

## **REPORT TO EXECUTIVE**

Date of Meeting: February 7<sup>th</sup> 2023

## **REPORT TO COUNCIL**

Date of Meeting: February 21<sup>st</sup> 2023

Report of: Director of Culture, Leisure and Tourism

Title: National Portfolio Organisation funding 2023 to 2026

### **Is this a Key Decision?**

No

### **Is this an Executive or Council Function?**

Council

### **1. What is the report about?**

1.1 March 2023 will see the end a funding agreement with Exeter's National Portfolio Organisations.

2.1 Following the announcement of Arts Council's England's investment programme, this report sets out recommendations for £147,000 per annum of funding to NPO's. This cultural commitment funding is in addition to any small grants, Exeter Phoenix's £51,100 rent grant and the £2.2million funding of RAMM.

1.2 Exeter has five organisations with NPO status. Previous National Portfolio Organisations Theatre Alibi and Kaleider lost their NPO status in in ACE's new investment programme when it was announced at the end of 2022. Exeter City of Literature gained NPO status for the first time.

1.3 Culture remains a strategic priority for the city. This report seeks to balance how to continue to support NPO's operating as the best examples of cultural activity whilst delivering savings on this discretionary area.

1.4 Officers have identified an internal target of £100,000 of savings compared to previous funding available to National Portfolio status arts organisations (excluding RAMM which is has its own budget and savings targets). Savings are part of the One Exeter programme to start to address the medium term financial plan.

1.5 In conjunction with the Portfolio Holder, it is therefore suggested annual funding for Exeter's new set of National Portfolio Organisations is as follows:

<b>Organisation</b>	<b>Annual Funding</b>
Exeter Phoenix	£75,000 plus £51,000 rent grant
Exeter Northcott Theatre	£57,000
Exeter UNESCO City of literature	£5,000
Libraries Unlimited	£10,000
<b>TOTAL</b>	<b>£147,000 plus £51,000 rent grant</b>

## **2. Recommendations:**

That Council approve:-

2.1 Funding in accordance with the table below:

<b>Organisation</b>	<b>Annual Funding</b>
Exeter Phoenix	£75,000 plus £51,000 rent grant
Exeter Northcott Theatre	£57,000
Exeter UNESCO City of literature	£5,000
Libraries Unlimited	£10,000
<b>TOTAL</b>	<b>£147,000 plus £51,000 rent grant</b>

2.2 that new service level agreements for 2023-26 based are agreed based on the National Portfolio Organisations business case for delivery.

2.3 Members note that whilst this is a three year commitment, it will be reviewed annually to take into account the Council's financial position.

## **3. Reasons for the recommendation:**

3.1 This recommendation gives Exeter's National Portfolio Organisations certainty around their financial planning for the next three years. The adjustment allows Exeter City Council to continue to support the arts and heritage sector and contribute to a balanced budget.

## **4. What are the resource implications including non-financial resources**

4.1 The Arts & Events manager and Director will design a new reporting system to demonstrate impact in Exeter and be closer aligned to the ACE business case reporting.

4.2 Funding is to be issued annually. Should Exeter City Council's financial situation worsen during the 2023-26 agreement the matter would return to Executive and Council.

## **5. Section 151 Officer Comments:**

5.1 Members should note that whilst this is a three year commitment, it will be reviewed annually to take into account the Council's financial position.

## 6. What are the legal aspects?

None identified.

## 7. Monitoring Officer's comments:

The Service level agreement will set out the Council's expectations of each of the NPO's in terms of delivery. In particular the NPO will have to account for the spend in terms of output and delivery.

## 8. Report Details:

8.1 Culture is a strategic priority for the city as outlined in the corporate plan. Over the next three years the council will commit over £6.78million in supporting the five National Portfolio Organisations. In addition it runs the Corn Exchange theatre, holds the service level agreement for delivery at The Custom House, provides small grants to arts organisation, and helps run, facilitate and enable events across the city.

8.2 The council has a long standing relationship with Arts Council England to support the arts sector and recognise and support excellence. This has resulted in the recent Cultural Compact status. There is ongoing work around cultural master planning and work through the Creative Arc programme with the University of Exeter around how to embed culture in future neighbourhoods in the city. Preparation work including the master plan and public art strategy will help accelerate investment into the sector.

8.3 Arts Council England are the national development agency for creativity and culture. They have set out at strategic vision called Let's Create. It is designed to help shape a country (by 2040) in which the creativity of each of us is valued and given a chance to flourish and where everyone has access to a remarkable range of high quality cultural experiences. Our NPO's have been successful at hitting that benchmark. Successful funding for 2023-2026 in Exeter are:

<b>Organisation</b>	<b>Annual Funding</b>
Exeter Phoenix	£128, 038
Exeter Northcott Theatre	£127, 300
Exeter UNESCO City of literature	£150, 000
Libraries Unlimited	£240, 123
Royal Albert Memorial Museum	£618, 326
<b>TOTAL</b>	<b>£1, 263, 824</b>

8.4 Communication with NPO's regarding this new phase of funding began in April 2022 and involved individual meetings with the Arts & Events Manager and a group meeting. Existing service level agreements around service delivery and impact to culture in Exeter existed for all organisations apart from Exeter City of Literature. NPO organisations have now finalised their business cases with Arts Council England. Each has received information about the proposals in this report.

## **9. How does the decision contribute to the Council's Corporate Plan?**

9.1 The decision contributes to 'Thriving culture and heritage', 'prosperous local economy' and 'housing and building great neighbourhood and communities'.

## **10. What risks are there and how can they be reduced?**

10.1 There is a risk that a decrease in funding whilst arts organisations are facing increasing costs will destabilise the sector. Having a three year plan will assist with forecasts and commitments.

10.2 There is a risk that Arts Council England will react negatively to this decision. Stakeholder management, Exeter's longstanding commitment to the arts, and a sector wide issue around local authorities wanting to, but finding they are unable to continue to fund culture to the same degree, will help mitigate this risk.

## **11. Equality Act 2010 (The Act)**

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because in recommending this proposal potential impact has been identified on people with protected characteristics as determined by the Act and an Equalities Impact Assessment has been included in the background papers for Member's attention.

## **12. Carbon Footprint (Environmental) Implications:**

12.1 No direct carbon/environmental impacts arising from the recommendations.

## **13. Are there any other options?**

13.1 Increase or decrease any amounts of funding.

**Director of Culture, Leisure and Tourism, Jon-Paul Hedge**

Author: Director of Culture, Leisure and Tourism

**Local Government (Access to Information) Act 1972 (as amended)**

Background papers used in compiling this report:-

None

Contact for enquires:

Democratic Services (Committees)

Room 4.36

01392 265275