

# Public investment in jazz 2012 to 2022

## 1 Introduction

Stuart Nicholson in his book “Jazz and Culture in a Global Age” stated:

*“But if adequate remuneration had become one problem facing American jazz musicians, then falling audience numbers was another. Yet those who attempted to highlight issues such as these often found their words unwelcome, un-American even, and likely to be shouted down – ‘Jazz has more than its fair share of handwringers’, thundered the New York Times when concern was raised at the results of the 2009 National Endowment for the Arts survey on the audience participation for the arts, which revealed the audience for jazz, especially for younger fans, was in decline”. (1)*

Britain too has its share of people who think everything in the jazz garden is rosy. The music is of the highest order but the infrastructure is not there to sustain it.

## 2 Summary

This paper examines:

- Arts Council funding of jazz and the National Portfolio round 1991/92 to 2021/22
- A level playing field for jazz
- The lack of a coherent policy for jazz and music in the UK
- Keep music live

## 3 Arts Council funding of jazz and the National Portfolio round 1991/92 to 2021/22

Opera funding increased from £50.5 million in 2011/12 to £65 million in 2014/15. Jazz increased its overall funding from £1.2 million in 2011/12 to £1.6 million in 2014/15. Classical music funding was increased from £18.8 million in 2012/13 to £18.9 million in 2014/15.

Opera increased funding between 1991 and 2022 by 53.6% and classical music by 125.8%. Other musics, venues and projects increased by 650%. There is a welcome increase in jazz funding of 608.33% however it is an increase from a very small initial base.

For the avoidance of doubt the audience for opera is 1.67 million attenders, for classical music 3.29 million and for jazz 2.67 million. The subsidy per head for 2021/22 for opera is £21.35, for classical music is £5.80 and for jazz it is 64 pence per head. There is plenty of room for improvement.

Arts Council England Regularly Funded Music Organisations (RFOs) and NPOs	1991/92 £ million	2011/12 £ million	2014/15 £ million	2017/18 £ million	2021/22 £ million	% increase 1991/92 to 2021/22
Total funding for opera RFOs/NPOs	37.8	50.2	65	58	57	+53.6
Total funding for classical RFOs/NPOs	8.6	18.8	18.9	19.4	19.4	+125.8
Total funding for jazz RFOs/NPOs	0.24	1.2	1.6	1.7	1.7	+608.33
Total funding of other music's projects and venues	1.8	9.4	10.8	11.7	13.5	+650
Total funding of music RFOs	48.44	79.6	96.3	90.8	91.6	+89.1

Table 1: Arts Council funding of jazz and the National Portfolio round 1991/92 to 2021/22. Source Arts Council England

### 3.1 Jazz as a percentage of the totals of Arts Council England Regularly Funded Music Organisations 1991/92 and National Portfolio Organisations for 2012/2022

The total funding for jazz had risen from £4.6 million for the three years 2012/2015 to £5million in 2016/18 to £6.9 million for 2019/22. The increase in funding for jazz between 2012 and 2022 is 49.2% and in cash terms this is £2.3 million. For opera for the same period it is 19.4% and £37.2 million in cash terms, Classical music increased by 30.5% and £18.2 million between 2012 and 2022. In terms of increases in subsidy per head opera audiences received £22.30, classical audiences £5.53 and jazz audiences 86 pence.

Arts Council England Regularly Funded Music Organisations (RFOs) and NPOs	2012/15 £ million	As a % of total funding of NPOs 2012/15	2016/18 £ million	As a percentage of total funding of NPOs 2016/18	2019/22 £ million	As a percentage of total funding of NPOs 2019/22	% Increase in funding between 2012 and 2022	Increase in cash terms between 2012 and 2022 £ Million
Total funding for opera RFOs/NPOs	191.1	66.5%	174	65.4%	228.3	63.6%	19.4%	37.2
Total funding for classical RFOs/NPOs	59.6	20.8%	58.1	21.8%	77.8	21.7%	30.5%	18.2
Total funding for jazz RFOs/NPOs	4.6	1.6%	5	1.9%	6.9	1.9%	49.2%	2.3
Total funding of other music's' projects and venues	32	11,1%	29	10.9%	46	12.8%	44.1%	14
Total funding of music RFOs	<b>£287.3</b>	<b>100%</b>	<b>£266.1</b>	<b>100%</b>	<b>£359</b>	<b>100%</b>	<b>-</b>	<b>£71.7</b>

Table 2: Source: Arts Council England

Note: Jazz North Arts Council England grant of £90k has been included for 2012/13 and 190k each year for 2013/14 and 2014/15.

#### 4 A level playing field?

The Arts Council sets strict criteria for awarding National Portfolio funding status, two of which are a competent business plan and sound governance. The Arts Council announced on the 12<sup>th</sup> January 2016 that:

*“The National portfolio decisions also reflect the outcome of our two-year long opera and ballet analysis. This analysis was undertaken to support greater business resilience for the seven large-scale opera and ballet companies, resulting in a better return for public investment, and ensuring that we continue to provide exciting opportunities for artists and audiences. The details of investment decisions resulting from that analysis are in the separate opera and ballet briefing paper.” (2)*

The Arts Council England's Arts Council England's analysis of its investment in large-scale opera and ballet undertaken in 2012 produced the following conclusion

*On 1 July 2014, we will confirm to the companies that in all cases that they have been awarded grants in line with the planning figures that they have been given. As with all our national portfolio organisations, these grants will be provisional and will be subject to negotiating a funding agreement and agreeing a satisfactory business plan.*

*“That process will take up to six months and will require the Arts Council to approve specific strategies and objectives within the business, audience development and equality plans of each organisation. The suggestions of the opera and ballet analysis will form the basis of a number of objectives to be agreed with each of the companies. The opera and ballet steering group, Area management teams and the Arts Council's Executive Board will have quality assurance and overview roles in approving the final funding agreements of these seven companies, by April 2015” (3)*

Did other organisations applying for National Portfolio Organisation status receive this special treatment? It would appear in the application process applicants are not playing on a level playing field as the remaining applicants had to fill in an exhaustive application with a risk of failure form but the opera companies on 1<sup>st</sup> July 2014 had been awarded grants.

The cost of the Arts Council England's *Arts Council England's analysis of its investment in large-scale opera and ballet*, elicited from a Freedom of Information request was £98,000 furthermore the request disclosed:

*"We do not hold a record of the total staff time allocated to producing this publication and we are therefore unable to provide a full cost breakdown of preparing the report in relation to all the Arts Council England staff involved."* (4)

In the 2015/18 the Arts Council awarded English National Opera National Portfolio status. English National Opera received a cut of £5 million from £17 million to £12 million. However it would appear from an article in the Guardian on the 2<sup>nd</sup> July 2014 (*ENO forced to tighten its reins while 58 groups lost all funding from Arts Council*) that the funding of English National Opera (ENO) was a done deal as ENO was given an inducement of £7.6 million to help in the transition of its business plan. The Guardian article reported:

*"The ENO has been on an artistic high, but has struggled to meet box office targets. John Berry, the ENO's artistic director, said: "We have been working for some time with the arts council to develop a new business plan which recognises the challenging funding climate and reduces the cost to the public purse, while also enabling us to create an exciting and sustainable future for ENO and maintain our artistic quality, ambition and reach, nationally and internationally."*

*The arts council had initially suggested a reduced schedule of performances, something ENO balked at. Instead it came up with an alternative plan which includes generating more money from the cafes and bars at the Coliseum, developing West End musicals and creating a single base for rehearsals, potentially outside London.*

*Alan Davey, chief executive of Arts Council England (ACE), said there had been no ultimatums. "Whatever happens, the plan which they follow has to be theirs, they have to believe in it and they have to want to do it. It was clear to both parties that the current business model is under strain in many directions and something had to be done."*

*The decision followed a best-value investment analysis of the big seven opera and ballet companies, who account for 22% of national portfolio funding.*

*The ENO pill was sugared with a one-off payment – to help in the transition of its business model – of £7.6m.*

*The chairman of ACE, Sir Peter Bazalgette, was not able to discuss or be a part of the ENO decisions because he was chairman of ENO until the end of last year.* (5)

After being awarded NPO status and a few months down the line the Arts Council blew the whistle on its own incompetence with regard to ENO. Arts Council England told English National Opera to get its house in order citing:

*"Althea Efunshile, acting chief executive of Arts Council England, said: "No-one is doubting that ENO is capable of extraordinary artistic work but we have serious concerns about their governance and business model and we expect them to improve, or they could face the removal of our funding."* (6)

The application guidance for National Portfolio Organisations application in terms of organisational resilience clearly states:

*"All successful applicants will be expected to demonstrate their resilience. Resilience is the vision and capacity of organisations to anticipate and adapt to economic, environmental and social change by seizing opportunities, identifying and mitigating risks, and deploying resources effectively in order to continue delivering quality work in line with their mission.*

*This includes thinking about and planning for your own organisational performance, your financial and environmental sustainability, the skills of your workforce, as well as equality and diversity.*

*As part of this application process we will carry out a risk assessment of each applicant's capacity for effective management, governance, leadership and financial viability. During the funding agreement negotiating stage, which will take place between July 2014 and February 2015, applicants who have successfully progressed to a funding offer will have to provide a clear business plan setting out how the organisation will strengthen its resilience" (7)*

Did the Arts Council of England offer this kind of help to the organisations who lost their funding? Peter Bazalgette is another of a long line of ACE chairmen who have been the chair of opera company's boards. The opera companies, the orchestras, the national companies like the Royal Shakespeare Company, like the banks, are too big to fail. The brunt of the cuts fell on the smaller companies.

## 5 A policy for jazz

In 1996 the Arts Council of England published "A policy for the support of jazz in England". When Hilary Boulding became Music director in 1999 and then Director of Music Strategy, (8) ironically the Jazz Policy was dropped.

*"Needless to say no real resources had been allocated to the policy. In Paragraph 62 the Arts Council say clearly that they will implement the policy over five years, yet when it was dropped there was no evaluation by the Arts Council of their activities in implementing the policy and how much of what they intended had been achieved. Another wasted opportunity with fluttering in the dovecote, expectations raised and then dashed." (9)*

A Freedom of Information request to the Arts Council in October 2014 asked for a copy of the Arts Council's policy for music. On the 9<sup>th</sup> December a reply was received that stated: *"I have checked all our internal resources and there is no policy in the way that you may be expecting to see."* (10) Translating into plain English the Arts Council in December 2014 did not have a music policy.

Althea Efunshile, Deputy Chief Executive of Arts Council England at the programme launch of the EFG London Jazz Festival for 2016 talked of a long term strategy and stated:

*"Our long term, strategic approach to the form (jazz) has been shaped by many conversations between the sector and my colleagues, including Redacted who many of you will know. Our approach will mean a stronger future for Jazz; greater resilience, a stronger focus on talent development and progression, and new audiences." (10)*

A Freedom of Information request asked the following:

*"I would be grateful if the Arts Council could provide me with the concrete, explicit document that states Arts Council England's "long term strategic approach to the form" Also I would be grateful if the Arts Council would provide records of the conversations that the Arts Council has had with the "sector" that helped develop this long term strategy."*

The protracted correspondence disclosed the following information:

- *"Our approach has been formed by formal and informal conversations with the sector about a long term strategy for development over the past couple of years. We do not hold a record of these conversations.*
- *We also have a group of nationally representative Relationship Managers, who meet quarterly to review investment in jazz and opportunities to support the sector further via all funding programmes. This group supports the Director, Music in delivering a national coordinated approach to jazz development. We continue to collate and analyse funding information through our ongoing data and reporting mechanisms.*
- *The purpose of our internal jazz-focused RM conversations is to share intelligence about jazz activity nationally and to ensure a nationally consistent approach to the delivery of the Arts Council's Goals and 10 year Strategic Plan through jazz.*
- *As my colleagues have stated, there is no specific standalone document that categorically outlines our sole strategic approach to jazz.*
- *Darren Henley CEO of the Arts Council stated in the final response - I believe it would be an unfeasible and unnecessary stretch of our limited resources for each informal discussion with the sector to be recorded" (11)*

The Arts Council does not have a policy for jazz nor does it appear that the Arts Council minutes or records conversations or meetings with the jazz community so how anything can be "shaped by

*conversations*” when there are no records to fall back on and subsequently no hinterland of recorded information will remain a mystery.

Arts Council England before any thought of formulating a flawed funding framework should have asked and provided the answers to two fundamental questions for the arts in England. Where are we now? Where do we want to be? The failure to answer these questions in the 2012/15 and subsequent funding rounds meant that the flaws in the equitable provision for music and jazz in particular were not addressed. The Arts Council had a real opportunity in 2012 again in 2015 and again in 2018 to shape the funding of jazz in the UK and provide proper levels of support. The Arts Council regrettably failed to deliver change on all three occasions.

The fundamental problem is there is no policy for the arts in England. Arts funding is now run like a speculative hedge fund that every three years selects a National Portfolio of arts organisations and then three years later un-bundles them. This jumble of “portfolio” of arts organisations, replete with the slogan “Great Art for Everyone” is pulled into existence without any coherent art form policy. But how can the Arts Council formulate a fit for purpose art form policy when it has dumped the notion of specialist art form administrators and lumbered the staff with the title “relationship managers”, a term adopted from the high street banks? The arts in England deserve better than this.

Is the Arts Council competent enough to deliver coherent arts funding system, with art form policies? In an age of austerity will it find the will? The Royal Opera House and English National Opera exist almost cheek by jowl and in 2018 will receive funding of £37,152,000. If two Accident and Emergency units existed side by side, one would be closed or relocated immediately. A national policy for the arts would ensure equitable distribution of funding across art forms and regions.

How many more times is the Arts Council going to be allowed to fail jazz and the wider music constituency?

### **3 Keep music live**

It is self-evident that for people to purchase music they need to hear it. However with streaming there is a real problem with the level of artists royalties that are paid. A physical product such as a CD will earn the performer around 12% of the published price to dealers. However as recently reported in the New York Times, Zoe Keating a Californian musician provided a detailed case study of her earnings. “Even for an “under-the-radar artist like Ms Keating who describes her style as avant garde cello the numbers painted a stark picture”. Over 6 months her songs were played 1.5 million times on Pandora earning her 1,652.74 dollars and on Spotify in the year 2012 131,000 plays earned her 547.71 dollars or an average of 0.42 cents a play. As Ms Keating summed up, “in certain types of music like classical or jazz, we are condemning them to poverty if this is going to be the only way people consume music”. (6)

The underlying malaise is that new media distribution has allowed a scale of mass consumption of music hitherto unknown and in the process lowered people’s expectations of the price they should pay. It is crucial that the music industry re-establishes the value of music in today’s digital world; to do this it is vital that there is an increase in outlets for live music.

In The Guardian Friday 22nd February 2013 there was excellent article by John Harris “Can the UK’s ‘toilet circuit’ of small music venues survive?” (7) The article was about the “tiny, grimy pubs and clubs fighting to stay open”. Although the piece was about rock and pop bands the predicament is faced by just about every music that is not opera or classical music. The crucial fact is that bands playing in these venues - whatever their genre – are in the argot of business – “new product development”. These are the bands that will eventually fill the O2 stadiums and medium to large scale venues of tomorrow, although many may well fall by the wayside.

Another factor is the economic impact of these small venues. For example Wakefield Jazz Club generates £6.99 every £1 of public investment and Scarborough Jazz Club £4.99. (8) The UK cannot rely on market forces or the “bulbous nosed beer barons” to ensure a constant stream of music innovation there needs to be public investment to create a chain of small scale venues that are funded in the same way as are the concert halls and theatres for opera and classical music. This will ensure the UK has an infrastructure that creates value tomorrow for all music, both financially and artistically.

Chris Hodgkins  
27<sup>th</sup> August 2018.

## References

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- 4 Freedom of Information request to Arts Council England regarding costs, personnel and tendering process for 'Arts Council England's analysis of its investment in large scale opera and ballet' in 2012 ([www.chrishodgkins.co.uk](http://www.chrishodgkins.co.uk) November 2016, available at: <http://www.chrishodgkins.co.uk/wp-content/uploads/2017/08/Freedom-of-Information-request-regarding-costspersonnel-and-tendering-process-for-Arts-Council-Englands-analysis-of-its-investment-in-large-scale-opera-and-ballet.pdf>, accessed on 27 August 2018)
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- 11 Ibid 10
- 12 Ben Sisario, *As Music Streaming Grows Royalties Slow to a trickle* (New York Times, 28th January 2018, available at: <https://www.nytimes.com/2013/01/29/business/media/streaming-shakes-up-music-industrys-model-for-royalties.html>, accessed on 26<sup>th</sup> August 2018)
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