Our Supporters’ Circle is a group of individuals with an appetite for new ways of working, a shared passion for improving the charity sector and an interest in connecting with other innovative thinkers.

If you’d like to know more please get in touch with us via Dinah.McKenzie@thinkNPC.org.
INTRODUCTION

‘If the arts sector remains united and continues to make a strong collective argument for the benefits of its work, we will not only ensure the survival of our precious cultural ecology: we will see it grow, along with its importance to audiences, to communities, and to the nation.’

Arts Council England

From libraries, to theatre, dance classes, to galleries and museums, the arts play a crucial role in our lives. Arts charities, from the National Gallery to Glasgow-based Citizens Theatre, help people to understand other cultures, find their passions, make new friends and discover inspiring literature and music. More than £1.4bn of public funding is invested in the UK arts sector every year through the Department for Culture, Media and Sport (DCMS) and bodies across the UK such as Arts Council England and Creative Scotland.

However, as government budgets tighten, there is the potential that arts funding may be cut by up to 40%. Increasingly, arts organisations are looking to philanthropists for support. Based on current trends, arts charities have grounds to be optimistic about this revenue source. Over half of private funding in the sector comes from individuals—a funding stream that has grown over the last few years. However, unless giving trends in the arts change, not all arts charities stand to benefit. Positive trends for the sector mask huge discrepancies between regions, art forms and high- and low-profile organisations. Large arts charities with a strong brand are likely to grow the most, leaving small arts charities to weather the storm of future changes.

Philanthropists have the chance to influence the future direction of the arts sector. If they think more strategically about their giving, they could make an impact across the whole range of arts charities. This report presents the work that arts charities do across the sector to achieve a wealth of outcomes and some of the challenges they face.

The arts sector

Arts charities represent a range of art forms—from dance to film, from visual arts to music and from theatre to literature. The scale and scope of arts charities is often more than people think. The arts sector in England had an income of over £2.8bn in 2011/2012, made up of both small and large charities. Just 38 arts organisations in England have an income of over £10m, which leaves more than 90% of arts organisations with an income of less than £1m each. Around 40% of the sector is made up of micro arts charities, with an income of less than £10,000.

There are regional differences in the availability of the arts across the UK. A large proportion of arts and cultural organisations are headquartered in the south east of England, in particular London, which is home to over a fifth of the total number of arts organisations based in England. These organisations also share more than half of the total income for the arts in England.
Philanthropy and the arts

While the more prestigious organisations are well known to philanthropists, smaller organisations struggle to make their voices heard. Small arts charities understand this challenge, and where possible, are investing in their fundraising capacity. A change in arts philanthropy however, also requires a change in how philanthropists think about their funding. Below are some of the challenges that face philanthropists giving to the arts.

The intrinsic value of the arts

The enjoyment—the intrinsic value—that people get from the arts is an important motivation for people to take part in and donate to the sector. The arts can deliver many other outcomes—such as educational, economic and social. As funding from traditional sources diminishes, the arts have been talking about these other outcomes more. However, that does not mean that the intrinsic value of the arts is unimportant. Indeed, without people enjoying and being challenged by art, the other types of outcomes are unlikely to be delivered. People will not continue on art programmes if they do not enjoy them; they will not learn unless they are challenged; and then they are unlikely to pay for the arts. The intrinsic value of arts is therefore a key consideration for funders.

The role of quality in the arts

Philanthropists are often attracted to supporting high-quality arts. However, quality means different things to each arts charity and each philanthropist. The quality of an arts charity’s work needs to be understood in the context of where and with whom it is working. For example, where the arts are being used as a tool to achieve complex health outcomes, the quality of artistic output may be less important in comparison to a premier art gallery. However, each arts charity will want to produce quality work and explain to its funders what that means for it.

Increasing audiences for the arts

Audiences for the arts include all the people who engage with arts charities, regardless of how they engage with them. Many philanthropists would like to see the arts charity they support attract a bigger audience. However, an arts charity might not necessarily see things the same way. Audience development looks beyond just numbers and considers who else could be engaged, whether there is a meaningful relationship, what barriers exist that stop people from engaging, and how arts charities could work to break down those barriers.

Digital technologies and the arts

Digital technologies are changing the arts. As well as allowing new methods of creating art, they open up new audiences and business models, as well as allowing underrepresented artists to broadcast their art. The Poetry Trust is one of many charities that use podcasts to broadcast their work. Indeed, digital technology has helped to resurrect street poetry, as people can broadcast their work to large audiences. Tate Modern is one gallery that is using interactive comment walls linked to social media to help people engage with the art in the gallery. Philanthropists should consider how the charities they fund are taking the opportunities that digital technology offers to raise income, increase audiences or improve the quantity and quality of interactions with their art form.

‘The question is not so much “digital” any more. That word will fade as it is consumed by people every day. I think really the question is, how do you keep innovating?’

Sarah Ellis, Head of Digital Development, Royal Shakespeare Company

The question is not so much “digital” any more. That word will fade as it is consumed by people every day. I think really the question is, how do you keep innovating?’

Sarah Ellis, Head of Digital Development, Royal Shakespeare Company
What the arts can achieve

Philanthropists can achieve a great deal by funding the arts. Arts Council England describes the outcomes that the arts can deliver in four categories—intrinsic, educational, economic and social. This report discusses what the arts achieve in each of those four areas, focusing on:

- **Intrinsic outcomes and the arts**: We participate in the arts because we enjoy doing so and it is an enriching experience. This section looks at the types of organisations that achieve these outcomes and how they go about achieving high-quality enjoyable arts experiences that build the UK’s international reputation.

- **Educational outcomes and the arts**: Arts education helps children and young people to achieve, both in and out of school. This section presents evidence that links arts to educational attainment and its life-long impact.

- **Economic outcomes and the arts**: The arts employ more than 110,000 full-time equivalent people across the UK, as well as providing attractions that promote tourism and regenerate towns. This section looks at the economic impact of the arts both at a local and a national level.

- **Social outcomes and the arts**: A number of complex issues can be addressed through the arts. This chapter looks at how the arts can make an impact on individuals and communities, developing our own sense of self, promoting social inclusion and citizenship, and making us feel safer.
INTRINSIC OUTCOMES

‘When we talk about the value of arts and culture, we should always start with the intrinsic—how arts and culture illuminate our inner lives and enrich our emotional world. This is what we cherish.’

Sir Peter Bazalgette, Chair, Arts Council England

This section explores the intrinsic outcomes achieved by arts charities. It also looks at the challenges charities face when asking for funding solely to support the intrinsic value of the arts. It is vital that these charities should offer high-quality experiences and also explain their value to sceptics.

What are the intrinsic outcomes of the arts?

Experiencing the arts and enjoying them is an important part of what the arts can do for us. Intrinsic outcomes describe the change an individual experiences when taking part in the arts and the personal connection he or she feels to the art. ‘Art for art’s sake’—a term coined by the Aesthetic Movement in the 19th century—asserted that ‘art needs no justification, that it need serve no political, didactic, or other end’. Today, the arts are an accepted and hugely enriching part of many people’s lives.

- **Enjoyable experiences**: The UK’s arts sector offers a broad range of opportunities. In 2014, more than 76% of respondents to a national survey said they took part in arts activities; and 61% had attended arts activities more than three times in the last year. The arts sector in the UK has a strong international reputation for delivering high-quality artistic experiences across all art forms. Excellence in the arts and ensuring everyone has the opportunity to enjoy the arts is embedded in the policy and strategy of key government agencies.

- **Self-fulfilment and personal growth**: The arts broaden horizons and promote personal growth. Arts charities aim to increase knowledge, understanding and appreciation of the arts to a wide range of audiences. They achieve these outcomes by curating artistic experiences of the highest quality, which regularly change to offer people new learning experiences.

Why invest in intrinsic outcomes?

Attracting new talent to the arts

Improving quality and striving for excellence requires considerable investment in talent development. These approaches are crucial in helping to identify and nurture talent so the sector can offer new experiences to arts audiences. Arts charities such as DanceXchange, based in the Birmingham Hippodrome; arts academic centres such as the Royal College of Art; or national arts organisations such as the National Youth Orchestra all contribute to the development of the sector, helping it to maintain its leading reputation for years to come.

---

1 The Taking Part (TP) survey has run since 2005 and is the main evidence source for DCMS. Taking Part is a continuous national survey that samples responses from around 14,000 people. Fieldwork is carried out by TNS-BMRB: www.gov.uk/government/collections/taking-part
Improving artistic quality

In order to achieve intrinsic outcomes, arts charities continually invest in artistic development, artists and the art form to deliver new and enjoyable experiences of exceptional quality.

Bringing the arts to new audiences

Public and private funds support new approaches to attract audiences who might not otherwise have the opportunity to enjoy the arts. Ticket schemes run by organisations aim to attract young audiences, such as the London Philharmonic Orchestra student and under-26 ticket schemes. Elsewhere, small-scale initiatives are taking art to new performance spaces in their communities. Motionhouse, a dance company, partnered with the Bullring in Birmingham to produce Machine Dance, engaging nearly 1,000 shoppers.22

Often, audience development is also about opening up the arts to people who otherwise would not be able to experience it. For example, Rubicon Dance in Cardiff brings dance into hospitals to allow people suffering from cystic fibrosis and other conditions to enjoy the benefits of dancing. Many exhibitions at museums and galleries are also free to enter, removing financial barriers to participating in excellent art.

‘The Arts Council exists to invest in great art and to take that art to as many people around the country as we possibly can. That’s absolutely fundamental to what we do…’

Darren Henley, Chief Executive, Arts Council England23

Innovation and pushing boundaries

Investing in arts charities can enable a rich and diverse arts sector by promoting specialist art forms or showcasing under-represented artists. This is important to attract people to the arts, and broaden the horizons of people who are already enthusiastic about the arts. Arts charities with strong innovation plans normally have good audience development plans, which include specialist talent development schemes, partnerships and collaborations, and resources focused on PR activities. Sound and Music is one organisation that aims to increase the performance of new music by living composers. Shape Arts develops opportunities for disabled artists across the sector to showcase their work in a range of art galleries.

What are the current challenges?

Intrinsic value is an important area, but its subjective nature makes it difficult to explain to others, particularly those charities that are more used to a needs-based approach. This can sometimes make it difficult for the arts to relate to the rest of the charity sector. But critics do raise challenges that the arts sector needs to respond to.

Is art really accessible?

Britain’s top galleries and museums are often accused of being too elitist and off-putting for the working classes and ethnic minorities.24 The Creative Case for Diversity, launched by Arts Council England, signalled a fundamental shift in how the sector discussed diversity.25 Every publicly-funded arts organisation is now responsible for making its work more reflective of the communities it serves. Arts Council England Chair Sir Peter Bazalgette said recently that the starting point in diversity must be the art itself, ‘Britain’s got many, many talents. And our work should reflect and engage with all our talent and communities. That’s how we will ensure work of true ambition and enduring quality’.26 Just a few examples include Open Clasp, a theatre in Newcastle that makes theatre from a female perspective and opens up marginalised voices to a wider audience. The National Theatre has developed the Black Plays Archive to document every black play ever produced in the UK, making this more representative art available to a broader audience.
Does high profile mean high quality?

Many people believe that only excellent art can offer a high-quality learning experience. There is an assumption that high-quality arts can only be delivered by organisations that focus solely on the intrinsic value of the arts. However, people’s enjoyment of the arts does not necessarily hinge on what is seen as ‘excellent’ art. Across the country, smaller arts charities are getting people involved in high-quality arts too. DU Dance in Northern Ireland, for example, draws on decades of artistic experience to provide enjoyable, accessible and new dance activities and productions. It uses innovative approaches to help people explore the issues around the peace walls in Northern Ireland. Excellent art can be found across the country in both well-known and less well-known institutions.

‘There’s some fantastic art here in London and it’s really important that we cherish and protect that. But we have great art and culture beyond that as well: around the country there are places where it’s already great, but also places where it’s not so great, and we need to ask, what can we do to help make that work as well.’

Darren Henley, Chief Executive, Arts Council England

What does good audience development in the arts look like?

There is much debate about what audience development means and why it is important. For some arts charities, audience development means increasing audience numbers. For others, it is about increasing the depth of engagement. Sherman Theatre in Cardiff is one organisation that is trying to build repeat audiences by developing a scheme for first-time audience members, who get discounts for subsequent performances.

Audience development is not just about offering free access to arts activities. It is also about the effective marketing of free activities to make sure those who would benefit the most from access to the arts are able to do so. Currently, the spotlight is on digital platforms, which have had a significant impact on audience development. For example, National Theatre Live has broadcast more than 40 different productions to over 40 million people in 40 countries.† These broadcasts come at considerable cost though, which means that such digital innovations are mostly out of reach for smaller arts charities. In fact, broadcasts like these may even be stealing smaller charities’ audiences. Good practice audience development models such as Audience Finder and Culture Hive are helping charities respond to this concern.

What is the role of public funding in the arts?

Public funds are used to support all art forms, but some art forms can appear to be exclusive to one particular type of audience. This raises the question whether the use of public funds is appropriate for some art forms. But if public funds were solely focused on promoting access for all, what would this mean for the UK’s rich and diverse artistic landscape? What would happen to our artistic heritage and innovation in the sector? Many of our most well-known institutions, such as the British Museum and the Victoria and Albert Museum are actually government funded non-departmental public bodies rather than independent charities. The British Museum’s funding agreement with the Department for Culture, Media and Sport stated that it is the ‘greatest collection representative of human cultural achievement, ancient and modern, in the world’.

† In 2009, the National Theatre became the first theatre in the world to film a live performance in high definition and broadcast it via satellite on cinema screens around the world. See www.nationaltheatre.org.uk
EDUCATIONAL OUTCOMES

‘If children at an early age become accustomed to the ideas of the arts as a part of every day life they are more likely, in maturity, first to accept and then to demand them…The place that the arts occupy in the life of the nation is largely a reflection of the time and effort devoted to them in schools and colleges.’

Baroness Jennie Lee

Arts can help children and young people to achieve in educational terms. This section presents evidence that links arts and cultural engagement to educational attainment and impacts into adulthood. Arts charities work in a range of educational settings, from early years centres, schools and theatres to community youth organisations. Within the education sector, however, there are changes happening that will challenge these approaches.

What are the educational outcomes of the arts?

We define educational outcomes as changes in knowledge, skills and abilities. This is distinct to wider social outcomes around psychological development or social well-being. Arts charities provide structured, participatory activities that are based on developing specific skills or knowledge areas.

- **Improved educational attainment**: There is a range of evidence that shows how arts education is an effective way to engage children and young people in learning across all subjects. Applying the arts to a range of subjects has had a significant impact on learning outcomes. Different art forms lend themselves better to different educational outcomes. For example, drama is a good way to improve literacy and learn team-building skills. Arts charities also provide resources to help teachers explain the curriculum in creative ways. The *William Morris Gallery*’s education programme helps teachers to explain the First World War by providing graphic designs from that period.

- **Helping young people develop creativity**: Creativity is a skill that is sought after in a number of areas and industries, including engineering and product design as well as the creative industries. Arts education can help young people to develop these skills.

- **Shared cultural understanding**: Arts education can help children and young people to understand a shared cultural heritage. One such initiative is the BBC’s *Ten Pieces*, which ‘aims to open up the world of classical music to children—and inspire them to develop their own creative responses to the pieces’. This can help young people to engage with and develop a passion for classical music.

- **Life-long engagement with the arts**: A positive, inspiring artistic experience for children can result in a relationship that will last a lifetime, as well as engaging their families. The *Ikon Gallery* in Birmingham produces family-friendly workshops that involve young people and their families in arts education activities.

- **Arts education allows young people to hear seldom heard voices**: Through the arts, young people have the opportunity to hear voices that are often marginalised. For example, *Freedom from Torture* uses the arts to help people who have been tortured to tell others about their experiences.

‘It is vital for development as individuals, stimulating creative thought, imagination, analysis and opinion-making skills.’

Patrick Spottiswoode, Director of Globe Education
Why invest in educational outcomes?

Supporting future arts audiences

A recent paper published by King’s College London Cultural Institute mapped arts policy and its links to young people over 50 years. It summarised that “arts education has been a priority within the broader realm of cultural policy for at least 30 years.” Government spending supports arts education in schools and other settings, with a particular emphasis on promoting inclusion and widening opportunities for all children and young people. The national curriculum requires educational settings to promote the value of the arts and encourage participation.

The Culture and Sport Evidence (CASE) programme publishes data on cultural education every year, which contributes to policy around the arts and education. Major reports were published by CASE in 2010 and 2014 on the impact of the arts on literacy and numeracy. Most recently, the report concluded that self-reported childhood experiences of engaging in all types of culture are positively associated with engaging in culture as an adult.

‘Without the future generation of artists there will be no galleries and museums.’

Iwona Blazwick, Director, Whitechapel Gallery

Engaging hard-to-reach audiences

As well as taking place in schools, arts education takes place in a number of settings to engage young people, such as hospitals and local community organisations. This helps address barriers such as geography and poverty that prevent people from engaging in the arts. In Harmony, a programme run by several music charities, uses music to transform the lives of children and young people who live in deprived areas. The young people perform in an ensemble setting, supported by professional musicians. Citizens Theatre in Glasgow has developed the Just Go programme to help young people go to the theatre outside of a school trip. So far, young people have seen 1984, Hamlet and The Slab Boys. As well as watching the plays, the young people take part in workshops and develop media content for a Facebook page.

What are the current challenges?

Arts charities are increasingly under scrutiny in terms of what they can achieve for children and young people. They often find themselves in competition with other organisations such as sports or with other educational approaches. The following debates illustrate some of the challenges that arts charities face in promoting their approaches to achieving educational outcomes.

How effective is the arts in improving educational attainment?

Schools do not always see the value of arts provision, and as schools’ budgets tighten, arts education could suffer, although there are many academic studies claiming that the arts positively impact educational attainment. Arts education provision is low in areas of deprivation, possibly because schools fail to see the value in it, which will only get worse as school budgets get tighter. A recent tool kit published by the Education Endowment Foundation questioned the value of the arts, and stated that the impact of arts on academic learning appears to be ‘positive but low’. According to this research, the arts do not bring about the same level of change compared to other interventions available to teachers. Arts Council England is currently researching quality in arts education and is assessing the key ingredients to good quality education outcomes with 50 pilot projects.
How should arts education adapt to the digital era?

Digital technology now plays an important role in arts education, in particular in rural areas where arts provision is limited.\textsuperscript{46} Arts charities are having to invest significant resource to remain relevant and up to date. \textit{Making Music}, research published by the Associated Board of Royal Schools of Music said that digital resources, live streaming of performances and online teaching is transforming the way young people are learning music, turning traditional teaching methods on their head.\textsuperscript{47} Now that arts materials are available online, many young people are taking responsibility for their own learning development rather than engaging in structured arts programmes. If the younger generation is engaging more with digital platforms, then arts charities will need to refresh their offer to make their work more relevant to young people.

How does an arts education make you employable?

Nicky Morgan, the Secretary of State for Education, recently said teenagers should steer away from the arts and humanities and opt for science or maths subjects if they want to access the widest range of jobs.\textsuperscript{48} There are many assumptions made that education in the creative arts is not very valuable to the UK economy. However, the creative industries themselves make up 6\% of gross domestic product (GDP) and employ over two million people. Industries like design, fashion and software are all forecast to play a bigger role in coming years.\textsuperscript{49} For the UK to maintain its international reputation, we need to develop the workforce of the future.

Does art education entrench elitism in the arts?

There are many debates about what should be included in arts education and how far the arts should reflect popular culture and trends, and how much they should promote a shared cultural understanding. Arguments about the value of learning about classical or Renaissance art are clouded by an overwhelming perception that the arts are driven by the wealthiest in our society. The recent Warwick Commission report revealed ‘that the top 8\% wealthiest, better educated, least ethnically diverse portion of society make up 44\% of music audiences’.\textsuperscript{50} For the most part, arts charities are very conscious of this debate and use techniques to raise awareness of the classical art forms alongside more contemporary and popular art. These techniques help young people to innovate using the classical art forms as inspiration.
ECONOMIC OUTCOMES

‘Cultural and heritage attractions are very definitely a cornerstone of Britain’s tourism offer.’
VisitBritain

Theatre, music, art and heritage generate billions of pounds in tourism every year. This section looks at some of the economic outcomes achieved by arts charities. As well as success stories, there are also some glaring inequalities across the UK in the arts sector.

What are the economic outcomes of the arts?

The economic outcomes of the arts include consumer spending on arts activities, employment within the arts sector and developments of local economies. The UK is rated fourth in the world for its arts and culture; the sector attracts £4.5bn worth of spending by visitors annually. As a sector, the arts employ over 110,000 full-time equivalent employees across the UK. There are also economic outcomes that come from delivering benefits through other outcomes, such as reducing reoffending.

Looking at the impact of the arts at a national level, however, can hide some regional differences across the arts sector. In 2011/2012, a remarkable 57% of total funding for the arts in England went to arts charities in London although only a quarter of arts and cultural organisations are headquartered in the South East. For this reason, the government is looking to balance its capital investment portfolio and invest in arts charities outside the capital. Recently, the Chief Executive of Arts Council England, Darren Henley, committed to redressing the balance of investment in the arts to areas outside London.

- Thriving cultural tourism: The arts sector makes a significant contribution to income gained from domestic and international cultural tourism. Arts and culture play a large part in driving tourism in many cities across the UK. In particular, arts charities in London attract a large proportion of our international cultural tourists. For example, the National Gallery received 5.4 million visitors in 2011/2012—3.5 million from overseas.

- Regeneration of city and town spaces: Through investment in the arts, run-down urban areas and isolated rural towns have been rejuvenated to become thriving cultural zones. Southampton’s Cultural Quarter provided an opportunity for the council to redesign its city centre, encouraging cultural institutions to come together in one geographic area. As a result of the ‘gathering of their intellectual capital’, property values in Southampton rose. There is a similar story in Leicester where a new theatre was built in an area that had seen a decline in the number of businesses. The area surrounding The Curve Theatre there has attracted new business investment with new shops, bars and cafes opening their doors.

‘We’re looking at what the role of a performing arts venue is and suggesting that there’s something about creating a cultural hub—a heart-beat of the town, in a way—that allows people’s imaginations to fly.’
Kully Thiarai, Director, Cast in Doncaster

---

1 NCVO analysis of arts and cultural organisations in the charity sector states that the total income of arts and cultural organisations in England was £2.8bn in 2011/12. London received £1.6bn of this income.
• **Growth of the arts industries:** As well as providing employment opportunities for 110,000 people, the arts sector paid nearly 5% more than the UK’s median salary. In fact, the Centre for Economics and Business Research (CEBR) reported that an additional £2.01 was generated in the wider economy for every £1 of salary paid by the arts and culture industry in 2013.

• **Savings to the public purse:** A number of arts charities deliver services that aim to impact on paid-for public services such as youth offending, employment services and health. Several studies have shown that arts can provide economic impact in this way. In 2011, NPC’s economic analysis of the work of *Clean Break*, a theatre company working with former prisoners, concluded that a saving of £4.57 was made for every £1 spent. Arts interventions like these can mean that people no longer need to access other services because they equip them with the skills and knowledge to address their issues.

**Why invest in economic outcomes?**

**Investing in areas in decline**

Local investment in arts and culture can help to rebalance economies that have seen traditional industries decline. CEBR presented examples in its 2013 report of where arts investment has tried to turn around the fortunes of cities and towns such as Liverpool, Margate and Gateshead. As a result of being the European Capital of Culture in 2008, Liverpool saw the number of creative businesses there increase by 8%. When the *Turner Contemporary* in Margate opened, local authorities saw this as an opportunity to regenerate tourism to their area. In 2012, the new gallery announced that it had made a £13.8m impact on Kent’s economy. The report stated that around 78% of the gallery’s visitors were travelling from across the UK. This had resulted in jobs focusing on tourism based within the gallery and in the wider economy. A review of *Sage Gateshead’s* economic impact since opening in 2004 found that, over ten years, the gallery had contributed £283.6m to the local economy.

**The future creative workforce**

Many arts charities work in partnership with creative businesses such as designers, sound engineers and independent artists, contributing to the income and business development of small enterprises in the creative industry. In particular, the growth in web and digital archives of arts has resulted in a number of creative businesses working with arts charities. For example, the *Victoria and Albert Museum* links to leading brands in the fashion and retail sector to develop archives of designs and promote innovation in the sector.

*‘The return on the arts to the Treasury is huge. Cutting the arts is going to yield a relatively small amount and do much more damage.’*

Dame Vivien Duffield, philanthropist

**What are the current challenges?**

The debates and questions posed in this section show some of the challenges that arts charities face in delivering economic value in their work.

**How does investment in London affect the wider arts?**

A study published in 2013 reported that: ‘*Either London-centricity is mitigated by affordable entry, travel and accommodation, or else a substantial and permanent commitment should be made to the relocation of major cultural assets across the country*’. London is a focal point for the arts in the UK, and because London attracts both domestic and international tourists, arts charities are more likely to get higher audience numbers than elsewhere. This means that arts charities in London are more likely to become sustainable, and any investment in
the capital is returned more quickly. London-based organisations are also likely to be touring organisations that bring productions to other regions. However, that does not necessarily mean that funding should focus on London. A recent report into the economic value of the arts said that the London economy is unable to fully supply the needs of its arts and culture industry.\textsuperscript{66} The arts sector outside London is the capital’s supply chain; the rest of the UK provides artists, a skilled arts workforce and innovative ideas, some of which have been developed with the help of public funding. There needs to be a thriving arts sector outside London so that, overall, the UK arts sector is able to innovate and make an impact.

**How does the growth of digital affect regeneration outcomes?**

The way we consume art is changing. Increasingly, people are experiencing the arts online.\textsuperscript{67} London-based arts charities in particular are investing significant resources in developing digital technologies. Their digital projects are attracting new audiences who cannot access their venues. However, these innovations, although important for developing audiences for individual organisations, can actually have a detrimental effect on arts engagement in other areas. The money that is spent by audiences on digital arts experiences provided by London-based arts charities will go back into the London economy and not into the local economy.\textsuperscript{68} This could affect the growth of arts charities in areas outside the capital, impacting on audience numbers and economic outcomes. Arts charities outside London need to consider their digital strategy and how they can attract online audiences too.

**How far can regeneration through the arts go?**

There are places where the arts have been used successfully to regenerate certain areas. However, places that need regeneration are often deprived areas where fewer people engage with the arts. An impact study on poverty and the arts found that adult arts attendance rates in the UK’s 20% most deprived areas combined was lower than attendance from the UK’s 20% wealthiest areas.\textsuperscript{69} People without qualifications are also less likely to participate in or attend arts events. Although some of this will be due to the opportunities available to engage in the arts, lower participation rates will mean that some venues in poorer areas will struggle to be sustainable.

Many arts venues rely on funding from local authorities and Arts Council England to stay open. Because of this, economic impact should not be the sole reason for regeneration projects. The Creative People and Places programme aims to inspire more people from places of low engagement in the arts, to experience and be inspired by the arts and to become regularly engaged as audiences or participants. This programme aims to explore approaches that involve local communities so that provision has the best chance of sustainability. Regeneration in these areas has many impacts, from economic to social outcomes. An approach to regeneration through the arts needs to look at the impact of these projects beyond economic outcomes, however, and empower communities to get involved with local arts provision so they can help to shape it.\textsuperscript{70}
SOCIAL OUTCOMES

‘As public expenditure continues to be cut, it is more important than ever to have a strong sense of social purpose.’

Museums Association

The arts provide socially valuable leisure activities and contribute positively to people’s psychological and social well-being. These changes can determine the life choices that people make, which can have a huge impact on their own lives and communities. Arts charities offer a unique and flexible approach to working with a range of partners to achieve social outcomes in settings such as healthcare, crime prevention and community development.

What are the social outcomes of the arts?

Social outcomes look at the changes within the community and in the well-being of individuals and families. Taking part in the arts can improve people’s health or employment prospects. The arts are also used as a way to attract people to other programmes and can therefore help achieve a number of outcomes. The arts can support active communities and encourage social gatherings. They also present valid ways to address social issues that need new approaches. The arts can complement activities provided by the NHS or social care. For example, Arts in Health Cornwall ran an arts project to help people with mental health difficulties find new ways to express themselves, develop coping strategies, as well as making friends and increasing their self-esteem.

- **Increased knowledge and awareness of social issues**: Beyond the intrinsic and educational outcomes discussed above, the impact on improved learning and understanding of the arts can contribute to a cohesive society that celebrates and empowers all cultural identities. Community arts initiatives champion traditional dance, theatre, paintings and sculpture that have clear links to a community or group and share their culture with others. Foxlowe Arts Centre in Staffordshire, for example, has put on theatre productions that share the experiences of people who live in conflict areas in Israel, Palestine and Burma.

- **Improved mental health and well-being**: The arts can be used as a tool to complement a range of community health services. There are many examples of charities working in partnership with organisations to tackle health issues such as dementia. Arts 4 Dementia promotes intergenerational arts events aimed at people living with dementia, their families and carers in local communities. Its activities aim to stimulate brain activity and bring relief from anxiety and confusion for sufferers.

- **Increased self-confidence and social skills**: The arts can provide a way for people to believe that they, their skills and attributes can make a positive change to their lives. Many arts initiatives and interventions use the arts to enable people to achieve these outcomes. Safe Ground’s participatory art approach helps develop social skills to improve men’s engagement with their families.

- **Inclusion and a sense of community**: Community-based arts charities can involve people of all ages in their local area in a range of arts activities, helping them to build social skills. Pyramids of Arts in Leeds runs arts groups for people with and without learning disabilities, helping people to share arts experiences and make friends.
Why invest in social outcomes?

Promote inclusion

Arts and cultural activities can be flexible to the needs, interests and skills of participants. Arts activities that promote engagement with particular target groups can be a safe way to explore topics and discuss social issues in a safe environment. The Choir with No Name, for example, runs choirs for homeless people and other men and women from the edges of society. The project raises issues about homelessness in a positive way through performances. Core Arts supports people with mental health problems to express their experiences through art, which is displayed in galleries to help the general public understand mental health issues.

Preventative interventions

There are many arts initiatives that achieve social outcomes that contribute to the prevention of a number of societal problems. The arts can help people who are out of work move into education, training or employment. They can also help people get back on track after prison. The Koestler Trust arts mentoring programme uses the arts to help offenders achieve qualifications that have contributed towards increased employment opportunities. As result of its work, unemployment fell from 50% to 33%.

Arts and health

Many arts charities work in places such as hospices, hospitals and community centres, offering support to those with additional needs. Arts practitioners from Manchester Camerata have been working closely with organisations such as the NHS and Alzheimer’s Society to develop research that shows that its projects improve quality of life, self-expression, communication, confidence and logic, enhance relationships with others, and reduce the use of medication.

‘Their connection with the project themes has generated fantastically creative, emotional and fun song-writing and their transformation from service user to artist.’

Lucy Geddes, Manchester Camerata

Books on Prescription was founded based on evidence that self-help reading can help people with common mental health conditions, such as anxiety and depression. An evaluation showed that 275,000 people borrowed a book in the first year. All prescribers said the scheme had been useful in helping people understand more about their conditions. Nine out of ten readers found the books helpful and over a third said their symptoms improved.

Social justice

The arts can be a way of raising awareness of issues around human rights and social justice that are seldom heard. Counterpoint Arts, for example, uses film, drama and photography to show the history and experience of refugees and celebrates the contribution that migrants bring to the UK. The Black Cultural Archives has become a national institution dedicated to collecting, preserving and celebrating the histories of people of African and Caribbean descent in Britain. Through exhibiting its archives, it helps the public to ‘learn and connect with hidden histories’.

Creating social networks

The amateur arts scene includes thousands of local charities such as literary groups, craft networks, choirs, orchestras and community art groups. Much of the evidence to show community and social engagement can be found in participation levels and membership information of arts charities. Arts charities that support community arts can range in size; many amateur orchestras are micro-charities turning over less than £10,000 each year. To support these micro-charities, community arts networks provide a range of services such as professional
development and training, to help the charities thrive in their communities. **Helix Arts**, based in Newcastle, delivers Make Art Happen, a modular training programme for community volunteers and support workers. Creative producers share expertise and knowledge to encourage and enable non-specialists to deliver their own arts residencies within their local communities.

**What are the current challenges?**

The arts play a vital role in achieving social purpose. However, the sector plays only a small part in the landscape of providers that aim to achieve social outcomes. Much of the debate and many of the questions posed to the arts sector challenge the impact that the arts claim to achieve in this area.

**Why use the arts?**

The arts provide social activities that can divert people away from crime, bring communities together and, on an individual level, improve confidence and self-esteem. However, the arts are just one set of tools that can be used to achieve these outcomes—sport or personal development challenges are also effective methods. There needs to be more evidence available that shows how much and in what situations the arts contribute to social outcomes. It may be that arts are the hook that brings people in and charities need to find the hook that is most appropriate. This may be arts, sports or something else. In many situations, for example, if you want people to express themselves, the arts may be more appropriate than other methods. For other situations, such as increasing leadership skills, sport may be a more successful tool. This will also vary by the type of art that is taking place—music or drama, for example, are better at building teamwork than painting or poetry.

**Is commissioning diluting artistic vision?**

A range of public services and agencies are interested in achieving the kind of social outcomes that arts interventions can achieve. Many arts charities are being commissioned by local authorities, health or police bodies to deliver services sometimes below cost price. The outcomes that they are asked to achieve by these agencies are not artistically focused, but instead cover wider social outcomes. Assessments on quality and costs carried out by commissioners often do not consider artistic quality, but are generic frameworks that can be applied to most modes of delivery. This can be a barrier for arts charities when it comes to winning commissioned contracts. Arts delivery usually involves a team with a mix of skills that can be seen as high cost when compared to other services. To survive in a commissioning environment, arts charities need to persuade people of the added value of the non-social outcomes achieved through their work.

‘Participatory Art offers people the opportunity to explore their own personal and creative journeys… It doesn’t prescribe an outcome in advance. It doesn’t say, “You must have a job at the end of this programme”… These things may well happen, but only if they’re right for the people concerned, only if they’re part of the journey that people have decided for themselves.’

Toby Lowe, Chief Executive, Helix Arts

---

77

78
CONCLUSION

In this report, we have explored the different outcomes that the arts deliver. Many charities will, of course, be achieving outcomes across multiple areas. In particular, it is difficult for charities to deliver social, economic or educational outcomes if they are not also delivering intrinsic outcomes. But many charities are delivering so much more than intrinsic value. The restoration of Auckland Castle in County Durham, for example, aims to save historic paintings for the nation, rebuild the local economy through providing work opportunities and provide education around the role of County Durham in the UK’s religious and political history.

Making decisions

Philanthropists can achieve a great deal by donating to the arts. However, the sector is diverse; there is a huge range of art forms, outcomes and types of organisation for a philanthropist to consider. For philanthropists looking to make a difference through the arts, and challenge some of the inequalities in philanthropic investments, there are some key questions to consider about funding the arts.

What are you looking to achieve through your investment?

Philanthropists looking to fund in the arts should be clear about which outcomes they are most interested in achieving—intrinsic, educational, economic or social. It is often possible to achieve more than one outcome. Clarity around this will help philanthropists to choose the best opportunity for them.

Does the art form matter to you?

There are many different types of arts under the umbrella term of ‘the arts’—from literature, to film, drama, music, and museums and galleries. Many donors prefer one type of art form over others. However, it needs to be recognised that some art forms lend themselves better to certain outcomes, so the choice of art form cannot be completely disengaged from the decision around the outcome. For example, economic outcomes are best achieved by the more popular art forms where people will be willing to spend money.

What kind of organisation are you looking to support?

The arts charity that you decide to fund might not be one you know about yet. Research can help you identify potential organisations that deliver the outcomes you want to achieve through your funding. There are a number of factors to consider in your research such as:

- **Are you looking to invest in high-profile arts?** Many philanthropists are keen to invest in high-profile arts because that is where they see innovation or the highest quality work. However, there are trade-offs in this approach. Higher-profile institutions are more likely to have a strong fundraising and trading base than more local organisations. This can be useful as donors will be well looked after by a fundraising department, and can also be confident in the organisation’s stability. But it may also mean that your money could make a more significant impact elsewhere.

- **Do you want to invest in an arts charity with a national, regional or local reach?** Again, this is not easily divorceable from the other questions. For example, high-profile institutions are likely to be national organisations. The question of reach is also part of the art form and the outcome question—if you are interested in opera, then you are more likely to support a national institution. If you are interested in social
outcomes like inclusion, it is more likely to be a local charity. We feel it is important for philanthropists to recognise the imbalance in arts across the UK. This can either mean giving to charities outside London and the South East, or it can mean asking about audience development plans to reach people outside the capital.

- **How important is artistic quality?** Quality of artistic output will be different across arts organisations. If educational, economic or social outcomes are more important, then the individual’s view on artistic quality is something that might have to be tempered. If you are looking for the most excellent work, that will probably mean a national, high-profile organisation rather than a more local charity.

**What level of risk are you willing to take?**

Philanthropic funding is not evenly spread across the arts sector (by art form, reputation or geography), which means that arts charities’ sustainability varies across the sector. This means that philanthropists need to consider what their risk levels are when making funding decisions. It is a relatively easy decision to fund arts charities that have healthy finances. However, some philanthropists prefer to prioritise funding cold-spots for arts activities, which may mean funding organisations with financial challenges or in riskier situations. This has the reward of bringing art to people who might not normally experience it, but comes with higher levels of financial risk.

There are similar questions around outcome risk. The evidence behind the impact of the arts is not equally strong for all outcomes. In particular, funders for the arts are often interested in innovation, but with innovation comes a risk that something might not work.

**Building a meaningful relationship**

Arts philanthropy, like the arts, should be enjoyable. Part of this is about building a meaningful relationship with arts charities. All charities try to develop good relationships with current and potential donors. Many arts charities put on stimulating and interesting events to build this relationship with their donors. However, it is tougher for small arts charities to manage donor relationships. All charities should keep donors up to date, but the frequency and form of communication might be different according to the size of the charity. Philanthropists and charities should find ways to deepen this relationship, including understanding what impact donations have had.

When you donate, be clear about the ways in which you want to be updated and the areas you would like to be updated on. A focus on change encourages the arts charities to consider how they will deliver their work in line with your intended outcomes, rather than delivering certain activities that may not always be needed.
Moving philanthropy in the arts forward

For many philanthropists, the motivation to give is linked to individual artistic interventions. However there are also initiatives that could help the sector as a whole to engage with philanthropy, and ensure that philanthropists with an interest in the arts can develop rewarding relationships with high-quality organisations. There are potential initiatives that may help:

- A network for philanthropists, or a giving circle, that could help philanthropists find lesser-known organisations and give in a more structured way.
- Initiatives that help arts organisations evidence their impact. There is currently work going on that helps charities to show their value, such as work being developed by Aesop. Philanthropists can back these initiatives and support them where they can.

For philanthropists who want to give not only to support their passion, but want others to share this passion, there are plenty of opportunities to make a difference, not just to the beneficiaries of arts charities but to the sector as a whole. Whether through supporting organisations or through supporting the sector as a whole, philanthropists can make an enormous difference across a broad range of outcomes, ensuring that the value of the arts can be felt across society.

Whatever your experience, NPC can help you ensure your giving is effective. For further information about our services please contact the Head of Funders Team, Angela Kail, at Angela.Kail@thinkNPC.org or Deputy Head of Funders Team, Plum Lomax at Plum.Lomax@thinkNPC.org.
REFERENCES


3 Hill, L. (2015) ‘DCMS told to model for cuts of up to 40%’ in *Arts Professional*, 22 July 2015:

4 Arts & Business (2013) *Where is Private Investment in the Arts going?*


7 NCVO (2015) *UK Civil Society Almanac*.

8 Ibid.

9 Ibid.

10 Ibid.

11 Ibid.

12 Higgins, C. ‘Will philanthropists save the arts?’ in *The Guardian*, 21 October 2010


15 Ibid.


17 CEBR (2013) *The contribution of the arts and culture to the national economy*.


23 Quoted in an interview with Hill, L. ‘The right man for the job’ in *Arts Professional*, 1 October 2015


27 Quoted in Hill, L. ‘The right man for the job’, in Arts Professional, 1 October 2015
32 Ruland, T. ‘How school arts programs encourage parental involvement’ in National Education Association Today, 6 March 2012
33 Richens, F. ‘Theatres report drop in schools work’ in Arts Professional, 21 August 2015.
38 Ibid.
39 Quoted in Fox, C. ‘An art-free EBac is not the end of the world’ in Times Educational Supplement, 23 March 2013.
46 Glinkowski, P. ‘You don’t have to be Big to be Bold’ in Digital R&D Fund for the Arts: Features, 25 July 2014
48 Paton, G. ‘Nicky Morgan: pupils “held back” by overemphasis on arts’ in The Telegraph, 10 November 2014
52 CEBR (2013) The contribution of the arts and culture to the national economy.
53 NCVO UK Civil Society Almanac: http://data.ncvo.org.uk/
57 Quoted in Cavendish, D. ‘Don’t close our theatres’ in The Telegraph, 20 September 2013.
CEBR (2013) *The contribution of the arts and culture to the national economy*.

Ibid.


CEBR (2013) *The contribution of the arts and culture to the national economy*.

Times, T. ‘Research says Turner Contemporary has boosted economy by £13.8m’ in *Canterbury Times*, 18 April 2012.


CEBR (2013) *The contribution of the arts and culture to the national economy*.


Manchester Camerata website: [www.manchestercamerata.co.uk/learning/health](http://www.manchestercamerata.co.uk/learning/health) (accessed 8 October 2015).

Manchester University, ‘Memories inspire young onset dementia service users’ music and art’ in *Manchester University News*, 25 September 2015 (accessed 8 October 2015)


Rowley, L. ‘A commissioner’s views on priorities and opportunities’ in *Arts Professional*, 19 March 2015.

NPC is a charity think tank and consultancy which occupies a unique position at the nexus between charities and funders, helping them achieve the greatest impact. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

**Increasing the impact of charities:** NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities’ money and energy go further, and help them to achieve the greatest impact.

**Increasing the impact of funders:** NPC’s role is to make funders more successful too. We share the passion funders have for helping charities and changing people’s lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

**Strengthening the partnership between charities and funders:** NPC’s mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve their vision.