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BRITISH FILM INSTITUTE

GOVERNING BODY

RESPONSE TO THE GOVERNMENT REVIEW OF THE STRUCTURE OF ARTS FUNDING

1. INTRODUCTION

1.1 The BFI welcomes the opportunity to contribute its views to the OAL Review of the Structure of Arts Funding. It recognises, in the Minister's letter to Lord Rees-Mogg (Appendix I), echoes of its own concerns, particularly around the issues of accountability, coherence of policy, and clarity about primary areas of responsibility. It acknowledges that, because of the large amounts of money disbursed by the Arts Council of Great Britain to the English Regional Arts Associations and the predominance of performing/visual arts activities in these RAAs, the Review will concentrate on the relationship between the ACGB and the RAAs.

1.2 The BFI believes, however, that, because of the specific character of film, video and television, it is incumbent on the Institute to identify where the interests of these activities converge with those of other art forms, and where different solutions are necessary.

1.3 This submission indicates the BFI's desired solution to this issue; one which should clarify the specific responsibilities of the BFI vis-à-vis those of RAAs and of the ACGB, thereby increasing the effectiveness of arts funding.

1.4 The BFI wishes to place on record its appreciation of its relationship with the Regional Arts Associations. None of its comments are intended to undermine the role the RAAs have played hitherto in the development of film and video, but simply acknowledge that changing times require new solutions and realignments of funding, policy and function.

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2. THE BFI AND THE RAAS

2.1 The BFI has enjoyed a funding relationship with the RAAs since the early 1970s, when Northern Arts was the first to be funded. The overall 1989/90 BFI contribution to RAAs stands at £1,465,000, including a contribution to the Welsh Arts Council. A schedule of 89/90 grants is attached (Appendix II). The wide differentials between RAA grants has been a matter of concern to the BFI for some time; it was brought about both by the historical timing of grant-aiding, and by the aftermath of the abolition of the GLC and of the Metropolitan Counties. (cf. Northern Arts/South East Arts).

2.2 All RAAs are now on a 3-year cycle of funding in order to facilitate forward planning.

2.3 The BFI's Funding and Development Division has the responsibility for direct grant disbursement to, and communication with, the RAAs concerning their film and video work, as well as a liaison function with the Arts Councils of Great Britain and Wales, the Scottish Film Council and the Crafts Council. This communication is enacted through formal consultation meetings three times annually; through officer attendance at RAA Executive and Advisory Committees; and informally through meetings around more broadly based revenue and developmental projects of mutual interest, and in the provision of a range of advice. The RAAs also come into regular contact with the BFI's Production and Distribution Divisions, Education Department and Library Services. CORAA Film Officers are represented on the BFI's Regional Consultative Committee (where the Secretary of CORAA and the Deputy Secretary General of the ACGB are observers). These arrangements work well, and the BFI feels that it is in close contact with the thinking and practice in the RAAs.

2.4 However, despite these linkages, the Regional Arts Associations retain autonomy over the dispersal of their film and video budgets. Although there is a requirement of grant aid that funding decisions are made within a general policy framework agreed and monitored by the BFI, it can hardly be said that the RAAs are accountable to the Institute.

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3. NATIONAL DEVELOPMENT AND REGIONAL ACTIVITY

3.1 The BFI's major concerns fall in the areas of accountability, coherence of policy, and effectiveness of funding mechanisms. It is our view that improvement in these areas could be achieved through greater clarity over the definition of the relationship between the Institute and the RAAs, and by adjusting the funding procedures.

3.2 We would like to stress that the BFI's regional role extends well beyond its relations with the RAAs. The BFI also works in partnership with a very wide range of Regional agencies such as Media Development Agencies (e.g. in Birmingham, in the North West and in the North East); local Consortia of organisations; regional and national television companies; and local education authorities. It is expected that such working partnerships will increase in number and significance and that these developments will have an impact on a key aim of the BFI, which is to develop a UK-wide film and video culture.

3.3 At present, the BFI's regional funding takes two main forms:

3.3.1 non-designated grants given to RAAs for generalised annual programme of work (£1.4m);

3.3.2 direct funding of activity, organisations and new developments with national strategic significance. This breaks down into direct funding to organisations essential to the maintenance of national networks of activity (£0.9m) and a dedicated development fund (£0.25m) for important initiatives likely to be able to consolidate the individual components of such nationally vital networks: e.g. the national cinema network and key centres of innovation in production and training.

3.4 Over 55% of the BFI's regional funding is currently passed directly to the RAAs. This has, to date, largely been spent by them on revenue funding the operational costs of film and video organisations in their Region. Some of these have a specifically regional focus and it is quite appropriate for them to be funded solely by a Regional Arts Association.

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Others, however, have a national reach and are often funded by both regional and national bodies. This is an undesirable situation which can lead to confusion and lack of clarity, as well as inefficiency.

3.5 Three important interconnected changes are in train at present which will lead to revisions to BFI's current funding policies.

3.5.1 Over recent years the BFI has been shifting the focus of its policy away from support for activity towards a commitment to the establishment of a sound and viable infrastructure within which film and video activities can flourish. The Institute has, for some time now, been engaged in the establishment of a national network of Cinema Exhibition Centres (the Regional Film Theatres and Media Centres) and wishes to extend this work, and to start such operations in many towns and cities which are at present denied such facilities, and where they are considered to be viable. In addition the Institute, in partnership with appropriate industrial, local authority and economic development partners, now wishes set up a National Film and Video Facilities Network which will provide access to those concerned with innovative production-based work and training in the regions.

3.5.2 Secondly, in line with the general trend in arts funding, there has been an encouragement of organisations to lessen reliance on public subsidy and to expand earned income and sponsorship. In cinema exhibition, the national network can be helped to achieve this, but only if there is substantial continuing input from programming, booking and publicity services provided by the BFI, and if the efficiency and effectiveness of these operations is closely monitored. In production, it is the Institute's view that, provided the new infrastructure can be properly capitalised, film and video production work should be able to develop with minimal initial subsidy. It is the Institute's view that this is dissimilar to what is possible in some other art forms where high levels of ongoing financial support is always likely to be necessary.

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3.5.3 Thirdly, there has been increasing emphasis on the notion of investment, often tied into investment policies of Local Authorities interested in the industrial and employment potential of the cultural industries. Deployed judiciously such investment policies can create a substantial multiplier effect.

3.6 At the heart of BFI policy is a separation of the question of regional development from that of regional funding. We believe that the regional and the national development of film and video culture must be seen in complementary roles in terms of a national development strategy with regional variations and additions.

3.7 It is therefore our view that the task of developing such national networks is best achieved through the strategic deployment of a flexible central budget, with the BFI as the national body responding and co-operating appropriately across a wide range of activities and with a wide range of organisations, including the RAAs. Indeed to have any chance of success, the BFI will need to provide a rolling programme of substantial investments, with effective controls so that measures would be taken to ensure that the amount invested per annum would decline as an organisation established its earning capacity. It needs to be centralised both to achieve the necessary size of investment and to facilitate its targeting on different regional developments in turn, unencumbered by potential regional rivalries which could lead to unnecessary duplication of work and the waste of scarce public resources. The details of such a rolling programme would be determined in consultation with regional partners including RAAs, Media Development Agencies, Economic Development Departments, local authorities, and local education authorities and would be sensitive to locally and regionally expressed needs. As indicated above the BFI as a whole, through its Board of Governors and its many consultative and operational contacts between officers and the Regional constituencies, has the means, the capacity and the will to match national strategy with regional needs.

3.8 Such an arrangement would necessitate the realignment of current funding between the BFI and the RAAs, and would have to be negotiated on a

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region-by-region basis. It might also necessitate a redefinition of the primary responsibilities of Regional Arts Associations. However, clarification of the BFI's strategic national role and priorities would allow the RAAs to determine their own local and regional objectives, with appropriate funding patterns and structures.

3.9 The BFI recommends, therefore, that a process of consultation with the RAAs and other relevant agencies is entered into with a view to the reallocation of funding in the light of the policy priorities outlined above. Such a reallocation needs to pay due attention to developmental possibilities and not be beholden to current funding levels. These discussions should also focus on more general policy questions to establish coherence between the locally and regionally determined priorities and strategies of RAAs and those of the BFI.

3.10 If these suggestions appear rather different from those advanced for other art forms. The reason for this is that film and video have a characteristic impetus and address which sometimes dictate different structures and alliances. The BFI, unlike organisations dealing primarily with more traditional art forms, is concerned with activities on the cusp between culture and a particularly capital intensive and technologically sensitive industry. In that context, economies of scale and scope are essential as well as desirable.

3.11 The BFI's relationship to the work going on in the regions is significantly closer than that of, say, the ACGB. Thus the relationship not only involves the disbursement of funding and deployment of advice, but also the provision of services: programming, booking, publicity, documentation, training, archival support, educational funding etc. It is that close involvement in day-to-day activities of regional film and video organisations which allows the BFI to exercise an authoritative comparative overview, which is vital to the health of a national infrastructure.

4. RAA STRUCTURES AND PROCEDURES

4.1 The Review is charged with examining ways by which decisions can be reached more easily and greater accountability and coherence achieved. The BFI is

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also concerned that this should happen and it feels that its own interests, often submerged in a welter of ACGB related business, would be best served if Executives of RAAs were more streamlined and met more frequently around specific topics, rather than the huge, unfocussed meetings which characterise most RAA Executives at present.

4.2 The BFI would also recommend that those RAAs which still utilise permanent art form panels should consider disbanding them in favour of ad hoc pools of advisers, expert in specific aspects of an art form. The Advisory panel system, left over from when RAAs were principally about revenue funding and monitoring and assessment, are now a cumbersome and wasteful mechanism which, in the past, has too often tried to take to itself the inappropriate trappings of executive action.

5. CONCLUSION

5.1 In conclusion, the BFI wishes again to place on record its appreciation of its relationships with the Regional Arts Associations over the years. None of its comments are intended to undermine the role the RAAs have played hitherto in the development of film and video. They simply acknowledge that changing times require new solutions and realignments of funding, policy and function.

5.2 We look forward to debating the BFI's role in the scheme of arts funding structures either prior to the publication of the Review, or afterwards.

Irene Whitehead
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