

Greater Manchester Combined Authority

Date: 28 October 2022

Subject: GM Cultural Investment Approach 2023 Onwards

Report of: Councillor Neil Emmott, Portfolio Lead for Culture and Alison McKenzie-Folan, Portfolio Lead Chief Executive for Culture

Purpose of Report

This report sets out for agreement, a new approach to culture investment by GMCA. This is in response to a request by GMCA to review the current approach and test if it is still fit for purpose following the difficult few years the cultural sector has gone through. The report includes the outcome of consultation on this proposed approach undertaken over summer 2022.

Recommendations:

The GMCA is requested to:

1. Note the consultation response to the proposed new approach to GMCA's cultural investment.
2. Agree the new approach to GMCA's Cultural Investment
3. Agree in principle to an indicative investment period of three years subject to annual review and approval of the Culture Fund as part of the GMCA annual budget setting process.
4. Agree the timeline for the GMCA Culture Fund to open for bids in preparation for the new investment approach starting from April 2023.
5. Note the decision of the impact tool, and that the proposed approach will support equality inclusion, health outcomes and the economy in Greater Manchester.

Contact Officers

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Recommendation - Key points for decision-makers		
<i>The proposed cultural investment approach will support equality and inclusion, health outcomes and the economy in Greater Manchester</i>		
Impacts Questionnaire		
Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion	G	
Health	G	
Resilience and Adaptation		
Housing		
Economy	G	
Mobility and Connectivity		
Carbon, Nature and Environment		
Consumption and Production		
Contribution to achieving the GM Carbon Neutral 2038 target		
Further Assessment(s):	Equalities Impact Assessment	
G Positive impacts overall, whether long or short term.	A Mix of positive and negative impacts. Trade-offs to consider.	R Mostly negative, with at least one positive aspect. Trade-offs to consider.
	RR Negative impacts overall.	

Risk

Management

n/a

Legal Considerations

n/a

Financial Consequences – Revenue

The revenue funding for the Cultural Fund is met from District contributions and retained business rates. Proposals in this report are subject to the approval of the GMCA revenue budget for 2023/24 in February 2023.

Financial Consequences – Capital

Nil

Number of attachments to the report: 0

Comments/recommendations from Overview & Scrutiny Committee

Background Papers

n/a

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

Yes

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

GM Transport Committee

N/A

Overview and Scrutiny Committee

1. BACKGROUND

1.1 In September, 2021, GMCA agreed a one-year roll-over of cultural investment at the same financial levels as 2020/21. GMCA agreed this roll-over of funding to give stability to a sector disproportionately affected by COVID-19 and in recognition of the role the sector will play in the recovery of our places and supporting the wellbeing of our people. This followed agreement in February 2020, to increase the GM Culture budget to £3.84m p/a in recognition of the important role culture plays in the lives of our people and the reputation of our places. This increase saw the culture portfolio grow to 35 organisations, with direct investment into every GM district for the first time and increased investment in disability, LGBTQ+ and BME-led organisations.

Art with Heart	Salford	HOME	Manchester	Oldham Coliseum	Oldham
Arts for Recovery in the Community	Stockport	Manchester Camerata	Manchester	People's History Museum	Manchester
Brighter Sound	Manchester	Manchester Histories	Manchester	Quays Culture	Salford
Cartwheel Arts	Rochdale	Manchester International Festival	Manchester	Royal Exchange Theatre	Manchester
Centre for Chinese Contemporary Arts	Manchester	Manchester Jazz Festival	Manchester	Sheba Arts	Manchester
Comma Press	Manchester	Manchester Jewish Museum	Manchester	The Halle	Manchester
Company Chameleon Dance Theatre	Manchester	Manchester Literature Festival	Manchester	The Met	Bury
Contact	Manchester	Manchester Pride	Manchester	The Turnpike	Wigan
English Folk Expo	Rochdale	MancSpirit	Trafford	Walk the Plank	Salford
Gaydio	Manchester	Music Action International	Manchester	Wigan STEAM CIC	Wigan
Global Grooves	Tameside	Octagon Theatre	Bolton	Z-Arts	Manchester
GM Arts	GM	Old Courts	Wigan		

GM Culture Portfolio 2020-2022

1.2 As part of the February 2020 GMCA report setting out proposal for GMCA Culture Funding, and following feedback from Leaders and colleagues across GMCA and strategic partners including Arts Council England and National Lottery Heritage Fund, it was agreed that a further report would be brought to GMCA in 2020 outlining a new approach to cultural investment in GM, with potential to align to Arts Council England's National Portfolio investment (four year funding settlement). The devastating impact of COVID-19 on the cultural sector meant that this work was delayed to 2022 with a view to launching a new investment approach in Autumn, 2022, ready to award investment from April 2023 onwards.

1.3 Between January and March 2022 the GM Culture team consulted colleagues across Greater Manchester, including GM Leaders, cultural organisations and external stakeholders as well as undertaking desk-based research on the best possible

approach to funding to supporting Greater Manchester's vibrant culture, heritage and creative industries while ensuring any new approach supports delivery of the refreshed Greater Manchester Strategy. Further consultation has taken place over the summer and the outcome of this consultation is contained within this paper.

2. CONTEXT

2.1 In February 2022 the Centre for Cultural Value released its Culture in Crisis¹ report, a deep-dive into the impact that COVID-19 had on the cultural sector, featuring an in-depth case-study on the response of and impact on the cultural sector in Greater Manchester. The report summarises its findings into three key areas, all of which will be relevant in developing and delivering a new investment programme fit for current times.

Workforce

The pandemic held a mirror up to a deeply unequal cultural sector.

- Its impact was not experienced evenly across the sector, with younger workers, women and workers from ethnically diverse backgrounds among the hardest hit in terms of losing work and income.
- For freelancers, who make up a significant part of the cultural workforce, the impact was major and sometimes devastating. Freelancers constituted 62% of the core-creative workforce before the pandemic and only 52% by the end of 2020.
- The most dramatic decline in the cultural industries workforce was observed in music, performing and visual arts, where the professional workforce fell by around a quarter between March and June 2020, with no signs of significant recovery by the end of 2020.

Organisations

Places with a history of obtaining public investment – and the arts and cultural

¹ [CCV Covid Report A4 AW \(culturehive.co.uk\)](https://culturehive.co.uk/ccv-covid-report-a4-aw/)

organisations based in those places – benefited most from the Culture Recovery Fund (CRF).

- Networks played a key role in building resilience and, in light of the pandemic and Black Lives Matter, many cultural organisations re-evaluated their relevance to local communities. This was complemented by an increase of hyperlocal engagement due to lockdown restrictions on travel and behaviour.

Audiences

Despite the rapid take-up of vaccines, the population’s confidence in returning to cultural venues has remained stubbornly low throughout 2021.

- While the shift to digital transformed cultural experiences for those already engaged with cultural activities, it failed to diversify cultural audiences.
- An increased digital offer did transform the cultural experiences of those who already engaged in cultural activities, especially disabled audiences and older audiences living away from major urban centres.
- ***80% survey respondents said that taking part in arts and culture was important to their wellbeing, positively affecting their mood and helping them to manage anxiety.***

2.2 While the sector has undergone significant challenge over the past two years it has also played a significant role in supporting the recovery of Greater Manchester’s people and places. This has included cultural events driving footfall to our town and city centres, creative organisations taking over empty retail units to bring vibrancy to our places, the delivery of programmes designed to help residents overcome the trauma or physical impact of COVID-19 and the development of schemes to help combat social isolation.

2.3 As Greater Manchester emerges from the impacts of the pandemic, culture and creativity will be even more important as our cultural organisations and artists contribute directly to our economy, bring vibrancy and visitors to our places and support our residents to live well. Prior to the pandemic arts and culture contributed more than £8.5bn² per year to the UK economy. As the second largest creative cluster

² <https://www.artscouncil.org.uk/economic-contribution#section-1>

outside London and the South West³, this economic impact cannot be underestimated in Greater Manchester, and further work is planned to consider how the economic impact of a successful cultural sector in Greater Manchester can be supported to grow. The importance of culture and creativity to the prosperity of Greater Manchester is demonstrated in the refreshed Greater Manchester Strategy which states that;

In delivering this Strategy we will ensure easy access for all of our residents to high quality culture, outdoor, sport and leisure opportunities, recognising the significant benefits this can bring for health and wellbeing

If we want to harness the economic and social potential of the cultural sector in Greater Manchester we need to ensure that it is fairly funded to ensure equality of access to opportunity, quality of output and growth of our international reputation. Any new GMCA Culture Fund investment approach needs to support the delivery of the new Greater Manchester Strategy, as well as the myriad strategies that underpin it, including the Greater Manchester Culture Strategy.

2.4 On April 28th 2022, Arts Council England opened applications for its National Portfolio (NPO) programme, providing core funding for cultural organisations in England. Between 2018 and 2022, organisations based in Greater Manchester received more than £106m from this investment stream (other investment streams, inc project grants, capital and strategic funding are additional to this but NPO typically makes up around 66% of Arts Council England's total budget).

Arts Council England's new investment approach, the first to deliver their new 10-year Strategy, Let's Create, is underpinned by four investment principles; Inclusivity & Relevance; Environmental Responsibility; Dynamism; Ambition & Quality.

In February 2022, DCMS announced 109 Levelling Up Culture priority places. The 109 places will have 'increased' access to NPO funding – so applications from those places will stand a better chance of success. There are six Levelling Up Culture Priority Places in GM - Bolton, Bury, Oldham, Rochdale, Tameside and Wigan.

³ https://media.nesta.org.uk/documents/creative_clusters_and_innovation.pdf

Applications closed on 18th May 2022 and will undergo appraisal throughout the summer. Applicants will be informed of the outcome of their application by 14th October, 2022.

Given the change in investment principles and the identification of Levelling Up Priority Places we expect some organisations will lose investment, some will receive less than they previously had, some will receive more and some will enter the NPO portfolio for the very first time. Given the potential for significant change in the funding landscape in Greater Manchester it is proposed that GMCA open for applications to the GMCA Culture Fund and our new investment approach when GM organisations know their financial position and GMCA knows the spread of investment before making decisions.

2.5 In 2020-2021 and 2021-22 GMCA's Culture Fund included an element to fund activity that could not be delivered by a single cultural organisation. This was invested in the following;

- GM Town Of Culture
- Creative Improvement Districts
- GM Music Review
- GM Covid Commissions
- United We Stream / StreamGM
- Chat Moss
- Centre for Creative Ageing
- Arts, Health and Wellbeing
- Cultural Tourism
- Ripples of Hope
- GW Theatre
- The North Will Rise Again
- A Modest Show (British Art Show GM Satellite Programme)
- WeEuro

These investments were of strategic importance to the cultural sector across Greater Manchester and allowed GMCA to invest in projects beyond the 35 organisations that are part of the Culture Fund. It is the ambition to continue this strategic funding approach in the new investment approach, allowing GMCA to support the wider cultural ecosystem where appropriate and of significance to the sector locally, across Greater Manchester, and on a national and international basis.

2.6 Beyond the cultural sector, much has changed since GMCA agreed its last Culture Fund investment approach, from the impact of COVID-19 on the health of our people and prosperity of our places to the Levelling Up agenda to the impact of Brexit. While GMCA investment into arts and culture has increased over the past five years and a strategic budget has supported the delivery of activity that cannot be delivered by a single organisation, the priorities and design of GMCA's core funding has not undergone any significant review or change.

Organisations in receipt of GM Culture funding who previously received AGMA Section 48 have not had amounts increased in more than 10 years. Given inflation and rising costs this is no longer sustainable and we need to look to new ways of supporting organisations while respecting the challenging financial positions of GM local authorities.

By aligning cultural investment more closely with delivery of the Greater Manchester Strategy we will be able to better demonstrate the value of cultural investment to our people and places.

3. THE PROCESS SO FAR

3.1 Between October and December 2021, GMCA Culture Officers met with all 35 cultural organisations in the GMCA Culture Portfolio to undertake due-diligence ahead of the rollover of cultural investment and better understand the pressures on the sector. The following key themes emerged from these discussions.

- Increasing costs of 20%+ for cultural events and activities, due to covid, staffing challenges, cost of materials and labour, Brexit
- Increased needs of vulnerable residents – more call on cultural activities as many smaller community organisations ceased operation during the pandemic.
- Staff burnout
- Real-terms drop in funding over past 10 years
- Skills shortages across all parts of the sector
- Reduction in corporate support / sponsorship
- Narrowing of investment priorities and opportunities
- Pressure on availability of spaces due to booking backlog caused by COVID
- Reduction in product due to pause in production and rehearsal during COVID
- Slower than hoped return to cultural activity / earned income

- Concern around impact of cost of living on ability for people to afford tickets and non-essential experiences

3.2 In February 2022, all local authority culture officers from across Greater Manchester and organisations currently in receipt of GM Culture funding gathered in Salford for a day-long workshop around the best way to support culture in Greater Manchester from 2023 onwards. The following themes emerged as key priorities for any cultural funding;

- Arts and education - using the arts to teach
- Regeneration / Levelling Up / Pride in place
- Arts, health and Wellbeing
- Support for all levels of the cultural ecology
- Support for freelancers and individual artists
- Cultural guarantee to residents
- Innovation
- International

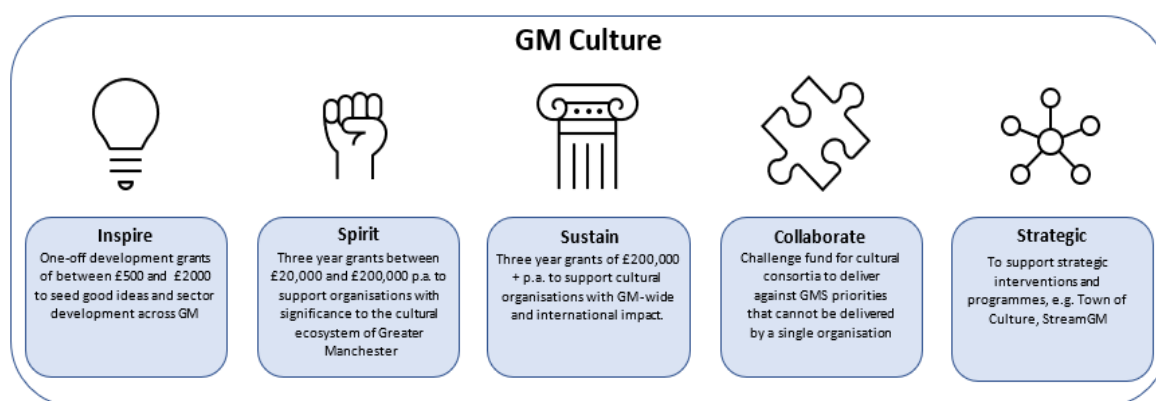
3.3 Throughout March and April, the then GM Culture Portfolio leads Councillor Martyn Cox and Alison McKenzie-Folan offered all GM leaders the opportunity to share their ambitions for culture in their places and across Greater Manchester. The following themes emerged from those conversations;

- The value of culture to the health and wellbeing of our people and prosperity of our places
- The need to balance support for internationally significant organisations based in Greater Manchester and smaller grass-roots organisations
- How GM can support culture in places without significant cultural infrastructure
- The importance of investment delivering wider GM priorities
- The need for close consultation with national partners and stakeholders
- The need for a strategic approach to investment, clarity of purpose and management of expectations – what can GM cultural investment do that can't be done at district level?
- Better signposting of opportunities across Greater Manchester
- How can GMCA work better with the private sector and other bodies in Greater Manchester to grow support for culture?

- The need to better integrate support for culture and existing support for the wider creative industries and business – a clear pipeline of opportunity and support

3.4 In April 2022, GMCA Culture officers undertook desk-based research into cultural investment in other Combined Authorities and Local Authorities as well as international examples. Aside from GLA, GMCA appears to have the most mature investment approach. There are some examples of interesting approaches from local authorities including [Bristol](#) and [Lancashire](#). Both have adopted a really clear, strategic approach to multi-levelled funding.

3.5 The GM Culture team has synthesised information gathered so far into a proposed investment approach with five strands set out below. Applicants to any of the strands will be asked to demonstrate how their activity will help deliver GMS priorities of a Greener, Fairer, More Prosperous Greater Manchester. All five strands taken together should ensure a coherent investment approach across the city region that provides development support for individuals and organisations of local significance where cultural infrastructure might be less-well developed while continuing to support those organisations with a GM-wide footprint. This comprehensive investment approach recognises the complex eco-system in Greater Manchester providing opportunity for talent, artists and audiences across the city region, regardless of location or maturity of traditional cultural infrastructure.



3.6 **INSPIRE** - A small grants programme to support individual practitioners, freelancers and grass roots and community organisations, building on the success of GMCA's cultural 'covid commissions' project. This will ensure that talent is supported and developed across the city region. Awards will be between £500 and £2,000 p/a. GMCA will procure a partner to deliver this programme. Grants will be given across

several thematic areas to ensure the total grant programme supports delivery of strategic aims. There will be a light-touch application process to ensure equality of opportunity and funding decisions will be made by panels that include local and artform representation. There will be a bidding round every three months. Costs for the delivery partner will be included within the allocated sum.

- 3.7 **SPiRiT** - These grants will support locally-loved and important organisations with an award of between £20,000 and £200,000 p/a. Organisations in receipt of Spirit Grants will not need to deliver across all of Greater Manchester, but will be of strategic importance to the cultural ecosystem of the city region. Spirit investment will be aligned with Arts Council England, three year NPO funding, so subject to GMCA agreement, successful organisations will receive an indicative three-year funding settlement 2023-2026, with annual review, subject to performance and funding. Following an application and appraisal process, LA Culture officers will be asked to support geographic balancing, providing places with an opportunity to identify organisations of strategic importance to their place.
- 3.8 **SUSTAIN** – This strand will provide support for organisations who require £200,000 or more per annum to deliver GM-wide activity and support for artists and grass-roots organisations in every district of Greater Manchester. Sustain organisations will be expected to have both local and international impact and will be required to support the cultural ecology across Greater Manchester, providing space, expertise and employment for artists and smaller cultural organisations across the city region. Sustain investment will be aligned with NPO, so subject to GMCA agreement, successful organisations will receive an indicative three-year funding settlement 2023-2026, with annual review, subject to performance and funding. Following an application and appraisal process, GMCA will agree the levels of investment into Sustain organisations.
- 3.9 **COLLABORATE** - Collaborate provides organisations in Greater Manchester with an opportunity to form consortia to deliver the strategic aims of GMS. Consortia will be asked to apply to deliver one of the three core aims of GMS; Greener, Fairer, More Prosperous. This programme will stimulate innovation in the delivery GMS priorities by cultural organisations. Consortia will be expected to match-fund activity to bring the greatest possible value to GM investment. This will strengthen partnerships between the cultural sector, the private sector, universities, and GM partners like GMHSCP.

3.10 **STRATEGIC** - GM Strategic funds will continue to fund activity that supports delivery of the GM Culture strategy, including Town of Culture, Creative Improvement Districts, StreamGM and the Greater Manchester Music Commission.

3.11 The scale and distribution of GMCA Culture Funding across the five strands set out above will be determined by GMCA at the same time the portfolio of funded organisations is agreed.

4. CONSULTATION

4.1 Given the proposed changes to cultural investment in Greater Manchester proposed within this paper, GMCA Culture Team officers have consulted on the proposed new approach set out above, as well as testing if the current investment priorities, as set out in the GM Culture Strategy, are still fit for purpose. The previous priorities were to:

- Contribute to the recognition of Greater Manchester locally, nationally and internationally to attract new investment, new visitors and new talent to Greater Manchester
- Make a positive contribution to improving skills and employability of residents in Greater Manchester, including support for the creative education, expression and ambition of young people across Greater Manchester
- Play a strong role in developing strong and inclusive communities and an improved quality of life for residents, particularly those residents at risk of disengagement or social isolation
- Be able to evidence how the project will make a positive contribution to improving residents' health and well-being and meeting our equality duties.
- Provide paid employment and opportunities for freelancers, individual practitioners and organisations within the Greater Manchester

4.2 Consultation response has been high with 52 responses to an online questionnaire shared through GM Consult, 58 attendees to online consultation events and 28 attendees to in person events, giving 138 responses in total. Attendees ranged from freelancers and sole traders to larger cultural organisations.

4.3 84.6% of respondents agreed the investment priorities set out in the GM Culture Strategy remain fit for purpose. 79.6% of respondents agreed with the proposed investment approach set out above, and 78.9% of respondents agreed this revised

approach better reflects GM's cultural landscape. Comments from respondents reflected many of the comments from stakeholders set out in 3.1 to 3.3 above, particularly emphasising the importance of supporting the sustainability of the culture sector in GM, and welcomed the two new areas for investment proposed, namely Inspire and Collaborate.

4.4 One area of concern raised during consultation was the timeline to bid into the pillars. It was suggested that the primary focus should be to look to have Spirit and Sustain application process in place from Autumn 2022 so successful organisations can deliver from April 2023. For both Inspire and Collaborate, to allow potential bidders more time to develop proposals and bring together consortia for Collaborate, it was suggested that the application process for these opens from Spring 2023. This is reflected in the timeline below.

5. TIMELINE

November 2022	<ul style="list-style-type: none"> Revised GMCA investment approach launched with a series of in-person and online drop-in sessions Applications to new investment approach for Spirit and Sustain open to allow for NPO announcements to be made Four week application window
November 2022	<ul style="list-style-type: none"> Application process closes
December 2022	<ul style="list-style-type: none"> Appraisal and balancing
January 2023	<ul style="list-style-type: none"> Appraisal and balancing
February 2023	<ul style="list-style-type: none"> GMCA agrees GMCA Culture Fund budget and portfolio for Spirit and Sustain
February 2023	<ul style="list-style-type: none"> Applicants informed of outcome and due diligence and contracting starts
April 2023	<ul style="list-style-type: none"> Delivery begins for Spirit and Sustain

	<ul style="list-style-type: none"> • Call for proposals Collaborate begins. • Delivery partner for Inspire identified, first call for Inspire bids begins
June 2023	<ul style="list-style-type: none"> • Appraisal of Collaborate bids with successful organisations informed June/July.

6. RECOMMENDATIONS

6.1 The recommendations can be found at the front of this report.

Appendix A – Current GMCA Culture Portfolio Investment 2021/2023

Organisation name	£ p/a
The Halle	£749,170.00
People's History Museum	£408,970.00
GM Arts (link4Life)	£306,000.00
Royal Exchange Theatre	£219,340.00
Old Courts	£200,000.00
The Lowry (Quays Culture)	£190,000.00
HOME	£136,900.00
Octagon Theatre	£107,200.00
Oldham Coliseum	£102,430.00
Contact	£97,000.00
Manchester International Festival	£90,000.00
Art with Heart	£82,856.00
The Turnpike	£60,750.00
Manchester Camerata	£54,800.00
Company Chameleon Dance Theatre	£54,450.00
The Met - Bury Metropolitan Arts Association	£50,000.00
Z-Arts	£49,750.00
Wigan STEAM CIC	£49,500.00
MancSpirit	£44,756.17
Arts for Recovery in the Community	£40,000.00

Global Grooves	£40,000.00
Manchester Literature Festival	£40,000.00
Walk the Plank	£40,000.00
Centre for Chinese Contemporary Arts	£35,000.00
English Folk Expo	£35,000.00
Manchester Jewish Museum	£35,000.00
Cartwheel Arts	£30,000.00
Manchester Pride	£30,000.00
Manchester Jazz Festival	£29,524.00
Manchester Histories	£25,000.00
Comma Press	£24,697.00
Brighter Sound	£14,544.00
Gaydio	£13,000.00
Music Action International	£12,580.00
Sheba Arts	£10,000.00