

Jen Harvie* (2015) Funding, philanthropy, structural inequality and decline in England's theatre ecology, *Cultural Trends*, 24:1, 56-61

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Introduction: Cultural Policy and Theatre, 2010-15

Coalition government cultural policies have most affected theatre in England¹ in two ways: by substantially cutting state arts funding, and by promoting increased private philanthropic giving as the principal alternative. These activities demonstrate this Conservative-led government's neoliberal commitment to cutting public infrastructure and bolstering private competition. What have they done for *theatre*? They have damagingly shrunk English theatre's ecology and exacerbated its structural inequality, enhancing its elitism and metropolitanism.

Conservative-Liberal Democrat 2010-15 cultural policy focus I: cuts to arts funding

Arts Council England (ACE) cuts

Cuts to state arts funding were imposed dramatically, almost immediately and then continuously following the May 2010 UK election. In 2010, ACE cut its Regularly Funded Organisations by almost £29 million (ACE 2011). In October 2010, the government Spending Review announced almost 30 per cent cuts to ACE's upcoming budgets. In March 2011, ACE revealed how these cuts would be applied when it released information on its 2012-15 now-rebranded National Portfolio Organisations (NPOs). From spring 2012, ACE imposed these cuts.²

In those March 2011 ACE announcements, 206 arts companies lost core funding altogether, though 110 new companies joined the NPO "portfolio" (Higgins, 2011). Thirty-eight theatre companies lost core funding (over 18 per cent of all companies cut), including touring company, Shared Experience, and West London cinema and receiving-house, Riverside Studios. Theatres which maintained core funding but received substantial real-terms cuts included the producing house, Almeida (cut by 39 per cent), and new play touring company, Out of Joint (28 per cent). Over 2010-14, ACE's budget was cut by £100 million and its "portfolio" of organisations receiving core funding

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fell by around 140 companies (ACE, 2011).³ Even further cuts are to be imposed in ACE's NPO settlements for 2015-18 (ACE, 2014), totalling an additional 5 per cent. These include 100 per cent cuts to another 58 organisations, including two producing theatres, Richmond's Orange Tree and the Theatre Royal Bury St Edmunds (Pickford, 2014b) as well as Leeds-based Red Ladder, and Northumberland-based, multilingual touring company Théâtre Sans Frontières (Jones, 2014).

Local Authority cuts

The dire effects of those ACE cuts have been exacerbated by simultaneous arts funding cuts from other public sources. Coalition austerity measures have included significant cuts to local authorities, several of which have made large - even entire - cuts to arts and culture funding, areas which previously received £1.58 billion annually from local councils - "almost twice the contribution of the Arts Council", according to ACE Chairman, Sir Peter Bazelgette (quoted in Pickford 2014a). London local governments are estimated to have taken "a 33 per cent real terms cut in service funding from central government between 2009/10 and 2013/14", and to have passed on 28 per cent of those cuts to "cultural and related services" (Fitzgerald & Lupton, 2014). Somerset County Council announced 100 per cent cuts to its arts funding in November 2010 (Morris, 2010). In March 2013, Newcastle City Council declared a 50 per cent cut (Youngs, 2013), and Westminster City Council confirmed that it would "cut all arts funding... by 2014/15", affecting such theatres as the vibrant Soho (Smith 2013).⁴

Arts funding cuts' effects

These multiple, widespread funding cuts have dramatically diminished England's arts ecology. A March 2012 poll by *The Stage* revealed that 10 per cent of the 206 companies which lost 100 per cent of their ACE funding in 2011 were "closing as a result", while another 22 per cent of 151 poll respondents "described themselves as 'at risk of closing'" (*The Stage*, 2012). Alongside such company losses, there is general and pervasive damage caused to innovation, employment and smaller scale companies.

Damage to innovation is illustrated in a report on early 2013 new play development in England (Kennedy & Campbell Pickford, 2013). *Guardian* theatre critic, Lyn Gardner, wistfully observes, "It is a catalogue of loss," revealing widespread risk-avoidance through turning to back catalogues and high-profile names, and closing 'add-on' schemes, such as research and youth programmes (Gardner, 2013). Damage to employment is evidenced in arts' increasing dependency on unpaid labour,⁵ which privileges people who can afford to work for free. Damage to smaller

companies is highlighted by Charlotte Jones, Chief Executive of the Independent Theatre Council (ITC):

I live in constant hope (and therefore continuing disappointment) that ACE will recognise the danger of the growing wealth gap in the arts. The ladder of opportunity is appallingly steep and most of the lower rungs have been removed, so the position of smaller organisations and independent artists is getting steadily worse. (Jones, 2014)

Running complicit with UK arts funding's elitism is its metropolitanism. *Rebalancing Our cultural capital* (RoCC; Stark, Gordon, & Powell, 2013) found that public spending on arts in England was almost 15 times greater in London than outside it (see also Brown, 2013). ACE NPO funding grants 30 per cent of its total to a mere five monopolising metropolitan organisations; over 600 organisations share the remaining 70 per cent (ACE, 2011, 2014).

Sadly, the arts' wealth gap identified by ITC's Jones and RoCC's authors is exacerbated by the second major strand of Conservative-Liberal Democrat cultural policy: its promotion of philanthropy.

Conservative-Liberal Democrat 2010-15 cultural policy focus II: promotion of philanthropy

The Coalition's advocacy of philanthropy has taken material form in its three-part Catalyst programme (delivered by ACE and Heritage Lottery) which granted £100 million designed to kick-start a paradigm shift in UK arts funding, from a state-led model to a more American-style model led by private giving. Over half the total £100 million went to the Catalyst Endowment programme for large organisations. ACE received 350 applications to this scheme, and granted awards to only 18 organisations; only two were theatres, the Royal Shakespeare Company and London's Old Vic.⁶ Theatre profited more substantially in Catalyst's second scheme, which also received 350 applications and had a budget of £30.5 million (ACE, n.d.), Catalyst Arts: capacity building and match funding. Forty-six theatres received awards – a quarter of the funded organisations. The third scheme, Catalyst Arts: building fundraising capacity, awarded £7.1 million to 62 consortia, at least 10 of which were led by theatre companies.⁷ Theatre consortia received just over 16.4 per cent of this scheme's funding.

Catalyst schemes' benefits were meant to be the awards themselves *plus* the finance they were designed to leverage from sponsors. Their consequences are difficult to measure without longer term data, but are already generating optimism and scepticism. Arts Quarter, an organisation which "manag[es] change in the arts and not-for-profit sector" (Arts Quarter, 2012b), conducted a 2012 poll of organisations funded in the second Catalyst scheme (Arts Quarter, 2012a). Its "[f]indings show that this aspect of the wider ACE Catalyst Arts programme is already starting to have positive

impacts among those organisations in receipt of funding”, especially through Trustee engagement in fundraising and developing fundraising Cases for Support. Arts Quarter warned, however, that [n]ervousness around respondents' capacities to fully achieve their Catalyst fundraising targets is [...] significant with around half of respondents currently feeling that they may not achieve their financial goals over the three year period of the programme. (Arts Quarter, 2012b)

Industry magazine, *Arts Professional*, was more damning: “Support for efforts to generate new revenue streams from sponsorship and donations is too little and too slow” (Arts Professional, 2012).

Effects of philanthropy's promotion

Catalyst has profoundly uneven effects and exacerbates inequality in the arts. Larger organisations tended to benefit more, while smaller organisations were only eligible for a minor fraction of Catalyst's funds. Future funding leveraged by this scheme will go mainly to larger organisations, partly because they received the initial state funding to catalyse these “rewards”, but also because private funders tend to prefer more conventional work by “safe brands” (Louise, 2012, cited in Harvie, 2013, p. 164). Arts Quarter's founder John Nicholls concluded,

The fear now is that Catalyst will [...] create a two-, possibly three-speed arts community with funded organisations embarking on endowment or larger-scale annual revenue campaigns to the detriment of those [...] not Catalyst funded. (quoted in Arts Professional, 2012)

Furthermore, this scheme privatises arts funding, putting decisions about what's funded and produced into the hands of an unelected and unaccountable financial elite. It fosters inequality in both what it produces and whom it allows to determine what is produced.

Securing a better future for UK theatre, culture and sociality

Government needs to return to understanding arts' benefits as not principally financial but also cultural and social, and to recognise its responsibility to stimulate and distribute arts in diverse forms, for diverse audiences, across the UK. It needs to do those things by supporting them materially. If it continues to fund ACE's “monopoly” organisations disproportionately, it must require them to do more to support a wider arts ecology by actively and effectively sharing substantial resources, from the human to the material, including space, funds and infrastructures. Government must also do more to support arts education and the development of future generations of artists and audiences. It should also revise its basic approach; instead of cutting arts funding, it should

increase it in stimulus packages informed by the 1930s American New Deal, which cultivated innovations such as the Federal Theatre Project (Harvie, 2013, pp. 154ff).

Artists, arts organisations and audiences must continue to support the future of the arts, including theatre, not least through collaboration (Gardner, 2014). We must make and participate in the arts. We must also contribute to the efforts of the several established and emerging arts/theatre advocacy organisations, such as Devoted and Disgruntled (“About Devoted and Disgruntled”, 2012); What Next?, a “movement” to promote culture’s value (What Next?, n.d.); and My Theatre Matters!, a campaign to support local theatres (My Theatre Matters!, n.d.). We need theatre and culture that are more diverse, more healthy and better distributed. Let UK governments see and actively, materially support that.

Disclosure statement

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Notes

¹ There is not space to offer cross-regional comparative analysis.

² I discuss these cuts in greater detail in Jen Harvie (2013), especially Chapter 4, 'Public/Private Capital', pp. 150-91.

³ Another devastating cut has been the withdrawal of funding to Creative Partnerships, the flagship creative learning programme delivered by artists in schools from 2002 to 2011 (Creative Partnerships, n.d.).

⁴ A third major blow to public arts funding has come through the diversion since 2006 of National Lottery funds to the 2012 Olympics and Paralympics (Arts Professional, 2008; DCMS, n.d. [2012]), totalling, according to some reports, up to £2.2 billion (BBC News, 2007; National Lottery, n.d.).

⁵ ACE's recognition of the arts' increasing over-reliance on unpaid internships is reflected in the 2011 guide it commissioned from Creative & Cultural Skills (2011). I analyse contemporary UK arts labour markets in *Fair Play* (2013), especially Chapter 2, 'The Artrepreneur', pp. 62-107, and pp. 185-6.

⁶ The Heritage Lottery Fund simultaneously made 16 Catalyst: Endowment awards to museums, galleries and others. For more Catalyst detail, see Harvie (2013, pp. 159-168).

⁷ Scheme data are downloadable from Arts Council England (n.d.).