

CULTURE COMMONS

Arm's Length Bodies in a devolved policy landscape

INSIGHT PAPER

Published as part of
**the future of
local cultural
decision making**

An open policy development programme
led by Culture Commons and Partners



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This Insight Paper was produced by **Culture Commons** as part of [‘the future of local cultural decision making’](#) - an open policy development programme led by a UK-wide consortium of partners.

Abstract

This Insight Paper captures the perspectives of senior leaders of Arm’s Length Bodies across England, Scotland and Northern Ireland specifically on devolution and increased local decision making. The insights gathered will be submitted as evidence to the open policy development programme and inform the design of future policy. This paper does not make policy recommendations but does consider some of the potential implications of these perspectives from a policy standpoint.

Keywords

devolution; arms length bodies; devolved administrations; decision making

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Introduction

Arm's length bodies¹ are critical stakeholders within the creative, cultural and heritage ecosystem of the UK. One of the central questions we therefore set for ourselves as part 'the future of local cultural decision making' centred around the potential role that they might play in an increasingly devolved policy landscape.

To help us examine how arm's length bodies might make the best of devolution, and what they could do to inform future policy rollouts, the programme partners were keen to hear from senior leaders (Director level and above) from ALBs across England, Wales, Scotland and Northern Ireland.

We invited representatives from the four UK nations to a special closed, Chatham House roundtable meeting; representatives from England, Scotland and Northern Ireland were able to attend. We plan to hear from ALBs based in Wales later in the year to complete the UK picture; a summary of that meeting will also be published on the programme's digital hub later in the year.

During the roundtable, we heard from ALBs responsible for supporting a range of creative, cultural and heritage subsectors and policy domains, including: the arts and culture, national museums, skills development, tourism and events and heritage management. It is important to acknowledge from the outset that each of the ALBs we spoke to is constituted in a different way, with varying levels of funding envelopes and powers.

Before the session, we asked attendees to consider the following questions, which we used to guide the conversation on the day:

- **How do ALBs currently engage with local authorities at different 'tiers' to support ambitions for the creative, cultural and heritage ecosystem in specific places?**
- **What do ALBs anticipate the opportunities of further 'devolution' and increased local decision making might be in their respective nations?**
- **What do ALBs anticipate the risks of further 'devolution' and increased local decision making are for their respective nations?**
- **Are ALBs already preparing for further devolution and increased local decision making - and if so, how?**
- **As national bodies, do ALBs currently, or intend to, devolve their own decision-making powers associated with the programmes and investments they make to local stakeholders (e.g. decision makers, the public)**

¹¹ We outline the working definition of 'arm's length body' we applied to this activity in Appendix 1 of this Insight Paper.

We have, where appropriate, redacted information in order to honour our commitment to the Chatham House rule but have made every attempt to faithfully represent the views of those we talked to.

We strongly encourage readers to visit our [open policy development programme hub](#) where we have published Insight Papers and new research exploring devolution and increased local decision making from other perspectives within the creative, cultural and heritage ecosystem (e.g. local authorities, the DCMS subsectors, the workforce and others).

The insights gathered in this paper will be submitted as evidence to the open policy development programme and inform the design of future policy. This paper does not make policy recommendations but does consider some of the potential implications of these perspectives from a policy standpoint.

ALBs in the ecosystem

ALBs within the three UK nations at the roundtable clearly play a significant role in their respective contexts.

Whilst some of the ALBs are solely focussed on supporting one subsector or policy area, others cover a whole range of subsectors and multiple policy domains. Each does so with very different budget envelopes, staffing levels and timelines to work within.

Many ALBs are first and foremost funders and/or sector support organisations, but some are also involved in the delivery of programmes in collaboration with national governments, the sectors they serve, and local authorities on the ground too. ALBs can therefore have quite different relationships to the macro level policy objectives set by their respective national governments and interface with government sponsor departments in different ways.

Some ALBs have a statutory function, upholding laws and regulations in their nations, whilst others play a purely discretionary role.

Given that 'culture' is a devolved competence, each of the devolved administrations are broadly responsible for setting their own policy priorities in this area. Nonetheless, we know that there are several policies set at the UK Government level that undoubtedly impact on the ecosystem in Wales, Scotland and Northern Ireland, and by extension the ALBs that serve them (for example trade policy, tax, industrial strategy and international relations).

Whilst devolved governments set the funding levels for their own ALBs, this is made possible through the Barnett Formula which sees the UK Government distribute a 'per head' financial settlement to cover a range of policy areas (including culture, creativity and heritage). In turn, national governments allocate a share of their national budgets to government departments that look after the creative, cultural and heritage sectors directly; they in turn fund the ALBs we spoke to. In some cases, national governments also make a series of direct investments to the creative, cultural and heritage sectors directly through government departments.

The one thing that seems to unite all the ALBs that we spoke to is the overlapping jurisdictions, powers and responsibilities they are often working with – particularly for those covering multiple nations, including in Great Britain (England, Wales and Scotland) or the whole of the UK (also including Northern Ireland).

We provide an overview of the definition we used to identify ALBs in Annex 1 of this report.

Summary of Roundtable

In this section, we draw out some of the headline themes that ALBs raised during the roundtable. We have synthesised them under thematic headings with text in **bold** representing direct quotes from contributors.

Long-time collaborators in place

Royal Charters and other foundational documents enshrine a commitment for ALBs to work with local authorities, though contributors acknowledged that the prominence of 'place' as an organising policy principle has ebbed and flowed over the years.

Larger ALBs with national reach often already incorporate some kind of 'regional' structure that, to varying degrees, includes decision makers based within those regions: ACE's Area Councils² or the National Lottery Heritage Fund's (NHLF) regional investment committees³ are two such examples.

Several formalised agreements now exist between local authorities and ALBs - for example, those between ACE and the Local Government Association (LGA) through a Joint Statement,⁴ and Arts Council Ireland and the County and City Management Association's Framework for Collaboration.⁵ In some cases, bodies representing local authorities have agreements with national governments that incorporate commitments to culture, for example the COSLA and Scottish Government's Verity House Agreement.⁶

These agreements set out to explicitly acknowledge the importance of local governments and the democratic legitimacy they bring to decision making processes, as well as the **"deep knowledge of place"** that local authorities have.

ALBs are already collaborating with local partners and places across the UK to think about devolution. This stems from a deep respect that ALBs have for the expertise and experience that local agencies and other stakeholders have developed over a considerable period of time.

One ALB pointed out that they would seldom make a substantial intervention in a place (for example funding a major event or a long-running cultural programme) without ensuring

that there was the express financial or in-kind support of the local authority in advance:

“all our activities are in partnership with local authorities. So we wouldn't support [activity] in a local authority unless that was something that was directly supported by that local authority”

ALBs outlined several ways in which their national remit dovetailed productively with local areas whilst also being able to:

“invest at scale with national oversight, connecting back into national government”

As devolution extends, ensuring that the strategic role that ALBs play at the national level is not lost will be a key consideration. Indeed, many of the other stakeholder groups we have spoken to as part of the wider programme have stressed how important it is to have a clear national plan for culture, creativity and heritage.

ALBs were keen to highlight the interdependency of their own investments and those that are made by local authorities that their grantees are based (or working) within: for example, most civic museums in receipt of public investment from ALBs in the north of England also receive funding from their local authority, amongst others. This sense that ALBs are part of a broader ecosystem of support for the creative, cultural and heritage sectors came through very strongly throughout the discussion.

ALBs shared many examples of where they had successfully collaborated with local authorities in delivering specific programmes – including a major investment from a Scottish ALB who worked directly with a local authority on a place-based cultural investment programme. The representative from this ALB suggested that this collaboration had led to a great understanding between them and the local authorities about their respective roles.

² <https://www.artscouncil.org.uk/our-organisation/area-councils>

³ <https://www.heritagefund.org.uk/about/our-people/committees#:~:text=We%20have%20six%20committees%20-%20one,and%20recruited%20through%20open%20advertisement.>

⁴ <https://www.local.gov.uk/topics/culture-tourism-leisure-and-sport/arts-council-england-and-lga-joint-statement-2023-2025>

⁵ https://www.artscouncil.ie/uploadedFiles/wwwartscouncilie/Content/Arts_in_Ireland/Local_arts/FrameworkforCollaboration.pdf

⁶ [New Deal with Local Government - Verity House Agreement - gov.scot \(www.gov.scot\)](https://www.gov.scot)

“...we’ve got into quite a good position now with local government about talking about our complementary roles”

Recognising that local authorities do not always have officers covering portfolios relevant to our subsectors (and therefore may not have capacity to manage investments and deliver programmes), ALBs report increasingly turning to **“anchor institutions”** in the creative, cultural and heritage sectors to partner with or independently deliver programmes in place.

One ALB shared a view that the perceived **“political neutrality”** of some larger cultural organisations in a place means they can legitimately **“...host something on behalf of the area, the region”**.

This wasn’t without its risks, of course: as one contributor put it, this can:

“...quite often become conflated with what that organisation or what the director of that organisation wants to happen. And quite often they’re a loud voice in a small area because they are the biggest organisation with the most capacity to be able to handle funding or supporting development.”

Staying relevant

One experience that seems to have cut across all the ALBs we heard from, regardless of the country or the subsector they operated within, was the persistent sense of ‘change’ that they had been part of over the years.

For example, many ALBs have emerged out of an amalgamation of formerly separate public bodies and departmental functions or, in some cases, been separated out from a larger body covering multiple subsectors into a smaller ALB covering fewer.

Shifting national level policy priorities, and the reorganisation of government departments that this can lead to, were cited as having played a significant role in the changes in primary functions, objectives and strategies that ALBs have adopted and adapted over time.

Of course, ALBs enjoy a degree of autonomy and, in principle, should be free from interference from governments in their day-to-day operations. Nonetheless, ALBs told us that they often share data, advice and expertise with the government departments they report into, and in this regard, are already helping to shape the development of national level policy well.

It is clear from the roundtable that ALBs fully anticipate that ongoing political and policy change in their nations will continue to impact on the ways in which they are structured and operate in future.

Devolution is firmly on the agenda

ALBs across the UK have always been, or are now proactively considering, how devolution and increased local decision making might impact on their future activities.

ALBs based in the devolved nations were born out of the devolution that took place in the late 1990s and early 2000s and to this extent have longstanding experience in how their policies might best support the nations they cover within a UK and wider European context.

ALBs in England are increasingly alert to devolution because of the focus that recent UK Governments have placed on extending powers to combined authorities – a form of ‘upper tier’ local government that does not (as yet) exist in Wales, Northern Ireland or Scotland – and other local governance structures⁷.

The announcement of the English Devolution Bill in the most recent King’s Speech came after this roundtable was convened, but is a clear indication of the ongoing commitment to devolution in England by the new UK Government.

Metro Mayors and the combined authorities they lead are now taking on an increasingly prominent role in the political landscape⁸ and are broadly felt to be potential new

⁷ The announcement of the English Devolution Bill in the most recent King’s Speech came after this roundtable was convened, but is a clear indication of the ongoing commitment to devolution in England by the new UK Government. <https://www.gov.uk/government/speeches/the-kings-speech-2024>

⁸ See this explained by Centre for Cities on the role of Metro Mayors <https://www.centreforcities.org/publication/everything-need-know-metro-mayors/>

collaborators in delivering culture and heritage programmes in future:

“We're now getting this new level of devolution with mayoral combined authorities who may become partners for us in funding programmes”

An example was given, however, of a moment where a Metro Mayor wanted to push a specific project locally that had not necessarily complimented the investment priorities that ALBs had for the area or been backed up by data and sectoral expertise. This perhaps speaks to the inherent tension that decision making within place can create when different stakeholder groups are not aligned in terms of mission.

Contributors from England pointed out several policy areas where further devolution to combined authorities could be strategically beneficial to their own objectives too: the post-16 skills and education agendas being one such area.

ALBs are already working hard in many cases to get a better understanding of what local authorities in their jurisdictions need through surveys, consultations and, of course, via day-to-day engagement. This kind of activity is now taking precedent over traditional sectoral surveying:

“...we are taking steps to be more of a place-based investor but it kind of does go against the grain of how we're established so we have to do some concerted work.”

In Scotland, the Verity House Agreement⁹ between COSLA and Scottish Government seems to be opening up new dialogues between ALBs and local authorities. For example, a new National and Local Delivery Group has been established to, amongst other things, explore the potential for closer working between ALBs and local authorities.

ALBs shared many examples of where they have reorientated internal structures, teams and programmes to build up a 'place' focussed function. In some cases, 'place' has even been elevated into **“core organisational strategies and objectives”**.

⁹ Details of the Verity House Agreement between Scottish Government and COSLA can be found here: <https://www.gov.scot/publications/new-deal-local-government-partnership-agreement/>

Representatives from Northern Ireland shared that they would like to be able to play a more prominent role in local place policy and facilitate local cultural decision making. However, their comparatively small size and low level of resource prevents them from engaging very meaningfully:

“...we definitely do not have a strong relationship with local authorities, but it’s not due to a lack of understanding of the need for that, it is just a lack of resources that kind of limits a lot of what we do in that respect.”

Several ALBs also touched on the potential risks associated with competing national and local policy objectives. One contributor based in England commented that they were seeing national policymakers:

“...talking about national creative industries over here with the Creative Sector Vision and at the same time setting up structures operating at a local level.”

How national industrial strategies that may come forward from the new Industrial Strategy Council might work *with* local priorities will clearly need to a consideration for all policymakers going forward. ALBs can clearly play an role in contributing to the development of those strategies and could help ensure that culture and heritage sit alongside the ‘creative industries’ in those discussions, applying ecosystem thinking to those conversations.

Overall, ALBs are aware that the UK Government have an evolving vision for devolution and are standing by to help realise it. One contributor gave an indication of why they felt it would be important for that consultation to be close and ongoing:

“I do worry that there's an assumption in some instances that [ALBs] will just evolve and be seen as a good thing - and culture will be a policy area which is simply devolved and forgotten about.”

Nonetheless, some ALBs have already initiated meaningful dialogues with senior decision makers in DCMS

New funding models for culture

Culture Commons has argued that devolution of powers and responsibilities without the requisite levels of funding and support to make that meaningful is not devolution at all, but an outsourcing of difficult decisions to local leaders and people. This naturally brings us onto the subject of funding.

All ALBs demonstrated a deep sensitivity to the UK's financial position. Nevertheless, the impact of **"austerity policies"** from the UK Government between 2010 and 2024 was touched on several times as having had a net negative impact on both the operating budgets of local authorities and ALBs (whether directly for those sitting under DCMS or those of the devolved nations because of a reduced Barnett Formula settlement).

ALBs from all four nations were united in a view that it cannot be their role to **"...backfill local authority cuts"**. One contributor, who summed up the feelings of the wider group, said:

"...we cannot 'make good' on cuts made by local governments - we don't have the money - but there's also a moral hazard point here...Why would [a local authority] protect their investment in culture if they have an expectation that [an ALB] will simply bail them out?"

Contributors further observed that the local authorities that they engage with are increasingly sliding towards supporting creative, cultural and heritage activities that **"bring money in"** – seeing it as a new potential revenue stream. This can lead to a dissonance between the objectives of ALBs and local authorities, particularly where ALBs have a stated ambition to promote under-supported subsectors or tackle equity, diversity and inclusion.

Several ALBs whose main function is to distribute funding report a shift away from funding local authorities towards co-funding alongside other key strategic funders in a place over time. For ALBs, local authorities are **"increasingly seen as a risky stakeholder"** to invest in, which is only getting worse as more local councils come to the brink of Section 114 notices.

For some, devolution presents an opportunity to make a concerted move away from purely competition-based models of funding, building on programmes that have been successful in doing so already:

“If we can invest the time in that capacity, engagement and development, rather than running competitive bidding, that's a great opportunity to achieve more meaningful outcomes.”

However, it's clear that any major changes to the principles that would determine how funding is distributed would take some time to work through the system:

“we all talk about expanding the portfolio to different kinds of funding streams, but the actual reality of that is extremely difficult”

One representative from a large ALB in England shared that they are quite eager to work with new regional governance structures on specific investments, seeing combined authorities as a central node for a region from which funds could then be distributed from.

“maybe working with these new combined authorities as a funding partner who can then just provide funding down to community level may actually be a really good opportunity for us”

There was no suggestion in this session that this would, or should, replace the investments that ALBs often make to organisations in a place directly in the form of grants.

ALBs were very positive about the added value of **“working directly with communities”** in large scale funding programmes as they were often **“the best spenders of public money”** and, amongst other things, not subject to the onerous procurement procedures often associated with local authorities that can hold things up.

An internal evaluation from one ALB appears to show that local authority support is still critical for legitimating and ensuring smooth delivery of any programme at scale, leading one ALB representative to suggest **“[local authorities] are still very important - they just may not be the best recipient of the funding.”**

Some ALBs have been reviewing their grant-giving procedures and removed their ringfencing for specific places in favour of

directing funding to cultural Trusts.¹⁰ This is in part to avoid investing in areas where match funding by the local authority isn't likely to be secure and/or where there is considerable financial risk associated with Sector 114 notices.¹¹

“[Trusts] are very important to us because of their focus on doing the job of heritage or investment in culture...they're less likely to get diverted by other priorities which may be very important that local governments have.”

“If [a local government] has suddenly got a problem with adult social care or children's services, [our investments] are not going to be diverted to that if [we invest in a] Trust...”

In some cases, ALBs with statutory responsibilities are working with and through local Trusts to **“provide development control advice”** and look after the Historic Environment Record (HER) for the county.

Several ALBs talked about participatory budgeting and grant making programmes that they have been involved with. In some cases, this has built confidence within their institution that the public can make sound investment decisions, which is leading to:

“...communities having their own voice and making the choice of what happens in their place...Having people [involved] who understand the context they are working in and why things happen the way they do, as well as the people who are affected by that decision - that is the best place that you want to get to.”

Risk of a fragmented policy landscape

The roundtable illuminated a generalised concern that poorly deployed devolution policy could lead to a **“severely fragmented policy and funding landscape”** which could, in turn, make it more difficult for ALBs to **“predict and deliver on**

¹⁰ Cultural Trusts and other local ALBs looking after the creative, cultural and heritage ecosystem services and infrastructures are popping up across the UK. Arm's Length External Organisations (ALEOs) in Scotland have seen policy and services “outsourced” from some local authorities to specialised delivery bodies. Cultural Trusts are an increasing feature in the cultural landscape. For more information on how Trusts are operating across the UK see <https://communityleisureuk.org/the-trust-model/>

¹¹ The procedure by which a local authority in England declares effective bankruptcy. For more details on Section 114 procedures see <https://www.instituteforgovernment.org.uk/explainer/local-authority-section-114-notices>

the services they might be required to provide in future” – particularly if ALBs are going to be expected to engage with a very large number of hyper-local areas whilst maintaining the ‘national level’ benefits we outlined earlier.

Indeed, the chronic disparities both between and within the regions and nations of the UK when it comes to the creative, cultural and heritage ecosystem means that some places are well set up for cultural devolution (for example the devolved nations and “trailblazer” devolution deal areas in England), whilst other areas have almost no local authority support for culture at all:

“It is very hard for [us] to come in and start from scratch in a place”

In particular, ALBs felt there to be a considerable risk associated with unstructured devolution that could result in nobody really knowing **“what everyone’s kind of doing and responsible for in the system”**.

ALBs in Northern Ireland spoke very openly about the intermittent **“power vacuum”** experienced which often forces local authorities to develop a more proactive and independent attitude to policy implementation – something of an unintended positive consequence. However, on the flip side, this had contributed to the sense of policy fragmentation which made it hard for ALBs with limited resources to draw together strategic policy interventions across the counties.

It was acknowledged during the roundtable that not all local authorities have a published cultural strategy, which can also make it difficult for ALBs to **“work with local authorities to deliver on a clear set of objectives”**.¹²

Several ALBs in the devolved administrations were quite clear that the comparatively small geographical areas and population sizes made it possible for them to engage with local communities quite readily when resource to do so was established.

¹² We explore the important role that cultural strategies can play in facilitating devolution and increased local decision making as part of the programme here: <https://www.culturecommons.uk/publications/cultural-strategies-and-local-cultural-decision-making->

National and local level moves towards 'fair work' agendas means that workers in the creative, cultural and heritage ecosystem could benefit from enhanced terms and conditions. It is anticipated that ALBs will need to respond to such changes and that sponsoring departments will need to ensure funding settlements make it possible for ALBs to cover these increased costs.

Local authority preparedness

Several ALB representatives raised concerns about local authorities being under-prepared to receive additional powers associated with the creative, cultural and heritage ecosystem given the **"recession in culture"** that has been taking place across all four nations and which is seeing several local authorities in a state of **"functional bankruptcy"**:

"...local government funding is absolutely fundamental to the stuff that we do...so it's really important to the health of the cultural sector...we know austerity has reduced the capacity of local government to put that resource in...since the start austerity, I think [overall investment has] dropped by about 40% across the board and that's across museums, libraries and the arts."

Scottish ALBs were particularly concerned about a decline in the number of officers tasked with holding relevant portfolios (e.g. arts, culture, creative economy):

"...quite often from an arts development side of things, there is one person doing the arts development, the funding, the advice, the film location service...skills and creative industries...and the creative education and arts development side of things. And some places do have them, some just don't."

Those same ALBs in Scotland stated frankly:

"it actually can be very difficult for [local authorities] to have the capacity to deal with these large chunks of money that are being given out through levelling up."

Separate ALBs covering heritage in England, Scotland and Northern Ireland each talked about how specialist roles in local

authorities are seeing a sharp decline which is having a detrimental impact on their ability to safeguard important local assets. In some ALBs, specialist roles have dropped by some 33% over the last quarter of a decade, for example.

“...a decline in the number of...local authority archaeologists, local authority, conservation officers and things which are absolutely key from sort of built heritage, built environment spectrum.”

It is clear that some of these deficiencies are also present in combined authorities in the English context with **“a lack of cultural sector knowledge within those organisations and it takes time to build that capacity”** and a **“lack of expertise and decision-making experience...”**.

A question that piqued the interests of all representatives in the meeting was: **“which are the decisions that are best taken involving local people and what's the good practise that enables that to happen?”**. This was followed up by a conversation which pointed towards the importance of also being clear about which kinds of decisions are best made by local authorities, regional bodies or remaining with national ALBs.

ALBs raised concerns about important local community and heritage assets that may have regional or even national significance being sold off because local authorities simply can't afford to maintain them; this places additional pressures on ALBs to step in which is not necessarily being acknowledged in funding settlements coming through from national governments.

Contributors broadly agreed that some UK Government level funding mechanisms such as the Levelling Up Fund and Shared Prosperity Fund are, in some areas, replacing funding for culture, creativity and heritage that local authorities have no longer been able to make directly. Some warned though that other longer-term initiatives like the Plan for Towns could see circa **“£1.5 billion heading out to places that may not have the capacity and infrastructures to actually spend it well”**.

Several ALBs reporting to DCMS have come together to established a Levelling Up Places Service to provide local authorities with support in spending funding coming from UK

Government pots in an effective way. This is **“something completely different”** that sees ALBs with shared objectives coming together in a **“one-stop shop”** for local authorities across the country to engage with.

Contributors also felt that having a solid local data bank that would enable policymakers in a place to quickly understand what the knock-on effects of cutting funds to a particular piece of cultural infrastructure would be in terms of match funding could be of considerable value. ALBs gave examples of where they have had to step in to advise a local Trust and/or local authority of the obligations they have signed up to with them, for example on the usage of a physical asset, and the cost implications associated of contravening contracts.

We explore the preparedness of local authorities for devolution in more detail in a paper we commissioned with the Heseltine Institute of Public Policy and Practice, University of Liverpool as part of this open policy development programme.¹³

Local politics playing out

The issue of local political decision making having a demonstrable impact on the ecosystem was discussed, with ALBs acknowledging that different places facing difficult fiscal realities will take decisions based on their own particular needs.

“...the problem with local is that it's always local...it just varies so much and it's so difficult to predict [decisions]. You can come up with a great model or say these sorts of councils are likely to cut more...but some councillors are more committed to this stuff than others...and that's what makes it quite tricky to deal with.”

In some devolved nations, and particularly Northern Ireland, a frequent turnover of local political leadership (a remanence of the political settlement established under the Good Friday Agreement) can create a sense of instability or short-sightedness when it comes decision making around the creative, cultural and heritage ecosystem in local places. This is compounded when national level policymaking comes to a halt, as touched on earlier.

¹³ The report exploring local authority preparedness for devolution and increase local decision making will be published on the programme hub later this year: <https://www.culturecommons.uk/futureofcdm>

National significance

ALBs associated with culture, tourism and sport in particular are responsible for funding, but in some cases also *delivering*, aspects of major national and international 'mega events' (e.g. Eurovision, Cities of Culture, Unboxed Festival).

"...for culture and indeed heritage to prosper it's going to need domestic and international audiences."

Whilst events of this kind often take place in specific areas, they can also be peripatetic or multi-located across several regions and nations, and therefore seem to benefit from the national strategic overview that ALBs bring to the table. We also heard that evidence that nationally and internationally significant events can benefit from collaboration between sub-sectoral specialists within ALBs and national government officials.

Some ALBs are also playing a role in the delivering national schemes such as the GREAT campaign or 'national years of...' that again require a level of national reach. In some cases, ALBs are responding directly to dedicated cultural strategies and/or industrial strategies that speak to the creative industries set by the national governments they work to.

It was nonetheless noted that UK level ALBs, or those associated with England only, don't currently have a national cultural or creative industrial strategy to work towards. This was seen as something of **"a missed opportunity"**.

ALBs shared that they felt they were able to provide their respective national governments and nationally strategic bodies with a single point of engagement with specific subsectors and civil society (inc. those representation local authorities such as LGA, WLGA, NILGA and COSLA), presenting a 'unified voice' at the national level.

"One of the roles I see [for our ALB] in place is to talk to and represent that [local] cultural perspective back into national government"

Most ALBs also engage with important national consultation boards, decision making bodies and working groups

associated the creative, cultural and heritage ecosystem; this can help connect ALBs with national level policy priorities but also share experiences and knowledge being accumulated at the grassroots level 'upwards'.

Several ALBs pointed to the roles they played in advocacy for the creative, cultural and heritage ecosystem during the COVID-19 pandemic as a good example of where this can be particularly beneficial.

Statutory duties

Some ALBs are tasked with upholding laws and regulations and play a statutory function to some degree already, whilst others deliver purely discretionary services.

In particular, the heritage sectors across the four nations appear to play more of a statutory function because they are closely related to planning and the built environment (e.g. listing buildings, providing evidence to public inquiries, designating national monuments).

ALBs acknowledged that, because 'culture' is not a statutory service that local authorities must comprehensively provide, it can very often be unprotected by local authorities experiencing diminishing annual budgets.

Representatives from ALBs in different parts of the UK took a different view on the role that a new statutory duty for culture within local authorities might play in securing investment in local creative, cultural and heritage ecosystems.

"[culture] is the first things that get stripped away. Budgets for culture are being cut or lost in local government...grant services are not available as widely as they used to be...And there's a loss of expertise in local authorities..."

For others, the statutory duty is less of a factor:

"I don't think within England a statutory duty makes much of a difference to be honest...libraries have got a statutory duty - they've not exactly fared very well."

ALBs not already consultees on planning forums expressed a clear to desire to be so in future:

“Being a partner in community planning would be useful because...it opens up opportunities for local cultural organisations to be engaged. Whereas at the moment they have to sort of stand there knocking on the door and they can't get in and it's something that we've been asking [our national government] to address for a long time.”

Respecting Jurisdictions

One ALB representative from a devolved nation was at pains to stress the dissonance that can be created if powers are devolved but then decisions that effect the ecosystem keep coming in from the UK level:

“...stop trampling all over devolution and giving out funding directly to local authorities and ignoring the elected governments and arts councils...It's not helpful.”

Devolving internal decision making

ALBs took a nuanced view on the risks and opportunities associated with devolution, including when considering devolving some of their own decision-making responsibilities.

One English ALB representative declared:

“I think the big message we want to get across is that ALB's exist to support devolved decision makers, not necessarily to pass their powers down to them...we've spent decades building up [our] expertise...By having us as overarching bodies, there's a greater power there that we can help different devolved decision makers be consistent in their standards.”

Observations

In this section, we consider the contribution made by ALB representatives from across the four UK nations and attempt to draw together some early implications for policy. These will be reviewed as part of the wider policy making process by the programme partnership.

- ALBs associated with the creative, cultural and heritage ecosystem in the UK have been adapting to shifting policy priorities and departmental restructuring over many decades. ALBs have also been part of national policy debates and therefore play a role in shaping policies based on a deep understanding on the current ecosystem. Change is broadly understood to be an intrinsic part of being a successful ALB in a fast-moving policy landscape and ALBs will clearly play a central role in the devolution process from here.
- ALBs have been working on place-specific and place-conscious ways to varying degrees for some time, but there has been concerted increase in place orientated policy interventions spearheaded by them - in part as a response to new policy priorities being set at the national level (e.g. the Localism movement and 'Levelling Up' agenda).
- ALBs in different parts of the UK are operating in very different policy contexts and 'cultural policy' is a devolved competence for each of the devolved administrations. As the UK is still one of the most regionally inequitable and centralised nations in the OECD with considerable regional disparities (including in terms of the infrastructures and outcomes associated with the creative, cultural and heritage ecosystem), a cookie cutter approach to the deployment of devolution policies associate with our sector could compound existing inequalities and prevent ALBs from conducting their work effectively.
- As public bodies accountable to parliaments and ultimately the public, ALBs have sometimes decided to not invest in local authorities because of the increased risk associated with under-resourced councils; investments in organisations that rely on 'match funding' from local authorities are also being considered higher risk for some. At a time when ALBs are being asked to focus more on place, the primary investors in our sectors and place shapers - local authorities - are increasingly unable to collaborate in sustainable ways.
- We foresee potential dissonance emerging between the setting of new national policy objectives associated with the creative, cultural and heritage ecosystem (including in industrial strategies) on the one hand and embedding meaningful place-specific powers and interventions locally. National strategies should think carefully about how they might interlock with local priorities and the emerging trend towards regional and/or combined authority strategies.
- Questions remain as to how an already fractured ALB landscape across the UK could be further 'localised' to meet the needs of very different kinds of places with different needs and policy priorities. At the same time, ALBs that want to maintain their strategic national role are concerned about how they balance their national

and local remits simultaneously. Above all, how these two responsibilities might be shouldered without the commensurate resources needed to do so meaningfully is a live concern.

- ALBs continue to exhibit concern about the 'readiness' of many local authorities for devolution of policies associated with the ecosystem. Lack of staff, expertise and bandwidth could all mean that some local authorities are simply not ready to take on many of the responsibilities that currently sit with ALBs. Notwithstanding this, local cultural strategies are felt to be a potential way of coordinating efforts and aligning national, regional and local agendas with ALB activities.
- ALBs in England have already begun to explore one-stop-shop models to make interfacing with local authorities easier all round; these multi-agency platforms could be a useful infrastructure to build on should they prove to be useful to local authorities.
- ALBs want to see a clarity of vision for devolution and understand what the UK Government's 'end game' for devolution might look like. ALBs welcome an open dialogue with the new UK Government about how they envisage the creative, cultural and heritage sectors playing a role and begin to clarify the roles that each stakeholder might play. Indeed, many ALBs have already started this dialogue.
- Many ALBs are managing and looking after creative, cultural and heritage assets and activities of national significance; clearly steps need to be taken to ensure that these assets are protected for the nation, which may require carving out policies that sit outside the devolution process per se.
- ALBs are increasingly expected to invest in place-sensitive ways just at the same time as local ecosystems are buckling under the pressures of austerity policies over the last 10+ years, the Covid-19 pandemic and the cost-of-living crisis.
- ALBs in the devolved nations feel that they are 'closer' to the people they serve due to more manageable geographies and populations.
- With the rise of severe financial hardship and an increasing number of Section 114 notices being served by local authorities across the UK, ALBs are disincentivised from investing in these local authorities directly, or even co-investing alongside local authorities, because they have an imperative to protect taxpayers' money. This is preventing ALBs who want to engage in more localised activities in places with lower levels of cultural infrastructure from doing so.
- Cultural Trusts seem to be playing an increasingly important role for ALBs across the UK; whilst each nation constitutes and rolls them out quite differently, they represent a 'safe pair of hands', often based in a geographical area or region, that ALBs know have sectoral expertise and ringfenced funding for culture. The view of Trusts varies considerably between ALBs, however.
- ALBs with established statutory functions will need to be considered first and foremost in the devolution debate - any inappropriate changes to the way they discharge their duties could have legal consequences that in turn could result in costly judicial review.
- ALBs with a clear sense of wider sectoral needs can find that local authorities are less interested in them. Tensions could emerge between ALBs and Metro Mayors which could suggest a need for dedicated bodies that bring regional leaders

into contact with ALBs to plan more strategically. Questions clearly still need to be worked through as to how the arm's length principle will be maintained if decision making powers are to be devolved down to Mayors.

This Insight Paper captures the perspectives of senior leaders of Arm's Length Bodies across England, Wales and Northern Ireland and will be submitted as evidence to the wider open policy development programme. The programme partners will use the insights gathered herein to inform a suite of policy positions and recommendations that will be published later in the year on the programme's digital hub:

<https://www.culturecommons.uk/publications/the-future-of-local-cultural-decision-making>

Appendix 1: Arm's Length Bodies (ALBs)

ALBs are defined differently in each of the four UK nations. Nonetheless, for the purposes of this paper, we are defining ALBs as bodies that are tasked with delivering on macro level policy priorities set by national government but who are (at least in principle) independent and at 'arm's length' from them.

At the UK level, ALBs are a specific category of central government public bodies¹⁴ that are administratively classified by the Cabinet Office.¹⁵ There are three types of ALB at the UK level:

- **An executive agency (EA)** is a clearly designated unit of a central government department. It is administratively distinct, but legally remains a part of it. It focuses on delivering specific outputs within a framework of accountability to ministers. Examples of EAs include DVLA, HM Prison and Probation Service and the Met Office.
- **A non-departmental public body (NDPB)** is a body which has a role in the processes of national government. It is not a government department but operates at arm's length from ministers. NDPBs have different roles. Some advise ministers, while others carry out executive or regulatory functions. They work within a strategic framework set by ministers. Examples of NDPBs include the British Council, the Environment Agency and the Health and Safety Executive.
- **A non-ministerial department (NMD)** is a government department in its own right but does not have its own minister. However, it is accountable to Parliament through its sponsoring ministers. A non-ministerial department is staffed by civil servants and usually has its own estimate and accounts. Examples of NMDs include the Food Standards Agency, HM Revenue & Customs and Ofgem.

In England, ALBs of relevance to the creative, cultural and heritage ecosystem operate mainly within the remit of the Department for Culture, Media and Sport, except for the British Council which is an executive non-departmental public body within the Foreign, Commonwealth & Development Office.

English ALBs related to culture include Non-ministerial departments (e.g. The National Archives), Executive non-departmental public bodies (e.g. Arts Council England), Advisory non-departmental public bodies (e.g. The Theatre Trust), Public corporations (e.g. BBC), and others (e.g. The Churches Conservation Trust).

An organogram of the ALBs associated with the creative, cultural and heritage ecosystem can be found on the National Audit Office's website at this link (page 5):

<https://www.nao.org.uk/wp-content/uploads/2023/03/dcms-departmental-overview.pdf>

¹⁴ A public body is a formally established organisation that is publicly funded to deliver a public or government service, though not as a ministerial department. The term refers to a wide range of public sector entities.

¹⁵ https://assets.publishing.service.gov.uk/media/60eddaaad3bf7f5688e5d966/Public_Bodies_2020.pdf

In Scotland, public bodies related to culture include mainly Executive non-departmental public bodies: (e.g. Creative Scotland¹⁶). Details of public bodies in Scotland are available in the National Public Bodies directory. See here:

<https://www.gov.scot/publications/national-public-bodies-directory/>.

Scotland is also characterised by a number Arm's Length External Organisations (ALEOs) that are specifically tasked with supporting the creative, cultural and heritage ecosystem for local authorities. These are arm's-length companies, trusts or partnerships used by councils to deliver services. They operate independently from the council but remain subject to an element of council control or influence.

See here: https://audit.scot/uploads/docs/report/2018/nr_180518_councils_aleos.pdf
<https://culturecounts.scot/news/2022/8/25/our-evidence-to-the-culture-funding-inquiry>

In Wales, the equivalent public bodies supporting culture include Executive Arm's Length Bodies - either statutory (e.g. Medr: Commission for Tertiary Education and Research) or set up by Royal Charter (e.g. Amgueddfa Cymru - Museum Wales) or Royal Warrant (e.g. Royal Commission on the Ancient and Historical Monuments of Wales).¹⁷

A comprehensive overview of Welsh Public Bodies (updated in July 2024) can be found here: <https://www.gov.wales/register-devolved-public-bodies>.

In Northern Ireland, public bodies related to culture collaborate mainly with the Department for Communities (DfC) and the Department for Economy (DfE) (Tourism NI and NI Screen Commission). These bodies include Ministerial Advisory Groups (e.g. Architecture & Built Environment Ministerial Advisory Group for NI), Advisory non-departmental public bodies (e.g. Historic Monuments Council) and Executive non-departmental public bodies (e.g. Arts Council of Northern Ireland).

For details of Northern Ireland's public bodies, see

<https://www.publicappointmentsni.org/list-bodies-we-regulate> and
<https://www.niassembly.gov.uk/globalassets/documents/agriculture-and-rural-development/legislation---committee-stage-of-a-bill/rural-needs-bill/ndpb-definition-and-lists.pdf>

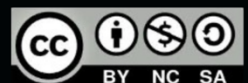
¹⁶ Creative Scotland was created in 2010 from the merger of the Scottish Arts Council (formed in 1994) and Scottish Screen (formed in 1997)

¹⁷ Arts Council of Wales was established in 1994 as the official public body for funding and developing the arts. Creative Wales is an economic development agency within the Welsh Government formed in 2020 to provide support across the creative sectors

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