**All Party Group for the Arts**

Local authorities are not immune to feeling the pain of cost increases, and certainly are not immune to falling attendances in venues. Arts & Culture activity within local authorities is facing immense uncertainty over the months ahead. With rising energy and staff costs, together with audience numbers and income still down post-Covid, the likelihood of in-year cuts and budget decimation of allocation to the Arts is all too evident. For the 2023/24 year, most local authorities in Northern Ireland will need to find additional resource of several million pounds just to balance the budget. For local authority arts venues this comes at a time when many actually need re-investment, in terms of upgrading infrastructure, facilities and equipment to satisfactory standards.

Understandably, local authorities are reluctant to pass these budget pressures to its citizens, through either increases to Rates or price increases to drive income. Local authorities have statutory obligations and discretionary activity, with all Arts programming and sector support unfortunately very definitely placed within the latter category. That means that in order to balance the budget, expenditure will have to be reduced and local authorities will turn to discretionary activity to find those savings.

Now more than ever we need the Arts. Local authorities need to play a leading role in stimulating and supporting the Arts sector as it continues to rebuild post-Covid, but in order to do so a radical change is needed to acknowledge the significant contribution the Arts make to our society. Contribution in terms of driving social change, tackling difficult societal issues, supporting education, improving health and wellbeing, in particular mental health, and supporting the economy. Radical change is also needed in how the Arts sector is funded, with a move towards sustainable and strategic multi-year funding long overdue. This has been the common cry from the sector for years.

Without this systemic shift in supporting the Arts at local government, Department and Executive level, the Arts cannot sustain through the troubled waters ahead intact.