

**Meeting between representatives of the Arts sector and  
Jeremy Hunt MP, Shadow Secretary of State for Culture, Media and Sport  
Monday, 7 April 2009, 11.00am at Room Q, Portcullis House, Westminster.**

**Attendees:**

Jeremy Hunt MP, Shadow Culture Secretary  
Adam Smith, Chief of Staff to Jeremy Hunt  
Nick King, Conservative Research Department  
Helen Burrows, Researcher to Ed Vaizey MP

Louise de Winter, National Campaign for the Arts  
Mark Pemberton, Association of British Orchestras  
Rosy Greenlees, Crafts Council  
Caroline Miller, Dance UK  
Charlotte Jones, Independent Theatre Council  
Mark Taylor, Museums Association  
Mhora Samuel, Theatres Trust  
Hilary Gresty, Visual Arts and Galleries Association

**Apologies**

Ed Vaizey, Shadow Culture Minister  
Willy Donaghy, BECTU  
Richard Pulford, SOLT/TMA  
Kath Hamilton, TMA  
Christine Payne, Equity  
John Smith, Musicians' Union

**Summary of discussion**

The NCA set the background to the meeting which it had requested to update the Conservative Culture team on current challenges facing the sector in the light of the recession, and to ascertain the Opposition's position on the role of culture and the arts.

Jeremy Hunt (JH) responded by pointing out that Conservative policy had significantly moved on from previous positions; the value of the arts was recognised and there were no plans to disengage the arts from state funding. David Cameron himself was a strong believer in the value of the arts and the need for a mixed funding ecology. They recognised that the stability of public funding over recent years had attracted private investment into the sector and made excellence in its institutions possible.

JH was also a firm believer of the need for culture in a recession, understanding its power to help uplift, soothe or distract and provide meaning to people, particularly in tough times.

He was making the case very strongly to his shadow cabinet colleagues about the importance of the arts and culture, pointing out their value to and their impact on the creative industries and the economy.

He cautioned, however, that the economy was in an even worse state than previously predicted, that any incoming Government would have to concentrate on getting the economy right, that he would support a Conservative Government's priority to get public spending back on an even keel and that if the economy was not right then all budgets, including the arts, would have to be "ruthlessly slashed".

When asked how a Conservative Culture Secretary might allocate any economies, JH would not be drawn, except to say that he was continuing to make a strong case among his colleagues for investment in the arts and that people needed the arts now more than ever. When asked about a possible process for deciding how spending or savings would be made, eg whether they would be looking at some of the funding structures and institutions, again JH would not be drawn except to say that both he and Ed Vaizey were big supporters of the arms length principle and that Arts Council England would have to be consulted.

There were two things that the Conservatives had committed to which would help to restore more funding to the arts: reform to the National Lottery and boosting private giving. JH believed that restoring the Lottery to its original four pillars would net an additional £40 million for the arts every year. (He noted that since 1997 the arts were receiving approximately £60 million less in lottery income.)

As an aside, JH pointed out that a recent Parliamentary answer had revealed that Government spending on the arts had dropped from £442.9 million in 2006-07 to £425 million in 2007-08. He asked the NCA if it could ascertain any explanation for that drop.

He was asked whether the Conservatives were in favour of restoring the principle of 'additionality' in lottery funding. The delegates informed him that much of the lottery Grants for the Arts pot had gone towards funding core activity and projects, including touring. JH was in favour of restoring the additionality principle, but noted this was probably harder to achieve in practice and that he would want to have discussions with Arts Council England about the practicalities. For example, if an orchestra received £100,000 from ACE as an RFO and a further £100,000 from the lottery, it would be hard to tell what was funding what.

Delegates pointed out that lottery funding had originally been about capital investment and that in the museums and heritage world this largely still applied. There was an opportunity now to drive forward capital projects but these should be about investing in new and better technologies and buildings and enabling the sector to push forward on its environmental agenda so that buildings were more cost effective and efficient in the long term. Any capital spend should also take into account future revenue and sustainability.

Delegates also made the case for investing in new technology and IT infrastructure. While some organisations were extremely adept at harnessing digital technology and using it to drive new business models and to create new audiences, others were still struggling. JH agreed that a proper IT backbone was needed for the country and was keen on the idea of installing fibre optic cabling so that everyone would have access to high speed networks.

A second key policy commitment was to drive an increase in private giving. JH recognised that the climate was not conducive to that at present, but that was no reason not to persist. He exemplified the American museum culture, many of which exist on endowments worth tens of millions. JH wanted to build a 25 year project to create endowments for institutions, which he emphasised would be in addition to public investment and not a replacement.

Delegates noted the decline in corporate sponsorship for the arts, particularly from banks such as RBS, since they had become partially state owned. Shouldn't the Government be using its position of influence on the board to ensure that philanthropic support was sustained and to give clear arguments and directions on the benefits of this? JH was sympathetic but understood the difficulties of continuing sponsorship with tax payers' money. He drew attention to Steve Hilton's influence on David Cameron, noting that he was a passionate supporter of Corporate Social Responsibility. David Cameron had spoken about measuring success in terms of general wellbeing, rather than in material terms.

Delegates said that they were looking for more 'backbone' from ministers generally in championing and supporting the arts. They referenced the recent announcement by Jack Straw that arts activities in prisons had to pass the 'public acceptability' test as an example of reacting to a tabloid agenda. JH reported that Conservative prisons policy was actively looking at rewarding prison governors for reducing rates of recidivism and meeting targets for rehabilitation, so a similar announcement by a future Conservative minister would be likely to be met with some concern and criticism from prison governors.

JH gave full credit to the Government and (Lord) Chris Smith in particular for identifying the creative industries and the role of the arts as a business sector. He also acknowledged the very good work that Will Hutton and the Work Foundation had done in promoting the creative industries. He was also supportive of the trend towards clustering of businesses and sectors, which delivered huge benefits for those businesses. He believed however, that Government had not understood what creative enterprises need to succeed; many were small businesses or sole traders and were being strangled by too much regulation. He spoke about a better tax regime for small businesses.

When asked by the delegates what he and politicians needed from the sector to help make the case, JH noted that the most helpful thing at present would be to continue to make the case for the economic impact of the arts. He also pointed to direct contact with local MPs in their own constituencies as an effective way of getting a message across.

Finally, when asked about the Conservative position on national companies, JH noted that that would be a decision for his Culture Minister, Ed Vaizey; there was no firm policy commitment but they both firmly believed in the arms length principle. He accepted, however, it had been a recommendation in the John Tusa report, commissioned by the Conservatives.

The NCA thanked JH for a very positive and useful meeting; it was agreed that it would be useful to hold another similar event in the autumn and to ensure that Ed Vaizey was available to attend.

NCA  
April 2009