**Policy Perspective: Arts Council England Tailored Review**

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In March 2016, the Department of Culture Media and Sport (DCMS) announced it was undertaking a tailored review of Arts Council England (note that culture is a devolved matter in Scotland, Wales, and Northern Ireland). The purpose of tailored reviews is “to provide robust challenge to and assurance of the continuing need for individual organisations – both their function and form” (DCMS, 2017, p. 14). These kinds of reviews apply to non-departmental bodies, executive agencies, and non-ministerial departments, and are undertaken at least once per parliamentary session. If an organisation is deemed to be retained, the review focuses on its effectiveness, efficiency, and governance. This review of the tailored review focuses on evaluating it primarily in terms of the relationship between central government and the Arts Council, as well as how the review fits into the changing picture of public cultural governance more broadly. I make use of public policy and public administration literatures.

Arts Council England (ACE) is one of several non-departmental public bodies (NDPB) within the DCMS. The UK is a pioneer of this cultural policy model, whereby governments avoid direct influence over funding decisions. Though ACE is accountable to Parliament, it operates autonomously. While other arts and cultural ALBs have been abolished or merged since 2010, including the Museums, Libraries and Archives Council and the UK Film Council, as part of a £3 billion savings programme across government, ACE has survived – albeit in a changed form. This has been justified largely based on its function as an impartial body (Cabinet Office, 2010).[[1]](#endnote-1)

The relationship between government departments and agencies is constantly changing, but it is worthwhile highlighting two key historical developments in order to place the review into context. The advent of New Public Management (NPM) in the 1980s saw an increased focus on the principle of accountability (Dommett, MacCarthaigh, and Hardiman, 2016), during which time principles of running businesses in the private sector were often applied to the public sector. In more recent times, the financial crisis of 2008-9 and ensuing austerity measures have called into question the existence and governance arrangements of agencies, on the grounds of cost-saving and prudency, which has led to more overseeing and control of NDPBs by departments.

The review is divided into five chapters: an introduction, and then one chapter each devoted to form and functions, effectiveness, efficiency, and corporate governance. In some ways, the review reaffirms certain core values of ACE independence, keeping with arm’s length principles: a different model “would risk the loss of specialist knowledge and expertise, the loss of impartiality in grant making decisions” (DCMS, 2017, p.22). The review also explicitly acknowledges that a for-profit commercial model would be unsuitable, as “[i]nvesting exchequer money in arts and culture is a public service” (DCMS, 2017, p.23), and much would be lost if this changed. Fortunately, the review makes no recommendations for increasing efficiencies following on from the 50 per cent savings on administration costs ACE made after the 2010 Spending Review. However, there *are* changes in governance that can be seen in this review, raising important questions about the length of the ‘arm.’ It is to these I turn to now. I concentrate on two main themes, accountability and autonomy. Though these overlap, they are prominent areas of change that have been highlighted in the broader literature on the governance of non-departmental bodies and agencies (see for example Dommett and Skelcher, 2014; Dommett, MacCarthaig, and Hardiman, 2016; Tonkiss, 2016).

The first theme is *accountability*, framed largely in this review as responsibility for handling and spending public money. Changes in accountability are important because, though there is acknowledgement of the value of the Arts Council in this review – primarily, in this case, via its impartiality role - “accountability relationships” have been and are being “reframed” (Dommett, MacCarthaigh, and Hardiman, 2016, p.539). It is clear that measuring and evidencing, in the name of “robust accountability” for the use of public funds (DCMS, 2017, p.50), are becoming even more important, in the name of both effectiveness and efficiency. A few of the tailored review’s 30 recommendations focus directly on increased measurement of self-evaluation and performance. ACE performs a variety of roles, and the DCMS would like to see a great deal more clarity around them. For example, it is recommended that ACE creates a more “systematic, overarching framework” (p.49) to measure its performance. Similarly, ACE should work with the DCMS to refine its role as a development agency, and should also set “measurable and strategic” objectives for its overall funding portfolio (p.11). The further refining of objectives indicates not only a loss of flexibility but also an increased emphasis on auditing, evidencing, and measuring.

Accountability is also becoming more important in is assessing the *impacts* of ACE investment. ACE’s performance framework should illustrate “how the Arts Council invests government funding in line with government priorities, *the difference that the investment brings,* and how the Arts Council is delivering its long term vision of ‘great arts and culture for everyone’” (emphasis added; DCMS, 2017, p.50). The key part of this sentence is buried, but it points to further requirements to – wait for it – evidence the impacts of the arts and culture. This raises important questions concerning well-defined and -acknowledged problems of how that might be determined and what kinds of impacts are desirable in the case of culture and the arts (O’Brien, 2014; Selwood, 2006; Warwick Commission, 2015).

What kinds of impacts might this have on ACE’s activities? It is too early to say what this will look like precisely, but it is clear there will be further requirements for assessing outcomes and impact of ACE funding in the future. For example, it is likely that funded projects will be subject to collecting ‘evidence’ on what kinds of social outcomes their project produce in particular, placing more of a burden on those organisations to articulate social value. It may also have an impact on the types of projects ACE can fund. ACE’s initial response shows the development of an understanding of social value as a medium/long term goal, realised through research and targeted programmes (Arts Council England, 2017). It fits along with several of the other recommendations that stray away from creating excellent art and culture, such as recommendation seven and eight, to expand financial skills capacity of the sectors, and to collaborate with diverse partners, and number 19, building sectors’ awareness of and skills in assessing the social impacts of their work.

Ultimately, the review says, DCMS should “…monitor the Arts Council’s performance in a more structured and systematic manner in order to hold it fully accountable for investing public funds effectively” (DCMS, 2017, p.51). As has been argued elsewhere, “the requirement to collect data represents a growth of state power and bureaucracy” (Selwood, 2006, p.45). Selwood predicted even more requirements to ‘measure the unmeasurable’ in 2006, and it is undeniable that over ten years later, and seven years into harsh austerity measures, the same rings absolutely true for today.

The second theme is *autonomy*. One of the issues in the governance of ALBs since the onset of austerity has been the need for the government to standardise their oversight roles – ALBs, even within one department, differ in their roles and responsibilities and levels of autonomy (National Audit Office, 2016). The National Audit Office (2016) has therefore recommended that ALBs ensure that they have a clear purpose and alignment of objectives between department and ALB. This raises an important point surrounding impartiality and independence, and a paradox in that “governments face the challenge of attempting to reap the benefits of delegation to ALBs while also regulating their use of resources” (Tonkiss, 2016, p.375). However, according to the National Audit Office (2016, p.6), there are “contextual pressures on departments, such as the need to reduce costs,” meaning that governments have to take decisions based on facts other than independence and impartiality. This is an undermining of ACE’s autonomy, independent expertise, and impartiality – the body’s *raisons d’etre*. These are the effects of austerity on the arts and culture.

The review is very much a top-down one. Though undertaken with the full cooperation of ACE, there is very much the sense that DCMS is ‘king’ here. DCMS has made 30 recommendations to the Arts Council, and the Arts Council still has some flexibility in how they implement them (see Arts Council England, 2017 for an initial implementation strategy). Nevertheless, the framework for cultural policy is increasingly being set by the government: this review signals that the Arts Council does lose some of its ability to set its own direction as it sees fit. Its future, and the future of the projects it funds and supports, is being ever more dictated by performance measurement and evidence. These sets of methodologies raise well-documented questions about evidence, reducing the value of the arts and culture to numbers. However, “[q]uantification is anything but an innocent, one-off procedure” (Phiddian, Meryrick, Barnett, and Maltby, 2017, p.175). Rather, it confirms hierarchies of evidence and hierarchies of government-agency relationships, not to mention the challenges it will raise for the sector (O’Brien, 2014). Moreover, the hierarchies of evidence place the DCMS and other government departments at the top, which has obvious implications for ACE. Another important issue to consider is *frequency* of monitoring; findings in recent studies demonstrate a move from departments’ occasional monitoring of their ALBs to a “continuous process of management” (Dommett, MacCarthaigh, and Hardiman, 2016, p.550). This has implications for ACE’s autonomy and its abilities to take risks and its longer-term relationship with the DCMS.

Can culture still be considered a public good? On the face of it, yes. Over 70 years since the creation of the Arts Council, the government is still funding arts and cultural activity (though, with an increasing focus on ‘contributed income’ and financial resilience, this is changing too). The nature and terms of this funding is changing, and is likely to continue to do so, harking back to a more hierarchical dynamic between agencies and central government. The DCMS makes it clear that while ACE operates independently, it “is publicly funded and its held to account as such” and “must comply” with the government’s goals and aims in terms of cultural policy as well as wider priorities set out in spending reviews (DCMS, 2017, p.20). As Tonkiss (2016) argues, there is a paradox at play in that arm’s length bodies are expected to deliver a wide and ever-increasing range of services but are simultaneously subject to more and more regulation and oversight. Governments are therefore trying to reap the benefits of delegation while tightening grip on the bodies and therefore restricting, in some way, shape, or form, their abilities to do so.

As Robert Hutchinson (1982, p.24) wrote 35 years ago, ACE’s “strong roots do not remove [it] from the political arenas.” He goes on to say that it would take unforeseeable circumstances for ACE to be abolished, but that it will always remain political and contentious. The same words apply today. Not surprisingly, for anyone who has followed the discourses of UK cultural policy over the past few decades, there seems to be almost nothing left of an intrinsic justification for public funding of culture. Rather, there is an increased focus on evidence and accountability for public money, calling into question the Arts Council’s autonomy as an impartial body of experts. I have highlighted some of these concerns, which quite frankly seem far removed and antithetical to the very goals of ACE itself – excellent art and culture for everyone. The relationship between the government and the Arts Council has changed and is changing to a more hierarchical one with the government at the top, and this will mean new challenges for the Arts Council in terms of realising its goals. Though this is public funding, the cultural sector has never seemed so ‘market-like.’ The government should have no input in determining what should be funded by public funds, but it has a great deal of input in determining the conditions, parameters, and environment – the institutional setting – in which these decisions are made.

**Biography**

Dr Kate Mattocks is a teaching fellow in the Department of History and Politics at Liverpool Hope University. She completed her PhD at City, University of London, which looked at cultural policy coordination in the European Union, and has recent journal articles on that work published in the *Journal of Common Market Studies* and *European Politics and Society*. Kate is interested in many aspects of the politics of cultural policy-making, particularly from a public policy perspective.

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1. A non-departmental public body is justified on the grounds that it performs one or more of the following ‘tests’: Does it perform a technical function? Do its activities require political impartiality? Does it need to act independently to establish facts? (National Audit Office, 2016, p.5). [↑](#endnote-ref-1)