



Arts Council of Northern Ireland

Response to the NI Executive

Consultation on the 2021-22 Draft Budget

Thursday 25th February 2021

Northern Ireland Budgetary Outlook (2021-22)

This is a response compiled by the Executive of the Arts Council of Northern Ireland to the 2021-22 Draft Budget issued by the Department for Finance on 18th January 2020. We welcome the opportunity to respond to the stakeholder consultation and, since final decisions have not yet been reached, we trust that these views will be considered fully before a budget is agreed. We have chosen not to use the Budget Briefing Template, given its more generic structure. Instead we have chosen to construct a response based on issues and concerns relevant to the Arts Council and the sector it supports. It should, however, be noted that we are not nominating other areas of public service for reductions since we do not consider that to be appropriate.

Who we are, What we do

The Arts Council of Northern Ireland is the main development agency for the Arts and cultural sector.

Under our mission, *'to place the Arts at the heart of our social, economic and creative lives'*, we have set out a 5-year strategy structured under the themes: *Inspire; Connect and Lead*. The strategy emphasises our core aim to invest in artistic excellence and ensure that work of quality is presented to the widest possible audience. This reflects on the ability of the Arts to innovate, to challenge preconceptions and to broaden and enrich our lives. Based on this platform, the strategy has succeeded in opening up new ways in which the Arts can support and enhance education and learning, health and wellbeing, contribute to our economic prosperity and help create a more inclusive and safe society.

The Arts are for Everyone

The most recent NISRA Continuous Household Survey¹ shows that 87% of our population engaged in the Arts in 2019/20. Public investment enables local citizens to enjoy the cultural offer of our theatres and venues, which are the cultural heartbeat of our towns and cities; without them we would be much the poorer. That investment also supports the Arts in community spaces and schools, hospitals and care homes. Government investment in the Arts in Northern Ireland has declined by 30% in cash terms in the last decade. Further decline in funding to the arts sector will endanger the richness and variety that so many people enjoy.

COVID

This response reflects the context of a society that has been severely impacted by the COVID pandemic; consequently we continue to revise our daily lives given the enduring quarantine and the need to find different ways to work. The fragile and vital arts sector in Northern Ireland continues to face an existential crisis.

ACNI ran a survey in July 2020 to assess the situation faced by arts organisations. Based on a response from 129 organisations at that time, the survey indicated that:

- Organisations estimated a loss of 180,000 arts activities and 3,000,000 audience members from engaging in the arts since lockdown began until September 2020. The loss

¹ [Experience of culture and the arts by adults in Northern Ireland 2019/20 \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/experience-of-culture-and-the-arts-by-adults-in-northern-ireland-2019-20)

of these events have prevented 36,000 work opportunities for NI artists and freelance creatives.

- Organisations reported average losses of £91,000 in ticket sales and many public and philanthropic funders have either withdrawn or been unable to provide funding. 74% predicted deficits by the end of the year; which they estimated will be between £6.6-10m for 2020/21

COVID has exposed the fundamental fragility of a sector already under severe pressure. It is vital that we achieve a representative, balanced and sustainable sector, protect and develop sectoral skills, embed Social Inclusion and strengthen communities through Social Renewal. We welcomed an Exchequer resource position of £33m in fy20-21, an increase of £23m to deliver emergency programmes to ensure the policy objectives for the COVID emergency funding packages. Without continued financial support, there is a risk that those policy objectives would not be met.

The Arts Council of Northern Ireland recommends:

1. Continued investment and emergency funding packages to enable the Arts Council to deal with the immediate challenges faced by the arts sector as a result of COVID-19.
2. Parity with Wales, our closest comparator. In order for Northern Ireland to reach the same level of exchequer investment per head of population, an additional investment of £18.439m would be required over 3 years. The total investment needed over this period is £49.957m. We request an additional £9.2m in 2021/21 to begin this step change.

We welcome the Department for Communities additional £6m arts recovery bid as a step in the right direction for achieving parity with Wales. This is a combined bid for Arts & Creativity, Museums, Libraries, Languages and Historic Environment Divisions, reflecting the anticipated requirement for survival and longer-term recovery and renewal/adaptation.

How We Invest Public Funds

The Annual Funding Programme is the primary investment programme we use to support arts organisations and it is vital to achieving our strategic aims and objectives. As well as this, we deliver a range of other, targeted, programmes such as the Support for Individual Artist Programme (SIAP), Small Grants Programme, Arts & Older People Programme and a Young People and Wellbeing Programme. We also deliver a Creative Schools Programme in partnership with the Education Authority and the Urban Villages initiative.

Publicly funded arts organisations in Northern Ireland continue to gain public and critical acclaim, winning awards, reaching new audiences for their work and developing new touring opportunities. The creative, cultural and social context in which our artists work is constantly evolving so we have responded by creating a range of funding opportunities that help them grow their talent and sustain their practice.

A decline in the position from 10 years ago

Government investment in the Arts has fallen by 30% in cash terms over the last decade, from £14.1m to £9.5m, figure 1, closer to 40% when inflation is taken into account. The consequences of a further reduction is that the Arts Council will not be able to meet existing commitments and it will severely hamper efforts to maintain support to artists and organisations throughout Northern Ireland. Reducing an already fragile Arts budget would have a devastating impact on our cultural infrastructure.

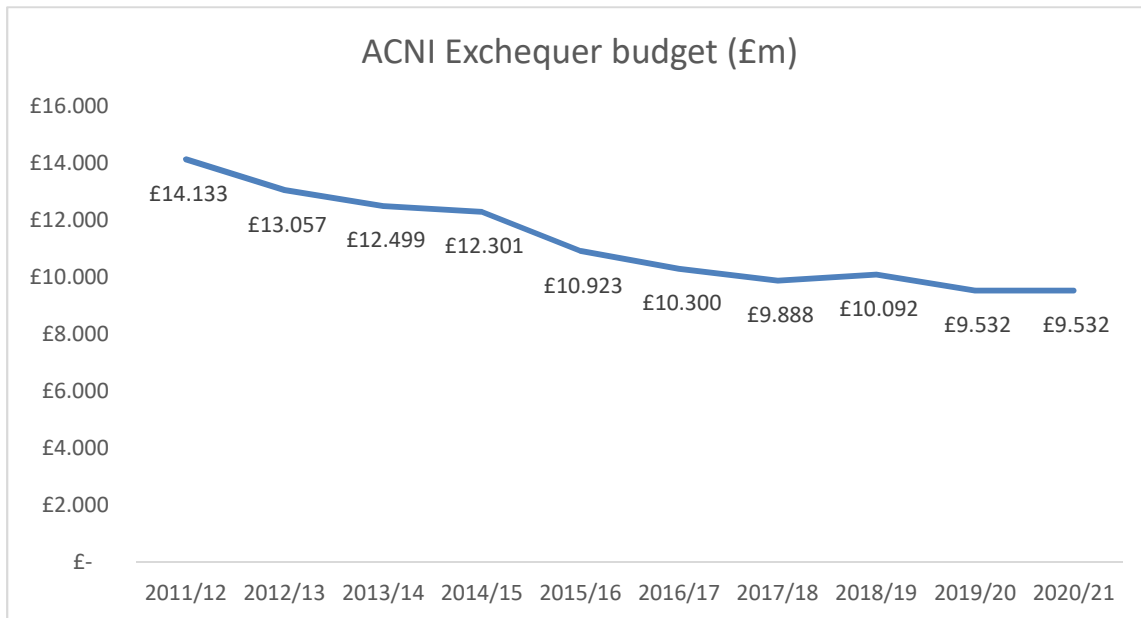


Figure 1. Systematic Reductions in Exchequer Funding

The relative small scale of the Arts budget means that any reduction will be felt more keenly by the frontline service providers. The funding situation for the Arts is worsened by two additional factors. Firstly, the sector has already had to absorb a sizeable reduction in its annual budget with reductions over the past six years. Secondly, the shortage of Exchequer funds has created increased reliance on National Lottery funds to support Arts organisations, at a time when this income source is in decline on account of falling sales of Lottery tickets (figure 2).

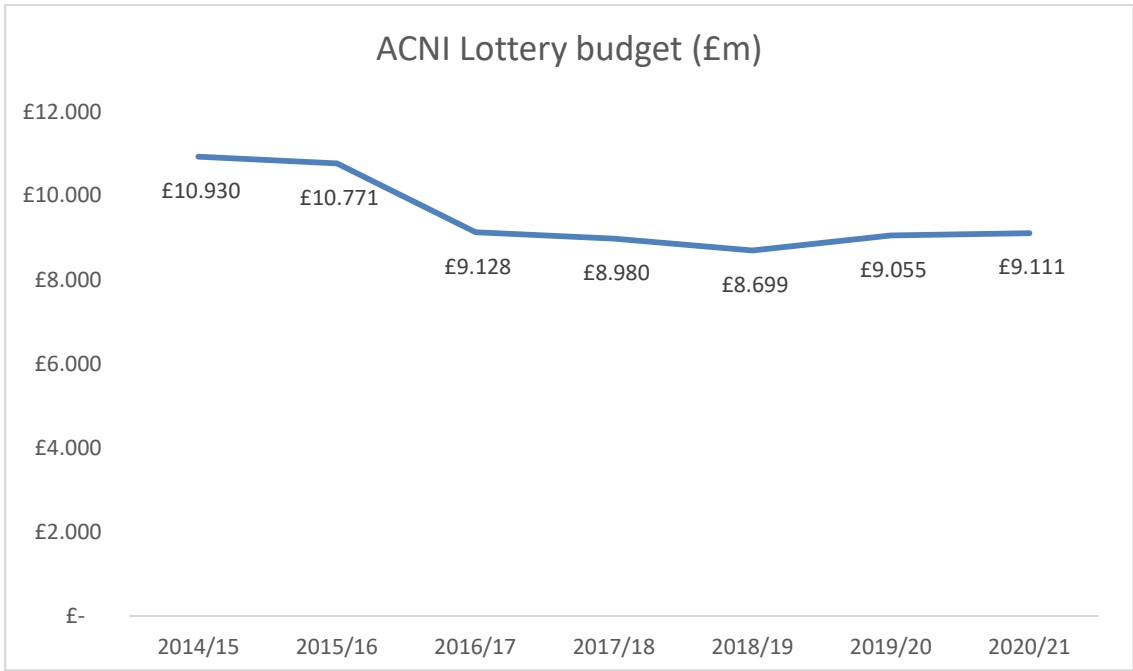


Figure 2. Forecasted Reduction in Lottery Income

How we compare and what is needed

Despite fulfilling almost identical functions, spending comparisons with other regions of the United Kingdom and in the Republic of Ireland demonstrate the extent of underinvestment in the Arts in Northern Ireland. Northern Ireland has the lowest levels of per capita Government spending on the Arts, and the disparity of funding continues to grow. Based on 2020/21 budget, the Arts Council of Northern Ireland receives only £5.38 per capita, contrasting sharply with Wales at £10.41 and the Republic of Ireland £28.52

Republic of Ireland	£28.52
Wales	£10.41
Northern Ireland	£5.38

Beyond the COVID-19 crisis, a reinvestment in the arts is needed to regenerate the sector, which struggles year on year to make ends meet. A three year planning horizon would enable our core funded organisations develop plans on a more sustainable basis, bringing sector support in line with the rest of the UK.

In order for Northern Ireland to reach the same level of exchequer investment per head of population as its closest comparator, Wales, an additional investment of £18.4m would be required over 3 years. The total investment needed over this period would be £50m. We request an additional £9.2m in 2021/22 to begin this step change.

Our Inclusive Vision

Improving relationships between and within communities and building a shared and better future for everyone is a vital element of the Arts Council's vision. That vision applies to everyone. It is absolutely inclusive and means ensuring that everyone living here - regardless of social, economic, community or ethnic background - has the opportunity to access and engage fully with the Arts, and enjoy the many benefits of doing so.

Maintaining and enhancing access to the Arts for the most marginalised in society remains a priority for the Arts Council. ACNI-funded organisations deliver projects and activities that are widely accessible to all²:

- 50% of these outreach activities occur in the 10% most deprived neighbourhoods;
- 20% of the programme activities of funded organisations are dedicated to engage disabled people;
- 13% of the programme activities of funded organisations are dedicated to engage ethnic minorities; and
- 11% of the programme activities of funded organisations are dedicated to engage members of LGBTQ communities.

² [Microsoft Word - 1920 AFS Headline Report V2 \(artscouncil-ni.org\)](https://www.artscouncil-ni.org/)

In Northern Ireland the Arts have proven an effective way of improving the mental health and wellbeing of children and young people by engaging them in high quality arts. An example of this is the Articulate programme which the Arts Council ran in conjunction with the Public Health Agency between 2016 and 2019.

It engaged over 1,000 participants over a three year period and was evidenced to have helped young people to develop alternative ways to express their feelings and convey issues relating to their mental health.

Arts Council funding empowers participation by marginalised groups, particularly in the areas of disability arts, health and wellbeing. It is important that any review of existing public service policies does not negatively impact on fair access to the Arts and our Equality commitments.

Alignment to the Programme for Government

The Programme for Government (PfG) draft Outcomes Framework provides a model for collaborative working and a framework around which a multi-year budget can hopefully be built. Its focus on achieving societal wellbeing means the arts are well placed to support government achieve its objectives as set out in its strategic framework of nine Outcomes. The Arts Council is preparing a response to the Draft Outcomes Framework to demonstrate, in more detail, how its partnership with government can be strengthened to achieve this goal. The Arts Council and the organisations and artists it supports have been working with the Public Health Agency and the Education Authority to deliver shared outcomes in key areas; however, continued reduction of the Arts budget undermines our ability to work collaboratively and in a sustained way

As the draft framework currently stands, the contribution of Arts and creativity is primarily reflected in two Outcomes: 'everyone can reach their potential' and 'people want to live, work and unite here'. However, empirical evidence points strongly to the benefits of using the Arts within a number of other Outcome areas, including those relating to equality, mental health, wellbeing and the economy.

We need an inclusive vision to work towards delivering PfG outcomes, one that recognises the role of the Arts in their own right and as a mechanism to achieve wider societal aims.

The Arts and the Economy

Funded Arts organisations are incubators for the creative industries. They play an important role in creating the environmental conditions for the wider sector to develop. The creative industries are at the heart of social, economic and cultural regeneration, providing jobs and driving growth in communities.

In 2020 DCMS reported that "the Creative Industries contributed £115.9bn in 2019, accounting for 5.9% of UK GVA. The GVA of Creative Industries has increased by 5.6% between 2018 and 2019 and by 43.6% between 2010 and 2019 in real terms. By comparison, the construction industry contributed £129.3bn, the automobile industry contributed £49.1bn, and agriculture £13.0bn."³

³ DCMS:[DCMS Economic Estimates 2019 \(provisional\): Gross Value Added - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/424242/DCMS_Economic_Estimates_2019_provisional_Gross_Value_Added.pdf)

In 2018 the Northern Ireland creative industries were worth £1.2bn to the NI economy, employed 29,000 people (3.4% of all jobs) and grew 5% faster than other areas of the economy in NI between 2018 and 2019. There are an estimated 3,200 creative businesses in NI, and account for 5% of all business units.⁴

The creative industries provide an even broader contribution towards the economy, including their contribution towards tourism: the success of TV and film productions in NI has seen increased visitor number to Northern Ireland; in NISRA's Northern Ireland Visitor Attraction Survey 2019 Museums/Art Galleries accounted for 14% of all visitor attendances.⁵

The Arts and Health and Wellbeing

The Arts Council is investing in a dedicated programme with its partners the Public Health Agency and Baring Foundation to engage people aged 65 and over in Arts activity. The Arts & Older People Programme aims to strengthen the voice of older people and promote positive mental health and well-being through the following strategic aims:

- Combatting isolation and loneliness
- Promoting positive health and wellbeing
- Providing creative opportunities for older people living in disadvantaged and/or rural communities.

The Arts and Older People Programme addresses this disparity. It aligns with policy initiatives on active ageing, life-long learning, community engagement, improving quality of life, importance of wellbeing e.g. Active Ageing Strategy (2016-2021).

The Programme has reached over 19,000 participants. Evaluations have shown improvements to participants self-reported Physical and Mental Health, their wellbeing, and the alleviation of loneliness. The programme is ongoing and contributes to Outcomes 4 and 8 of PfG.

The Arts Council's 'ARTiculate – Young People's Health and Wellbeing Arts Programme' illustrates how, by working in partnership with community organisations, the Arts can engage with young people including those who experience some form of social exclusion. This preventative programme is a collaboration with the Public Health Agency and promotes projects that encourage self-expression and the development of self-confidence through custom-made projects using drama, music, visual arts and literature.

⁴ NI Creative Industries estimates for 2020: [Creative Industries Economic Estimates 2020 \(communities-ni.gov.uk\)](https://communities-ni.gov.uk)

⁵ NISRA: [NI-tourism-publication-Visitor-Attraction-Survey-2019-Report.pdf \(nisra.gov.uk\)](https://nisra.gov.uk)

The Arts Impact on Education

The extensive literature review by CASE identified 18 studies which examined the effect the Arts have on education⁶. The evidence indicates the positive effect the Arts have on children in formal education, with reported improvements in self-esteem, self-efficacy, the development of social capital and attitudes to learning.

The Arts Council is investing in a Creative Schools Pilot Programme, developed in collaboration with Urban Villages and the Education Authority. The strategic aim of the Creative Schools Programme is to improve outcomes for disadvantaged young people and support them in contributing to positive change within the 5 designated Urban Village communities. This contributes to Outcome 12.

Investing in creative skills enhances the learning environment and strengthens the personal competencies of our future workforce. This form of engagement in the Arts contributes to Outcomes 5 and 6.

Local Government

We have been working to embed the Arts in the delivery arrangements of Local Government in a way that supports the thematic pillars of the community plans and offers meaningful local engagement in the Arts and creativity. The Arts Council's Challenge Fund has stimulated a raft of innovative projects which have enhanced creative engagement, strengthened a sense of place and captured the spirit of partnership enshrined in the community planning process.

⁶ Taylor et.al. (2015) A review of the Social Impacts of Culture and Sport

A Sector at Crisis Point

Despite a number of years of increasing levels of earned income, characterised by stronger fundraising capabilities and box-office demand, the 2019/20 financial year saw a 9% reduction in earned income from £24.6m in 2018-19 to £22.5m in 2019-20.

Compounding this further, the COVID-19 pandemic has had a catastrophic impact on the ability of our core funded clients to generate, even a small proportion of this revenue, in 2020-21. Lost income from box-office sources alone in 2020-21 is expected to total £9.5m. Government support, in the form of emergency grant aid, for our artists, organisations and venues has provided some financial stability but the sector will need longer-term assistance if it is going to rebuild capacity and adapt to the new operating norms.

The Arts Council urges government to invest more seriously in the arts:

- The Arts have sustained disproportionate reductions in comparison with other areas of public funding and has been hit harder by COVID-19 than almost any other sector in the economy, according to research by the Office for National Statistics.
- The Arts are a strategic resource. Local evidence suggests people in Northern Ireland turned to the arts during the pandemic to protect their mental wellbeing and feel more protected and less alone. In order to maximise these broader societal benefits we need to protect the arts as a resource for all.
- We need an inclusive, crosscutting vision to work towards delivering the new PfG outcomes - one that recognises the role of the Arts in their own right as a mechanism to enabling the 'society wide' approach referenced.
- We have been working collectively with the Public Health Agency, the Education Authority and Local Government on initiatives that demonstrate the value and potential impact of the Arts at a societal level. This approach requires additional resources if the ambitions of the Programme for Government are to be met.
- The Arts contribute to creativity in other sectors and serve as an important direct generator of economic effect. The creative economy is recognised as a significant sector in creating economic growth, employment and trade.
- The Arts and creativity can contribute to a sense of place, can help make a difference to people's lives and how they feel about their locality.

The Arts are one of our defining assets. They have the power to inspire and enrich our lives. They elevate our image in our own eyes and in the eyes of the world. Our artists and arts organisations are fully engaged at the heart of social, economic and creative life. However, the historic pattern of disinvestment threatens the very fabric of our cultural infrastructure and we urge a rethink on further reductions in Arts funding.