

Culture and Communities Committee

2.00pm Tuesday 20 March 2018

Culture Service Third Party Grants Funding 2018/19

Item number	8.1
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	46

Executive Summary

This report recommends a cultural revenue grant awards programme for 2018/19. A full listing of the recommendations is included at Appendix 1.

The report includes the previously approved required savings programme on culture service grant expenditure for 2018/19 and 2019/20.

Culture Service Third Party Grants Funding 2018/19

1. Recommendations

- 1.1 It is recommended that the Culture and Communities Committee:
 - 1.1.1 approve the funding recommendations for 2018/19, as listed at Appendix 1;
 - 1.1.2 note that the recommended grants programme reflects the approved 3% budget reduction for 2018/19 as previously agreed by the Council in [2014](#); and
 - 1.1.3 note the previously reported approach to the cultural grants budget savings for 2016/17 to 2019/20 as set out in the tables included in paragraph 3.2.

2. Background

- 2.1 The Council agreed that all grant programmes should be aligned to meet the strategic planning and Capital Coalition pledge priorities. The 2014 Review of Grants to Third Parties also set out that co-produced grant programmes should ideally be funded for a period of three years to provide financial stability for recipient organisations.
- 2.2 The Culture and Sport Committee, at meetings on [21 October 2014](#) and [20 October 2015](#), received reports detailing the direction of travel for grants to third parties. Co-production consultation with both funded and non-funded cultural organisations commenced in spring 2016.
- 2.3 The update and proposed approach to third party cultural grants review was captured in the report to Committee of [25 October 2016](#).
- 2.4 The Culture and Communities Committee on [14 November 2017](#) then agreed the proposed new cultural funding framework, and also recommendations to further progress the third party cultural grants review to conclusion for implementation in 2019/20.
- 2.5 A renewed approach to Third Party Cultural Grants to align with the Council's Commitments and Culture Plan priorities is currently timetabled to report to Committee before the end of 2018.
- 2.6 As a Council Company, the performance of Festival City Theatres Trust is reported annually to the Culture and Communities Committee and the Governance, Risk and Best Value Committee. The next report will be in November 2018.

3. Main report

Culture Grants and Review

- 3.1 Proposals are recommended to ensure support for the city's Festivals, as well as the year-round programme of cultural activity and infrastructure in line with the [Culture Plan](#), [Thundering Hooves 2.0](#) and the [Council's Commitments](#). In 2014, the Council approved the principle of three-year funding agreements for existing arts organisations funded by the service. The 2018/19 awards for funded organisations represent a further transition year of annual funding status to accommodate the current development of new programmes taking into account the outcomes of the Third Party Grants Review and the Culture Plan.

Savings

- 3.2 All cultural grant organisations are now entering the third year of saving recommendations of 10% from 2016/17 as per the table below.

Year	Projected Savings
2016/17	3%
2017/18	3%
2018/19	3%
2019/20	1%
Total Savings	10%

- 3.3 The principles of the Cultural Policy review was reported to the Culture and Sport Committee in [December 2014](#). The outcome of this process was presented for approval to the Culture and Sport Committee on [30 November 2015](#).
- 3.4 All current cultural grant organisations were informed of the review of the Cultural Policy and the Third Party Grants review and were invited to participate in the consultation processes. These organisations were previously given one year's notice that a new funding approach would be introduced from April 2016 onwards. However, as reported to Committee on [25 October 2016](#), further co-production meetings resulted in a number of recommendations and requests which included agreement to allow further essential work to take place as part of the overall grants review. Sector stability emerged as a key consideration in this process and it was recommended to retain the existing cultural revenue grants funding programme for a further year (2018/19).

- 3.5 The total cultural budget for 2018/19 stands at £4,641,535. The proposed savings detailed in the table at 3.2, 3% on a previous standstill grant funding in 2016/17 (as reported to the Culture and Sport Committee on [8 March 2016](#)) are recommended for 2018/19. This approach both ensures continued support for the provision of year-round cultural activity, and allows time for development of future grant programmes to be aligned to the Culture Plan priorities and Council Commitments while continuing to maintain the fundamental stability of the cultural sector in the city.

Edinburgh Diwali

- 3.6 Edinburgh Diwali submitted an application for revenue funding for 2018/19. Given the ongoing budget commitments, as captured in Appendix 1, it has not been possible to recommend revenue funding.

Creative Scotland 3 Year Regular Funding Decisions

- 3.7 Creative Scotland (CS) recently announced the next round of the regular funding programme (three year funding agreements). Some Council-funded organisations have been significantly affected. At the time of writing (February 2018) the final impacts of these funding decisions are not known. An overview of the CS funding decisions for currently Council revenue funded organisations is included at Appendix 2.
- 3.8 Six months of CS transition funding will be made available to those who were RFO funded in the previous round, but did not achieve RFO funding this time.
- 3.9 Those organisations affected and currently revenue funded by the Council are UNESCO City of Literature, Culture Republic, Capital Theatres and the Edinburgh Festival Fringe.
- 3.10 Those recommended in this report for funding through the Culture Service, who will receive a Creative Scotland RFO grant decrease are the Scottish Poetry Library and Traditional Arts and Culture Scotland.
- 3.11 There is a CS Open Funding programme and a new Touring Fund to which organisations can apply.

Edinburgh Mela Ltd

- 3.12 Officers have included a recommendation to fund Edinburgh Mela Ltd (EML) based on the on-going potential for a renewed event in Leith. However, the recommendation is subject to a number of funding conditions which would have to be fulfilled or mitigated in advance of the release of a first instalment of grant, should the recommendation to fund in principle be agreed by Committee.
- 3.13 The key requirement of this process is a realistic business Plan for at least 2018/19, and whilst an aspiring narrative has been received, more concrete information is expected in due course. An accurate financial position statement is also required, and the company is the subject of a legal process which may carry significant risk for EML.
- 3.14 Given the current absence of any partnership funding, as well as reserves, and the lack of clarity around the reporting of the current financial position, it is not prudent for the Culture Service to recommend or progress the release of any grant until this information is received. While the grant will be ring-fenced, funds will only be released when officers are content that there is no risk of the funds being utilised for non-cultural expenditure.
- 3.15 Officers will continue monitoring and contact with EML to seek to establish a reliable baseline and way forward in due course.

Partnership Project Funding Creative Scotland

- 3.16 Edinburgh Visual Arts and Crafts Funding Programme:
- 3.16.1 The Culture Service, in partnership with CS, offers annual Edinburgh Visual Artists and Craft Makers Awards and an Emerging Artists Bursaries Scheme. Each year the City of Edinburgh Council (CEC) make an application to CS to receive match funding to run these programmes. The total budget for the Visual Artists and Craft Makers grant schemes amounted to £21,386 in 2017/18. CEC contributed £7,050 and was awarded £14,336 in match funding from CS.
- 3.16.2 The Visual Artists Award and Craft Makers Award scheme awards grants of up to £1,500 to individual artists/makers living or based in Edinburgh towards costs in developing new work
- 3.16.3 The Bursary Programme supports two successful applicants per year to develop and progress their creative practice over 12 months with an initial award of £1,500 per applicant, and a project development resource of up to £1,500 in each case. The programme is tailored to the individual artist and includes mentoring which can lead to the development of skills and training, creation of new work, presenting and marketing work.

3.16.4 There are two rounds of the award schemes per annum with deadlines set in October and February. There is an awards panel, with current membership of Irene Kiernan (Edinburgh Sculpture Workshop), Siobhan Carroll (Collective Gallery), Kate Grenyer (Dovecot Studios), Anne Petrie (CS) and Jo Navarro (CEC). In this financial year, 10 awards have been made to date from a total of 29 applications with funding of £10,510 allocated. The panel meeting took place on 26 February 2018.

3.17 Co-Funded Diversity Work Programme 2018/19:

3.17.1 The outcome of the planned communities mapping initiative will inform the next stage (2018/19) of this programme of work. Interim consultation and research has meant that the ambition, scope and design of the mapping exercise has been refined and is therefore now timetabled to be undertaken in the latter part of this financial year (2017/18). Contact is on-going with CS colleagues.

Living Wage

3.18 As previously reported to Committee in November 2017, since 2017/18 the Living Wage has been included as a standard question in the funding application paperwork and agreement conditions. The data supplied is submitted to the Council's Central Contract Register.

4. Measures of success

- 4.1 Suitable joint working is undertaken to create funding agreements that set out clear targets, aligning with the Culture Plan objectives, for funding cultural activity in the city in 2018/19.
- 4.2 Further testing and finalisation of a renewed funding framework and associated assessment and award processes, being delivered before the end of 2018.
- 4.3 All funding programmes managed by the Culture Service reflect the requirement to reduce grant expenditure by 10% from the 2015/16 baseline in line with agreed savings targets.
- 4.4 Fulfil Culture Plan objectives:
 - 4.1.1 Ensure that everyone has access to world class cultural provision.
 - 4.1.2 Encourage the highest standards of creativity and excellence in all aspects of cultural activity.
 - 4.1.3 Support greater partnership working in the cultural and creative sectors and maximise resources available to help them thrive all year round.
 - 4.1.4 Articulate the positive impact of culture in Edinburgh and promote Edinburgh's cultural success locally, nationally and internationally.
 - 4.1.5 Develop and support the infrastructure which sustains Edinburgh's cultural and creative sectors.

- 4.1.6 Invest in artist and practitioner development, and support and sustain the local artistic community.

5. Financial impact

- 5.1 There is a small financial impact on funded organisations in 2018/19. Reductions to the baseline sums available in grants to cultural organisation are set out at 3.2.

6. Risk, policy, compliance and governance impact

- 6.1 This report is compliant with the recommendations of the Review of Council Grants to Third Parties, and with budget savings recommendations for both 2018/19 and 2019/20.

7. Equalities impact

- 7.1 The Council's funding of third parties through grant aid significantly contributes to the delivery of its Equality Act 2010 duty to seek to eliminate unlawful discrimination, harassment and victimisation, and to advance equality and foster good relations.

8. Sustainability impact

- 8.1 Grants to third parties contribute to the city's Sustainable Edinburgh 2020 objectives and enable the Council to meet Climate Change (Scotland) Act 2009 Public Bodies Duties.

9. Consultation and engagement

- 9.1 The Culture Service will continue to consult with the sector and co-produce plans with providers and service users in line with the requirements of the review of grants to third parties.

10. Background reading/external references

None.

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Executive Director of Place

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11. Appendices

Appendix 1 – 2018/19 Cultural Grant Recommendations

Appendix 2 – Creative Scotland Regular Funding Awards to organisations recommended for Council Third Party Cultural Grants

2018/19 Cultural Grant Recommendations

Organisation	Level Awarded 2017/18	Level Requested for 2018/19	Recommended Grant 2018/19
	Year one of one	Year one of one	Year one of one
Artlink	£92,102	£89,132	£89,132
Centre for Moving Image	£107,545	£104,077	£104,077
Collective Gallery	£5,839	£5,651	£5,651
Culture Republic	£27,187	£26,310	£26,310
Dance Base	£45,677	£44,204	£44,204
Drake Music Scotland	£3,995	£3,866	£3,866
Edinburgh Art Festival	£9,590	£9,280	£9,280
Edinburgh Festival Fringe Society	£89,802	£86,906	£86,906
Edinburgh International Book Festival	£48,228	£46,673	£46,673
Edinburgh International Festival	£2,222,363	£2,150,697	£2,150,697
Edinburgh International Harp Festival	£1,508	£1,459	£1,459
Edinburgh International Science Festival	£158,270	£153,166	£153,166
Edinburgh Jazz & Blues Festival	£118,977	£115,140	£115,140
Edinburgh Mela	£35,000	£50,000	£33,950
Edinburgh Printmakers	£10,741	£28,600	£10,395
Edinburgh Sculpture Workshop	£12,627	£12,220	£12,220
Festivals Edinburgh	£155,882	£150,855	£150,855
Imaginate – Edinburgh International Children's Festival	£76,752	£74,277	£74,277
Lung Ha Theatre Company	£16,294	£15,769	£15,769
Music in Hospitals Scotland	£888	£859	£859
North Edinburgh Arts Centre	£147,289	£142,539	£142,539
Puppet Animation Scotland	£8,624	£8,337	£8,337
Queens Hall	£87,983	£85,146	£85,146
Royal Lyceum Theatre Company	£343,604	£332,524	£332,524
Royal Scottish National Orchestra	£43,091	£41,701	£41,701
Scots Fiddle Festival	£4,483	£4,338	£4,338
Scottish Book Trust	£431	£417	£417
Scottish Chamber Orchestra	£43,091	£41,701	£41,701
Scottish Indian Arts Forum	£4,447	£4,303	£4,304
Scottish Poetry Library	£4,300	£4,160	£4,161
Stills Gallery	£16,933	£16,385	£16,387
TRACS (Scottish Storytelling Forum)	£32,602	£31,551	£31,551
Traverse Theatre	£42,264	£40,901	£40,901
UNESCO World City of Literature	£30,786	£29,793	£29,793
Waverley Care Arts Project	£10,652	£10,309	£10,308
Total	£4,065,272	£3,963,296	£3,928,995

2018/19 New Applications

Company	Grant 2017/18	Grant requested 2018/19	Recommended Grant
Edinburgh Diwali	N/A	£10,000	£0
Total			£0

2018/19 Service Payment Recommendations

Company	Level of service payment for 2017/18	Level applied for 2018/19	Recommended Service Payment
Capital Theatres	£616,937	£593,850	£593,850
Total			£593,850

2018/19 Project Funding

Culture Plan Budget	Recommended levels for 2018/19
Culture Plan Development & Implementation Fund	£30,215
Edinburgh Visual Arts and Crafts Funding Programme (with Creative Scotland)	£6,825
Project Fund – New Work (Matched by Edinburgh Royal Military Tattoo Funds)	£47,700
Co-Funded Diversity Work Programme (with Creative Scotland)	£33,950
Total	£118,690

Total Culture Budget	£4,641,535
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APPENDIX 2

Organisation	Artform	Regular Funding Awarded - 3 years (£)
Centre for the Moving Image	Screen	3,200,000
Collective	Visual Arts	850,000
Dance Base	Dance	1,225,000
Drake Music Scotland	Music	380,000
Edinburgh Art Festival	Visual Arts	300,000
Edinburgh International Book Festival	Literature	919,500
Edinburgh International Festival Society	Multi	6,952,000
Edinburgh Printmakers	Visual Arts	480,000
Edinburgh Sculpture Workshop	Visual Arts	700,000
Imaginate	Theatre	1,095,000
Lung Ha Theatre Company	Theatre	440,455
Puppet Animation Scotland	Theatre	551,000
Royal Lyceum Theatre Company	Theatre	3,630,000
Scottish Book Trust	Literature	2,579,792
Scottish Poetry Library	Literature	902,500
Stills: Centre for Photography	Visual Arts	441,000
Traditional Arts and Culture Scotland	Multi	940,000
Traverse Theatre	Theatre	2,600,000

28,186,247