



**An Roinn
Ealaíon, Oidhreachta agus Gaeltachta**
**Department of
Arts, Heritage and the Gaeltacht**



Value for Money and Policy Review of the Arts Council

September 2015

Executive Summary

The Arts Council is a statutory agency operating under the Arts Act 2003, with responsibility for promoting and developing the arts in Ireland. It does this by providing financial and other supports to artists and arts organisations across the country, as well as providing advice to the Minister for the Arts, Heritage and the Gaeltacht, to Government and to public bodies, as required. It also acts as an advocate for the arts.

The Department of Arts, Heritage and the Gaeltacht has responsibility for setting the overall policy framework for the Arts Council's operation and for providing the necessary funding for it to undertake its work. The Arts Act 2003 specifically provides that the Arts Council is independent in its funding decisions. The Council is funded primarily by way of an annual grant from the Department which it then uses to perform a range of statutory functions including the following:

- **To stimulate public interest in the arts;**
- **To promote knowledge, appreciation and practice of the arts; and**
- **To assist in improving standards in the arts.**

The Arts Council has a chair and twelve members, each of whom is appointed by the Minister for a term of five years. It oversees the work of an Executive, headed by a Director and a staff of over forty full time equivalents.

In 2012, Government approved the inclusion of a review of the Arts Council over the period 2009 to 2012 as part of its approved programme of value for money and policy reviews (VFMPR). The review commenced in September 2013 and was overseen by a Steering Committee with representatives from the Department, the Arts Council, the Departments of Public Expenditure and Reform, Foreign Affairs and Trade and Justice and Equality. The committee was chaired by Professor John O'Hagan, Professor of Economics at Trinity College, University of Dublin.

The review used a programme logic model as the framework for the evaluation, assessing the relevance of the Arts Council's objectives as well as analysing its inputs, activities and outputs. The review concluded with an assessment of the approaches available for the measurement of the societal outcomes of the Arts Council's work. The review noted in particular the methodological challenges for evaluating the effectiveness of public investment in the arts, as well as the limited availability of data for such evaluation in an Irish context.

The rationale for public investment in the arts through the Arts Council is established in the first chapter which recognised that such investment is a feature of Government investment in almost all countries. In addition, the Irish case is examined with a number of specific societal outcomes identified as providing the rationale for such investment including the contribution of the arts to national identity and social cohesion, the societal value of experimental and innovative work, and the spill-over effects for the economy.

The objectives of the Arts Council were identified having regard to its statutory functions, as provided for in the Arts Act 2003, and its strategy statements over the period of the review. These were summarised as follows and were assessed for consistency against Government and Departmental policies and strategies:

- **To provide support to artists and arts organisations;**
- **To improve access to and participation in the arts across all communities;**
- **To provide advice to Government, policy makers and other stakeholders and to act as a public advocate for the arts; and**
- **To improve the operational effectiveness of the Arts Council.**

The review found that the Arts Council's objectives are consistent with, and support, its statutory role and are consistent with both Government and Departmental policies and strategies. The review proposes consideration of the need to maximise the socio-economic value of the arts and the need to continue to explore opportunities to generate funding for the arts from private, philanthropic and other sources as part of the development of the Arts Council's new strategy in 2015.

In order to assess the efficiency with which the Arts Council delivers on these objectives, the review examined the inputs (financial and staff), activities (administration, governance and programme delivery) and outputs (programme outputs) of the Council over the period 2009 to 2012. Where possible, the review considered data over a longer period to ensure trends were appropriately identified.

In terms of the financial resources of the Arts Council, the review examined the trends in annual grant funding to the organisation, as well as the work of the Council in leveraging that funding against other public, private and philanthropic funding sources. The review found that the annual funding provided to the Arts Council contracted significantly over the period, from €73.4 million in 2009 to €63.2 million in 2012. This contraction, although significant, was found not to have fully eroded the gains from increasing Government grants over the period 2003 to 2007. In addition, the proportion of Oireachtas voted funding provided to the Arts Council has remained static since 2010. The review noted the efforts taken by the Arts Council to leverage its funding, in particular through its partnerships with the local government sector and its RAISE initiative. The review recommended that opportunities for expanding this initiative be explored.

Staffing resources were also examined as part of the review as key input to the work of the Arts Council both in terms of the overall number of staff and their distribution across the various grades. The results were compared with staff cohorts in similar bodies and the grade distribution across the Civil Service. Over the period the Arts Council saw its staff cohort reduced by 24%, primarily at EO and CO grades. In general, the reduction in staff numbers was found to be greater than those experienced by similar bodies. The distribution of grades was found to differ with that of the Civil Service with more staff at AO/HEO level and fewer staff in the most senior and most junior grades. This divergence is explained by the recent organisational change programme with the review recommending that it be reviewed following the development of the new strategy in 2015.

In terms of the efficiency with which it delivers on its annual programme, the review examined the administration costs, both pay and non-pay, of the Arts Council and compared them with those of similar bodies nationally and internationally. The Arts Council reduced its pay costs by 23.3% and its non-pay administration costs by 16% over the period, which compare favourably with the overall reduction in its funding of 14%. In addition, the organisation achieved greater savings than most of the other national bodies examined in the review over the same period. The total administration costs of the Arts Council were found to be lower than for other arts councils examined (Northern Ireland, England, Scotland and Finland). The review notes that the reorganisation of the Arts Council, as well as the re-examination of the core work of the organisation, was important in achieving these savings.

In terms of the analysis of the activities of the Arts Council, the review considered the governance and decision-making processes of the Council. The analysis found that the Arts Council has put in place the necessary financial, risk and audit procedures to protect the State's investment in the arts. The review recognised the positive work of the Arts Council in this area and noted three areas where further improvements could be considered – in the monitoring of performance, in communicating with stakeholders, and in improving transparency in its decision-making process. In particular, the review recommends consideration of operating all schemes, including recurring funding schemes, on an open rather than an invitation only basis.

Chapter 5 of the review examined the outputs of the Arts Council's annual programme over the period 2009 to 2012 with a particular focus on the outputs identified in the evaluation framework; artists and arts organisations supported, audience development, diverse range of national, local, community and other arts initiatives supported, expert advice and assistance provided, artistic standards developed, communication and information strategies developed, and reports published. The review also included a number of case studies of particular elements of the annual programme – the Cnuas to Aosdána members, the touring and dissemination scheme and the regularly funded organisations scheme.

Over the review period, the total programme funding reduced by 16% with the greatest reductions in recurring funding streams. Despite this reduction, the analysis found that the Arts Council had achieved its strategic objective of supporting artists and arts organisations and noted the increase in funding for strategic priorities and for once-off funding streams over the period. Recurring funding accounted for some 63% of the total programme expenditure in 2012 and was examined by individual funding stream. The review recommended consideration of the use of

multi-annual service level agreements within this category of expenditure and an increased emphasis on ensuring financial sustainability of arts organisations. It also recommended that the Arts Council consider methods to improve the diversity of organisations receiving funding within this stream.

Over the period the Arts Council experienced an increase in applications of 4.3% which yielded an increase of 2.2% in successful applications. This increased activity is accounted for by the challenging economic situation and the improved efficiency of the Arts Council in processing applications (through an online system). In general, the rates of successful applications are found to be higher in recurring funding streams which may be attributable to prior experience by arts organisations in making similar applications.

Although the data available on arts participation was limited, the review examined the outputs from the arts audiences initiative, box office returns and information on funding for initiatives which aim to improve access to the arts among socially excluded groups. It also examined the national distribution of funding while recognising the particular factors which influence the concentration of funding in some areas i.e. the location of arts infrastructure, clustering of artists and arts organisations etc. The report recognises the work of the Arts Council in delivering a national programme of support to the arts and in its efforts to promote and support audience development. The limited availability of data in this area influenced the review's recommendation to improve data collection and to maintain trends under review. The review also included a limited examination of the Arts Council's work in relation to the provision of advice, advocacy and research activities.

To assess the effectiveness of the Arts Council the review undertook to examine the direct results of the Council's programme as they related to each of the four strategic objectives. The limited availability of data in this area and the methodological challenges in measuring results are highlighted in Chapter 6. To address these, the review considered the international evidence for measuring the effectiveness of public investment in the arts and proposed a set of 11 performance indicators for consideration by the Arts Council. The proposed set of performance indicators includes a wide range of direct results of the Arts Council's programme including the size, distribution and constitution of the arts sector, improved public access to and participation in the arts, improved awareness and appreciation of the arts, enhanced creativity and improved artistic standards among others. The final chapter addresses both the effectiveness of the State's investment in the arts and also the question of the continued rationale for that investment by examining the related societal outcomes as follows:

- **A rich and vibrant culture in which the arts develop and flourish and cultural values endure;**
- **A more inclusive society which values creativity and innovation;**
- **Enhanced reputational value for Ireland; and**
- **Spin-off economic benefits.**

The review noted the significant challenges in measuring and analysing these outcomes and the lack of agreement internationally on methodologies or metrics to do so. The review recognised the efforts taken to date by the Arts Council in improving the evidence-base for such analyses and proposes consideration of a range of additional actions which could contribute to the development of the evidence-base over the long-term.

In general, the review found that the Arts Council has performed well over a challenging four year period and can demonstrate that it has delivered on its strategic objectives in an efficient manner. The activities of the Arts Council which contribute to the leveraging of public funds against other income sources and the establishment of a strategic development department were considered to be particularly valuable actions. It was not possible to comprehensively assess its effectiveness over the review period, and indeed more generally, due to the limited availability of data and, more importantly, the absence of agreed international methodologies for doing so. The review addressed this challenge by including a range of recommendations relating to the collection and analysis of data over the medium and long term. The review also makes recommendations in relation to the Arts Council's strategy development process and the operation of its annual programme.

Using the balanced scorecard set out in the Public Spending Code as an analysis tool, the following information is provided and assessment made:

Quality of Programme Design

<p>Are the programme objectives clearly specified?</p>	<p>The Arts Council's objectives are clearly set out in their strategy documents. The objectives are revised periodically, as part of the strategy development process, to address changes in policy direction and the arts sector. A discussion on these objectives is contained in Chapter 2 of the VFMPR. In addition, the VFMPR recommends the establishment of a set of 11 performance indicators, linked to the objectives of the Arts Council, to assess the results of the Arts Council's annual programme.</p>
<p>Are the objectives consistent with Government priorities? Is there a clear rationale for the policy approach being pursued?</p>	<p>Chapter 2 of the VFMPR examines the Arts Council's objectives for consistency with Government and Departmental priorities. The objectives were found to be consistent with both.</p>
<p>Are performance indicators in place from the outset, to allow for an assessment of programme success or failure in meeting its objectives? If not, can such success/failure indicators be constructed <i>ex post</i>?</p>	<p>The Department and the Arts Council agree annual performance indicators as part of the service level agreement (Chapter 4). These indicators are, however, largely operational rather than linked to the success/failure of the overall programme. In response to this, the VFMPR recommends the establishment of a set of performance indicators (Chapter 6) to measure the direct results of the Arts Council's programme and, over the longer term, the need to establish an evidence-base for the societal outcomes of the Arts Council's work.</p>
<p>Have alternative approaches been considered and costed, through cost-benefit analysis or other appropriate methodology?</p>	<p>Given the statutory remit of the Arts Council, alternatives were not examined as part of this VFMPR. The VFMPR does, however, make recommendations in relation to operational improvements and performance management within the Arts Council.</p>
<p>Are resources (financial, staffing) clearly specified?</p>	<p>The Arts Council provide detailed information on their staffing and financial resources in their annual report. A discussion of the Arts Council's income, as well as its staffing and administration, is contained in Chapter 3 of the VFMPR.</p>

Implementation of Programme / Scheme

<p>To what extent have programme objectives been met? In particular, what do the success/failure indicators show?</p>	<p>Due to the lack of data on the results and societal outcomes of the Arts Council's work, it was not possible to fully examine the extent to which the objectives of the Arts Council have been achieved. However, there is evidence (in Chapters 3 to 6) that the Arts Council's activities contribute to delivering on each of the four strategic objectives, and in particular to the direct results identified in the programme logic model.</p>
---	--

<p>Is the programme efficient in terms of maximising output for a given input and is it administered efficiently?</p>	<p>From the analysis in Chapters 3, 4 and 5, it is considered that the Arts Council is efficient in the delivery of its funding programme. The efforts taken by the Arts Council to improve its operational efficiency through structural reorganisation, improved use of technology etc. are considered to have contributed to the reduction in administration costs while also improving services. The VFMPR includes a number of recommendations for consideration by the Arts Council which could further improve its efficiency including in relation to the criteria used for funding allocations, extending VFM audits to programme expenditure and enhancing efforts to improve the financial stability of arts organisations.</p>
---	--

Cross-cutting aspects

<p>Is there overlap / duplication with other programmes?</p>	<p>The Arts Council is a body established by statute and, as such, does not perform the same functions as any other statutory body. The Arts Council has, however, sought to build a strategic partnership with the local government system whereby public funding for the arts is maximised (rather than duplicated). Key areas of consideration for the future are the means of ensuring a coherent countrywide infrastructure for the arts, exploring opportunities for better integration of the arts into the community development agenda, and the exploration of new funding and investment models in partnership funding areas (Chapter 3).</p>
<p>What scope is there for an integrated cross-departmental approach?</p>	<p>The Arts Council's partnership with local government is discussed in the previous section. The VFMPR also identified opportunities for the Arts Council to engage with other statutory and research bodies in the development of an evidence-base for the results and outcomes of its programme (Chapters 6 and 7). The engagement with stakeholders from other sectors e.g. tourism is also considered of potential value for the development of future Arts Council strategies and policies (Chapter 4).</p>

Table Of Contents

TABLE OF CONTENTS	7
CHAPTER 1: INTRODUCTION	10
1.1. Introduction	10
1.2. Context for and Objectives of the Value for Money and Policy Review (VFMPR) of the Arts Council	11
1.3. Steering Committee	11
1.4. Terms of Reference	12
1.5. Scope of the Review and Methodology	12
1.5.1. Benefits of evaluating the effectiveness of public investment in the arts	12
1.5.2. Evaluation Framework	13
1.5.3. Research Agenda	16
1.5.4. Methodological challenges	16
1.5.5. Arts Council Strategic Review 2014	17
1.6. Rationale for State Funding of the Arts	17
1.6.1. Models for State provision	17
1.6.2. Rationale for state intervention in the arts	18
1.6.3. Understanding the societal outcomes of state intervention	20
CHAPTER 2: OVERVIEW AND ANALYSIS OF THE OBJECTIVES OF THE ARTS COUNCIL	21
2.1. Introduction	22
2.2. The Arts Council: Establishment and Legal Framework	22
2.3. Objectives of the Arts Council	25
2.3.1. Arts Council Statutory Functions	23
2.3.2. Arts Council Strategy Statements	23
2.3.3. Summary of Arts Council Objectives	25
2.3.4. Arts Council Objectives and the Arts Act 2003	25
2.4. Consistency of Objectives with Government Policy	27
2.4.1. Department of Arts, Heritage and the Gaeltacht - High Level Goals	27
2.4.2. Government Programmes and Priorities	28
2.5. Examination of the consistency of the Arts Council's Objectives with Departmental and Government Objectives	29
CHAPTER 3: INPUTS – COSTS AND STAFFING RESOURCES	31
3.1. Introduction	32
3.2. Arts Council Income	32
3.2.1. Exchequer Funding	32
3.2.2. Leveraging public funding	36
3.3. Arts Council Expenditure	37
3.3.1. Arts Council Staffing Costs	38
3.3.2. Arts Council Administration Costs	43
3.3.3. International Comparison - Arts Council Expenditure in other jurisdictions	45
CHAPTER 4: ACTIVITIES: GOVERNANCE AND DECISION-MAKING	46
4.1. Introduction	47
4.2. Role of the Department of Arts, Heritage and the Gaeltacht	47
4.3. Corporate Governance and the Arts Council	48
4.3.1. Value for Money and Performance Management	49
4.3.2. Communication	49
4.3.3. Transparency and Conflicts of Interest	50
4.4. Decision making and the allocations process	51
4.4.1. Allocations Process	51

4.4.2.	Criteria for making allocations	52
4.4.3.	Assessment, grant and appeals processes	53
CHAPTER 5: OUTPUTS: ARTS COUNCIL PROGRAMMES 2009 TO 2012		57
5.1.	Introduction	58
5.2.	Financial Assistance and Support Activities	58
	5.2.1. Annual Programme Expenditure	58
	5.2.2. Existing Commitments and Strategic Priorities Expenditure	64
	5.2.3. Recurring Funding Expenditure	64
	5.2.4. Once-off and Other Funding	67
5.3.	Participation and Access Activities	69
	5.3.1. Audience Development	69
	5.3.2. Supporting greater access to the arts among socially excluded groups and other target groups	70
	5.3.3. National distribution of Arts Council supports	71
5.4.	Advice and Information Activities	75
5.5.	Advocacy and Research Activities	77
	5.5.1. Advocacy Activities	77
	5.5.2. Research Activities	78
5.6.	Case Studies	80
	5.6.1. Cnuas payments to members of Aosdána	80
	5.6.2. Touring and Dissemination Scheme	82
	5.6.3. Regularly Funded Organisations	87
CHAPTER 6: DIRECT RESULTS		91
6.1.	Introduction	92
6.2.	Direct Results – Rationale and methodological considerations	92
	6.2.1. Rationale – Effectiveness Analysis	92
	6.2.2. Principles of good indicator design	93
6.3.	Support to Artists and Arts Organisations	94
	6.3.1. More working artists, events and organisations	94
	6.3.2. Preservation of art forms	96
	6.3.3. Enhanced creativity	97
	6.3.4. Artistic standards maintained and improved.	98
6.4.	Improved access to and participation in the arts across all communities	98
	6.4.1. Increased public access to and participation in the arts	99
	6.4.2. Increased public access to and participation in the arts, among socially excluded groups	101
	6.4.3. Provides a range of arts programmes throughout the country	102
6.5.	Advice and Advocacy	103
	6.5.1. Increased public awareness of the arts	103
	6.5.2. Increased appreciation for the arts	104
6.6.	Leveraging Income	104
6.7.	Improved operational efficiency	105
CHAPTER 7: SOCIETAL OUTCOMES		106
7.1.	Introduction	107
7.2.	International Comparison	107
	7.2.1. Common methodological challenges	107
	7.2.2. ACE Approach	107
	7.2.3. ACE: Main Data Sources	108
7.3.	Providing Evidence in Relation to Societal Outcomes	109
	7.3.1. Addressing the challenge of developing an evidence-base for societal outcomes	109
	7.3.2. Personal Value and Societal Value	111
7.4.	Societal Outcomes identified in the Evaluation Framework	111
	7.4.1. National/regional/local identity and social cohesion	111
	7.4.2. Social criticism and innovation	111

7.4.3. Economic spill-over effects	112
7.4.4. International reputation and prestige	112
7.4.5. Mapping societal benefits to societal outcomes	113
7.5. Providing Evidence on Societal Outcomes	113
7.5.1. Developments to date	113
7.5.2. Future Evidence Gathering	114
7.5.3. Recommendations for Future Evidence Gathering	115
CHAPTER 8: CONCLUSIONS AND RECOMMENDATIONS	117
8.1. Overview of the VFMPR	118
8.2. Key Findings	118
8.3. Summary of Recommendations	119
8.3.1. Arts Council – Strategy	119
8.3.2. Arts Council – Annual Programme	119
8.3.3. Arts Council – Operation and Governance	120
8.3.4. Data-collection and analysis	121
BIBLIOGRAPHY:	123
APPENDIX 1: PRODUCTIVITY GAINS : CROKE PARK AGREEMENT	127
APPENDIX 2: CORPORATE GOVERNANCE CHECKLIST - ARTS COUNCIL	129
APPENDIX 3: ARTS COUNCIL FUNDING	133
APPENDIX 4: REGULARLY FUNDED ORGANISATIONS - TOP 10 (2009 TO 2012)	135
APPENDIX 5: DIVERSITY OF SCHEMES AND AWARDS (ONCE OFF AND OTHER FUNDING)	136
APPENDIX 6: ATTITUDES TOWARDS THE ARTS (EXTRACT FROM TGI RESEARCH SURVEY)	137
APPENDIX 7: QUALITY METRICS USED IN THE CULTURE COUNTS SYSTEM (MANCHESTER METRICS PILOT)	138

01 Chapter 1 Introduction



1.1. Introduction

This chapter outlines the purpose, scope and context of the value for money and policy review (VFMPR) of An Chomhairle Ealaíon, hereafter referred to as the Arts Council. It sets out details of the Steering Committee established to oversee the review, the Terms of Reference adopted and the methodology used. It also establishes the rationale for public funding for the arts by the Arts Council.

1.2. Context for and Objectives of the Value for Money and Policy Review (VFMPR) of the Arts Council

The rationale for the VFMPR process is to facilitate better resource allocation decisions by identifying and testing the evidential basis for spending programmes. Complementary to this is the general principle of transparency in relation to how public money is allocated, used and the impacts of such expenditure evaluated.

The VFMPR of the Arts Council is being carried out in the context of:

- **Approval by Government in July 2012 of a new Public Spending Code, which introduced strengthened and more streamlined arrangements for VFMPRs; and**
- **The inclusion of a review of the Arts Council as part of the approved Government programme of VFMPRs (2012 to 2014), with a particular focus on the period 2009 to 2012;**
- **Funding to the Arts Council is a significant element of overall Department of Arts, Heritage and the Gaeltacht spending, representing 28.9% of total current expenditure in 2012;**
- **The cumulative total funding to the Arts Council in the years 2009 to 2012 amounted to more than €270 million.**

The purpose of the review of the Arts Council is to analyse the direct outputs and outcomes of the Arts Council's activities, with a particular focus on the period 2009 to 2012, and establish any wider societal impacts of public investment in the arts. The review follows the typical VFMPR structure:

- **It identifies the Arts Council's objectives and tests them for consistency with Departmental and Government policy;**
- **It assesses the economy and efficiency of the Arts Council in terms of its own running costs as well as its delivery of its annual programme of supports;**
- **It examines the effectiveness of the Arts Council in achieving its objectives; and**
- **It makes recommendations based on the analysis, as appropriate.**

It is intended that the findings of the review be used to help the Arts Council improve its performance, guide future strategy development and contribute to the establishment of a more robust performance management regime for the Arts Council.

1.3. Steering Committee

A Steering Committee to oversee the Department's VFMPR of the Arts Council was established in August 2013 and held its first meeting on 27 September 2013. In all, the Steering Committee met on 11 occasions and agreed the final report on 6 July 2015.

The Steering Committee was chaired by John O'Hagan, Professor of Economics, Trinity College and membership comprised the following representatives:

Dermot Quigley, Vote Section, Department of Public Expenditure and Reform
 Tim Maverley, Financial Management Unit, Department of Justice and Equality*
 Martin O'Sullivan, Finance Director and Company Secretary, Arts Council
 Mary Nash, Arts Division, Department of Arts, Heritage and the Gaeltacht
 Lead evaluator, Deirdre Mahony, Evaluation Unit, Department of Arts, Heritage and the Gaeltacht **

Ciara Morgan, Central Expenditure Evaluation Unit, Department of Public Expenditure and Reform ***

Kate Ivory, Central Expenditure Evaluation Unit, Department of Public Expenditure and Reform ***

*Tim Maverley replaced Donal Murray, Department of Foreign Affairs and Trade, on the Steering Committee in January 2014.

** Deirdre Mahony replaced Patricia Curran as lead evaluator in December 2014.

*** Ciara Morgan and Kate Ivory replaced Jean Carberry, Department of Public Expenditure and Reform in March 2015.

1.4. Terms of Reference

The Terms of Reference, set out below, were agreed by the Steering Committee and approved by the Department of Public Expenditure and Reform and the Secretary General of the Department of Arts, Heritage and the Gaeltacht. They are based on the standard template for reviews set out in the Department of Finance 'Value for Money and Policy Initiative Guidance Manual 2007', appropriately adapted to this review of the Arts Council.

1. Identify the objectives of the Arts Council (Chapter 2).
 2. Examine the relevance and current validity of those objectives in terms of the Arts Council's statutory remit and their compatibility with the overall strategy of the Department of Arts, Heritage and the Gaeltacht and Government policy generally (Chapter 2).
 3. Define the outputs/outcomes associated with the Arts Council's activity and identify the level and trend of those outputs/outcomes (Chapters 1, 5, 6 and 7).
 4. Examine the extent to which the objectives have been achieved and comment on the effectiveness with which they have been achieved (Chapters 4, 5 and 6).
 5. Identify the level and trend of costs and staffing resources associated with the Arts Council and comment on the efficiency with which it has achieved its objectives (Chapters 3, 4 and 5).
 6. Through international comparison or otherwise, evaluate the degree to which the objectives warrant the allocation of public funding on a current and on-going basis and examine the scope for alternative policy or organisational approaches to achieving these objectives on a more efficient and/or effective basis (Chapters 3, 4, and 6).
 7. Identify potential performance indicators that might be used to better monitor the performance of the Arts Council (Chapters 6 and 7).
 8. Make recommendations, as appropriate, consistent with the results of the review (Chapter 8).
- During its work, the Steering Committee recognised the importance of distinguishing between the outputs of the Arts Council, and societal outcomes which are more broadly defined and have a wider impact beyond the Arts Council and the arts sector.

1.5. Scope of the Review and Methodology

Section 2(1) of the Arts Act 2003 defines the arts as meaning '... any creative or interpretive expression (whether traditional or contemporary) in whatever form, and includes in particular, visual arts, theatre, literature, music, dance, opera, film, circus and architecture, and includes any medium when used for those purposes'. The remit of the Arts Council does not therefore include libraries, museums, heritage sites, creative industries etc. The scope of this review is thus limited to the inputs, activities, outputs, direct results and societal outcomes of public investment in the arts as they relate to the Arts Council.

The VFMPR also focuses in particular on the period 2009 to 2012 but, it is considered valuable on a number of occasions to examine the Arts Council's performance over a longer time period, in recognition of the dramatic changes in the public finances over the review period.

1.5.1. Benefits of evaluating the effectiveness of public investment in the arts

The international literature points to a broad range of benefits in evaluating the outputs, arts sector and societal outcomes of public investment in the arts, as follows:

- **To ensure that policy development and service delivery is evidence-based;**
- **To improve the accountability and transparency of public investment in the arts, and better communicate**

the outcomes of that funding to the public;

- **To build an understanding of the ways in which the arts create value and from this build a broader understanding of a successful arts sector;**
- **To facilitate advocacy on behalf of the arts, particularly in relation to the allocation of public funding;**
- **To better understand the impact of investment in the arts on national and regional identity, the generation of new ideas and works, social cohesion and a wide range of other societal impacts;**
- **To enhance interest within the research community in the arts.**

(Chappell et al, 2012, Ministry of Education and Culture, 2011, O'Brien, 2010)

In Ireland, the Arts Council in its 2014 strategic review specifically notes the importance of evaluating its effectiveness and wider societal impact and highlights the need to develop a research and information programme (ACI, 2014). In addition, the National Campaign for the Arts organised a series of colloquia over 2013 and 2014 to explore these issues with a variety of stakeholders from within the sector, academia, Government, and civil society. The engagement and attendances, as well as the final report, demonstrate an understanding among the Irish arts sector of the importance of evaluating the effectiveness and impacts of the arts and a willingness to engage in the development of a robust evidence-base for investment in the arts in Ireland (NCFA, 2014).

An important caveat to this discussion of the benefits of evaluating the public investment in the arts is that, in doing so, public agencies must recognise that to do it well will give rise to development, evaluation and reporting costs. Such investment may be perceived as reducing the funding flowing directly to artists and arts organisations (Chappell et al, 2012). This challenge is further compounded by the fact that the outputs of investing in data collection and evaluation may take some years to generate their own value e.g. data may take many years to accumulate, while the benefits of direct funding artists and arts organisations may be much more immediate, visible and certain.

1.5.2. Evaluation Framework

The evaluation framework for this review is an Input-Output model known as the Programme Logic Model (PLM) which, in addition to defining the inputs, activities and outputs of the Arts Council, also includes its outcomes, as they relate to both the arts sector and to the wider society, and core objectives. The PLM can help to identify a sequence of cause and effect concerning the intended (or unintended) benefits that can be attributed to a programme. The PLM is recommended for use in VFMPRs by the Department of Public Expenditure and Reform¹, and is underpinned in the Public Spending Code approved by Government in 2012.

An application of the PLM to the Arts Council is provided in chart 1.1 and its individual elements are examined in the following chapters². It should be noted that the strategic objectives of the Arts Council are largely defined by the statutory functions of the Council, as set out in the Arts Act 2003 and elaborated through its strategy documents. The Arts Council usually publishes a new strategy document every three years. The Arts Council's approach to delivering on these objectives is described through the input-output model which identifies the individual inputs, activities, and outputs of the Arts Council, as well as highlighting the wider societal outcomes and benefits of public investment in the arts.

¹Taken from the 'Value for Money and Policy Review Initiative Guidance Manual 2007' published by the Department of Finance.

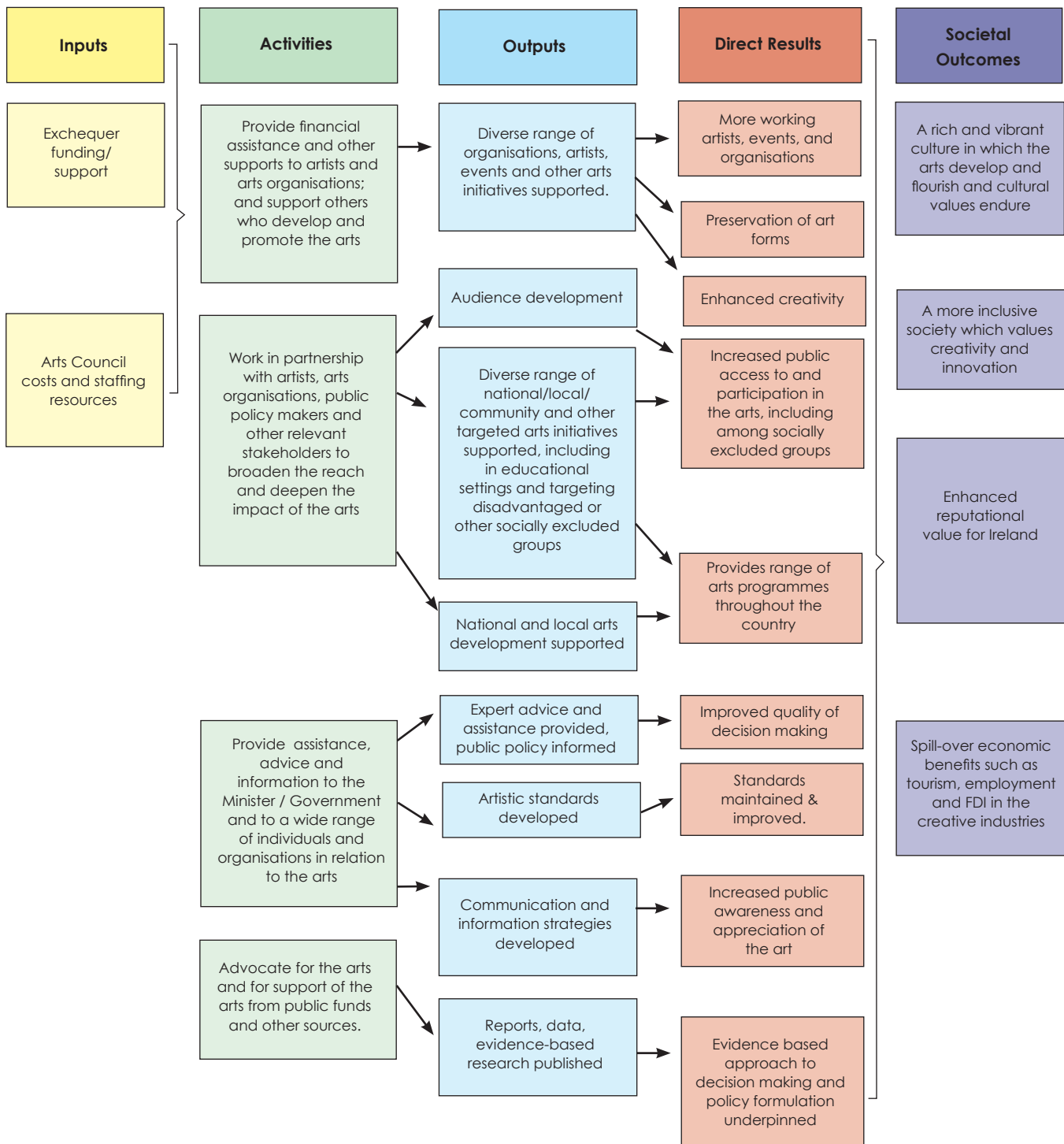
²Chapter 2 examines the objectives of the Arts Council, while chapters 3, 4 and 5 examine the inputs, activities and outputs of the Arts Council. Chapter 6 examines the direct results of the Arts Council's activities, while chapter 7 examines the wider societal outcomes.

As the Arts Council supports a wide range of diverse programmes and initiatives the model is specified at a broad level. It is important to emphasise that the cause-effect relationships between inputs, activities, outputs, arts sector outcomes and societal outcomes are not linear but are a series of complex interrelationships that are mutually reinforcing, contributing to the delivery of the strategic objectives.

The evaluation framework (PLM) distinguishes between the outputs and direct results of the Arts Council's programme and the wider societal outcomes of public investment in the arts. This review maintains this clear distinction throughout the report, however, it is noted that in much of the international literature referred to as part of the research no such distinction is made. This is particularly true in relation to the establishment of performance indicators, where there is no differentiation between output and outcome indicators. To address this challenge, Chapter 6 of this report proposes a set of performance indicators which relate exclusively to the measurement of the outputs and direct results of the Arts Council's programme, with Chapter 7 presenting an analysis of the challenges and opportunities in measuring the wider societal outcomes of the investment. This is in recognition of the relative ease with which we can find measures of output and direct results, as distinct from the more difficult to define, and therefore measure, societal outcomes.

Chart 1.1 Evaluation Framework (PLM)

Programme Logic Model: Arts Council Review			
Overarching Strategic Objective: To promote and develop the arts in Ireland			
Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4
Provide support to artists and arts organisations	Improve access to and participation in the arts across all communities	Provide advice to Government, policy makers and other stakeholders, and act as a public advocate for the arts	Improve the operational effectiveness of the Arts Council



1.5.3. Research Agenda

The evaluation criteria common to all VFMPRs; rationale, continued relevance, efficiency, effectiveness and impact; are reflected in the Terms of Reference and inform the key evaluation questions posed by the review. The methodology adopted by the Steering Committee to address the Terms of Reference was developed in the context of the inherent challenges in measuring the effectiveness of artistic supports, and in particular the absence of established standard tools and indicators to evaluate the effects of arts related policy interventions. This involved a range of approaches, as follows:

- Literature review to provide historical data on the establishment, legal framework and statutory role of the Arts Council and to establish the rationale for public funding of the arts.
- Review of relevant legislation, strategy statements, Programmes for Government, Arts Council strategies, policy and research documents and other relevant literature to identify the objectives of the Arts Council and their relevance in terms of the Arts Council's remit and Government policy.
- Engagement with the Arts Council as the key stakeholder through (i) the Steering Committee representative, (ii) separate meetings with the senior management team of the Arts Council executive and (iii) a meeting with a delegation of Council members, provided the basis to:
 - establish and document the various categories of programmes, schemes and policy measures operated by the Arts Council linking them to the Arts Council's objectives and assessing their compatibility with the overall strategy of the Department and Government policy generally;
 - obtain and analyse data and management information on the Arts Council's programmes, schemes and policy measures to establish how the Council measures progress in meeting its objectives;
 - identify gaps in existing data;
 - examine systems, practices and procedures underpinning the activities of the Arts Council and assess how well they support VFM principles; and
 - establish and document the Art Council's administration and staffing costs for the period 2009 to 2012 and compare it with similar bodies in Ireland and abroad.
- Review international research to examine the experience of evaluating public funding of the arts and arts councils in other jurisdictions, with a particular focus on the use of performance indicators and other tools to measure the efficiency, effectiveness and impact of public investment in the arts. Approaches in a number of jurisdictions including Scotland, England and Finland were identified as possible benchmarks for comparison purposes. A number of meetings were held with the Arts Council of England (ACE) and there was active engagement with evaluators in the Finnish Arts Council and with the Knowledge and Planning Manager in Creative Scotland. The experience of the ACE was found to be particularly relevant to this VFMPR.

1.5.4. Methodological challenges

In a 2005 report on statistical indicators for arts policy prepared by the International Federation of Arts Councils and Culture Agencies (IFACCA) the authors noted the growing interest in evaluating the value of supporting the arts and in developing robust 'cultural indicators'. However, despite this positive momentum, the intervening decade has not yielded agreement on a single set of indicators or approaches.

The specific methodological challenges to evaluating the effectiveness of public investment in the arts, and on which there is broad agreement in the literature, are summarised as follows (ACE, 2014, Chappell et al, 2012, Ministry of Education and Culture, 2011 and IFACCA, 2005):

- Absence of agreed international methodologies – the sector suffers from a multiplicity of agencies and researchers working to evaluate the impact of the arts, all taking different approaches;
- Policy objectives are vague and difficult to define and measure and the sector suffers from an absence on agreed definitions for many concepts, e.g. arts, culture, quality, creativity etc.;
- There is a lack of distinction between outputs and societal value;
- Effectiveness is difficult to evaluate due to its multi-dimensional nature and the long timescales involved. In addition, many of the activities in the sector are difficult to characterise with quantitative indicators. There is an absence of quality data, especially longitudinal data. This can have the effect of forcing

evaluations to focus on smaller or more specific elements of the particular outcome or impact rather than on assessing the whole outcome;

- Causal relationships are often difficult to prove, and the impacts of investing in the arts may be difficult to anticipate or isolate.

These are significant limitations, which affected and influenced the approach taken in undertaking this review. While the evaluation framework (PLM) helped address some of these challenges, particularly in relation to the need to distinguish between outputs and societal outcomes (discussed in section 1.5.2), it was not possible to overcome all of them within the timeframe and resources available. This is particularly true of the challenges of evaluating the societal outcomes of the Arts Council's investment which are by their nature difficult to isolate from other public policy interventions, are delivered only in the long-term, and in some cases cannot be characterised with quantitative indicators. Chapter 7 contains a more comprehensive discussion of these issues and the steps proposed to address them in the future.

1.5.5. Arts Council Strategic Review 2014

In its Strategic Statement of November 2013, the Arts Council committed to undertake a major review in 2014 to address how it should plan, partner, promote and provide for the arts for the forthcoming five year period, and the longer-term. In response to this commitment, a Steering Group comprising both Arts Council and external membership, independently chaired, was established to oversee the strategic review. In broad terms, the review undertook to examine the work of the Arts Council and its outcomes, as well as its on-going staff and financial requirements into the medium term, having particular regard to the economic and public sector context within which the Arts Council operates. It was also charged with examining the future direction and operation of the Arts Council having particular regard to new strategic actions that would help the Arts Council fulfil its statutory functions, including in relation to digital technology, and in comparison with national arts bodies in other jurisdictions. A robust approach to engaging with all stakeholders was central to the steering group's methodology for the strategic review. The report of the steering group "Inspiring Prospects: Arts Council Strategic Review 2014" was published by the Arts Council in July 2014 and included a number of proposals for consideration by the Council in the development of its 2015 strategy. The proposals were grouped in five broad themes, as follows:

- **The role of the Arts Council as a development agency;**
- **That policies and strategies of the Arts Council should be explicit and connected;**
- **That change is needed in the investment strategies and decision-taking behaviours of the Arts Council, including that all actions of the Arts Council should be well-informed and evidence-based;**
- **That the Arts Council should strengthen its own capability and that of the arts sector; and**
- **That the Arts Council should engage with all stakeholders and communicate openly in relation to its policies, strategies and decisions.**

While the strategic review had a different focus than this VFMPR, it is considered a useful reference document in the context of this review, particularly in relation to the material covered in Chapters 4 and 5 and the recommendations for the Arts Council contained in these chapters.

1.6. Rationale for State Funding of the Arts

1.6.1. Models for State provision

Every country in the world subsidises the arts to some extent (Blaug, 2011)³. Public funding can be delivered in different ways, either through direct finance or subsidy, or through tax incentives to encourage private donations or as in many cases a combination of these. While the type of intervention in the arts varies from one country to the next, Towse (2011) has identified a number of broad trends:

- In mainland Europe many countries operate what are essentially State owned and managed arts

³Blaug, Mark 'Welfare Economics', in: Towse, R. (ed.) (2011) *A handbook of cultural economics*. 2nd ed.

- organisations, funded entirely from taxation with any revenues generated going directly to the Exchequer. Some Irish organisations follow a similar model including the National Gallery, National Museum, Heritage Council, and the National Archives and some Government Departments directly fund art-related activities, such as built heritage, the Irish language and arts education;
- In the US and Japan the arts are primarily funded through a combination of ticket sales revenues and tax incentives to encourage private donation, although there is also direct provision by the State; and
 - Countries including the UK, Australia and New Zealand partly operate an intermediate model which is based on the 'arms-length' principle of State support which involves Exchequer grants to private, not for profit organisations which must provide a significant amount of funding from their own revenues. There may also be some tax reliefs.

Similar to the approach taken by the UK, Australia and New Zealand, in Ireland public subsidy for the contemporary arts is delivered primarily, but not exclusively through Exchequer funding of the Arts Council. The Arts Council, in turn, distributes funding to a wide array of artists and arts organisations through various grants and funding programmes (discussed in more detail in Chapter 5). However, Arts Council funding is just part of a much wider funding of the arts sector and has a specific remit and focus (examined in Chapter 2), for example the State also provides a tax relief available on income earned by artists from the sale, publication or performance of a work of art that is 'original and creative' called the Artist Exemption⁴. The limited remit of the Arts Council, relative to the wider arts sector, should be borne in mind throughout this report.

1.6.2. Rationale for state intervention in the arts

Market failure⁵ is one of the key arguments underpinning the case for Government support of different activities, including the arts. It is grounded in public sector economics, based on the principle of maximising the welfare of society and taking account of overall 'social' benefits and costs in addition to 'private' benefits and costs to individuals. The market for the arts, it is argued, exhibits one or more of the characteristics of market failure, discussed briefly in the following paragraphs.

Public goods. In economic terms these are goods, the benefits of which are both non-excludable and non-rivalrous. This means that people who have not paid for the good cannot be excluded from enjoying its benefits, and any number of people can do so without reducing its value to others. For example, a public artwork can be 'consumed' by all members of the public (i.e. it is non-excludable), and one person's enjoyment does not diminish the benefit to others (i.e. it is non-rivalrous). As public goods confer benefits on everyone and can be freely consumed there is little incentive for private firms to supply them and, as such, they tend not to be supplied or to be under-supplied by the market. Their supply then falls to Government, as the only institution that can compel payment for public goods through taxation. Throsby and Withers⁶ cite a number of authors⁷ who argue, however, that the arts are mixed private and public goods as the arts can be privately consumed and confer private benefits, while the public good characteristics confer a collective benefit on society.

Merit good. This is defined as a product or service considered to be intrinsically desirable, uplifting or socially valuable. Education, for example, is often referred to in public economics as a 'merit good' which, if left to individual choice, may not be consumed at the 'right' amount. Similarly, arts and culture can be thought of as 'merit goods' that should be promoted and supported by Government, in order to improve the welfare of society as a whole. As the supply of merit goods does not necessarily reflect personal preferences or tastes by individuals, they also tend

⁴This relief is provided under Section 195 of the Taxes Consolidation Act, 1997.

⁵There is well-established in economics literature that the market can fail to operate efficiently when:

- a product or service has the economic characteristics of a public good or merit good;
- there are externalities associated with its production or consumption;
- the good has an existence value.

⁶Throsby and Withers 'Strategic Bias and Demand for Public Goods – Theory and Application to the Arts', in: Towse, R. (ed.) (1997b:316) *Cultural Economics: The Arts, the Heritage and the Media Industries Vol. 2.*

⁷Baumol and Bowen (1966), Blaug (1976), Netzer (1978), Scitovsky (1972), Throsby and Withers (1979).

to be under-supplied, strengthening the rationale for Government subsidy for arts activities. Throsby, however, does not support the proposition that the arts are a merit good, expressing a preference for the determination that the arts are a public good. In fact, for many, the merit good argument is considered overly paternalistic in the sense that the argument rests on the assumption that people do not know what is best for them and hence that the State should intervene. Rather, a clear preference is expressed for the State to limit its interference to the provision of more and better information on the benefits of the arts, but to not otherwise interfere in the art sector on these grounds.

Externalities or spill-over effects. These are defined as the direct effects (either positive or negative) that one person's production or consumption has on other people's economic wellbeing. O'Hagan (2010) refers to these positive externalities/un-priced benefits as the (public) 'wealth' benefits of the arts, and he identifies five separate benefits discussed further in section 1.7.3. One of these external or spill-over effects can relate to the impact on tourism and investment in other sectors of the economy. The arts sector, it is argued, can contribute to creativity in the activities of other sectors (discussed in the next section and in Chapter 7). The arts areas supported by the Arts Council may not be an important direct generator of such spill-over economic effects, but may be seen as part of the impact of the wider arts sector, both subsidised and otherwise. Additionally, education, health and well-being are increasingly being discussed as positive externalities (ACE, 2014).

It is important to note also, the fundamental repositioning of Governments' arts policy generally within an economic framework. An important reason for this is that the creative economy is now recognised as a leading sector in generating economic growth, employment and trade in many advanced economies and it is estimated that the cultural and creative industries contribute to around 2.6% of the total GDP of the European Union, providing around 5 million jobs across the 27 EU member States (UNCTAD, 2010). In Ireland, a report commissioned by the Arts Council estimated that the creative industries overall contributed more than €4.7 billion to the Irish economy in 2010, equivalent to approximately 3% of Irish GDP, while the number of jobs supported in aggregate amounted to 78,900 (Indecon, 2011). Within the cohort of professional artists, there is strong evidence to show below average earnings (with 50% earning less than €19,832 from all income sources in 2008) although this group are almost three times as likely as the average worker to have a third level degree⁸(Hibernian Consulting *et al*, 2010). Addressing these discrepancies will be central to enhancing the capacity of the creative sector to continue to grow.

Although the Arts Council's direct impact on the output of the creative industries is limited, it plays a role in creating the appropriate environmental conditions for the arts and the wider creative sector to develop. This means that policy in relation to subsidy for the arts is less likely to be seen in isolation or simply in terms of the public good/positive externalities rationale but rather will be considered as an input in terms of more general economic policy.

⁸86% of professional artists have a third-level qualification and 39% have a postgraduate or professional qualification.(Hibernian Consulting *et al*, 2010).

1.6.3. Understanding the societal outcomes of state intervention

The rationale underlying the societal outcomes in the evaluation framework (Chart 1.1) is well documented, both in an international context (Blaug, 2011, and Throsby, 2010) and in an Irish context (O'Hagan, 1998, 2010 and 2013). It must also be acknowledged that these societal outcomes are also deliverable by the wider publicly funded arts sector e.g. museums and galleries, as well as by the creative industries⁹. O'Hagan (2012) identified five well-established reasons for state funding of the broader arts sector, four of which perhaps apply with special force to the subsidised arts sector covered by Arts Council expenditure. His analysis uses the framework of public goods and spill-over effects just discussed, but makes explicit what the societal benefits might be in the case of the subsidised arts sector, including the component covered by the Arts Council. They are as follows:

- i. National Identity and Social Cohesion – the arts can contribute in a unique way to a sense of national/local identity and belonging and hence to a sense of social cohesion with positive benefits for society as a whole.
- ii. Experimental/Innovative Work – the subsidised arts can act as an agent for change and as a test bed for new ideas and talent. The subsidised art sector should in a sense be the test laboratory for artistic talent, which provides the 'life blood' for the much wider commercial sector;
- iii. Economic Spill-over Effects – the arts can act as a magnet to draw tourists to Ireland, given the uniqueness of some arts institutions and events funded by the Arts Council. This in turn creates benefits for the wider economy including the commercial arts sector.
- iv. Related to this, the subsidised arts sector can enhance Irish reputation internationally. In turn that enhanced reputation has a range of impacts including influencing decisions to visit Ireland, to invest here or to study here as well as improving Ireland's standing in international political arenas. This enhanced reputation also provides a sense of national pride and contributes also to the national identity and social cohesion argument listed above.

These matters are discussed further in Chapter 7.

⁹Although the term was first coined in the 1990's, there is no single agreed definition of the 'creative industries'. References to the creative industries/economy/sector and the cultural and creative industries/economy/sectors are now commonplace and the different terminology can be confusing. The European Commission has defined the 'Cultural and Creative Sectors' as covering in particular architecture, archives and libraries, artistic crafts, audio-visual (including film, television, video games and multimedia), cultural heritage, design (including fashion design), festivals, music, performing and visual arts, publishing and radio (European Commission Communication on 'Promoting cultural and creative sectors for growth and jobs in the EU'; COM 2012 537 final dated 29.09.2012).

02

Chapter 2

Overview and analysis
of the objectives of the
Arts Council



2.1. Introduction

This chapter sets out the role of the Arts Council, within the context of its statutory functions, and identifies its key objectives in accordance with the first Term of Reference (TOR) of the Steering Committee. The relevance of the objectives is then examined having regard to the strategy of the Department of Arts, Heritage and the Gaeltacht and broader Government policy, in line with TOR 2.

2.2. The Arts Council: Establishment and Legal Framework

The Arts Council is the national agency for promoting and developing the arts in Ireland. It was established in 1951 and was modelled on the British Arts Council that had been set up in 1946 and which embraced the 'arms-length' principle. The Arts Council is a statutory agency and operates under the Arts Act 2003¹⁰. The Council's principal activity is to provide financial and other supports to the arts sector and it also acts as the expert body offering advice to the Minister for the Arts, Heritage and the Gaeltacht, to Government and to public bodies. The Arts Council has a chair and 12 members, each of whom is appointed by the Minister for a term of five years. The work of the Arts Council is carried out by an executive headed by a Director and a staff of over 40 full time equivalents undertaking the day to day functions.

State funding to the Arts Council is provided by way of an annual grant¹¹ from the Department of Arts, Heritage and the Gaeltacht. Payment of the grant to the Arts Council is governed by Sections 23, 24 and 25 of the Arts Act 2003. Under Section 24 of the Act, the Council may, for the purposes of promoting, improving standards and assisting in the development of the arts, advance monies at its disposal on such terms and conditions as it determines. Section 24(2) states that the Council shall be independent in the performance of its functions under this Section. Section 25 of the Act provides that the Council must publish financial statements and that the accounts are audited by the Comptroller and Auditor General. Section 5(3) of the Act provides that the Minister for Arts, Heritage and the Gaeltacht may (other than in relation to the funding functions of the Arts Council set out in Section 24) give a written direction to the Arts Council requiring it to comply with policies of the Minister or the Government. Under Section 10, the Minister may also, with the consent of the Minister for Finance and after consultation with the Arts Council, make orders conferring additional functions, connected with the Arts Council's current role as set out in the Act.

¹⁰The Arts Act 2003 repealed the Arts Acts 1951 and 1973

¹¹Exchequer funding was provided by way of a Grant-in-Aid prior to 2014.

2.3. Objectives of the Arts Council

The objectives of the Arts Council are derived from its statutory functions as provided for in the Arts Act 2003.

2.3.1. Art's Council Statutory Functions

Section 9(1) of the Arts Act 2003 sets out the general functions of the Arts Council, which are to:

- (a) stimulate public interest in the arts,
- (b) promote knowledge, appreciation and practice of the arts,
- (c) assist in improving standards in the arts,
- (d) advise the Minister in relation to the performance of any of his or her functions under the Act, when so requested by the Minister,
- (e) assist the Minister in the performance of his or her functions under this Act and in the implementation of Government policies and objectives in relation to the arts, when so requested by the Minister,
- (f) furnish advice or information to a Minister of the Government (including the Minister) in relation to any matter connected with its functions, whenever the Council considers it appropriate or is requested to so do by the Minister,
- (g) furnish advice or information to a public body in relation to any matter connected with its functions, whenever the Council considers it appropriate or is requested to so do by the public body concerned, and
- (h) cooperate with a public body in relation to any matter connected with its functions, whenever the Council considers it appropriate.

Under Section 9(2), the Council may make such recommendations to the Minister in relation to matters connected with its functions as it considers appropriate.

2.3.2. Arts Council Strategy Statements

Section 5(4) of the Arts Act 2003 provides for the preparation of plans by the Council for submission to the Minister specifying strategies or measures that it proposes to adopt in relation to the arts during the period to which the plan relates. The first formal strategic Arts Plan was prepared by the Arts Council in 1994 and was adopted by Government in 1995. Since then, the Arts Council has produced a series of Strategy Statements that have built on the statutory functions of the Arts Council while also ensuring on-going consistency with Government arts policy.

As set out in section 1.6 of this document, the focus of this VFMPR is on the performance of the Arts Council over the period 2009 to 2012. This period encompassed in two strategy statements: Partnership for the Arts - Arts Council Goals 2006 -2010 and Developing the Arts in Ireland 2011 – 2013.

- **Partnership for the Arts - Arts Council Goals 2006 - 2010**, published by the Arts Council in December 2005, set out five main goals for the period. These outlined a range of activities to show how the goals would be achieved.
- **Developing the Arts in Ireland 2011 – 2013** set out the Arts Council's strategic approach for the period and built on previous plans. The Strategy adopted a dual focus: supporting artists and arts organisations and seeking to increase public engagement and participation in the arts. The Strategy was framed in the context of the Arts Council Mission Statement 'to develop the arts' and identified 3 goals and 6 core principles by which that mission would be achieved.

Table 2.1 demonstrates that the objectives of the Arts Council were highly correlated over the review period, whether expressed as goals or core principles. Each goal in the 2006 statement was linked to a similar goal/principle in the following strategy statement.

Table 2.1 Arts Council - strategic objectives during the review period 2009 to 2012

Partnership for the Arts - 2006 - 2010	Developing the Arts in Ireland 2011 – 2013	
5 Goals	3 Goals	6 Core Principles
Affirm and promote the value of the arts in society.	To demonstrate and facilitate the important contribution the arts make to the social and economic well-being of Ireland.	Dialogue with the arts sector and partnership with public agencies and other organisations to the benefit of the arts and to the wider public good.
Assist artists in realising their artistic ambitions.	To support artists of all disciplines to make work of excellence.	Excellence, achieved or latent, in all aspects of the work of artists and arts organisations.
		Diversity of practice within and across art forms; diversity of contexts and types of participation that constitute public engagement; social and cultural diversity.
Make it possible for people to extend and enhance their experiences of the arts.	To promote public access, participation and engagement in the arts.	Access to and engagement with the arts for all citizens and a determination to ensure that the returns on public investment in the arts benefit as many as possible.
Strengthen arts organisations countrywide so as to secure the basis of a vibrant and stable arts community.		The long-term development of the living arts, the work of contemporary artists, and their intellectual and artistic freedom.
Ensure the Arts Council works effectively.		Processes and practices in the allocation of public funds that demonstrate integrity, accountability, transparency, and value for money.

Although outside the timeframe for this review, consideration has also been given to the Strategic Statement published by the Arts Council in November 2013 with a view to establishing the consistency of the current goals and objectives with the review period. Framed in the context of the Arts Council Mission Statement ‘...to promote and develop the arts in Ireland’, the Strategic Statement 2013 identifies four key goals to address four distinct but related areas of responsibility, and 12 supporting objectives, as follows:

Table 2.2 Arts Council - current strategic objectives

Strategic Statement 2013			
4 Goals			
Support and develop the work of artists and arts organisations	Enable more people to experience the arts in more places	Develop our [Arts Council] relationships with stakeholders and partners	Enhance the expertise and effectiveness of the Arts Council
12 Objectives			
Support the work of individual artists	Increase public access and engagement	Develop relationship with DAHG and wider Government	Plan and manage strategically
Support the work of companies, ensembles and organisations	Support and promote audience development	Develop strategic alliance with local government	Manage public investment efficiently and effectively
Support the development of practice across the arts	Create opportunities for children and young people	Develop arts partnerships and other key relationships	Advise expertly and advocate authoritatively

2.3.3. Summary of Arts Council's Objectives

It is clear from tables 2.1 and 2.2 that the Arts Council has demonstrated significant consistency in terms of its high level goals. Based on the Arts Act 2003 and the Strategy Statements published since 2006, the objectives of the Arts Council can be summarised in a single overarching objective 'to promote and develop the arts in Ireland', with four operational objectives as follows:

Table 2.3 Summary of Arts Council Objectives

Overarching Strategic Objective: To promote and develop the arts in Ireland			
Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4
Provide support to artists and arts organisations	Improve access to and participation in the arts across all communities	Provide advice to Government, policy makers and other stakeholders, and act as a public advocate for the arts	Improve the operational effectiveness of the Arts Council

2.3.4. Arts Council's Objectives and the Arts Act 2003

The review linked the objectives set out in table 2.3 to the statutory functions of the Council provided for in the Arts Act 2003. Table 2.4 sets out the results of that examination, demonstrating the Arts Council's statutory responsibility for delivering on each of these objectives.

Table 2.4 Statutory Functions linked to Arts Council objectives

Overarching Strategic Objective: To promote and develop the arts in Ireland			
Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4
Provide support to artists and arts organisations	Improve access to and participation in the arts across all communities	Provide advice to Government, policy makers and other stakeholders, and act as a public advocate for the arts	Improve the operational effectiveness of the Arts Council
Arts Act 2003 - Functions set out under Section 9			Arts Act 2003 - Functions set out under Section 15
9(1)(b) promote knowledge, appreciation and practice of the arts	9(1)(a) Stimulate public interest in the arts	9(1)(d) advise the Minister in relation to the performance of any of his or her functions under the Act, when so requested by the Minister	15(2) The Director shall carry on and manage, and control generally, the administration of the Council and perform such other functions (if any) as may be determined by the Council.
9(1)(c) assist in improving standards in the arts	9(1)(b) promote knowledge, appreciation and practice of the arts	9(1)(e) assist the Minister in the performance of his or her functions under this Act and in the implementation of Government policies and objectives in relation to the arts, when so requested by the Minister	
		9(1)(f) furnish advice or information to a Minister of the Government (including the Minister) in relation to any matter connected with its functions, whenever the Council considers it appropriate or is requested to do so by the Minister	
		9(1)(g) furnish advice or information to public bodies in relation to any matter connected with its functions, whenever the Council considers it appropriate or is requested to do so by the public body concerned	
		9(1)(h) cooperate with a public body in relation to any matter connected with its functions, whenever the Council considers it appropriate	

2.4. Consistency of Objectives with Government Policy

This VFMPR is required to establish if the objectives of the Arts Council are consistent with Departmental and Government policy (TOR 2). To establish this, this VFMPR considered the compatibility of the Arts Council's objectives (table 2.3) with the following Government policy statements covering the period of the review:

- Departmental strategic high level goals for the arts;
- *Renewed Programme for Government 2009*;
- *Government for National Recovery 2011 - 2016*.

2.4.1. Department of Arts, Heritage and the Gaeltacht - High Level Goals

The division responsible for the delivery of Government arts policy has been located in a number of different Departments over the period of the review: in 2009/2010 it was part of the Department of Arts, Sports and Tourism; in March 2010 it came under the remit of the Department of Tourism, Culture and Sports; since June 2011, responsibility for the arts rests with the Department of Arts, Heritage and the Gaeltacht. Despite these relocations, the division maintained a broadly consistent set of objectives with regard to national arts policy, as follows:

- **Emphasising the importance of promoting artistic expression and creative strengths; and**
- **Seeking to maximise the social, economic and reputational value of the arts for Ireland.**

Table 2.5 sets out the high level goals and strategic priorities for the period and summarises the individual elements of the Department's arts policy objectives. It should be noted that later policy statements did not include 'enhancing access to the arts' as a specific objective and that there was a slight emphasis shift from recognising the socio-economic value of the arts to maximising that value. A further discussion of this latter point appears in the following section on Government programmes and objectives.

Table 2.5 Departmental objectives for arts policy 2008 to 2014

Department of Arts, Sports and Tourism	Department of Tourism, Culture and Sport	Department of Arts, Heritage and the Gaeltacht
Statement of Strategy 2008 – 2010	2010 Annual Report	Strategy Statement 2011
<i>'To enhance access to and to recognise the social and economic role of the arts, culture and film sectors in Ireland by promoting and encouraging artistic expression, cultural awareness and participation through an appropriate policy, legislative and resource framework.'</i>	<i>'To enhance access to and to recognise the social and economic role of the arts, culture and film sectors in Ireland by promoting and encouraging artistic expression, cultural awareness and participation through an appropriate policy, legislative and resource framework.'</i>	<i>'To promote and develop Ireland's world class artistic and creative strengths at home and abroad, maximising their societal, economic and reputational value for the country.'</i>
Summary of Departmental objectives (2008 to 2010)		Summary of Departmental objectives (2011 & 2012)
Recognise the socio-economic value of the arts, culture and film sectors		To maximise the socio-economic value of the arts, culture, music and film
Enhance access to and participation in the arts		
Promote artistic expression		To promote artistic and creative strengths (in Ireland and abroad)
Raise cultural awareness		To maximise the reputational value of the arts, culture, music and film for Ireland

2.4.2. Government Programmes and Priorities

The Programme for Government 2007 – 2012 contained specific commitments to the arts within a broad undertaking to broaden and deepen participation in the arts over a five year period. That programme was superseded by the Renewed Programme for Government 2009, which recast the Government's programme to address the particular challenges of the economic downturn. The opening paragraph of Chapter 9 of the Renewed Programme includes, in particular, a statement that reflects the Government's continued commitment to the arts:

'The arts are an integral part of our modern society and we are dedicated to the broadening and deepening of participation in that sector.'

The current Government Programme, Government for National Recovery 2011 – 2016, sets out a range of commitments in relation to arts and culture, including the following that are particularly relevant to this review:

- We will encourage the Arts Council to continue to dedicate resources to touring in order to protect the State's investment in regional Arts infrastructure around the country and to bring cultural tourism opportunities to towns and villages across the country.
- We will work with stakeholders in the Arts community to develop new proposals aimed at building private supports for the Arts in Ireland exploring philanthropic, sponsorship or endowment fund opportunities.
- Responsibility for policy-making will revert to the Department [of Arts, Culture and Sport], while agencies will be accountable for implementing policy, assessing outcomes and value for money.

The touring policy developed by the Arts Council, and included in the current Government Programme, is considered in a separate case study in chapter 5. The Arts Council's RAISE initiative, designed to encourage philanthropy in arts organisations addresses the second of these Government commitments, discussed in Chapter 4. The third commitment reflects the Arts Council's own objective of enhancing its operational effectiveness.

The arts have also been considered by Government in a range of fora, more recently with an expanded understanding of the benefits of arts funding to stimulate economic recovery. In November 2011, at the publication of the Indecon report, Assessment of the Economic Impact of the Arts in Ireland, the Minister for Arts, Heritage and the Gaeltacht, commented that:

'The arts are a significant economic contributor and employer in their own right ..., but they are also important building blocks for those economic policies the Government has identified as crucial for our economic recovery. The arts underpin policies in attracting foreign direct investment, in the creation of an imaginative labour force, in establishing an innovative environment in which the creative and cultural industries can thrive and in cultural tourism. By focusing on the arts as an element of social and economic renewal, we are playing to our strengths.'

The second and third Global Irish Economic Fora (held in 2011 and 2013) also highlighted the role of arts and culture as a key vehicle for economic growth and recovery and a means of restoring Ireland's international reputation as well as recommending putting in place a 'system to measure and analyse how we can realise the full impact of the investment of Government, business and artists in the arts to allow us to capitalise on the success story of Irish artists globally.'

This recognition of the economic value of the arts is borne out in the Government's Medium Term Economic Strategy 2014 – 2020, *A Strategy for Growth (2013)* which states that the Government will seek to leverage the potential of the arts and culture and creative sciences sectors for job creation, and identifies the creative industries as a sector with emerging opportunities and untapped potential (p. 47/48).

2.5. Examination of the consistency of the Arts Council's Objectives with Departmental and Government Objectives

The Arts Council's goals and objectives laid out in its Strategy Statements are consistent with, and support, its statutory role. Moreover, the Council has engaged with the Minister and its parent Department in the preparation and development of each Strategy to ensure the stated objectives remain compatible with the Department's and broader Government policies and priorities. Table 2.6 graphically compares the individual objectives, colour-coding them by common objective.

From this table it is clear that the overarching objectives of the Department of Arts, Heritage and the Gaeltacht and Government are consistent with the Arts Council's own overarching objective '*to promote and develop the arts in Ireland*'. Below this level, the Arts Council's objectives are wholly consistent with Departmental and Government objectives as follows:

- **Promoting artistic expression;**
- **Enhancing access to and participation in the arts; and**
- **Raising cultural awareness.**

The Arts Council's fourth strategic objective, '*to improve the operational effectiveness of the Arts Council*' is also consistent with Government policy, as set out in the current Programme for Government. There is a minor divergence from the overall consistency in the emphasis that is placed by Departmental and Government policy on maximising the socio-economic value of the arts. That said, this was explicitly recognised as a goal of the Arts Council in *Developing the Arts in Ireland 2011 to 2013* and as such cannot be considered inconsistent with Departmental and Government policies. It may be useful, however, as part of the development of the new Arts Council strategy in 2015 to consider highlighting this as a possible objective.

Finally, there is a fifth Government objective which is not recognised in either the Arts Council's or the Department's objectives, which is to explore opportunities to generate funding for the arts from private, philanthropic and other sources. While this does not appear in the objectives, it should be noted that the *Developing the Arts in Ireland 2011 to 2013* includes an action to seek ways to maximise investment in the arts including through public, corporate and philanthropic funding. Since 2012, the Arts Council has also been working in this regard with a dedicated project (RAISE) designed to support arts organisations in leveraging private and philanthropic funding. As such, while not explicitly stated in the objectives, it is clear that the Arts Council's activities are consistent with Government policy. To ensure continuing compatibility across the Arts Council, Departmental and Government objectives, consideration could be given to the inclusion of a reference to this type of activity in the objectives identified in the forthcoming Arts Council strategy.

Table 2.6 Summary Comparison of Arts Council, Departmental and Government Objectives

ACI Objectives	DAHG Objectives 2008 to 2010	DAHG Objectives 2011-2012	Government Objectives
Overarching Objective	Overarching Objective	Overarching Objective	Overarching Objective
To promote and develop the arts in Ireland	'To enhance access to and to recognise the social and economic role of the arts, culture and film sectors in Ireland by promoting and encouraging artistic expression, cultural awareness and participation through an appropriate policy, legislative and resource framework.'	'To promote and develop Ireland's world class artistic and creative strengths at home and abroad, maximising their societal, economic and reputational value for the country.'	'The arts are an integral part of our modern society and we are dedicated to the broadening and deepening of participation in that sector.'
Strategic Objective 1	DAHG Objective 1	DAHG Objective 1	Govt Objective 1
Provide support to artists and arts organisations	Promote artistic expression	To promote artistic and creative strengths (in Ireland and abroad)	Arts Council to continue to dedicate resources to touring in order to protect the State's investment in regional Arts infrastructure around the country.
Strategic Objective 2	DAHG Objective 2		Govt Objective 2
Improve access to and participation in the arts across all communities	Enhance access to and participation in the arts		To bring cultural tourism opportunities to towns and villages across the country
Strategic Objective 3	DAHG Objective 3	DAHG Objective 2	
Provide advice to Government, policy makers and other stakeholders, and act as a public advocate for the arts	Raise cultural awareness	To maximise the reputational value of the arts, culture, music and film for Ireland	
Strategic Objective 4			Govt Objective 3
Improve the operational effectiveness of the Arts Council			Arts Council will be accountable for implementing policy, assessing outcomes and value for money.
	DAHG Objective 4	DAHG Objective 3	Govt Objective 4
	Recognise the socio-economic value of the arts, culture and film sectors	To maximise the socio-economic value of the arts, culture, music and film	Seek to leverage the potential of the arts and culture and creative sciences sectors for job creation, and identifies the creative industries as a sector with emerging opportunities and untapped potential
			Govt Objective 5
			Work with stakeholders in the Arts community to develop new proposals aimed at building private supports for the Arts in Ireland exploring philanthropic, sponsorship or endowment fund opportunities.

03 Chapter 3

Inputs – Costs and Staffing Resources



3.1. Introduction

This chapter examines the inputs identified in the evaluation framework (PLM). These are Exchequer funding and the Arts Council's administration and staffing costs and the chapter sets out to assess these to determine the economy of the Arts Council in carrying out its remit. Specifically, the chapter identifies the level and trend of the costs and staffing resources (inputs) associated with the Arts Council as required by TOR 5.

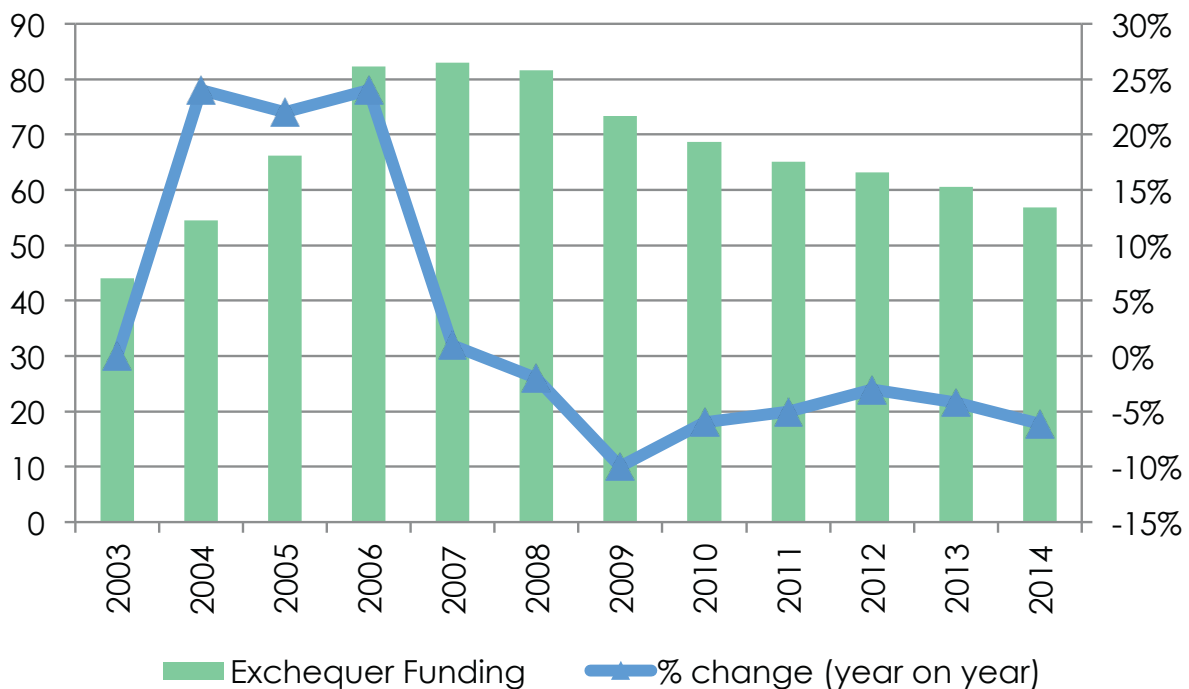
3.2. Arts Council Income

3.2.1. Exchequer Funding

The Arts Council's main source of income is Exchequer funding, which it receives through the Vote of the Department of Arts, Heritage and the Gaeltacht¹². The Arts Council receives a limited additional income from other publicly funded grants, from refunds from a range of public bodies in respect of particular services or initiatives undertaken, as well as from other miscellaneous income. This amounts to less than 1% of the Arts Council's total income and as such, is not examined in this section.

On this basis, chart 3.1 sets out the annual Exchequer funding to the Arts Council over the period 2003 to 2014. At the time of writing, the Arts Council has been advised of an increase of €2 million (4%) in funding in 2015 to €58.893 million.

Chart 3.1 Grant-in-Aid to the Arts Council 2003-2014



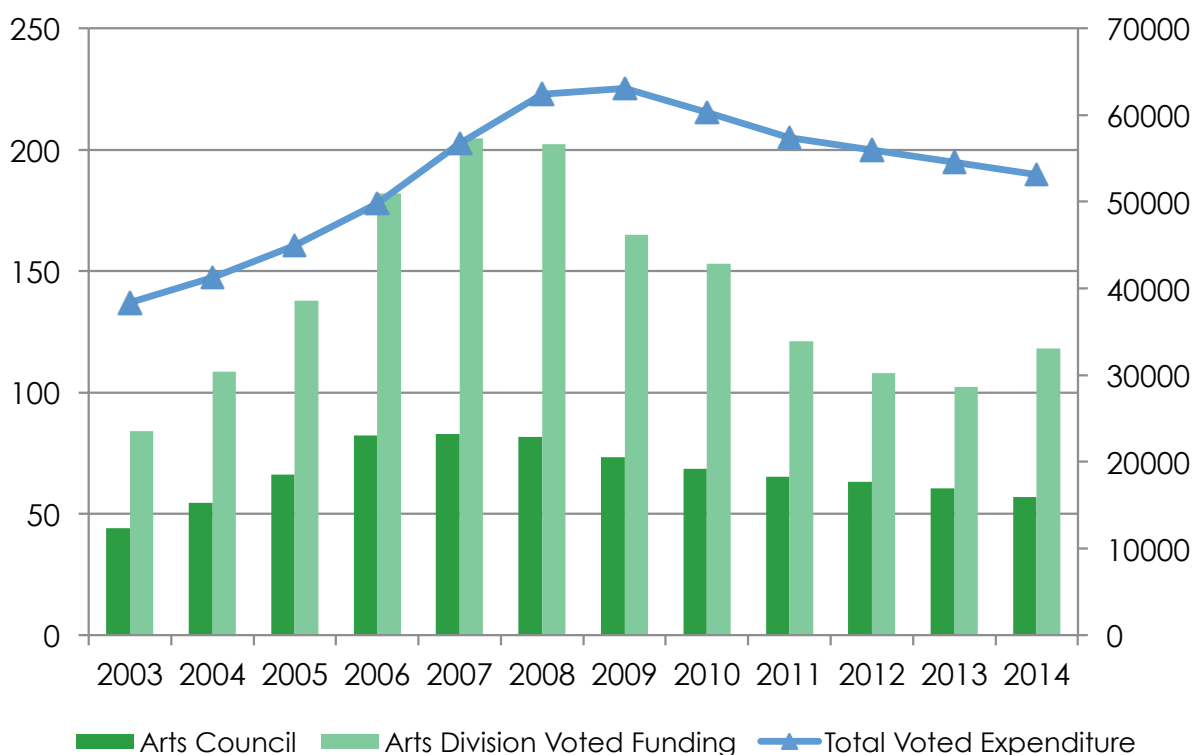
¹²An Chomhairle Ealaíon (The Arts Council) had its own Vote up to and including 2003. From 2004 to 2013, the Council was funded by way of a Grant-in-aid through the Vote. From 2014, it is funded by way of a Grant.

Chart 3.1 demonstrates how Exchequer funding increased significantly from 2003 to 2007, from €44.1m in 2003 to peak at €83 million in 2007. This represents an increase of 88% over the period. With the onset of the contraction in public finances, however, the funding available for the Arts Council also contracted year on year, with an aggregate decrease of €24.1m over the period 2007 to 2014. Despite the reductions in the Arts Council's Exchequer funding from 2008 onwards, the aggregate reduction was not significant enough to erode the gains of the previous 5 years, and in fact, looking at the time period from 2003 to 2014 the annual funding to the Arts Council increased by €12.8 million.

While this information provides an overview of the internal funding situation of the Arts Council, it is valuable to examine how the Exchequer funding of the Arts Council compares with that provided to the arts sector more generally over the period, and indeed with the overall trends in public funding. In that context chart 3.2 sets out the funding provided for the Arts Council, funding for the arts through the Departmental Vote and Oireachtas voted expenditure¹³ more generally over the period 2003 to 2014. While the Department for Arts, Heritage and the Gaeltacht was established in June 2011 the Oireachtas has consistently provided for a specific programme relating to the Arts, Culture and Film in various Department vote configurations. As such, it has been possible to compare the outturn figures, published in the annual Revised Estimates Volumes, for this arts sector funding for the period 2003 to 2014¹⁴.

The Arts Council's funding allocations, when compared to the public funding of the arts sector through the Departmental Vote and to public funding more generally over the review period (2009 to 2012) have seen a more moderate decrease than voted arts sector programme funding. While this is positive, it must be viewed within the context of the expansion in the Arts Council's responsibilities over the same period; beginning with the broadened definition of the arts in the Arts Act 2003 and including additional programme work on the traditional arts¹⁵ and support for a greater number of multi-disciplinary arts centres and venues.

Chart 3.2 Total Voted Expenditure, Arts Funding and Arts Council Grants – 2007 to 2014



While these trend data show that the Arts Council's funding allocation relative to the annual changes to funding for the arts programme and aggregate public expenditure, it is useful to also examine how the Arts Council's funding performed as a proportion of Departmental expenditure on the arts and again as a proportion of all voted public expenditure.

Although, the monies voted by the Dáil to the Arts Council constitute a fraction of one per cent of total voted expenditure, it is nevertheless a valid comparison and produces a useful trend in public expenditure.

¹³Total voted expenditure is used as this is the expenditure which is voted by the Oireachtas. Total expenditure includes non-voted expenditure which is non-discretionary expenditure charged directly to the Central Fund. Voted expenditure accounts for almost 80% of total expenditure.

¹⁴Some minor adjustments have been made to the figures for the years 2011 to 2014 to remove Departmental pay costs which have been allocated on a divisional basis since 2011. These adjustments have been made to ensure that the figures are comparable for the whole period.

Approximately 3.25 staff members (at Principal, Assistant Principal, Higher Executive officer and Executive officer levels) are involved to some extent in Arts Council related work while they also have responsibility for other areas of work. Based on an apportionment of time and indicative salaries (from 2013), the annual Departmental administration cost to support the Arts Council is estimated at €15,044.

¹⁵This additional programme work was as a result of the findings of the Special Committee on the Traditional Arts, established under Section 21 of the Arts Act 2003. Over the period 2003 to 2014, the Arts Council programme funding for the traditional arts grew from €463,382 in 2003 to €2,356,630 in 2008 before reducing to €1,535,060 in 2014.

Table 3.1 Arts Council (current and total) Funding as a % of Departmental Arts Funding and Total Voted Funding (€'000).

	2007	2008	2009	2010	2011	2012	2013	2014
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Arts Council - Current Funding	77,000	76,620	72,350	68,149	64,963	63,100	60,504	56,800
Arts Division - Current Voted Funding (includes administration overhead)	128,564	131,927	124,431	115,494	118,088	112,524	107,387	107,973
Arts Council as a proportion of Current Voted	59.89%	58.08%	58.14%	59.01%	55.01%	56.08%	56.34%	52.61%

Arts Council - Total Funding	83,000	81,600	73,400	68,600	65,200	63,241	60,602	56,668
Arts Division Total Voted Funding (excludes administration overhead)	204,523	202,219	165,052	153,120	121,225	108,006	102,416	118,157
Arts Council as a proportion of Total Voted (Arts)	40.58%	40.35%	44.47%	44.80%	53.78%	58.55%	59.17%	47.96%

Arts Council	83,000	81,600	73,400	68,600	65,200	63,241	63,241	60,602
Oireachtas - Total Voted Funding	56,750,354	62,395,084	63,057,360	60,288,671	57,361,782	55,992,635	54,579,515	53,117,963
Arts Council as a proportion of Oireachtas Total Voted	0.15%	0.13%	0.12%	0.11%	0.11%	0.11%	0.11%	0.11%

Table 3.1 confirms the findings in the previous chart (3.2) which indicated that while Arts Council funding dropped significantly during the review period, the level of the reduction was more moderate than for the arts sector funding more generally. The Arts Council's proportion of the overall voted funding for the sector increased significantly over the period from 40.6% in 2007 to 59% in 2013, with a reduction to 48% in 2014. In terms of the proportion of the Department's total Vote which is provided to the Arts Council, it is worth bearing in mind that the majority of the Arts Council's funding is current rather than capital funding. As such, it is also relevant to examine the Council's annual grant in the context of the overall current funding for the arts sector. As table 3.1 demonstrates, the Arts Council's proportion of overall Departmental current funding for the arts increased by 1% to 59% in 2010 before decreasing slightly to 55% in 2011 and rising again to 56% in 2012.

From this it may be concluded that the reductions in the Arts Council's annual funding were less severe than those experienced elsewhere in the publicly funded arts programme over the review period. In addition, while the proportion of all voted funding which was allocated to the Arts Council dropped by 0.03% over the period 2007 to 2009, it has been maintained at a constant 0.11% since then.

In summary, it can be concluded that over the review period the Arts Council's annual funding dropped significantly, but not so significantly as to completely erode the gains of the previous period. Also, over the period of the review, it is clear that the Arts Council fared better in terms of allocation reductions than elsewhere in the publicly funded arts sector. And finally, while the reductions in the Arts Council's annual allocation were (on a percentage basis)

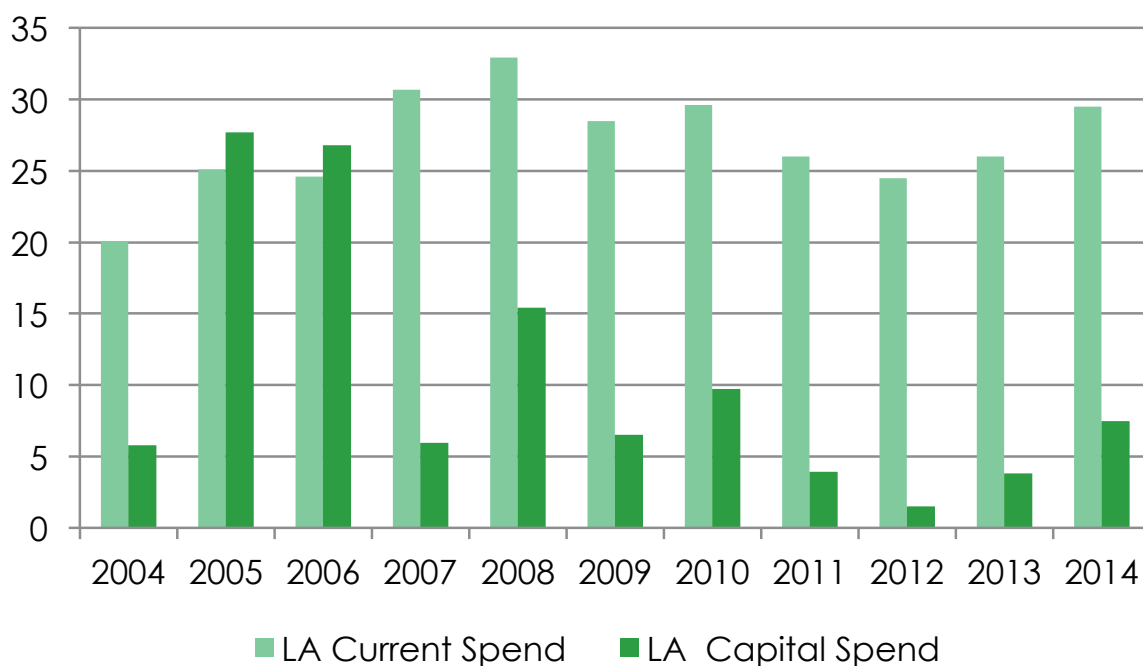
more severe than for total voted public funding, the proportion of total public funding enjoyed by the Arts Council has remained static since 2010. All of this indicates continued Departmental and Government level support for the Arts Council's work.

3.2.2. Leveraging public funding

Local authorities, both in partnership with the Council and independently, provide significant funding each year to the arts sector (set out in chart 3.3). This activity by local authorities owes much to the strategic partnership with local government initiated by the Arts Council in the late 1980s and further enhanced by the co-funding of arts officer positions in all city and county councils and close engagement on programmes of arts services. Although co-funding arrangements for arts officer salaries ceased in 2010, this investment strategy served to establish a network of arts officers in each local authority, which has succeeded in leveraging local authorities' own resources to support the arts at local level. Local authorities, through their programmes of arts services, invested, on average, €37.5 million annually in arts services across the country over the past decade.

The Arts Council has, since 2012, been actively engaging with both the County and City Management Association (CCMA)¹⁶ and with the Association of Local Authority Arts Officers (ALAAO) to review and strengthen this partnership to support the arts in Ireland. Key areas of examination include ensuring a coherent countrywide infrastructure for the arts (avoiding overlaps and duplication), exploring opportunities for better integration of the arts into the community development agenda (including securing additional resources for the arts), and the exploration of new funding and investment models in partnership funding areas¹⁷.

Chart 3.3 Local Authorities' Funding for the Arts 2004-2014 (€ millions)



¹⁶The CCMA is made up of the chief executives of all local authorities and assistant chief executives in Dublin City Council.

¹⁷The Arts Council part funds local authorities' annual programmes of work (based on the 3-5 year Local Arts Strategies). Examples of such funding areas are activities and programmes targeted at children and young people, at a range of culturally diverse communities, at older people, and people with disabilities. Co-funded programmes operate in a range of contexts including schools, health-care settings and sheltered accommodation. The Arts Council also support initiatives for emerging/mid-career artists and art-form development in local areas under these programmes.

In addition to their work with local authorities, the Arts Council seeks to leverage additional income for the arts from philanthropic and private funding sources. The Programme for Government contains a commitment to encourage the arts community *'to develop new proposals aimed at building private supports for the arts in Ireland exploring philanthropic, sponsorship and endowment fund opportunities'*. In 2012, the Council developed a pilot initiative called RAISE to invest in building fundraising capacity. The pilot initially operated with 12 arts organisations. The initiative has proved successful with organisations involved recording an increase from €1.7 million in private (philanthropic) income in 2012 to €2.2 million and €2.6 million in 2013 and 2014 respectively, an increase of 41%.

Although this percentage is already significant, the Arts Council expects that there will be further increases in private income to the both the pilot organisations and also in future years to new participating organisations as the RAISE project is extended. The RAISE initiative by the Council is particularly valuable in light of the significant reductions in public funding of the arts that occurred over the past number of years as well as having the potential to protect somewhat against future public funding shocks. It is also important to note the relatively low level of investment involved with the initiative costing €0.758 million in 2013 and €0.203 million in 2012.

As a corollary to this pilot initiative, the Arts Council also seeks to maximise the value of the information it collects from arts organisations as part of the funding process and has commissioned research into the quantum, profile and distribution of private investment in these organisations. The emerging picture of a total investment of €7.595 million within the cohort of Arts Council funded organisations in 2013 demonstrates the value of maintaining and expanding on this income source in future years. In fact, this figure showed an increase of 18% from €6.441 million in 2012. Where the potential exists for the Arts Council's RAISE intervention to be expanded to further support arts organisations to achieve increased funding, this should be explored.

3.3. Arts Council Expenditure

The Arts Council's expenditure is broken down into programme expenditure (discussed in Chapter 5) and administration expenditure which includes staff costs and other administration costs. The staff costs include the salaries and pensions of Arts Council employees (including PRSI), and fees paid to Council members and Audit Committee members. Other administration costs include rent, light, heat, insurance, cleaning, maintenance/repairs, information technology, stationary/postage/printing, purchase of publications, audit fees, staff training, travel and subsistence and miscellaneous expenses incurred by council members and staff. These are set out in table 3.2 and are discussed in detail in the following sections.

Table 3.2 Arts Council Annual Expenditure –2009 to 2012

	2009	2010	2011	2012
	€'000	€'000	€'000	€'000
INCOME				
Exchequer Funding (from DAHG Vote)	73,400	68,600	65,200	63,241
Other Income ¹⁸	192	396	238	159
TOTAL INCOME (net of deferred funding for pensions)	73,592	68,996	65,438	63,400
EXPENDITURE				
Administration Pay	3,457	2,997	2,735	2,651
Administration Non-pay	3,426	3,183	2,880	2,871
Total Administration Expenditure	6,883	6,180	5,615	5,522
Total Programme Expenditure	67,455	60,428	59,215	56,649
TOTAL EXPENDITURE	74,338	66,608	64,830	62,171
<i>Administration expenditure as % of total expenditure</i>	9.26%	9.28%	8.66%	8.88%
<i>Programme expenditure as % of total expenditure</i>	90.74%	90.72%	91.34%	91.12%

3.3.1. Arts Council Staffing Costs

The fifth TOR requires an analysis of the efficiency of the Arts Council in terms of the level and trend of its staff, and the associated costs. Table 3.3 sets out details of the Arts Council's whole time equivalent staffing numbers for 2009 to 2012.

¹⁸ Other income is derived from small miscellaneous amounts from various sources, e.g. grant refunds, bank interest, European Commission (EU Contact Point), Irish Prison Service (Artists/Writers in Prison), TCD/UCD (Literature Residencies), Arts Council N.I. (Children's Laureate, Working and Living Conditions for Artists) etc.

Table 3.3 Arts Council Staffing levels 2009 to 2012

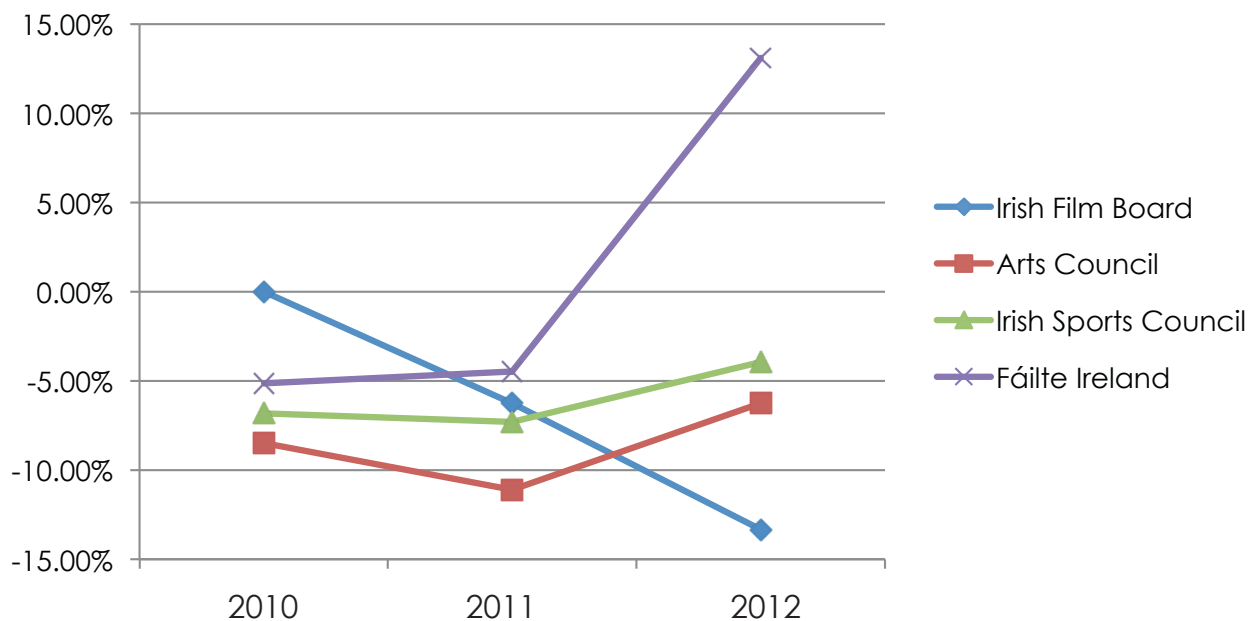
	2009	2010	2011	2012
Full time staff	41	41	41	38
Part time staff (WTE)	7	7	7	7
Project staff (contract)	11	6		
Total Staff¹⁹	59	54	48	45
% Annual Change		-8.47%	-11.11%	-6.25%
% Change				-23.73%

The table shows that there was a significant reduction in Arts Council staff over the four years in question, from 59 whole-time equivalents to 45, a reduction of 23.7% over the period. This is a greater reduction in staff levels than other statutory agencies examined for this review– most notably the Irish Film Board (-18.75%), the Irish Sports Council (-17%), Fáilte Ireland (+2.47%). The majority of the reduction was achieved by suppressing posts that were previously held by contract staff, a finding which is unsurprising in the context of a relatively small organisation where the majority of posts are filled by permanent employees.

It is also considered worthwhile to examine whether the reductions in staff in the Arts Council occurred over time or all together, and how the Arts Council's experience compares with other statutory agencies over the same period. To that end, chart 3.4 sets out the percentage change, for each year of the period 2009 to 2012, for the Irish Film Board, Irish Sports Council, Fáilte Ireland and the Arts Council. The data demonstrate that for the years 2009 to 2011, the Arts Council saw a more severe reduction in staff (on a percentage basis) than the other organisations with only one exception - the Irish Film Board continued its downward trajectory with a reduction of 13.33% in staff over the period 2011 to 2012.

¹⁹Staffing levels represents the average number of persons employed in the year in question and represent WTEs unless otherwise stated: project staff are employed for the duration of the project or special purpose contract.

Chart 3.4 Percentage change in Staff levels over time in Statutory Agencies



It is necessary to consider how a reduction of 24% in the Arts Council's staff numbers was achieved over the period of the review without damaging the organisation's capacity to deliver. Table 3.4 gives a breakdown of the grade structure in the Council between senior management, management and general grades. Senior management comprises 1 Principal Officer and 7 Assistant Principals. All staff members described as 'management' are Higher Executive Officers, with the remainder of staff at either Executive or Clerical Officer grades.

Table 3.4 Arts Council Staffing Structure 2009 to 2012

	2009	2010	2011	2012
Senior Management (PO/AP)	8	8	8	8
Management (HEO)	18	17	17	17
General (EO/CO)	33	29	23	20
Total	59	54	48	45
% Management	44.07%	46.30%	52.08%	55.56%
% General	55.93%	53.70%	47.92%	44.44%

It is clear from this breakdown that the balance between management and general grades has reversed over the review period – from a split of 44:56 in terms of management (senior and middle) and general grades in 2009 to 56:44 in 2012. Table 3.4 indicates that the reverse is accounted for exclusively by a reduction in staff at 'General' level while staff numbers at the other two levels remained substantially unchanged. To examine this further, table 3.5 compares the organisation structure in 2012 with the civil service to ascertain whether the organisation is more top-heavy than the service generally. From the table, it is clear that the Arts Council has fewer staff at the highest

levels and lowest levels than the civil service generally, significantly so in the case of the latter, and is slightly ahead of the service in terms of staff at Assistant Principal level. The greatest divergence occurs at Administrative Officer/ Higher Executive Officer level, where the Arts Council has almost double the percentage of staff at this grade than are within the civil service. This divergence is due to the structure of the Arts Council which seeks to ensure that there is a suitably qualified expert (at Administrative Officer/Higher Executive Officer level) for each of the arts areas listed in the Arts Act 2003.

Table 3.5 Civil Service and Arts Council Grade Structures 2014 and 2012

Grades	Civil Service		Arts Council	
	2014		2012	
Secretary Generals & Assistant Secretaries	264	0.92%	0	0.00%
Principal Officers	1189	4.13%	1	2.22%
Assistant Principals	3424	11.88%	7	15.56%
AO/HEO	5769	20.02%	17	37.78%
EO/SO/CO	18169	63.05%	20	44.44%
Total	28815	100.00%	45	100.00%

Although there are fewer staff (proportionally) at lower grades in the Arts Council than in the civil service generally, this is substantially explained by a major organisational restructure and operational change programme instituted by the Council that implemented changes to the staffing structure, including the suppression of 13 staff at EO/SO/CO grades, and administration of the Arts Council. This yielded efficiencies in the operation of the Council, particularly in the reduction or elimination of administrative tasks usually carried out by staff at the 'general' level. The specific changes which improved operational efficiency are:

- **the move to online services and particularly the administration of the Council's grants which are entirely undertaken online;**
- **the centralisation of administrative tasks which minimises duplication of activities;**
- **increases in cross-team and organisational working;**
- **use of technology to minimise administration (e.g. board pad for Council meetings);**
- **outsourcing of public affairs and communications support and reception services; and**
- **a rationalisation of departments.**

With these initiatives, the Arts Council has sought to minimise and centralise administrative functions which has allowed significant savings in pay costs. In order to comply with its annual Employment Control Framework (ECF) targets, the Council has taken a number of actions to ensure the overall staffing levels and grades stayed within the limits agreed with the Department of Public Expenditure and Reform. These include a voluntary programme of reducing staff working hours and the use of short-term agency staff to cover key vacancies that arose over the review period (in 2012).

While these actions ensured that the necessary controls on staff levels were complied with, the continuation of such arrangements over a longer term could be detrimental to the effective operation of the Arts Council. It is therefore recommended that the Arts Council undertake a review of its organisational structure and medium-term staffing requirements, aligned to the new strategy for the Arts Council due in late 2015, to ensure that the Council staffing structure and resources remain fit for purpose.

Another interesting performance metric in terms of the efficiency of Arts Council's in managing its staffing costs over the period of the review is to examine pay costs as a proportion of the Arts Council's total administration expenditure and total Arts Council expenditure. While useful, this metric may not reflect the fact that over shorter time periods pay costs are a fixed element in the overall administrative burden and as such may appear higher as a proportion of total expenditure in a time of falling income for an organisation. Table 3.6 provides a summary of the annual pay costs of the Council as well as how they relate to total administration and Arts Council expenditure.

This table demonstrates how the Arts Council has consistently reduced its pay costs over the review period, broadly in line with the annual reductions in staff numbers of 8.5%, 11% and 6%. The staff reductions and associated pay reductions do not necessarily match, given that staff reductions may happen throughout the year with differing impacts on annual pay costs. Overall it is worth noting that of the reduction of 23.3% in pay costs²⁰, the Arts Council estimates that 5% relates to pay reductions implemented on foot of the Financial Emergency Measures in the Public Interest (No. 2) Act 2009. Additional information on the productivity reforms introduced by the Arts Council as part of their compliance with the Croke Park Agreement is contained at appendix 1. Although the overall reduction (23.3%) in costs is in line with the overall reduction in staff numbers of 23.8% the impact of the pay reductions demonstrates that a greater proportion of staff lost were at lower grades.

In addition, table 3.6 also compares the proportion of administration expenditure and total expenditure for which pay costs account. On both counts, the proportion of costs reduces over the period (with the exception of a slight increase in the proportion of administration costs from 2010 to 2011).

Table 3.6 Annual Pay Costs of the Arts Council 2009 to 2012

	2009	2010	2011	2012
	€m	€m	€m	€m
Administration: Pay Costs	3.457	2.997	2.735	2.651
% Annual Reduction Pay Costs		13%	9%	3%
% Aggregate Reduction Pay Costs				23.32%
Total Administration Costs	6.883	6.180	5.615	5.522
Pay costs as a % of total administration costs	50.23%	48.50%	48.71%	48.01%
Total ACI Expenditure	74.465	67.066	64.120	63.193
Pay costs as a % of total expenditure	4.64%	4.47%	4.27%	4.20%

²⁰ Pay costs reductions reflect the grade of the staff member, such that lower paid staff reductions mean lower savings on pay costs than higher paid staff.

All of this demonstrates that the Arts Council has consistently reduced its pay costs over the review period. These reductions in costs were due to necessary reductions arising from the Croke Park Agreement, the reduction in staff (mainly through the non-renewal of contracts), a voluntary programme of reduced working hours, and the use of outsourcing arrangements and agency staff to cover key vacancies. In terms of the last two actions, it is vital that these arrangements (outsourcing and agency staff) do not negatively impact on non-pay administration costs as a proportion of the overall funding available to the Arts Council. This is analysed further in the following section.

3.3.2. Arts Council Administration Costs

As set out in section 3.3, the administration costs of the Arts Council are divided into pay and non-pay costs. Section 3.3.1 deals with the pay element of the overall administration costs while this section (3.3.2) examines the non-pay elements. The non-pay elements include council expenses, staff expenses, arts advisers and business consultant fees, as well as typical costs like rent, light, heat etc. These non-pay expenses also provide for outsourced functions including PR and communications and reception services, as well as (from 2012) providing for agency fees to cover key vacancies.

Table 3.7 below shows the percentage change, year on year, in the Arts Council's non-pay administration expenditure for 2009 to 2012 with a total reduction of over 16% for the period. While it is clear from this table that these non-pay administration costs have reduced consistently over the period, it is valuable to look at them in the context of the overall expenditure of the Arts Council.

Table 3.7 Non-pay administration costs 2009 to 2012

	2009	2010	2011	2012
	€m	€m	€m	€m
Non-Pay Administration Costs	3.426	3.183	2.880	2.871
% Annual Reduction Pay Costs		7.09%	9.52%	0.31%
% Aggregate Reduction Pay Costs				16.20%
Total Administration Costs	6.883	6.180	5.615	5.522
Non-Pay costs as a % of total administration costs	49.77%	51.50%	51.29%	51.99%
Total ACI Expenditure	74.465	67.066	64.120	63.193
Non-Pay costs as a % of total expenditure	4.60%	4.75%	4.49%	4.54%

Despite the reductions in its annual funding, some 14% over the review period, the Arts Council has maintained its non-pay administration costs at between 4.5% and 4.75% of total Arts Council expenditure over the period. To achieve this level of consistency would have required significant reductions across all elements of discretionary non-pay administration expenditure. As such, it is noteworthy that over this period, the Arts Council succeeded in introducing additional cost elements to non-pay administration expenditure e.g. the introduction of outsourced functions (PR and communications and reception services) and for 2012, agency fees. Annually these additional items cost in the region of €200,000. From this analysis it may be concluded that the Arts Council has been successful in reducing discretionary non-pay administration costs so that the overall programme expenditure of the Council has not been impacted by an increased proportion of funding going towards administering the organisation in a time of significant budget constraints.

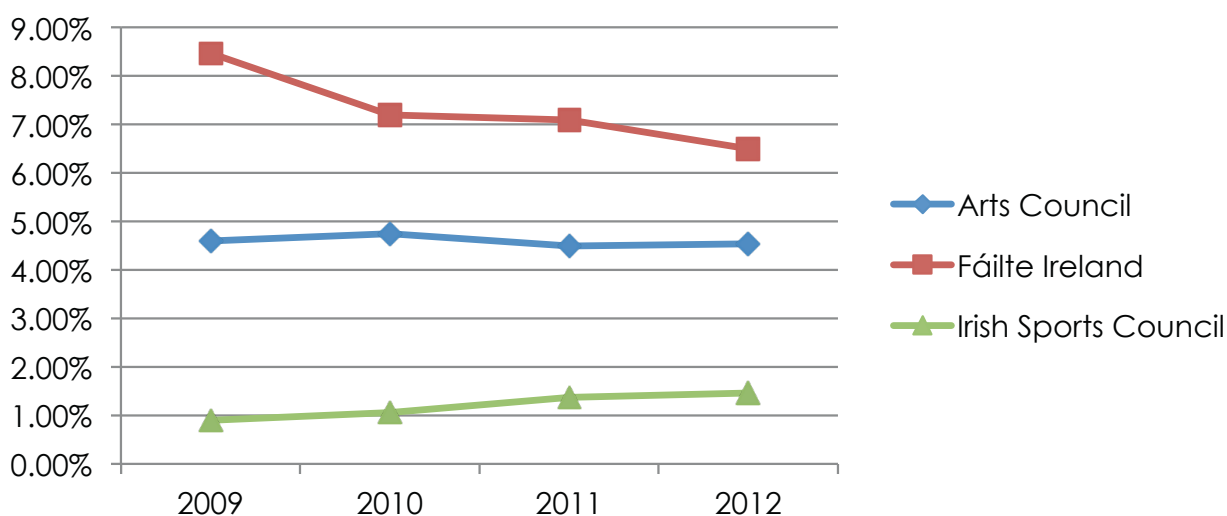
Of particular note are the significant reductions which were achieved over the period:

- The costs of engaging arts advisers reduced by 38% (from €0.59 million to €0.36 million).
- Staff and council expenses were reduced by 36%²¹ and 10%²² respectively.
- The operational costs of the Arts Council 2009 saw a reduction of 5%²³ in general buildings expenses (rent, light and heat, maintenance etc.) while the Council's costs for telephones, training, postage, stationery etc. reduced by almost 15%²⁴. These reductions are notable as these types of expenses tend to be quite static.
- The Arts Council has sought to maintain its investment in IT, albeit with a reduction in 6%²⁵ over the period. This investment was considered to be a critical element of the process improvements (undertaken as part of the Arts Council's structural and operational review) which achieved savings in administration activities elsewhere and improvements in service provision e.g. decision times on applications have reduced from an average of 16 weeks to just 8 weeks. Maintenance of the IT system is considered crucial to maintaining these savings.

It is unlikely that the Arts Council would be in a position to achieve further reductions of this magnitude in future given that much of the remaining administration expenditure is of a non-discretionary nature i.e. rent, light, heat etc.

It is also useful to compare the performance of the Arts Council in reducing its administration costs over the review period with other organisations that have similarly had their annual funding reduced. To that end, chart 3.5 below compares the Arts Council's annual reduction in non-pay administration costs with those of Fáilte Ireland and the Irish Sports Council. It is clear from this chart that the Arts Council has performed solidly over the period with a non-pay administration cost between both that of Fáilte Ireland and the Irish Sports Council.

Chart 3.5 Non-pay administration costs as a percentage of total expenditure



²¹From €115,260 to €91,452.

²²From €83,016 to €33,997.

²³From €662,784 to €631,175.

²⁴From €284,216 to €243,038.

²⁵

	2009	2010	2011	2012
Cost of IT	€369,811	€371,451	€406,537	€347,560

3.3.3. International Comparison - Arts Council Expenditure in other jurisdictions

It is notoriously difficult to compare administration costs of organisations in different jurisdictions, given differing labour costs across borders and variations in responsibilities and roles of organisations, for example both the ACE and Creative Scotland enjoy a much broader remit than the Arts Council.

To address these difficulties, the relative costs of the arts councils in Scotland, England, Northern Ireland and Finland have been established as a percentage of the overall expenditure of these organisations, and compared with the Arts Council's performance. Chart 3.6 compares their administration costs as a percentage of total costs with that of the Arts Council. Although this simple measure does not drill down into the content of those administration costs, it is clear that the Arts Council performs well in an international comparison, with the lowest percentage cost overall. The nearest comparator is the ACE at 5.3% versus the Arts Council's average costs of 4.6% over the review period.

Chart 3.6 International Comparisons: Administration Costs as a % of Total Costs



04 Chapter 4

Activities: Governance and decision-making



4.1. Introduction

As set out in the fifth TOR, this chapter explores the governance and decision-making processes of the Arts Council with a view to better understanding how the Arts Council allocates its funding each year. The following chapter, then examines the efficiency of the Arts Council as measured by its outputs.

4.2. Role of the Department of Arts, Heritage and the Gaeltacht

The Department of Arts, Heritage and the Gaeltacht sets the overall policy framework for and channels the necessary funding to the Arts Council to enable it to carry out its statutory functions, as provided for in the Arts Act 2003. The Act specifically provides that the Arts Council is independent in its funding decisions (Section 24(2)).

The Arts, Film and Music Section of the Department's Arts Division communicates the policy direction to the Arts Council through annual funding letters and service level agreements (since 2013), oversees the release of funding, and ensures general compliance with financial management, governance and reporting requirements. The allocation of funding by the Department is subject to certain conditions including compliance with the Public Financial Procedures, the Public Spending Code, the Code of Practice for the Governance of State Bodies, and national and EU procurement rules and procedures, pay and employment procedures and other circulars issued by the Department of Public Expenditure and Reform. In addition, the Department generally outlines to the Council the importance of value for money in relation to the Council's activities, the need to maximise funding for the arts relative to administration costs and adherence to the commitments contained in the Programme for Government.

Over the period of the review the Department has consistently required that the Arts Council ensure the necessary management, accountability and reporting procedures and practices are in place to ensure that:

- **Funding disbursed by the Arts Council is utilised by end-users for the purposes granted;**
- **Value for money is achieved from projects in receipt of grant-in-aid;**
- **Best practice procurement procedures are adhered to (specific reference is made to the National Procurement Policy Framework);**
- **The Council is able to demonstrate the outcomes of expenditure programmes and their compatibility with pre-determined objectives; and**
- **The Council can input fully to the Annual Departmental Strategy and Output Statements and demonstrate the tangible and intangible returns of the investment in the arts sector²⁶.**

Specific recommendations in relation to the operation of the Arts Council over the period include providing a more user-friendly interface on the funding decisions section of the Council's website, encouraging the sharing of back-office functions and facilities between the Council and the organisations it funds, improving the efficiency and effectiveness of funded organisations in achieving outputs and outcomes consistent with Arts Council strategies (2010) and the need for staff reductions to meet Employment Control Framework targets (2011).

The Department monitors the work of the Council on an on-going basis over the year through both formal and informal interaction. These engagements include quarterly liaison meetings to discuss and record issues relating to expenditure as well as operational and organisational matters. The Department also requests that a framework of appropriate (quantifiable and measurable) indicators be agreed each year to measure the outcome of the Arts Council's annual programme.

In terms of national oversight of the Arts Council, it is clear that the Department has established a system whereby national priorities, both operational and policy, are formally communicated to the Arts Council. It should be noted that in preparing this formal communication, the Department engages regularly and is informed by the experience and objectives of the Arts Council. While a set of performance indicators is agreed to monitor delivery of these priorities, there is scope for improvement in their definition. Regular liaison meetings between the Department and the Arts Council also provide an opportunity for any issues or challenges to be addressed in a timely manner, as well as a regular monitoring of progress against the performance indicators. That said, it is noted that national priorities

²⁶This list is adapted from letters from the Department to the Arts Council confirming the annual Grant-in-Aid.

are often expressed in broad terms e.g. 'ensure value for money' which can make the identification of specific performance indicators more difficult. Consideration could be given to establishing a performance measurement system, linked to the annual service level agreement, which meets Departmental requirements as well as supporting the Arts Council's Executive in managing the programme. This would facilitate the annual tracking of progress against agreed priorities and actions.

4.3. Corporate Governance and the Arts Council

This VFMPR examined the Arts Council's governance regime²⁷ within the context that effective corporate governance in the public sector can encourage the efficient and effective use of scarce public resources and can improve the public perception of the organisation. The Arts Council developed a single code of governance framework in 2013 which sets out in detail the corporate governance regime for the Council. Previously the regime was outlined in a number of separate documents including the standing orders of the Council, terms of reference of individual committees of the Council, audit procedures etc. To establish, in broad terms, whether the current framework, and indeed the previous regime, conforms with best practice, the Arts Council was requested (in April 2015) to complete a self-assessment checklist based on sample tool²⁸ developed by the Governance Forum²⁹, a body which provides advice on corporate governance in the Irish public sector.

The checklist is divided into three sections, each dealing with a different aspect of corporate governance, and deals with two time periods – the review period and the present day. The following sets out, in broad terms, the corporate governance matters covered by the checklist:

- **Organisational structures and processes which includes questions on statutory and financial accountability, communication with stakeholders, and the roles and responsibilities of the Council, Director and other senior management positions;**
- **Financial reporting and internal controls dealing with the Arts Council's approach to annual reporting, internal controls, and audit arrangements (both internal and external) and;**
- **Standards of behaviour which includes questions on the leadership provided by Council members and the establishment of a code of conduct for members and staff.**

The Arts Council's responses to the checklist questions are provided at appendix 2.

The responses provided by the Arts Council indicate that it has put in place the necessary financial, risk and audit processes and procedures to protect the State's investment in the arts. In addition, the Arts Council evaluates the efficacy of the Council's operation in terms of its strategy, business principles, risk management and internal control, performance and measurement, stakeholder management, composition and boardroom practice, performance of committees and the performance of individual directors on an annual basis (internal review). An evaluation by an independent external assessor is undertaken every 3 years³⁰.

In the context of using the corporate governance regime in the Arts Council to improve performance, some specific points are raised in the following sections for consideration which could further enhance the operation of the Arts Council.

²⁷The Arts Council is required to comply with the 2009 Code of Practice for the Governance of State Bodies which sets out the framework for best practice in corporate governance by all state bodies. The Arts Council's compliance with the code is subject to review by the Comptroller and Auditor General (in terms of the Statement of Internal Financial Control) and the Department's Internal Audit Unit.

²⁸Checklists to assist public sector bodies in complying with national corporate governance requirements are provided at http://www.governance.ie/reference/best_practice_corporate_governance_for_state_bodies/

²⁹ The Governance Forum is an Irish initiative, managed by the Institute of Public Administration, to provide a network, events and advice on governance issues from a public interest perspective. The member organisations of the Forum include State bodies, Government Departments and not for profit bodies. www.governance.ie

³⁰The last evaluation was undertaken by the Institute of Directors in Ireland and was completed in 2013.

4.3.1. Value for Money and Performance Management

The internal audit function within the Arts Council has responsibility for conducting value for money audits on expenditure, but in practice this function is limited to areas of administrative expenditure. In line with the principles established by Circular 13/2014 issued by the Department of Public Expenditure and Reform, value for money audits should also be conducted on programme expenditure as well as administration expenditure, given that administrative expenditure accounts for less than 10% of the total expenditure of the Arts Council. This will ensure that evaluation, both in terms of efficiency and effectiveness, becomes part of the normal operation of the Arts Council annual work programme. It is recommended that the Code of Governance Framework be updated to reflect that all expenditure will be subject to internal value for money audit, and that it is a particular duty of the audit committee to review the results of these audits and make recommendations to the Council to inform the budget allocation decision making process.

There is also a requirement in the 2009 Code that all public bodies should have a performance management/monitoring system in place for major expenditure decisions to ensure that value for money is achieved. The absence of a formal performance management system was noted both in a recent review by the Department of the Arts Council's corporate governance regime and in the strategic review of the Arts Council. The latter specifically noted that:

"All aspects of financial management are rigorous and there is evidence of attention to certain outputs, especially attendance by audiences. However there is a marked absence of formal setting, monitoring and evaluation of outcomes and impacts."

The requirement for a clearly stated performance management system which can evaluate the efficiency and effectiveness of expenditure decisions represents an important step towards using the corporate governance regime to actively improve the organisation's performance.

The Arts Council's current system of monitoring outputs, as a requirement for any grant award, provides a suitable basis on which to build a robust performance management/monitoring system. Currently information collected from funding recipients includes information on all income, core and programme costs, art form as well as details of audience and participant numbers. There is a proposal to expand this in future years to collect more detailed information e.g. the purpose behind activities. It is considered essential that this data collection function be expanded, and periodically reviewed, to ensure sufficient data are available to evaluate the success or otherwise of individual grants (relative to targets) and whole schemes (relative to the Arts Council's objectives). Establishing baseline information against which progress in the achievement of the targets and objectives of individual grants and schemes can be measured is a key step in the process.

4.3.2. Communication

As communication with stakeholders is a vital constituent of good governance, not least in terms of improved transparency of operation and ultimately improved efficiency, the checklist (appendix 2) included six questions on communication – examining how the Council communicates with the Department, Local Government, arts organisations, artists and audiences as well as how the Arts Council reviews the efficacy of these communication channels.

From the review of the checklist³¹, as well as additional information provided by the Arts Council, it is clear that there is a robust methodology in place for communicating with the local government sector including regular engagement with the CCMA and the Association of Local Authority Arts Officers, as well as on-going engagement with individual local authority arts offices and officers around the implementation the Arts Council's annual programme. Engagement with arts organisations generally occurs at the level of the relevant arts manager and focuses on the annual funding relationship. The Council also uses its website (recently redesigned with this in mind) to provide information to artists and arts organisations about its work, its awards and on support services it provides including, for example, on developing arts audiences³². Although these channels of communication are useful,

³¹The discussion on the efficacy of communication arrangements between the Department and the Arts Council is contained in section 4.2.1.

³²The Arts Council, in partnership with the Temple Bar Cultural Trust, offers a wide range of supports to arts organisations and artists to help identify and engage with audiences. One such support is a dedicated website (www.artsaudiences.ie) which operates as a one-stop shop providing information on events and seminars, research and other supports for audience development.

they provide limited scope for organisations to initiate engagement with the Arts Council and input into the policy development and implementation functions of the Council.

The strategic review of the Arts Council (2014) found that communication by the Council is primarily 'sector facing' and identified an appetite for on-going engagement and communication about arts among a wide range of stakeholders from its own consultation process. In terms of engaging with audiences, the Arts Council's website and the culturefox.ie website and application provide much useful information to audiences and individuals outside of the professional arts sector including details of events (culturefox.ie), funding decisions, and data visualisation tools which facilitate a better understanding of the Arts Council's support for the arts at local level. As a communication tool websites are limited in that they are primarily used as a way of providing information rather than facilitating comments back. Consideration should be given to encouraging more feedback from the public, including on policy development, through these online platforms.

The Arts Council should also endeavour to engage with other sectors where mutual benefits may accrue from the enhancement of the arts sector e.g. tourism and business, or where the Arts Council can build partnerships to improve access to and participation in the arts e.g. community development, education. The approach taken in the consultation on the strategic review offers an interesting model whereby selected representatives from a wide range of sectors (arts sector, education, community development, tourism, broadcasting, business etc.) were invited to a series of facilitated meetings which could be repeated as part of other policy development initiatives.

4.3.3. Transparency and Conflicts of Interest

The Arts Council has already made significant efforts to improve the transparency with which it does its work. This goes some way beyond simple conformance with the Code. Some important initiatives in this regard are:

- **the publication of minutes of the Arts Council. The Council endeavours to publish these minutes within two months of the meeting taking place and with as few redactions as possible. The minutes include details of decisions in relation to the provision of funding;**
- **the publication of Council members' declarations of interest in respect of funding decisions; and**
- **the requirement that all organisations which receive regular funding from the Arts Council must adhere to certain standards in terms of transparency. Key requirements include the need to publish annual accounts, information about board members and information on senior staff members' remuneration. Depending on the scale of the funding, the organisations must also commit to comply with the charity statement of recommended practice (SORP), the Governance Code³³ and with the principles of Good Fundraising³⁴.**

The Council takes great care to ensure that Council members are clearly identified both on the Council's website and in the annual reports, along with a biography of each member. In addition conflicts of interest of board members, relating to particular funding decisions, are noted in Council minutes. However, all additional efforts to improve transparency in decision making should be explored including in relation to revising the definitions of interest and unreasonable advocacy in the code of governance framework to ensure that they are in line with the Code of Practice, clear and leave no scope for subjective interpretation. In addition, the provision whereby Arts Council members with a declared conflict of interest may, on a limited basis, inform the discussion on a particular decision should also be reconsidered (section 2.8.10 of the framework). Consideration should be given to the inclusion of peer panels within the framework.

³³This is a code of governance for Community and Voluntary Organisations.

³⁴http://www.artscouncil.ie/uploadedFiles/www.artscouncil.ie/Content/Funding/After_you_apply/Governance-transparency-scale-for-organisations-in-receipt-of-recurring-Arts-Council-funding.pdf

4.4. Decision making and the allocations process

This section examines the decision-making process of the Council as it allocates funding across the arts sector. A full list of all funding streams is provided at appendix 3.

4.4.1. Allocations Process

The Council meeting in plenary session agrees its annual budget based on the level of Exchequer funding it receives. The Business and Finance Committee (a Standing Committee of the Council) oversees the deliberative budget strategy and structuring process and recommends the final Budget to the Council for agreement. Once the costs of administration (set out in Chapter 3) have been allocated, the balance represents the total funding available for the Arts Council's annual programme. This is allocated on the following basis:

Existing commitments/strategic priorities: represent the annual funding allocation for the Abbey Theatre, Aosdána, and the Touring programme. These funding allocations accounted for €11.3 million in 2012 or 20% of the total programme funding for that year. The Council also makes financial provision to meet strategic priorities identified (e.g. RAISE, Arts Audiences) and a contingency fund to meet unforeseen funding requirements that may arise in the year.

Allocations to each Arts Area: allocated among individual arts areas taking account of the following factors:

- the proportions applied in the previous year;
- adjustments made to align with the Council's identified strategic priorities for that year.

Allocations within each Arts Area: the breakdown of funding within the various arts areas³⁵ involves identifying which funding programmes are available to each arts area and the requirements of any strategy or policy applying to that area. Typically the allocations break down into funding programmes or schemes across the Arts Areas as follows:-

- Recurring Funding (63% in 2012) - This funding is delivered through three separate funding streams; Regularly Funded Organisations (RFO), Annual Funding (AF) and Annual programme grant (APG). The RFO and AF schemes provide funding for arts organisations' core operating costs as well as for their artistic programme, while the APG awards are for artistic programmes only. A subset of annual funding relates to the provision of funding to local authorities to implement their local arts strategies.
- Once-off and other funding (16% in 2012) - This category includes all once-off financial supports, investments and awards made to artists and organisations where there is no on-going funding relationship. For individual artists, once-off funding is generally used to support the practice of individual artists and the creation of new work through bursaries, commissions, travel and training awards and project awards. For organisations, support is usually provided for once-off projects and programmes of work e.g. Touring and Dissemination scheme, Festivals and Events scheme, and the Young Ensembles Scheme. Some once off awards are limited to specific art forms and are designed to meet a particular strategic priority e.g. Deis - to support aspects of traditional arts practice. While many individuals and organisations receive funding from these streams over many years, support is explicitly granted on a once-off basis and does not constitute an on-going relationship.

Allocations to organisations and artists: Individual grant and award decisions are decided on in one of the following forums depending on the funding stream involved:

- Arts Council in plenary. Arts Council staff, working with arts advisers, prepare recommendations for consideration by the Council.
- Peer panels under delegated authority from the Arts Council. Panels are made up of experts in the field chaired by a non-voting member of the Arts Council;
- Third party organisations under delegated authority from the Arts Council in a small number of specific schemes e.g. Artists in the Community, Visual Artists Workspace scheme;
- Staff under delegated authority from the Arts Council for specific schemes i.e. Travel and Training and grant applications of less than €30,000; and
- All delegated authority decisions are formally tabled and noted at plenary meetings of the Arts Council.

³⁵Allocations are generally made to the following art areas as follows:

Art forms: Architecture, Circus, Street Arts and Spectacle, Dance, Film, Literature, Music, Opera, Theatre, Traditional Arts, Visual Arts.

Multidisciplinary Arts: Venues, Festivals and Events, Artists' support.

Arts Practice: Arts Participation, Local Arts, International Work, Young People, Children and Education.

4.4.2. Criteria for making allocations

The criteria for taking allocation decisions differ at each level and are set out in Table 4.1. A key consideration in the allocation of funding between the various arts areas is the role played by the Arts Council in the broader funding environment e.g. the Arts Council is not the sole funding resource for architecture and as such, architecture accounts for a relatively small proportion of the overall programme funding. By contrast, the Arts Council is the primary public funding source for theatre and therefore, this represents a very significant proportion of the Arts Council's budget.

The Arts Council operates a monitoring and reporting system for all funding streams. Depending on the level of the funding provided the strategic importance of the funding programme and the level of risk associated with the award, the Arts Council tracks and measures the outputs achieved from individual grants and awards. The results of these are collated and are used to evaluate whether the strategic objectives and annual targets for the year were met. This information is then used to inform funding decisions in future years.

Table 4.1 Criteria for allocations

Existing Commitments & Strategic Priorities	Allocations to each arts area	Allocations within each arts area	Allocations to organisations and artists
Funding must be in line with strategic priorities set out in the Arts Council strategy.	Initial allocations are based on the previous year's (proportional) funding allocation and adjusted based on additional criteria below.	Identification of which funding programmes are available within the arts area.	Separate criteria apply to recurring and once-off funding streams as follows:
Funding must meet the specific annual priorities and objectives agreed at the plenary policy meeting (June/July).	The identification of the art form in the Arts Act 2003.	Based on the requirements of any strategy or policy applying to that area.	The artistic quality of the proposal (Recurring and once-off funding).
Funding must address policy objectives set by Government and the Minister.	The strength of the arts area within the arts sector in Ireland.	Consideration of the recurring funding estimated requirements under the Annual Funding scheme, Annual Programme Grant and Regularly Funded Organisations grant.	The management structure and capacity of the organisation (Recurring funding).
Funding is provided for multi-annual commitments agreed in previous years.	The presence or otherwise of alternative sources of funding other than the Arts Council and the need to maintain a minimum level of funding to ensure the arts area is maintained.		The degree to which the organisation meets the Arts Council's strategic priorities as set out in the Arts Council's strategy. (Recurring funding).
To meet specific strategic priorities and objectives. This criteria is generally considered in the context of an additional allocation within the arts area to support a specific priority.	To address specific barriers to entry or market failures e.g. high cost of production, low private income etc.		The degree to which the proposal meets the objectives and priorities of the individual grant or award scheme (Once-off funding).
	Value for money considerations.		The feasibility of the proposal (Once-off funding).

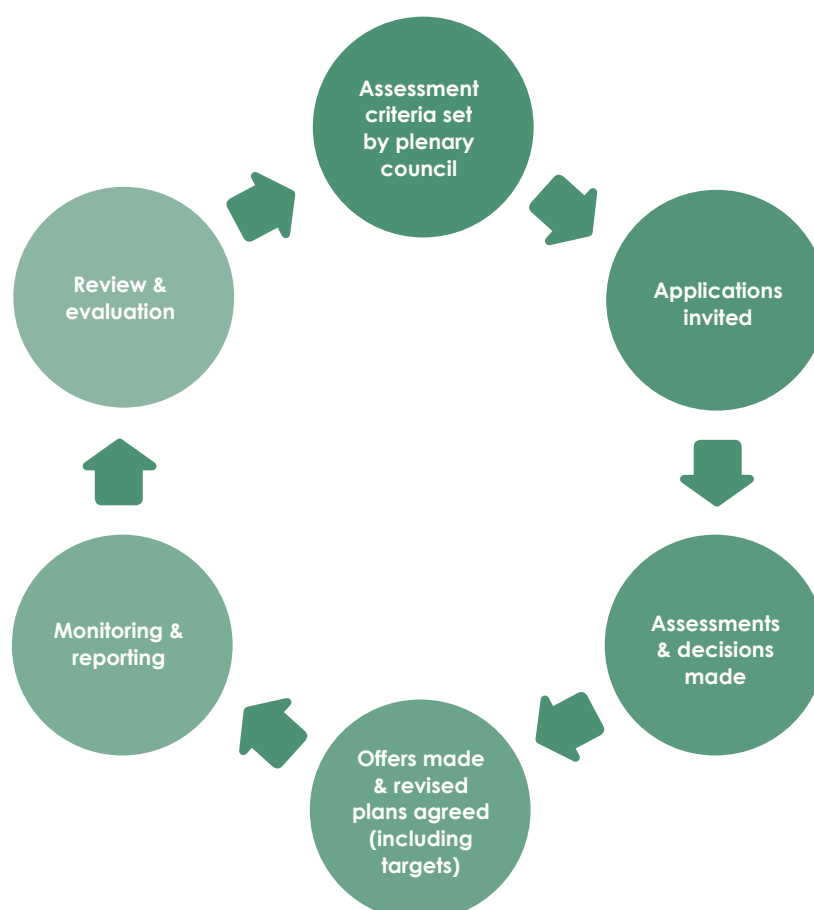
In general, the criteria used are relevant to the decisions taken, and are adequately linked, at the first and third levels of allocation, to the strategic priorities for the arts set by Government and the Arts Council's strategy. Although *Developing the Arts in Ireland: 2011 to 2013* specifically recognises that in making funding decisions the Arts Council should have regard for value for money [and sustainability], it is noteworthy that it only explicitly forms part of the Council's decision-making criteria in making allocations between arts areas. To enhance the clarity of the decision making process and to ensure that maximum value is derived from public investment in the arts, it is recommended that value for money be included as a specific criterion at each level of the allocation decision-making process, and especially at the final stage when individual grants and awards are made. While it is recognised that evaluating the funding required by art forms and artistic merit can be difficult, a scoring mechanism should be applied at all levels of the allocation process to ensure that the making of allocations is as transparent as possible.

In making allocations between arts areas, it is noted that the Arts Council's first step is to base them on the previous year's (proportional) allocation to ensure stability within the arts sector. This is particularly important for organisations which are largely dependent on funding for the Arts Council for their running costs³⁶. This methodology, although in line with the Arts Council's strategic objective to support artists and arts organisations, may limit the availability of funding for new initiatives to meet specific strategic priorities and objectives within and across arts areas, particularly in the context of more constrained annual budgets. In determining the allocation, consideration could be given to the establishment of a maximum threshold for which the previous year's (proportional) allocation could account.

4.4.3. Assessment, grant and appeals processes

The Arts Council operates a six stage process for the assessment, granting and review of individual grants and awards as set out in the following chart.

Chart 4.1 Process for assessment, grant and review of individual awards by the Arts Council



³⁶Organisations in this category typically receive annual funding under the Regularly Funded Organisations and Annual Funding grant schemes.

The first stage involves the setting of assessment criteria for the award (as well as the maximum level of the award) by the Arts Council. Based on these criteria, the Arts Council prepares detailed applicant guidelines to support organisations and artists in making their application at stage two of the process. The guidelines, regardless of the level of funding available, are presented in a standard format and include inter alia the following information:

- **the objectives and priorities of the funding programme including maximum grant levels;**
- **the eligibility criteria including information required for valid applications;**
- **the arrangements for the processing and assessment of applications;**
- **the criteria used to assess applications (although the relative importance of individual criteria and how they will be scored are not provided); and**
- **a link to the Arts Council's appeals and complaints procedure.**

Applications are made through an online system and deadlines are strictly adhered to.

Stage three of the process involves the assessment³⁷ which may be done by an internal board (consisting of a staff member and arts adviser), peer panel and in some cases an outside body contracted to administer the scheme e.g. Visual Artists Ireland. The application is assessed against the published criteria as under the headings set out in table 4.2. The criteria differ depending on whether the funding stream is categorised as recurring (provided to organisations annually) or once off funding. Final decisions take account of the competitive context of the funding stream and the available national budget for the grant or award.

Stage four of the process involves the making of an offer of funding by the Arts Council. Such offers include the amount of funding offered, the terms and conditions which apply (including reporting requirements), and any special conditions applying to the funding award. This stage also includes the setting of targets and definition of outputs for the award. For some offers e.g. where the funding award differs from the amount applied for, this stage will involve the revision of the original proposal for final approval by the Arts Council.

Stage five is the monitoring and reporting stage to track and measure the achievement of the outputs and targets set for the organisation. This stage is considered vital in ensuring organisations and projects remain viable and that funding is used for the purposes awarded. For larger awards the level of monitoring and reporting is greater including consideration of annual accounts, board minutes (for organisations in receipt of funding over €0.25m), details of staff and advisers, and periodic reporting of progress. In recent years the Arts Council has used its monitoring and reporting requirements to gather valuable data on the outputs of its funding awards, on audiences and potential audiences, and on the wider funding landscape for the arts sector. Section 4.2.2 included a recommendation that the data collected as part of this process be expanded.

The final stage in the process is the review and evaluation of the award. The Arts Council undertakes the review and evaluation of awards at the level of individual grants and awards, as well as in the context of the aggregate funding stream. For the former, the Arts Council uses the monitoring and reporting data to analyse the organisation's performance against targets, the appropriateness of the targets set, the on-going viability of the organisation, and its future capacity for delivery. For smaller awards, this review is limited to the delivery of agreed outputs. In its review of the overall funding stream, the Arts Council reviews the overall objectives and targets, the on-going need for the funding stream, the need to adjust the budget in subsequent years, and the process requirements (application, assessment, reporting).

³⁷Staff and arts advisers generally undertake a preliminary assessment and make recommendations to the board, panel or outside body.

Table 4.2 Assessment criteria for grants and awards.

The artistic quality of the proposal (Recurring and once-off funding)	The management structure and capacity of the organisation (Recurring funding)	The degree to which the organisation meets the Arts Council's strategic priorities as set out in the Arts Council's strategy. (Recurring funding).	The degree to which the proposal meets the objectives and priorities of the individual grant or award scheme. (Once-off funding).	The feasibility of the proposal (Once-off funding).
For recurring funding - individual applications are assessed against the following headings:	Track record of achievement in the arts including high standards of service and/ or programme delivery.			Ability to adhere to the proposed timetable or schedule
Originality	Appropriate, functioning and effective governance structures			Availability of other supports/partners identified in the application.
Ambition	Appropriate controls and structures for the management of resources.			Other relevant factors.
Connection	Good employment practices and reasonable pay for artists and employees			
Technical Competence	Good audience engagement and development procedures			
Personal Response	Effective management of buildings including provision of high quality facilities for artists and the public (where relevant).			
For once-off funding individual applications are assessed for artistic merit based on the artist's previous practice, the nature (and ambition) of the proposal and the competency to delivery.				

In general, the process for the making of individual awards and grants is in line with practices in other jurisdictions (ACE and Creative Scotland). However, certain improvements could be made in the transparency of the system for organisations and artists working within the sector as follows:

- The regularly funded organisations funding scheme currently operates on an “invitation only” basis where organisations are invited to apply rather than the operation of an open application (which applies in all other cases of Arts Council funding). Given the potential value to arts organisations of such funding, operating this scheme on an open basis would ensure greater transparency.
- The application guidelines for some schemes include details of a scoring system³⁸ e.g. Deis and the Dance Artist Residency Scheme. This should be extended to all funding streams. Consideration should be given to expanding the marking scheme to the provision of a separate mark for each criterion against which the application is assessed and a relative weighting applied to each. Copies of the scoring breakdown (by criterion) and final score for the application should be made available to applicants.
- As allocations for each funding stream are agreed as part of the overall budget for each arts area, the total funding available for each arts area under each scheme should be published.

Separately the Arts Council operates an appeals and complaints procedure, the details of which are published on its website. A link to the procedure is included in all applications guidelines. The procedure fulfils all of the necessary requirements of a robust procedure advising applicants clearly about the requirements for making an appeal, the timeframe for responses, and advising who will review the appeal/complaint at each stage. The consideration of appeals and complaints is limited to *‘an alleged infringement or unfair application of, or a deviation from the Council’s published procedures’* and does not provide for the re-assessment of individual applications. This limitation of appeals to a review of process rather than decision is in line with such appeals procedures in arts organisations in other jurisdictions e.g. ACE, Creative Scotland, and New York Council on the Arts.

³⁸This is done on the basis of each member of the assessment board or panel giving a score of A (10 marks), B (8 marks), C (5 marks) and D (2 marks) and an average being calculated.

05

Chapter 5

Outputs: Arts Council
Programmes
2009 to 2012



5.1. Introduction

This chapter analyses the programme expenditure of the Arts Council and identifies the outputs of funding decisions taken by the Arts Council (TOR 3). The evaluation framework (PLM) identifies four key activities and associated outputs for the Arts Council (set out in the following table). This report examines each of the four activities and measures the level of outputs achieved for each, having particular regard to the challenging economic funding environment over the review period.

Table 5.1 Evaluation Framework (PLM): Arts Council Activities and Outputs

Activity	Associated Outputs
Provide financial assistance and other supports to artists and arts organisations and support others who develop and promote the arts	Diverse range of organisations, artists events and other arts initiatives supported
Work in partnership with artists, arts organisations, public policy makers and other relevant stakeholders to broaden the reach and deepen the impact of the arts	Audience development
	Diverse range of national, local, community and other targeted arts initiatives supported, including in educational settings and targeting disadvantaged or other socially excluded groups
	National and local arts development supported
Provide assistance, advice and information to the Minister, Government and to a wide range of individuals and organisations in relation to the arts	Expert advice and assistance provided and public policy informed
	Artistic standards developed
Advocate for the arts and for support of the arts for public funds and other sources	Communication and information strategies developed
	Reports, data, evidence-based research published

5.2. Financial Assistance and Support Activities

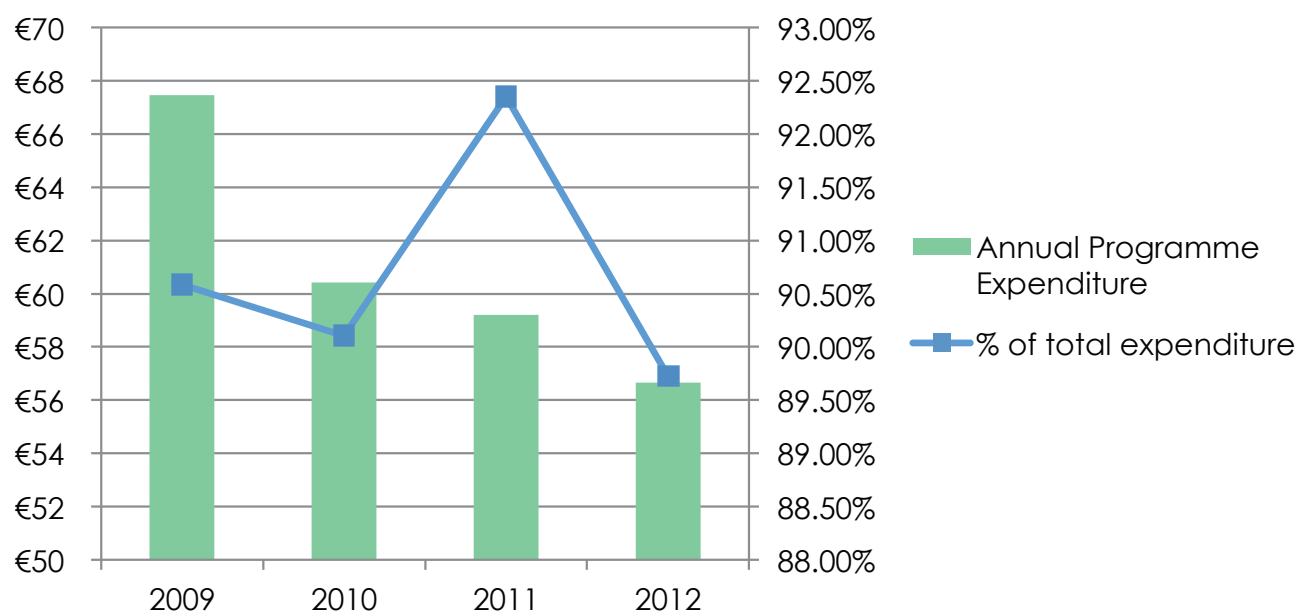
The Arts Council provides funding for a broad range of arts organisations, artists and other organisations under its annual programme. As all funding from the Arts Council is ultimately received by artists, arts organisations and others who develop and promote the arts like Local Authorities, community groups, festival organisers and commissioners of art, the total programme expenditure of the Arts Council is considered in this section in the aggregate, by arts area and by funding stream.

5.2.1. Annual Programme Expenditure

The amount of the Arts Council's annual programme expenditure and its proportion of total Council expenditure are presented in chart 5.1. Programme expenditure dropped significantly in the period 2009 to 2012 due to the reduction in the overall grant funding for the Arts Council. Overall programme expenditure fell by €10.8 million or 16% from €67.5 million in 2009 to €56.65 million in 2012. However, programme expenditure as a proportion of overall Arts Council expenditure actually increased over the period from 90.6% to 92.35% in 2011 before falling back slightly to 89.72% in 2012. While these figures do not represent an actual increase in the funding provided to artists

and arts organisations, they do confirm that the Arts Council sought to protect its programme expenditure from the impact of the overall reduction in funding.

Chart 5.1 Annual Programme Expenditure (€ millions)



The Arts Council's programme expenditure is distributed to artists and organisations through a broad range of funding streams. Chart 5.2 illustrates the distribution of programme funding in 2012 across the Arts Council's various funding streams. This distribution was relatively unchanged over the period with the majority of funding going to the "recurring" funding streams (Regularly Funded Organisations, Annual Funding, Annual Programme Grant and Ealáin na Gaeltachta). These spending areas accounted for 63.13% of the total programme spend in 2012. The funding provided to existing commitments/strategic priorities accounts for the next largest funding pool (19.83%) incorporating the annual grant to the Abbey Theatre, the Aosdána Cnuas and Touring. The remaining funding (16.08%) represents the balance of schemes, grants and awards some targeted at particular arts areas e.g. Deis, with others providing funding across all areas e.g. travel and training. It is worth noting that this last category, once off funding is by its nature the most discretionary element of the programme. It also represents a relatively small proportion of the overall programme and is distributed through a much greater number of distinct schemes and awards.

Chart 5.2 Arts Council Programme Funding by Arts Area in 2012

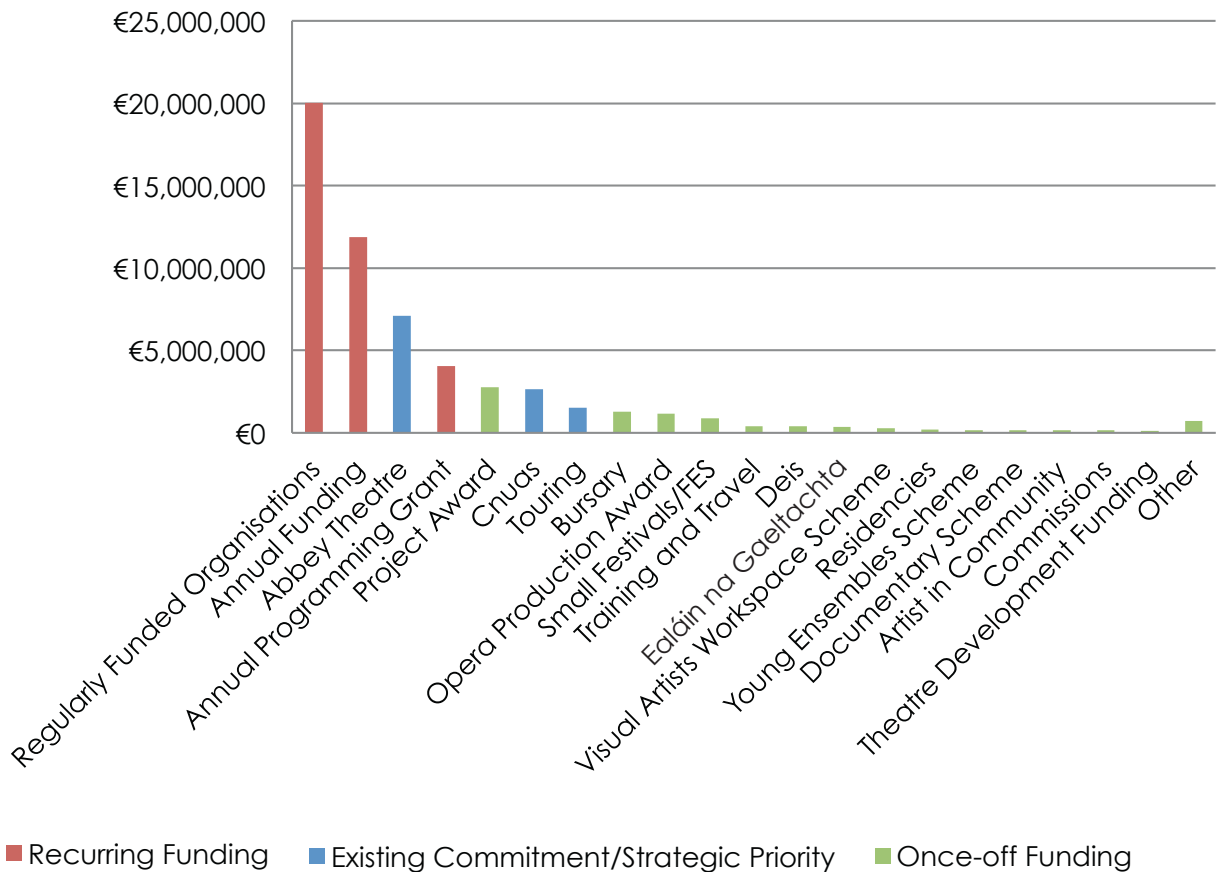


Table 5.2 provides the breakdown of all programme expenditure within these three funding categories over the review period, including new funding and discontinued funding streams. The category ‘other’ relates to all funding streams where the annual expenditure is less than €100,000 and includes 33 schemes, awards and once-off initiatives. The table also presents the percentage change in funding across all funding streams over the review period 2009 to 2012.

Over the review period, the Arts Council’s total programme expenditure dropped by 16.02%, with a decrease in recurring funding and an increase in existing commitments and once-off and other funding. This was part of the Arts Council’s internal approach to addressing the challenge of managing funding commitments in a climate of decreasing or static annual funding. These changes are examined in more detail (by funding stream) later in this section.

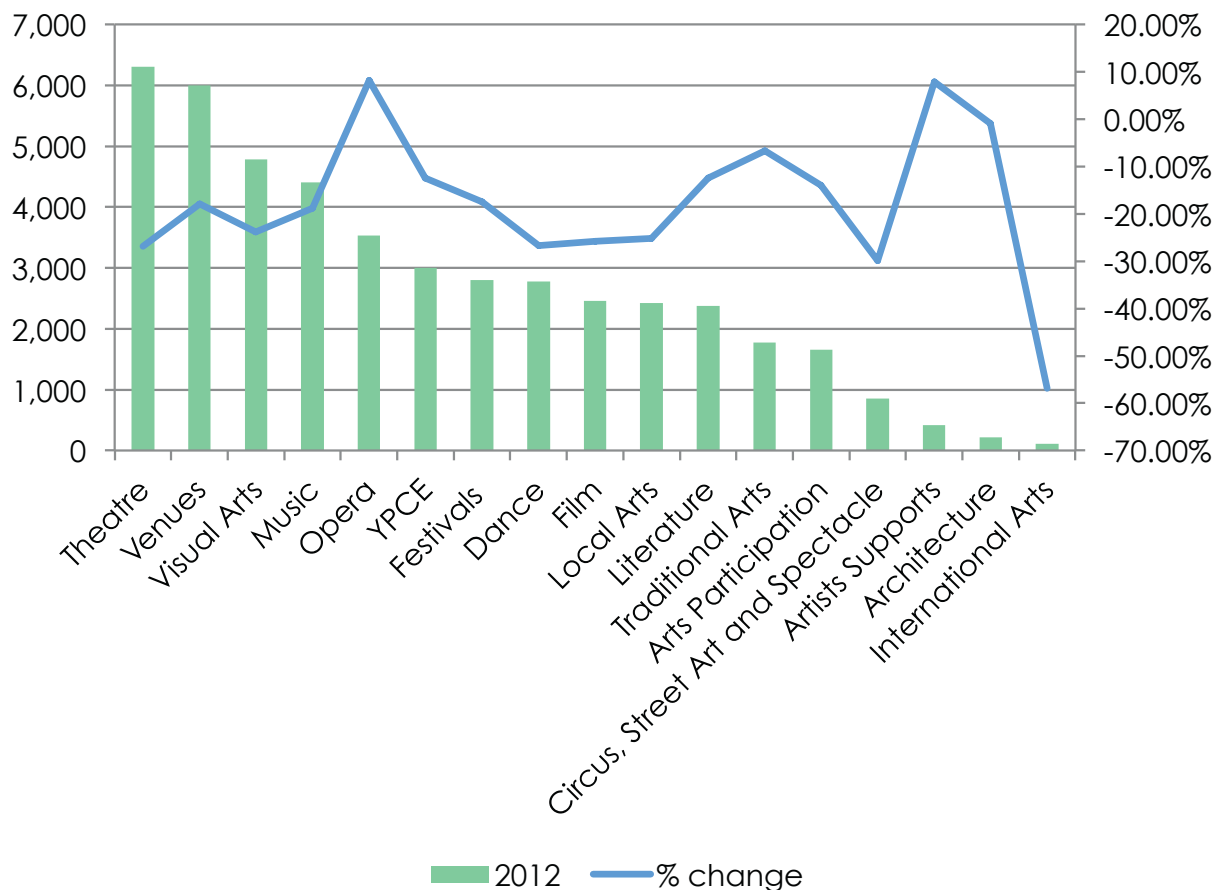
Table 5.2 Arts Council Programme Expenditure 2009 to 2012³⁹

	2009	2010	2011	2012	Total % change
Existing Commitments/Strategic Priorities					
Abbey Theatre	€ 8,350,000	€ 7,250,000	€ 7,100,000	€ 7,100,000	-14.97%
Cnuas	€ 2,049,160	€ 2,542,640	€ 2,625,371	€ 2,628,485	28.27%
Touring	€ 316,420	€ 1,007,460	€ 1,467,227	€ 1,506,619	376.15%
Subtotal	€ 10,715,580	€ 10,800,100	€ 11,192,598	€ 11,235,104	4.85%
Existing Commitments/Strategic Priorities as a % of total programme expenditure	15.89%	17.87%	18.90%	19.83%	
Recurring Funding					
Regularly Funded Organisations	€ 25,407,907	€ 23,349,000	€ 21,135,582	€ 20,042,946	-21.12%
Annual Funding	€ 17,819,752	€ 14,080,596	€ 12,893,776	€ 11,880,086	-33.33%
Annual Programming Grant	€ 4,947,002	€ 4,221,600	€ 4,007,724	€ 4,044,010	-18.25%
Ealain na Gaeltachta	€ 475,000	€ 433,000	€ 410,000	€ 365,000	-23.16%
Subtotal	€ 48,649,661	€ 42,084,196	€ 38,447,082	€ 36,332,042	-25.32%
Recurring Funding as a % of total programme expenditure	72.12%	69.64%	64.93%	64.13%	
Once off & Other Funding					
Projects	€ 2,546,056	€ 2,326,259	€ 2,806,469	€ 2,768,568	8.74%
Bursary	€ 1,639,314	€ 1,544,046	€ 1,479,607	€ 1,288,526	-21.40%
Opera Production Award				€ 1,170,196	100.00%
Small Festivals/FES	€ 930,000	€ 771,250	€ 868,999	€ 891,500	-4.14%
Travel & Training	€ 392,884	€ 497,319	€ 493,308	€ 396,875	1.02%
Deis	€ 418,110	€ 351,038	€ 408,004	€ 381,388	-8.78%
Young Ensembles Scheme	€ 140,240	€ 188,919	€ 164,500	€ 175,476	25.13%
Commissions	€ 397,101	€ 163,350	€ 146,580	€ 146,000	-63.23%
Residencies	€ 97,072	€ 295,771	€ 277,214	€ 469,159	383.31%
Theatre Development Funding		€ 100,000	€ 97,000	€ 100,130	0.13%
Documentary Scheme		€ 255,000		€ 173,000	-32.16%
Reel Art	€ 280,000		€ 222,500		
Visual Artists Workspace Scheme		€ 50,500	€ 209,500	€ 290,000	474.26%
Artist in Community	€ 165,000	€ 175,000	€ 175,000	€ 160,000	-3.03%
Cultural Cinema	€ 264,988	€ 127,500			
Music Instrument Purchase	€ 150,000				
Other Initiatives	€ 668,496	€ 697,618	€ 2,226,994	€ 671,858	0.50%
Subtotal	€ 8,089,261	€ 7,543,570	€ 9,575,675	€ 9,082,676	12.28%
Once off & Other Funding as a % of total programme expenditure	11.99%	12.48%	16.17%	16.03%	
Total	€ 67,454,502	€ 60,427,866	€ 59,215,355	€ 56,649,822	-16.02%

³⁹There are a number of significant increases and decreases in the funding to particular grants, awards and schemes set out in this table. In general, they relate to the priorities identified by the Arts Council for support over the period e.g. funding for Touring increased by 376% over the period as it was identified as a strategic priority (and a Government commitment). The year on year increase is also reflective of the annual expansion of the scheme to approach capacity. The review period is also characterised by improved funding for residencies and visual artists workspace scheme, both from a relatively low base but both contributing to the delivery of the strategic objectives of supporting the work of artists and improving access to and facilitating participation in the arts. One other figure of significance is the introduction of the Opera production award in 2012 which is somewhat balanced by the removal of other grants and awards within the overall programme.

Chart 5.3 sets out the expenditure⁴⁰ administered by the various arts teams within the Arts Council over the period under review. Given the overall reduction in funding for the Arts Council’s programme, it is not surprising that funding for most arts areas decreased over the period, with two exceptions: funding for opera increased by 8.25% (€269,000) and Artists supports increased by 8% (€30,000). The most significant percentage decreases were for international arts (-57% or €128,000) and for circus, street art and spectacle (-30% or €365,000). In absolute terms, theatre saw the greatest decrease of €2.3 million (27%) followed by visual arts with a decrease of €1.5 million (24%), venues with a decrease of €1.3 million (18%) and dance with a decrease of €1 million (27%).

Chart 5.3 Arts Council Expenditure by Arts Area: 2009 to 2012 (€'000)



As well as looking at the expenditure of the Arts Council, it is also important to examine activity related to the distribution of funding. Table 5.3 presents an overview of the number of applications and successful applications for a range of funding types over the period 2010 to 2012. It should be noted, however, that these data relate only to eligible applications which were submitted through the Arts Council’s online applications process.

Over the period for which these data relate, the Arts Council experienced an increase in applications of 4.3% and saw an increase of 2.2% in successful applications. Although these increases are not particularly large they do demonstrate improved efficiency on the part of the Arts Council given the reduction in staff that occurred over the same period (discussed in Chapter 3). It should also be noted that the decision times on applications reduced significantly over the review period from an average of 16 weeks for a decision to just 8 weeks. This demonstrates improved efficiency on the part of the Arts Council and is somewhat explained by the introduction of online applications and the wider investment in the Council’s IT infrastructure.

Another area of note is the difference in the success rates for applications across the various funding types. In 2010, almost 100% of annual funding and annual programme grant applications were successful, with these figures

⁴⁰This expenditure does not include funding administered by other organisations on behalf of the Arts Council e.g. Ealáin na Gaeltachta and Visual Artists Ireland, and as such the totals differ from table 5.2.

dropping significantly to 85% and 76% respectively in 2012. While this still indicates that most applicants were successful in their application, which may be a function of their prior experience in applying for such funding, it does demonstrate increased competition for funding under these schemes. The success rates for regularly funded organisation scheme applications, which is currently operated by invite only, varied between 100% and 98.6% over the period. While this is no doubt reflective of the success of the invitation process, it may warrant further consideration (referred to previously in Chapter 4) from a transparency perspective. In general, the table demonstrates that there is greater competition for funding on the once-off funding types with success rates mainly falling around the 50% mark.

Table 5.3 Applications and Successful Applications (2010 to 2012)

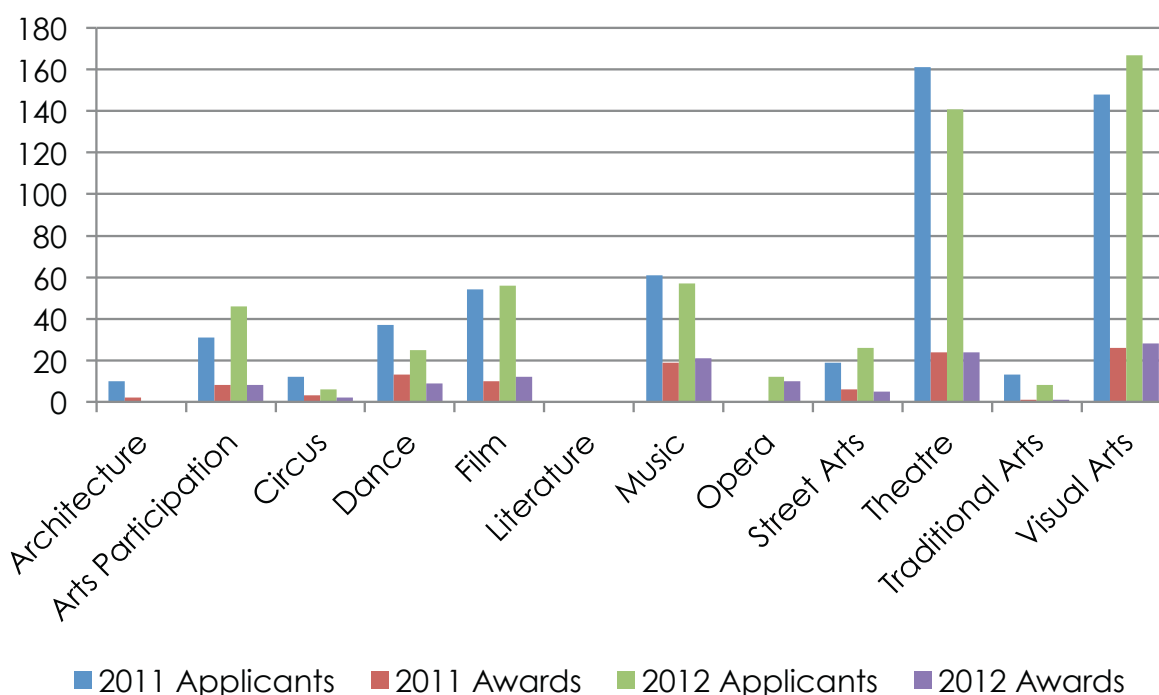
Funding type	2010			2011			2012		
	Applicants	Recipients	% success	Applicants	Recipients	% success	Applicants	Recipients	% success
Annual Funding	162	160	98.77%	119	108	90.76%	118	100	84.75%
Annual Programme Grant	118	118	100.00%	110	89	80.91%	110	84	76.36%
Bursary	985	175	17.77%	886	156	17.61%	774	149	19.25%
Commissions Music	48	25	52.08%	46	24	52.17%	53	20	37.74%
Dance Artist Residency	16	7	43.75%	11	7	63.64%	10	9	90.00%
Deis	95	52	54.74%	138	64	46.38%	158	77	48.73%
Engaging with Architecture Scheme	38	7	18.42%	31	4	12.90%	25	4	16.00%
Local Authority Grants				34	34	100.00%	34	34	100.00%
Local Authority Partnership	5	4	80.00%	7	3	42.86%	4	2	50.00%
Opera Production Award							9	4	44.44%
Project Awards	342	87	25.44%	547	113	20.66%	544	120	22.06%
Regularly Funded Organisations	76	76	100.00%	72	72	100.00%	70	69	98.57%
Small Festivals	288	160	55.56%	294	160	54.42%	319	158	49.53%
Theatre Artist Residency	18	10	55.56%	13	7	53.85%	17	7	41.18%
Theatre Development Funding	20	8	40.00%	10	6	60.00%	11	5	45.45%
Theatre Resource Sharing	19	7	36.84%	7	7	100.00%	9	5	55.56%
Touring				42	20	47.62%	107	51	47.66%
Travel and Training	468	269	57.48%	440	286	65.00%	433	291	67.21%
Visual Arts Curator Residency							10	4	40.00%
Young Ensembles Scheme	49	22	44.90%	44	18	40.91%	50	20	40.00%
Total	2747	1187	43.21%	2851	1178	41.32%	2865	1213	42.34%
% annual change in applications				3.79%	-0.76%		0.49%	2.97%	
% total change in applications							4.30%	2.19%	

Chart 5.4 looks in more detail at the applications received and awards made by the Arts Council across arts areas under the project award scheme in 2011 and 2012⁴¹. In 2011, 546 applications were processed by the Arts Council and 112 awards were made i.e. a success rate of 20.5%. In 2012, a similar level of applications were processed (544) with 120 awards made, increasing the rate of successful application to 22%. In terms of change over time, the percentage of applications processed decreased by a miniscule 0.37% while the number of awards made increased by 7.14%. In

⁴¹Information on applications and awards was not available in this format for 2009 and 2010.

terms of the efficiency of the organisation, the activity level was relatively static over the two years despite the decrease of 4.33% in programme funding available, and the reduction of 3% in pay costs over the period.

Chart 5.4 Project Award: applications processed and awards made by Arts Area (2011 and 2012)



5.2.2. Existing Commitments and Strategic Priorities Expenditure

Over the review period funding for existing commitments and strategic priorities increased by 4.85%. This represents largely non-discretionary expenditure, with the Abbey Theatre grant determined by the 3-year funding agreement in place and the Cnuas being a demand-led scheme. This increase is accounted for by an increase of €0.6 million (+28.3%) in Cnuas funding and of €1.2 million in funding for touring activities (+376%). The Cnuas, which is discussed more in the case study at the end of this chapter, increased for two reasons – the number of recipients increased from 143 Aosdána members to 157 in 2011/2012, the level of the Cnuas also increased with the average payment increasing by 16.83% over the period to €16,742.

Activity on touring also increased significantly over the period from €0.32 million in 2009 to €1.5 million in 2012 (376%). This is due to the designation, by the Arts Council, of touring as a strategic priority during the period. Further analysis of the outputs of the scheme is presented as a case study at the end of this chapter.

By contrast, the annual investment in the Abbey Theatre decreased by 15% over the period. While this represents a reduction in funding in absolute terms, the funding provided in 2011 and 2012 (€7.1 million annually) was as set out in a three-year funding agreement between the Arts Council and the Abbey Theatre.

5.2.3. Recurring Funding Expenditure

Recurring funding is intended to provide a degree of stability for a core group of arts organisations, affording them greater confidence in planning their artistic work, and is considered vital to the overall health of the sector in Ireland. The Arts Council's approach to making allocations is to first propose an allocation on the basis of the same proportion of overall funding provided in the previous year, and adjust it thereafter based on operational and strategic requirements across the programme. Recurring funding is not multi-annual funding. Rather, all organisations must apply for funding each year with a consequent administrative burden being placed on both the Arts Council and arts organisations. Arts councils in other jurisdictions (England, Scotland etc.) have facilities in place for multi-annual funding agreements, tied to specific outputs and outcomes. Service level agreements, conditional on the availability of funding within the Arts Council's annual Exchequer funding from the Department, should be

considered as part of efforts to reduce the administrative burden, and consequently, costs.

Recurring funding is not, however, guaranteed and is subject to an annual application process. Reasons for discontinuing funding include underperformance by the recipient organisation or a reduction in national funding to the Arts Council. Recurring funding is made up of four funding streams as follows:

- **Regularly Funded Organisations (RFO):** Applications to this scheme are on foot of an invitation from the Arts Council to organisations which the Council has determined are of national significance or are of significance to an art form. Grants may be used for funding the organisation's administration costs, as well as to support the artistic programme.
- **Annual Funding (AF)** is similar to RFO funding in that it may be used for both administration costs and for the artistic programme. Unlike RFO, however, it operates on an open basis accepting applications from all eligible arts organisations with the proviso that organisations engage with the Council in advance of making an application to determine suitability. The objectives of AF and RFO funding are almost identical, as are the purposes to which the funding may be put. RFO funding, however, requires organisations to meet two additional criteria: the strategic importance of the organisation to an arts area and the national importance of the organisation.
- **Annual Programme Grant (APG)** is provided solely to support arts programme activity in recipient organisations. It is open to all arts organisations, including venues.
- **Ealáin na Gaeltachta (EnaG)** - this is a joint venture between Údaras na Gaeltachta and the Arts Council to promote the development of contemporary and traditional arts in the Gaeltacht. EnaG offers funding to arts organisations and artists through a range of bespoke schemes, as well as providing training and mentoring supports. The annual programme is delivered by a team of three Arts Officers located in different gaeltacht areas.

Examining the trends in expenditure for 'recurring funding' over the review period, it is clear that the majority of reductions made across the entire Arts Council's programme were found among these four schemes. Over the period this accounted for a reduction of €12.3 million or 25.3%. However, within the four elements of funding provided under this 'recurring' category, AF saw the greatest reduction of €5.94 million (33.3%) with RFO (-€5.36 million) and EnaG (-€0.11 million) both seeing reductions in the region of 22%. The APG experienced the smallest reduction of €0.9 million or 18.25%. This may be reflective of efforts by the Arts Council to balance the need to provide core funding to key organisations and to deliver an ambitious national programme of arts as well as meeting strategic priorities e.g. touring at a time of restricted grant funding. It is also to a lesser degree affected by the efforts of the Arts Council to encourage organisations formerly in receipt of AF funding to apply for APG funding (n=7 over the review period or 4% of the total recipients in 2009). The efforts taken by the Arts Council in identifying and supporting arts organisations to secure funding from other sources (RAISE) should be recognised as very positive in ensuring that arts organisations can secure funding from a wide range of sources, rather than being solely dependent on public funding.

The RFO scheme is by far the largest funding stream offered by the Arts Council, and which accounted for €20 million of the total programme funding of €56.6 million in 2012. The RFO is included as a case study at the end of the chapter.

The Arts Council's annual funding (AF) scheme provides core and programme funding to a range of arts organisations and accounted for between 26% and 21% of total programme funding during the review period. Table 5.4 sets out the breakdown of funding and activity levels over that period. Grants under annual funding tend to be smaller than under the RFO, with the majority below €100,000. Annual funding also has higher numbers of awards (between 147 and 165). The impact of the reduction in available arts programme funding can be seen across the board, with a significant decrease of one third in the total funding provided over the period and similar decreases in the average and median grants. The level of grants has also decreased with a 52% reduction in grants above €100,000 while the number of grants under €100,000 actually increased over the period. This is no doubt in response to the need to balance the funding requirements of regular recipients of annual funding against more constrained national funding.

Each of the years 2010, 2011 and 2012 showed new entrants to the scheme with funding being discontinued for previously funded organisations⁴². 2011 was the year with most changes, where 30 organisations had their funding discontinued and 10 new organisations received funding. When the fact that 34 of all annual funding grants are provided to local authorities, the change in the profile of funded organisations in that year is much more significant. In general, the need to ensure diversity in the profile of organisations in receipt of annual funding should be a consideration in determining the allocation of grants to new and existing funding recipients.

Table 5.4 Annual Funding Scheme (2009 to 2012)

Annual Funding	2009	2010	2011	2012	% change
Annual Total	€17,819,752	€14,080,596	€12,893,776	€11,880,086	-33.33%
Average Grant	€107,998	€86,917	€90,801	€80,817	-25.17%
Median Grant	€84,000	€65,000	€65,174	€56,250	-33.04%
Grants between €0.5m & €0.1m	64	40	37	31	-51.56%
Grants under €0.1m	101	122	105	116	14.85%
Total	165	162	142	147	-10.91%
Previously funded		153	102	134	
New funding		2	10	8	
Previously funded discontinued		7	30	5	

The annual funding scheme is an important vehicle for the Arts Council to support the work of local authorities in delivering on their local arts programmes. Over the review period, this funding accounted for between 15.7% and 17.3% of all funding provided under this scheme. Table 5.5 sets out the breakdown of funding to local authorities. While the median grants are broadly in line with the median grants for the scheme as a whole, the average grants are somewhat lower. This may be due to the fact that the spread of grants is narrower in the population of local authority grants than in the whole population of annual funding grants (between €28,100 and €92,500 in 2012).

Table 5.5 Annual Funding to Local Authorities

Annual Funding	2009	2010	2011	2012	% change
Local Authorities	€2,800,585	€2,306,000	€2,191,913	€2,049,329	-26.82%
Total LA grants	33	34	34	34	3.03%
Average LA grant	€84,866	€67,824	€64,468	€60,274	-28.98%
Median LA grant	€84,000	€67,000	€63,700	€57,669	-31.35%

⁴²Reasons for discontinuing funding include the need to balance the programme given reductions in national funding to the Arts Council, the prioritisation of organisations which were assessed to be more viable in the context of sustained funding cuts, and underperformance by the recipient organisation in the previous year.

The annual programme grant (APG) scheme does not provide core funding for organisations and is exclusively for programme activities. This is consistent with the Arts Council's second objective, 'to improve access to and participation in the arts,' and is the funding stream within the recurring funding category which saw the smallest decrease over the review period (18.25% or €0.9 million). APG accounts for about 7% of the Arts Council's programme funding (7% annually). Table 5.6 sets out the analysis of funding and grants under the APG over the review period. The total, average and median grant all decreased over the period, no doubt as a consequence of the more constrained funding available (and the prioritisation of other categories of spend within the programme).

Activity also decreased by 9.26% over the period with 10 fewer grants being awarded in the lower category of awards (<€100,000). This, however, compares favourably with the reduction of 18% in the available funding which suggests increased efficiency in the delivery of the scheme. There also appears to be a greater level of change in the APG than in the RFO and AF funding streams, particularly in 2011 when 35 organisations had their funding discontinued and 11 new organisations received funding. However, four organisations had funding discontinued in one year and then funding granted in a subsequent year which suggests a less diverse population than first proposed. As with other recurring funding streams, the value of supporting a diverse range of organisations which will, as a consequence provide a diverse range of artistic programmes under this scheme, should be a consideration in determining the allocation of grants to new and existing funding recipients.

Table 5.6 Annual programme grant (2009 to 2012)

Annual Programme Grant	2009	2010	2011	2012	% change
Annual Total	€4,947,002	€4,221,600	€4,007,724	€4,044,010	-18.25%
Average Grant	€45,806	€35,776	€43,562	€41,265	-9.91%
Median Grant	€35,000	€21,800	€29,500	€29,500	-15.71%
Grants between €0.5m & €0.1m	12	10	10	12	0.00%
Grants under €0.1m	96	108	82	86	-10.42%
Total	108	118	92	98	-9.26%
Previously funded		102	46	84	
New funding		12	11	10	
Previously funded discontinued		4	35	4	

5.2.4. Once-off and Other Funding

The final category of expenditure within the Arts Council's programme is for once-off and other awards and grants. This is the most discretionary element of the annual programme expenditure, with all awards being made on the basis of individual applications (under various schemes) each year. Over the review period, this type of funding was distributed under 48 different schemes and awards⁴³ and accounted for between 12% and 16% of total programme expenditure. Total funding for this category of expenditure in 2012 was €9.1 million, an increase of €1 million on the 2009 amount (12.28%).

⁴³Aosdána pensions are included in this number, although it is not a grant scheme. This was for presentational purposes to avoid inflating the Cnuas funding figure under the existing commitments/strategic priorities expenditure category.

It is considered that this increased focus on once-off and other grants, facilitated the Arts Council in refocusing its programme expenditure away from core funding for organisations to a more responsive programme of enhancing the artistic offerings of artists and arts organisations in a diverse range of settings and locations. This is borne out in table 5.7 which sets out the number of grants and awards made under the larger schemes included in this category of expenditure.

Table 5.7 Grants and Awards under a number of “once off and other funding streams” (2009 to 2012).

Other Funding	2009	2010	2011	2012	% change
Projects	99	119	148	143	44.44%
Bursaries & Commissions	229	218	183	174	-24.02%
Festivals & Events	168	160	163	158	-5.95%
Residencies	25	45	35	50	100.00%
Deis	61	54	64	75	22.95%
Travel & Training	246	259	277	274	11.38%
Youth Ensemble Scheme	15	23	19	20	33.33%

Unlike the activity trends under recurring expenditure, it is clear that for most of the larger funding schemes in this category, the number of grants and awards actually increased. There was an increase of 44% in project awards, 100% in residencies and 33% in the young ensemble scheme, among others.

Appendix 5 provides an overview of the change in profile of this expenditure category over the review period; showing the number of grants and award schemes discontinued (10) and introduced (14) over the period. It also notes the use of once-off awards for specific purposes (3) and occasional awards (5). This demonstrates the Arts Council’s ability to manage this element of its programme expenditure to avoid an over-dependence on recurring funding among artists and organisations and to address emerging priorities and expand supports in particular arts areas. New development initiatives include a theatre resource sharing scheme which offers incentives to produce work in more cost-effective and innovative ways and a number of new schemes and awards for architecture were introduced in 2010 and 2011.

To ensure the Arts Council funding programme is sufficiently flexible to meet the changing needs of the arts sector and the demands of Government and the public, it is considered that the positive trend of increasing support for this type of expenditure within the overall Arts Council’s programme should be continued. To minimise the administrative burden of operating a large number of schemes, consideration could be given to the grouping of similar schemes and awards within a single application process e.g. the three architecture support schemes should have a single application form and assessment board, and a review of the various film supports (documentary scheme, Reel Art, RTE scheme etc.) should be undertaken to identify synergies in their management.

5.3. Participation and Access Activities

The Arts Council engages in a broad range of activities to support participation in the arts and access to the arts. The following section explores the outputs of the Arts Council in relation to audience development and participation, activities to support greater access to the arts and in terms of a national distribution of arts activities.

Activity	Associated Outputs
Work in partnership with artists, arts organisations, public policy makers and other relevant stakeholders to broaden the reach and deepen the impact of the arts	Audience development
	Diverse range of national, local, community and other targeted arts initiatives supported, including in educational settings and targeting disadvantaged or other socially excluded groups
	National and local arts development supported

5.3.1. Audience Development

An important objective of the Arts Council is to increase access to and participation in the arts and as such, it identifies its work in developing audiences as a key output for its activities. An important part of the Arts Council's work in this regard is its partnership initiative with the Temple Bar Cultural Trust – *Arts Audiences* – to promote audience development. This initiative specifically examines the relationships between audiences and the arts with a view to better understanding the size, scope and profile of audiences in Ireland. It also offers a range of practical supports to the arts sector in Ireland to develop audiences across a range of art forms and arts practices, as well as focusing on digital marketing. Table 5.8 shows some of the outputs for Arts Audiences over the review period. As the initiative only commenced in 2009, output figures for that year are not available.

Table 5.8 Outputs for Arts Audiences (2010 to 2012)

	2010	2011	2012	% change
Training events	6	12	30	400.00%
Participants	N/A	140	260	85.71%
Reports published	7	11	9	28.57%

From the table, it is clear that the initiative has increased its productivity over the period, with a significant increase in training events (from 6 to 30) and an almost doubling of the number of participants between 2011 and 2012. In terms of a commitment to increasing the availability of research and other resources to support audience development, the initiative has produced 27 reports over the period.

Arts Audiences also offers specific marketing training to organisations that receive funding under the Arts Council's touring and dissemination scheme. Analysis of the audience figures reported after tours from 2012 – 2014 show that those organisations which have availed of the training generally have greater audience numbers than their initial targets (on average 20% better). Another initiative which commenced in 2012 is the provision of a Certificate in Management Practice course (Ulster University).

Another important data source is the '*Audiences for the performing arts in Ireland*' research which analyses box office data in the performing arts. The research is undertaken annually by Theatre Forum by collating box office data from the computerised ticketing systems of theatres, venues and festivals across the country. Over the review period the number of venues included increased from 49 in 2009 to 61 in 2011 and 2012. Again, the value of this research

is somewhat limited by the fact that not all venues, festivals etc. included in the research are supported by the Arts Council e.g. in 2012 four of the venues reviewed were not funded by the Arts Council. The categorisations of event types are also limited to plays/drama, workshops/classes, cinema, classical music, all music, all dance, children's events, Christmas shows and pantomime.

Table 5.9 outlines the scope of the research in terms of the number of box offices included in the research, as well as the output data in terms of number and value of tickets sold. As mentioned previously, it should be noted that a small number (n=4) of these box offices are not funded by the Arts Council. Over the review period, the number of box offices included in the research increased by 25%, however despite this, the number of tickets issued only increased by 5.6%. That said, the research shows a spike in tickets issued to between 2.3 and 2.1 million in 2010 and 2011. The Arts Council should maintain this data under review to ascertain if the relatively low level of tickets issued in 2012 is part of a sustained trend which may require some response by the Arts Council e.g. specific ticket sales targets as part of annual funding agreements. The value of ticket purchases should continue to be collected as part of the Arts Council's wider analysis of income sources for arts events, and the significant decrease in the revenue from ticket sales in 2012 closely monitored.

Table 5.9 Box office data – 2009 to 2012

	2009	2010	2011	2012	% change
Number of Theatres, Venues and Festivals	49	59	61	61	24.49%
Number of tickets issued	1,800,000	2,300,000	2,100,000	1,900,000	5.56%
Value of ticket purchases	€35,200,000	€45,700,000	€69,800,000	€33,400,000	-5.11%

5.3.2. Supporting greater access to the arts among socially excluded groups and other target groups

The Arts Council supports a range of participation activities targeted at particular communities across a number of specific initiatives as follows:

- **Arts and health,**
- **Arts and disability,**
- **Cultural diversity and the arts,**
- **Arts and communities,**
- **Arts and older people.**

To do this, it funds a number of organisations and agencies that have a central role in supporting these initiatives including Create – the national development agency for collaborative arts, Arts and Disability Ireland, Age and Opportunity and the Waterford Healing Arts Trust⁴⁴.

Table 5.10 sets out the funding provided to each of these organisations over the review period. Over the period, Create and Age and Opportunity saw reductions in funding of 19% and 14% respectively. The most significant reduction for Create was in its RFO funding of 23% which compares favourably with the overall reduction in RFO funding of 21% over the period. Arts and Disability Ireland and the Waterford Healing Arts Trust saw increases of 4% and 25% respectively in their Annual Funding grants. This was significantly ahead of the overall Annual Funding programme which saw a reduction of 33% over the same period. Age and Opportunity's annual programme grant saw a reduction of 15% over the period, which is less than the total reduction for the scheme of 18%.

⁴⁴This list is provided on the Arts Council's website: <http://www.artscouncil.ie/Arts-in-Ireland/Arts-participation/Overview/>. It is not intended to be exhaustive, but is used to identify trends in support for arts participation activities over the review period.

5.10 Funding provided to Organisations for Arts Participation activities (2009 to 2012)

Create	2009	2010	2011	2012	% change
Regularly Funded Organisation	€300,500	€258,500	€238,500	€231,375	-23.00%
Artist in Community	€165,000	€175,000	€175,000	€160,000	-3.03%
Theatre Funding Development		€15,000			
Cultural Diversity	€17,818				
Total	€483,318	€448,500	€413,500	€391,375	-19.02%

Arts and Disability Ireland	2009	2010	2011	2012	% change
Annual Funding	€165,500	€164,946	€162,000	€171,750	3.78%
Travel and Training				€1,700	
Local Arts Development Fund			€5,000		
Total	€165,500	€164,946	€167,000	€173,450	4.80%

Age and Opportunity	2009	2010	2011	2012	% change
Annual Programming Grant	€100,000	€85,000	€85,000	€85,000	-15.00%
Travel and Training			€800	€1,000	
Total	€100,000	€85,000	€85,800	€86,000	-14.00%

Waterford Healing Arts Trust	2009	2010	2011	2012	% change
Annual Funding	€67,000	€67,000	€70,000	€83,500	24.63%
Capital Funding	€10,898				
Total	€77,898	€67,000	€70,000	€83,500	7.19%

Although these data do not give an indication of levels of activity in arts participation, they do demonstrate that the Arts Council sought to sustain or improve its support for these organisations which they describe as 'having a central role' to play in supporting arts participation among target groups. For future years, the Arts Council should seek to gather information on participation by target group as part of the annual reporting required as a condition of its funding.

5.3.3. National distribution of Arts Council supports

This section examines the Arts Council's performance in supporting access to the arts across the country using the funding it provides across each local authority⁴⁵ as a measure of its efficiency in doing so. Table 5.11 provides an overview of this funding and the number of individual awards made, as well as providing a figure for the per capita investment in each area for 2012. There are a number of limitations to this analysis in that it does not account for

⁴⁵These were the local authority areas in operation in 2012. The Local Government Reform Act 2014 introduced a number of changes to local authority structures including the amalgamation of Limerick City and County Councils, Waterford City and County Councils and North and South Tipperary County Councils.

the fact that funding is more likely to be oriented towards existing arts infrastructure, which does not exist in all counties, or that there is a clustering effect in most cities whereby the location of arts infrastructure, organisations etc. attracts other artists to that location. It does, however, provide a snapshot of the national distribution of funding and may provide a useful input into the Arts Council's decision-making processes.

Only Meath, Wexford, Cork City, Galway City and Dublin City received total funding awards in excess of the average figure of €1.6 million. Of these, Dublin City received far in excess of it at €27 million, of which €7.1 million is invested annually in the Abbey Theatre. In addition, the location of larger arts organisation's headquarters in Dublin is also a factor in this substantially larger figure. In terms of the number of awards, those local authorities in receipt of more than the average number of awards (40) were all four Dublin local authorities, Galway City and County, Cork City and County and Kerry. Again, Dublin City received significantly more awards with 406 made in 2012.

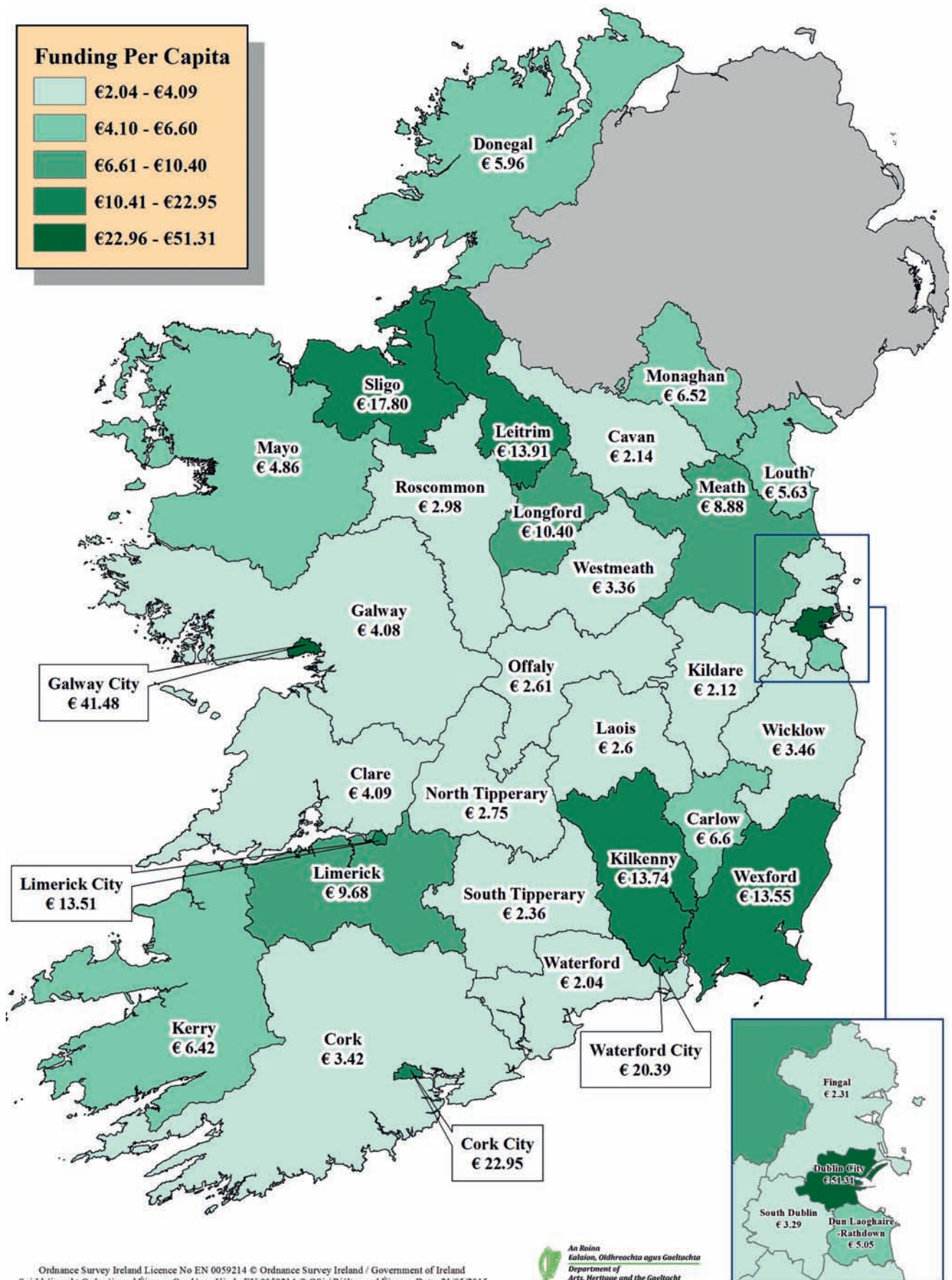
As a measure of how evenly distributed funding is across the country, the table also presents funding per capita. This information is also presented graphically in chart 5.6. Of those local authority areas receiving more than the average of €9.48 per capita, again we see areas with city councils performing well with Dublin City, Limerick City, Cork City, Galway City and Waterford City all included in the top 10. Again, Dublin is significantly ahead of the rest of the country with an average spend per capita of €51.31. The rest of the top 10 include Longford (€10.40), Wexford (€13.55), Kilkenny (€13.74), Leitrim (€13.91), and Sligo (€17.80). The inclusion of Wexford and Kilkenny in the top 10 may be explained by the opera and arts festivals held there, while the relatively high awards to Longford, Leitrim and Sligo may be a function of their low population levels relative to other counties.

Given the information provided in this table, it is clear that the Arts Council does ensure that it funds arts activities in all parts of the country and, as such, delivers on its objective to facilitate access to the arts. However, the data in table 5.11 and chart 5.5 raise questions about the regional balance of that funding which warrant consideration by the Arts Council in developing the new strategy. In particular, the Arts Council should consider how its annual programme can be used to enhance the opportunities for people in all counties to access and participate in the arts. The below average per capita funding in the rest of Leinster (outside of the four Dublin Authorities) warrants further examination, as do the relatively poor showing of much of Munster (outside of Cork City and Limerick) and Connaught (outside of Galway City and Sligo).

Table 5.11 Distribution of Arts Council supports by local authority (2012)

Local Authority	Total Funding	No. of Awards Made	Population (Census 2011)	Funding per capita
Carlow	€360,280	10	54612	€6.60
Cavan	€156,680	8	73183	€2.14
Clare	€479,310	35	117196	€4.09
Cork City	€2,736,708	65	119230	€22.95
Cork County	€1,366,415	84	399802	€3.42
Donegal	€960,794	40	161137	€5.96
Dublin City	€27,074,326	406	527612	€51.31
Dun Laoghaire Rathdown	€1,042,515	69	206261	€5.05
Fingal	€632,512	47	273991	€2.31
Galway City	€3,132,863	60	75529	€41.48
Galway County	€714,796	55	175124	€4.08
Kerry	€933,548	52	145502	€6.42
Kildare	€446,794	30	210312	€2.12
Kilkenny	€1,311,075	27	95419	€13.74
Laois	€209,573	6	80559	€2.60
Leitrim	€442,316	23	31798	€13.91
Limerick City	€771,763	21	57106	€13.51
Limerick County	€1,303,650	18	134703	€9.68
Longford	€405,680	8	39000	€10.40
Louth	€692,279	28	122897	€5.63
Mayo	€634,545	24	130638	€4.86
Meath	€1,635,814	20	184135	€8.88
Monaghan	€394,205	11	60483	€6.52
North Tipperary	€193,510	12	70322	€2.75
Offaly	€200,065	12	76687	€2.61
Roscommon	€190,805	9	64065	€2.98
Sligo	€1,163,803	36	65393	€17.80
South Dublin	€871,745	48	265205	€3.29
South Tipperary	€209,058	9	88432	€2.36
Waterford City	€952,990	17	46732	€20.39
Waterford County	€137,084	15	67063	€2.04
Westmeath	€289,881	14	86164	€3.36
Wexford	€1,969,360	28	145320	€13.55
Wicklow	€473,029	29	136640	€3.46
Total	€54,489,771	1,376	4,588,252	
Average	€1,602,640	40	134,949	€9.48
Median	€663,412	26	106,308	€5.34

Chart 5.5 Arts Council – Funding per capita in 2012



Ordnance Survey Ireland Licence No EN 0059214 © Ordnance Survey Ireland / Government of Ireland
 Suirbhéireacht Ordanáis na hÉireann Ceadúnas Uimh. EN 0059214 © OSi / Rialtas na hÉireann Date: 21/05/2015

5.4. Advice and Information Activities

Activity	Associated Outputs
Provide assistance, advice and information to the Minister, Government and to a wide range of individuals and organisations in relation to the arts	Expert advice and assistance provided, public policy informed
	Artistic standards developed

The Arts Council is required, under Section 9 of the Arts Act 2003, to provide advice when sought by the Minister for the Arts, Heritage and the Gaeltacht or by Government. It is also empowered to offer advice or information to Government in relation to any matter connected with its functions, whenever the Council considers it appropriate.

Under this power, the Arts Council provides advice on a range of matters. Some relate directly to the functions of the Arts Council as set out in the Arts Act. Others are specialist or technical in nature where the Arts Council is named in legislation e.g. the Planning Act 2000 or has formal obligations to provide advice on specified arts-related matters e.g. Artists' Tax Exemption. In most such cases the advice is offered to Government Departments or State Agencies.

In addition the Arts Council also provides advice on the development of arts policy and provision and on the socio-economic impacts of the arts. Such advice is normally provided to Departments or official bodies in local and national Government or to European or international bodies.

Advice is also provided to arts organisations funded by the Council, to the wider cultural sector, and to a range of organisations and agencies in the wider public realm who might seek such advice or to which the Arts Council considers it appropriate to offer advice in pursuit of its mandate to develop the arts.

Although it is not possible to quantify the outputs of this advice function, table 5.12 lists the main areas where the Arts Council provides advice, as well as providing an example of the type of advice provided. It is clear from this table, that the Arts Council undertakes a broad range of advice functions beyond those to and for the arts sector and including areas where the arts may impact on society e.g. health, education and economy.

Table 5.12 Advice functions of the Arts Council

Area of Advice	Example of Advisory Actions
Planning and Architectural Heritage	Arts Council is a named body in the Planning Act (2000); Specific submissions are made in respect of contemporary architectural heritage
Artists' Tax Exemption	Regular advice to Revenue Commissioners on applications it receives relating to artists' tax exemption scheme
Public Art	Advice to commissioners in receipt of per cent for art budgets
Culture 2000 / Creative Programme Europe	The Arts Council hosts the Cultural Contact Point (CCP), the advice and information point for Ireland on arts and heritage in respect of the European Commission's major programme for supporting multi-national interaction in a wide range of arts fields
Education	Joint Arts-in-Education Charter between DAHG and DES
Vocational Training	HEA review of higher education provision and research in creative arts and media in the Dublin Region.
Broadcasting	Discussions with RTÉ in relation to a range of issues on arts broadcasting and commissioning. Discussions with TG4 in relation to arts commissioning in the Irish language.
International Mobility	Advice to EU committee on mobility of artists
National Provision for Children	National Data Strategy of Dept of Children and Youth Affairs
Child Protection and Welfare	Ongoing implementation of policy incl. training
Cultural Tourism	Range of actions with Fáilte Ireland
Employment	Indecon Report; Living and Working Conditions of artists; Arts JobsBridge Initiative
Creative and Cultural Industries	Western Development Commission / NUIG Associate Partner on EU-funded 'Creative Edge' Project
Local Government	Regular contact with County and City Management Association (CCMA) and Local Arts Ireland (Association of Local Authority Arts Officers)
Cultural Diversity	Joint research and policy-development project with Department of Justice
Health	Ongoing contact with HSE; development of specialist arts and health website www.publicart.ie
ICT	Presentation at DEPR conferences, regular demos and advice for grant giving public bodies
Tax Relief re Art Donations to the State	Advice to 1003 committee which adjudicates donations of cultural assets to the state in return for tax relief
Tourism	Ongoing relationship with Fáilte Ireland especially in respect of audience development

A further output of this area of Arts Council activity, identified in the evaluation framework (PLM), is the Arts Council's support for developing and improving artistic standards. In this regard, the Arts Council's supports resource organisations that can build capacity and improve standards across the various arts areas. Table 5.13 shows the funding provided to resource organisations and the number of recipient organisations over the period of the review. Over the period of the review the total funding (recurring funding sources only) provided to resource organisations was reduced by 18% from €11 million to €9.4 million. In addition, the number of organisations in

receipt of funding also reduced by a corresponding 20% from 70 in 2009 to just 56 in 2012. Despite these significant reductions, they are less severe than the overall reduction in funding provided under recurring schemes of 25% over the same period. Again, it can be concluded that the Arts Council sought to ensure that activity in relation to the development and improvement of artistic standards was protected in a challenging funding environment.

Table 5.13 Resource Organisations – Recurring Funding (2009 to 2012)

Resource Organisations (recurring funding)	2009	2010	2011	2012	% Change
Total Funding	€11,088,557	€9,946,546	€9,391,025	€9,088,925	-18.03%
Number of organisations funded	70	71	57	56	-20.00%

Although the data in table 5.13 offer some insights into the efforts taken by the Arts Council to support the maintenance and improvement of artistic standards, they do not, of themselves offer insight into the actual improvement, or otherwise, of standards which may have occurred. This limitation of the data is discussed further in Chapter 6 with some suggestion as to how it may be addressed.

5.5. Advocacy and Research Activities

Activity	Associated Outputs
Advocate for the arts and for support of the arts for public funds and other sources	Communication and information strategies developed
	Reports, data, evidence-based research published

5.5.1. Advocacy Activities

The Arts Council also has responsibilities under the Arts Act 2003 to advocate for the arts, in particular by stimulating public interest in the arts, promoting knowledge, appreciation and practice of the arts, assisting in improving standards in the arts, furnishing advice and cooperating with other public bodies in pursuit of these functions. The Arts Council fulfils these functions in a range of ways through a planned programme of advocacy and communications each year. The elements of that programme include the following:

Advocating for the arts and funding for the arts to the Minister for the Arts, Heritage and the Gaeltacht and to a variety of Government Departments. This includes keeping the Taoiseach, the Minister for the Arts, Heritage and the Gaeltacht and other Ministers aware of positive developments in the arts, encouraging them and others to support artists and arts organisations, to attend arts events and to be seen to do so. The Arts Council endeavours to provide information about the benefits of the arts, especially those benefits most relevant to particular Ministerial or public functions. This can take the form of emphasising the benefits of the arts to the economy; to national industrial strategy; to the education system; to children; to health and well-being; to local communities; to social welfare to tourism etc.

Advocating for the arts and funding for the arts to public bodies. The Arts Council works with a number of public bodies to further its advocacy goals for example IDA Ireland, Enterprise Ireland, and Fáilte Ireland.

Advocating for the arts through its engagement with the media. The Arts Council maintains daily contact with members of the media, issues press releases, briefs journalists and researchers, generates information in forms relevant for local, regional, national and international media, publishes regular information on its website as well as a monthly newsletter, and generally encourages media to assist in promoting the arts and stimulating public

interest in the arts.

Requiring funded organisations to assist in promoting the arts. The Arts Council requires those organisations it funds to assist in the task by highlighting the essential public funding in delivering particular performances or arts events.

Supporting the work of resource organisations to improve the functioning of the arts sector. The Arts Council supports these organisations to advocate for and support higher standards in the arts.

The Arts Council also endeavours to stimulate public interest directly, through websites, social media engagement, and through the development of a live database of Irish cultural events (culturefox.ie). This latter initiative, delivered as a mobile app and online website guide, provides details of arts events across the country as well as providing video and audio content.

Again, it is difficult to quantify the level of these activities; however, it is considered that the broad range of advocacy activities and more importantly the range of audiences for these activities are sufficient for the Arts Council to meet its statutory obligation. As part of its on-going review of the outputs from these activities, the Arts Council should monitor the frequency and tone of media coverage of the arts in Ireland and the Arts Council.

5.5.2. Research Activities

The Arts Council has operated an annual research programme for many years. Due to the financial constraints of the review period, this was curtailed in favour of other programme activities. This is borne out in the list of Arts Council publications set out in table 5.14. The table shows that the Arts Council published 8 and 11 research reports and policies/strategies over 2009 and 2010 respectively. This dropped significantly in the last two years of the review period to just two in 2011 and three in 2012. This higher level of publications in the early years of the period is consistent with the time-lag whereby research work commenced in an earlier year was published in 2009 and 2010. That said, the table does demonstrate that the Arts Council actively uses research to inform its policy-making function as many of the research reports in earlier years, are used as inputs into the development of Arts Council policies and strategies. Examples of this are in the Arts Council policies for the arts and health and cultural diversity, as well as for the programme for visual artists workspaces. It was, however, beyond the scope of this review to undertake a meta-analysis of the quality of such reports. The importance of establishing an evidence-base for the development of policies and strategies, as well as the need to better understand the societal outcomes for investing in the arts, is discussed further in Chapter 7.

Table 5.14 Arts Council reports published 2009-2012

Report	Report Type
2009	
Giving body to dance	Research Report
Children's literature: discussion document	Discussion Document
Review of visual artists' workspaces	Research Report
Examining new ways to fund the production and presentation of theatre	Research Report
Cultural diversity and the arts research project: Towards the development of an Arts Council policy and action plan	Research Report
Assessing the economic impact of the arts in Ireland	Research Report
Touring Policy	Policy/Strategy
Vital Signs - Points of View (Arts and Health)	Research Report
2010	
Step-up: A programme for pre-professional contemporary dance in Ireland	Research Report/Programme Development
Missing a beat: bridging Ireland's orchestral gaps	Research Report
Cultural diversity and the arts: Policy and strategy	Policy/Strategy
Art - youth- culture: FYI	Research Report
An integrated dance strategy 2010 to 2012	Policy/Strategy
Supporting the production and presentation of theatre - A new approach	Research Report
Arts and Health - policy and strategy	Policy/Strategy
Visual artists' workspaces in Ireland - A new approach	Policy/Strategy
The living and working conditions of artists in the Republic of Ireland and Northern Ireland	Research Report
Developing the Arts in Ireland: Arts Council strategic overview 2011 to 2013	Policy/Strategy
Encountering the Arts	Conference Report
2011	
Assessment of the economic impact of the arts in Ireland - an update report for 2010	Research Report
Opera Policy	Policy/Strategy
2012	
Assessment of the economic impact of the arts in Ireland - an update report for 2011	Research Report
Arts & disability (2012 - 2016) Arts Council Policy & Strategy	Policy/Strategy
Review of theatrical presentations of curriculum plays for second-level school audiences	Research Report

5.6. Case Studies

Given the large number and, in many cases, relatively small scale of the schemes and supports offered by the Arts Council, an in-depth examination of all funding streams was deemed to be outside the scope of this review. To ensure some scrutiny at the level of individual funding streams, a number of case-studies were prepared as follows:

- **Cnuas payments to members of Aosdána:** This is the only demand-led scheme operated by the Arts Council and as such has the potential to exert limitations on the Arts Council's ability to deliver on its programme;
- **Touring:** This scheme has expanded significantly in the review period on the basis of its designation as a strategic priority for the Arts Council and Government. Its operation is similar to other mainstream funding schemes with an annual (or more frequent) application and award process; and
- **Regularly Funded Organisations Scheme:** The scheme represents the largest funding scheme within the Arts Council's annual programme. It also saw the greatest decrease in funding over the review period.

5.6.1. Cnuas payments to members of Aosdána

Overview of Aosdána and the Cnuas

Aosdána is an affiliation of creative artists set up in 1981. The key objectives of Aosdána are to honour artists who have made an outstanding contribution to the arts in Ireland and to support artists to devote their energies fully to their art. The rationale is to attract and retain talented artists in the profession in order to harness creativity and innovation and by honouring and supporting individual artists who would otherwise not be able to earn a living from their artistic work.

Membership is by peer nomination and election and is limited to 250 living artists. It is open to artists working in disciplines traditionally associated with the 'creative arts' i.e. literature, musical composition, visual arts, choreography and architecture. Current members are almost all visual artists, writers and composers. Members must have been born in Ireland or have been resident here for five years. Aosdána members are eligible to receive from the Arts Council a means-tested annual stipend called a 'Cnuas', currently €17,180 per annum. The Cnuas is exempt from income tax.

While supporters of Aosdána emphasise its contribution to the vibrant creative culture and environment for which Ireland is renowned, some critics describe it as being elitist and exclusive. These criticisms often focus on its lack of transparency and on the nomination and election processes for membership. Aosdána membership is also limited to creative artists and artists from other disciplines are therefore ineligible for membership e.g. interpretative or performing artists.

Eligibility for the Cnuas is determined by a means test. To qualify members' annual income must be less than €25,770 (1.5 times the value of the Cnuas). The Arts Council reassesses eligibility for the Cnuas every five years and a member may receive the Cnuas for as long as they meet the eligibility criteria. This results in the Cnuas being a demand-led scheme, as the Arts Council is obligated to pay the Cnuas to every Aosdána member who passes the means test. All Aosdána members, including those not in receipt of the Cnuas, are eligible to join a pension scheme specifically established for Aosdána members.

Trends in the cost of the Cnuas

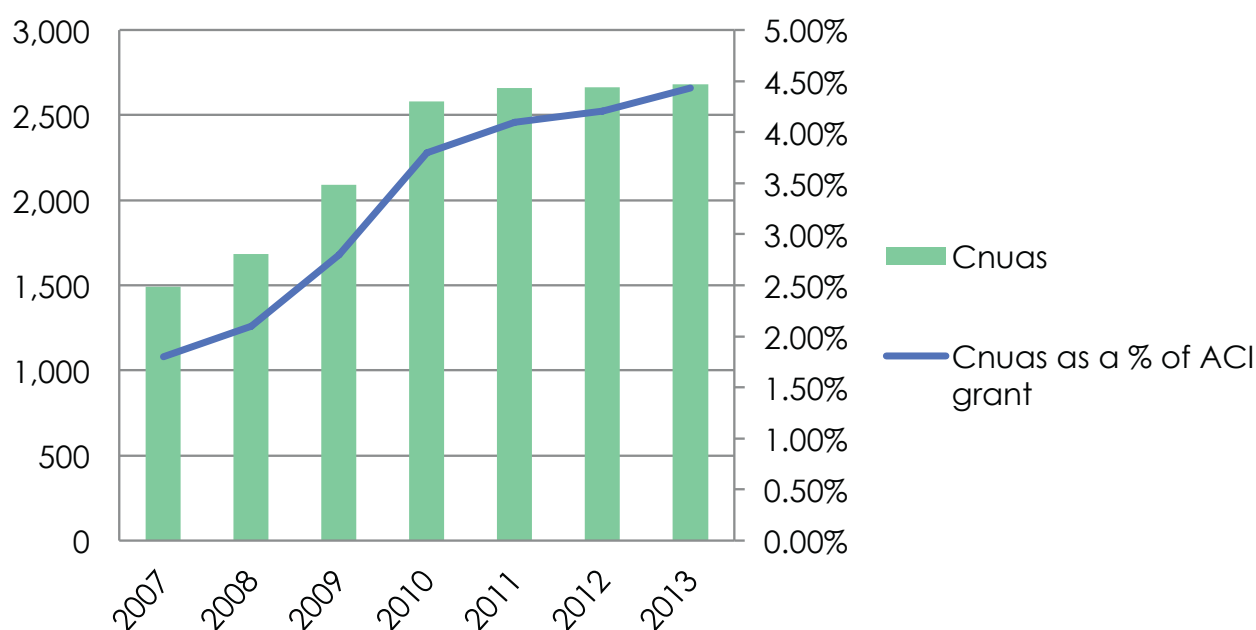
The cost of the Cnuas increased over the period of the review from €2.05 million to €2.63 million (table 5.2). Over the period the number of recipients increased from 143 Aosdána members to 157 in 2011/2012. The level of the Cnuas also increased with the average payment increasing by 16.83% over the period to €16,742. The median payment over the years 2010 to 2012 was €17,180 and increase of over €2,000 on the median payment in 2009. These increases can be accounted for by a commitment by the Arts Council (in May 2008) to increase the Cnuas from €12,180 to €20,000 over the period 2009 to 2011. The economic downturn led to the cancellation of pay increases under the Towards 2016 social partnership agreement. Likewise further planned increases in the Cnuas were cancelled. Table 5.15 provides an overview of this information.

Table 5.15 Cnuas recipients and payments (2009 to 2012)

	2009	2010	2011	2012	% increase
No. Recipients	143	152	157	157	9.79%
Average Payment	€14,330	€16,728	€16,716	€16,742	16.83%
Median Payment	€14,930	€17,180	€17,180	€17,180	15.07%

Chart 5.6 shows that as Exchequer funding to the Arts Council has declined in recent years, the cost of the Cnuas (and Aosdána pension which is valued at in the region of €35,000 per annum) as a percentage of the overall Arts Council funding has increased, from 1.8% in 2007 when Exchequer funding was at its highest, to 4.43% in 2013. In light of the challenging economic environment of the review period, it is logical that the demands on the Cnuas increased. This increase (both absolute and percentage terms) is also due to the impact of the increase in the Cnuas which took effect over 2009 and 2010. The demand-led nature of the scheme means that annual expenditure cannot be managed in the same way as other Arts Council funding supports.

Chart 5.6 Project Award: applications processed and awards made by Arts Area (2011 and 2012)



Analysis of Aosdána membership in receipt of Cnuas

Membership of Aosdána was set at 150 on its establishment in 1981. It increased to 200 in 1995 and to its present level of 250 in 2004. Historically up to 2010, the percentage receiving the Cnuas as a proportion of overall membership has varied between 46% and 62%. As Table 5.16 shows the percentage has not fallen below 60% since 2009 and by 2012 it had risen to 64%, the highest level since it was established. The Arts Council should maintain the number of Cnuas recipients under review, particularly in light of the improving economic climate and the opportunities for members to find financial support for artistic endeavour from other sources as well as the Arts Council.

Table 5.16 Trends in uptake of Cnuas by Aosdána members

Year	Total Membership	Cnuas Recipients ⁴⁶	% of members in receipt of the Cnuas
2007	220	130	59%
2008	232	133	57%
2009	239	144	60%
2010	245	152	62%
2011	247	157	64%
2012	246	157	64%

Impact of the Cnuas

It is difficult to assess the extent to which the Cnuas is meeting its objectives⁴⁷: the level and quality of creativity and artistic endeavours that may be attributable to Aosdána members receiving the Cnuas is not measurable and there is a balance to be struck between the relatively small costs involved and the potential, and largely unquantifiable, benefits. Cnuas costs are, however, an enduring and non-discretionary element of Arts Council's expenditure. The 'demand-led' nature of the Cnuas may pose a challenge for the financial and programme management of the Arts Council, particularly in times of constrained funding like the period under review. It is noteworthy that the Cnuas was one of the few funding streams to enjoy an absolute increase in funding over the period (€0.6m).

Consideration must be given to measures available to the Arts Council to improve the management of the Cnuas, particularly in the context of the need to demonstrate outputs for the investment and the potential impact of a demand-led scheme on other elements of the Arts Council's programme. The Arts Council should consider options to measure and publicise the output of Aosdána members in receipt of the Cnuas. In terms of the management of the overall funding requirements of the Cnuas, the Arts Council should examine the means at its disposal to manage the total funding including for example the setting of caps on the level of total funding available or varying the level of the Cnuas annually.

5.6.2. Touring and Dissemination Scheme

The objective of the Arts Council's Touring and Dissemination Scheme (Touring) is to create opportunities for audiences throughout the country to access and experience high quality works in theatre, opera and dance as well as in other disciplines. It has been chosen for additional examination for two reasons – it is identified as a strategic priority in the Programme for Government and for the Arts Council, and it is an example of how a 'once-off' funding stream operates within the Arts Council.

Touring policy and funding scheme.

On foot of the findings of a two-year action research project entitled '*The Touring Experiment*' (2007 and 2008) which fed into the report '*A future for arts touring in Ireland – 2010 to 2015*', the Arts Council introduced a new policy of touring artistic work in 2009. This policy framework had as its primary focus the need to provide specific supports for audience focused touring over the period 2010-2015.

⁴⁶The names of members receiving the Cnuas are published in the Arts Council's Annual Report.

⁴⁷The objectives of the Cnuas are to honour artists who have made an outstanding contribution to the arts in Ireland and to support artists to devote their energies fully to their art.

To complement the introduction of the policy, the Arts Council developed a new funding scheme - the Touring and Dissemination of Work Scheme designed to support the following objectives:

- **To support initiatives that are of high artistic quality and that generally have a strong audience focus;**
- **To support a balance of tours in all art forms and arts practices;**
- **To support a variety of styles / genres / types of production for a diverse range of audiences;**
- **To support tours of various scales; and**
- **To support an appropriate geographical spread of tours.**

The scheme is offered across a range of art forms including architecture, circus, street arts and spectacle, dance, film, literature, music, opera, theatre and visual arts and applications may be made by a single organisation or in collaboration with others. An important element of the application is clear statement of the respective roles of artist and venue including in terms of marketing and financial risk-taking.

Award process

There are usually two rounds of applications each year. Following the receipt of applications, the available budget is allocated between arts areas and adjusted based on the quality of applications to ensure the best possible mix of arts areas and high quality applications.

Staff and specialist advisers assess applications against the published criteria. Two important criteria are the need to have a sufficient focus on audiences and adequate preparations for marketing by both producers and presenters. Recommendations are made and presented to the Council for ratification at a plenary meeting.

Costs and Activity Levels

Table 5.17 sets out the outputs of the touring scheme, both in terms of activity level (number of grants awarded) and the average cost of those grants. The Arts Council's activity on touring increased significantly over the period from just five grants in 2009 to 54 grants in 2011 and 48 grants in 2012. The level of individual grants varies significantly over the period with only two grants exceeding €100,000 over the period 2010 to 2012, as distinct from two in 2009 alone. The majority of grants fell into the 'less than €50,000' category (38 out of 48 in 2012). That said, the Arts Council should be aware of the upwards trend in average and median touring grants since 2010, despite the absence of any inflationary pressures, and should seek to ensure that all grants are based on accurate costings and deliver value for money.

Table 5.17 Touring activity 2009 to 2012

	2009	2010	2011	2012	% increase
Total Expenditure	€316,420	€1,007,460	€1,467,227	€1,506,619	376.15%
Average Grant	€63,284	€23,429	€27,171	€31,388	-50.40%
Median Grant	€61,420	€15,000	€19,400	€22,500	-63.37%
Grants over €100,000	2	0	0	2	
Grants between €50,000 & €100,000	1	3	8	8	
Grants less than €50,000	2	40	46	38	
No. Grants	5	43	54	48	860.00%

Monitoring of outputs

Touring funding is generally provided in tranches, with the drawdown of the final tranche of funding being conditional on the production of a post tour report, including audience numbers and income and expenditure outturns. A summary of touring figures and outputs for 2010 to 2012 is presented in table 5.18, including details of grant aid provided, box office receipts, number of shows and audience numbers.

Table 5.18 Touring Scheme: Grant Funding and Outputs 2010 to 2012

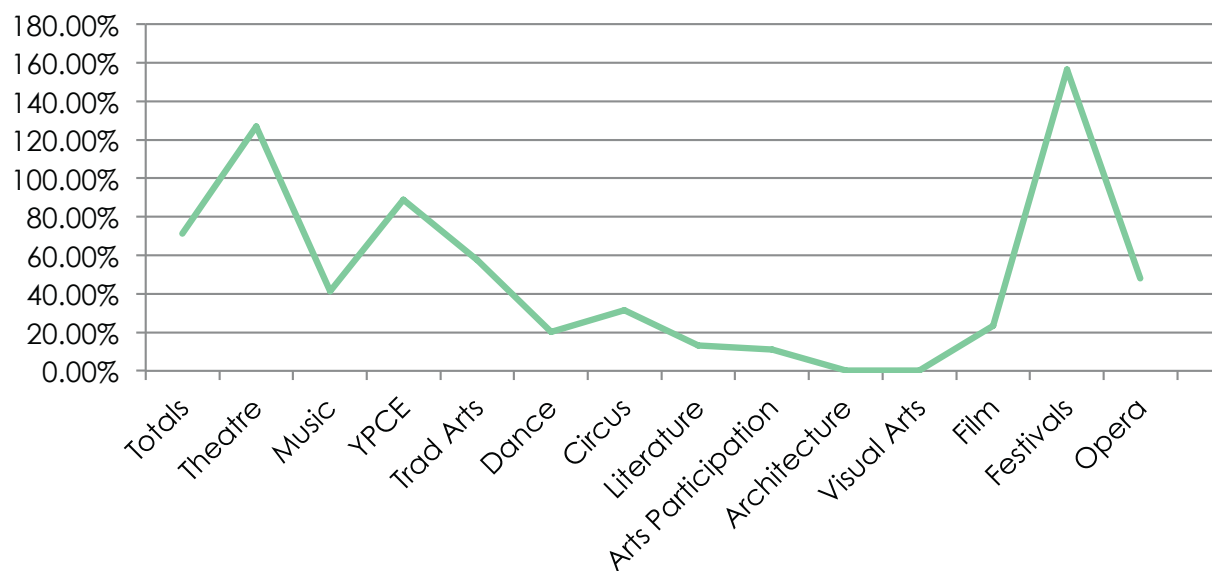
2010				
	Grant Aid	No of Shows	Audience Numbers	Box Office
Architecture	€23,100	1	1,000	0
Arts Participation	€36,000	8	932	€7,697
Circus	€40,000	23	3,875	€18,962
Dance	€48,000	22	670	€7,622
Festivals	€5,000	13	869	€7,824
Film	€6,000	8	347	€713
Literature	€40,000	33	2,322	€21,998
Music	€250,500	67	14,028	€200,130
Opera	0	0	0	0
Theatre	€435,960	203	36,981	€611,383
Trad Arts	€55,500	31	2,049	€17,847
Visual Arts	€8,400	9	240	0
YPCE	€59,000	30	4,033	€17,011
Totals	€1,007,460	448	67,346	€911,187

2011				
	Grant Aid	No of Shows	Audience Numbers	Box Office
Architecture	€30,000	5	5,800	0
Arts Participation	€55,000	6	551	€5,318
Circus	€50,000	11	1,013	€7,574
Dance	€127,736	38	3,858	€20,361
Festivals	0	0	0	0
Film	€18,550	10	1,001	€5,958
Literature	€77,750	30	1,374	€805
Music	€258,730	50	5,843	€59,108
Opera	0	0	0	0
Theatre	€622,000	339	39,079	€599,351
Trad Arts	€69,961	43	59,904	€60,947
Visual Arts	€84,500	18	92,141	0
YPCE	€73,000	71	8,707	€14,106
Totals	€1,467,227	621	291,271	€773,528

2012				
	Grant Aid	No of Shows	Audience Numbers	Box Office
Architecture	0	0	0	0
Arts Participation	€27,900	38	2,520	0
Circus	€54,000	34	3,083	€18,623
Dance	€160,148	33	4,268	€40,309
Festivals	0	0	0	0
Film	€26,745	15	1,113	€5,330
Literature	€139,788	72	4,147	€10,751
Music	€336,074	69	9,244	€91,293
Opera	€45,000	6	1,215	€21,655
Theatre	€502,000	248	50,578	€767,553
Trad Arts	€59,800	31	2,899	€27,601
Visual Arts	€63,246	14	42,317	0
YPCE	€91,900	140	17,776	€168,021
Totals	€1,506,619	700	139,180	€1,151,136

Looking first to the output of the Arts Council's investment in monetary terms; chart 5.7 sets out the percentage return on the Arts Council's grants by arts area over the period 2010 to 2012. While the overall grant funding for the period was €3.98 million, the box office return for the investment was €2.84 million, or a return of 71% on the original grant. This figure varies significantly between arts area, with festivals (156.5%) and theatre (126.8%) showing returns in excess of 100%. Caution should be exercised in relation to the figures on festivals as they are based on a very small total grant of €5,000 in 2010. The arts areas of young people, children and education (88.94%) and traditional arts (57.43%) both showed returns greater than 50% of the original grants. The balance of the arts areas showed returns less than 50% over the period. These lower returns may be affected by a range of factors specific to the particular arts area, for example visual arts, architecture and arts participation often have no box office while circus, street art and spectacle performances often take place in the public realm and are free-of-charge. While the achievement of financial returns is not a primary objective of the Arts Council's funding programme, it is important to recognise the importance of alternate sources of financial support for the arts and indeed the opportunities for artists and arts organisations to move between the subsidised and commercial sectors. As such, consideration might be given to the inclusion of potential to raise revenue as a criterion in future rounds of the scheme.

Chart 5.7 Touring Scheme: Percentage Return on Investment



Of perhaps more interest, in the context of the scheme's objective to bring greater opportunities to access the arts to communities around the country, are the audience numbers generated by the scheme. The greatest audience numbers from the touring programme (in absolute terms) were in visual arts (134,698), theatre (126,638) and traditional arts (64,852). While theatre was the recipient of the largest total grant funding over the period (€3.98 million) both visual arts and traditional arts received relatively small amounts of total funding (both in the bottom half of the table) of €185,261 and €156,146 respectively. In reviewing the outputs (and outcomes) of the scheme against the objective of improving access to arts events, it is clear that some disciplines offer greater opportunities to build audiences than others.

Chart 5.8 sets out the average audience per show across the three years under review. Again, it is clear that some arts areas demonstrate greater potential to build audiences than others with visual arts (3,285), architecture (1,133), and traditional arts (618) all with average audiences per show in excess of the average (281) for all disciplines. Theatre, while enjoying the second largest total audience of any discipline over the period, enjoys a relatively low average audience per show (160) however this is likely due to limitations in the size of venues and fact that the average audience is based on a single show, as opposed to an exhibition or architectural showing whereby many multiples of a theatre audience can experience the event on a single day or days. This analysis while showing some trends in average audiences should not be used to inform resource allocation, with more meaningful analysis required within individual arts areas to maximise audience numbers.

Chart 5.8 Average Audiences per Show (2010 to 2012)

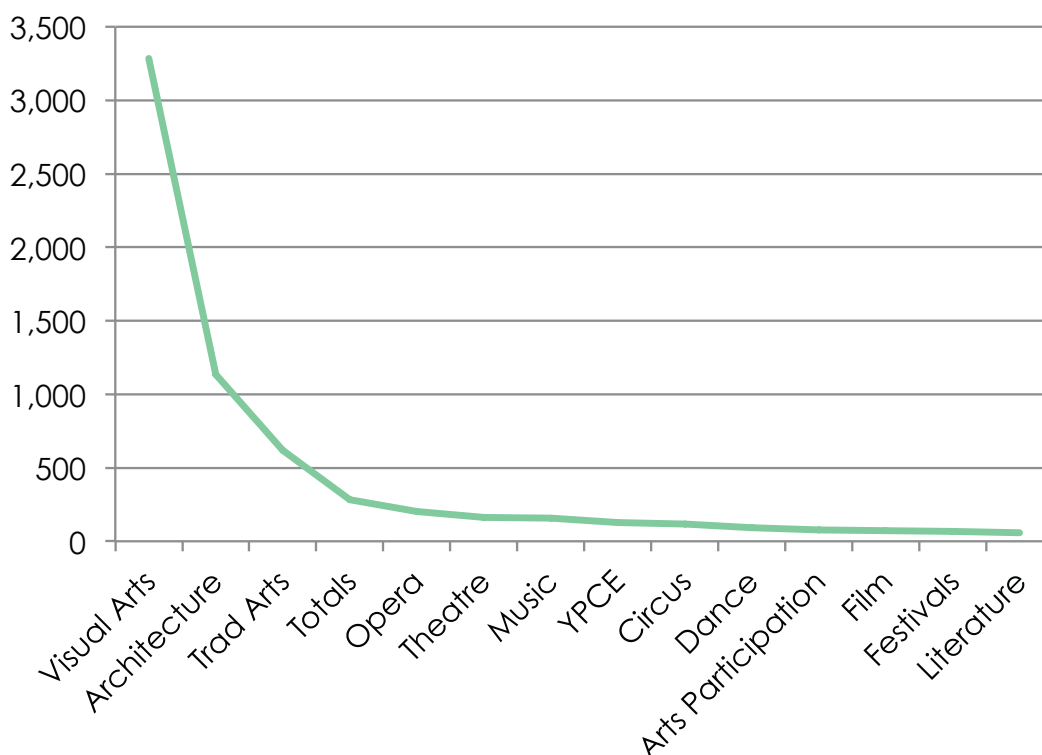
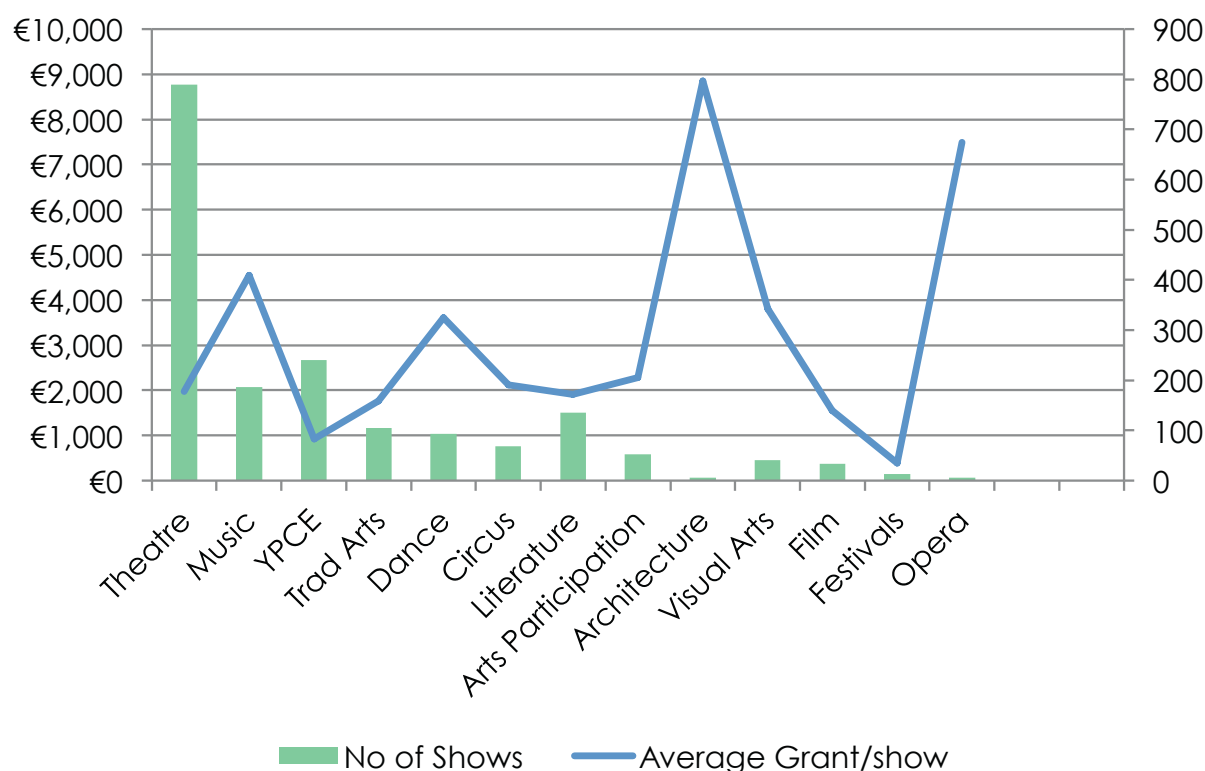


Chart 5.9 provides the final analysis of the touring scheme over the period 2010 to 2012 and complements the earlier analysis of average and median grants in section 5.3.1 of this chapter. The average grants here, however are based on the number of shows rather than based on individual grants to artists and organisations. In that context, theatre performs better than other disciplines in terms of its relatively low average grant (€1,975) and high number of shows. Comparing this to the visual arts and architecture, which performed better in terms of average audiences per show, the average grant in these situations is €8,850 and €3,808 respectively. Opera also has the second highest average grant per show - of €7,500. These findings demonstrate the economies of scale in theatre productions i.e. the production costs are largely static regardless of the number of shows. In terms of exhibition type touring activities e.g. visual arts and architecture, the average cost per show is higher but there are fewer shows - this is because a show is not a two hour event which may be repeated often as in theatre productions but an open event the costs of which may not be disaggregated into smaller time slots. The high average cost for Opera,

while undoubtedly reflective of the high production costs in that art form, is, however, based on a relatively small sample (total grant of €45,000 for six shows in 2012) and as such should not be used to form conclusions about the efficiency of the grant funding.

Chart 5.9 Activity and Average Grants (2010 to 2012)



This analysis is based on initial findings from the touring scheme. The Arts Council is engaged in a significant data collection exercise (a funding requirement) which will facilitate more comprehensive analysis of the outputs from the touring scheme in due course. This will include more detailed information on target audiences, tickets sold and complimentary tickets, box office returns as well as more basic information on grants, shows etc. It is envisaged that the outcome of the review, which will include reconsideration of the funding criteria and budgeting methodology, will result in future refinements to the scheme and will inform future policy development. However, it is important to note that the data and analysis, based on current plans, will be limited to output analysis with no scope for examination of outcomes including the quality of the performance, the engagement with the audience, and the impact on audience and artist attitudes. Expanding the collection of data and subsequent analysis should be considered by the Arts Council.

5.6.3. Regularly Funded Organisations

The Regularly Funded Organisations (RFO) scheme accounted for €20 million of the total programme expenditure in 2012. Chart 5.10 provides an overview of the number and value of grants provided under the RFO scheme, over the review period. The number of grants decreased from 79 to 69 or by 9.21%. In terms of value the trend for grants was generally downwards, with the number of grants over €1 million dropping by two to just one in 2011 and 2012 and grants of between €0.5 million and €0.1 million dropping by 8 over the period. Slight increases were noted in grants of between €0.5 million and €1 million (which increased by 1 to 11 from 2010) and for the smallest grants of less than €0.1 million (from 13 to 15 over the period).

Chart 5.10 Numbers and Value of RFO Grants (2009 to 2012)

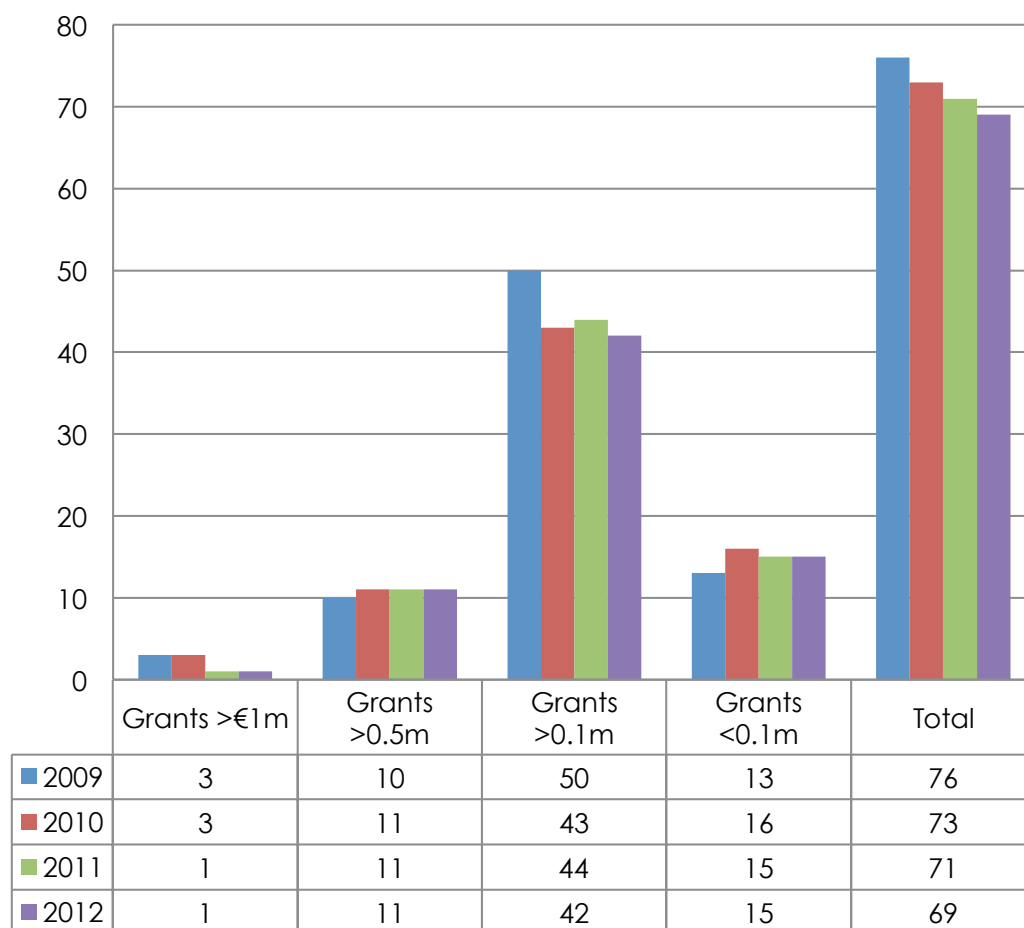


Table 5.19 shows that there was a downward trend in the average and median RFO grants over the period with a reduction of 13% in average grants and 22% in the median grant, as would be expected given the significant overall reduction in the funding provided under this grant scheme.

Table 5.19 Average and Median RFO Grants (2009 to 2012)

RFO	2009	2010	2011	2012	% change
Average Grant	€334,315	€319,849	€297,684	€290,477	-13.11%
Median Grant	€281,500	€240,000	€238,500	€220,000	-21.85%

A key output identified in the evaluation framework (PLM) is diversity. As such, it is interesting to look at how diverse the population of RFO grant recipients is from year to year. Chart 5.11 sets out the change, over time, in the profile of RFO grant recipients. All organisations in receipt of RFO funding in 2010 and 2011 had also received funding in the previous years, although five organisations had their funding discontinued over that two year period. 2011 was the only year in which new organisations (n=2) received funding. Appendix 5 sets out the top 10 funding awards in each year of the review period accounting for between 36% and 41% of all RFO funding over the period. There is little change in the profile of the top 10 over the period with eight organisations featuring every year. Where change does occur, it is mainly in terms of organisations moving up from the top 15 funded organisations into the top 10, with the exception of one organisation which ceased to receive funding/operate.

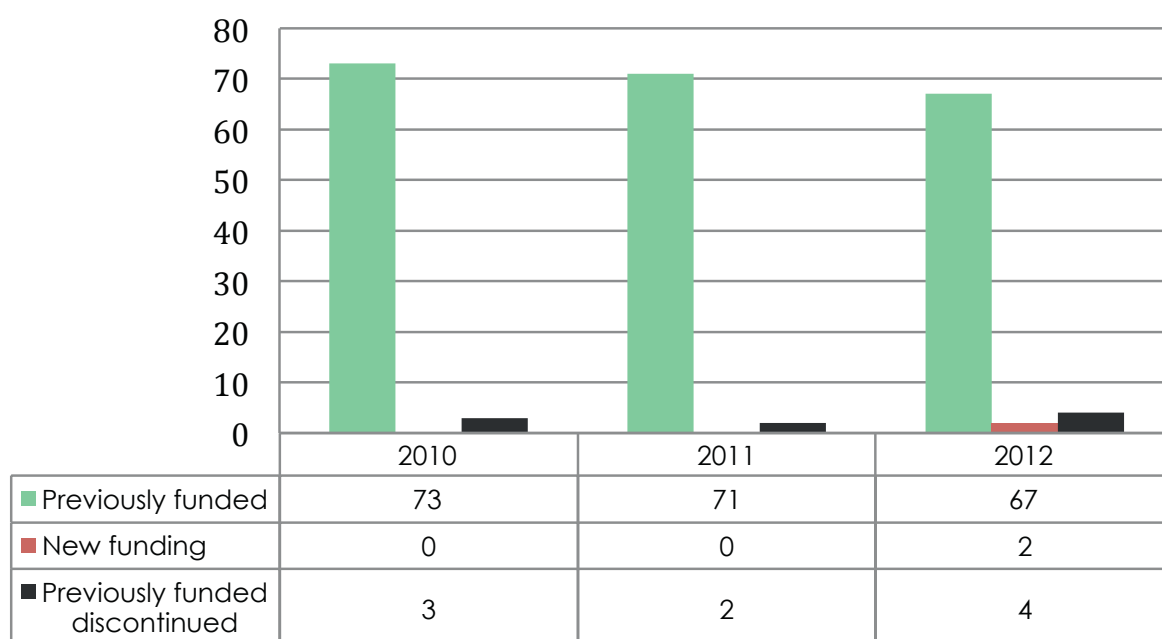
This leads to the conclusion that the profile of organisations funded under RFO is largely static over time, with change arising more from financial limitations over the period than from a change in strategic direction. This is somewhat understandable in the context of the RFO requirements that organisations be of national significance and of significance within a particular art form and the relatively small pool of established arts organisations in Ireland. Given the Arts Council's commitment to supporting a diverse range of organisations and artists (from the evaluation framework) there appears to be a lack of diversity built into the operation of this scheme.

In addition, a 2010 report commissioned by the ACE on adaptive resilience in the arts sector (Robinson, 2010) highlighted concerns that mechanisms for regular funding, such as those provided by RFO and AF, do not, albeit inadvertently, create an over-dependence on Arts Council funding and a rigidity of approach, based on that certainty of funding, to the detriment of their ability to adapt, innovate and be resilient. In seeking to address this challenge, the report offered that arts organisations that consider their activities and resources as a means of generating income, including public sector funding are more likely to remain adaptive than those that consider their activity to be driven or enabled by regular Arts Council funding. It also suggested that while regular funding, in and of itself, may not be problematic it should only be provided to organisations which share in the long-term goals and objectives of the Arts Council and on either of the following two bases:

- **'Buying'** – organisations are funded to deliver programmes of work, are given predictability of funding over time, but fund their organisational development themselves or through other sources. The APG is an example of this type of funding arrangement;
- **'Building'** – whereby funding is provided as an investment to support the development of other income streams (reducing the requirement for 'buying' funding above). Greater flexibility in how funding is delivered is essential here as it may be required over a long period of time, or with a lump-sum upfront rather than the current revenue model of the RFO.

Given the valuable nature of this programme, consideration could be given to opening up this scheme to a wider variety of organisations perhaps on the basis of a proportion of funding being set aside for 'new' organisations which demonstrate the potential to become nationally significant or significant within an art form. If such an approach were to be taken, there may be a requirement to alter some of the award criteria for RFO.

Chart 5.11 RFO - Funded Organisation Profile (2009 to 2012)



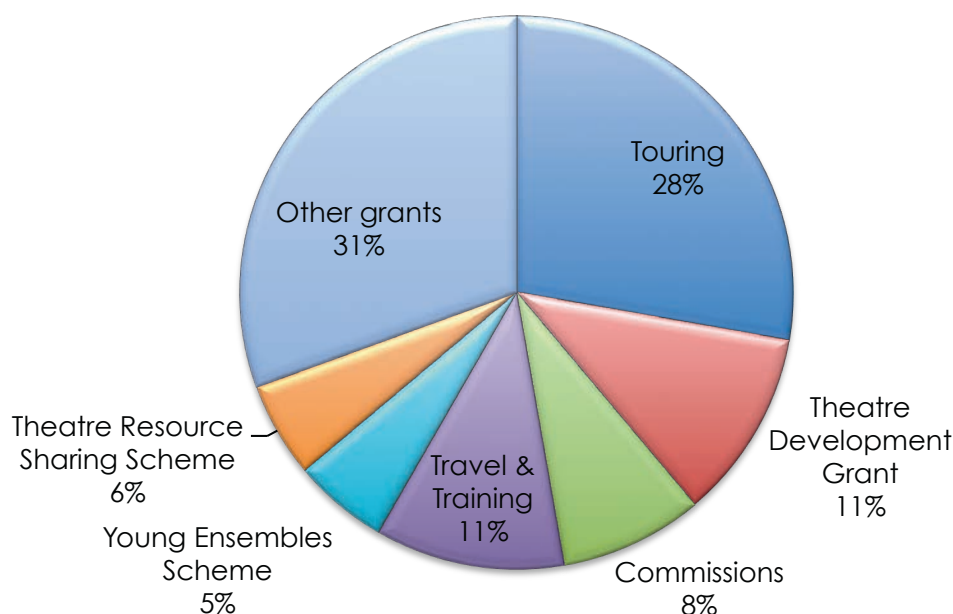
The review examined the number of RFO recipient organisations that also received funding under another Arts Council funding stream in 2012. Table 5.20 sets out the results of that review, which shows that over two fifths (43.5%) of all organisations receiving RFO funding received at least one other grant from the Arts Council. The total value of these grants for 2012 was €1.525 million or just 2.7% of the total programme funding for that year. In terms of the value of the grants, five were for amounts over €100,000, five were for amounts between €50,000 and €100,000 with the balance (26) for under €50,000.

Table 5.20 Number of RFO funded organisations receiving other ACI Grants/Awards (2012)

2012	
Organisations in receipt of RFO funding	69
in receipt of RFO funding only	39
in receipt of RFO and 1 other grant	25
in receipt of RFO and 2 other grants	4
in receipt of RFO and 3 other grants	1

Chart 5.12 expands on this review, examining the types of grants RFO funded organisation received. Touring grants are the most common grants to be provided to RFO funded organisations, with other grants⁴⁸ and travel and training as the next most common type of secondary grant. Given the objective of the touring and dissemination of work scheme to create opportunities for work to be shown in locations across the country, it is considered complementary to the RFO scheme.

Chart 5.12 RFO funded organisations in receipt of other grants (2012)



In general, and given the intention (set out in the evaluation framework) to fund a diverse range of artists and organisations, this potential for organisations to receive multiple awards should be maintained under review in terms of monitoring the Arts Council’s outputs to ensure no negative outcomes. This is especially relevant if the value of grants received (in addition to RFO) were to increase beyond the 2012 level of 2.7%. In addition, consideration may be given to taking into account other Arts Council grants received as part of the application process for all funding streams.

⁴⁸These include a range of grants and awards as follows: Local Arts Development Fund, Children’s Laureate, Artists in Community and in Youth Work, Writers in Libraries, Documentary Scheme, RTE Scheme, Engaging with Architecture, Deis, Music Recording Award, and the Visual Artists Workspace Scheme.

06 Chapter 6

Direct Results



6.1. Introduction

This chapter builds on the examination of outputs in Chapter 5 and examines the direct results identified in the evaluation framework (PLM) for the Arts Council (TOR 3 and 4) as a measure of the effectiveness of the Arts Council in meeting its objectives. Specifically, the chapter examines the data currently available to measure these outputs and proposes a set of performance indicators for use by the Arts Council in future (TOR 6, 7 and 8).

6.2. Direct Results – Rationale and methodological considerations

6.2.1. Rationale – Effectiveness Analysis

The guidance manual for undertaking a VFMPR separates the examination of effectiveness from the examination of impacts of state interventions (Department of Finance, 2007). Effectiveness, it proposes, is a measure of the extent to which stated objectives have been achieved and planned benefits delivered. An examination of impacts, on the other hand, takes into account the wider effects of the intervention i.e. the medium to long term effects on target beneficiaries, the effects on society as a whole and the successes and failures in achieving the wider objectives. This examination of impacts or societal outcomes takes place in Chapter 7 of this review.

On this basis, this chapter examines the effectiveness of the Arts Council at achieving its objectives and proposes a set of performance indicators for the future. Table 6.1 sets out the direct results identified in the evaluation framework (PLM), and links each to the relevant strategic objective (discussed in Chapter 2). This structure is then used to examine the available evidence and propose the set of performance indicators. However, it is important to recognise that, as objectives change over time, the indicators will also evolve. Accordingly, it is important that the Arts Council maintain the indicator set under review and amend, as necessary, the indicators and underlying metrics in response to changing organisational or policy focus. This is particularly critical in the context of the development of the new strategy for the Arts Council, due in late 2015.

In addition, it should be noted that, to ensure the indicator set was practicable and to minimise the burden on the Arts Council in collecting and analysing data, it was developed based on the following principles:

- It should use existing data collection methodologies and it should be iterative, such that a number of indicators may be generated from the same data source.
- It should be limited in number so as not to create an overly burdensome system of reporting.
- It should adhere to best practice indicator design i.e. it should be relevant, reliable and valid.

Table 6.1 Strategic objectives and related direct results (from the evaluation framework)

Strategic Objective 1	Strategic Objective 2	Strategic Objective 3	Strategic Objective 4
Provide support to artists and arts organisations	Improve access to and participation in the arts across all communities	Provide advice to Government, policy makers and other stakeholders, and act as a public advocate for the arts	Improve the operational effectiveness of the Arts Council
More working artists, events and organisations	Increased public access to and participation in the arts, including among socially excluded groups	Increased public awareness and appreciation of the arts	Improved quality of decision making
Preservation of art forms	Provides a range of arts programmes throughout the country		Evidence-based approach to decision making and policy formulation underpinned.
Enhanced creativity			
Artistic standards maintained and improved			

6.2.2. Principles of good indicator design

In order to develop a set of performance indicators, it is necessary to first consider the principles of good indicator design. The IFACCA summarised the characteristics of a good indicator as being grounded in theory or policy, relevant and measurable, comparable across regions and time-periods, unambiguous and easily understood, realistic and trusted among others (2005). A report by the Ministry of Education and Culture, Finland on effectiveness Indicators to strengthen the knowledge base for cultural policy (2011) identifies the most important characteristics of good indicators as relevance, reliability and validity, with relevance being the most important. These are explained as follows:

- **Relevant** – the indicator truly reflects the core of the intended phenomenon;
- **Reliable** – statistically reliable in terms of the measurement;
- **Valid** – the indicator measures what it is intended to measure.

Overall, the Finnish report advises that indicators should be few in number but wide in scope, understandable, avoid overlaps with other indicators, easily accessible/available, internationally comparable and related to specific policy goals.

In general, the use of indicators to evaluate the effectiveness of national policy interventions tend to only consider those which measure macro and meso effects, as defined by the IFACCA (2005). Macro indicators are used to evaluate the impacts of national arts policy or the impacts of public subsidy of the arts on society as a whole, while meso indicators are designed to measure how the Arts Council performs and the outcomes of individual arts policies e.g. encouraging participation. They exclude micro-level indicators which would be used to evaluate

individual programmes and schemes, or community-level effects. This chapter deals with meso indicators only. The Finnish report also provides that many of the indicators to evaluate cultural or arts policies, are a specific type of indicator which is openly bound to specific political goals and strategies. They are used as tools to assess the change brought about by the state intervention towards a defined goal, and over time may be used to set further goals, plan measures, conduct monitoring and make decisions (p. 17). This is consistent with the cyclical nature of the programme logic model.

Finally, Chappell *et al* (2012) in their work for the Department of Culture and the Arts (Western Australia) emphasise that not all indicators in a given set are of equal importance e.g. participation and artistic quality are of a higher order of importance than impacts that are not necessary linked to a specific policy objective but which benefit society e.g. economic spill-over effects.

6.3. Support to Artists and Arts Organisations

From Table 6.1, there are four direct results linked to the first strategic objective 'To provide support to artists and arts organisations' as follows:

- **More working artists, events and organisations;**
- **Preservation of art forms;**
- **Enhanced creativity; and**
- **Artistic standards maintained and improved.**

6.3.1. More working artists, events and organisations

Section 5.2 of the previous chapter examined the outputs of the Arts Council's annual programme in terms of funding and grants provided and the efficiency with which it provided such funding and grants. To determine the effectiveness of the Arts Council in supporting artists and arts organisations, it is necessary to go beyond just measuring this output and instead placing it within a comparative context. To that end, the review sought to examine and compare the number of individual artists, events and organisations supported by the Arts Council with those operating in the wider arts sector to determine what proportion of the wider arts sector is receiving support from the Arts Council, and to determine trends in that support over time.

Although the Arts Council does collect some information on grants to artists through the specific schemes, this system could be improved whereby better information on the numbers of artists supported either through grants to individuals or employed in supported arts organisations is routinely collected. It should be possible, with the expansion of that particular data collection methodology discussed previously in Chapters 4 and 5, to collect these data in future. On this basis, the following performance indicator set out in table 6.2 is proposed to measure the number of artists, events and organisations supported over time. It is set out using the IFACCA template (adapted) which sets out the detailed fields required for the construction and presentation of an indicator (2005). It should be noted that the interpretation of the indicators will be informed by a range of factors including the condition of the arts sector, the Arts Council's strategy, national policies and annual Departmental considerations.

Table 6.2 Performance Indicator: Artists, events and organisations supported

Measure	Artists, events and organisations supported
Aim	The volume of artists, arts organisations and events supported by the Arts Council as an indicator of the vibrancy and sustainability of the arts sector.
Definition	The number and scale of artists, arts organisations and events supported by the Arts Council:
	<i>number of individual artists supported</i>
	<i>number and scale of arts organisations supported</i>
	<i>number and scale of resource organisations supported</i>
	<i>number of festivals and events supported</i>
	<i>number of venues supported</i>
Technical information	Output data collected by the Arts Council as a condition of its funding
Comparative context	Compared with rates from previous years
Sub-population analyses	Geographical spread of funding to artists, arts organisations and events.
Issues and limitations	Indicator only relates to the proportion of the arts sector which is directly supported by the Arts Council.

In terms of suitable comparator for the data from the 'artists, events and organisations supported' indicator, it may be possible to access data from the CSO Quarterly National Household Survey which, among other data, gathers information on persons over 15 years old in employment. It uses NACE Rev 2 classifications in its data collection methodology, of which the following are related to the arts sector supported by the Arts Council: J58 (publishing), J59 (media and music production), and R90 (creative, arts and entertainment). This could be used to compare the numbers of artists in employment supported by the Arts Council with the numbers employed in the arts sector more generally. Trends in employment could also be compared with the general population. On this basis, a second performance indicator, relating to the level and quality of employment in the sector is proposed in table 6.3.

Table 6.3 Performance Indicator: Level and Quality of Employment

Measure	Level and quality of employment
Aim	The level and quality of employment, as a proportion of total employment in the arts sector and the economy more generally.
Definition	The number, qualifications and employment status (full time, part time) of individuals supported by the Arts Council
	<i>The number and qualifications of individuals employed in arts organisations in receipt of regular funding.</i>
	<i>The number and qualifications of artists supported by the Arts Council.</i>
	<i>The number of full time and temporary workers employed in arts organisations, in receipt of regular funding and as part of projects, programmes and events supported by the Arts Council.</i>
Technical information	Output data collected by the Arts Council as a condition of its funding, compared with the arts sector (NACE classifications for J58 (publishing), J59 (media and music production), and R90 (creative, arts and entertainment activities) and the general population.
Comparative context	Compared with rates from previous years, the arts sector (see previous field for NACE classifications) and the general population.
Sub-population analyses	Distribution by local authority, qualification or employment status (full-time, part-time) and across art forms and arts practices.
Issues and limitations	The quality of the data are dependant on good information being provided in the annual output statements from funding recipients. Some verification of the data by the Arts Council might be necessary to test its accuracy.

The relevance of the 'employment' indicator is that, over time, it will act as an indicator of the health of the arts sector within total national employment, as well as offering an insight into this direct impact on the economy and the public finances (from taxation). This approach is consistent with the approach taken in Scotland and proposed for Finland. The indicator also looks at qualifications of those employed in the subsidised arts sector, which may be compared with population figures from the Census to give greater insights into the health and progression of the sector. Some international comparisons, in particular with Scotland which gathers similar data, may also be possible as a result.

The third, and final, indicator proposed as a measure of the Arts Council's effectiveness in supporting artists, arts organisations and events, looks at artistic output as a measure of the vibrancy and sustainability of the sector. This is consistent with the approach proposed in Finland (2011) which seeks to measure the volume of the domestic cultural offering as a measure of the creativity and vitality of Finnish cultural life. A caveat to this approach which is also noted in the Finnish report is that 'units' may differ across art forms and arts practices. Table 6.4 sets out in more detail the indicator which measures the number of artistic offerings supported by the Arts Council. Again, it is proposed that these data be collected as part of the Arts Council's output reports from its funding recipients. It is recognised that the current data collection system is weighted in favour of more detailed reports from organisations in receipt of recurring funding, however, over a period of years this particular indicator should be applied to all funding recipients.

Table 6.4 Performance Indicator: Artistic Output

Measure	Artistic output
Aim	The volume of artistic offerings supported by the Arts Council as an indicator of the vibrancy and sustainability of the arts sector.
Definition	Number of artistic offerings supported by the Arts Council:
	<i>number of film & audio-visual events</i>
	<i>number of visual arts, architecture exhibitions</i>
	<i>number of music, opera recordings or film productions</i>
	<i>number of festivals</i>
	<i>literature (titles & readings)</i>
Technical information	Output data collected by the Arts Council as a condition of its funding
Comparative context	Compared with rates from previous years
Sub-population analyses	Level of domestic offering i.e. Irish based artists and arts organisations producing work
	Geographical spread of offerings
Issues and limitations	Indicator only relates to the proportion of the arts sector which is directly supported by the Arts Council. It is not reflective of artistic output more generally, nor does it account for the future output of artists in receipt of bursaries etc.
	Indicator does not measure the quality of the offering.

6.3.2. Preservation of art forms

Chapter 5 presented information on the distribution of funding and grants between different arts forms and arts practices, however, this information is not sufficient to determine the effectiveness of the Arts Council in supporting their preservation. To that end, it is proposed to establish an indicator, set out in table 6.5, which examines the distribution of artistic offerings supported by the Arts Council across the various art forms and arts practices included in the Council's annual programme. This measure, which is linked to actual artistic output (established in the third indicator – table 6.4) rather than funding or grants is intended to provide a picture, over time, of the vibrancy of each art form or practice and to identify and track potential negative trends e.g. a reduction in the output of a particular art form which may require a policy response from the Arts Council. It should be noted, however, that this measure is limited in that it does not measure the quality of the output only the quantity of the output.

The Finnish Report on effectiveness indicators (2011) notes that the general approach of measuring quantity and inferring quality constitutes a particular challenge when evaluating the effectiveness of cultural policy. It recognises that, in the bulk of assessment research conducted to date, the effectiveness of culture and cultural policy has been described using statistical methods, meaning that quality has been treated as numerically measurable. There are clear advantages to this approach; evaluations based on statistical data are often less complicated to carry out than qualitative assessments, it is easier to make international comparisons, and, statistics fit better in the policy analysis tool-kit. However, they note that statistical classifications may result in the loss of the special features of artistic work and activities.

Table 6.5 Performance Indicator: Preservation of art forms

Measure	Preservation of art forms
Aim	The distribution of artistic offerings supported by the Arts Council across the various art forms included in the Council's programme.
Definition	Number of artistic offerings supported by the Arts Council in each of the art forms included in the Council's programme as follows: <i>Architecture, Circus, Street Arts & Spectacle, Dance, Film, Literature, Music, Opera, Theatre, Traditional Arts, Visual Arts.</i>
Technical information	Output data collected by the Arts Council as a condition of its funding and linked to particular art forms.
Comparative context	Compared with distribution across art forms from previous years
Sub-population analyses	Geographical spread of individual art forms offerings supported.
Issues and limitations	Indicator only relates to the proportion of the arts sector which is directly supported by the Arts Council.

6.3.3. Enhanced creativity

As mentioned in the previous section, there is a lack of international evidence for performance indicators which can measure the quality of artistic output with most jurisdictions examined limiting their indicators to quantitative measures. This is a particular issue when we seek to analyse the effectiveness of the Arts Council in supporting enhanced creativity. That said, there is consensus that aspects of quality, like creativity and innovation, may be examined using a range of additional methodologies including assessment panels, guest artist surveys, staff days, and audience reviews (Chappell *et al*, 2012). In addition, recent work in Manchester and Western Australia has developed a system, discussed further in the following chapter, which uses self, peer and audience feedback to assess the quality of individual artistic offerings (Bunting *et al*, 2014).

In terms of quantitative data, a possible proxy, however, is proposed in Finland whereby the share of new productions in the overall cultural offering is used to infer the overall creativity of the sector. A similar approach is now proposed for the Arts Council whereby as part of the overall information collected as part of the annual output statements of funded organisations, the quantum of new and original work produced and shown (broken down in table 6.6) should be gathered. Over time, this metric should be applied to all funding recipients of the Arts Council as the data collection system allows. The value of this measure will be shown over time whereby the Council will be able to demonstrate the growth in new and original work produced or conversely will be able to reorient its programme in response to a decrease in new and original work.

Table 6.6 Performance Indicator: New and Original Work

Measure	New and Original Work
Aim	Share of artistic output that is new or original work.
Definition	Number of artistic offerings supported by the Arts Council that are new or original work:
	<i>number of film & audio-visual events</i>
	<i>number of visual arts, architecture exhibitions</i>
	<i>number of music, opera recordings or film productions</i>
	<i>number of festivals</i>
	<i>literature (titles & readings)</i>
Technical information	Output data collected by the Arts Council as a condition of its funding
Comparative context	Compared with rates from previous years
Sub-population analyses	Level of domestic offering i.e. Irish based artists and arts organisations producing work
	Geographical spread of offerings
Issues and limitations	Indicator only relates to the proportion of the arts sector which is directly supported by the Arts Council. It is not reflective of artistic output more generally, nor does it account for the future output of artists in receipt of bursaries etc.
	Indicator does not measure the quality of the offering.

6.3.4. Artistic standards maintained and improved.

The direct result in table 6.1 which deals specifically with the maintenance and improvement of artistic standards again raises the issue of the limitations of quantitative analysis in assessing the quality of the arts. The Arts Council already identifies five elements of artistic quality, adapted from Matarasso (2000), in its funding assessments as follows: originality, ambition, connection, technical competence and personal response. These assessments are often undertaken by peer panels (discussed in Chapter 4) and as such are consistent with the approaches to assessing artistic quality in other jurisdictions noted by (Chappell *et al*, 2012) and cited in the previous section. That said, the information gathered is limited to the funding proposal and is not a measure of the quality of the artistic offering which is actually delivered.

In order to address this absence of data, and given the qualitative nature of any assessment of artistic standards, it is recommended that the Arts Council consider expanding the current use of arts advisers on peer panels to also include undertaking peer reviews of individual artistic offerings supported by the Arts Council. Such reviews could then be compared with the original funding assessment and, over time, with peer reviews of previous years' programmes. As undertaking peer reviews of all artistic offering supported by the Arts Council's annual programme would be cost prohibitive, consideration could be given to its operation on a proportional basis and limited to the outputs of organisations in receipt of recurring funding.

One caveat from the international literature is, however, noted. Where peer review is part of the quality assessment approach, the importance of an appropriately large sample of artists to engage in peer review, including international peers, is highlighted to avoid situations where artists support each other's claims for on-going funding out of a sense of solidarity rather than by objective review (Chappell *et al*, 2012).

6.4. Improved access to and participation in the arts across all communities

From Table 6.1, there are two direct results linked to the second strategic objective 'to improve access to and participation in the arts across all communities' as follows:

- **Increased public access to and participation in the arts, including among socially excluded groups; and**
- **A range of arts programmes provided across the country.**

For the first of these, it is considered practical to propose two separate performance indicators to ensure that the entirety of the output is measured. As such, this section examines the general output of increased public access to and participation in the arts as well as the access to and participation in the arts by socially excluded groups.

In developing the proposed indicators for access and participation, consideration was also given to a number of source documents including the NESF Report No.35 (2005) and the National Campaign for the Arts report on its colloquia on research (2014). From the NCFCA discussion, proposed measures include audience numbers, diversity and engagement with target communities e.g. those that are socially excluded. The NESF report focused, in particular, on socially excluded groups and included specific indicators (suggested by the Combat Poverty Agency) as follows:

- **The number of arts projects that involve groups identified in the National Action Plan for Social Inclusion and number of participants as a percentage of all Art Council funded programme participants; and**
- **The percentage of the Arts Council's annual programme funding allocated to social inclusion projects.**

6.4.1. Increased public access to and participation in the arts

The Arts Council, through its partnership project, *Arts Audiences*, already measures progress in relation to audience participation through the Target Group Index (TGI) survey. The TGI survey is a single source large scale survey carried out annually which looks in detail at the demographic, purchasing, behavioural and attitudinal information provided by a representative sample of the population (n=3,000). The survey includes a number of questions on the frequency of attendances, and how recent they were, at a variety of art forms which fall within the remit of the Arts Council⁴⁹. However, this does not distinguish between attendances at Arts Council supported events or commercial, community or other events. As such, the data cannot be taken as a measure of output but rather an indicator of general attendance patterns among the public over time. The Arts Council should continue to use these data to monitor trends in arts participation generally, and especially using the demographic analyses available as part of the TGI research, to inform its policy and programme direction.

In terms of attendances at arts events, the TGI research provides the following estimates for adults at one or more event a year (table 6.7). Over the period for which data were reviewed (2008 to 2013) the level of attendance dropped by 14.45% or approximately 506,000 Irish adults which is consistent with the contraction in the economy and consequently in household disposable income. However, this does not represent the full picture which shows an initial, and dramatic, fall in attendances of almost 48% between 2008 and 2010. This was followed, for all years except 2012, by smaller, but sustained, increases in attendances of between 7.4% and 15.9%. 2012 saw a slight drop of just under 3% on the previous year's attendances. This compares favourably with the results of the European Commission's Eurobarometer survey⁵⁰ which found that, across all countries surveyed, there has been a general decline in participation in most cultural activities between 2007 and 2013, which, the survey speculates, may be partly due to the financial and economic crisis in the intervening period. While this decline was evident in Ireland in 2008-2010 attendances steadily improved since then, which may indicate a positive output for the Arts Council in terms of its audience development function.

⁴⁹The art forms included in this survey are plays, opera, ballet, classical music, contemporary dance, folk concerts, jazz concerts, any performance in a theatre. It also includes attendances at art galleries and exhibitions. The list of arts events was expanded for the 2013/2014 period to also include musicals, variety/pantomime, stand-up comedy, other theatre, tradition/folk dance, other dance, a range of music types, literature and poetry readings and arts festivals.

⁵⁰The Eurobarometer survey on cultural access and participation commissioned by the European Commission in 2001, 2003, 2007 and 2013. The survey measures the attitudes of the public towards a range of cultural activities, looking at their participation as both consumers and performers of culture. The most recent iteration of the survey was carried out by TNS Opinion and Social network in the then 27 EU Member States and in Croatia between 26 April and 14 May 2013. Some 26,563 respondents from different social and demographic groups were interviewed face-to-face at home. As with the TGI research, the list of cultural activities does not correspond very closely to the Arts Council's areas of responsibility. Available at: http://ec.europa.eu/public_opinion/archives/ebs/ebs_399_en.pdf

Table 6.7 TGI data: Attendances at arts events (adult population)

Arts Attendances	2008/2009	% of population	2009/2010	% of population	2010/2011	% of population
Theatre	1,146,080	33.95%	517,000	15.32%	545,000	15.10%
Plays	983,600	29.14%	484,000	14.34%	553,000	15.32%
Opera	154,670	4.58%	177,000	5.24%	226,000	6.26%
Ballet	96,800	2.87%	124,000	3.67%	143,000	3.96%
Contemporary Dance	164,830	4.88%	178,000	5.27%	208,000	5.76%
Classical Music concerts/recitals	441,380	13.08%	254,000	7.53%	285,000	7.90%
Folk concerts	321,240	9.52%	251,000	7.44%	298,000	8.26%
Jazz concerts	193,550	5.73%	175,000	5.18%	222,000	6.15%
Total	3,502,150		2,160,000		2,480,000	
Percentage Annual Change			-38.32%		14.81%	
Adult population (census)	3,375,399		3,375,399		3,608,662	
Arts Attendances	2011	% of population	2012	% of population	2013	% of population
Theatre	957,000	26.52%	980,000	27.16%	1,015,000	28.13%
Plays	872,000	24.16%	793,000	21.97%	886,000	24.55%
Opera	139,000	3.85%	162,000	4.49%	133,000	3.69%
Ballet	87,000	2.41%	76,000	2.11%	89,000	2.47%
Contemporary Dance	86,000	2.38%	87,000	2.41%	92,000	2.55%
Classical Music concerts/recitals	325,000	9.01%	315,000	8.73%	318,000	8.81%
Folk concerts	260,000	7.20%	242,000	6.71%	286,000	7.93%
Jazz concerts	148,000	4.10%	135,000	3.74%	177,000	4.90%
Total	2,874,000		2,790,000		2,996,000	
Percentage Annual Change	15.89%		-2.92%		7.38%	
Adult population (census)	3,608,662		3,608,662		3,608,662	

In terms of attendances by art form, the research found that the greatest reductions in attendances were in contemporary dance (-44.18%), with the most significant reductions taking place in 2011 (after a period of increasing audiences from 2008 to 2011). It may be that this halving of the audience may be due to a reclassification within the survey methodology; however, such changes in audience levels warrant further examination by the Arts Council. Classical music concerts and recitals suffered the next greatest decrease of 22.95%, followed by Opera at 14%. Theatre and Plays, which consistently garnered the greatest audiences, saw aggregate reductions of 11.54% and 9.92% respectively, while folk and jazz concerts saw reductions of 10.97% and 8.55% over the period.

In terms of a performance indicator for the future, this review recommends that the Arts Council continue to use the TGI survey data to inform its policy and programme for audience development as set out in table 6.8. The improvements in the 2014 survey which include greater detail on the types of arts events attended are also noted and welcomed as part of an enhanced data collection methodology. Changes in audience profile or attendances over time are indications of effectiveness, or otherwise, of the Art Council's policy and programme.

A limitation of this indicator, which has been addressed in other jurisdictions, is the ability to assess the participation rates of children and young people. Both the ACE and the Department of Culture Arts and Leisure in Northern Ireland monitor engagement in the arts among children through specific modules on arts participation in the *Taking Part* survey and the Ipsos-MORI omnibus 3 yearly *Young People Behaviour and Attitudes Survey* (NI)⁵¹ respectively. While this is somewhat addressed in the next indicator, the Arts Council should consider the need for a similar survey mechanism for young people and children as part of its future strategy. The importance of supporting access to and participation in the arts for children and young people is discussed further in Chapter 7.

Table 6.8 Performance Indicator: Arts Audiences across the country

Measure	Arts Audiences across the country
Aim	The number, geographical spread and demographic breakdown (where available) of arts audiences at Arts Council supported artistic offerings
Definition	Audience numbers by:
	art form or arts practice
	local authority area
	age or other demographic information
Technical information	Data from the annual Arts Audiences (TGI) survey
Comparative context	Compared with rates from previous years
Sub-population analyses	Changes in audience numbers or profile by art form or arts practice, by local authority area, or by age or other demographic information.
Issues and limitations	Indicator is based on a reasonably small sample of just 3,000 respondents. The Arts Council should validate the results using output data gathered from funded organisations as a condition of funding.

6.4.2 Increased public access to and participation in the arts, among socially excluded groups

The proposed indicator to measure the effectiveness of the Arts Council in improving access to and participation in the arts by socially excluded groups, builds on the recommendations of the NESF report (2005) cited at the start of this section. The indicator, set out in table 6.9, deals specifically with 'communities of interest'. These are defined as groups identified in the *National Action Plan for Social Inclusion* and for which the Arts Council has a particular responsibility to improve access to and participation in the arts. This definition includes children and young people and people with disabilities, among others. The indicator uses data on the number of projects, performances etc. funded by the Arts Council which target these groups, as well as data, where available, on participants and audiences. The latter is a much richer source of information and the Arts Council should seek to ensure that these

⁵¹This is a school based survey, conducted among 11 to 16 year olds. The questionnaire is self-completed (previously on paper but on laptops since 2013). <http://www.csu.nisra.gov.uk/survey.asp14.htm>

data are collected as part of the output report required as a condition of funding. The effectiveness of the Arts Council in addressing these marginalised communities will be determined by the increase in targeted projects and in participants and audiences over time.

Table 6.9 Performance Indicator: Support for groups identified in the National Action Plan for Social Inclusion.

Measure	Support for the arts for social inclusion groups
Aim	The number and value of arts projects that involve National Action Plan for Social Inclusion groups, and audience/participant numbers, as a measure of reach for communities of interest
Definition	Number of projects, performances etc. which involve or are targeted at groups identified in the National Action Plan for Social Inclusion
	Number of participants/audiences from these groups, as a percentage of total participants/audiences (Arts Council funded projects only)
Technical information	Output data collected by the Arts Council as a condition of its funding
Comparative context	Compared with rates from previous years
Sub-population analyses	Distribution of offerings between the various art forms & arts practices
Issues and limitations	The quality of the data are dependant on good information being provided in the annual output statements from funding recipients. Some verification of the data by the Arts Council might be necessary to test its accuracy.

6.4.3. Provides a range of arts programmes throughout the country

Table 5.11 provides useful information on the number of grants and awards made across each local authority area. It is, however, of limited use in assessing the effectiveness of the Arts Council in providing a range of arts programmes across the country as it offers no insight into the scale or purpose of the individual awards e.g. a bursary which benefits an individual artist or programme support for an arts organisation which will provide participation opportunities to large audiences. On that basis, and in line with the iterative approach described in section 6.2, it is proposed that the next indicator examines the regional distribution of its programme support for artists, events and organisations. This indicator will require a further analysis of the data collected for the first indicator (table 6.2). The rationale for this indicator is that the greater the volume and regional distribution of artists supported by the Arts Council, the greater the opportunities for the public to participate in the arts. As with the first indicator, the necessary data are to be collected as part of the annual reporting by artists and arts organisations, which is a condition of funding from the Arts Council.

Table 6.10 Performance Indicator: Distribution of Artistic Offerings

Measure	Distribution of supported arts offerings around the country
Aim	The geographical spread of artists, events and arts organisations supported by the Arts Council indicates the number of opportunities to engage with the arts that are available to the public in each local authority area
Definition	Number of artistic offerings supported by the Arts Council in each local authority area by:
	<i>art form or arts practice</i>
	<i>funding per capita</i>
Technical information	Output data collected by the Arts Council as a condition of its funding
Comparative context	Compared with rates from previous years
Issues and limitations	Indicator does not measure the actual audiences, and is only an indicator of opportunities to participate

6.5. Advice and Advocacy

From Table 6.1, the direct result linked to the third strategic objective ‘to provide advice to Government, policy makers and other stakeholders and to act as a public advocate for the arts’ is to increase the public awareness and appreciation of the arts. To ensure that the performance indicators capture both trends in public awareness and public appreciation of the arts, these are considered separately in this text.

6.5.1. Increased public awareness of the arts

The Arts Council has two main data sources at its disposal to assess its effectiveness in increasing public awareness of the arts. The first of these is the culturefox.ie website - an initiative of the Arts Council to create a single, searchable website for all arts offerings supported by the Arts Council. The website has recently been rebuilt and now includes additional technology (API) which allows other websites to download information on arts events automatically and re-present the information in suitable formats on their own websites. It is expected that this will increase the reach of the website, coupled with additional search engine optimisation work. Unfortunately, this new website is still undergoing its phased re-launch and only indicative data are available from it, as follows:

- **The number of arts events listed on Culturefox.ie per month (average): 700**
- **The number of individual event pages viewed in any month (average): 100,000**

While these initial figures are considered to be quite modest, it is clear that the website will provide a rich source of data on awareness of the arts as the functionality and profile of the website expands. It is noteworthy that, in addition to the requirement that all arts events supported by the Arts Council must be advertised on culturefox.ie (a condition of funding), the Arts Council is also exploring ways of incorporating events from the wider cultural sector e.g. those supported by Fáilte Ireland. The Arts Council, as part of the on-going development of this site, should ensure that valuable data is collected and analysed as part of its continued support for the site.

The second data source is the TGI survey discussed earlier in this chapter. This survey lists a number of statements for agreement or disagreement by respondents. In particular, it asks respondents to consider two contrasting statements which may offer insights into awareness of or indifference towards the arts:

- **The arts play an important and valuable role in a modern society such as Ireland; and**
- **The arts do not play a significant part in my life.**

Using the data gathered from respondents, the following indicator (table 6.11) examines the change, over time, in the percentage respondents that agree or disagree with these two statements as a proxy for awareness of the arts.

Table 6.11 Performance Indicator: Awareness of the arts

Measure	Awareness of the Arts
Aim	The level of awareness of the arts
Definition	The percentage difference between: agreement with the statement ‘The arts play an important and valuable role in a modern society such as Ireland’ and ‘The arts do not play a significant part in my life’.
Technical information	Data from the annual Arts Audiences (TGI) survey
Comparative context	Compared with rates from previous years
Sub-population analyses	Analysis of demographic or regional trends within the population supporting the various statements.
Issues and limitations	Indicator is based on a reasonably small sample of just 3,000 respondents. The current questionnaire includes limited questions on this issue and does not provide for insights into awareness of the arts at local or regional levels. The survey used by Creative Scotland may offer useful ways in addressing this limitation.

6.5.2. Increased appreciation for the arts

The ACE includes appreciation for the arts as one of its five goals ‘more people feeling that the arts are meaningful to them’ and indicates that it measures the output of this through specially commissioned surveys to assess the level of support for public funding for the arts. Creative Scotland also identifies two specific metrics to assess the level of public support for the arts in its strategy, the data for which are gathered in an omnibus survey of 1,000 people. The survey includes questions on public attitudes to culture at local and national levels, motivations for and barriers to participation, as well as asking respondent whether they agree or disagree with a number of statements including the following:

‘Scotland is a creative nation’;

‘Arts and culture are an important part of my life’; and

‘There should be public funding of arts and cultural activities in Scotland’.

The two associated performance indicators are increased percentage of public perceptions of national and local creativity and increased percentage of public value of local cultural offering.

The current TGI survey takes a similar approach to that taken by Creative Scotland and the ACE in that it includes a range of statements to assess the level of support for the arts. In particular, it includes a specific statement in relation to public funding for the arts to which respondents indicate their level of agreement or disagreement with:

Even in current economic circumstances local authorities and central Government should maintain their level of funding for the arts.

The proposed indicator set out in table 6.12 uses this statement as a proxy measure for the public’s appreciation for the arts. Although the current statement mentions both local and national Government funding, consideration could be given to including two separate statements distinguishing between local and national Government supports. This would facilitate greater insights into the effectiveness of the Arts Council’s own programme in enhancing appreciation for the arts.

Table 6.12 Performance Indicator: Appreciation for the arts

Measure	Appreciation of the Arts
Aim	The level of appreciation of the arts at local and national levels, including in terms of funding for the arts
Definition	The percentage support for the following statement: <i>Even in current economic circumstances local authorities and central government should maintain their level of funding to the arts</i>
Technical information	Data from the annual Arts Audiences (TGI) survey
Comparative context	Compared with rates from previous years
Sub-population analyses	Analysis of demographic or regional trends within the population supporting the various statements.
Issues and limitations	Indicator is based on a reasonably small sample of just 3,000 respondents.

6.6. Leveraging Income

Although table 6.1 does not include a specific direct result on leveraging income, the international evidence suggests that this is a commonly measured result for publicly subsidised arts programmes. The ACE includes financial stability, including income from private and other sources, as part of its annual analysis of the performance of its national portfolio organisations (those in receipt of regular funding agreements). In addition, Creative Scotland evaluates its effectiveness by measuring the leveraged value of the Creative Scotland investment in the arts. This approach is mirrored in the Public Value Measurement Framework developed by the Ministry for Culture and the Arts in Western Australia.

Building on the international experience and the recommendation that the Arts Council further expand its RAISE initiative (Chapter 3), table 6.13 proposes an indicator to measure and monitor the leveraging of Arts Council funding to generate alternative sources of income be they earned, sponsorship or philanthropic. Examining the income generated from the public investment offers insights into the return generated from the public subsidy of the arts, as well as offering a means of measuring the effectiveness of the Arts Council programmes to improve the financial stability of arts organisations.

Table 6.13 Performance Indicator: Income

Measure	Arts Income
Aim	Level and type of income generated as a result of the Arts Council's investment in the arts.
Definition	The level of the following generated by arts organisations:
	<i>earned income</i>
	<i>private sponsorship</i>
	<i>philanthropic income.</i>
Technical information	Output data collected by the Arts Council as a condition of its funding
Comparative context	Compared with rates from previous years and related to the overall programme funding of the Arts Council.
Sub-population analyses	Distribution by income type (earned, private, philanthropic), distribution by art form or arts practice
Issues and limitations	The quality of the data are dependant on good information being provided in the annual output statements from funding recipients. Some verification of the data by the Arts Council might be necessary to test its accuracy.

6.7. Improved operational efficiency

From Table 6.1, there are two direct results linked to the fourth strategic objective 'to improve the operational performance of the Arts Council':

- Improved quality of decision-making; and
- Evidence-based approach to decision-making and policy formulation underpinned.

It is considered that these two direct results are very similar in their delivery, and have been assessed as part of the review of governance and decision-making in Chapter 4 and addressed in the recommendations in that chapter. In addition, the recommendations throughout this review which call for additional data collection and analyses are also considered to be essential in delivering on these outputs.

An area however where the Arts Council differs from the international experience, and which could positively contribute to the evidence-base on the Council's effectiveness in its operation and decision-making, is in seeking feedback from stakeholders. The ACE as part of its measurement of success against its goals (discussed further in Chapter 7) undertakes a regular *Stakeholder Focus* survey to support continual organisational improvement and help focus delivery on key areas identified by its stakeholders. The survey asks the public, artists, arts organisations and other interested partners their opinions on what ACE is doing well and where it needs to improve and is run regularly so that any changes in opinions can be measured and to track progress. Creative Scotland also includes a set of performance metrics linked to operational performance which includes an examination of stakeholder satisfaction.

Although no specific performance indicator on operational effectiveness is proposed in this review, the Arts Council should consider establishing and undertaking an annual stakeholder survey addressed at the public, artists, arts organisations and others to assess their satisfaction with how the Council does its business and where it might improve its service.

07 Chapter 7

Societal Outcomes



7.1. Introduction

Chapters 4 and 5 examined the decision-making processes and outputs of the Arts Council and Chapter 6 dealt with the direct results of the Arts Council's programme on the arts sector as set out in the evaluation framework (chart 1.1). This chapter builds on that approach and examines the challenges in evaluating the effectiveness of the Arts Council in delivering the societal outcomes identified in chart 1.1, thereby meeting three key terms of reference for this report, namely TORs 6, 7 and 8. The Arts Council's outputs and results, discussed in Chapters 5 and 6, are the means by which the societal outcomes are articulated and achieved. Moving from outputs and results to societal outcomes is generally recognised within the literature as being fraught with methodological and practical difficulties. In the ACE's 2014 review of the available evidence around establishing the value of arts [and culture], the report concludes that a theoretical framework model which sets out the ways in which arts [and culture] creates added societal value is necessary, and yet still absent, to guide the development of the evidence base (p.40).

7.2. International Comparison

7.2.1. Common methodological challenges

A review of studies in other jurisdictions including England, Finland, Scotland, New Zealand and Western Australia was undertaken to examine the international experience in evaluating effectiveness and developing performance indicators for the societal outcomes of arts policy. Arising from that review, a number of common challenges were identified⁵², as follows:

First, in general, there is no clear distinction maintained between outputs and societal outcomes. Second, each study differed in the societal outcomes identified for analysis which, when combined with the first issue, makes international comparisons difficult, and often confusing rather than enlightening. Third, the Government Departments or arts councils examined in the studies cover a much wider remit than that which applies to the Arts Council and hence many of the indicators they suggest are not applicable, even when they refer to societal outcomes. Fourth, there is little indication that the very limited indicators suggested for societal outcomes were ever in fact collected or analysed.

The major exception to this is the ACE, the experience of which is the focus of Section 7.2.1. One study (for Western Australia) used a programme logic model similar to that used for this review (chart 1.1), however, it is considered more limited in the detail provided and varied in its content such that it was not possible to use it for comparison with the evaluation framework for this review.

7.2.2. ACE Approach

This chapter will concentrate on the experience of the ACE. First, the ACE has spent many years trying to define and measure success in the arts and appears to have made considerable progress in this regard. Second, the reports of two visits by members of the Committee to the ACE reinforced this belief and also gave assurance that what was stated in the ACE 10-year strategic framework '*Great Art and Culture for Everyone*⁵³' was not aspirational but was being successfully implemented. Third, at its establishment in 1951, the Arts Council in Ireland was modelled on the ACE and, until the widening of ACE functions in 2011/2012, enjoyed a similar set of responsibilities to the Arts Council. As such, the ACE remains a suitable comparator organisation for the purposes of this study.

ACE has five overarching objectives relating to the part of its remit that overlaps most with that of the Arts Council here (ACE, 2011). As two of these refer to outputs and not outcomes within the evaluation framework used in this report, only those objectives which relate to societal outcomes are listed here:

- i. Excellence is thriving and celebrated in the arts;
- ii. Everyone has the opportunity to experience and to be inspired by the arts; and
- iii. Every child and young person has the opportunity to experience the richness of the arts.

⁵² Some of these challenges have already been discussed in chapter 1.

⁵³ ACE 10-year Strategic Framework – *Great Art and Culture for Everyone*. Available at: http://www.artscouncil.org.uk/media/uploads/Great_art_and_culture_for_everyone.pdf

The ACE points out that there are complex interrelationships between these societal outcomes and that the objectives are mutually reinforcing whereby success in one contributes to success in the others. What is of particular note in the 10-year strategic framework of the ACE is that it sets out clearly how the organisation intends to measure success in terms of achieving each societal outcome, but does not specify any particular performance metrics. Instead it provides information on the sources of data that will be used to monitor performance as follows:

Excellence is thriving and celebrated in the arts. In relation to this objective the ACE states inter alia, and of interest to the Irish case, that it will:

- Support the arts and cultural sector to develop a set of national quality measures and integrate these within a programme of self-evaluation. The measures will encompass the views of audiences, users and peers;
- Use data from the ACE stakeholder survey to assess the extent to which it believes its funding supports diverse cultural programming and content;
- Commission surveys to assess the level of support for public funding for the arts and culture; and
- Use evidence from the International Passenger Survey to show how inward tourism is being influenced by arts and culture.

Everyone has the opportunity to experience and to be inspired by the arts. In relation to this objective the ACE states that it will:

- Use its funding data, including the survey of funded organisations and evidence from strategic funding programmes for digital distribution, touring and targeting places of low engagement, to assess the extent to which everyone has the opportunity to experience and participate in great art;
- Collect and analyse data from funded organisations, the Taking Part survey, online analytics, and a range of other credible sources to give them a better understanding of how cultural institutions are engaging their audiences, including those who are least engaged; and
- Support the arts and cultural sector to develop new national standards for the capture of quality of engagement and experience and track these over time.

Every child and young person has the opportunity to experience the richness of the arts. In relation to this objective the ACE states, inter alia, that it will:

- Use data from its investment programmes and other sources to measure the opportunities to experience great art available to children and young people in each local authority area;
- Use relevant data as an indicator of the breadth and quality of cultural education at Key Stages 1–5 across schools, further education, youth justice settings and arts organisations;
- Track the links between arts and cultural organisations and schools; and
- Support the arts and cultural sector to identify and develop a set of national quality measures, integrated with a programme of self-evaluation, to help understand the impact the sector is making. The measures will involve audiences, participants, users and experts commenting on their artistic and cultural experiences. It will use these measures to inform its funding agreements and its peer review programme.

7.2.3. ACE: Main Data Sources

There are a number of key data sources available to the ACE. Although some of these data relate to outputs rather than societal outcomes, there is some crossover. A number of these which are of relevance to the measurement of societal outcomes are described below:

Annual Survey of Funded Organisations: The ACE requires that National Portfolio Organisations (those in receipt of regular funding agreements) complete an online survey as a condition of funding. The survey collects data on organisation profile, staffing, financial statements, and numbers of performances, exhibition days, film screenings and educational activities. It also collects information on audience numbers (known or estimated) as well as touring activities.

The ACE also undertakes a regular **Stakeholder Focus Survey** to support continual organisational improvement

and help focus delivery on what stakeholders see as priorities. The survey asks the public, artists, arts organisations and other interested partners their opinions on what ACE is doing well and where it needs to improve. The survey is run regularly so that any changes in opinions can be measured and to track progress. The research aims to ensure that the Arts Council is in touch with the views of its external stakeholders and the public, and to explore levels of trust and confidence in ACE, as well as perceptions of accountability.

The ACE uses the findings of the national **'Taking Part Survey'** of cultural and sport participation to inform its policy and activities. This survey, commissioned by the Department for Culture, Media and Sport (DCMS) in partnership with the ACE, Sport England and English Heritage, is undertaken quarterly by means of face-to-face interviews. It collects information from a nationally representative sample of children and adults about their attendance at a wide variety of arts events and about their participation in creative activities. The survey also asks about motivations for and barriers to engagement and collects a large quantity of socio-demographic information, from which the achievement of societal outcomes can be inferred.

The ACE also uses **assessment panels** as well as a self-assessment toolkit for organisations to review the quality of the artistic offering and the achievement of key goals and objectives of the organisation. The artistic assessments are undertaken by assessors, contracted by the ACE, to review individual pieces of work and write reports assessing the quality of the work. The assessments feed into the on-going artistic evaluation of the ACE's portfolio, and ultimately inform funding decisions. They are also intended to support organisations in the evaluation and improvement of their work, in conjunction with the self-assessment toolkit.

More recently, a comprehensive system to evaluate the quality of the cultural offering has been developed in Manchester (Bunting *et al.* 2014) which utilises new technologies to assess artistic quality, including an 'app' for audience feedback. The **'Culture Counts'** system offers a methodology for self-assessment of quality as well as peer and audience assessments to gain a more comprehensive understanding of individual artistic offerings based on the quality of the product and experience, the quality and depth of engagement and the quality of the creative process. Specifically, respondents are asked to complete a short survey in which each quality dimension is presented as a statement or 'metric' and respondents record the extent to which they agree or disagree with the metric using a sliding scale. The ACE has recently announced funding for a national pilot of the 'Culture Counts' system, including additional metrics for organisational health (cultural leadership, relationships and partnerships, and financial health).

7.3. Providing Evidence in Relation to Societal Outcomes

7.3.1. Addressing the challenge of developing an evidence-base for societal outcomes

To measure the effectiveness and societal impact of the Arts Council, it is necessary to take into account:

- The outputs and results of the Arts Council's programme, discussed in Chapters 5 and 6; and
- The societal effects identified in the evaluation framework (PLM) and set out in Table 7.1.

The Arts Council's strategic review specifically highlighted that the evaluation of effectiveness and impacts would have to encompass information about the Arts Council's own direct areas of responsibility and investment as well as aspects of the wider arts environment. In terms of the latter, this requires evidence that can identify and measure the societal outcomes of the overall public investment in artists and arts organisations, as well as for the Arts Council's own activities.

The international evidence highlights the challenge in identifying and measuring these societal impacts in the absence of an agreed international indicator set or indeed an agreed understanding of what effects should be measured. The experience in other countries including in England, where work on this aspect of policy is well advanced, no metrics on societal outcomes are in place. It appears that the current international consensus is that, in the absence of this clarity, it may only be possible to prepare a convincing narrative supported by a combination of concrete and suggestive evidence.

Table 7.1 Outcomes and Impacts of Arts Council activities (PLM)

Outputs	Direct Results	Societal Outcomes	
Diverse range of organisations, artists, events and other arts initiatives supported.	More working artists, events, and organisations		A rich and vibrant culture in which the arts develop and flourish and cultural values endure
	Preservation of artforms		
	Enhanced creativity		
Audience development	Increased public access to and participation in the arts, including among socially excluded groups		A more inclusive society which values creativity and innovation
Diverse range of national/local/community and other targeted arts initiatives supported, including in educational settings and targeting disadvantaged or other socially excluded groups	Provides a range of arts programmes throughout the country		
			National and local arts development supported
Expert advice and assistance provided, public policy informed	Improved quality of decision making		Enhanced reputational value for Ireland
Artistic standards developed	Standards maintained & improved.		
Communication and information strategies developed	Increased public awareness and appreciation of the arts		Spin-off economic benefits such as tourism, employment and FDI in the creative industries
Reports, data, evidence-based research published	Evidence based approach to decision making and policy formulation underpinned		

The evaluation framework (PLM) provides a useful, iterative model from which the delivery of societal outcomes may be inferred. First, a necessary condition for good societal outcomes is that the organisations which distribute state funding are well organised with clear decision-making structures in place (Chapter 4). A second necessary condition for good outcomes is that outputs and results are clearly defined and measured (Chapters 5 and 6). This is consistent with the approach taken by the ACE whereby the three ‘measuring success’ sections of the 10-year strategic review (ACE, 2013) highlighted in section 7.2.2 propose output measures, rather than measures of societal outcomes. The clear intention, in so doing, is that, in the absence of meaningful measures of outcomes, if these conditions are met then it is reasonable to expect that good societal outcomes will ensue.

While this is a reasonable position to take, it is possible to expand on this approach and develop, over time, a robust evidence-base for these societal outcomes. Specific proposals, relating to each of the four societal outcomes outlined in Table 7.1 are discussed in section 7.4.

7.3.2. Personal Value and Societal Value

In defining the individual societal outcomes and the associated evidence-base, it is important to distinguish between the personal value and societal value of the arts.

The arts like all other activities in which people engage have the potential to provide significant personal value and satisfaction. The personal value or benefit that people derive from such activities, for example the arts, gardening, hill-walking, attending church etc., is primarily a matter of personal preferences. In fact, as discussed in Chapter 1, there is support in the literature for a position whereby the only role for the State may be to address information problems with regard to the personal benefits of the arts in the same way that it intervenes to warn people of the long-term disadvantages of smoking. In a sense, the advocacy role of the Arts Council, discussed in Chapter 5, partly performs this function, especially if this role is seen as advocating both the personal and societal value of the arts. However, the personal benefits of the arts, may, in the aggregate, yield benefits to the wider society e.g. through improved health and wellbeing of individuals, communities and the population (ACE, 2014).

This VFMPR, however, through the evaluation framework set out in chart 1.1, is primarily concerned with the societal value of supporting the arts sector, and, in particular, the part of the arts sector supported financially by the Arts Council. As part of the efforts to improve the evidence-base for the societal outcomes identified in the evaluation framework, it may be useful to consider the links between the societal outcomes and the objectives of the Arts Council, providing some insights as to where evidence on performance in achieving these objectives may be sought. It may also be useful to examine other societal benefits on, for example, health and wellbeing or education, which have been identified as important outcomes in other jurisdictions (ACE, 2014).

7.4. Societal Outcomes identified in the Evaluation Framework

7.4.1. National/regional/local identity and social cohesion

One of the societal outcomes of supporting the arts identified in the evaluation framework (PLM) relates to the extent to which the arts can define those elements of national/regional/local life which characterise a country or region and distinguish its attitudes, institutions, behaviours and way of life from those of other countries/regions. The protection of such identity is a form of public good, as discussed in Chapter 1.

It is argued by some that group identity is as important a concept as personal identity (O'Hagan, 2010). In this context, it could be argued that the benefit of group identity is synonymous with social cohesion and harmony (which benefits everyone). This cohesion, in turn, depends on the intensity of social communications within and among groups, and that members of the same nation/region/locality communicate more effectively with each other and over a wider range of subjects than with outsiders.⁵⁴ If the arts help us in this process to understand who we are and to understand the ways of living and the problems of others then the benefits are public in nature and should be supported, at least in part, by the State.

Thus national identity and social cohesion are linked and are reinforcing. In fact, many areas funded by the Arts Council relate to this and can contribute to both. Apart from the art itself, organising arts events, for example local arts festivals, can contribute to social cohesion through extensive volunteering thereby furthering a sense of community and group identity.

7.4.2. Social criticism and innovation

There is also a social criticism role of the arts which is almost the polar opposite of the national identity and social cohesion role. Weil⁵⁵, cited in O'Hagan (2010), sees it as an equally important function of the arts.

⁵⁴Similar arguments are used in relation to the preservation of a national language.

⁵⁵S. Weil, 'Tax Policy and Private Giving', in S. Weil (ed.), *A Cabinet of Curiosities: Inquiries into Museums and Their Prospects* (Washington DC, 1996), 156.

Functioning as agents of social disruption and change, the arts may intrude rudely upon our everyday sensibility, force us to consider the most extreme possibilities of the human condition, and prod us to think more profoundly than is comfortable about ultimate matters of life, death, and our own contingency. (p.156)

The social criticism arguments are part of the more general argument for public support for work that is challenging, experimental and innovative and has public-good dimensions. An analogy can be drawn between subsidies for experimental work in the arts and subsidies for research and development. It is argued that the social returns for major innovations far exceed their private returns and that it may be that a similar condition exists for major new arts innovations. For example, films and TV may draw their inspiration from ideas created in the subsidised arts by adapting and popularising a concept developed there. Commercial and industrial design may be influenced by and adapted from breakthroughs in the arts. There is an on-going need to improve the international evidence-base to support these conjectures.

This argument applies in particular to creative artists, but it also applies to performing artists in the following ways. Just as the experimental scientist needs a laboratory and engineers and technicians, the experimental dramatist needs actors and a theatre and composers need performing artists to test and experiment with their works. Likewise, the experimental artist needs exhibition space and an audience upon which to test and diffuse his/her ideas. This argument is often made for public support for creative and performing artists involved in experimental work. As with all such experimental work, a high level of 'natural wastage' can be expected in the search for innovation and novelty.

7.4.3. Economic spill-over effects

In many countries, including Ireland, the promotion of employment and regional balance through state employment and tourism agencies is accepted Government policy involving large public expenditures. Given this, and the value of the creative industries discussed in Chapter 1, there is undoubtedly a role for the arts in the Government's policy of promoting employment, economic growth and balanced regional development.

From the literature, there are three main ways in which the arts can contribute to increasing employment.⁵⁶ First, they provide direct employment for artists, administrators and other staff. Second, they may be a factor in influencing tourists to visit an area, city or country, thereby enhancing employment prospects in hotels, restaurants, etc. Third, the arts may also be an important factor in shaping decisions on whether or not to locate a commercial operation in a certain city, region or country.

An expenditure of, for example, €50 million on any activity will create direct employment, the arts sector being no exception. As such there is no special case for providing funding for direct employment in the sector. The key issue is whether this employment generates employment in other sectors as a spill-over effect and this is the focus of the discussion here.

There is some evidence to suggest that the existence of adequate cultural institutions has been an important factor in attracting business and tourists to a region.⁵⁷ In this case, the arts may form part of the social infrastructure that some see as a necessary condition for locating/working in an area.

There are, however, other spill-over effects on the production side resulting from arts activity. The possible beneficial effects on industrial and commercial design and on the output of the more commercial aspects of the cultural sector have been discussed previously. There are also potential benefits in terms of the training of artists in the non-commercial sector.

7.4.4. International reputation and prestige

International recognition and prestige are often posited as a benefit of the arts that is related to social cohesion and national identity, and are public in nature. Few people, it is argued by Baumol and Bowen (1966), would be happy if their country '*became known abroad as a cultural wasteland, a nation in which Mammon had put beauty and art to rout*'.⁵⁸ Thus nations are like individuals; they can derive huge standing and prestige from having a vibrant arts sector collectively owned. There are possible spill-over economic benefits related to this which may be much

⁵⁶T. Bille, T. and G. Schulze, 'Culture in Urban and Regional Development', in V. Ginsburgh and D. Throsby, *Handbook of the Economics of Art and Culture (Amsterdam 2006)*, for a review of this literature.

⁵⁷See Bille and Schulze, *op. cit.*, and papers in this volume.

⁵⁸W. Baumol, and W. Bowen, *Performing Arts – The Economic Dilemma: A Study of Problems Common to Theater, Opera, Music and Dance (Cambridge, Mass. 1966)*, 383.

more significant. If Ireland's reputation is enhanced in some way by the part of the arts sector supported by the Arts Council then, that not only benefits everyone in terms of national pride but it could also impact in the medium to long term on tourism flows and investment decisions to locate in Ireland. This highlights again the interconnectivity of societal outcomes.

7.4.5. Mapping societal benefits to societal outcomes

As discussed, there are five key societal outcomes identified in the PLM model. These are:

- i. A rich, vibrant and enduring culture;
- ii. An inclusive society in terms of involvement with the arts;
- iii. An arts sector which contributes to creativity and innovation⁵⁹;
- iv. Enhanced reputation for Ireland; and
- v. Spill-over economic benefits including employment, tourism and FDI in the creative industries.

Outcomes (iv) and (v) directly link to the societal benefits discussed in Section 7.4. Outcomes (i) and (ii) directly link to the national/regional/local identity and social cohesion argument. Without a vibrant and enduring culture and an inclusive society these would be very difficult to achieve. Outcome (iii) links directly to the social criticism and innovation societal benefit discussed earlier.

Much of the work of the Arts Council analysed in Chapters 5 and 6 relates to the second outcome '*an inclusive society in terms of involvement with the arts*', where the goals are not only to encourage local arts activity and thereby provide broad access to communities across all regions, but also, in the process, to encourage volunteering and social involvement in organising the events, thereby contributing further to social cohesion.

There are other interconnections. A rich, vibrant and enduring culture would be essential to the achievement of outcomes (iv) and (v). Likewise outcome (ii) would be important to the State's objective of balanced regional development and hence also to outcome (v). Thus, as discussed in Chapter 1 and Section 7.2.2 on ACE, these societal outcomes of the Arts Council are not mutually exclusive but interact and reinforce each other. This of course adds to the difficulty of providing evidence on societal outcomes and in particular associating any causal relationship between outputs and societal outcomes.

Nonetheless the discussion above provides a useful framework in which to consider the societal benefits of the arts and, in particular, how evidence relating to them might be sought.

7.5. Providing Evidence on Societal Outcomes

From the international experience, it is clear that there are no agreed approaches or simple metrics to measure societal outcomes. In this regard, the approach taken by the ACE in committing to provide evidence, no matter how sparse or qualitative, through all available channels, may offer useful learnings for this Review and for the Arts Council as it prepares its forthcoming strategy. The first step is to examine what work has already been undertaken by the Arts Council.

7.5.1. Developments to date

The efforts to date of the Arts Council to address this issue have to be recognised, given the following;

- Chapters 4 and 5 demonstrate that the Arts Council has good decision-making processes in place in addition to well-defined and verifiable outputs. Where there is clarity and accountability with regard to inputs, decision-making, and outputs (Chapters 3 to 5) and results (Chapter 6), it is reasonable to assume that good societal outcomes should ensue.
- The Arts Council established a Strategic Development Department (SDD) in 2013. Its remit is to underpin the 'expert body' and 'development agency' aspects of the Arts Council's work. The SDD has lead responsibility for the development of the Strategic Statement (2013), the Strategic Review (2014), and the development of the new Strategy (2015).

⁵⁹The societal outcomes at (ii) and (iii) are grouped together in the programme logic model, but separated here as they relate to two different outcomes.

- The Arts Council has funded the collection of various data and other studies to provide evidence on its outputs. These data can also be used to inform societal outcomes. The TGI research project in particular stands out in this regard (see Section 5.3.1).⁶⁰
- The Arts Council has commissioned individual research projects which have focused in part on societal outcomes. A sample of these, from the review period, is set out in section 5.5.2.
- The Arts Council has held discussions with the Irish Research Council with a view to forming a strategic partnership. The twin aims are to increase research capacity in the arts sector and to increase interest in public arts policy and planning research within the Irish research community.
- The Arts Council is a partner in a pan-European project designed to advance the research sources and resources that track and analyse the spill-over effects of public investment in the arts.
- The SDD has developed a working partnership with the All Island Research Observatory in NUI Maynooth. This work will develop a better understanding of the national network of arts centres and venues, spatial and demographic variations between regions and their contribution to the social cohesion and local identity.

7.5.2. Future Evidence Gathering

The Arts Council's Strategic Review (2014) specifically recognised the need '*to develop a research and information programme and to become a repository for gathering and management of data and information about its own direct areas of responsibility*'. It also recognised the need '*to broaden the scope of its research to address the wider arts environment*' (p.18). In that context, this section examines the limitations of the existing evidence-base and, informed by practices in the UK and other jurisdictions, sets out a non-exhaustive list of activities which the Arts Council could examine as part of its contribution to improving the evidence-base in relation to the achievement of societal outcomes.

This review found that while there may be evidence on the societal outcomes of investing in the arts, such evidence has not been examined in an holistic way or has not been used as a tool to inform arts policy. The ACE also identified this challenge and has undertaken and commissioned comprehensive literature reviews of arts research undertaken both internationally and in the UK.

There are undoubtedly rich sources of data in Ireland which could be used to inform the Arts Council's work and the development of arts policy e.g. Census, QNHS, Fáilte Ireland data etc. A review of such data sources to ascertain the availability of underused data and to address any gaps would improve the evidence-base, as well as presenting opportunities to improve data-collection in future and encouraging researchers to use these data sources for arts sector research. Particular areas for examination could be the availability of data on arts participation by visitors to Ireland, on the impact of the arts on economic activity, and on the contribution of the arts to national reputation.

The Department of Culture, Media and Sport (DCMS) in the UK has also developed the CASE (Culture and Sport Evidence) Programme which collects cross-cutting social and economic data and makes it available to policy makers and arts and sports organisations. The UK database includes a searchable database of over 12,000 studies on the drivers, impacts and value of engagement in culture a tool which develops a profile of cultural opportunities at local level. Of particular interest, however, are the data tables which include economic data on the sector e.g.

⁶⁰Apart from the data sources already outlined in Chapter 5, with which the Arts Council has a varying degree of involvement, it also commissioned a study in 2006 '*The Public and the Arts*'; to ascertain the views of the public about the arts. Elements of this study were repeated for '*The Arts in Irish Life*' published by the Arts Council in 2014 using the TGI research. The TGI research is a particularly beneficial data source as it covers a very large sample and also tracks attitudes to the arts over time (see Appendix 6). Such studies are an important source of information however better linkages between the art forms and arts practices supported by the Arts Council and the questions would be beneficial for future iterations of the study.

There were also Eurobarometer surveys on cultural access and participation commissioned by the European Commission in 2001, 2003, 2007 and 2013 which include data from Ireland. The surveys measure the attitudes of the public towards a range of cultural activities, looking at their participation as both consumers and performers of culture. The most recent iteration of the survey was carried out by TNS Opinion and Social network in the then 27 EU Member States and in Croatia between 26 April and 14 May 2013. Some 26,563 respondents from different social and demographic groups were interviewed face-to-face at home. The list of cultural activities though does not correspond very closely to the Arts Council's areas of responsibility; and most of the questions were very general in nature.

employment, new businesses, GVA, as well as cross-cutting data on tourism, education, community and well-being etc. Consideration could be given to examining the current availability of data, its presentation and accessibility, in relation to the arts sector with a view to adapting existing repositories or establishing a bespoke repository for the sector.

The review identified a number of jurisdictions where comprehensive surveys of behaviours and attitudes towards the arts and culture were undertaken (UK, Scotland and Northern Ireland). Such surveys generally go beyond the arts sector covered by the Arts Council's remit, and also include heritage, museums and galleries, libraries, archives, and volunteering. While the arts audiences' research (TGI survey) examines some aspects of the arts, consideration could be given to the need to develop a more comprehensive survey on the wider arts and culture sector. The current process to develop a new national culture policy '*Culture 2025*' should also be a consideration in examining the need for such a survey instrument.

The long-standing partnership between the Arts Council and local authorities (discussed in Chapters 3 and 5) provides opportunities for effective joint actions to improve the evidence base for policy, planning and provision for the arts, especially at local level. Such evidence is very important if the local identity/social cohesion argument discussed earlier is to have substance.

The Arts in Education Charter (DAHG/DES, 2012) explicitly recognises the life-long implications of building positive perceptions and experiences of the arts for children and young people. The ACE has expanded its focus on children and young people beyond just the education sector and includes developing the opportunities for children and young people to experience the arts as one of its five goals. Such targeting of effort – in addition to its commitments under the Arts in Education Charter - is perhaps the most productive way in which an appreciation of the personal and societal value of the arts can be established, as much research indicates that artistic preferences and practices established when young tend to persist into the future. The Arts Council could consider exploring opportunities for placing a greater emphasis on increasing the engagement of children and young people in the arts within its annual programme and as part of its work in establishing an evidence-base for societal outcomes.

The importance of providing support for the innovative and experimental function of the arts sector was highlighted earlier in this chapter. For the Arts Council, which allocates its funding within an annual programme, the provision of support for more experimental work comes at a cost of not supporting more audience generating artistic offerings. Such support is not, however, about increasing arts audiences directly, but has longer-term societal benefits through the enhanced creativity of the wider arts sector. The recent review of the Abbey Theatre (Bonnar Keenlyside, 2014) highlighted the value of this longer-term view. With this in mind a study might be undertaken to track the long-term evidence with regard to innovative breakthroughs in the arts sector subsidised by the Arts Council and to examine the subsequent benefits to the wider arts sector.

There is little direct evidence around the impact of public funding on national/regional/local identity and social cohesion. The Arts Council's funding supports many projects which may play a very important role in this regard. Although there was little documented case-study type evidence available for this review, it could be generated reasonably easily given that the Arts Council does take account of this factor in its funding decisions and allocations (Chapter 5).

7.5.3. Recommendations for Future Evidence Gathering

Allied to the discussion in the previous section, the review has identified a number of recommendations for the Arts Council around the establishment of a robust evidence base for the benefits to society of investing in the arts, bearing in mind that some of these proposals may take some time to be implemented. Given this longer-term view of the recommendations, they should be considered as inputs to the development to the Arts Council's strategy.

- a. The establishment of the Strategic Development Department (SDD) is considered an important and positive action by the Arts Council. Investment in this function will contribute to more and better strategic planning, will ensure that the outputs and outcomes of the annual programme are measured and reviewed, and will contribute to the overall evidence-base for the establishment of the societal outcomes. It will also support the long-run advocacy for the arts and hence could be money well spent, even if at the expense of expenditure on other projects.

- b.** The Arts Council should consider further developing the arts participation and attitudes sections of the TGI survey. In particular the questions relating to art forms and arts practices should track more closely with the arts areas funded by the Arts Council and not the more generic categorisations currently used which are relevant to a wider sectoral analysis. One of the key advantages of these data is that they are used to probe not just attendance but also attitudes to the arts (see Appendix 6). The Arts Council should also consider the experience of Creative Scotland in ascertaining public attitudes to the arts at national, regional and local levels, as well as gathering data on attitudes to public funding of the arts.
- c.** The Arts Council should work to develop partnerships with Government Departments and Agencies to ensure that data collected which may be relevant to the arts sector, is collected in a way that is useful to establishing the evidence base and also is made available to the Arts Council and arts sector researchers. It should also continue its collaboration with the Irish Research Council.
- d.** Allied to recommendations (b) and (c), the Arts Council should, in partnership with the Department of Arts, Heritage and the Gaeltacht, examine the need for a single survey instrument for the collection of data on the wider arts and culture similar to the *'Taking Part'* survey in the UK or what opportunities exist to enhance existing survey instruments e.g. the TGI survey. Other key stakeholders should include national and regional cultural institutions and local government. The current process to develop a new national culture policy *'Culture 2025'* should also be a consideration in developing the necessary survey to ensure that it remains relevant and sustainable.
- e.** Although Chapters 5 and 6 deal with the quantitative measurement of outputs, it is important to recognise the need to measure the qualitative aspects of the Arts Council's programme. With this in mind the Arts Council should continue to use the suggestions outlined in a study it commissioned in 2000 (Matarasso), which contains a useful discussion of the criteria that might be used to provide evidence on quality, including the concept of originality. In order to develop a system to analyse the quality of the arts supported, the Arts Council should consider the opportunities to expand the arts adviser network to undertake peer review of a proportion of artistic offerings supported by the annual programme. The capacity of the culturefox.ie website to collect feedback from audiences should also be examined.
- f.** Allied to recommendation (e), the Arts Council should be informed by the new Quality Metrics studies in England (*Culture Counts*) to assess its applicability and suitability for use in this jurisdiction. The potential of such a system to generate feedback on innovative and experimental work as part of how the definition of quality (Appendix 7) is particularly worthy of further exploration.

08 Chapter 8

Conclusions and Recommendations



8.1. Overview of the Value for Money and Policy Review (VFMPR)

This review uses the evaluation framework (PLM) set out in Chapter 1 (chart 1.1) to direct its work as follows:

Chapter 2 reviewed the objectives of the Arts Council for consistency with Government and Departmental policies;

Chapter 3 examined the inputs to the Arts Council including funding leveraged from the local authority and philanthropic sectors;

Chapter 4 examined the Arts Council's activities and the governance of their decision-making process;

Chapter 5 reviewed the outputs of the Arts Council over the review period;

Chapter 6 expanded on Chapter 5 by looking at the direct results of the Arts Council's work and proposed a set of performance indicators for the future; and

Chapter 7 examined the societal outcomes identified in chart 1.1 and suggests ways of improving the evidence-base for them.

8.2. Key Findings

This review examined the Arts Council over the years 2009 to 2012. This was a period that saw severe constraints on the availability of public funding while at the same time the calls on that funding increased. From this review, it is clear that the Arts Council has performed well over a difficult period and can demonstrate that it has achieved its stated strategic objectives. Beyond this, the Council is to be commended for rising to the challenge of improving its approach to its work during a difficult period in the history of the State.

The review found that despite the significant challenges of the period, there were some mitigating factors for the Arts Council. In particular, the review found that the funding reductions during the financial crisis have not served to fully erode the benefits of the increased funding to the Arts Council during the boom years.

The Arts Council has taken this relative benefit and sought to maximise the value of the available public funding by leveraging it against other public, private and philanthropic funding. It has, over the period, strengthened its collaboration with local authorities with a view to ensuring greater synergies between its national programme and the delivery of local authority arts supports and services. It introduced the RAISE initiative which builds capacity in arts organisations to secure private and philanthropic funding for their endeavours. The findings from this initiative are very positive and its expansion will ensure that the arts sector is more financially sustainable and adaptive to a changing funding environment.

Allied to the previous initiatives, the Arts Council has actively reduced its administration costs to maximise the availability of funding for its annual programme. The Arts Council achieved significant reductions in its non-pay administration costs with an aggregate reduction of over 16% in the period 2009 to 2012. The analysis also found that, over the review period, the Arts Council achieved greater reductions in staff and pay-costs than did a number of similar bodies over the same period. In addition to the reductions in staff that were typical of the public sector at the time, the Arts Council demonstrated creativity in dealing with this challenge using it as an opportunity for a strategic reorganisation and a re-examination of the core work of the organisation. This process of internal review to ensure that staff resources are directed to best effect should continue as part of the development of the new strategy.

The review also examined how the Arts Council operates and takes its funding decisions. In this area the Arts Council was found to be compliant with governance requirements and the review noted the improvements in the application process through the online system and the use of peer panels. That the review said, this review presents an opportunity for the Arts Council to further enhance its processes to ensure that they are as objective and transparent as possible. The review also identified engagement with stakeholders as an area which could be enhanced. This would have the effect of improving the perception of its operation among the public, artists and arts organisations and fostering links with stakeholders in other sectors.

In the analysis of its annual funding programme, it is clear that the Arts Council has operated efficiently in a difficult financial climate. It has largely operated under the principle of smaller funding cuts, widely distributed, being needed to maintain the ecology of the arts sector in a challenging period. This approach was, without doubt, appropriate for the period and will no doubt yield benefits now that the funding environment is improving. That

said, the review has identified opportunities to improve the delivery of the programme, in particular in improving the diversity of organisations supported and in encouraging arts organisations to be more financially sustainable. The concept of adaptive resilience and how it can be developed in arts organisations in Ireland should form part of the Arts Council's discussions for the development of its new strategy. The introduction of multi-annual service level agreements is considered an important tool in this regard.

Throughout the review the limitations of current data on the outputs, results and wider societal outcomes of the Arts Council's work has been noted. While this situation is by no means unique, this review has sought to ensure that there is greater consideration of the need for robust data collection and evidence gathering in future. The measurement of outputs for the funding provided should go far beyond the type and level of grant provided. It should also consider the artistic offering, the artist or organisation supported and the opportunity for access to or participation in the arts for the public. For the wider societal outcomes, the Arts Council has an opportunity to be at the forefront in establishing an evidence-base which can, over the long-term, demonstrate the public value of the State's investment in the arts.

As a final note, the value of the strategic reorganisation of the Council and the establishment of the Strategic Development Department are already clear. The Arts Council should maintain this positive momentum in the development of its new strategy. It is hoped that this review will also contribute to the development of the strategy and, over the longer-term, to the improved operation, strategic direction and analysis of the results and impacts of the Arts Council on the sector and on society.

8.3. Summary of Recommendations

Arising from the analysis, the review includes a range of recommendations encompassing the objectives of the Arts Council, its governance, its activities and outputs, and in relation to better data-collection and analysis. The recommendations identified in the earlier chapters fall into three broad categories: Arts Council's strategy, its annual programme and governance, and data-collection and analysis. They are summarised in the following sections.

8.3.1. Arts Council - Strategy

The review specifically recognises the value of the Strategic Development Department (SDD) within the Arts Council in ensuring better strategic planning based on robust evidence. It recommends that the Arts Council consider the following as part of the development of the goals and objectives for its new strategy in 2015:

- **The need to maximise the socio-economic value of the arts.**
- **A need to continue to explore opportunities to generate funding for the arts from private, philanthropic and other sources.**

8.3.2. Arts Council – Annual Programme

The review includes a number of recommendations which relate to the Arts Council's annual programme, both in terms of the structure and particular elements of the programme. These recommendations are placed into three categories, relating to the three elements of the annual programme i.e. existing commitments and strategic priorities, recurring funding, and once-off and other funding.

Existing Commitments and Strategic Priorities

The review considered, in detail, two funding streams included in this category; the Cnuas and the touring and dissemination of work scheme, with the following recommendations for each:

- The Arts Council should consider options that would raise awareness of the output of Aosdána members in receipt of the Cnuas. Tracking that output is an essential first step in achieving this. In terms of the management of the overall funding requirements of the Cnuas, the Arts Council should examine the means at its disposal to manage the total funding including for example the setting of caps on the level of total funding available or varying the level of the Cnuas annually.
- For the touring and dissemination of work scheme, the review recommends that consideration be given to the inclusion of an organisation's potential to raise revenue as a criterion in future rounds of the scheme.

Recurring Funding

For “recurring funding” schemes, the review recommends that the Arts Council consider the following proposals:

- Introducing multi-annual service level agreements, conditional on the availability of funding within the Arts Council’s annual Exchequer funding from the Department.
- Improving the diversity of organisations receiving recurring funding, especially under the regularly funded organisations (RFO) and annual funding (AF) schemes for example by setting aside a proportion of available funding for “new” organisations which demonstrate the potential to become nationally significant or significant within an art form.
- Avoiding an over-dependence on core funding provided through the RFO and AF schemes by providing funding to organisations on the basis of multi-annual agreements for specific programmes of work or as an investment in the organisation’s capacity to generate alternate sources of income.
- Improving transparency by operating the RFO on an open application basis, rather than by invitation only.

Once-off and Other Funding

It is recommended that the positive trend of increasing support for “once off” funding schemes and awards should be continued to ensure the programme is sufficiently flexible to adapt to changes in the Arts Council’s operating environment.

Over the course of the review, the value of the RAISE initiative was highlighted on a number of occasions. On that basis, the Arts Council should actively explore the opportunities to expand the RAISE initiative. This is considered critical to maximise the value of the public investment in the sector while also improving the financial sustainability of arts organisations throughout the country.

8.3.3. Arts Council – Operation and Governance

As part of the review the operation and governance of the Arts Council was examined and the following recommendations are made:

- It is recommended that the Arts Council undertake a review of its organisational structure and prepare a revised workforce plan, aligned to the new strategy for the Arts Council due in late 2015, to ensure that the Council staffing structure and resources remain fit for purpose.
- In recognition of the value of the IT system in delivering administrative efficiencies, it is considered important that the system be maintained.

The Arts Council was found to have achieved the necessary standards of governance. A number of opportunities were, however, identified to enhance its governance regime, as follows:

- In line with the principles established by Circular 13/2014 issued by the Department of Public Expenditure and Reform, value for money audits should also be conducted on programme expenditure as well as administration expenditure as part of the internal audit function.
- To further improve the transparency with which the Arts Council does its business, consideration should be given to revising a number of provisions in the code of governance framework including the definitions of ‘interest’ and ‘unreasonable advocacy’, section 2.8.10 relating to conflicts of interest, and the applications of all provisions relating to conflicts of interest to peer panels.

Where the Arts Council takes decisions relating to the allocation of public funds, its current systems could be enhanced as follows:

- Value for money should be included as a specific criterion at each level of the allocation decision-making process.
- To increase the availability of funding for new initiatives, allocations might be made on the basis of a proportion of the previous year’s allocation (rather than the whole allocation adjusted proportionally to reflect any change in the total funding for the current year).
- A scoring mechanism should be applied to ensure that the allocation of grants and awards is as transparent as possible. Details of scores should be made available to applicants and other interested parties.

- As allocations for each funding stream are agreed as part of the overall budget for each arts area, the total funding available for each arts area under each scheme should be published.
- To minimise the administrative burden of operating a large number of schemes, consideration could be given to the grouping of similar schemes and awards within a single application process.
- The potential for organisations to receive multiple awards should be kept under review in terms of monitoring the Arts Council's outputs to ensure no negative outcomes. Consideration should also be given to taking into account other Arts Council grants received as part of the application process for all funding streams.

8.3.4. Data collection and analysis

Throughout the review the importance of collecting, analysing and using data to inform decision-making within the Arts Council was emphasised. The review has identified a number of recommendations relating the collection and analysis of data which should be considered by the Arts Council as part of the development of its new strategy, in terms of its on-going performance management and to enhance the evidence-base around the societal outcomes of the State's investment in the arts. Allied to this, it recommends the establishment of a set of 11 performance indicators, linked to the objectives of the Arts Council, to assess the results of the Arts Council's annual programme.

The recommendations seek to maximise the value of existing data collection methodologies rather than advocating for new and potentially onerous approaches. In addition, the review specifically recognises the time-lag in improving data-collection, and that the interpretation of data is not static and will, over time, be influenced by the evolving policy and strategy landscape. In this regard, the review recommends that the Arts Council maintains the performance indicator set under review and amends it, as necessary in response to the new Arts Council strategy, and other changes in organisation or policy focus.

Data collection on outputs

The Arts Council currently collects data on funding recipients as a condition of that funding. In line with the practice in other jurisdictions, this rich data-source should be expanded to collect a broader range of information and to better inform decision-making as follows:

- The Arts Council should introduce a performance management/monitoring system for major expenditure decisions to ensure that value for money is achieved. This system should build on the existing Arts Council data collection system (linked to grants and awards) with an expanded set of data collected to enable the evaluation of individual grants (relative to targets) and schemes (relative to the Arts Council's objectives).
- These data should be used to facilitate the annual tracking of the Arts Council's progress against agreed priorities and actions in the Service Level Agreement with the Department. In order to ensure the efficacy of such a progress report – targets and priorities should be clearly defined and agreed each year.
- The collection of these data should provide the basis for 8 of the performance indicators set out in Chapter 6.
- The Arts Council should consider how the outputs of its annual programme can be used to enhance the opportunities for people in all counties to access and participate in the arts.
- The Arts Council should gather information on levels of participation by groups identified in the National Action Plan for Social Inclusion.

Data collection on Participation, Attendances and Attitudes

The Arts Council collects information on attendances and participation by the general public through the TGI survey (attendances, participation and attitudes to the arts) and from the *Audiences for the Performing Arts in Ireland* report, prepared by Theatre Forum (ticket sales and revenue). The Arts Council should consider the following:

- The collection of data from the TGI survey should provide the basis for 3 of the performance indicators set out in Chapter 6.
- The possibilities for further developing the arts participation and attitudes sections of the TGI survey should be examined. In particular the questions relating to art forms and arts practices should track more closely with the arts areas funded by the Arts Council and not the more generic categorisations currently used which are relevant to a wider sectoral analysis.
- In relation to the TGI survey questions on attitudes to the arts, consideration should be given to gathering information on attitudes to the arts at national, regional and local levels, as well as gathering data on attitudes to public funding of the arts.
- The Arts Council should continue to monitor ticket sales data such that any sustained decrease in either ticket

sales or revenue is identified in a timely fashion and appropriate action taken e.g. specific ticket sales targets as part of annual funding agreements.

In terms of improving communications with stakeholders, it is recommended that the Arts Council's engage and seek feedback from stakeholders and the public through stakeholder surveys and by maximising the feedback potential of its website and culturefox.ie.

The Arts Council should monitor the frequency and tone of media coverage of the arts in Ireland and of the Arts Council itself to ascertain how successfully it is advocating for the arts.

Data collection on Artistic Quality

In relation to artistic quality, the review recommends the following:

- The Arts Council should consider introducing peer review of artistic output supported by the Arts Council. Expanding the current use of arts advisers on peer panels to also include undertaking peer reviews on a proportion of the output should be considered in this regard.
- The capacity of the culturefox.ie website to collect feedback from audiences should also be examined.
- The use of new technologies to generate data on artistic quality, for example the Quality Metrics initiative in England, should be kept under review.

Enhancing the Evidence-base

The Arts Council should work to develop partnerships with Government Departments and Agencies to ensure that data collected which may be relevant to the arts sector, is collected in a way that is useful to establishing the evidence-base and also is made available to the Arts Council and arts sector researchers. It should also continue its collaboration with the Irish Research Council.

Allied to this, the Arts Council should, in partnership with the Department of Arts, Heritage and the Gaeltacht, examine the need for a single survey instrument for the collection of data on the wider arts and culture similar to the 'Taking Part' survey in the UK or what opportunities exist to enhance existing survey instruments e.g. the TGI survey. Other key stakeholders should include national and regional cultural institutions and local government. The process to develop the new national culture policy 'Culture 2025' should also be a consideration in developing the necessary survey to ensure that it remains relevant and sustainable.

Bibliography

Arts Council England (2014) 'The value of arts and culture to people and society - an evidence review'.

Available at: <http://www.artscouncil.org.uk/media/uploads/pdf/The-value-of-arts-and-culture-to-people-and-society-An-evidence-review-TWO.pdf>

Arts Council England (2014) 'Manchester Metrics Pilot: Final Report of Stage One' (John Knell). Available at:

http://www.artscouncil.org.uk/media/uploads/pdf/Manchester_Metrics_Stage_One_Report_Dec_2013.pdf

Arts Council England (2014) 'This England: How Arts Council England uses its investment to shape a national cultural ecology'. Available at: http://www.artscouncil.org.uk/media/uploads/pdf/This_England_report.pdf

Arts Council England (2014) 'Annual Report and Accounts 2013/14'. Available at:

<http://www.artscouncil.org.uk/who-we-are/annual-review-2013-14>

Arts Council England (2014) 'National Portfolio Organisations and Major Partner Museums: Key data from the 2012/13 annual submission'. Available at:

http://www.artscouncil.org.uk/media/uploads/pdf/NPO_Survey_2012-13_FINAL_020414.pdf

Arts Council England (2014) 'Stakeholder Focus Research'. Available at:

http://www.artscouncil.org.uk/media/uploads/pdf/Stakeholder_focus_research_April_2014.pdf

Arts Council England (2012) 'The Relationship between the Arts Council and funded organisations'. Available at:

http://www.artscouncil.org.uk/media/uploads/pdf/FINALrelationship_framework_1904.pdf

Arts Council England (2013) 'Great Art and Culture for Everyone 2010 -2013'. Available at:

http://www.artscouncil.org.uk/media/uploads/Great_art_and_culture_for_everyone.pdf

Arts Council England (2010) 'Achieving great art for everyone'. Available at:

http://www.artscouncil.org.uk/media/uploads/achieving_great_art_for_everyone.pdf

Arts Council England (2011) 'Culture, knowledge and understanding'. Available from:

http://www.artscouncil.org.uk/media/uploads/pdf/culture_knowledge_and_understanding.pdf

Arts Council England (2011) 'The Arts Plan 2011 – 2015'. Available at:

http://www.artscouncil.org.uk/media/uploads/pdf/Arts_Council_Plan_2011-15.pdf

Arts Council England (2009) 'The criteria for Arts Council England regular funding'. Available at:

http://www.artscouncil.org.uk/media/uploads/criteria_for_regular_funding.pdf

Arts Council Ireland (2007) 'Points of Alignment- The Report of the Special Committee on the Arts and Education'. Dublin: Arts Council. Available at:

http://www.artscouncil.ie/uploadedFiles/wwwartscouncilie/Content/Arts_in_Ireland/Young_people,_children_and_education/Arts_education_en_08.pdf

Arts Council Ireland (2013) 'Code of Governance Framework'. Available at:

<http://www.artscouncil.ie/uploadedFiles/Arts-Council-Governance-Framework-2013.pdf>

Arts Promotion Centre Finland (PDF leaflet, May 2013). Available at:

<http://www.taike.fi/en/about-us>

Blaug, M. 'Welfare Economics' (Chapter 60) in: Towse, Ruth (ed.) (2011) 'A handbook of cultural economics'.

2nd ed. Cambridge: Cambridge University Press. Cheltenham: Edward Elgar.

Brown, A.S., Carnwath, J.D (2014) 'Understanding the value and impacts of cultural experiences – A literature review' Manchester: Arts Council England. Available at: http://www.artscouncil.org.uk/media/uploads/pdf/Understanding_the_value_and_impacts_of_cultural_experiences.pdf

[Understanding_the_value_and_impacts_of_cultural_experiences.pdf](http://www.artscouncil.org.uk/media/uploads/pdf/Understanding_the_value_and_impacts_of_cultural_experiences.pdf)

Bunting, C., Knell, J. (2014) 'Measuring quality in the cultural sector – The Manchester Metrics Pilot: findings and lessons learned' Arts Council England Available at: http://www.artscouncil.org.uk/media/uploads/pdf/Manchester_Metrics_Final_Report_May_2014.pdf

Chappell, M., Knell, J. (2012) 'Public Value Measurement Framework: Valuing and investing in the Arts – Towards a new approach' Department of Culture and the Arts, Government of Western Australia. Available At: http://www.dca.wa.gov.au/Documents/New%20Research%20Hub/Research%20Documents/Public%20Value/DCA%20PVMF%20Valuing%20and%20Investing%20in%20the%20Arts%204.10.12_.pdf

Cowan, Tyler 'Creative Economy' (Chapter 16) in: Towse, Ruth (ed.) (2011) 'A handbook of cultural economics' 2nd ed. Cambridge: Cambridge University Press. Cheltenham: Edward Elgar.

Department of Arts, Heritage and the Gaeltacht (2011) 'Statement of Strategy 2011 – 2014'. Dublin: Department of Arts, Heritage and the Gaeltacht. Available at: [http://www.ahg.gov.ie/en/AboutUs/StatementofStrategy/FinalSOSCleared28FebruaryEN%20\(2\).pdf](http://www.ahg.gov.ie/en/AboutUs/StatementofStrategy/FinalSOSCleared28FebruaryEN%20(2).pdf)

Department of Arts, Heritage and the Gaeltacht, Department of Education and Skills (2012) 'Arts in Education Charter'. Dublin. Available at: <https://www.education.ie/en/Publications/Policy-Reports/Arts-In-Education-Charter.pdf>

Department of Arts, Sport and Tourism (2008) 'Statement of Strategy 2008 – 2010'. Dublin: Department of Arts, Sport and Tourism.

Department of Culture and the Arts (2014) 'Public Value Measurement Framework: Measuring the quality of the arts' Government of Western Australia. Available At: http://www.dca.wa.gov.au/Documents/New%20Research%20Hub/Research%20Documents/Public%20Value/PVMF_Measuring_Quality_Arts_Research_Hub_08_14.pdf

Department of Finance (2013) 'A Strategy for Growth – Medium Term Economic Strategy 2014 – 2020'. Dublin: The Stationary Office. Available at: <http://mtes2020.finance.gov.ie/wp-content/uploads/2013/12/MTES.pdf>

Department of Finance (2007) 'Value for Money and Policy Review Initiative Guidance Manual'. Dublin: Department of Finance. Available at: <http://publicspendingcode.per.gov.ie/wp-content/uploads/2011/11/VFM-Guidance-Manual-2007.pdf>

Department of Finance (2009) 'Code of Practice for the Governance of State Bodies'. Dublin: Department of Finance. Available at: <http://govacc.per.gov.ie/files/2012/03/codepractstatebod09.pdf>

Department of Foreign Affairs and Trade (2013) 'Report of the Third Global Irish Economic Forum'. Dublin: Department of Foreign Affairs and Trade. Available at: <https://www.globalirishforum.ie/2013ForumReports.aspx>

Department of Jobs, Enterprise and Innovation (2014) 'Action Plan for Jobs 2014'. Dublin: Department of Jobs, Enterprise and Innovation. Available at: <http://www.djei.ie/publications/2014APJ.pdf>

Department of Public Expenditure and Reform (2014a) 'Second Progress Report on the Public Service Reform Plan'. Dublin: Department of Public Expenditure and Reform. Available at: <http://reformplan.per.gov.ie/downloads/files/Progress%20Report%202014.pdf>

Department of Public Expenditure and Reform (2013) 'The Public Spending Code'. Dublin: Department of Public Expenditure and Reform. Available at: <http://publicspendingcode.per.gov.ie/wp-content/uploads/2012/09/The-VFm-Code-except-D-03-Print-Version.pdf>

Department of the Taoiseach (200/) 'Programme for Government 2007-2012'. Dublin: Cahill Printers. Available at: http://www.taoiseach.gov.ie/attached_files/Pdf%20files/Eng%20Prog%20for%20Gov.pdf

Department of the Taoiseach (2009) 'Renewed Programme for Government 2007-2012'. Dublin: Cahill Printers. Available at:

http://www.taoiseach.gov.ie/eng/Publications/Publications_Archive/Publications_2009/Renewed_Programme_for_Government,_October_2009.pdf

Department of the Taoiseach (2011) 'Towards Recovery: Programme for a National Government 2011 – 2016'. Dublin: Department of the Taoiseach. Available at: http://www.taoiseach.gov.ie/eng/Work_Of_The_Department/Programme_for_Government/Programme_for_Government_2011-2016.pdf

Department of Tourism, Culture and Sport (2010) 'Annual Report 2010'. Available at: <http://www.ahg.gov.ie/ie/EolasfaoinRoinn/TuarascalachaBhliantuil/2010/TCS%20Final%20AR%202010.pdf>

Durkan, J. (1994) 'The economics of the Arts in Ireland'. Dublin: The Arts Council.

European Commission (2013): 'Special Eurobarometer 399 – Cultural Access and Participation'. Available at: http://ec.europa.eu/public_opinion/archives/ebs/ebs_399_en.pdf

European Commission Communication (2012) 'Promoting cultural and creative sectors for growth and jobs in the EU'. Brussels: European Commission. Available at: [http://www.europarl.europa.eu/registre/docs_autres_institutions/commission_europeenne/com/2012/0537/COM_COM\(2012\)0537_EN.pdf](http://www.europarl.europa.eu/registre/docs_autres_institutions/commission_europeenne/com/2012/0537/COM_COM(2012)0537_EN.pdf)

European Commission (2007): 'Special Eurobarometer 278 – European Cultural Values'. Available at: http://ec.europa.eu/public_opinion/archives/ebs/ebs_278_en.pdf

Government of Ireland (2007) 'National Development Plan 2007 – 2013: Transforming Ireland – A Better Quality of Life for All'. Dublin: The Stationary Office. Available at: <http://www2.ul.ie/pdf/932500843.pdf>

Holden, J (2006) 'Cultural Value and the Crisis of Legitimacy – why culture needs a democratic mandate'. London: Demos. Available at: <http://www.demos.co.uk/files/Culturalvaluweb.pdf>

Hibernian Consulting, insight Statistical Consulting (2010) 'The living and working conditions of artists in the Republic of Ireland and Northern Ireland' Arts Council: Dublin. Available at: http://www.artscouncil.ie/uploadedFiles/LWCA_Study_-_Final_2010.pdf

International Federation of Arts Councils and Culture Agencies (2005) 'Statistical Indicators for Arts Policy – D'Art report no. 18' Available at: <http://media.ifacca.org/files/statisticalindicatorsforartspolicy.pdf>

Indecon International Economic Consultants (2011) 'Assessment of economic impact of the arts in Ireland: an update report'. Dublin: The Arts Council. Available at: http://www.artscouncil.ie/Publications/Indecon_Update_Report_fin.pdf

Matarasso, F. (2007) 'Use or Ornament? The social impact of participation in the arts' Available at: https://www.academia.edu/1272437/Use_or_Ornament_The_social_impact_of_participation_in_the_arts

Ministry of Education and Culture (2011) 'Effectiveness indicators to strengthen the knowledge base for cultural policy' Finland. Available at: <http://www.minedu.fi/export/sites/default/OPM/Julkaisut/2011/liitteet/OKM16.pdf?lang=en>

National Campaign for the Arts (2014) 'NCFA Colloquia on Research 2013- 2014 – Full Report'. Available at: http://ncfa.ie/uploads/NCFA_Colloquia_on_Research_Report_2014.pdf

National Economic and Social Forum (2007) 'The Arts, Cultural Inclusion and Social Cohesion, Report No. 35'. Dublin: NESF.

O'Brien, D (2010) 'Measuring the value of culture: A report to the Department for Culture, Media and

- Sport' Department of Culture, Media and Sport. Available at:** <https://www.gov.uk/government/publications/measuring-the-value-of-culture-a-report-to-the-department-for-culture-media-and-sport>
O'Hagan, John W. (2014a): 'Attendance at/Participation in the Arts by Educational Level: Evidence and Issues', in *Homo Oeconomicus* 31(3), pgs 411-429.
- O'Hagan, John W. (2014b): 'European statistics on cultural participation and their international comparability', in: *International Journal of Cultural Policy*, DOI. Available at:** <http://dx.doi.org/10.1080/10286632.2014.973870>
- O'Hagan, John W. (2010) 'The Arts and the Wealth of Nations: the Role of the State', in: *Journal of Irish and Scottish Studies*, Vol 2, Issue 2.**
- O'Hagan, John W. (1998) 'The state and the arts: an analysis of key economic policy issues in Europe and the United States'. Cheltenham: Edward Elgar.**
- Robinson, M. (2010) 'Making adaptive resilience real'. Arts Council England. Available at:** http://www.artscouncil.org.uk/media/uploads/making_adaptive_resilience_real.pdf
- Sunday Times Behaviour and Attitudes April 2014 Opinion Poll** (prepared by BandA, Milltown, Dublin 6 for The Sunday Times: www.band.ie)
- Taxes Consolidation Act 1997 - Guidelines drawn up under Section 195 (12) for the Artists Exemption Scheme. Available at:** <http://www.revenue.ie/en/tax/it/reliefs/artists-exemption.html>
- Taxes Consolidation Act 1997 - Section 195 as amended by Section 17 of the Finance Act 2011 and Section 132 of the Finance Act 2012. Available from:** <http://www.irishstatutebook.ie/1997/en/act/pub/0039/print.html#sec195>
- The Arts Council (website) Various publications referenced such as annual reports, strategy documents etc. and for general information. Available at:** <http://www.artscouncil.ie>
- The Arts Council (2013) 'Developing the Arts: Arts Council Strategic Statement'. Dublin: The Arts Council. Available at:** <http://www.artscouncil.ie/Publications/StrategicStatementv2-eng.pdf>
- The Arts Council (2011) 'Developing the Arts in Ireland 2011 – 2013'. Dublin: The Arts Council. Available at:** http://www.artscouncil.ie/Publications/Developing_the_Arts_2011-2013.pdf
- The Arts Council (2005) 'Partnership for the Arts; Arts Council Goals 2006 -2010'. Dublin: The Arts Council.**
- The Arts Council (1994) 'The Arts Plan 1995 -1997'. Dublin: The Arts Council.**
- Throsby, D. (2010) 'The economics of cultural policy'. Cambridge: Cambridge University Press.**
- Throsby and Withers 'Strategic Bias and Demand for Public Goods – Theory and Application to the Arts' (Chapter 36) in: Towse, R. (ed.) (1997b:316) *Cultural Economics: The Arts, the Heritage and the Media Industries* Vol. 2. Cheltenham: E. Elgar.**
- Towse, Ruth (2010) 'A textbook of cultural economics'. Cambridge: Cambridge University Press.**
Towse, Ruth (ed.) (2011) 'A handbook of cultural economics'. 2nd ed. Cambridge: Cambridge University Press. Cheltenham: Edward Elgar.
- Two into Three (2014) *Irish Arts Sector: Private Investment Report*, Dublin: the Arts Council. http://www.artscouncil.ie/uploadedFiles/wwwartscouncilie/Content/Publications/Research_reports/Private-Investment-Report-March-2014.pdf**
- United Nations Conference on Trade and Development (UNCTAD) (2010) 'Creative Economy: A Feasible Development Option'. Geneva: UNCTAD. Available at:** http://unctad.org/en/Docs/ditctab_20103_en.pdf

Appendix 1: Productivity Gains: Croke Park Agreement

Better Human Resource Management		
Action	Timeframe	Benefits Arising 2010-2014
Introduce automated Time Management System	2009	Reduction in manual tracking Better attendance tracking Better and regular reporting
Introduce online services	2010	Staff resources for application processing reduced from 5 to 1.5 WTE Manual transfer of payment files reduced Successfully processed increased application numbers (+ 20% in 2010 alone)
Redeploy personal assistants to arts teams	2010	Temporary contracts headcount reduced
Outsource elements of ICT helpdesk	2010	WTE staff performing helpdesk function reduced
Meet ECF requirements for 2011, 2012, 2013	2011-2013	Reduced headcount to 42 WTE
Publish updated Strategic Statement	2013	Major Strategic Review of Arts Council undertaken and published June 2014 will help inform policy context for all service delivery in period 2014 onwards
Centralise Payments to one person	2013	Closer tracking of payments turnaround
Better Business Processes		
Action	Timeframe	Benefits Arising 2010-2014
Introduce Online Services for applications and payments	2010	ICT pilot contract staff reduced Provide round the clock service
Introduce electronic filing	2010	Hardcopy application and payment files eliminated Storage requirements reduced
Introduce shared services	2011-2014	Offer the use of the online services tool to other public service bodies Significant reduction in resource requirements in other public service bodies
Centralise Payments to one person	2013	Closer tracking of payments turnaround, freed up capacity to maintain service delivery despite reducing headcount
Introduce centralised monitoring of grant aided organisations	2013	Centralised tracking of arts activities by organisations, to improve accountability

Delivering for the Citizen		
Action	Timeframe	Benefits Arising 2010-2014
Introduce Online Services for applications and payments	2010	Significant reduction in awards decision turnaround time (16 weeks to 8 weeks) Postage costs reduced for applicants Faster resolution of payment queries
Introduce new funding programmes	2010-2014	Enhance the range of specific purpose funding opportunities available to the public
Introduce online archive www.archivestories.ie	2011	Raising historical awareness on Irish arts in the 20th century
Introduce www.CultureFox.ie – what's on guide	2011	Easily accessible online guide and App to what's going on in Irish arts
Upgrade Website	2013	New website with more public focus
Introduce social media	2012	Better communication and customer service to public and artists

Appendix 2: Corporate Governance Checklist - Arts Council

Organisational Structures and Processes				
No.	Question	Current Position (2015)	Position during the review period 2009-2012 (if different)	Comments
		Yes/No	Yes/No	
Statutory Accountability				
1	Has the Arts Council established effective arrangements to ensure compliance with all applicable statutes and regulations, the Code of Practice for the Corporate Governance of State Bodies and relevant statements of best practice?	Yes	Yes however consolidation into Code of Governance Framework took place in 2013	A copy of the Arts Council's Code of Governance Framework (2013) is available at: http://www.artscouncil.ie/uploadedFiles/Arts-Council-Governance-Framework-2013.pdf
Accountability for Public Money				
2	Has the Arts Council established appropriate arrangements to ensure that public funds are:			
a	<i>Safeguarded?</i>	Yes	Yes	Section 6 of the Code of Governance Framework sets out the policies which ensure that public funds are safeguarded including internal financial control, risk management, internal audit charter, good faith reporting etc.
b	<i>Used efficiently and effectively?</i>	Yes	Yes	
c	<i>Used in accordance with the statutory or other authorities that govern their use?</i>	Yes	Yes	
Communication with Stakeholders				
3	Has the Arts Council established:			
a	<i>clear channels of communication with the Department of Arts, Heritage and the Gaeltacht?</i>	Yes	Yes	The Arts Council has a system of formal liaison meetings with the DAHG that take place quarterly.
b	<i>clear channels of communication with the Local Government Sector?</i>	Yes	Yes	Annual funding relationship with each individual Local Authority (both City and County) also a Management Liaison Group (with a Working Group reporting to it) report to the CCMA and Arts Council on shared priority areas.
c	<i>clear channels of communication with Arts Organisations?</i>	Yes	Yes	Annual funding contract in place (including conditions of financial assistance) with all funded organisations. Also dedicated Manager(supported by an art form adviser) for each art form
d	<i>clear channels of communication with Artists?</i>	Yes	Yes	Resource organisations in place for different art forms e.g. Visual Artists Ireland, Feedback from Bursaries/ other schemes and awards process. Information provided by funded organisations.
e	<i>clear channels of communication with Audiences?</i>	Yes	Yes	Through specific programmes such as 'Arts Audiences'. Monitoring of audience numbers (e.g. in Touring). Through funded organisations work programme.
f	<i>appropriate processes to ensure that such channels operate effectively?</i>	Yes	Yes	The Arts Council operates a system of regular reviews of key processes, including communications, by internal audit.
4	Has the Arts Council made an explicit commitment to openness in all activities of the Arts Council?	Yes	Yes	Some examples of transparency include the publication of Council Meeting Minutes on the website (since 2012), publication of all grants awarded online and in the annual report, published criteria for all funding decisions, and a clearly stated appeals process etc.
5	Does the Arts Council make available to the public the names of all board members together with their relevant other interests?	Yes	Yes	For each fiscal year Members interest(s) are declared in the Annual Report and Accounts (published on website) in relation to all grant decisions made

Roles and Responsibilities				
6	Is there a clearly defined division of responsibilities between the roles of the chairperson of the Arts Council and the Director?	Yes	Yes	These are set out in sections 2.2 and 2.4 of the Code of Governance Framework. The delegation of function is set out in section 5.1.
7	Does the Arts Council:			
a	<i>meet regularly?</i>	Yes	Yes	The Arts Council meets regularly, normally not fewer than 9 times annually. The arrangements governing Council meetings are set out in section 2.7 of the Code of Governance Framework.
b	<i>direct the operation and oversee the work of the Arts Council?</i>	Yes	Yes	Section 2.1 of the Code of Governance Framework sets out the statutory functions of the Council, while section 2.6 provides operational details on how the Council conducts its business. Section 2.6.2 specifically sets out the reserved functions of the Council.
c	<i>monitor the senior management?</i>	Yes	Yes	Section 2.6.2 provides that the Council's approval is required for the performance review and principal responsibilities of the Director and Council Secretary.
8	Has the Arts Council established a framework of strategic control or a scheme of delegated and reserved powers?	Yes	Yes	Section 2.1 of the Code of Governance Framework sets out the statutory functions of the Council, while section 2.6 provides operational details on how the Council conducts its business.
9	Does the framework of strategic control include a formal schedule of those matters specifically reserved for the collective decision of the Arts Council?	Yes	Yes	Section 2.6.2 sets out the reserved functions of the Arts Council, while Section 5.1 sets out the arrangements for the delegation of functions to the Executive (other than those functions of the Director which are provided by the Arts Act 2003).
10	Does the Arts Council maintain the framework of strategic control up to date?	Yes	Yes	The most recent delegation of functions was 24 June 2013.
11	Has the Arts Council established clearly documented and understood management processes for:			
a	<i>policy development, implementation and review?</i>	Yes	Yes	The Arts Council has a standing <i>Policy and Strategy Committee</i> that advises the Council on policy development, implementation and review. Section 4.5 of the Code of Governance Framework sets out the duties, terms of reference, membership and performance review arrangements of the committee. The Arts Council also has a dedicated section for strategy development and review within its executive structure.
b	<i>decision-making, monitoring, control and reporting?</i>	Yes	Yes	The Arts Council has standing <i>Business and Finance</i> and <i>Audit Committees</i> . Sections 4.2 and 4.3 of the Code of Governance Framework sets out the duties, terms of reference, membership and performance review arrangements of the committee. Within the executive the Director and Council Secretary have overall responsibility for these functions (set out in sections 2.4 and 2.5 of the Framework).-see attached Statement on Internal Control which is part of Financial Statements.
12	Is an Annual General Meeting held to review Arts Council roles and responsibilities including membership of standing and special committees?	Yes	Yes	Annual Policy meeting held annually in June
13	Has the Arts Council established formal procedural and financial regulations to govern the conduct of its business?	Yes	Yes	Sections 5 and 6 of the Code of Governance Framework set out the procedural and financial policies, procedures and processes governing the Arts Council's business delivery.

14	Has the Arts Council established appropriate arrangements to ensure that it has access to all such relevant information, advice and resources as is necessary to enable it to carry out its role effectively?	Yes	Yes	
15	Is the role of the chairperson formally defined in writing?	Yes	Yes	This is set out in the Arts Act 2003 and elaborated on in section 2.2 of the Code of Governance Framework.
16	Are all Council members aware of their duties and responsibilities including legal responsibilities?	Yes	Yes	This information is provided as part of the initial member induction process and is set out in the Code of Governance Framework (which is provided to each member of the Council). Section 3.1 of the Framework sets out the code of conduct of members. Section 2.6.8 also provides that the Council may seek independent professional advice.
17	Are all Council members free from any other relationships or commitments which may materially interfere with their exercising an independent judgement on issues of strategy, performance, resources and standards of conduct?	Yes	Yes	All Council decisions governed by section 2.8 of Code of Governance Framework
18	Are there procedures in place to deal with issues involving conflicts of interest and disclosure of interest?	Yes	Yes	The Arts Council provides guidance on the management of conflicts of interest set out in section 2.8 of the Code of Governance Framework.
19	Are the duties and terms of office of Council members defined clearly?	Yes	Yes	This is set out in the Arts Act 2003 and elaborated on in sections 3.1 and 4.1 of the Code of Governance Framework.
20	Does the Director have line responsibility for all aspects of executive management?	Yes	Yes	This is set out in the Arts Act 2003 and further elaborated in Section 2.4 of the Code of Governance Framework.
21	Is the director accountable to the Council for the implementation of the Council's policy?	Yes	Yes	This is set out in the Arts Act 2003 and further elaborated in Section 2.4 of the Code of Governance Framework.
22	Has the Arts Council made a senior staff member responsible for ensuring that appropriate advice is given to it on all financial matters?	Yes	Yes	These roles have been assigned to the Finance Director and Company Secretary
23	Has the Arts Council made a senior staff member responsible for ensuring that Council procedures are followed and that all applicable statutes, regulations and relevant statements of best practice are complied with?	Yes	Yes	Company secretarial role in place as detailed in section 2.5 of the Code of Governance Framework.
Financial Reporting and Internal Controls				
No.	Question	Current Position (2015) Yes/No	Position during the review period 2009-2012 (if different) Yes/No	Comments
Annual Reporting				
1	Does the Arts Council publish an objective, balanced and understandable annual report and accounts in accordance with the requirements of the Code of Practice for the Governance of State Bodies?	Yes	Yes	The annual report includes the following information - statements by the chair and director, details of Council membership, details of the executive staff (at all levels), details of arts advisers, a review of the activities of the year, financial statements, and details of all awards, developments and support grants. The annual report is published on the Council's website and is laid before the Houses of the Oireachtas.
2	Does the Arts Council include in its annual report a statement explaining its responsibility for the Arts Council's accounts?	Yes	Yes	Financial statements are an integral part of the Council's annual report.
3	Does the Arts Council include in its annual report a statement confirming that it has complied with the Code?	Yes	Yes	The Chairman's letter to the Minister confirms compliance and is issued annually to the Minister with the Annual Report and Accounts.

Internal Controls				
4	Has the Arts Council taken steps to ensure that systems of internal control:			
a	are established?	Yes	Yes	These are set out in section 6.1 of the Code of Governance Framework.
b	continue to operate in practice?	Yes	Yes	These are set out in section 6.1 of the Code of Governance Framework.
5	Does the Arts Council include in its annual report a statement on the Council's systems of internal control?	Yes	Yes	This is an integral part of the financial statements which are published as part of the Arts Council's annual reports.
6	Has the board taken steps to ensure that effective systems of risk management are established as part of the systems of internal control?	Yes	Yes	The risk management policy is set out in section 6.2 of the Code of Governance Framework.
Audit Committee				
7	Has the Arts Council established an audit committee with responsibility for the independent review of the systems of internal control and of the external audit process?	Yes	Yes	The Arts Council has a standing Audit Committee which meets approximately four times per year and is made up of both members of the Council and non-Council members. The terms of reference of the Audit Committee are set out in section 4.2 of the Code of Governance Framework.
8	Is the composition and constitution of the audit committee in accordance with the Code?	Yes	Yes	Its membership (including the Committee Chair) consists of two external members. Both external Members have audit and financial expertise.
External Auditors				
9	Has the Arts Council taken steps to ensure that an objective and professional relationship is maintained with the external auditors?	Yes	Yes	This is one of the duties of the Audit Committee see Terms of Reference see section 4.2 of the Code of Governance Framework.
Standards of Behaviour				
No.	Question	Current Position (2015)	Position during the review period 2009-2012 (if different)	Comments
		Yes/No	Yes/No	
Leadership				
1	Has the Arts Council taken steps to ensure that its members exercise leadership by conducting themselves in accordance with high standards of personal behaviour?	Yes	Yes	Code of Conduct in place for Council Members (section 3.1 of Code of Governance Framework) and for staff members (section 3.2 of the Code).
Code of Conduct				
2	Has the Arts Council developed a code of conduct defining the standards of behaviour to which Council members and employees are required to subscribe?	Yes	Yes	Code of Conduct in place for Council Members (section 3.1 of Code of Governance Framework) and for staff members (section 3.2 of the Code).
3	Has the Arts Council established appropriate mechanisms to ensure that Council members and employees are not influenced by prejudice, bias or conflicts of interest?	Yes	Yes	Section 2.8 of the Code of Governance Framework sets out the arrangements for dealing with conflicts of interest. It also highlights that members have a fiduciary duty to act to the best of their abilities and a common law duty to act fairly and objectively.

Appendix 3: Arts Council Funding

Funding	Objective	Type	Who is eligible to apply?	Maximum Grant	% total funding in 2012
Regularly Funded Organisations	To contribute to both operating and artistic programming costs of arts organisations.	Recurring funding	Arts organisations invited by the Arts Council to apply for funding	No maximum	35.44%
Annual Funding	To provide stable and secure funding to certain arts organisations (on an annual basis).	Recurring funding	Arts organisations	No maximum	21.01%
Annual Programme Grant	To assist applicants with the costs of their artistic programme. The scheme is not intended to provide support for on-going operating/administrative costs.	Recurring funding	Arts organisations	No maximum	7.15%
Arts participation project award	This award supports projects in the field of arts participation	once off award	Individuals	€40,000	4.90%
Cnuas	To support members of Aosdána	Recurring funding	Members of Aosdána with an income below a defined threshold	€20,000	4.65%
Touring and dissemination of work scheme	To support the touring and dissemination of work in certain arts disciplines for tours to both Northern Ireland and the Republic of Ireland.	once off award	Individuals and organisations resident in the Republic of Ireland and Northern Ireland	No maximum	2.66%
Opera Production Award	To support the making and presentation of opera production	once off award	Arts organisations	No maximum	2.07%
Small Festivals scheme	To support small locally based events and festivals	once off award	Organisations	€20,000	1.58%
Travel and Training award	To support individuals who wish to avail of training and other professional development opportunities abroad, to support individuals or organisations who wish to invite specialists from abroad and to support applications from arts organisations planning to make applications for EU funding under the Creative Europe (Culture Sub-programme) 2014–2020.	once off award	Individuals and organisations	€3,000	0.70%
Deis	Grant for recording or publication of work. Objective is to provide support for traditional arts projects, or projects involving collaboration between the traditional arts and other art forms.	once off award	Individuals, groups, bands and organisations	€10,000	0.67%
Ealáin na Gaeltachta teo	Joint venture between Údaras a Gaeltachta and The Arts Council, promotes the development of the contemporary and traditional arts in the Gaeltacht.	N/A	Individuals and organisations	N/A	0.65%
Visual Artists Workspace Scheme	Support to meet the running costs of visual artists' workspaces	once off award	Individuals and organisations	€30,000	0.51%
Young Ensembles Scheme	To support groups of young people between the ages of 12 and 23 to create ambitious and original work together in any art form.	once off award	Groups of young people aged 12 to 23	€10,000	0.31%
Documentary Scheme	To provide film artists with an opportunity to make highly creative and imaginative documentaries on an artistic theme	once off award	Individuals and organisations	€80,000	0.31%

Artist in the community scheme	To encourage intense collaboration between communities of place and/or interest and artists, culminating in an artwork or a project in which the members of the community group and the artists work together in order to realise an artistic project or an event	once off award	Individuals and community groups	€10,000	0.28%
Commissions awards	Supports fees paid to artists for commissions in various art forms	once off award	Individuals and organisations	€10,000	0.26%
Dance artist residency scheme	To stabilise and support a network of dance artists in residence across the country	once off award	Individuals, local authorities and venues	€20,000	0.26%
Theatre artist residency scheme	To offer theatre artists the opportunity to create a year-long work programme in partnership with venues and local authorities	once off award	Individuals and organisations	€20,000	0.19%
Theatre artist development scheme	To support arts organisations to offer developmental and mentoring programmes to groups of theatre artists	once off award	Arts organisations	€30,000	0.18%
Theatre resource sharing support scheme	To offer organisations the opportunity to share administrative and production resources with a number of individual theatre artists over a specified period of time	once off award	Organisations with a track record for offering administrative and other production support, including capacity to build audiences, within theatre to individual artists	€20,000	0.18%
Artist in youth work residency scheme	Scheme to encourage artistic collaboration between professional artists and young people	once off award	Individuals	€5,000	0.05%
Visual artist in prison scheme	The scheme allows artists to work with prisoners in prison/ detention centres for a period of 10 days and complements an existing arts and education programme in the Education Units within the prison system	once off award	Individuals	€2,400	N/A
Arts and Disability Connect	to support artists with disabilities working in any art form	once off award	Individuals	€8,000	N/A
Writers in prison scheme	The scheme offers writers the opportunity to work with prisoners in prison/detention centres and complements an existing arts and education programme in the Education Units within the prison system.	once off award	Individuals	€1,000	N/A
Writers in schools scheme	The scheme part-funds visits by writers and storytellers to schools throughout the island of Ireland.	once off award	Individuals	€200	N/A
Architecture bursary award	To support professional individual architects in the development of their arts practice	once off award	Individuals	€15,000	N/A
Architecture project award	This award supports projects in the field of architecture	once off award	individuals and organisations	€30,000	N/A
Artist in the community scheme - bursary award	This is a bursary to support individual professional dance artists working in the area of collaborative dance or with groups of non-dancers.	once off award	Individuals	€10,000	N/A
Arts participation bursary award	To support professional individual artists working in the area of arts participation to develop their arts practice	once off award	Individuals	€10,000	N/A
Circus bursary award	The award supports professional individual artists working in the area of circus to develop their arts practice.	once off award	Individuals	N/A	N/A

Appendix 4: Regularly Funded Organisations - Top 10 (2009 to 2012)

Top 10 funded organisations				
	2009	2010	2011	2012
Opera Ireland	€1,307,800	€1,620,000		
Wexford Festival Opera	€1,099,100	€1,389,100	€1,389,100	€1,389,100
Gate Theatre	€1,035,000	€990,000	€1,000,000	€982,000
Irish Chamber Orchestra	€978,420	€1,060,300	€988,800	€959,700
Druid Theatre Company	€915,000	€840,000	€840,000	€825,000
Dublin Theatre Festival	€870,000	€785,000	€785,000	€770,750
Irish Film Institute	€656,478	€800,000	€760,000	€760,000
Project Arts Centre	€850,000	€734,000	€734,000	€708,500
Opera Theatre Company	€803,000		€640,000	€640,000
Irish Traditional Music Archive	€680,740	€650,000	€640,000	€640,000
Music Network Ltd		€650,000		
The Ark			€600,000	
Rough Magic Theatre Company				€573,500
Total	€9,195,538	€9,518,400	€8,376,900	€8,248,550
% of all RFO funding	36.19%	40.77%	39.63%	41.15%

Appendix 5: Diversity of Schemes & Awards (Once off and Other Funding)

Discontinued			New			Occasional			once off		
Funding scheme	Year	Funding in review period	Funding scheme	Year	Funding in review period	Funding scheme	Year	Funding in review period	Funding scheme	Year	Funding in review period
Cultural Cinema	2010	€ 392,488	Opera Production Award	2012	€ 1,170,196	Docu- mentary Scheme	2009, 2011	€ 428,000	Music Instrument Purchase	2009	€ 180,000
Splanc	2010	€ 120,000	Theatre Development Funding	2010	€ 297,130	Reel Art	2010, 2012	€ 502,500	Commemor- ative Fund	2009	€ 50,000
Location One	2011	€ 158,092	Visual Artists Workspace Scheme	2010	€ 550,000	Literature : Title by Title	2009, 2011	€ 13,000	Audience developme- nt initiatives	2011	€ 40,000
Minimum income award	2011	€ 35,450	Animation Scheme	2012	€ 50,000	Totals	3	€ 943,500	Frameworks animation scheme	2011	€ 50,000
Curated Visual Arts Award	2009	€ 12,038	Architects in Schools Scheme	2011	€ 25,000				National Dance Archive	2011	€ 70,000
Music Recording Scheme (Capital)	2010	€ 125,000	Architecture Development Initiative	2011	€ 10,581				Totals	5	€ 390,000
Artists Studios (Capital)	2010	€ 100,000	Engaging with Architecture Scheme	2010	€ 235,715						
Other capital	2009	€ 10,898	Contemporary Music Festival	2012	€ 30,000						
Choreograp- hic research	2010	€ 55,000	Development Initiatives	2011	€ 306,429						
Film: Dance on the box	2009	€ 50,000	Music Recording Award	2010	€ 270,000						
Totals	10	€ 1,058,966	RTE scheme	2012	€ 51,000						
			Step Up Programme	2011	€ 120,000						
			Theatre Resource Sharing Support	2010	€ 297,225						
			Local arts development fund	2010	€ 51,416						
			Totals	14	€3,464,692						

Appendix 6: Attitudes towards the Arts (extract from TGI research survey)

Respondents to the survey are asked to decide the extent to which they agree or disagree with each of the following statements:

- Arts education in schools (e.g. dance, drama, music etc.) is as important as science education;
- Arts activity helps to bring visitors and tourists to Ireland;
- The arts have become much more available in the past 10 years;
- As much importance should be given to providing arts amenities as is given to providing sports amenities;
- Today's arts and artists are as important to our society as the legacy of the arts and artists of the past;
- The arts play an important and valuable role in a modern society such as Ireland;
- The arts from different cultures give us an insight into the lives of people from different cultures;
- Even in current economic circumstances local authorities and central Government should maintain their level of funding to the arts;
- I cannot afford to attend as many arts events as I might wish;
- The arts do not play a significant part in my life;
- Having access to museums and galleries in my local area is important to me;
- The arts make a difference to the area where I live;
- There are lots of opportunities to get involved in the arts if I want;
- The arts and cultural sector is a worthy cause to give money to;
- It's fair to pay an entry fee to public museums and galleries.

Respondents can choose from definitely agree, tend to agree, neither agree nor disagree, tend to disagree, definitely disagree or not applicable.

Appendix 7: Quality Metrics used in the Culture Counts System (Manchester Metrics Pilot)

The Culture Counts system offers a methodology for self-assessment of quality as well as peer and audience assessments to gain a more comprehensive understanding of individual artistic offerings based on the quality of the product and experience, the quality and depth of engagement and the quality of the creative process. Specifically, respondents are asked to complete a short survey in which each quality dimension is presented as a statement or 'metric' and respondents record the extent to which they agree or disagree with the metric using a sliding scale. The nine core dimensions or metrics are as follows:

Nine Core Dimensions

- **Presentation: it was well produced and presented**
- **Distinctiveness: it was different from things I've experienced before**
- **Rigour: it was well thought through and put together**
- **Relevance: it had something to say about the world in which we live**
- **Challenge: it was thought-provoking**
- **Captivation: it was absorbing and held my attention**
- **Meaning: it meant something to me personally**
- **Enthusiasm: I would come to something like this again**
- **Local impact: it is important that it's happening here**

Audience assessment takes place during or just after the event itself and captures 'real-time' feedback on how the audience is responding to the work. Audience members record their ratings using an app downloaded to a smart phone or tablet computer.

A further five dimensions were included for self and peer assessment only:

- **Concept: it was an interesting idea/programme**
- **Risk: the artists/curators really challenged themselves with this work**
- **Originality: it was ground-breaking**
- **Excellence (national): it is amongst the best of its type in the UK**
- **Excellence (global): it is amongst the best of its type in the world**

Self and peer assessment is carried out both before and after an event to explore how perceptions shift and the extent to which the event matches up to expectations. Self and peer assessment takes place via an online portal, with each assessor given unique login details and emailed instructions on how to complete both 'before' and 'after' surveys.

The system is also in use in Western Australia and the ACE has recently announced funding for a national pilot of the system, including additional metrics for organisational health (cultural leadership, relationships and partnerships, and financial health). In addition, Chappell et al. (2012) report interest in the system in other jurisdictions including the United States.



An Roinn
Ealaíon, Oidhreachta agus Gaeltachta

Department of
Arts, Heritage and the Gaeltacht

Value for Money and Policy Review of the Arts Council
September 2015