

REBALANCING AND REDISTRIBUTING NATIONAL LOTTERY FUNDING AS A STEP TOWARDS A TRANSFORMATIVE CULTURAL DEMOCRACY

DECEMBER 2018

The development of a transformative cultural democracy is driven by a commitment to fair and equitable access to cultural resources and cultural production. It must be properly funded so it can enable truly inclusive and supportive participation in cultural life, policymaking and decision-taking.

UK cultural policies are currently funded from monies from general taxation and the National Lottery. We argue that a people-powered cultural democracy can only be achieved if there is a significant rebalancing of cultural funding.

Currently, National Lottery funds for arts and culture are distributed at national levels by Creative Scotland, Arts Council of Wales, Arts Council of Northern Ireland and Arts Council England. These agencies also distribute funding for arts and culture direct from taxpayers. It is important to note that they are national 'arms-length' bodies – effectively operating as quangos. Crucially, these agencies' distribution models are centralised and top-down, making it increasingly difficult for local communities, arts organisations and artists to access funding.

We believe that the functions of our existing cultural infrastructure - current major arts and cultural institutions, national programmes and projects, etc. - should be protected and financed through funding direct from taxpayers (this is known as Grant In Aid). We also call for all National Lottery funding to be returned to the areas from which it is derived so it can be distributed more equitably and democratically for cultural activities at community level. Whilst it has been suggested that this would be best implemented at Combined Authority level, we believe that there are other ways this could be achieved and therefore welcome further discussion about how such a redistribution of cultural resources could be implemented.

Put more simply, it is time for the money donated for good causes through the National Lottery to be returned to the people. What is currently a regressive form of 'taxation' will then become a more progressive one whereby those who contribute most – the poorest communities – can receive the most in return. Meanwhile, those that contribute the least – the wealthier areas – will receive less than they currently do.

We understand that the voluntary nature of contributions to funding for 'good causes' through the National Lottery makes these funds 'ethically different' from those provided through direct taxation. The differentiation is recognised in the founding principle of the Lottery: funds should not be used to 'substitute' for activities previously funded from taxation but should be for 'additional' activities. It is on this understanding that we call for a democratic rebalancing and redistribution of Lottery funding in line with the additionality principle.

Rebalancing the way our arts and cultural activities are funded in this way will transform our cultural policy and cultural landscape by enabling much more of the resources needed for cultural production to be put under the democratic control of ordinary people and local communities - not just industry professionals and anonymous and unaccountable quangos. It is essential to the development of a culturally democratic society: a society that can (alongside our current cultural infrastructure) work together to renovate and further develop our cultures, cultural forms and cultural processes, from the bottom-up and in a much more democratic and participatory way.

REBALANCING AND REDISTRIBUTING NATIONAL LOTTERY FUNDING AS A STEP TOWARDS A TRANSFORMATIVE CULTURAL DEMOCRACY

DECEMBER 2018

Arts Council England (as the Lottery distributing body for the arts) and the Heritage Lottery Fund (with the same role for Heritage) had between them an annual income in 2015/6 of well over £500m – or almost £10 per head of the population. If, as we propose, that level of funding was devolved to Combined Authority areas (or alternative distribution mechanisms), it would provide annual cultural budgets for redeployment to programmes developed by, with and for local communities in the order of:

West Midlands or Greater Manchester	£27m
Liverpool or Sheffield	£14m
Tees Valley or Cornwall and Scilly	£0.6m

Funding at this scale could both restore local cultural infrastructure decimated by austerity and make a transformative difference to some of the most challenged communities in Scotland, Wales, Northern Ireland and England.

It is worth noting that we understand that Heritage Lottery Funds are allocated differently to arts and cultural funding and are interested in discussing this further.

It is possible to test the outcomes of this form of redistributed Lottery funding via pilot programmes which could take place at Combined Authority level, city level, community level, online, etc. We are interested in discussing this further with anyone interested in developing this concept.

We recognize that ‘culture’ in the UK, in policy terms, is currently a devolved competence. We therefore welcome discussions with the state agencies of Scotland, Wales, Northern Ireland and England, each nation’s cultural institutions and their communities about how cultural democracies might be developed in each nation state.

We also believe there is an important strand of cultural policy that is missing: how it relates to overall social policy and – therefore – to local government and to other aspects of social policy such as youth services, health, social care, libraries etc. Cultural policy has no equivalent to national policies for local participation in sport such as that promoted in England by Sports England (almost always in partnership with local government and the Voluntary Sector).

We are also investigating the possibility that all National Lottery funds could be devolved and redistributed in this way, so that money could be distributed to democratic local decision-making panels who could work with communities to decide upon how resources are spent on community development, sports, heritage and arts and culture projects. Again, we welcome further discussion about this.