

# Local authority expenditure on the arts

A four year perspective

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## Preface

**The publication of the information in this report marks an important stage in the development of provision for the arts throughout Ireland. In the period covered by this report (1994-1997) local government expenditure on the arts has grown substantially. In addition, a significant number of local authorities have endorsed the arts as an integral part of overall planning and policy for their area. This is most clearly shown in that the number of arts officers increased from nineteen to twenty-eight, twenty local authorities created a dedicated arts or cultural committee to support the work of the arts officer, and twenty three local authorities adopted and implemented arts plans.**

This period has been one in which the relationship between the Arts Council and local authorities has been greatly enhanced. In 1973, under the second Arts Act, expenditure and support for the arts came within the powers of local government. Since 1985, when the first arts officer was appointed to a local authority, thirty local authorities have introduced an arts officer position. The Arts Council has shown support for this policy by sharing the costs of salaries with each local authority. In addition, the Arts Council awarded substantial levels of funding to support the programmes of county arts offices. These have been introduced to meet local arts needs, and the number of jointly supported local arts programmes has risen from sixteen in 1994 to twenty-seven in 1997.

In the term of the first Arts Plan, 1995-1998, the Review Group of the City and County Managers Association and the Arts Council was established, to examine and make recommendations on how to best support the development of the arts in a local authority context. The Review Group gave particular consideration to the employment conditions of

arts officers and made recommendations on establishing best practice, which are described in *Local Authorities and the Arts, Appointing an Arts Officer: Guidelines for Local Authorities*, (published by the Arts Council 1998). This has led to the consolidation of professional administration and management of the arts in local government and there now exists a network whose development needs have begun to be acknowledged and addressed.

Consultation undertaken by the Arts Council in reviewing the first Arts Plan and preparing for the second plan has emphasised the high level of growth in arts activity in a local context. Demand for Arts Council support and funding (for both capital and revenue projects) has risen proportionately and indicates the diverse requirements, of artists, arts organisations and audiences, for local arts provision. This may take the form of physical amenities (theatres, galleries, studios,) opportunities to make art and promote it locally, and opportunities to experience the arts from elsewhere.

It is entirely beyond the means of the Arts Council alone to meet this level of demand. We

## Preface cont.

fully acknowledge that local authorities are constrained in their ability to raise funds to meet increased local demands for support, and we are aware that the ability to raise income, usually through the striking of the commercial rate, varies considerably between local authorities. Notwithstanding this, the Council continues to advocate significantly greater provision for the arts at local level - both in policy and in funding terms.

Thanks to the co-operation of City and County Managers, Finance Officers and Arts Officers in local authorities throughout the country, a considerable volume of quantitative information is now available about funding levels which will provide an important benchmark in measuring change over the coming years.

The Arts Council has worked in close association with a number of local authorities to improve the methodology used in collecting the information annually, and will continue to do so. The information contained in this study paints a real picture of sustained and growing support for the arts, which gives confidence and encouragement to those involved in planning for the arts, nationally and locally.

The next step for us in specifying how this information is collected and used is to work with local authorities to agree standards for collecting the information in a consistent way, and, more important, for analysing its importance. For it is as a means of understanding trends, rather than for the purpose of some simple "league table" comparisons that this information is of most interest.

The growth in local expenditure on the arts has been stimulated to some degree by the provision of funds from central sources, including the Arts Council but also capital funding from the Department of Arts, Heritage, Gaeltacht and the Islands, and project funding from a range of EU schemes. It represents above all an increasing recognition of local demand. Local authorities around the country are taking an increasing interest, and increasing responsibility for addressing locally expressed needs and expectations in the arts, and this augurs well for the next phase of development in an area of public policy which touches fundamentally on the quality of all of our lives.

**Patricia Quinn**

**Director**

**The Arts Council/An Chomhairle Ealaíon**

May, 1999

# Summary

The purpose of this report is to publish information about the amount of money spent on the arts by local authorities over a period closely matching the four-year lifetime of the last Arts Plan which ended in 1998. As figures for 1998 are still being collated and compiled, this review covers the period from 1994 to 1997. It has sought to identify the extent of local authority spending on the arts and how that spending related to the financial input from the Arts Council over the same period. This is with a view to giving the Arts Council a clearer understanding of the characteristics of local authority spending in order to ensure a better service to this important element of its regional policy

Since the Arts Council and local authorities established a relationship in 1973, local authorities have been one of the main strategic partners in the Council's approach to a regional policy for the arts. This report on spending elaborates the financial aspects of this partnership. The approach we have taken is a quantitative one which we intend to build on in future reports so that, over time, a qualitative picture of local spending on the arts can be formed.

The overall conclusion is that while an exceptionally high proportion of subsidy for the arts at local level is still being provided by the Arts Council, in the form of grants towards the paycosts and arts programmes of local authorities, local authority expenditure on the arts has nevertheless increased. The figures show that this increase has occurred from a low starting base, reflecting the relatively recent adoption by local authorities of a role in the direct funding of the arts.

**This study has identified five trends which are worthy of note. In summary, these are:**

## **1 Comparative trends in central and local expenditure**

The growth in local authority spending on the arts over the four years of the study has not kept pace with the growth in local arts funding from central sources.

## **2 Increases in administrative costs over artistic expenditure**

As a percentage of total revenue funding on the arts by local authorities, Artform Expenditure (direct spending on artists and arts programmes) accounted for 60% in 1994. Four years later this percentage had fallen to just over 50% of total revenue spend. This is in large measure due to the welcome increase in arts officer posts over the period.

## **3 Slow growth compared to international trends**

The per capita spend by local authorities on the arts in Ireland is the lowest in a survey of nine countries and regions.

## **4 Poor take-up of other Government programmes to support the arts e.g. Per Cent for Art scheme**

Of the respondents in 1997, the last year of the present study, only half used the 'Per Cent for Art' public art funding schemes, and only one third of those gave detailed financial breakdowns of spending. This suggests a potential growth area for local authorities.

## **5 High proportion of expenditure goes on few large municipal facilities**

The highest proportion of spending on the arts, more than one fifth, goes to municipal venues such as art galleries.

## Summary cont.

The amount spent on the administration of the local authority arts service was £272,578 in 1994 or 10% of the total spend. By 1997, administration costs had risen to £835,617 representing 20% out of a total revenue spend of £4.15 million.

In the period 1994-1997, total administrative costs rose by 207% from £272,578 to £835,617. Of this figure, salary costs increased by £389,260 or 240%. While these increases far outstrip any other form of spending by local authorities, the bulk of them have been due to the growth in the number of Arts Officers appointed by local authorities, which is to be welcomed. During the period of the review, the number of Arts Officers has risen from nineteen to twenty-eight which suggests that the relationship between the Arts Council and local authorities is now poised for further development.

The area of least growth was in the spending on direct arts programming and the provision of direct arts grants. This spending increased by 32% over the same four year period. Of the thirty-one local authorities who made returns for each of the four years surveyed, twenty-seven recorded an increase in overall spending in this area of direct arts funding. In some cases, the increase in spending was substantial but included capital spending on buildings and venues. In many cases the rise was incremental and was moving from a low starting level.

Per capita spending by local authorities, including capital spending, ranges from a low of 10p per head of area population to a high of £7.34 per head. Taking the entire list of local authorities who responded to the survey, the average local authority net spend comes to £1.14 per head of population for Ireland as a whole, significantly lower than that in other countries. The average is at this level due to the above average spending of five local authorities.

It is worth noting that the twenty-seven county councils who submitted results are responsible for an average of 50% of local authorities' gross expenditure on the arts. The remaining 50% is absorbed by four borough corporations. The main source of borough corporation expenditure is Dublin

Corporation which averages at 31% of local authority gross expenditure.

The four year period from 1994 -1997 saw total local authority funding of municipal venues rise by 38% from £812,688 to £1,121,758. An average of 78% of this expenditure was attributable to Dublin Corporation's direct funding of the Hugh Lane Gallery of Modern Art.

In the 1996 and 1997 surveys, local authorities were asked to give general details of Per Cent for Art schemes utilised by their authority. Thirteen of the respondents to the 1996 survey indicated that their local authority had utilised the Per Cent for Art scheme in that year. However, only four local authorities provided financial returns, amounting to £277,998, for the public art schemes for that period.

In 1997 of the thirty-one local authorities who responded, the number of local authorities utilising the Per Cent scheme had increased by two to fifteen. Of these, only five authorities provided financial returns, amounting to £241,300 for the public art schemes that year.

Local authorities are becoming more and more effective at identifying and providing for the needs of the arts at local level because of their unique position. The increased number of Arts Officers appointed signals a continuing willingness by local authorities to take on this role.

While the growing level of expenditure on the arts by local authorities is to be welcomed, it is nevertheless a discretionary spend. Statutorily, local authorities are allowed, but not obliged to provide for the arts in their areas. From the point of view of the Arts Council, this represents a real barrier to long term policy development. Until there is a more permanent legislative base for the arts at local level continued funding will be discretionary and, as such, under threat of cutbacks or, indeed, extinction. The Arts Council would welcome a strengthening of the statutory obligation on local authorities to provide for the arts, and indeed any measures which would provide them with the power to resource the arts better.

## Summary cont.

Much local authority funding of the arts is provided for in the budget line devoted to Recreation and Amenity, under 'Programme Group 6', and competes with a range of other services for budgetary and other resources. Besides arts expenditure on galleries, museums and other arts activities, expenditure under this Programme Group includes swimming pools, libraries, parks, open spaces, recreation centres, conservation and improvement of amenities.

Increasingly, finance for the arts is also being found from other Programme Groups within local authority budgets. This is particularly evident in the case of the 'Per Cent for Art' scheme, where monies are usually made available from Programme Groups 1 and 2 (which cover housing and building, and road transportation and safety, respectively). Despite this diversification in the sources of funding for the arts, growth in local authority funding for the arts has been slower than other trends in recent years including both the growth in the Arts Council's own resources, but also for example the growth in commercial sponsorship of the arts.

## Review Findings

This report on local authority expenditure on the arts draws on extensive data covering a four-year period which was supplied directly by thirty-one local authorities around the country. It looks at the increasing amount of money spent by local authorities from 1994 to 1997 - which largely coincided with the life of the first Arts Plan, and the development that has taken place over the four year period. It identifies trends, notes areas of substantial growth and establishes areas which need to be addressed.

## 1 | Local Authority Net Expenditure on the Arts

While local authority gross expenditure rose by 25.4% from 1996 to 1997, it grew negligibly in 1994 and 1995. Table 1.1 shows that net local authority expenditure between 1996 and 1997 rose by just 9%.

**Table 1.1**

| <b>Local Authorities Net Expenditure on the Arts 1996-1997</b> |                  |                  |                |           |
|--|------------------|------------------|----------------|-----------|
|  | 1996<br>£        | 1997<br>£        | Change<br>£    | % Change  |
| Local Authority Gross Expenditure on the Arts                  | 4,117,472        | 5,164,015        | 1,046,593      | 25.4%     |
| <i>less:</i>   |                  |                  |                |           |
| Arts Council Grant Aid   | 468,104          | 758,651          | 290,547        | 62%       |
| Other Grant Aid  | 16,646           | 397,979          | 381,333        | 2279%     |
| Earned Income  | 38,135           | 77,203           | 39,068         | 103%      |
| <b>Local Authority Net Expenditure on the Arts</b>             | <b>3,594,587</b> | <b>3,930,182</b> | <b>337,621</b> | <b>9%</b> |

Local authorities have increased their funding of the arts but, in some cases, the year on year rise is merely incremental and in the case of four local authorities, spending has fallen. Moreover, the rise in spending by local authorities has not kept pace with the rise in grant aid to local authorities from the Arts Council.

During 1996-1997 gross local authority expenditure on the arts rose by 25.4% to £5,164,015. The figures indicate that in 1997 local authorities were responsible for only £337,621 or 35% of total expenditure growth of £1,046,593. The remaining 65% was accounted for by grant aid from Arts Council or central government sources and other sources, such as sponsorship and box office. Of that growth in grant aid, Arts Council funding accounted for two thirds or £758,651. The balance came from the Department of Arts, Heritage, Gaeltacht and the Islands using EU Structural Funds, the Cultural Development Incentive Scheme (CDIS) and from programmes such as LEADER and Peace and Reconciliation.

In 1996, before special capital funding for cultural projects became available, the corresponding Arts Council contribution to arts funding came to 96% of total grant aid. In short, the bulk of the funding and the bulk of the growth in funding was accounted for by Arts Council grant aid, not by increased spending from the resources of local authorities.

It is recognised that this may reflect the limited capacity of many local authorities to generate local revenues, with which to fund discretionary items.

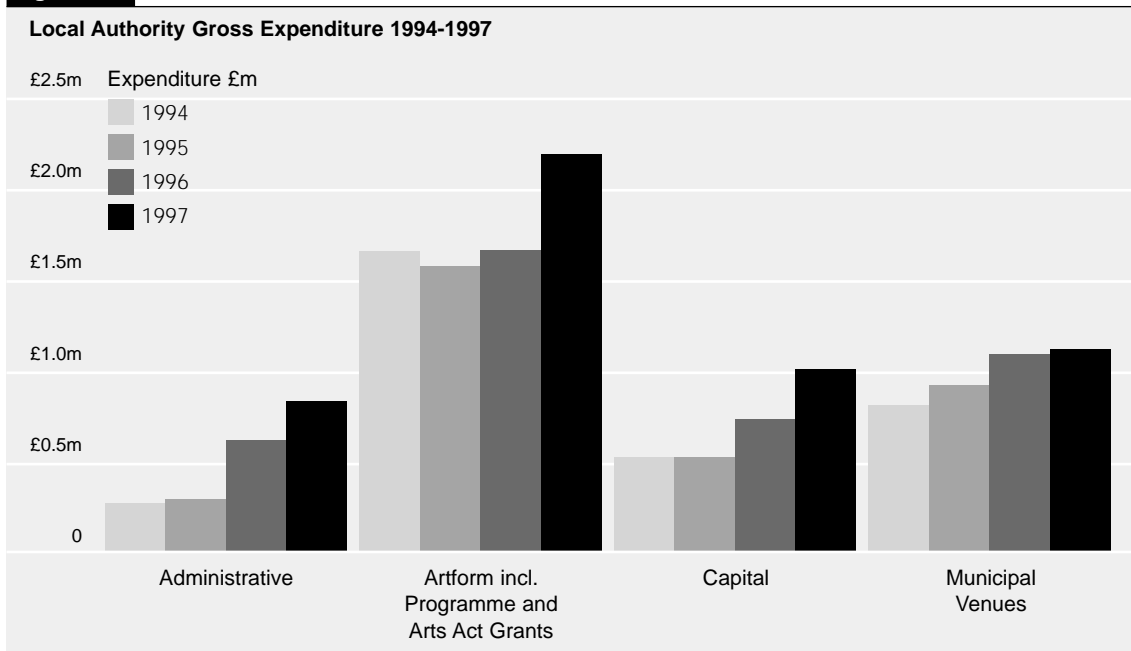
## 2 | Local Authority Gross Expenditure on the Arts

Table 2.1 gives further details of local authority gross expenditure on the arts from 1994 - 1997. As shown, gross arts expenditure increased by 58 %, from £3,272,295 to £5,164,015, during this four year period. From 1994 to 1995 there was slow growth of just 1.5%. However this jumped to approximately 25% annual growth for each of the following two years. Again, this growth is largely accountable by the capital injection from the CDIS.

**Table 2.1**

| <b>Local authority gross expenditure on the arts 1994-1997</b> |                                   |                                   |                                   |                                   |                                      |                              |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|------------------------------|
|  | <i>Expenditure<br/>1994<br/>£</i> | <i>Expenditure<br/>1995<br/>£</i> | <i>Expenditure<br/>1996<br/>£</i> | <i>Expenditure<br/>1997<br/>£</i> | <i>Decrease /<br/>Increase<br/>£</i> | <i>Percentage<br/>change</i> |
| Administration   | 272,578                           | 292,124                           | 618,816                           | 835,617                           | 563,039                              | 207%                         |
| Artform incl. Programme<br>& Direct Grant Aid                  | 1,659,300                         | 1,578,629                         | 1,668,489                         | 2,194,238                         | 534,938                              | 32%                          |
| Municipal Venues   | 812,688                           | 924,353                           | 1,094,270                         | 1,121,758                         | 309,070                              | 38%                          |
| <b>Total Revenue Expenditure</b>                               | <b>2,744,516</b>                  | <b>2,795,106</b>                  | <b>3,381,575</b>                  | <b>4,151,613</b>                  | <b>1,407,097</b>                     | <b>51%</b>                   |
| <b>Total Capital Expenditure</b>                               | <b>527,779</b>                    | <b>526,571</b>                    | <b>735,847</b>                    | <b>1,012,402</b>                  | <b>484,623</b>                       | <b>92%</b>                   |
| <b>Total Gross Expenditure</b>                                 | <b>3,272,295</b>                  | <b>3,321,677</b>                  | <b>4,117,422</b>                  | <b>5,164,015</b>                  | <b>1,891,720</b>                     | <b>58%</b>                   |
| Change on previous year  |                                   | 49,382                            | 795,745                           | 1,046,593                         |                                      |                              |
| Annual % Change  |                                   | 1.5%                              | 23%                               | 25.4%                             |                                      |                              |

**Figure 2.1**



## 2 | Local Authority Gross Expenditure on the Arts cont.

With gross revenue expenditure of £2,744,516 in 1994, £1,659,300 or some 60% of this was spent on arts programmes and activities. By 1997, this percentage had fallen to just over 50% of gross revenue spend. In contrast, the amount spent on the administration of local authority funding of the arts was £272,528 in 1994 or 10% of the gross spend. By 1997, administration costs had risen to 20% of gross spending on the arts, representing £835,617 out of a total spend of £4.15 million. Paradoxically, the growth in administration expenditure (which rose by 207% from £272,528 to £835,617) may be regarded as a positive feature, since it reflects the provision, in many counties for the first time, for the salary and related administrative costs of specialist arts officers who represent the greatest single means of ensuring that arts planning locally is placed on a sustainable development footing.

The area of least growth was in spending on direct arts programmes and the provision of direct arts grants. This spending increased by 32% over the same four year period. However, as stated above, its percentage of overall spending declined. Of the thirty-one local authorities who made returns for each of the four years surveyed, twenty-seven recorded an increase in overall spending in this area of direct arts funding.

### 3 | Local Authority Per Capita Arts Expenditure

Here a picture emerges which suggests a widely divergent spending pattern among the county councils and borough corporations, as outlined in the introduction. This is indicative of an inconsistent policy regarding arts funding across local authorities as a whole and it can be explained by a variety of reasons, including, no doubt, the varying capacity of different authorities to generate revenues from commercial rates and other sources.

**Table 3.1**

| <b>Local Authority Per Capita Funding of the Arts 1996-1997</b> |                   |                                       |  |                                       |  |
|---|-------------------|---------------------------------------|--|---------------------------------------|--|
| <i>Local Authority</i>  | <i>Population</i> | <i>Net Arts Expenditure 1996</i><br>£ | <i>Per Capita Arts Expenditure 1996</i><br>£ | <i>Net Arts Expenditure 1997</i><br>£ | <i>Per Capita Arts Expenditure 1997</i><br>£ |
| Carlow County Council   | 41,616            | 4,000                                 | 0.10   | 4,000                                 | 0.10   |
| Cavan County Council  | 52,903            | 81,908                                | 1.55   | 58,437                                | 1.10   |
| Clare County Council  | 93,914            | 56,050                                | 0.60   | 85,710                                | 0.91   |
| Cork County Council   | 293,254           | 61,590                                | 0.21   | 89,655                                | 0.31   |
| Cork Corporation  | 127,092           | 351,208                               | 2.76   | 226,592                               | 1.78   |
| Donegal County Council  | 129,435           | 168,301                               | 1.30   | 116,275                               | 0.90   |
| Dublin Corporation  | 480,996           | 1,390,332                             | 2.89   | 1,527,844                             | 3.18   |
| Dun Laoghaire Rathdown Co Co                                    | 189,836           | 157,393                               | 0.83   | 156,295                               | 0.82   |
| Fingal County Council   | 167,433           | 65,869                                | 0.39   | 73,625                                | 0.44   |
| Galway County Council   | 131,503           | 48,327                                | 0.37   | 54,827                                | 0.42   |
| Kerry County Council  | 125,863           | 29,911                                | 0.24   | 34,224                                | 0.27   |
| Kildare County Council  | 134,881           | 24,220                                | 0.18   | 31,576                                | 0.23   |
| Kilkenny County Council   | 75,155            | 39,742                                | 0.53   | 27,776                                | 0.37   |
| Laois County Council  | 52,798            | 1,814                                 | 0.03   | 69,547                                | 1.32   |
| Leitrim County Council  | 25,032            | 1,755                                 | 0.07   | 3,300                                 | 0.13   |
| Limerick County Council   | 112,975           | 54,225                                | 0.48   | 115,672                               | 1.02   |
| Limerick Corporation  | 52,042            | 162,241                               | 3.12   | 205,135                               | 3.94   |
| Louth County Council\Dundalk UDC                                | 92,163            | 88,134                                | 0.96   | 101,414                               | 1.10   |
| Longford County Council   | 30,138            | 10,345                                | 0.34   | 20,251                                | 0.67   |
| Mayo County Council   | 111,395           | 82,247                                | 0.74   | 94,439                                | 0.85   |
| Meath County Council  | 109,371           | 21,195                                | 0.19   | 26,366                                | 0.24   |
| Monaghan County Council   | 51,266            | 104,152                               | 2.03   | 82,785                                | 1.61   |
| Offaly County Council   | 59,080            | 10,214                                | 0.17   | 37,307                                | 0.63   |
| Roscommon County Council  | 51,881            | 31,181                                | 0.60   | 30,853                                | 0.59   |
| Sligo County Council  | 55,645            | 62,306                                | 1.12   | 125,099                               | 2.25   |
| South Dublin County Council                                     | 218,401           | 180,014                               | 0.82   | 91,138                                | 0.42   |
| Tipperary SR County Council                                     | 75,364            | 12,936                                | 0.17   | 22,140                                | 0.29   |
| Waterford County Council  | 52,081            | 17,622                                | 0.34   | 12,319                                | 0.24   |
| Waterford Corporation   | 42,516            | 192,181                               | 4.52   | 311,953                               | 7.34   |
| Wexford County Council  | 104,314           | 66,337                                | 0.64   | 73,628                                | 0.71   |
| Wicklow County Council  | 102,417           | 16,787                                | 0.16   | 20,600                                | 0.20   |
| <b>Totals</b>   | <b>3,442,760</b>  | <b>3,594,537</b>                      | <b>1.00</b>                                  | <b>3,930,782</b>                      | <b>1.14</b>                                  |

### 3 | Local Authority Per Capita Arts Expenditure cont.

A recent comparative survey of arts expenditure in nine countries and regions illustrates the exceptionally high dependence on central funding in Ireland. The report observes "A significant factor in the comparatively low per capita expenditure on the arts in Ireland is the low local authority expenditure. Local level of expenditure on the arts and museums is 2½ times higher in Northern Ireland, for example, even though it has less than half the population of the Republic."

**Table: 3.2**

| <b>Local/Regional Authority Spending on Arts as % of Total Direct Public Spending on the Arts (1996/1997)</b> |          |                       |
|---|----------|-----------------------|
|   | <b>%</b> | <b>IR£ per Capita</b> |
| Australia   | 23       | 4.27                  |
| England   | 47       | 7.67                  |
| Finland   | 64       | 15.08                 |
| Ireland   | 9        | 1.08                  |
| Northern Ireland  | 37       | 6.17                  |
| Quebec  | 15       | 2.90                  |
| Scotland  | 47       | 13.12                 |
| Sweden  | 8        | 6.50                  |
| USA   | n/a      | n/a                   |

(Source: *A comparative study of arts expenditure in selected countries and regions*, International Arts Bureau, London)

## 4 | Administration Costs

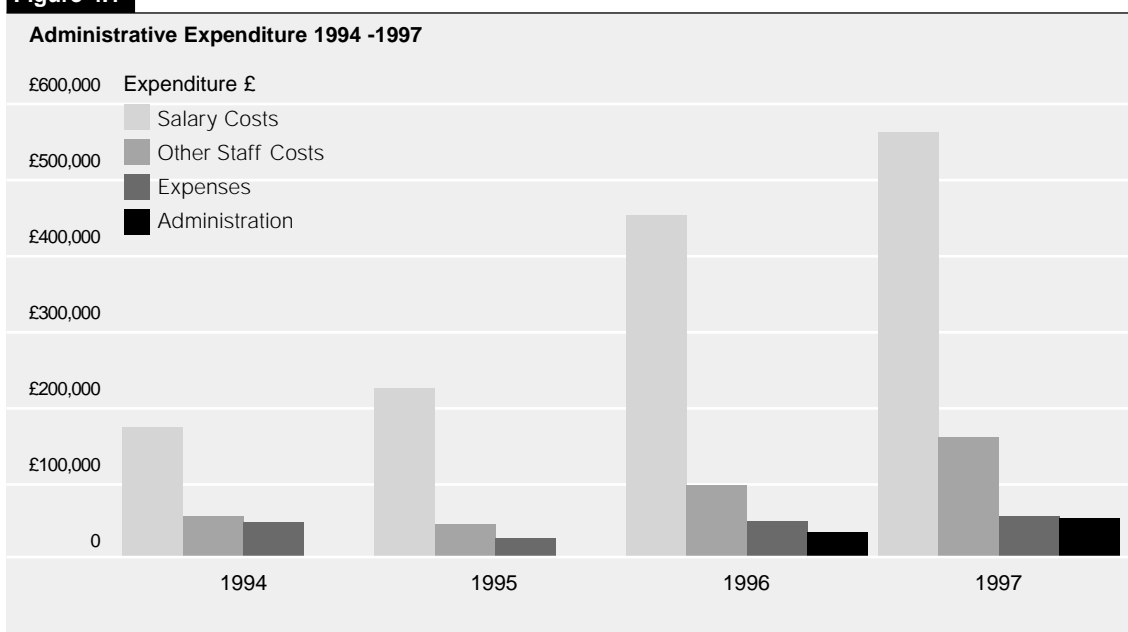
In the period 1994-1997, total administrative costs rose by 207% from £272,578 to £835,617. Of this figure, salary costs increased by £389,260 or 240%. The main reason for this rise was the appointment of more Arts Officers. In 1994 a total of nineteen local authorities employed Arts Officers and by 1997 a further nine had made appointments which represented a 47% increase. The greatest period of growth was between 1995/1996 when costs increased by 112%\*.

**Table 4.1**

| <b>Total Administration Costs 1994 - 1997</b> |                |                |                |                |                 |                   |
|---|----------------|----------------|----------------|----------------|-----------------|-------------------|
| <i>Administrative Costs</i>                   | <i>1994</i>    | <i>1995</i>    | <i>1996</i>    | <i>1997</i>    | <i>Increase</i> | <i>% Increase</i> |
|   | £              | £              | £              | £              | £               |                   |
| Salary Costs                                  | 172,146        | 222,994        | 452,783        | 561,406        | 389,260         | 240%              |
| Other Staff Costs                             | 54,365         | 43,593         | 95,667         | 157,955        | 103,590         | 190%              |
| Expenses                                      | 46,067         | 25,535         | 46,811         | 54,612         | 8,545           | 18%               |
| Administration                                | -              | -              | 33,072         | 51,294         |                 |                   |
| <b>Total Administration Costs</b>             | <b>272,578</b> | <b>292,124</b> | <b>618,816</b> | <b>835,617</b> | <b>563,039</b>  | <b>207%</b>       |
| Increase on previous year                     |                | 19,546         | 326,692        | 216,801        |                 |                   |
|   |                | 7%             | 112%           | 35%            |                 |                   |
| <b>Number of Arts Officers in post</b>        | <b>19</b>      | <b>21</b>      | <b>24</b>      | <b>28</b>      | <b>9</b>        | <b>47%</b>        |

(\*It is possible that the large scale increase between these two years is attributable to the change in questionnaire format. In contrast to the original questionnaire, the 1996-1997 questionnaire sought more qualified information pertaining to staff and administration costs. It is possible that in some local authorities net salary costs were submitted for 1994 and 1995 rather than gross salary costs which would have included up to 50% of Arts Council grant aid.)

**Figure 4.1**



## 5 | Income

Total local authority income generated through grant aid over the period 1996 - 1997 rose by 138% from £484,750 to £1,156,630. Of this increase, Arts Council grant aid rose by 62% and constituted 66% of all grant aid received by thirty-one local authorities. The next biggest contributor was the Department of Arts, Culture, and the Gaeltacht which contributed 23% of the total income in 1997.

**Table 5.1**

| <b>Change in Grant Aid to Local Authorities 1996-1997</b> |                                 |                                 |                                 |                           |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------|
| <i>Organisation</i>                                       | <i>Grant Aid<br/>1996<br/>£</i> | <i>Grant Aid<br/>1997<br/>£</i> | <i>£ Change<br/>96/97<br/>£</i> | <i>% Change<br/>96/97</i> |
| Arts Council  | 468,104                         | 758,651                         | 290,547                         | 62%                       |
| County Enterprise Boards                                  | 200                             | 8,500                           | 8,300                           | 4150%                     |
| Dept. of AC&G*  | *                               | 267,700                         |                                 |                           |
| Dept. of Education/ VECs                                  | 1,000                           | 27,500                          | 26,500                          | 2650%                     |
| EU Grants   | 0                               | 44,714                          | 44,714                          | 44,714%                   |
| Gulbenkian  | 2,500                           | 2,077                           | -423                            | -17%                      |
| Leader  | 7,846                           | 17,058                          | 9,212                           | 117%                      |
| Peace & Reconciliation                                    | 0                               | 11,010                          | 11,010                          | 11,010%                   |
| UDCs  | 3,200                           | 17,920                          | 14,720                          | 460%                      |
| Other   | 1,900                           | 1,500                           | -400                            | -21%                      |
| <b>Total</b>  | <b>484,750</b>                  | <b>1,156,630</b>                | <b>671,880</b>                  | <b>138%</b>               |
| Local Authorities in receipt of grant aid                 | 26                              | 30                              |                                 |                           |

(\* In 1996 the Department of Arts Culture & the Gaeltacht gave capital grant aid under the Cultural Development Incentive Scheme (CDIS) to Laois County Council - (£1,300,000) and South Dublin County Council - (£1,100,000). This income is not reflected in the capital or overall expenditure returns of these local authorities over the same period.)

## 5 | Income cont.

**Table 5.2**

| <b>Grant Aid Awarded to Local Authorities in 1997.</b> |                        |                                   |
|--|------------------------|-----------------------------------|
| <i>Organisation</i>                                    | <i>Grant Aid<br/>£</i> | <i>% of Overall<br/>Grant Aid</i> |
| Arts Council   | 758,651                | 66%                               |
| County Enterprise Boards                               | 8,500                  | .7%                               |
| Dept. of AC&G*   | 267,700                | 23%                               |
| Dept. of Education/ VECs                               | 27,500                 | 2%                                |
| EU Grants  | 44,714                 | 4%                                |
| Gulbenkian   | 2,077                  | .2%                               |
| Leader   | 17,058                 | 1.5%                              |
| Peace & Reconciliation                                 | 11,010                 | .8%                               |
| UDCs   | 17,920                 | 1.6%                              |
| Other  | 1,500                  | .1%                               |
| <b>Total</b>   | <b>1,156,630</b>       | <b>100%</b>                       |

(\* In 1997 the Department of Arts Culture & the Gaeltacht gave capital grant aid under the Cultural Development Incentive Scheme (CDIS) to Waterford Corporation (£267,700)).

The other form of arts-related income which local authorities generate is earned income. Earned income for 1996-1997, comprising income generated through box office, sales and sponsorship, increased by 102% while the number of local authorities generating earned income rose by four, from eight to twelve. These twelve local authorities generated earned income of £77,203 which was an increase of 50% on 1996.

**Table 5.3**

| <b>Local Authority Earned Income 1996-1997</b>   |               |               |                               |                                 |
|--|---------------|---------------|-------------------------------|---------------------------------|
| <i>Source</i>                                    | <i>1996</i>   | <i>1997</i>   | <i>Decrease/<br/>Increase</i> | <i>% Decrease/<br/>Increase</i> |
|  | <i>£</i>      | <i>£</i>      | <i>£</i>                      |                                 |
| Box Office                                       | 25,467        | 46,982        | 21,515                        | 84%                             |
| Sponsorship                                      | 12,668        | 30,221        | 17,553                        | 138%                            |
| <b>Total</b>                                     | <b>38,135</b> | <b>77,203</b> | <b>39,068</b>                 | <b>102%</b>                     |
| <b>No of local authorities generating income</b> | <b>8</b>      | <b>12</b>     | <b>4</b>                      | <b>50%</b>                      |

## 5 | Income cont.

In terms of total income, which is grant aid combined with earned income, figures for the period 1996-1997 show that local authorities' total income increased by 136%.

**Table 5.4**

| <b>Total Local Authority Income Figures 1996-1997</b> |                  |                  |                    |                 |
|---|------------------|------------------|--------------------|-----------------|
|   | <i>1996</i><br>£ | <i>1997</i><br>£ | <i>Change</i><br>£ | <i>% Change</i> |
| Grant Aid   | 484,750          | 1,156,630        | 671,880            | 138%            |
| Earned Income   | 38,135           | 77,203           | 39,068             | 102%            |
| Total Income  | 522,885          | 1,233,833        | 710,948            | 136%            |

## 6 | Public Art

In the 1996 and 1997 surveys, local authorities were asked to give general details of public art 'Per Cent Schemes' utilised by their authority. Thirteen, or 41%, of the respondents to the 1996 survey indicated that their local authority had utilised the Per Cent Schemes in that year. However, only four local authorities provided financial returns, amounting to £277,998, for the public art schemes for that period.

In 1997 of the thirty-one local authorities who responded, the number of local authorities utilising the Per Cent Scheme had increased by two to fifteen, a disappointingly low figure considering the ease with which this form of funding is made available from the Department of Environment and Local Government. (This was distinct from minor public art or street decoration projects which did not exploit the special scheme, and which were funded from regular programming expenditure). Of these fifteen, only five authorities provided financial returns, amounting to £241,300 for the public art schemes that year.

The data returned to the Arts Council also showed that in the majority of local authorities, specialist committees/groups are constituted to assess and determine the nature of public art commissions. These commissions are often generated through departments such as housing, roads and transport which are generally non-arts departments, so it is necessary to engage with persons who do not have significant expertise in this area. In a small number of local authorities senior management, e.g. county manager, county architect, county engineer, takes full responsibility for the selection and allocation of commissions.

## 7 | Artform Expenditure

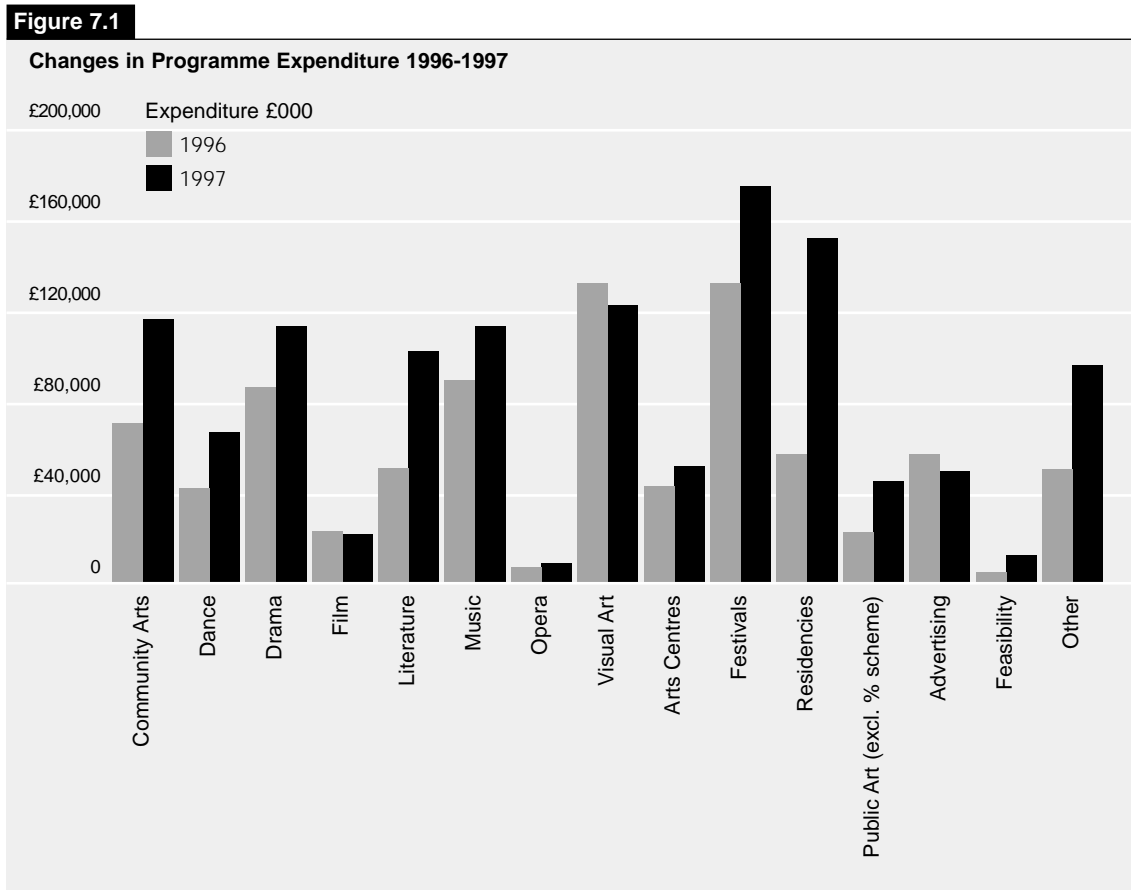
For the purpose of this document, the combination of spending by local authorities on direct arts programmes and the provision of direct arts grants is known as 'Artform Expenditure' and during the two years 1996 and 1997 it rose overall by 42%, from £899,710 to £1,280,171. The highest percentage and actual increase in this expenditure was in the Artists in Residence programmes which rose by 168% to £156,223.

In 1997, of the overall spending of £1,280,171 on arts programming and artform projects, there was a decrease of 7% in Visual Arts programme expenditure. Expenditure levels in other disciplines ranged from a low of £9,002 on opera, to a high of £179,426, on festivals. This represented 0.7 % of total spend on opera to 14 % of total spend on festivals in that year.

**Table 7.1**

| <b>Programme Expenditure by Discipline</b> |                                   |                                   |                                     |                 |
|--|-----------------------------------|-----------------------------------|-------------------------------------|-----------------|
| <i>Discipline</i>                          | <i>Expenditure<br/>1996<br/>£</i> | <i>Expenditure<br/>1997<br/>£</i> | <i>Increase/<br/>Decrease<br/>£</i> | <i>% Change</i> |
| Community Arts                             | 72,301                            | 119,481                           | 47,180                              | 65%             |
| Dance                                      | 42,797                            | 68,168                            | 25,371                              | 59%             |
| Drama                                      | 88,613                            | 116,345                           | 27,732                              | 31%             |
| Film                                       | 23,618                            | 22,036                            | -1,582                              | -7%             |
| Literature                                 | 51,779                            | 105,026                           | 53,247                              | 103%            |
| Music                                      | 91,672                            | 118,372                           | 26,700                              | 29%             |
| Opera                                      | 7,262                             | 9,004                             | 1,742                               | 24%             |
| Visual Art                                 | 135,487                           | 125,629                           | -9,858                              | -7%             |
| Arts Centres                               | 43,550                            | 52,536                            | 8,986                               | 21%             |
| Festivals                                  | 136,816                           | 179,426                           | 42,610                              | 31%             |
| Residencies                                | 58,238                            | 156,223                           | 97,985                              | 168%            |
| Public Art (excl. % scheme)                | 23,360                            | 46,108                            | 22,748                              | 97%             |
| Advertising                                | 58,019                            | 50,654                            | -7,365                              | -13%            |
| Feasibility Studies                        | 4,850                             | 12,602                            | 7,752                               | 160%            |
| Other                                      | 61,348                            | 98,561                            | 37,213                              | 61%             |
| <b>Total</b>                               | <b>899,710</b>                    | <b>1,280,171</b>                  | <b>380,461</b>                      | <b>42%</b>      |

## 7 | Artform Expenditure cont.



In terms of arts grants, local authority grant expenditure under the 1973 Arts Act saw twenty-eight of the thirty-one local authorities who responded to the survey award grants in 1996, while all thirty-one local authorities made awards in 1997. Over the same period this expenditure rose by 19% from £769,171 to £914,667.

In 1997, our study of returns from the local authorities showed that 713 groups, organisations and individuals which received £438,112 in Arts Act grants from the local authorities did not have a funding relationship with the Arts Council. Some 164 groups, organisations and individuals who received £476,655 in such grants from local authorities also received Arts Council funding for the same period. This demonstrates that local authorities directed a greater proportion of their funding to a smaller number of projects, particularly venues and drama events, which were also receiving Arts Council grant aid.

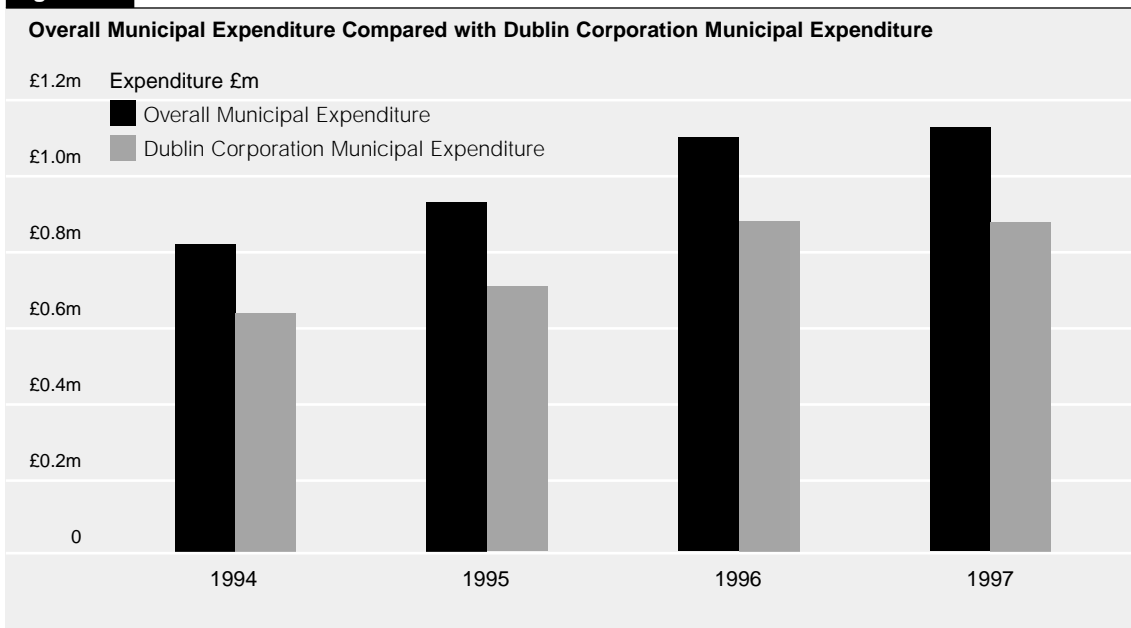
## 8 | Municipal Venues

During the four-year period from 1994-1997, local authorities funding of municipal venues rose by 38% from £812,688 to £1,121,758. However, it is worth highlighting that a four year average of 78% of this expenditure was attributable to Dublin Corporation as a consequence of its direct funding of the Hugh Lane Gallery of Modern Art.

**Table 8.1**

| <b>Local Authority Gross Expenditure on Municipal Venues</b> |         |         |           |           |          |
|--|---------|---------|-----------|-----------|----------|
|  | 1994    | 1995    | 1996      | 1997      | Increase |
|  | £       | £       | £         | £         | 94-97    |
| Total Expenditure on Municipal Venues                        | 812,688 | 924,353 | 1,094,270 | 1,121,578 | 309,070  |
| Increase on Previous year                                    |         | 111,665 | 169,917   | 27,488    |          |
| % Increase on Previous year                                  |         | 12%     | 16%       | 2%        | 38%      |
| Dublin Corporation   | 630,089 | 700,552 | 873,888   | 871,769   |          |
| Dublin Corporation % of overall                              | 78%     | 76%     | 80%       | 79%       |          |

**Figure 8.1**



## 8 | Municipal Venues cont.

For the most recent year of the review, 1997, five local authorities out of thirty-one surveyed provided the total of £1,121,758 in financial assistance to municipal venues. At 21% of gross expenditure, this means that municipal venues were in receipt of the largest proportion of local authority arts expenditure in 1997. Grants ranged in size from £26,000 to £871,769 and were provided by: Dublin Corporation for the Hugh Lane Gallery of Modern Art; Limerick Corporation for Limerick City Gallery of Art; Sligo Corporation for Sligo Art Gallery, Dundalk UDC for the Táin Theatre and South Dublin County Council for Tallaght Community Arts Centre.

## 9 | Capital Costs

The original 1994 survey requested details of overall capital costs and did not seek any further sub-group breakdown such as major/general capital costs or municipal collections. For this reason, only the baseline figure for capital expenditure is available for the years 1994 and 1995 and it is not possible to make comparisons between any of the subgroup headings until 1996 and 1997. Capital expenditure rose by 100% from £505,279 to £1,012,402 over this four year period. In 1997, capital expenditure on the arts rose by £276,555 or 38% over 1996. This figure is comprised of major and general capital expenses in addition to expenditure on municipal collections. A total of eight local authorities (an increase of three over 1996) invested in purchases for a municipal collection in 1997.

**Table 9.1**

| <b>Capital Costs 1994 - 1997</b> |                |                |                |                  |                |               |
|----------------------------------|----------------|----------------|----------------|------------------|----------------|---------------|
|                                  | 1994           | 1995           | 1996           | 1997             | Increase 94-97 | % 4 yr Change |
|                                  | £              | £              | £              | £                | £              |               |
| Major Capital Expenses           |                |                | 533,120        | 802,464          | -              | -             |
| General Capital Expenses         |                |                | 187,252        | 177,752          | -              | -             |
| Municipal Collection             |                |                | 15,475         | 32,186           | -              | -             |
| <b>Total</b>                     | <b>505,279</b> | <b>526,571</b> | <b>735,847</b> | <b>1,012,402</b> | <b>507,123</b> | <b>100%</b>   |
| Increase on previous year        |                | 21,292         | 223,123        | 276,555          |                |               |
|                                  |                | 4%             | 43%            | 38%              |                |               |

## 10 | Borough Corporation & County Council Comparisons

Twenty-seven county councils who submitted results are responsible for an average of 50 % of local authorities gross expenditure on the arts while the remaining 50% is absorbed by four borough corporations. The main source of borough corporation expenditure is Dublin Corporation which averaged at 31% of local authority gross expenditure. Of this four-yearly average, 60% is in direct financial aid to the Hugh Lane Gallery.

In 1997, Arts Expenditure from the four borough corporations that responded to the survey constituted 51% of all local authorities expenditure on the arts for that period. Twenty-seven county councils contributed the remaining 49% of total arts expenditure.

**Table 10.1**

| Percentage of Borough Corporation Expenditure Compared to County Council Expenditure |                             |            |                             |            |                             |            |                             |            |
|--|-----------------------------|------------|-----------------------------|------------|-----------------------------|------------|-----------------------------|------------|
|  | Total Expenditure 1994<br>£ | % of total | Total Expenditure 1995<br>£ | % of total | Total Expenditure 1996<br>£ | % of total | Total Expenditure 1997<br>£ | % of total |
| Borough Corporations (3)   | 600,356                     | 19%        | 545,907                     | 17%        | 744,587                     | 19%        | 1,073,654                   | 20%        |
| Dublin Corporation   | 1,039,461                   | 29%        | 1,137,674                   | 30%        | 1,400,332                   | 35%        | 1,537,244                   | 31%        |
| County Councils (27)   | 1,754,278                   | 52%        | 1,807,424                   | 53%        | 1,972,503                   | 46%        | 2,553,117                   | 49%        |
| Combined Total   | 3,394,095                   | 100%       | 3,491,005                   | 100%       | 4,117,422                   | 100%       | 5,164,015                   | 100%       |

At £1,537,244, Dublin Corporation's total expenditure on the arts for 1997, represented 31% of local authorities' total spending on the arts. Of this £1,537,244, it is also worth noting that £1,020,269\*, representing 20% of local authorities total spending on the arts, was in financial aid to the Hugh Lane Gallery of Modern Art. (\*Direct Municipal Grant + Capital Grant Aid.)

**Table 10.2**

| Borough Corporations & County Council Expenditure in 1997 |                  |                |              |          |                  |                |                        |
|---|------------------|----------------|--------------|----------|------------------|----------------|------------------------|
| 1997  | Staff Costs<br>£ | Programme<br>£ | Capital<br>£ | AAG<br>£ | Direct Prov<br>£ | Gross Exp<br>£ | % of Gross Expenditure |
| County Councils   | 731,490          | 929,106        | 311,926      | 447,267  | 133,328          | 2,553,117      | 49%                    |
| Borough Corporations                                      | 104,127          | 351,065        | 700,476      | 467,400  | 988,430          | 2,610,898      | 51%                    |
|   | 835,617          | 1,280,171      | 1,012,402    | 914,667  | 1,121,758        | 5,164,615      | 100%                   |

County councils expenditure on the arts for 1997 was £2,553,117 or 49% of overall local authority expenditure on the arts.

## 11 | Other Local Authority Branches

In 1996 and 1997, county councils directly surveyed were requested to provide details of arts expenditure for the branches under their remit. This included five county borough corporations and forty-nine urban district councils. Returns for town commissioners were not requested.

### County Borough Corporations

Returns amounting to £83,725 were made for three of the five county borough corporations for 1997. In 1996, this expenditure came to £68,500.

**Table 11.1**

| <b>Arts expenditure for County Borough Corporations</b> |                                   |                        |                        |
|---|-----------------------------------|------------------------|------------------------|
| <i>Local Authority</i>                                  | <i>County Borough Corporation</i> | <i>Total 1996</i><br>£ | <i>Total 1997</i><br>£ |
| Tipperary S.R. County Council                           | Clonmel Corporation               | 4,500                  | 4,750                  |
| Louth County Council                                    | Drogheda Corporation              |                        |                        |
| Kilkenny County Council                                 | Kilkenny Corporation              | 49,300                 | 55,800                 |
| Sligo County Council                                    | Sligo Corporation                 | 14,700                 | 23,175                 |
| Wexford County Council                                  | Wexford Corporation               |                        |                        |
| <b>Total County Borough Corporation</b>                 |                                   | <b>68,500</b>          | <b>83,725</b>          |

### Urban District Councils

General expenditure figures were submitted for twenty-four of the total forty-nine urban district councils. In 1997 these figures amounted to £138,980, while in 1996 they amounted to £99,651.

**Table 11.2**

| <b>Urban District Councils Direct Expenditure on the Arts 1996 and 1997</b> |                               |                        |                        |
|---|-------------------------------|------------------------|------------------------|
| <i>County Council</i>   | <i>Urban District Council</i> | <i>Total 1996</i><br>£ | <i>Total 1997</i><br>£ |
| Carlow County Council   | Carlow UDC                    |                        |                        |
| Cavan County Council  | Cavan UDC                     |                        |                        |
| Clare County Council  | Ennis UDC                     | 16,350                 | 22,330                 |
|   | Kilrush UDC                   | 2,800                  | 2,800                  |
| Cork County Council   | Clonakilty UDC                |                        |                        |
|   | Cobh UDC                      | 600                    | 1,500                  |
|   | Fermoy UDC                    |                        |                        |
|   | Kinsale UDC                   | 800                    | 500                    |
|   | Macroom UDC                   | N/A                    | 250                    |
|   | Mallow UDC                    | 1,920                  | 1,600                  |

## 11 | Other Local Authority Branches cont.

**Table 11.2** continued

| Urban District Councils Direct Expenditure on the Arts 1996 and 1997 |                               |                        |                        |
|--|-------------------------------|------------------------|------------------------|
| <i>County Council</i>  | <i>Urban District Council</i> | <i>Total 1996</i><br>£ | <i>Total 1997</i><br>£ |
|  | Midleton UDC                  | 500                    | 1,150                  |
|  | Skibereen UDC                 | 300                    | 300                    |
|  | Youghal UDC                   | 6,900                  | 7,950                  |
| Donegal County Council   | Buncrana UDC                  |                        |                        |
|  | Bundoran UDC                  |                        |                        |
|  | Letterkenny UDC               |                        |                        |
| Dun Laoghaire Rathdown Co. Council                                   | n/a <sup>1</sup>              |                        |                        |
| Fingal County Council  | n/a <sup>1</sup>              |                        |                        |
| Galway County Council  | Ballinasloe UDC               |                        |                        |
| Kerry County Council   | Killarney UDC                 | 5,168                  | 29,602                 |
|  | Listowel UDC                  | 500                    | 500                    |
|  | Tralee UDC                    | 44,006                 | 44,159                 |
| Kildare County Council   | Athy UDC                      | N/A <sup>2</sup>       | 3,500                  |
|  | Naas UDC                      | N/A <sup>2</sup>       | 4,400                  |
| Kilkenny County Council  | n/a <sup>1</sup>              |                        |                        |
| Laois County Council   | n/a <sup>1</sup>              |                        |                        |
| Leitrim County Council   | n/a <sup>1</sup>              |                        |                        |
| Limerick County Council  | n/a <sup>1</sup>              |                        |                        |
| Longford County Council  | Longford UDC                  |                        |                        |
| Louth County Council   | Dundalk UDC <sup>3</sup>      |                        |                        |
| Mayo County Council  | Ballina UDC                   |                        |                        |
|  | Castlebar UDC                 |                        |                        |
|  | Westport UDC                  |                        |                        |
| Meath County Council   | Kells UDC                     | N/A <sup>2</sup>       | 1,000                  |
|  | Navan UDC                     | 1,000                  | 1,500                  |
|  | Trim UDC                      | N/A <sup>2</sup>       | 600                    |
| Monaghan Co. Council   | Carrickmacross UDC            | 500                    |                        |
|  | Castleblaney UDC              |                        |                        |
|  | Clones UDC                    |                        |                        |
|  | Monaghan UDC                  | 1,000                  | 1,000                  |
| Offaly County Council  | Birr UDC                      |                        |                        |
|  | Tullamore UDC                 |                        |                        |
| Roscommon County Council   |                               |                        |                        |
| Sligo County Council   | n/a <sup>1</sup>              |                        |                        |
| South Dublin County Council  | n/a <sup>1</sup>              |                        |                        |
| Tipperary NR County Council  | Nenagh UDC                    |                        |                        |
|  | Templemore UDC                |                        |                        |
|  | Thurles UDC                   |                        |                        |

## 11 | Other Local Authority Branches cont.

**Table 11.2** continued

| Urban District Councils Direct Expenditure on the Arts 1996 and 1997 |                               |                        |                        |
|--|-------------------------------|------------------------|------------------------|
| <i>County Council</i>  | <i>Urban District Council</i> | <i>Total 1996</i><br>£ | <i>Total 1997</i><br>£ |
| Tipperary SR County Council  | Carrick-on-Suir UDC           | 250                    | 250                    |
|  | Cashel UDC                    | N/A <sup>2</sup>       | 500                    |
|  | Tipperary UDC                 | 500                    | 500                    |
| Waterford County Council   | Dungarvan UDC                 | N/A <sup>2</sup>       | 1,300                  |
| Westmeath County Council   | Athlone UDC                   |                        |                        |
| Wexford County Council   | Enniscorthy UDC               |                        |                        |
|  | New Ross UDC                  |                        |                        |
| Wicklow County Council   | Arklow UDC                    | 500                    | 4,750                  |
|  | Bray UDC                      | 12,057                 | 5,539                  |
|  | Wicklow UDC                   |                        |                        |
| <b>Total</b>   |                               | <b>99,651</b>          | <b>138,980</b>         |

<sup>1</sup> n/a in this case means not applicable.

<sup>2</sup> N/A in this case means figures not available.

<sup>3</sup> The figure for Dundalk UDC is represented in the overall expenditure figures for Louth County Council (see Appendix I).

## 12 | Hidden Subsidies

In the 1996 and 1997 questionnaires, sixteen respondents indicated that their authority provided indirect subsidies to the arts which generally took the form of: rental in kind for venues and exhibition spaces; usage of non-specific arts venues; payment of rates for arts organisations; exemption of rates for arts organisations; administrative support; promotional and marketing services; and insurance costs.

## Appendix

### **Local authorities who submitted returns for the four years 1994-1997**

Carlow County Council  
Cavan County Council  
Clare County Council  
Cork County Council  
Cork Corporation  
Donegal County Council  
Dublin Corporation  
Dun Laoghaire Rathdown County Council  
Fingal County Council  
Galway County Council  
Kerry County Council  
Kildare County Council  
Kilkenny County Council  
Laois County Council  
Leitrim County Council  
Limerick County Council  
Limerick Corporation  
Longford County Council  
Louth County Council\*  
Mayo County Council  
Meath County Council  
Monaghan County Council  
Offaly County Council  
Roscommon County Council  
Sligo County Council  
South Dublin County Council  
Tipperary SR County Council  
Waterford County Council  
Waterford Corporation  
Wexford County Council  
Wicklow County Council

\* Expenditure through the aegis of Dundalk Urban District Council.





The Arts Council is committed to developing its understanding of the development needs of the arts by research and dialogue. Research outcomes will be disseminated by various means, including this publication series, to help develop debate and to promote wider public recognition of the arts.

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Number 3 | **A comparative study of arts expenditure in selected countries and regions (1999)**