

1. What is the topic that you want the Culture, Media and Sport Committee to examine?

(2,050 characters)

The Baroness Hodge Review of Arts Council England and responses to the review of the Department for Culture Media and Sport but the Arts Council England nevertheless is an organisation rooted in 1946 with a strategy – Let’s Create that is flawed, failed and finished. The Committee should examine **whether England’s current cultural funding architecture—centred on Arts Council England’s National Portfolio—is still fit for purpose**, and whether a **New Deal for Culture** is now required to replace it with a transparent, artform-based, regionally balanced system capable of supporting growth, fairness and genuine arm’s-length independence.

The inquiry should focus on:

- **Structural weaknesses** in the existing model, including the absence of artform policy, the concentration of funding in a closed Portfolio, and the lack of transparent criteria for investment.
- **Governance failures**, highlighted by FOI disclosures showing that major funding decisions (including the £80m uplift) were taken without equality analysis, regional modelling or impact assessment.
- **The collapse of arm’s-length independence**, with ACE acting as a delivery arm for DCMS priorities rather than an autonomous cultural steward.
- **The exclusion of grassroots and independent culture**, despite their central role in participation, skills, talent development and local economic growth.
- **The mismatch between Government growth ambitions and the current funding architecture**, which reinforces incumbency rather than stimulating new markets, regional ecosystems and export-ready talent.
- **The opportunity to design a new system**, based on the New Deal model, that distinguishes between national-interest institutions, grassroots cultural R&D, and regional touring circuits.

This is not a question of increasing or decreasing funding; it is a question of **whether the system through which public money is distributed is capable of delivering fairness, autonomy and national cultural purpose**. The evidence suggests it is not. The Committee is uniquely placed to examine this.

2. What are the challenges or opportunities that require consideration?

(2,430 characters)

Challenges:

Structural failure of the current funding model The National Portfolio has become a closed system that entrenches incumbency, lacks artform policy, and cannot deliver regional balance. Funding decisions are opaque, path-dependent and disconnected from cultural need.

Governance and accountability gaps FOI responses show that the £80m uplift was allocated without equality analysis, regional modelling or assessment of impact on non-NPO organisations. Decisions were shaped by administrative convenience rather than strategy.

Collapse of arm’s-length independence ACE is no longer functioning as an autonomous cultural steward. It is operating as a managerial delivery arm of DCMS, with major decisions influenced by political priorities rather than cultural purpose.

Marginalisation of grassroots culture Grassroots venues, touring circuits and community-embedded organisations are structurally excluded from meaningful investment. Music Week data shows 30 venue closures, 6,000 job losses and 175 towns losing touring activity in 2025.

Misalignment with economic and soft-power goals The current architecture reinforces London-centric cultural capital and fails to stimulate new cultural markets, regional creative clusters or export-ready talent.

Opportunities:

A New Deal for Culture A new architecture that is artform-based, regionally balanced, transparent, and explicitly distinguishes between:

- national-interest institutions
- grassroots cultural R&D
- touring and regional circuits
- Rebuilding arm's-length independence A structural reset can restore autonomy in practice, not just in rhetoric.
- Aligning cultural funding with national growth strategy A reformed system can support skills, participation, local economies and international competitiveness.

3. To what extent are these challenges or opportunities shared across DCMS sectors?

(1,980 characters)

These challenges are widely shared across DCMS sectors.

- Concentration of funding and power is visible in arts, heritage, screen, broadcasting and museums. Large institutions dominate investment, while grassroots and independent organisations struggle to survive.
- Weak arm's-length governance affects multiple bodies. The pattern seen in ACE—political influence, opaque decision-making, and lack of impact assessment—is mirrored in other ALBs.
- Regional imbalance is a cross-sector issue. Creative clusters outside London lack stable infrastructure, and national institutions remain disproportionately capital-based.
- Lack of transparent criteria and artform policy is not unique to ACE. Similar gaps exist in music, heritage and screen funding.
- Misalignment between growth ambitions and funding architecture is systemic. The Creative Industries Sector Plan sets out bold goals, but the current distribution mechanisms cannot deliver them.
- Grassroots fragility is a shared challenge. Music venues, small theatres, local museums, community media and independent producers all face structural precarity.
- Digital transition pressures affect broadcasting, arts, heritage and screen simultaneously.
- The opportunity for reform—through a New Deal model—is also shared. A transparent, artform-based, regionally balanced architecture would strengthen every part of the cultural ecosystem.

4. What is the role for the Government and/or Parliament in dealing with these issues?

(2,120 characters)

Government's role:

- Set a clear policy framework requiring artform policies, regional balancing mechanisms, and mandatory equality and impact assessments for major funding decisions.
- Rebuild arm's-length independence by clarifying the boundaries between political priorities and cultural decision-making.
- Commission a structural review of the cultural funding architecture, not just of individual bodies.
- Ensure that growth, participation and regional development are embedded in funding criteria.
- Protect grassroots infrastructure through stabilisation funds and touring support.

Parliament's role:

- Scrutinise the current architecture, including the £80m uplift and the £8m systems upgrade, as case studies in governance failure.
- Take evidence from grassroots and independent organisations, not only major institutions and ALBs.
- Test the case for a New Deal for Culture, examining whether the current system can deliver fairness, autonomy and national purpose.

- Recommend legislative or framework changes to embed transparency, regional balance and genuine arm's-length decision-making.
- Hold DCMS and ACE accountable for the absence of impact assessments and the concentration of funding in a closed Portfolio.
- Parliament is the only body with the authority to examine whether the current architecture is capable of delivering the Government's own ambitions for growth, participation and regional equity.

5. Are there any upcoming deadlines, milestones or other time considerations we should be aware of?

(1,540 characters)

Yes. Several time-critical milestones make this inquiry urgent:

- The next National Portfolio round (2028–31) ACE is already designing the next NPO programme. Without scrutiny now, another multi-year cycle will be locked into the current flawed model.
- Implementation of the Hodge Review DCMS has accepted all recommendations; ACE is developing a new strategic framework and new systems. This is a narrow window to determine whether these changes are structural or cosmetic.
- £8m systems overhaul ACE is about to redesign its digital infrastructure. If the underlying architecture is not reformed, this investment will simply digitise existing structural inequities.
- Grassroots cultural collapse Venue closures, job losses and the withdrawal of touring circuits are accelerating. Delay risks irreversible damage to local cultural ecosystems.
- Creative Industries Sector Plan delivery timeline The current funding architecture is not aligned with the Plan's growth ambitions. Reform must occur before the next spending review.

6. Is there any other recent or upcoming work from Government, ALBs, trade bodies or other organisations on these issues?

(1,860 characters)

Yes. Several major pieces of work create a strong evidence base for an inquiry:

- Baroness Hodge's Independent Review of Arts Council England Identifies structural, governance and transparency failures.
- DCMS response to the Hodge Review Accepts all recommendations but does not address the underlying architectural problems.
- Arts Council England's response Promises new systems, new processes and a new strategic framework, but retains the same NPO-centric architecture.
- FOI disclosures from DCMS and ACE Reveal that the £80m uplift was allocated without equality analysis, regional modelling or impact assessment, and driven by administrative convenience.
- Music Week and Music Venue Trust data Document the collapse of grassroots infrastructure: 30 venue closures, 48 stopping live music, 6,000 job losses, and 175 towns losing touring activity.
- Creative Industries Sector Plan Sets growth ambitions that the current funding architecture cannot deliver.
- Ongoing work by trade bodies across theatre, museums, festivals and independent producers, all highlighting structural inequities and regional imbalance.

Together, this evidence shows that the issue is not simply funding levels but the architecture through which public money is distributed. That is the gap a New Deal for Culture is designed to fill—and the gap the Committee is uniquely placed to examine.