

## HEADLINES

15% of the population of England lives in London. In 2012/13, Arts Council England (ACE) distributed £320m of taxpayers' money to the arts with £20 per head of population (php) allocated in London against £3.60 php in the rest of England.

In the same year the Department of Culture Media and Sport (DCMS) distributed £450m of public funds from the same source directly to major 'national' cultural institutions with – this report estimates – £49 php in London against £1 php in the rest of the country.

In total in 2012/13 taxpayers from the whole of England provided benefit to London of £69 php against £4.60 php in the rest of the country – a ratio of 15:1.

A pattern of public funding that favours London has existed since the foundation of the Arts Council. A trend to enhance the imbalance has been consistent for at least 30 years.

During this period successive Governments and Arts Councils have acknowledged the imbalance but argued that it would need a significant new injection of funds to enable redress.

Since 1995, Arts Council England has had stewardship responsibility for – and has distributed – £3.5 billion of 'new and additional' funds for good causes in the arts from the National Lottery.

This report argues that funds from the National Lottery – derived disproportionately from the less well off in society – carry a different ethical mandate for the Arts Council. This suggests there is a need for, at least, geographically proportionate distribution related to size of population.

In fact, Arts Council distribution of its £3.5 billion of new National Lottery funding has provided benefit to London of £165 php against £47php in the rest of England over the 18 years of the Lottery to date.

Last year's figures, combining taxpayers' and Lottery players' funds distributed by Arts Council England show benefit to London of £86 php against £8 php in the rest of England – a ratio of 11:1.

One way to begin redress would be to allocate London its fair 'per capita' share of arts Lottery funding, for an initial five-year period.

The 'core' treasury funding of arts organisations and cultural institutions in London would not be affected. Funds available to London overall would reduce by just over 10%. Cultural production outside London could then benefit over the five years by a total of £600m. This is still less than the cost to the Lottery of the Millennium Dome.