
Community or project grants for arts services		10	£250,773	1.4
Arts facilities which were contracted out or operated under trust status		1	£156,498	0.8
<b>Total Revenue Expenditure</b>		<b>14</b>	<b>£17,276,541</b>	<b>93.3</b>
Capital spend on major works & refurbishment		2	£922,121	5.0
Capital spend on new strategic developments		3	£272,291	1.5
<b>Total Expenditure on Capital projects (not including capital repayments or internal recharges)</b>		<b>5</b>	<b>£1,241,375<sup>2</sup></b>	<b>6.7</b>
<b>Total Expenditure</b>		<b>14</b>	<b>£18,517,916</b>	<b>100.0</b>

<sup>2</sup> One LA did not identify under which category their Capital Expenditure took place.

## Revenue Expenditure

The total revenue spend was £17.3m in 2014/15. Over four-fifths (81.5%) of this revenue expenditure was spent on the direct management of arts venues.



Directly managed arts services received 10.5% of all Local authority revenue expenditure, while 4.3% of expenditure was distributed in grants to revenue funded organisations jointly supported by the Arts Council.

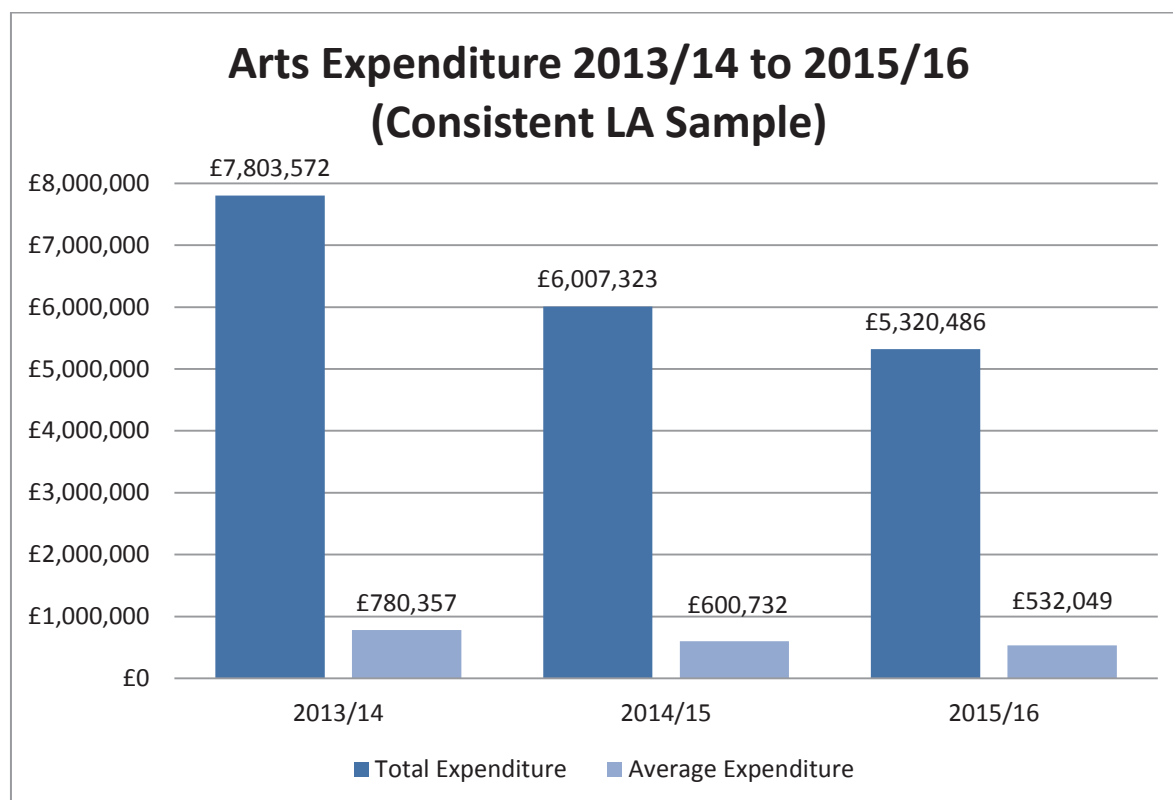
## Capital Expenditure

A third (35.7%) of responding Local Authorities reported expenditure on capital works during 2014/15, totalling £1.2m. One Local Authority accounted for three-quarters (75.7%) of all capital expenditure and the range between Local Authorities was from £47,000 to £940,000.

## Expenditure by consistent sample of Local Authorities

Ten local authorities in Wales have responded with expenditure data to this survey consistently for the past two years. For these authorities we now have three years of expenditure data, 2013/14, 2014/15 and 2015/16 projections.

The graph below shows that for these 10 authorities arts expenditure has fallen by almost £2.5m over the three years.



Expenditure within these 10 local authorities fell between 2013/14 and 2015/16 by almost a third (-31.8%) from £7.8m to £5.3m, the drop between 2014/15 to 2015/16 was less marked at -11.4%.

While 8 of the 10 local authorities indicated a decrease in expenditure from 2013/14 to 2015/16 (ranging from -6.4% to -94.2%) the two remaining LA's indicated an increase.

## Income generation for Arts Services

During 2014/15 nine of the fourteen responding authorities reported receiving a total of £991,000 from Arts Council of Wales lottery funding, plus a further £309,000 from core revenue funding.

## Earned Income

Nine of the fourteen local authorities indicated a value of earned income from ticket sales, activity fees, merchandise etc. The earned income of all responding authorities totalled £5.7m, with a range of £2,200 to £3.9m which can be largely accounted for by ticket sales.

## Opinion on future arts funding

Local authorities were asked to indicate their opinion of the future direction and outlook for arts funding in the next financial year. Two respondents expressed the opinion that their arts funding would stand still without inflation, with one more respondent expecting a stand still in funding with inflation. The majority of authorities (10) believed that arts expenditure will decrease due to the overall budget cuts Welsh local authorities are facing. Five of the responding authorities also indicated that they felt that services may be contracted out within the next year.

Over the longer term (the next 2 years) all but one authority believe that their arts budget will decrease, three of which believe their service will be under the threat of closure. Five of these authorities also considered their arts services are likely to be contracted out in the future to a local or regional service contractor to achieve budget savings.

## Employment

All 14 Welsh local authorities responded to the employment question within the survey. In total they employ 318.8 full-time equivalents. Of these, 37.0 fte posts include responsibility for arts policy, or arts development work. On average, each authority employed 22.8 people with a range from just 0.5 of a full time post to 120 fte posts.

Optimistically ten of the responding authorities indicated that they were not expecting any redundancies in the cultural service in 2015/16, three however, were expecting redundancies.

In terms of the respondents' own job, four of the thirteen expected 'significant changes' in their role with four others believed their role was 'under threat of major cuts'. There were three who were 'unsure' about their role in the future and one who felt 'secure' in their role.

Of the fourteen authorities, six have been restructured in the last 2 years with two about to be restructured.

## Contribution of the arts to Corporate Priorities

The arts can be seen to contribute across many council agendas.

The majority of local authorities (13), bar one, indicated that their arts service contributed to a variety of cross-cutting themes:

	No.	%
Adult Health & Wellbeing	14	100.0
Child Health & Wellbeing	14	100.0
Tackling Exclusion	14	100.0
Promoting Equality	14	100.0
Children & Young People (Education)	14	100.0
Local Economy & Sustainability (Regeneration and Tourism)	14	100.0
Stronger & Safer Communities	13	92.8

Respondents reported working in partnership with a range of other departments within their local authority, to deliver arts activity/arts services to meet their corporate objectives. The different departments are listed below, along with the number of authorities who indicated this activity took place.

	No.	%
Education (e.g. music service provision, theatre in education provision)	10	71.4
Libraries (e.g. creative writing groups)	9	64.3
Social Services (e.g. art in social care settings)	8	57.1
Tourism and Events (e.g. carnivals, lantern parades, outdoor gigs)	8	57.1
Youth Services (e.g. arts based workshops for young people outside of school time)	8	57.1
Adult Education (e.g. arts based classes)	7	50.0
Countryside and Parks (e.g. art in open spaces)	7	50.0
Museums / museums and archives development	7	50.0
Leisure / Play (e.g. play scheme arts provision, dance for health)	6	42.9
Archaeology / Heritage Services	3	21.4
Corporate Communications (e.g. at family fun days)	3	21.4
Housing (e.g. art in the public realm)	3	21.4
Other (please specify)	2	14.3

## Financial Priorities

The following is a list of respondents' immediate priorities for developing their arts services. These are almost verbatim but some specifics have been cleaned to preserve anonymity.

- Funding - marketing, materials, private views
- Delivering efficiencies/maintain quality and level of service under tighter budget pressures
- Realigning the arts grant budget to prioritise social inclusion projects rather than high profile events
- Deliver services within budget with projects based around increasing participation within the Arts
- Generate as much income as possible
- Consider further staffing efficiencies
- Safeguarding community arts funding and support to cultural venues
- Developing sustainable initiatives/organisations
- To provide sufficient funding to arts organisations to avoid closure or termination of arts facilities, venues, activities and services
- To ensure funding is effective in reaching determined outcomes
- Increasing income from Box Office, Room Hire, Workshops, Bars etc

## Partnership with the Arts Council of Wales

Local authorities responding to the survey indicated that there were 16 Revenue Funded Organisations (RFOs) supported in partnership with the Arts Council of Wales.

When asked about their relationship with their 'lead' Arts Council Officer in terms of contact, advice and partnership working, 8 of the 14 (57.1%) responding authorities say they have an 'active and developing' relationship. A further 5 (35.7%) reported a 'neutral' relationship and 1 (7.1%) a 'negative and receding' relationship.

An open ended question on relationship with the Arts Council of Wales delivered varied responses ranging from "We have a good relationship with ACW and we try to keep each other informed as and when time allows" to "ACW have changed our designated officer but failed to tell us there was a change. Very little contact with our officer over the last year".

## Appendix 1

### Authorities Responding to the 2014/15 Survey

1. Bridgend County Borough Council
2. Caerphilly County Borough Council
3. Carmarthenshire County Council
4. City & County of Swansea
5. City and County of Cardiff
6. Conwy County Borough Council
7. Flintshire County Council
8. Gwynedd Council
9. Newport Live
10. Pembrokeshire County Council
11. Powys County Council
12. Rhondda Cynon Taf County Borough Council
13. Torfaen County Borough Council
14. Vale of Glamorgan Council