

Culture and Creativity: Yesterday, Today and Tomorrow

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Foreword

"In any civilised community the arts and associated amenities, serious or comic, light or demanding, must occupy a central place. Their enjoyment should not be regarded as something remote from everyday life."

You'll find these words in the 1965 Government White Paper, *A Policy for the Arts – The First Steps*. Fifty years on, I can't think that many would disagree with the sentiment. But the landscape in which we read these words has changed so comprehensively, I cannot believe their author would do anything other than look on in astonishment.

When Jennie Lee, Britain's first-ever arts minister, published her White Paper, the country had recently emerged from the immediate post-war climate of making-do and austerity.

British culture was blooming once more. The Swinging Sixties were in full flow.

That year Mary Quant 'invented' the mini-skirt, The Beatles toured the world selling tens of millions of vinyl singles and LPs, and Pinter's 'Homecoming' premiered in an RSC production directed by Peter Hall. Yet despite the tide of cultural liberalism that followed the Lady Chatterley trial, the Theatres Act, which ended censorship of stage plays, was still three years away.

Half a century on, culture and creativity in this country has continued to push new boundaries with the digital world opening up amazing new opportunities, and new challenges.

Today, Britain is a place where artists and designers have genuine freedom of expression. Every year, millions of people visit our world-class museums; take in outstanding plays and films; marvel at new developments in the visual arts and architecture; look on in awe at the buildings and places that comprise our glorious built heritage; and experience our famous culture and music festivals.

Britain is quite rightly renowned for these things, but they have been hard-earned and all of us have a stake in their success. The Government continues to play a key leadership role working in partnership with our arms-length bodies, cultural organisations, local government, investors, and private donors and philanthropists. But it is the public – their passion, their support and their open-mindedness – that drive it forward.

The Government that was formed in 2010 faced an unprecedented economic situation with many difficult decisions to make regarding how public money is spent. Despite this, during the current Parliament, we have invested billions of pounds of public and Lottery funding in the arts, heritage, museums and galleries, restoring the share of National Lottery funding to the good causes to historic highs. We have introduced the Catalyst scheme to help cultural organisations develop fundraising skills and new business models. And we have launched tax relief schemes and proposals for theatre production, video games, high-end television dramas and children's television, film production and orchestras.

The UK has an enviable reputation for sustaining a successful and vibrant mixed economy for arts and culture. It is one that creates dynamism, opportunity and, most importantly, great art. But we also need to continue to articulate what it means, and justify why we invest so much public money on it when there are so many other competing calls for funding.

Britain's creative industries are now worth almost £80 billion a year, and supporting them is a core part of this Government's long-term economic plan. But the arts have an intrinsic as well as an instrumental value, and it's vital that we recognise them both.

So we need continually to demonstrate how it benefits us individually and collectively, and to translate that value into policies that increase participation; promote culture's importance as a way of boosting public education, civil engagement and personal wellbeing; and lead, ultimately, to national growth and resilience.

If the past few years have taught us anything, it is that we must continue to challenge our assumptions. Moreover, we must find new ways to sustain culture and creativity to remain at the centre of our society for the next fifty years.

This short paper outlines some of the actions we have taken and the things we have achieved over the past five years. It must, of course, be seen as work in progress rather than the finished article. But it is helpful to pause sometimes and take stock, and this is what we are doing here. I commend it to you.

Ed Vaizey MP

Minister for Culture & the Digital Economy

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Culture

Public Investment in Culture

Britain has a long, proud and highly successful tradition of publicly funded art and culture. In 2015, Government support for the sector extends well beyond simply spending money, but continued public investment is essential if exciting and challenging new work is to get off the ground and if the best of our world-beating culture is to be made available for the whole of the UK to enjoy.

The financial support we offer comes in many forms, including:

- Direct funding for Arts Council England (ACE), which distributes funding to arts
 organisations and major partner museums across the country. From 2012 to 2015,
 ACE provided funding for 691 "national portfolio organisations" and 16 major partner
 museums across the country. In the next three years ACE will invest in 670 national
 portfolio organisations and 21 regional museums.
- Direct funding for 16 national and non-national museums and galleries, all of which boast world-class collections assembled over hundreds of years.
- Direct funding for English Heritage, our expert advisers on the built environment and the custodians of hundreds of fine historic buildings and sites. This year we have radically restructured the organisation so that more money can be invested in preserving and celebrating our heritage with less wasted on bureaucracy.
- Tax relief and other incentives to help support certain sectors. While this does not
 constitute spending as such, it does provide a financial benefit to the recipients they
 would not otherwise enjoy.

Arts Council grant spend 2010/11 – 2014/15

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015*
Total Grant-in-aid (GiA)	£427,323,859	£370,645,699	£440,306,173	£440,126,563	-
Total Lottery	£96,159,614	£162,023,082	£317,227,221	£172,147,060	-
Including:					
RFO/NPO (GiA)	£350,709,682	£324,592,272	£310,370,955	£311,208,966	£311,995,163
Capital (GiA & Lottery)	£26,411,500	£10,105,636	£84,756,081	£37,928,517	£65,662,811
ACE Admin (GiA & Lottery)	£37,945,000	£39,228,000	£35,590,000	£30,963,000	£32,076,000**
NPO (Lottery)	-	-	£28,649,372	£28,314,558	£28,705,634
Grants for the Arts (Lottery)	£50,695,639	£75,216,349	£58,621,528	£72,312,168	£65,760,740

^{*}Figures for 2014/15 are year to date based on grant decisions taken within the financial year

^{**}Figures are rounded to the nearest 1000 and the 14/15 figures is based on month 9 forecast

Lottery Funding

The National Lottery, created in 1994 by then Prime Minister Sir John Major, has always been a strong source of funding for the arts. Over the years the proportion of Lottery money spent on supporting the sector declined, but this Government has reversed that trend. In 2012 we increased the share of National Lottery funding for the arts from 16.67 per cent to 20 per cent, raising ACE's Lottery income from £151 million in 2010/11 to £262 million in 2014/15.

Lottery funding allows ACE to invest more strategically across the country. These are by no means all major projects – the Grants for the Arts programme, for example, offers awards of between £1,000 and £100,000 to support a wide range of activities including visual arts, dance and literature.

Lottery support for heritage projects has also been increased, so the UK-wide Heritage Lottery Fund now has £375 million to invest every year, compared to just £185 million in 2009/10.

Spending outside London

Although the capital has long been home to some world-class centres of excellence, the Government is very much aware that our proud history of art and culture has roots and branches right across the country.

With a clear steer from Government, the vast majority of ACE's Lottery investment – more than 70 per cent – now goes into projects outside London or ones that are based in the capital but benefit the whole country. The same is true for 60 per cent of ACE's Grant In Aid spending. And while in 2008 national portfolio organisations outside London received just 49 per cent of ACE's NPO funding, by next year they will receive 53 per cent.

ACE recently launched the Regional Ambition strategic fund, a £15 million programme that will help it to support and retain talent in the regions.

The whole country is also benefitting from one-off publically funded projects. These include:

- £7 million of ACE capital funding to help create **Southampton's New Arts Complex**, giving the city centre a purpose-built arts and culture hub for the first time.
- A Treasury pledge to invest £78 million in The Factory Manchester, a new arts space that supports the Government's vision for a Northern Powerhouse.
- £10 million of taxpayer support for the **Glasgow School of Art's Mackintosh Appeal** and a new Graduate and Research Centre.

The investment is reaping rewards – a BBC study published in February 2015 showed that, despite the challenging economic climate, there has been an increase in the number of publically funded new productions outside London.

Smarter Investment

This Government is totally committed to growing the economy and cutting the deficit, so all public bodies have been challenged to find efficiencies and work smarter. In the world of cultural funding, cutting waste and bureaucracy among distributing bodies ensures that as much funding as possible goes to artists and cultural organisations, rather than being swallowed up by administration costs.

ACE has responded to this challenge in several ways:

- Reducing staff costs
- Reducing property overheads by making extensive changes to regional administration
- Increasing efficiencies
- Working more closely with other public bodies

The Government has also restructured arms-length bodies to remove unnecessary and wasteful duplication of administration tasks. For example, The Museums, Libraries and Archives Council have been wound up, with responsibility for regional museums, library development work and cultural property transferred to ACE. This will save the taxpayer £31 million every year without impacting on the quality of service on offer.

National Museums

The Government directly funds 16 national and non-national museums and galleries, internationally renowned centres of excellence and a glorious example of the sheer power, range and depth of world civilisation. They are responsible not just for protecting the UK's cultural objects and treasures, but also for making them accessible to all, whether residents of Britain or visitors from overseas.

Since the introduction of free admission, visits to museums that once charged for entry have increased by a staggering 186 per cent. August 2014 was their busiest month ever, with more people filing through the doors than in any calendar month since records began.

We want this record-breaking success to continue. So, in 2013, the Government announced a new package of freedoms for our top museums. This included allowing the national museums to apply for loans of up to £40 million a year from Government, giving them greater freedom to spend their reserves and permitting much more flexibility on pay and recruitment.

The Government is also supporting a range of major capital projects at museums funded by the Department for Culture, Media and Sport (DCMS) – between 2011 and 2015, they have benefitted from more than £125 million of capital expenditure.

Examples include:

- £50 million for the Transforming Tate Modern project, which will enhance the experience of visitors to the gallery and create more space to house its pre-eminent collection of modern art.
- £30 million to create a new purpose-built storage facility for the British Library's newspaper collection at Boston Spa.

- £22.5 million towards the British Museum's World Conservation and Exhibition
 Centre, which houses a new special exhibitions gallery as well as state-of-the-art
 conservation studios and science laboratories.
- £5 million to support the Imperial War Museum's ground-breaking new First World War Galleries, a dramatic new atrium displaying its iconic large objects, and terraces featuring key stories from the collections.

We have also recently announced funding of £1 million for a Great Exhibition in the North, and £3 million for the Museum of Science and Industry in Manchester to create a temporary gallery space with world-class facilities to host a programme of visiting exhibitions.

Both projects will contribute to our vision for a Northern Powerhouse, boosting the region's already enviable cultural credentials as well as creating jobs and growing the local and national economy.

As part of the Olympic legacy, the Government is supporting the redevelopment of Queen Elizabeth Olympic Park with a strong cultural element, known as Olympicopolis.

We will be investing £141 million to support the London Legacy Development Corporation and Mayor of London's plans to build a new higher education and cultural quarter at the Queen Elizabeth Olympic Park, to include a new branch of the Victoria & Albert Museum. Negotiations are also underway to bring a British branch of the world-renowned Smithsonian Museum to the Park.

Finally, the Government is working in partnership with our National Museums to rationalise and share Museum storage facilities and increase public access to collections in storage.

Regional Museums

As with the arts scene, there's more to Britain's museums than the big names. Regional museums are a vital element in the cultural life of the nation, helping to preserve and celebrate local communities' achievements and provide an invaluable educational resource.

That's why, between 2010 and 2015, Government is providing £200 million to fund ACE's support for non-national museums.

We are also contributing £5.5 million to the joint DCMS/ Wolfson Fund, a long-standing partnership between Government and the philanthropic Wolfson Foundation that supports improvements in displays, public spaces, access and interpretation, and facilities for disabled visitors.

Since 2011, the Fund has made 101 awards to capital projects that seek to transform the visitor experience in museums across England.

This has included £300,000 for Lady Lever Art Gallery in Liverpool for its South End development, and £200,000 for Manchester Museum's new visitor research gallery, amongst many others.

Participation

Participation in the arts and culture has hit record levels during the past five years. In 2005/06, 76.3 per cent of adults had participated in the arts (including dance, singing, music, theatre, visual arts and writing). This climbed to **78.4 per cent** during 2012/13 settling at 76.6 per cent in the last year.

Since 2012, ACE has invested £37 million in the Creative People and Places scheme to focus its investment in areas where engagement with the arts is lower than the national average in order to increase participation.

Engagement with museums and galleries has also increased, as the graphic on the next page shows.



(Source: Taking Part 2014/15 Quarter 2)

Heritage

Our national heritage isn't just about old buildings and pretty landscapes – it's about who we are, what makes us British and how we became the nation we are today. It is also a huge draw for foreign visitors, with the majority of overseas tourists listing Britain's unbeatable heritage as their main reason for coming here.

It is vital that our heritage is celebrated and protected, which is why Sir John Major created the Department for National Heritage – the forerunner of DCMS – in 1992. Almost a quarter of century later, we remain committed to supporting our historic environment.

Since 2010 we have:

- Restored heritage's share of good cause money from the National Lottery to 20 per cent, meaning an estimated £1.5 billion of Lottery funding will be given to heritage projects over the life of this Parliament.
- Established a £20 million First World War Centenary Cathedral Repairs Grant
 Scheme, with grants totalling £13 million already awarded.
- Expanded the Listed Places of Worship grant scheme to include alterations, allowing important listed buildings to be adapted to better serve their communities.
- Launched the National Heritage List for England.
- Set aside £10 million to commemorate some of the most pivotal moments in British history, from 800th anniversary of the sealing of Magna Carta to the 75th anniversary of 'The Few' defeating the Luftwaffe in the Battle of Britain.
- Embedded conservation and enhancement of the historic environment into national planning policy.
- Provided almost £1.5 million to support 147 new and existing memorials through the DCMS memorial grant scheme.

The work of the Heritage Lottery Fund

The Heritage Lottery Fund (HLF) is responsible for protecting our national heritage, in all its forms, using money raised for good causes by the National Lottery. This Government has restored the HLF's share of the Lottery pot to 20 per cent.

The bulk of its funds are invested in a huge range of conservation-led capital and regeneration projects that bring economic benefit and transform the public realm.

Over the past five years this has included spending £1.26 billion on the regeneration of sites, bringing heritage to life and making them more accessible. HLF cash has been uses to rejuvenate valued historic buildings as diverse St George's Market in Belfast, Aston Hall in Birmingham, York Minster, Durham Cathedral, and the historic townscapes of Denbigh and West Wemyss.

Research by HLF – *New Ideas Need Old Buildings* –demonstrated that listed buildings are highly attractive to creative industry start-ups. So HLF has responded with the Heritage Enterprise grant programme, through which nearly £50 million has been awarded to help rescue landmark historic buildings across the UK and re-utilise them as inspiring places for the creative industries.

The HLF has also invested £398 million in the buildings and collections of our world-class museums and galleries. This has included funding for Hepworth Wakefield, Kelvingrove Art Gallery and Museum in Glasgow, the National Waterfront Museum Swansea, Birmingham Museum and Art Gallery, the Whitworth Art Gallery in Manchester, and Oxford's Ashmolean.

Preserving our built heritage requires a unique set of skills, so the HLF has invested £40 million in employer-led work-based training, ensuring the heritage industry has the trained and flexible workforce it needs. The creative trainees include stonemasons and stained glass workers who will restore our great cathedrals, film archivists at the cutting edge of restoration and digitisation, and museum educators who will deliver high-quality learning for children and young people.

The Government is also pioneering a new approach to heritage, and producing what could be a new model for public body reform, through the radical restructuring of English Heritage.

Supported by nearly £90 million of new Government investment, a new English Heritage charity will manage the National Heritage Collection of buildings and sites, from Stonehenge to Hadrian's Wall. The new body will have more freedom to raise funding from third parties and will become self-financing within eight years.

Meanwhile, a more focused arm's length body, Historic England, will continue to provide wider historic environment services and support sustainable growth.

But not all activity in this area is about preserving and protecting the past. The design and architecture of new buildings is also of great importance – after all, the new buildings of today are the heritage we leave for tomorrow.

That is why the Government commissioned an expert panel, led by distinguished architect Sir Terry Farrell, to make recommendations on promoting high standards of design. We also implemented reforms in the Enterprise and Regulatory Reform Act to make it easier to adapt historic buildings while ensuring that their heritage integrity is not jeopardised.

Fundraising and Giving

For many years, direct funding from the state has been an important aspect of British art and culture, but we also have a long tradition of public fundraising and philanthropy. Increasing this element will help ensure a strong and sustainable for the sector, making it more resilient to future economic changes.

In 2012/13, DCMS-funded cultural institutions received charitable contributions totalling £476 million, an increase of 56 per cent on 2008/9. This means that for every £1 of state funding the institutions received, they generated almost half as much again from fundraising and contributed income.

Charitable Giving indicators 2008/09 to 2013/14

	2009/09	2009/10	2010/11	2011/12	2012/13	2013/14
Total amount of charitable giving to DCMS funded cultural institutions	£304m	£236m	£250m	£357m	£348m	£476m
Total fundraising (excluding donated objects	£204m	£218m	£234m	£274m	£293m	£455m
Total DCMS grant-in-aid	£1,064m	£1,077m	£1,047m	£994m	£1,032m	£974m
Ratio of fundraising to grant-in- aid	28.6%	21.9%	23.9%	35.9%	33.7%	48.8%
Ratio of fundraising to grant-in- aid (excluding donated objects)	19.1%	20.2%	22.3%	27.6%	28.4%	46.7%

Source: Charitable Giving Indicators 2013/14, DCMS

This increase in philanthropy has been supported by Government action, including the introduction of a **reduced rate of inheritance tax** for those who leave more than 10 per cent of their estate to a cultural body or charity, which came into effect in 2012.

In 2013, we established the **Cultural Gifts Scheme**, which allows individuals to give cultural objects to museums and provides them with a tax incentive in return. This aims to promote lifetime giving to public collections. Last year the threshold limit for the scheme was extended from £30 million to £40 million, enabling even more cultural objects to be given to the nation.

The Acceptance in Lieu Scheme continues to benefit museums and galleries and our heritage more generally by allowing people to donate pre-eminent cultural items to the nation as settlement for Inheritance Tax demands. Between 2009 and 2014, items settling tax bills worth almost £100 million have come into public ownership, with access to them now guaranteed for everyone. This includes donations received under the Cultural Gifts Scheme.

But we do not want cultural organisations simply to wait for philanthropic individuals to come to them. We want them to seek out new sources of funding.

The Catalyst scheme is improving fundraising skills across arts and heritage, helping organisations to achieve match funding and supporting cultural organisations as they diversify their income streams, strengthen their fundraising activity and unlock long-term funding from private sources, including through the development of endowments.

DCMS, ACE and HLF have invested £100 million to support the Catalyst scheme, and grants were awarded to hundreds of cultural organisations that aim to leverage at least as much again in private giving.

Examples of Catalyst awards include:

- The National Museum of the Royal Navy was awarded a £5 million Catalyst Endowment grant in June 2012, which was match-funded by a £15 million donation.
- Aldeburgh Music was awarded a grant of £1 million to be match funded 1:1, allowing it to put in place a £2 million endowment fund.

A full assessment of the Catalyst scheme's success is due in 2016.

Extraordinary acts of generosity

The various schemes and incentives put in place by this Government since 2010 have helped lead to some extraordinary acts of philanthropic generosity from private individuals and trusts.

Cultural gifts left to the nation under the **Acceptance in Lieu Scheme** include:

- Lucian Freud's collection of works by Frank Auerbach, worth more than £16 million.
- John Ruskin by Sir John Everett Millais, worth £7 million.
- Extreme Unction by Nicolas Poussin, worth almost £6 million.
- The Triumph of Venus by Sir Peter Paul Rubens, worth almost £4.5 million.
- Drawings by Guercino worth well over £4 million.

The first-ever gift under the **Cultural Gifts Scheme**, a donation to the British Library by Hunter Davies in 2013, included hand-written lyrics of some of the Beatles' best-loved songs. The gift was worth more than £1 million, and the collection is now freely available for all to see.

Elsewhere, Andrew and Zoë Law of the Law Family Charitable Foundation donated £1 million to the Lowry in Salford, the largest private donation in the organisation's 14-year history.

And in 2014 Sir Michael Hintze made a donation of £5 million donation to the Natural History Museum. It is the largest single donation the museum has ever received and will help fund the future of the museum's galleries.

Cultural Education

A love of art and culture does not begin in the ticket queue outside a gallery or theatre. It has to be developed and nurtured in the classroom. As Jennie Lee noted half a century ago, "If children at an early age become accustomed to the idea of the arts as a part of everyday life, they are more likely in maturity first to accept and then to demand them."

Over the past five years, state education in England and Wales has been radically reformed. The Government wants to ensure that our children receive a rigorous education, leaving school with a strong and well-rounded academic background so that they can enter a competitive global marketplace with the necessary life-skills.

Cultural education is crucial to this, and the Government has taken real action to make sure it is at the centre of school life.

- Every state-funded school must offer a curriculum which is balanced and broadly based and which:
 - promotes the spiritual, moral, cultural, mental and physical development of pupils at the school and of society
 - prepares pupils at the school for the opportunities, responsibilities and experiences of later life
- Art and design and music remain statutory subjects in the national curriculum at Key Stages 1 3 (for 5 14 year olds). The national curriculum also requires pupils of this age to study drama and dance as part of English and physical education respectively. At Key Stage 4, pupils in maintained schools have an entitlement to study an arts subject.
- Between 2010 and 2014 the number of GCSE entries in art and design went up, as did the total number of Key Stage 4 entries in music, despite the fact that the number of pupils at the end of Key Stage 4 fell by 3% during this period.

 More than £400 million has been provided by the Government for arts and cultural education programmes since 2012, creating new opportunities for pupils interested in pursuing careers in creative fields.

We have also changed the way in which music education is being supported. For example, the Government has moved away from a local authority-led approach, instead creating a network of Music Education Hubs where schools, local authorities and local arts organisations come together to share expertise for the benefit of children.

From 2012 to 2015, £171 million went to this network of 123 music education hubs and the Government recently announced that a further £75 million would be provided to hubs in 2015-16. The evidence shows that hubs are engaging with the majority of state-funded schools in their areas and providing opportunities for children to learn to play musical instruments and to take part in a variety of instrumental ensembles and choirs.

Government funding also supports 10 "**Bridge**" organisations that work to connect children and young people to arts and culture on their doorsteps. Bridge organisations such as Curious Minds in the North West, Arts Connect in the West Midlands and A New Direction in London, are neutral "brokers" that galvanize local partners to improve the local cultural offer for children and young people. In particular they connect schools, cultural organisations, local government and communities.

Bridges are now almost three years into their operation and results are looking good. More than 50,000 children and young people achieved an Arts Award in 2013/14, 50 per cent up on the previous year. More than £3 million of new investment for cultural education has been leveraged through co-investment by local authorities, trusts and foundations.

Government funding of £130,000 a year between 2012 and 2016 has supported the expansion of the **Sorrell Foundation's National Arts and Design Saturday Clubs**. The clubs give 14 to 16 year olds the opportunity to participate for free in inspiring arts classes with a range of activities such as drawing, sculpture, printmaking or stop-frame animation. These take place across the country every Saturday morning at their local art and design colleges or universities and continue to be very popular.

In 2012 the Government created the new **National Youth Dance Company**, jointly funded and overseen by ACE. Sadler's Wells was the successful applicant to run this and it has now provided its third company of talented performers aged 16 to 19 with intensive training and performance opportunities, led by world-leading choreographers. It has received £400,000 each year from 2012 to 2015 and funding is continuing in 2015-16.

Another successful, and expanding, programme is **In Harmony**, which is jointly funded by Government, ACE and relevant local authorities. It is helping transform children's lives in some of the most deprived areas of England through music participation. Based on the Venezuelan *El Sistema* programme, which uses the discipline of orchestral music making to inspire and transform the lives of children, it was extended from three programmes to six in April 2012. The six In Harmony programmes operate vibrant music programmes in 11 schools and one nursery, reaching over 3,000 children. Between 2012 and 2015 the Government and ACE committed £3 million to supporting the programme. It was recently confirmed that In Harmony will receive a further £500,000 in funding from Government for 2015-16.

On top of this, the **National Youth Orchestra of Great Britain** and **National Youth Music Theatre** offer invaluable opportunities and support for talented young musicians and actors to develop their performance skills regardless of their background and are now directly funded by ACE as two of eight National Youth Music Organisations, as well as by DfE.

Government funding also supports **Music for Youth** which provides opportunities for young people to perform in regional and national music festivals across the UK including the School Proms at the Albert Hall. Music for Youth runs a series of free concerts featuring young musicians which are performed to young people. Their 2014 season featured almost 40,000 young musicians supporting 78 events across the country including the Primary Prom concert series which was attended by 17,000 primary school children for free.

Support for talented young musicians and dancers is also available through the Government's **Music and Dance Scheme** – over £113 million between 2012 and 2016. The scheme allows these young people to receive world-class training in their chosen field alongside a good academic education.

It is well-known that our historic buildings and heritage are a tremendous asset for the tourism industry, attracting people from all over the world to come to this country. But they are also an invaluable educational resource. The **Heritage Schools Programme**, managed by English Heritage, aims to celebrate and commemorate our culture and history, by helping schools to make effective use of their local historic environment and bring the curriculum alive. One good example of this is the role that cultural education has played in the commemoration of the centenary of the First World War.

Museums and their collections are also a wonderful educational resource. The **Museums in Schools Programme**, funded by the Department for Education and managed through ACE, has provided £3.6 million to support partnership projects between DCMS-sponsored museums and galleries and regional museums services, working with schools in areas of high deprivation across England. So far almost 90,000 pupils have visited a regional museum as part of this programme and the programme will receive a further £1.2 million in 2015-16.

It's all part of our commitment to deliver the best schools and skills for young people, a goal that has all forms of cultural education at its core.

Public Libraries

Public libraries sit at the heart of our communities, helping people to learn, develop skills and create knowledge for life.

They are also places that are changing to meet the demands and needs of modern society, with many being refurbished and new ones opening.

Liverpool and **Manchester** Central libraries have both been extensively refurbished and modernised. **Birmingham** got brand-new library in in 2013. A £6 million development in **Seaford, East Sussex** has delivered a new library alongside day services for older people and supported-living flats. And **East Ham** now boasts a £14 million Customer Service Centre and Library, which, in addition to hosting traditional library services, offers a range of other services including mayor's surgeries and debt advice.

The provision of libraries is so important that it is a statutory service in England, and the Government publishes annual reviews of what the service looks like. They are based on a number of sources, and show that just over 90 static libraries have closed in the past few years. This means that the total number of static libraries has fallen from just over 3,000 in May 2010 to just over 2,900 by December 2014, a decrease of around three per cent. At the same time, other libraries have developed exciting and innovative new services and initiatives, bringing new life to the sector.

Many new services involve making the most of modern technology, with books being offered in non-traditional formats such as audio and e-books. In 2014, we extended the Public Lending Right – the system of payments made to authors when their books are borrowed – to cover non-print works for the first time.

Funding for the Public Lending Right has been protected throughout this Parliament, and we have saved the taxpayer money by abolishing the body that previously ran the scheme and transferring its functions to the British Library

Since taking on responsibility for development of libraries, ACE has worked hard to bring together the art and library sectors. In September 2012, it launched a three-year funding project called Libraries Grants for the Arts; so far, more than 75 projects across England have received funding totalling £4 million.

Library services have also undertaken projects across a variety of art forms, which has helped deliver art, literature and digital arts engagement. Over the course of 2014, 35 awards were made, worth over £1.5 million.

In 2014, the Government commissioned and published an independent Library Report from William Sieghart and a panel of expert advisers. The report recommended creating a new national digital resource network for libraries, increasing community partnership in libraries, and establishing a taskforce to lead on libraries strategy.

A range of specialists with a specific interest in libraries will support the taskforce and report both to Ministers and the Local Government Association throughout 2015.

Cultural Events

Britain's cultural life extends well beyond grand Victorian galleries and permanent museum collections. Across Britain, one-off cultural events bring life and colour to those that experience them, bringing people together in a positive way and often leaving a powerful legacy behind. Over the past five years Britain has repeatedly come together to enjoy such events, which are often held with the support and financial backing of the Government.

- The Cultural Olympiad. In London's four years as Host City for the Olympic and Paralympic Games, more than 40 million people took part in almost 180,000 Cultural Olympiad events at 1,000 venues across the UK. Three-quarters of the events did not charge for admission, thanks to the support of more than 45,000 incredible volunteers. The Cultural Olympiad culminated in the London 2012 Festival, which ran from 21 June to 9 September 2012 and was enjoyed by more than 20 million people.
- First World War Centenary. The cultural programme of the First World War Centenary, 14-18 Now, is delivering thought-provoking cultural activities for people of all ages throughout during the centenary period. The largest, and most visible, event to date saw an estimated 16 million households dim their lights for an hour on 4 August 2014, as part of the Lights Out project. Last year, the Government announced an additional £3 million for 14-18 Now to fund projects in Northern cities in 2016.
- **UK City of Culture.** The UK City of Culture programme was created following Liverpool's hugely successful year as European Capital of Culture, and got off to a flying start in Derry-Londonderry in 2013. The Northern Irish city underwent a physical and cultural transformation, and more than a million people visited to experience the events on offer. The Turner Prize exhibition alone welcomed 60,000 people.
- The Edinburgh International Culture Summit. Held for the first time in 2012, the first Edinburgh International Culture Summit sprang from the recognition that culture and creativity worldwide can benefit from high-level international co-operation just as much as more traditional sectors of the economy. The Summit, which was held for a second time in 2014, brings together culture ministers from all over the world to sit alongside international cultural leaders and commentators.

Culture for All

"We are British, but we express that Britishness in many different ways. And the diversity of our daily life is reflected in the diversity of our art. That's what art is for, after all. It tells us who we are. Shows us our strengths and weaknesses.

Celebrates our better natures and shines a light on the darker corners of our lives.

Ultimately it's about understanding and expressing what it means to be human."

- Rt Hon Sajid Javid MP, Secretary of State for Culture, Media and Sport,
December 2014

Culture is a vital part of who we are as a nation. Access to it is more than a privilege, and if you're not engaged with our cultural life you're not fully engaged with our national life. This Government completely supports universal access to high-quality art and culture as both producers and consumers, yet too many people remain "culturally disenfranchised".

That is why we have repeatedly called on arts organisations to ensure that everyone in the UK has the opportunity to engage with art and artists, history and heritage and to enjoy our cultural experiences.

The situation is showing signs of improvement. For example, recent BBC research showed an increase in the number of female theatre directors and writers. In December 2014, ACE published the **Creative Case for Diversity** to support organisations in shaping their programmes of work. The aim is to ensure that publically funded art and culture does not overlook the needs of individuals based on their race, ethnicity, faith, disability, age, gender, sexuality, class or economic situation.

ACE is also stepping up its commitment to diversity by using the funding agreements in place with funded organisations to achieve outcomes that support both the artistic work as well as encouraging diversity and equality in both audience and workforce. They have been working with National Portfolio Organisations, Major Partner Museums and those who receive investment via Grants for the Arts.

Cultural Diplomacy and the GREAT Campaign

It has long been recognised that, in the modern world, the ability to influence international opinion and events is not limited to force of arms. Soft power – shaping perceptions by promoting values and understanding – also has a crucial role to play, and the Government has been working hard to increase our use of it around the world.

Culture and creativity are at the very heart of these efforts. Cultural diplomacy helps to advance Britain's national interests, by projecting a positive image of the United Kingdom and supporting our growth and trade agendas.

The Government has strengthened cultural exports and promoted inward tourism through organising year-long programmes of culture exchange, for example with Qatar in 2013. These "years of culture" aim to build long-lasting cultural connections and provide a common focus to attract UK government and cultural partners, funders and sponsors, showcasing the best of what Britain has to offer the world. We are committed to continuing this work to deepen and enhance our international cooperation; 2015 will see a Year of the UK in Mexico and Mexico in the UK, as well as a Year of Cultural Exchange with China.

The production of an online **Culture Diary**, which went live in April 2014, complements this. It will help UK arts and cultural activities to have more impact overseas. The diary will be populated by commercial, creative and cultural organisations and used by government officials to promote events, which will benefit the UK.

Responsibility for promoting the UK's soft power is shared between a number of coordinating bodies and government departments, in order to make effective use of limited departmental resources. In April 2014, DCMS and Arts Council England announced a new £18 million fund to help promote the best of English arts and culture overseas and to encourage opportunities for collaboration and cultural exchange.

A number of cross-departmental groups manage specific strands of soft power activity, such as the cross-Whitehall Emerging Powers Working Group, which seeks to implement the government's Emerging Powers Initiative, and the GREAT Britain Campaign Programme

Board, which draws on the resources of several bodies in support of coordinating the UK's soft power work.

Launched in February 2012, the GREAT Britain campaign promotes and strengthens the UK's international competitive position by harnessing British creativity, innovation and cultural assets to enhance our reputation overseas and ensure maximum impact for the UK.

The campaign focuses on China, India, US, Brazil, France, Germany, the Gulf, South Korea, Mexico, Turkey, Indonesia and Emerging Europe and is also active in almost 150 other countries worldwide.

At the beginning of 2014, the campaign had generated a return on investment of over £500 million in the markets where the campaign directly funds activities. The campaign is currently on track to generate up to £800 million from 2013/14 funding.

GREAT-funded activities have been beneficial for British businesses, directly generating over 1,600 inward investment leads in key target markets and over 7,000 'service deliveries' to support the export plans of more than 3,000 UK companies.

Culture and creativity are vital parts of the GREAT campaign. The GREAT Festival of Creativity in Istanbul in May 2014 promoted the UK as the most creative nation on earth. It brought together creativity and the arts with opportunities for business and long-term economic growth. This March will see another GREAT Festival of Creativity, in Shanghai

GREAT is working. And the Government is committed to continue promoting British creativity and culture – we have increased our financial support for the campaign by 50 per cent for both 2014/15 and 2015/16. This will be used to continue to encourage the world to visit, study and do business with the UK.

A policy for the arts: the next steps

The Government must continue to build on what we have achieved during these past five years, and those foundations that were laid 50 years ago.

Many of the ambitions of Jennie Lee have been realised since 1965. Supporting "the living artist" and "enlarging the area of appreciation of the arts" can be seen most obviously when looking at Government's support for the arts through Arts Council England, our museums and galleries and our national heritage. Half a century ago the then-Government talked about the arts providing for adventure and opportunities to appreciate and participate in a wide range of individual pursuits. This continues to be reflected in the Arts Council's mission and, as the Taking Part figures show, the past five years have seen record participation figures and more people are visiting museums than ever before.

The future brings opportunities as well as challenges.

The UK has a well-deserved reputation for cultural freedom of expression and creative ingenuity. We must protect and promote this freedom fearlessly and we must ensure our nation's creativity is encouraged and nurtured.

The UK's mixed model of funding can only work effectively if public investment is supported by private funds and earned income, and underpinned by effective leadership. A dynamic and mixed cultural sector requires a dynamic and mixed funding model.

We must continue to put culture and creativity at the heart of every child's education, appreciating that there are few more powerful events for a child than experiencing culture first hand.

We must continue to identify and tear down barriers. The greater freedoms being provided to our national museums and galleries will give more flexibility and more opportunity. Libraries will be encouraged to innovate and adapt. The reform of heritage will insert a new energy into conservation of our historic sites enabling further freedoms for fundraising and improving the visitor experience. Over the coming years, Manchester and the Queen Elizabeth Olympic Park will benefit from extensive cultural investment creating new centres of excellence and drawing in visitors from across the UK and the world.

We must continue to redress the geographic imbalance, and promote new creative and cultural clusters that can inspire local communities and fundamentally change local areas.

In the 1965 White Paper, the Government said "some local authorities will need a good deal of persuading before they are convinced that the money it is in their power to spend on arts and amenities is money well spent and deserving a much higher priority than hitherto".

If we are to avoid falling back into the "drabness, uniformity and joylessness of much of the social furniture" referred to by the Government in 1965, local authorities' investment in and support of culture and creativity remains as essential as ever. When determining priorities and delivering social outcomes, culture and creativity should be at the fore of those considerations.

We want to see the UK continue to grow in its cultural and creative output, harness new models for delivery and steel itself to remain as a world leader.

We want culture and creativity for all.

