
THE FUTURE OF THE ARTS WITH A CONSERVATIVE GOVERNMENT

Introduction

We are lucky in this country. We are blessed with national and local institutions which enjoy a worldwide reputation and which are led by people of international standing. Across the country, the arts contribute, not just in giving pleasure to millions, but by providing a focus for local communities, a destination for millions of tourists, and a significant contribution to the local and national economy.

Before 1997, the Conservatives took two big steps forward for the arts. The creation of the Department of National Heritage (now the Department for Culture, Media and Sport) put the arts at the top table for the first time. The establishment of the National Lottery put in place a funding stream that has led to the revival of many arts organisations, and the establishment of numerous others across the country.

Now the Conservatives want to build on these achievements. Under Labour, the arts have not been given the priority they deserve. Lottery funding has been raided, first to pay for political projects and then for the Olympics. There have been four Culture Secretaries in as many years in the last Parliament. The priorities of the arts funding bodies have become distorted because the Government has used them for political ends.

We cannot go on like this. The arts need coherent and sustained support in order to consolidate and build on their achievements.

Our Approach

We want to build on the success of the arts. As such, our approach is based on three core principles:

- Secure, long-term funding for the arts, based on the mixed economy and the arm's length principle.
- The promotion of excellence in the arts.
- Enjoyment of the arts by as many people as possible, of every age and from every background.

The Mixed Economy

The arts in this country benefit from a mixed economy – a mix of funding from Government, philanthropists and commercial income – which ensures that they have the resources to carry them through good times and bad.

We will secure funding for the arts by:

- Restoring the **National Lottery** to its four core aims: the arts, heritage, sport and charities. Since 1998, the current Government has diverted almost £3.5 billion away from the original good causes – including the arts - and into its own projects. This means £240 million less is going into the arts from the Lottery each year than in 1997. With the Conservatives, the Lottery will be independent of politicians, and we will increase the share of Lottery funding received by the arts.
- Adding a fourth pillar to arts funding by enabling our leading museums and performing venues to build up **endowments**. Setting up endowments is the next big frontier for arts organisations to cross so, in return for long-term funding agreements, arts organisations will be encouraged to raise money for endowments. We will also look to encourage endowments through the use of matched funding from the Arts Council. One-off endowment grants will also be available on a competitive basis from the Lottery every year.

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- Using public funding to catalyse philanthropy and private sector investment by requiring a wider use of ‘**matched grants**’ by the Arts Council. We will increase the frequency of funding awards where the grant is conditional on the arts body raising some money themselves.
 - Making it easier to give to the arts by reforming the rules surrounding **philanthropy**. We will make it possible for donors to give works of art while still alive, under the acceptance-in-lieu scheme; we will reform Gift Aid to make it simpler and easier to give; and we will change the guidelines to allow arts organisations to reward their donors. The overall effect of these changes will be fiscally neutral.
 - Substantially reducing the administration costs of the main arts funding organisations in order that more funding goes direct to the arts themselves. Last year the seven main funding distributors spent £120m on administrative costs – over 11% of the £1.05 billion that they distributed. This is completely unacceptable. We will insist that these funding bodies spend no more than 5% of their annual budget on administration.

Excellence

We trust the people who run our arts organisations to deliver arts of the highest quality. As a recognition of this trust we will:

- **Remove the myriad of targets** and forms that beset arts organisations that receive taxpayer funding.
- Give our national museums greater **independence** so that they are free to spend the money they raise as they see fit. Our museums are technically “quangos” – but in fact they are nothing of the sort. They are cultural organisations for which stewardship of the nation’s assets combines with a specific fund-raising remit. As such rules like year-end requirements to use or lose budgets are totally inappropriate. Likewise the requirement to hand back to the Treasury any funds raised, for which they then need to resecure permission to spend. We will introduce a Museums and Heritage Bill which will establish a new administrative status for non-departmental public bodies within the cultural and heritage sectors. This will recognise their role as public organisations with responsibility to steward the nation’s assets. But it will also allow them the independence to be truly effective and entrepreneurial fundraising bodies. They must have both the ability and responsibility to raise money both for capital projects and also for endowments to give them funding security over the long term.
- Work with the Arts Council on a number of initiatives to promote excellence. We will put in **place multi-year funding arrangements** for our most successful institutions so that they can plan with certainty. We will encourage the Arts Council to become a focus of best practice, so that innovation, particularly in the digital sphere, is quickly made available to all. And we will ask the Arts Council to work with the commercial arts sector in order to share best practice.

Access

We believe as many people as possible should enjoy the arts in all their varied forms in this country. To that end we will:

- Harness technology to ensure that all our major arts organisations are able to showcase their work on-line.
- Maintain free access to the National Museums and Galleries.
- Rationalise arts funding in schools. At present 40 per cent of primary school pupils would like to learn a musical instrument but do not have the chance. While there has been an emphasis on music in schools a blizzard of initiatives has meant that while the money is there, many people fall through the cracks. We will consolidate the numerous funding streams for the arts in schools, and ensure the funding available is used to promote three simple aims: that every child in school will have the opportunity to learn a musical instrument; that every child has the chance learn to sing; that every child is able to receive a solid cultural education.
- Raise the profile of school music by holding a National Music Week every year.