

# Financial report on Local Authority and Music Service funding 2010/2011

September 2010

## Key Findings

1. In 2010/2011 £82.5 million of Standards Fund investment in music is supporting the delivery of an estimated total of £219 million of educational music activity.
2. In England this investment by the Department for Education (DfE) through the Music Standards Fund represents 37.6% of the national total investment through music services with the balance coming from
  - a. Local Authorities: 10.5%
  - b. Other income sources (largely fees from schools and/or parents:) 51.9%
3. Additional information from several Local Authorities indicates that Local Authority contributions are set to continue to reduce over the next few years, largely because of the non-statutory nature of provision for music.
4. The above figures hide enormous local variations between Local Authorities in actual funding levels and the ratio between funding sources.
5. Much of the balance of activity, £136.5m, not funded by Standards Fund, would cease to exist if direct grant to Local Authorities were to be reduced or no longer ring-fenced for music.

## Recommendations<sup>1</sup>

The **DfE** should, through the National Music Participation Director (NMPD)<sup>2</sup>,

1. Continue to monitor financial arrangements closely during 2010/2011, particularly ensuring that the Standards Fund grant 1.11 is being fully and effectively utilised for the intended purposes.
2. Continue to provide challenge and support to Local Authorities to assist them in fulfilling their responsibility “for monitoring the quality and value for money of the provision purchased, and for ensuring that access at KS2 is a priority.”
3. Continue to support Local Authorities in developing their Local Authority Music Plan (LAMP) in consultation with their local communities. These plans should support all young people, particularly helping to close the achievement gap and supporting both the disadvantaged and those who are especially gifted and talented. They should
  - i. take account of the quality and range of all resources available locally;
  - ii. determine the particular function(s) of the music service alongside other provision;
  - iii. bring strategic coherence, economies of scale and value for money to their forward planning for music education; and
  - iv. articulate their local music education strategy as part of their plans for children and young people and their wider cultural strategy.
4. Continue to address the commitment, made in the **MUSIC EDUCATION AND THE MUSIC GRANT: (Standards Fund 1.11) Aspirations, Support and Delivery** document, to examine the funding formula “with a view to moving to a fairer distribution of funds from 2011 onwards.” In conducting this examination the DfE should take into account the relationship between direct central government funding, local authority funding and other sources of funding for music education.

### **LAs and music services** should

1. Take full account of the commitment in 4) above, announced in November 2007, in considering their ‘fair share’ of funding and how any changes would be dealt with.

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<sup>1</sup> These recommendations are made in the light of the progress that continues to be made in ensuring that all public funding for music education is used in the most coherent way. The Ofsted report ‘Making More of Music’ (February 2009) stated:

“The recent appointment of the Music Participation Director acknowledges the need for closer monitoring by the DCSF and funded music bodies of the development of the national initiatives. Good actions have already been taken to collect data systematically from local authorities on the impact of their instrumental and vocal programmes and to identify aspects that require further support. This close analysis is equally needed for the other initiatives.” (paragraph 223).

Officials from the Department for Education, the Department for Media Culture and Sport and the Arts Council England regularly meet with each other and with the National Music Participation Director as well as having meetings with other national organisations and key individuals.

2. Particularly in the light of the current economic climate, use their LAMPs to
  - a. look at the role of their music service and the contribution it makes to the wider children and young people's agenda for those outcomes that can be best achieved either in or and through music;
  - b. consider how to maximise the income generating capacity of their music service and other local resources and to reduce their reliance on central public funding, particularly where this is below the national average.

## **Background and contextual information**

Information relating to overall financial positions in 2008/2009<sup>3</sup> 2009/2010<sup>4</sup> and in 2010/2011<sup>5</sup> was requested from Local Authorities.

This information was requested under three headings:

1. Music Standards Fund grant 1.11
2. Local Authority contributions.
3. Other sources of income.

Whilst most information was given in this format some information was provided with other descriptors. These amounts were then allocated to the above headings by the NMPD. Queries were followed up by email and telephone call.

### **1 Music Standards Fund grant 1.11**

Where 'Music Standards Fund grant 1.11' was not given to the music service the total sum was nonetheless included under this heading. For example, if part of the funding was devolved to schools which then bought back in to the music service provision, this was only counted once under the 'Music Standards Fund grant 1.11' heading and not counted under the 'Other sources of income' heading.

### **2 Local Authority contributions**

'Local Authority contributions' included any sum that Local Authorities paid directly to the Music Service, regardless of the type of activity this was to be used for<sup>6</sup>. Contributions 'in kind' are not included, nor is other Local Authority funding to music that is given to other organisations.

### **3 Other sources of income**

All 'other sources of income', including the grants for any work associated with Sing Up, the National Singing Programme, and the government's instrument grant, distributed through the Federation of Music Service, were included in the 'Other sources of income' category.

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<sup>3</sup> actual, as reported in April 2009

<sup>4</sup> projected, as reported in April 2009

<sup>5</sup> actual, as reported in April 2010 and projected for 2010/2011

<sup>6</sup> NB A parliamentary question was answered on February 4<sup>th</sup> 2009 about "Planned net expenditure on music services (not Standards Fund supported) for each of the years 2006-07; 2007-08; 2008-09" as reported by LAs to the then DCSF. The description of this element is: "Expenditure on the provision of Music tuition or other activities which provide opportunities for pupils to enhance their experience of music."

## Main Findings

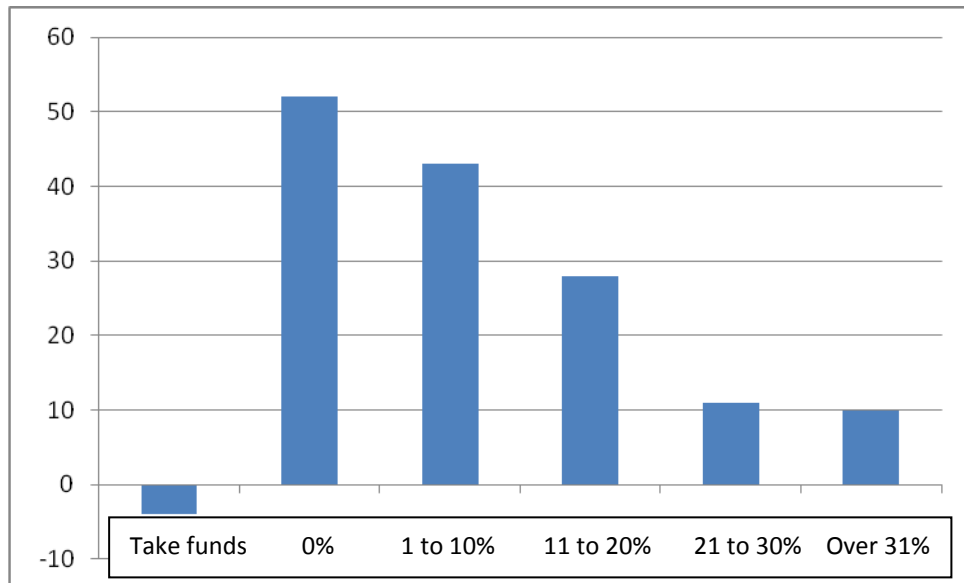
The following findings are based on the information supplied to the NMPD.

1. £82.5 million of Standards Fund investment in music is supporting the delivery of an estimated total of £219 million of music activity.
2. Much of the balance of activity, £136.5m, not funded by Standards Fund, would cease to exist if direct grant to Local Authorities were to be reduced or no longer ring-fenced for music.
3. Data are based on returns from 148 Local Authorities (98%).
4. In England the DfE Standards Fund investment represents 37.6% of the total music service budget with the balance coming from
  - a. Local Authorities: 10.5%<sup>7</sup>
  - b. Other income sources (largely fees from schools and/or parents:) 51.9%
5. The above figures mask enormous variations
  - a. Figure 1 shows the number of LAs that take funding or make a contribution as a percentage of the total budget.
    - i. 4 LAs take funds from the music grant to contribute to LA central costs;
    - ii. 52 LAs do not contribute funding;
    - iii. 43 LAs contribute between 1% and 10% of their music service's budget;
    - iv. 28 LAs contribute between 11% and 20% of their music service's budget;
    - v. 11 LAs contribute between 21% and 30% of their music service's budget;
    - vi. 10 LAs contribute more than 31% of their music service's budget.
  - b. Figure 2 shows the number of LAs that receive income as a percentage of the total budget.
    - i. For 3 LAs no income element was reported.
    - ii. In 11 LAs income represents between 1% and 10% of the total music service budget;

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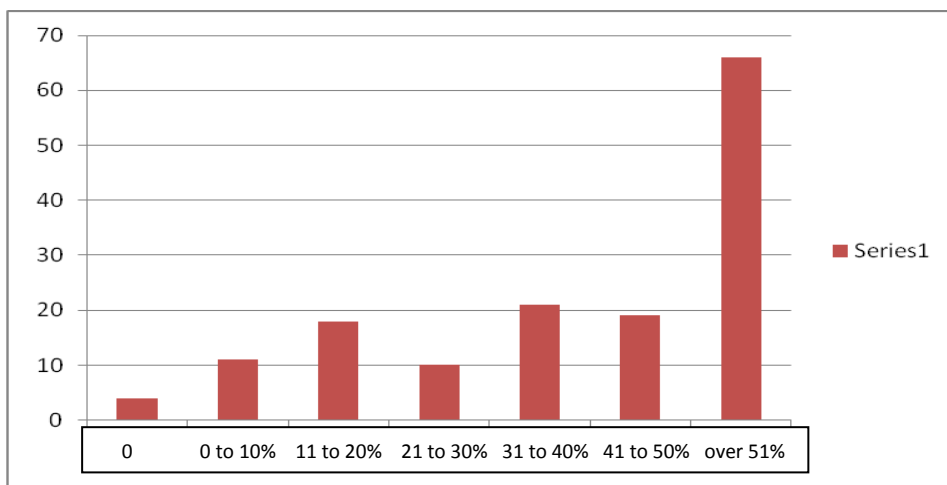
<sup>7</sup> This percentage is accounted for by 95 LAs (65%). The remaining 50 LAs (35%) make no contribution, 5 of which take money out of the Standards Fund towards central LA costs. Most LAs continue to support 'in kind'. For example Finance, Human Resources, buildings, that may or may not be recharged. (This recharge may account for the differences between returns to the NMPD and the then DCSF).

**Figure 1 LA contribution**



- iii. In 18 LAs income represents between 11% and 20% of the total music service budget;
- iv. In 10 LAs income represents between 21% and 30% of the total music service budget;
- v. In 21 LAs income represents between 31% and 40% of the total music service budget;
- vi. In 19 LAs income represents between 41% and 50% of the total music service budget;
- vii. In 66 LAs income represents more than 51% of the total music service budget.

**Figure 2 Income Contribution**



- 6. Additional information from several Local Authorities indicates future plans to further reduce Local Authority funding, largely because of the non-statutory nature of this provision.