



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EDUCATION AND CULTURE COMMITTEE

Tuesday 18 September 2012

Session 4

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EDUCATION AND CULTURE COMMITTEE

23rd Meeting 2012, Session 4

CONVENER

*Stewart Maxwell (West Scotland) (SNP)

DEPUTY CONVENER

*Neil Findlay (Lothian) (Lab)

COMMITTEE MEMBERS

*Clare Adamson (Central Scotland) (SNP)

*Marco Biagi (Edinburgh Central) (SNP)

*Neil Bibby (West Scotland) (Lab)

*Joan McAlpine (South Scotland) (SNP)

*Liam McArthur (Orkney Islands) (LD)

*Liz Smith (Mid Scotland and Fife) (Con)

*Jean Urquhart (Highlands and Islands) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Matt Baker

David Blair (Scottish Government)

Aileen Campbell (Minister for Children and Young People)

Andrew Dixon (Creative Scotland)

Gwilym Gibbons (Shetland Arts Development Agency)

Francis McKee (Centre for Contemporary Arts)

CLERK TO THE COMMITTEE

Terry Shevlin

LOCATION

Committee Room 5

Scottish Parliament

Education and Culture Committee

Tuesday 18 September 2012

[The Convener *opened the meeting at 10:00*]

Kinship Care

The Convener (Stewart Maxwell): Good morning. I welcome members to the Education and Culture Committee's 23rd meeting in 2012. I remind members and people in the public gallery that electronic devices should be switched off at all times. No apologies have been received; we have a full turn-out of committee members.

Our first agenda item is an evidence session on kinship care, on which the committee held a round-table evidence session on 17 January 2012, the purpose of which was to review the effectiveness of the support mechanisms for kinship carers—in particular the extent to which kinship carers gain support from local authorities. Following that meeting, the committee wrote to local authorities, the Scottish Government, the Convention of Scottish Local Authorities and the United Kingdom Government on the issues that were raised. After receiving written evidence, the committee agreed to invite the Scottish Government and COSLA to give further oral evidence. COSLA has declined our invitation to attend, although it has provided written evidence. However, the Minister for Children and Young People is here.

Immediately after this evidence session, the committee will consider petition PE1420, which concerns kinship care. The committee will first discuss the issues that are raised in the petition with the minister. I am delighted to welcome to the meeting Aileen Campbell, the Minister for Children and Young People; David Blair, head of looked-after children policy with the Scottish Government; and Leona Solley, policy officer with the Scottish Government's looked-after children unit.

Minister—I presume that you have an opening statement.

The Minister for Children and Young People (Aileen Campbell): Yes, I do. I thank the committee for the opportunity to speak on kinship care. As you said, convener, I am joined by Leona Solley and David Blair from the Scottish Government.

The Government's vision for children and young people is clear. We want Scotland to be the best place in the world for them to grow up—a place

where rights are respected and where children can access all the opportunities and support that they need, when they need them.

Since 2007, we have been working hard for kinship carers and for the children who are in their care. In my response to the issues that were raised at the committee's round-table discussion on kinship care in January, I outlined our achievements and progress to date. I take this opportunity to tell the committee about the work that we have been doing since then.

As most members will be aware, the Scottish Government has set out an ambitious legislative programme. It includes the introduction of our proposed children and young people bill, which will help us on our journey towards achievement of our aim of making Scotland the best country in the world to grow up in. Through the bill, we want to introduce into family law a new kinship care order to support the parenting role of kinship carers. That will provide an alternative option for a child whose long-term wellbeing is best served by being with kinship carers. The Scottish Government has great hopes and ambitions for kinship care. It has been an early priority of ours to really listen to, and engage with, kinship carers about what they need, and we are confident that the kinship care order is evidence that we have been doing just that.

Through the national kinship care service, which is funded by the Scottish Government and provided by Children 1st, we now communicate with hundreds of kinship carers in Scotland. In July alone, we increased our communication base by an additional 47 kinship carers. That growth is unparalleled and shows that we truly are listening to the voices of kinship carers.

As we move forward with kinship care, our aim is to help families to help themselves. The kinship care order will provide a better platform to help kinship carers to stay in work, or to get into work, and it will mean a fairer and more transparent relationship with the UK benefits system than exists under the current situation for kinship carers of children who are formally looked after. However, some children will need to remain within the care system and, right now, the support for kinship carers varies across Scotland. Support for kinship carers—financial and non-financial—needs to be more consistent, if it is to be fair.

The Looked After Children (Scotland) Regulations 2009 provide for payment of allowances, but do not determine how much shall be paid or to whom. We recognise that that needs to change to enable us to achieve consistency. Kinship carers come from all walks of life, and the support that is required will differ from carer to carer and from child to child. We will need to ensure that the most vulnerable people receive the most support. Parents—by which we mean not

just mums and dads, but anyone who is involved in raising children of any age—are the single biggest influence on a child's life. They are the caregiver, role model and teacher rolled into one.

Whether they are temporary or permanent, kinship carers provide a safe, loving and secure family home for our children to thrive and flourish in. I believe that kinship carers who take on that responsibility make remarkable efforts in often very difficult circumstances, and that they should be fully supported in carrying out their role.

I hope that that sets out some of the actions that we have taken since our response was sent to the committee. I look forward to taking the questions that no doubt the committee will have.

The Convener: Thank you, minister. I appreciate that helpful statement. I ask members to indicate when they want to ask a question.

Neil Bibby (West Scotland) (Lab): I want to ask you about the petition that we will consider later. We have tried to get as full a picture as possible of the situation that faces kinship carers, as compared with that for foster carers. How many kinship carers currently get the same allowance as foster carers? How many local authorities pay the same allowance to foster carers and kinship carers?

Aileen Campbell: I think that you have been provided with the same table that we have on what individual local authorities pay for kinship care allowance and what they pay for foster carers. If you do not have that table, I am happy to provide it.

The Convener: We have it.

Neil Bibby: We have it, convener, and it gives us details about 20 local authorities, which obviously means that 12 are not included in the table. Does the Scottish Government have such a list for all 32 local authorities?

Aileen Campbell: We do not have that information, but if that is something that you feel you need, I can pursue the matter with COSLA. I am always engaging with COSLA and have a meeting with it today. However, the illustrative figures in the table that you have give a snapshot—albeit that it is not of all 32 local authorities—of what local authorities are doing on those payments.

Neil Bibby: The table shows that of the 20 authorities that were surveyed, five pay the same allowance rate for kinship care and for foster care. Given what was agreed in the concordat in 2008, do you think that that is progress and that those five councils should be congratulated for achieving that?

Aileen Campbell: As I said in my opening remarks, we fully recognise that the picture for kinship carers is not consistent across the country. We need to do more to understand that, which is why we are commissioning a review of the financial support that local authorities provide to kinship carers. I hope that that will give us more clarity about the picture, because we need to ensure that there is more consistency across the country. The spirit of the concordat is that local decision making is required; local authorities have made the decision to provide support, although its scale varies. However, since 2007 this Administration has made far more progress than was made previously by formally recognising kinship carers in a way that was never done before. Progress has been made and most—not all, however—local authorities are making efforts to help their kinship carers.

Neil Bibby: Do you welcome the fact that five authorities pay the kinship carers and foster carers the same rate?

Aileen Campbell: Yes. Whatever support local authorities give to their kinship carers is to be welcomed. There might always be room for providing more help, but that does not always necessarily equate to giving financial support. That is why, as well as local government giving financial commitments to their kinship carers, the Scottish Government has been working hard with other partners, not least the third sector and Children 1st, to ensure that other, more holistic support is given. However, I welcome the support that local authorities provide for their kinship carers.

Neil Bibby: Do you think that kinship carers should be paid the same as foster carers?

Aileen Campbell: We need better understanding. We have listened to kinship carers through our engagement with Children 1st. We want to ensure that there is more consistency across the country, which is why we are reviewing the financial support. We want to tailor the assistance and improve consistency. I think that all parties in Parliament agree that that needs to be looked at. We will aim to have the review done within the timescale for the proposed children and young people bill. We need to ensure that we do not stop and rest on our laurels. Progress has been made, but more needs to be done, and we would like to work with local authorities to achieve that.

The other side of the financial bargain is the interaction with the UK benefits system, which needs to be dealt with. I have written a number of times to UK ministers, and I have met a minister to make the point about the challenges that kinship carers face under the UK benefits system. We understand that kinship carers often regard themselves as being in a parenting role, so we

need to ensure that the system is in place to support that relationship.

Neil Bibby: For clarification, are you saying that kinship carers should be paid the same as foster carers?

Aileen Campbell: We need to ensure that there is consistency throughout the country, and we are working hard with local authorities and others—no least Children 1st—to ensure that we get that. That is why we are undertaking a review.

The Convener: We will move on, as a lot of folk want to come in, but we will no doubt come back to that question.

Jean Urquhart (Highlands and Islands) (SNP): Following on from the minister's response on financial services, I will raise another issue. In our evidence session in January, we were presented with the scenario of an emergency situation in which a child is removed from their family to a foster carer in the middle of the night. It seems that all the services would kick in, whether to provide cots, blankets, feeding bottles or whatever. In comparison, a child that was staying within the family—in other words, going into kinship care—would be provided with none of those services. Do we have some more evidence on that? There is an interesting table in paper 2 that shows the financial situation in local authorities, but I wonder whether that is a given, as those services should now be in place for children who are going into kinship care.

Aileen Campbell: Regardless of the situation that a child faces—whether they are fostered or adopted, for example—getting it right for every child truly is about getting it right for every child. We need to ensure that the services are in place to help the child to get the outcomes that they deserve, and that their needs are met and their wellbeing is at the heart of the services. That must happen regardless of the parenting structure that is supporting that child.

I know that the committee will be interested in the children and young people bill that is to be introduced. We aim to put GIRFEC in statute so that there is an increased tempo in implementing it throughout the country. That goes back to the issue of consistency and the need to ensure that children are dealing with holistically provided services.

I do not know whether that answers Jean Urquhart's question. The other ways in which we have gauged the support that kinship carers need include our engagement with Children 1st, which ensures that we truly are listening to the views and needs of kinship carers. We are getting a direct voice and link through that national organisation to ensure that we can tailor services to meet kinship carers' needs.

Neil Findlay (Lothian) (Lab): To return to the point that Neil Bibby raised, the concordat, under the heading "Specified set of commitments", states:

"Kinship care—providing allowances for kinship carers of 'looked after children' to treat them on an equivalent basis to foster carers."

I will ask again, minister. Do you believe that kinship carers should be paid the same rate as foster carers?

Aileen Campbell: As I said in my answer to Neil Bibby, part of the issue involves working with local government. I am to have an introductory meeting with Douglas Chapman, and I will raise that issue with him so that he knows about the questions that committee members have raised today.

We definitely feel that there needs to be consistency across the country for kinship carers, and that is why we are having the review and seeking to ensure that the committee's input is part of the review and that members' views and queries are—

10:15

Neil Findlay: Minister, it was a fairly simple question. Do you believe that kinship carers should be paid the same as foster carers?

Aileen Campbell: We believe that kinship carers are closer to being parents; they have a parenting role. We understand from kinship carers themselves that they believe that they need to be recognised for the parenting role that they carry out. That is why local government needs to tailor its support to individual needs to make sure that the outcomes for the child are the best that they can be. That is why we need to work closely with local government to ensure consistency across the country.

It should also be recognised that the UK benefits system has a part to play, which is why we need to question the welfare reforms that are being made down south and shine a spotlight on them to make sure that kinship carers are at the forefront of our thoughts and do not get left behind when any changes are made.

Neil Findlay: I find it difficult to understand why you will not give us a straight answer, minister, when the concordat clearly states that they should be treated,

"on an equivalent basis to foster carers".

Why can you not just give us a straight answer and say whether you believe that that should be the case?

Aileen Campbell: As I have said, we believe that kinship carers should be treated as parents.

When the concordat was written, it was felt that that was a good way to move forward, and we should not forget that substantial progress has been made since 2007. The current Administration has recognised kinship carers in a way in which previous Administrations never did. More kinship carers are getting financial support and we are making sure that the voices of kinship carers who want to be recognised for their parenting role are heard and that that is not impinged upon by other areas of government such as the UK benefits system.

Neil Findlay: I will frame my question differently to try and get an answer. Will you put a proposal in the children and young people's bill to ensure that kinship carers are treated in exactly the same way as foster carers?

Aileen Campbell: I have said that the bill will provide for a kinship care order. If you would like to contribute to the bill, the consultation closes on 25 September.

Neil Findlay: I was led to believe that ministers came to committees to answer questions, but that is obviously not the case.

The Convener: That is a bit strong, Mr Findlay. The minister has answered the question. You might not like the answer that you have been given, but that is not the same thing at all.

Liz Smith (Mid Scotland and Fife) (Con): In your opening remarks, minister, you rightly said that payments for kinship carers vary widely across the country. In your discussions with COSLA, will you ask for details from local authorities about the arithmetical models that they use to make the payments so that we can better understand why there is such variance?

Aileen Campbell: As I said, I will meet COSLA today. It will be an introductory meeting because personnel have changed since the elections. I have outlined my intention to review the financial support that kinship carers receive and the inconsistency in that support. We can certainly factor that question into any review and make sure that Liz Smith's point about local government modelling is more fully understood.

Liz Smith: Do you agree that that might help us to better understand the criteria by which payments are made and whether councils are genuinely trying to provide support or have been forced into other circumstances because of cutbacks in other areas that mean that they have had to cut what they offer?

Aileen Campbell: It is necessary to review what is going on because of the inconsistencies. We need to make sure that councils support families so that the outcomes for the child who is in a kinship carer's care are the best that they can be.

We need to make sure that packages are tailored to the individual so that the support the carers receive is the best that it can be. That might require us to be a bit more sophisticated about understanding the modelling that councils do. If it will answer your question, we can include that as part of the review.

Liz Smith: That would be helpful.

Obviously, it is for local councils to make appropriate decisions for their areas. Notwithstanding that point, would the Government be minded to investigate whether some kind of minimum payment across the country might be a good idea?

Aileen Campbell: Such things need to be on the table in a wholesale review. We need to use the opportunity that is presented by the proposed children and young people bill to ensure that we have a close look at what is going on around the country. It is worth exploring the point that Liz Smith has made.

Liz Smith: I am pleased with that answer. How soon might the information be available? When we consider the bill, it will be useful to have information that relates to factual points—

Aileen Campbell: There are points that you need to explore. Our intention is to work within the timescale that applies to the bill's preparation. We can get back to you with more clarity on the timescale for the review, which is independent of the bill, but will certainly inform it.

Liz Smith: When might you do that?

Aileen Campbell: The legislative programme has been laid out, and we need to prepare a financial memorandum for the bill, as I said. The review on particular issues to do with kinship care is not part of the bill but will inform the bill, so we will get information and clarity on the dates for you later on. Broadly speaking, we want the information at about the same time.

Liz Smith: That would be helpful. Thank you.

Liam McArthur (Orkney Islands) (LD): We are all aware that there are inconsistencies, as the minister said, and the details that 20 councils supplied about what they provide bears that out, although we do not have a full list of what councils provide. The concordat is explicit about

"providing allowances for kinship carers of 'looked after children' to treat them on an equivalent basis to foster carers."

That was a joint commitment between the Scottish Government and COSLA, back in 2007. From what you said today, minister, and from the evidence that we have from local authorities, it appears that we have not achieved that. The rates that are paid to foster carers and kinship carers

vary enormously, and there are differences between and within councils. Does the fact that we are where we are five years on highlight a weakness in the concordat?

Aileen Campbell: Given what I said about the concordat and the Administration's work around the regulations to recognise kinship carers, and given that since 2007 there are far more kinship carers and far more local authorities providing support, I think that a lot of progress has been made. The Government realises that there are inconsistencies across the country, which is why we are reviewing financial support for kinship carers.

We need to continue to work with local authorities on that. It is right that local authorities have the autonomy to work in a way that best supports parents in their areas. We need to get the balance right. We need some kind of consistency and parity across the country on the support that kinship carers can expect to have; we also need to respect local decision making and acknowledge that local authorities know best how to deal with parents in their areas.

We need to focus on the most vulnerable. Much progress has been made. The forthcoming parenting strategy will articulate the needs of kinship carers, acknowledging their parenting role.

Liam McArthur: Does that illustrate the tension between various aspects of the commitment? We had an agreement between the Scottish Government and COSLA back in 2007 and we are now in the realms of a review and an order on kinship care is pending. It strikes me that all that suggests that the concordat has not done what it was meant to do and that you have not been able to deliver—

Aileen Campbell: The concordat has helped a number of families across the country, and far more progress has been made than at any time since the previous Administration, of which your party was part.

Liam McArthur: The amount of inconsistency that you admit exists, the fact that you are having a review and the fact that legislation is required and an order is pending all tend to suggest that you concede that the commitment in the concordat was undeliverable through that mechanism and that you must take a different route.

Aileen Campbell: We are listening to kinship carers and responding to what they tell us about the areas in which they need support. We are responding in a way that gives them and their children the best outcomes that we can help them to achieve. That is the right thing to do. Kinship carers tell us that they want to be recognised for their parenting role and we want to help them with that. That is why we need to introduce an order to

help make kinship carers' interaction with the UK benefits system much easier.

It is not a straightforward subject; lots of intricacies need to be dealt with. However, I believe that the concordat has delivered an enormous amount of benefit for kinship carers, in terms of the support that is being provided by far more local authorities than has ever been the case before.

Liam McArthur: I have to beg to differ, not least given the petition to which we will turn later in this evidence session. You say that you are listening to kinship carers and you talk about the parenting role that they perform—clearly, that is a message that the committee has also received. It suggests that the approach taken by local authorities is that if people go down the route of the parenting role, it is likely that some of the support that is currently available through local authority means would dry up. Support is not being augmented through the benefits system. We have received evidence that there is a trade-off between them. Both positions are legitimate, but to suggest that the inconsistencies—

Aileen Campbell: Again, the Scottish Government has worked to bring about benefits to kinship carers by interacting with the UK Government to make sure that some of the clawed-back benefits are no longer clawed back. That has shown that the Scottish Government can work with the UK Government to make sure that kinship carers are properly financially supported.

Liam McArthur: Clearly, there has been progress in certain areas under the welfare reform proposals, but that does not explain the inconsistencies. It would be much appreciated if COSLA and, in particular, Douglas Chapman, turned up to the committee and answered questions. We have received from COSLA a litany of all the difficulties that local authorities face in this area. None of that explains the inconsistencies between local authorities. All of the difficulties will be faced equally by each local authority. The inconsistency has resulted in kinship carers understandably asking why it is possible for one council to deliver in a certain way and provide a greater degree of consistency and parity, yet their own council does not, when both councils are under the same budgetary constraints and are facing the same benefits system requirements.

Aileen Campbell: I have talked about the review of financial support, which we are commissioning to make sure that we have a better understanding of what exactly is going on. That will shed greater light for us on some of the points that Liz Smith raised, and it will help us to tailor packages of support for individual kinship carers in

a far better way than has maybe been achieved before.

Liam McArthur: Would it not have been better to have had a review before a concordat about providing

“allowances for kinship carers of ‘looked after children’ to treat them on an equivalent basis to foster carers”

was agreed and signed up to?

Aileen Campbell: The concordat was signed in a spirit of agreement to work together. Let us not forget that an enormous amount of progress has been made since 2007 because of that joint working between national Government and local government and the concordat to ensure progress for kinship carers.

Clare Adamson (Central Scotland) (SNP): Prior to 2007 there was no support for kinship carers. Support was introduced by the Scottish National Party in 2007, through the concordat. Would the minister care to comment on the effect of the financial downturn on the demand for kinship care allowance and how that has been skewed across the country’s areas of deprivation, such as Glasgow?

Aileen Campbell: In areas such as Glasgow there is always higher demand—for want of a better word—for kinship carers. That goes back to the point that each local authority has its own particular needs. Glasgow is a case in point, where the demand for kinship carers is higher. Given that we are talking about parents, families and children in a broad sense, every family has been affected by the economic downturn and there will be impacts because of that. Although I am not able to tell you at the moment whether there is any statistical evidence to show whether the economic downturn has caused any further detriment to kinship carers, we know that it has had a hugely negative impact on families that are living in poverty.

We need to ensure that we get the financial support right. That, and the inconsistency of the financial support from local authorities, is why we are having a review and why we constantly engage with the UK Government on its welfare reforms to ensure that the support measures that we know exist are put in place to help those families.

10:30

Marco Biagi (Edinburgh Central) (SNP): I would like to understand the problem with the UK benefits system better. It is referred to in the written submission from COSLA, which says that, following representations, kinship care payments to recipients of housing benefit are now disregarded as income but other benefits are still

clawed back. What benefits are those and what problem does that pose to the typical kinship care household?

Aileen Campbell: The work that the Scottish Government has done to ensure that council tax benefit is no longer clawed back means that some families are now £50 better off. Our aim with the proposed kinship care order is also to ensure that interaction with the UK benefits system is much better.

Perhaps David Blair will elaborate on some of the work that he has done on clawback and the benefits system.

David Blair (Scottish Government): As the minister said, we managed to secure some changes that insulated kinship care payments from council tax and housing benefit clawbacks. However, it remains the case that the ability of a kinship carer of a looked-after child in particular to claim some other, fairly fundamental benefits that are part of the family environment is often frustrated.

Child benefit is an obvious example. It is generally not possible for kinship carers to claim that, although there are some exceptions. Those who claim it are usually advised that there is a risk that their claims may not be competent and, therefore, that there is a risk of clawback. Kinship carers who claim might benefit by £20 a week for the first child—quite often more—and that is an awful lot of money to risk being clawed back.

The situation gets even more complicated because child benefit is a passporting benefit to other things, such as child tax credit. If somebody wants to bring up a child as a parent, they would expect to be able to claim child benefit and then, if their income is low enough or they are in certain types of work, child tax credit. Generally speaking, kinship carers are entirely excluded from child tax credit. We know of some examples in which it is claimed, but there is the same risk of it being clawed back.

Does that answer your question, Mr Biagi?

Marco Biagi: Yes, it does. It sounds to me like a horrifically complex system and it sounds like the burden of navigating it is being placed on people of whom many other things are also asked.

Has the UK Government’s response on the other benefits—in particular, those that were just mentioned—been helpful or otherwise? That is perhaps a question for the minister, given that it is more political.

Aileen Campbell: As I said in reply to a previous question, I met one of the UK Government ministers—who did not have responsibility for kinship carers but had an interest in the policy area. That minister recently moved

post. We made the point that kinship carers face considerable challenges when interacting with the benefits system—on top of all the other challenges that you mention, Marco—and said that we would like to engage further on that issue. Perhaps because of the change of ministers—to be kind—we need to pursue the issues a wee bit further, because we know that we need to help kinship carers out on that issue. We have made the offer to the UK Government to allow it to engage with kinship carers in Scotland and hear first hand how they have felt about dealing with the UK benefits system. That offer has yet to be taken up, but it was made because we felt that we needed to ensure that UK ministers understand the real challenges that kinship carers face.

On our aspirations for our country and our aim to make Scotland the best place in the world to grow up in, having control of the benefits and welfare system would make a difference because, with that control, we could bring some clarity to a complicated area and perhaps bring about some of the changes that we think are necessary for kinship carers.

Marco Biagi: My final question follows on from that quite well. Has the devolution of council tax benefit perhaps made it easier for the UK Government, in the sense that if it did not change it, we would when the power came to the Scottish Parliament?

Aileen Campbell: Unlike Liam McArthur, who made an assertion about the spirit of the concordat and whether it has brought about closer working between local government and the Scottish Government, I think that the work that has been done between the Scottish Government and local government in trying to mitigate the worst impact of welfare reforms, particularly around council tax benefit, shows exactly what can be achieved. There can be positive benefits for people.

Joan McAlpine (South Scotland) (SNP): Marco Biagi has covered my question.

Liam McArthur: Minister, you say that, with independence, we would have clarity on how the welfare system would be structured. I have sat through at least a couple of debates in which I have heard much about being simpler and fairer but very little detail about that.

Aileen Campbell: It would certainly be within our gift to allow that clarity to be brought.

Liam McArthur: I certainly do not underestimate the challenges in applying for child benefit, child tax credit and so on, but will you clarify whether foster carers are eligible for those benefits, as we are looking at the discrepancies or inconsistencies between provision for foster carers and provision for kinship carers?

Aileen Campbell: Foster carers are not eligible, as they are not seen as having the parenting role that kinship carers have.

Liam McArthur: So that does not really have a bearing in terms of the consistency—

Aileen Campbell: What would have a bearing is changing the eligibility criteria for child benefit, which we could do if we had the powers to achieve that.

Liam McArthur: But that does not explain the inconsistency that currently exists, which you are trying to resolve through child benefit and child tax credit, which do not apply to foster carers.

Aileen Campbell: Forgive me, but would you repeat your question? I am not sure that I entirely understand your point.

Liam McArthur: We are looking at the inconsistency between the provision for foster carers and the provision for kinship carers. You have talked about an area in which there is clawback, but if foster carers are not entitled to any of those benefits, I am struggling to see how that has a bearing on the inconsistency between the provision for both of those groups, which you have admitted exists.

Aileen Campbell: As I have said and as kinship carers have told us, kinship carers want their parenting role, which they carry out very well, to be recognised. Therefore, we need to ensure that they are fully supported by the UK benefits system, which currently is not always the case. That is where the differences lie.

Neil Bibby: What steps that are within the direct responsibility of the Scottish Government have you taken to provide financial support to kinship carers?

Aileen Campbell: We provide the block grant to local authorities.

Neil Bibby: The Scottish Government suggests that the level of the kinship care allowance is a matter for individual local authorities, but you also suggest a national minimum allowance for foster carers. Why are you perpetuating the difference between kinship and non-kinship care?

Aileen Campbell: I am not sure what you mean. On how the block grant works, there is no ring fencing. We give a block grant to the local authorities, which are entitled to make decisions at a local level on how they will support their kinship carers financially.

Neil Bibby: You are saying that local authorities are responsible for their own budgets, that they can take their own decisions and that they can use the money as they see fit, but the Scottish Government could do the same. What direct

financial support is the Scottish Government giving to kinship carers?

Aileen Campbell: Again, I am sorry but—

The Convener: I am also a bit confused, Neil. Can you clarify your question? I am not sure what you are asking either.

Neil Bibby: What financial support does the Scottish Government give to kinship carers?

Aileen Campbell: It is provided through the block grant that we give to each local authority, which is agreed nationally with COSLA.

We provide support in other ways, such as through the work that I mentioned with Children 1st, which kinship carers have warmly welcomed. Other support is given to help kinship carers to navigate their way through the very complicated structures that are in place. The point remains that the system works through the provision of a block grant.

Neil Findlay: I will pick up on that issue. The point that is being made is that the block grant is provided, but it is subject to the concordat. The concordat means that there is an agreement that a council will get X if it does Y; the issue is that Y is not happening.

The evidence provided by Councillor Douglas Chapman, the COSLA spokesperson—I know that you are not responsible for his submission, minister—states:

“This confusion has led to perverse incentives with children becoming and remaining looked after with kinship carers for financial rather than welfare reasons.”

The inference is that a bit of a scam is going on. Is there any evidence of that? No evidence is provided in the submission. Does the Government agree with that assertion?

The Convener: The statement is at the top of page 3 in COSLA's submission.

Neil Findlay: It is the bottom two lines of the first paragraph on page 3.

Aileen Campbell: One reason for bringing forward the kinship care order is to ensure that the system does not create a perverse situation in which, as you say, more children end up being looked after than we would ideally want. That maybe comes back to the point that I made about the review of the financial support, which will ensure that we have more statistics to evidence what is happening.

One way in which we want to remedy the situation is by introducing a kinship care order so that we can ensure that, by intervening earlier and ensuring that fewer children become looked after, children have a much more nourishing and nurturing family life.

Neil Findlay: Do you regard COSLA's statement as being true? Is there any evidence that what it suggests is taking place?

Aileen Campbell: There is anecdotal evidence through Children 1st.

Liam McArthur: I have a brief question on the statistics that we have been provided with about family and friends placements by local authorities. I will exclude from consideration Orkney Islands Council—its figure, which is down at about 5 per cent, must be a statistical anomaly—and Glasgow City Council, which is quite understandably at the upper end. However, there seems to be quite a large discrepancy between, for example, South Lanarkshire Council, Moray Council and West Lothian Council, which have figures for family and friend placements of about 15 per cent, and a large bulk of councils that are up at 25 or almost 30 per cent. Is there a reason for that discrepancy? Do the approaches that councils take to placing looked-after children explain the difference? Perhaps that question is another one that is more for COSLA.

Aileen Campbell: It could be one for COSLA or for the individual councils. It might just be that a council area is a culturally different place and that there has been a greater prevalence of using kinship carers.

In the grand scheme of looked-after children, outcomes are better for children placed with a kinship carer. We must ensure that that is fully understood. Locally authorities decide where to place a child in different ways. We maybe need to have a better understanding of that process for individual local authorities. The question might be best answered by an individual local authority or COSLA.

10:45

Liz Smith: I put on record again my earlier point that it would be helpful to have more quantitative evidence to back up some of the Government's key points. Obviously, we are talking about a complex area and we all accept that the issues are not easy, but our opinions would be better informed if there was a greater wealth of statistical evidence out there. Some of the existing evidence is perhaps a little anecdotal and not sufficiently robust to inform our policy discussions.

The Convener: That point is well made. I am sure that the Government shares some of the doubt.

Aileen Campbell: Yes. That is why the review will be on-going. We will ensure that the committee gets more information, if members require it.

The Convener: That would be helpful—thank you.

Joan McAlpine: I put on record my confusion about the Liberal Democrats' position. They spend a lot of time telling the Government that it is too centralising and that local authorities should have more decision-making powers, but in the case that we are considering, in which local authorities have decision-making powers to make the right decisions for people in their areas, they complain about inconsistency.

The Convener: That point is made and is on the record. I am sure that Liam McArthur disagrees.

Liam McArthur: That was the usual fatuous and patronising remark from Joan McAlpine.

The Convener: Let us not descend into name calling, as that would be unhelpful.

I have a final question for the minister. Can we get a bit more information on the proposed kinship care order, which you have mentioned a few times? It would be helpful to understand exactly what you envisage the order will achieve.

Aileen Campbell: The kinship care order will be part of the children and young people bill, so the committee will be able to consider the issue much more rigorously when it considers the bill. The aim is to have kinship carers' role clearly identified and defined in law without the need for the child to have looked-after status. We believe that the order will have a number of benefits. It will allow children not to be looked after. It will allow for quicker decision-making, without the lengthy court interaction that sometimes occurs at present. It will be possible to prepare an order before birth. The order is designed to give local authorities much more scope to help families to avoid the formal care route, if that is appropriate. So the kinship care order will have a number of benefits. It will allow kinship carers to be recognised formally in another way through legislation.

The Convener: Mr Findlay referred to the COSLA evidence. In the same paragraph that he mentioned, at the top of page 3, the evidence refers to confusion surrounding the way in which kinship carers are defined. Is the kinship care order supposed to strike at that confusion?

Aileen Campbell: Yes.

The Convener: I am sure that we will consider the issue in detail when we deal with the bill.

Aileen Campbell: Yes. The order is about trying to find another route to permanence for the child and to give kinship carers much more support without some of the needless bureaucracy that sometimes ensues.

The Convener: We look forward to examining that in detail when the bill is introduced.

I thank the minister and her team for their evidence. I suspend the meeting briefly.

10:48

Meeting suspended.

10:50

On resuming—

Petition

Kinship Carers (PE1420)

The Convener: Item 2 is consideration of petition PE1420. Members have received a copy of the petition and some background briefing notes. Do members have any comments at this stage, given the evidence that we have heard this morning and the details of the petition?

Neil Bibby: One of the points that we raised was the lack of information about the level of support that is available to kinship carers in Scotland. The minister gave a commitment to provide us with additional information, and we should certainly follow that up with the Scottish Government. Given that we have heard from the Scottish Government today, it would be helpful to ask the petitioners—Clacks kinship carers—to return to give oral evidence and to give their response to the Government.

Liz Smith: That first point is valid and I suspect there is agreement around the table for that. The more we are informed, the better. I have an open mind about whether we need oral evidence from the petitioners.

Clare Adamson: I welcome the commitment of the minister this morning to provide that additional information. I think that we should leave the petition open and revisit it after we have scrutinised the bill.

Liam McArthur: I agree. It would also be helpful to have additional information from those councils that have already provided it. We need to look at the trend, because what we have here is a snapshot of the current situation but the argument is that there is a move in the right direction. We are dealing with a different issue from what we would be if the position that is set out had been in place for two or three years and had not really moved.

Marco Biagi: Oral evidence would fall very well into the consideration of the children and young people bill.

Neil Findlay: We should also make an effort to convince Councillor Chapman to come before us again, given that COSLA has a significant role to play in this regard. If he were to give evidence, it might provide an opportunity for the petitioners to be here at the same time and everything could be done and dusted in the same session.

Jean Urquhart: We should keep the petition open because it is clearly very relevant to our work on the bill.

The Convener: There seems to be general agreement that we will keep the petition open because we have not come to any conclusions at this stage and it is very relevant to our work on the upcoming bill. I have a sense that members are keen to seek further and more detailed information from the Scottish Government and from local authorities—whether through COSLA or from individual local authorities. I certainly agree with Liam McArthur's suggestion that we seek to close the gap and increase from 20 to 32 the number of local authorities that we have information from, in order to get a fuller picture across the country. I suggest that we write to the Scottish Government, COSLA and the missing individual local authorities in order to fill the evidence gap.

This will be under consideration in the forthcoming children and young people bill. If members agree, I suggest writing to the petitioners to urge them to submit detailed evidence to us before we consider evidence on the bill and before we decide whom to invite to give oral evidence. I suggest that we make decisions when we consider our witnesses.

Liam McArthur: I agree entirely about seeking information from the 12 councils from which we do not have information, but I suggested that we should ask how the numbers have changed—

The Convener: I apologise—you asked about the trend.

Liam McArthur: That would give us a slightly different and clearer picture.

The Convener: We will ask for that information, too. I do not know whether the Scottish Parliament information centre can help us to seek some of that information.

Neil Bibby: The petition came from Clacks kinship carers, so we should hear oral evidence from that group. I do not suppose that anyone will have a problem with that.

The Convener: I just suggested that we should decide on witnesses when we consider who will give oral evidence on the bill. As we know, questions on kinship care are included in the consultation on the children and young people bill. As the minister said, the kinship care order is intended to be part of that bill. I suggest that, when we have the bill, we should decide who will give evidence.

Marco Biagi: I suggest that we should have historical trend information on kinship care allowances from 1999, if it is available.

The Convener: We will get as much as we can, to try to give us a fuller picture.

Marco Biagi: If the Government's point is that progress has been made since 2007, it would be perverse to start the historical trend at 2007.

Liam McArthur: The issue relates to the concordat, but I have no objection to the suggestion.

The Convener: We will ask for the information.

Neil Findlay: When will we decide whether to invite the COSLA spokesperson?

The Convener: As I said, COSLA declined our invitation to give oral evidence on this occasion, but it provided written evidence. I have sought an urgent meeting with the COSLA spokesperson, Mr Chapman, to try to ensure that he is available for our next invitation. I fully expect COSLA to be here to give evidence on the bill and on kinship care. We will see whether an opportunity arises before then. I share the disappointment that I am sure you are expressing that COSLA was not available today.

Neil Findlay: So we intend to get COSLA along at some point.

The Convener: Absolutely.

Do members agree to the course of action that we have roughly outlined, which involves obtaining additional information, discussing from whom we will take oral evidence when we discuss all possible witnesses and encouraging the petitioners to submit to us further detailed information to assist us in the process?

Members *indicated agreement.*

10:58

Meeting suspended.

11:00

On resuming—

Creative Scotland

The Convener: Item 3 is an evidence session on Creative Scotland. It is approximately one year since the last time Creative Scotland gave evidence to the committee and two years since its creation. This will be the committee's final one-off evidence session on cultural issues prior to the Cabinet Secretary for Culture and External Affairs giving evidence to the committee on 23 October.

I welcome to the committee Matt Baker, who is a public artist; Andrew Dixon, the chief executive of Creative Scotland; Gwilym Gibbons, the director of the Shetland Arts Development Agency; and Francis McKee, the director of the Centre for Contemporary Arts.

Before we begin, I note that we have received a correction to the evidence that was given at last week's committee meeting by Francis Cummings, the director of music at the Sistema Scotland big noise project at Raploch. He has confirmed that big noise has indeed received public funding, including from Creative Scotland. He wanted that correction made to the evidence that he gave last week.

Welcome, gentlemen, and thank you for coming. Clare Adamson will begin our questions.

Clare Adamson: Over the years, I have observed that funding of the arts is not normally without controversy of some kind, not least during times of change. How many applied for what was previously called flexible funding and did not receive it under the old system? Were any anomalies thrown up in who received that funding and who did not? Given the cabinet secretary's July letter to Creative Scotland, and Creative Scotland's response, which was to extend flexible funding for a further six months, what concerns about the new funding models are still to be addressed?

Andrew Dixon (Creative Scotland): First, I will put flexible funding into context. Creative Scotland is now two years old and we have carried out a major programme of change. The current focus is on the moving of 60 flexibly funded organisations into new territory in which some will be funded from grant in aid and some from the lottery.

Of course, Creative Scotland was set up to do different things. When you look at the range of different things that we have done in the past 12 months—establishing a television production fund, running the Luminare creative ageing arts festival, increasing our showcasing, running the London 2012 cultural programme, funding creative futures residencies with 70 artist residency hosts, and

working in partnership with Young Scot—you can see that we have moved into lots of new territory. To do all that, we had to free up some of our grant-in-aid budget in a pressurised environment in which the core funding that we received from the Government was understandably reduced, although the Government's overall support has increased. That is the context.

Creative Scotland inherited commitments to 60 flexibly funded organisations; the decisions on those were taken two weeks before the organisation came into being. All 60 of those organisations were doing really good work. They were high-quality cultural organisations such as festivals, theatre producers and galleries. However, they were 60 out of 120 to 130 organisations that had applied, and many others—Pitlochry Festival Theatre, the Wee Stories Theatre for Children, the Byre Theatre and the other controversies of two years ago—did not get flexible funding, which was a two-year project commitment.

Creative Scotland has been trying to make funding more sustainable and to stabilise it by reviewing all our organisations. We have increased the number of foundation organisations and we have made a few, such as Cumbernauld Theatre, the Highland Print Studio, and Edinburgh Printmakers, into foundations. We have given 22 organisations what we call annual funding, but it will be in our budget for three years. They include organisations such as St Magnus festival and some of our networking bodies such as the Federation of Scottish Theatres.

We will invite 49 organisations to bid for lottery funding, which will give them more opportunity to realise their artistic and creative ambitions. For the moment, we are giving them slightly preferential treatment, in that they are being invited to bid into a lottery programme. We hope that we will be able to support programmes of work for the next two years. I say "slightly preferential treatment", because there are organisations such as Wee Stories Theatre for Children, the Pitlochry Festival Theatre and the Byre Theatre that we also want to find ways of supporting.

We are trying to get to a level playing field in two years' time and a situation in which we can free up, in difficult economic times, some of our Government grant in aid to do new things to cover the geography of Scotland and deliver strategically in places where there is no cultural infrastructure, while allowing creative organisations to realise their ambitions through—we hope—lottery funding.

The Convener: I will not encourage all the witnesses to answer every question—in fact, I would prefer it if everyone did not answer every question, or we will be here all week. However, if

anyone else wishes to answer Clare Adamson's question, I am happy for them to do so.

Andrew Dixon: Francis McKee's organisation is one of the organisations that are affected, so—

The Convener: I have opened the door, Francis.

Francis McKee (Centre for Contemporary Arts): That is probably why I am here.

Obviously, it is a fraught process, because it involves change. Although we are a small organisation, we are quite a large enterprise. There have been problems along the way, and those problems are still the subject of negotiation and are evolving as we go.

Initially, the problem was that what was being offered seemed to be project funding. We do 18 exhibitions a year and put on 440 events. We have 12 cultural tenants and three businesses that rent from us. With such an enterprise, it is not really possible to operate on a project-by-project basis. We are talking about a long-term business that needs to plan ahead. It is necessary to have three or five-year plans, to be able to talk to other people and to take two years to plan an exhibition. That was worrying for us at first.

As Andrew Dixon said, that has changed. We can now plan for and apply for funding for a two-year programme of projects. There has been a constant evolution of the parameters of the new bid, and that is helping us as we go. The fact that those positive changes are happening has perhaps gone a little under the radar, but they are changes that we needed to see happen because, otherwise, we would have been destabilised. It looked unfeasible for us to be funded project by project immediately. Those are the kind of discussions that we have had.

The extension of flexible funding was very necessary, given what is happening. For example, we have to respond to the Commonwealth games, on which the City of Glasgow Council and Creative Scotland will announce what they intend to do only from October through till Christmas. If we had had to put in our initial bid by September, we would have had to have already planned what we would do for 2014. As we are a major venue and a major contributor to Glasgow during the Commonwealth games, that would not have been much use to Glasgow or ourselves. It is possible to respond only when we know what others plan to do. Those plans are evolving and emerging. We need to find out what is happening so that we can respond to them better.

It is the same with strategic commissioning. We might like to bid for that but, with it not being announced until after September, we would not have known what the strategic commissioning

was, whether we wanted to bid for it, whether we would be successful, whether we would leave gaps in our programme and what would have happened if we did not get it and we had left gaps in our programme.

These things are now following a much more logical sequence that makes more sense to us from the point of view of taking decisions about what we might want to bid for and what we might be in line usefully to do. The initial timeline was reversed, and that did not work for us. We were guessing in the dark about what we might try to do. With the extension, we can look at what is coming up, what we can work towards, what we can usefully do, what we can bid for, what we should not do and where we fit in, if we are successful. Those things all become slightly more logical and we have slightly more chance of being successful and of being useful as an organisation with the chronology as it now is.

The fact that it has been an extremely positive process for us does not get much mention in the media. Creative Scotland has good staff—they really know what we do. That is good, because we have quite a strange, new economic model. It is positive that it has been accepted and supported. However, the chronology and working out how we will do things have been worrying.

The other thing I should say, maybe on behalf of all the flexibly funded organisations, is that there is concern about the relationship to the lottery. Lottery funding looks as if it is project funding—it looks as if those are the parameters of the funding. However, we are now talking about much more sustainable funding through the lottery, which obviously we would all welcome. We just want to know that the lottery agrees.

There are a few issues like that, where I suspect people know the answers but there might need to be better communication of those answers. There needs to be more visible dialogue with the arts community on things like that. A lot of good things are happening but they are not being reported—they are not as visible as they could be. That is what is worrying the arts community.

Matt Baker: Andrew Dixon mentioned level playing fields. As I come from the south of Scotland, that is a good place for me to start. Andrew inherited a situation in which there was not a single flexibly funded or foundation organisation south of Lanark. We were not too bothered about the changes in flexible funding; we were looking forward to the fact that we would be able to work on a more level playing field. Having said that, I have huge respect for the flexibly funded organisations.

I guess that I am here representing the foundation-funded organisations of the future. We

represent the artist-led groups that are coming up from grass-roots level in response to some of the cuts. We are already committed to a kind of social enterprise model in the way in which we operate. We are not expecting core funding. What we are expecting from Creative Scotland is advocacy and assistance in partnership working to break down the barriers that prevent artists from working directly with local authorities and education, tourism, environment and health departments. That is the playing field that we want to work on—we want to use the arts as a tool for wider social good and to look at what the arts are for. That is the kind of new development model that we were looking for, and we are hearing quite good noises about that.

Gwilym Gibbons (Shetland Arts Development Agency): We moved from being a foundation organisation to being an annual client, so we went through that process of change. It was a bit scary and nerve-wracking but, on reflection, we feel that the whole process was robust. It was incredibly useful for us as an organisation to stop and take stock about who we were and where we were going. We spent focused time in face-to-face conversations with officers in Creative Scotland to think about our model.

Being an annual client is a positive place for us to be. It is much more suited to the nature of our organisation—we want to be more responsive and dynamic and to look for a more entrepreneurial way forward. Although change is difficult, it has been a positive process for us.

Clare Adamson: One of the aims at the start was to make the whole process more transparent. Do you feel that that has been achieved?

Gwilym Gibbons: Yes. I felt that the process was very transparent. I may say more later about how the whole organisation feels a lot more transparent now, particularly given that we are in a location where we do not get the opportunity to network in the way that others might do in the central belt. I welcome the transparency.

Matt Baker: I disagree with that wholeheartedly. One of the problems to date with Creative Scotland is the perception that there are five people in a room in Edinburgh making decisions about the country. In some rural areas, we are really lacking representation. We do not understand what portfolio managers are or how we can contact them. We feel that we are coming from the outside.

Francis McKee: I would probably agree with Matt Baker. There is good dialogue face to face, but there is not enough getting out there to the public or public dialogue with the community—core dialogue about the arts, so that people can feel that their questions are being answered.

People need more answers and more dialogue to build trust. Trust is being lost at the moment, which is dangerous. Good things are happening, but knowledge of those things is not getting out. There is a communication gap that needs to be bridged, as much as anything else. A lot of good people are doing a lot of good things, and that needs to be communicated if trust is to be built up. That is what people want.

11:15

Andrew Dixon: The first thing to say is that I am committed to transparency. Everyone on my team knows that that is the way I have worked in the past and that is what I want to deliver in Creative Scotland. However, I do not think that we have got it right in terms of being clear and transparent. We are doing a brilliant number of things, and if we had eight hours, I could tell you about all of them.

The Convener: We do not have eight hours.

Andrew Dixon: Although we have got the information about the change out to the organisations that we deal with, we have not been good enough at getting it out to the people around the edges who have been commenting in the press and elsewhere. We put our hands up and say that we need to do more to communicate that information and to listen to people's concerns.

Matt Baker made a point about geography. People know that I am committed totally to Creative Scotland delivering across the geography of Scotland. In the past, I worked with 54 local authorities, and I am working with another 32. I am at date 28 of a 32-date tour of meetings with every local authority chief executive, which is taking place on top of a lot of other touring.

Our model involves portfolio managers who look after an art form or set of festivals and also a geography. They are starting to take more responsibility for parts of Scotland and places in Scotland. We have done a number of things to get into the areas of Scotland that do not have that core infrastructure, and I am pleased that Matt Baker referred to that. The Lanarkshires, the Ayrshires, Dumfries and Galloway, the Borders, Angus, Moray and so on are places where we do not have resident professional cultural infrastructure. Through our strategic commissioning, we need to get to that geography and provide the level of opportunities, participation and engagement that people enjoy in Edinburgh and, actually, places such as Shetland.

Marco Biagi: Mr Dixon, you mentioned lottery funding twice when you spoke earlier. I understand that, when the National Lottery was set up, guarantees were set in legislation that money that was provided by it would be additional

to public funding and would not replace public funding. How is the use of lottery funding that you describe in accordance with that?

Andrew Dixon: Without going into too much complexity, I can say that what the National Lottery cannot do is replace Government funding. In this case, people have asked how the flexibly funded organisations can bid for lottery funding, because that seems to be replacing what the Scottish Government gave them. However, that is not what the funding is doing, because the Government only had a two-year commitment to a programme of work, which covered the past two years. We are inviting bids—people must bid; the process is competitive—for a different model and a different programme. That means that we are not breaching any additionality rules.

Lottery funding can be used for revenue. Some of the lottery funding distributors do that. For example, the Big Lottery Fund has been funding individual elite athletes. That is perhaps happening to a greater extent than it has in the past, and we want to explore that further. Last week, the board agreed that we are going to conduct a survey to find out what all the lottery distributors are doing. That will cover the arts lottery distributors—many of which I know, as I designed the lottery programmes in England—the heritage lottery distributors and the sports lottery distributors.

There are different models. In southern Ireland, the lottery and Treasury money comes as one lump, with no differentiation, while, in Northern Ireland, the Arts Council will fund core costs for cultural organisations up to a ceiling of £70,000 for—I think—two or three years.

We have the ability to be quite flexible with lottery funding. We are trying to transition to a situation in which we can keep as much of that work happening as possible, because the cultural organisations that we are talking about are, as Francis McKee said, central to things such as the national cultural programme for 2014, and we want them to be thriving.

Marco Biagi: On that last point, arts stakeholders in my constituency—which is Edinburgh Central, so there are one or two—have expressed concerns about the uncertainty over the balance between the commissioning role and the responding role. I know that that has had quite a bit of salience in the media recently, not least with Fiona Hyslop's remarks in August. Could you explain how you see that balance functioning, particularly with regard to the creation of the strategic commissioning fund?

Andrew Dixon: First, Creative Scotland's primary role is to support artists and cultural producers, and the majority of our funds—the foundations and the flexible funding—are open

access programmes that respond to the ideas of artists and creative individuals.

Through commissioning, we try to deliver something specific to an objective, either to reach some of the geography of Scotland and address a gap, or to build on a strength. For example, we have a huge strength in children's theatre in Scotland, but we do not have enough of it. If we want to do something about that, we must commission more children's theatre and ensure that there is the opportunity for it to tour across the Borders and Ayrshire where not as much children's theatre happens. Our reviews of the various art forms lead us to conclusions, in dialogue with the theatre and dance sectors, about strategic commissioning.

Secondly, Creative Scotland has a role in commissioning major national events, such as the London 2012 cultural programme, which included the speed of light, which took place on Arthur's seat; Michael Clark's "The Barrowlands Project"; and the torch relay that went around 31 of the 32 local authorities with the summer of song. We will also have responsibility with Glasgow Life for commissioning projects for 2014.

The Cabinet Secretary for Culture and External Affairs wrote to my chairman just last week to clarify that, although she absolutely supports the central plank in Creative Scotland's strategic commissioning plan, she wants to ensure that there is a balance. In reality, we invest 80 per cent in cultural organisations and artists on their own terms, and the remaining 20 per cent will be used to address the gaps and to build on our strengths. That is the balance.

Matt Baker: Speaking from the south-west's point of view, strategic commissioning is one of the issues that we have with what is going on, as we need investment to build up infrastructure. Large cultural producers—commissioned by Creative Scotland—are being parachuted into our areas and swallowing significant amounts of our budgets to put on other projects. For example, the project that took place most recently in our neck of the woods was out of the box, and it has left a lot of discord and been destructive to local infrastructure. That is an example of how important that strategic commissioning dialogue is, and one of our problems is that we do not have a route into the discussions.

Joan McAlpine: I would like to hear Mr Dixon answer the point that Matt Baker has just made about big companies coming in from outside to deliver projects that take away from the local arts infrastructure. We also need to look at the stinging criticisms that have been made about the changes in how Creative Scotland funds projects. In particular, the allegation that bureaucrats are managing the agenda of some of our most

accomplished artists needs to be answered. That will not change—although Creative Scotland might have extended the situation and have a bit of stability until 2013, after that it is going back to project-based funding that people feel interferes with their artistic freedom.

Andrew Dixon: I will respond on the point that was raised about the event in Dumfries and Galloway. I am assuming that you are referencing the community street theatre events that have happened—is that right?

Matt Baker: Yes. I was referring to the UZ Arts event.

Andrew Dixon: UZ Arts is an organisation that has been based in Glasgow from many years. It used to run the big street outdoor festival in Falkirk. UZ Arts is part of the year of creative Scotland, and it made a bid to us for lottery funds to carry out a major programme of public art across the country. It certainly has not been parachuted in; it is a Scottish company. It wanted to develop its projects in areas across the country, so it has worked in Shetland, Argyll and Bute, and Dumfries and Galloway. We were pleased about its work in the latter area because it has not had as much independent cultural production. I am therefore concerned to hear that that work has in some way destabilised local activity but, for us, that was an artistic decision made by a cultural organisation based in Scotland deciding on where it wanted to work.

On Joan McAlpine's second point, the people in Creative Scotland are not bureaucrats—I have artists and people with vast cultural experience involved in taking decisions on cultural activity—but nor are we artistic directors. We do not take artistic decisions; we back the ideas and creativity of individual artists and cultural organisations. If anything, we have been trying to devolve more of our money to cultural organisations to take those decisions themselves.

When I arrived in Scotland, there was a lot of criticism that the same artists got the same funding from the same budgets every year, and I have seen evidence of that. We have devolved more of our money to artist-led organisations, and I want to do more of that. For example, we devolve money to the likes of Playwrights' Studio for playwrights and, now, film writers; the Scottish Book Trust, for novelists and writers; and Awards for All, which does local community projects. In our creative futures programme of artist residencies, we have 70 residency hosts and 370 residencies and placements have been supported in the past 18 months. That means that 70 cultural organisations and other organisations such as colleges are taking decisions about which artist to employ. For me, that is a much more pluralistic way of taking cultural decisions.

I will defend my team: we are not bureaucrats or administrators; we are people who are skilled at taking creative decisions and who are trying to make the best of our limited resources to benefit the whole of Scotland.

Joan McAlpine: Yes, but by funding one project at a time, you basically make an artistic judgment on each project.

Andrew Dixon: When people apply to us for a single project, we decide whether it is a good-quality project, whether it reaches audiences and whether it has a strategic fit with the programme, whether that is an education or festivals programme. That has always been the case, and that is what arts councils and cultural agencies do.

With FXO funding, we do not just fund projects; we fund programmes of work and the organisations' core operating costs. Other people have introduced phrases such as "cherry picking", but we are not about cherry picking. We are about deciding which organisations' proposals we can afford to back, and we then let them fly and do things on their terms. We would never decide that a theatre company could not do "Macbeth" because there had been three other productions of it that year. It is up to the cultural organisation to decide on its programme. We might take a decision on whether we can afford the scale of ambition that is being asked of us, which is right and proper in a situation in which we can only ever support probably 50 per cent of the bids that come to us.

Joan McAlpine: As you say, it is important that we raise some of the serious criticisms that have been made of Creative Scotland. Joyce McMillan, the theatre critic for *The Scotsman*, has said that your new approach is imposing a kind of "sado-competition" on artists through the suggestion that, by making artists more insecure, they will become sharper and more creative, when in fact artists thrive on co-operation and synergy.

Andrew Dixon: In 2000, I ran the year of the artist, which involved 1,000 artists in 1,000 places. That was absolutely about giving bottles to the artists to take to the party, and that is the way in which Creative Scotland wants to operate. We do not try to control individual artists. One message that we perhaps have not got across is that, now that we have devolved a lot of money to other organisations, the money for individual artists is out there but artists can still come to Creative Scotland with their ideas and plans for professional development. We have supported many artists, writers, dancers and choreographers. An example is the recent unlimited programme, in which four disabled choreographers from Scotland produced work as part of the London 2012 programme—they were Claire Cunningham, Caroline Bowditch, Ramesh

Meyyappan and Mark Drew. We support fantastic individual artists absolutely on their terms.

I recently had a conversation with Joyce McMillan. She and I do not disagree on many things. I agree with the line that everybody takes that we need more sustainability in our cultural organisations. I would love to be able to offer five-year revenue funding to all the organisations in Scotland, but we have a limited budget and we have to work with that limited budget in a difficult economic time.

Joan McAlpine: If you have developed such a close working relationship with artists, why did the cabinet secretary feel that she had to write a pointed letter to you telling you to work more closely with artists and creators? Are you not slightly concerned that the cabinet secretary has to tell you, as the head of our cultural agency, to improve your relationship with artists and creators?

11:30

Andrew Dixon: It is appropriate for the cabinet secretary to reflect views that the public and our constituency have expressed. We recognised that we needed to listen more to artists and not only work through the intermediary agencies that we fund to support artists, so we are putting in place measures to do that.

We had a good dialogue over the theatre review. Many people engaged in that consultation and are now engaged in the dialogue about how we will spend money. We will do exactly the same with dance, the visual arts and crafts.

We are committed to talking to artists. It would be good if, sometimes, the artists came and talked to us and we could listen to them directly. A lot of the commentary has been happening in the press and on Twitter rather than through artists engaging directly with Creative Scotland.

Jean Urquhart: I will ask about governance, management and clarity of decision making—the same theme, to a certain extent.

There has been a huge reduction in staff from the old days of the Scottish Arts Council. Will you talk a little about the changes in decision making? In the past, there were committees for each art form and, usually, the chair of the committee would be on the board of the arts council and would report back on the work of that committee and the decisions that it had taken. There was a kind of information flow.

I am not saying that everybody was happy with that. The structure of the Scottish Arts Council was considered to be cumbersome, not to be working and not to be light enough on its feet. I accept that, but where are we now? Perhaps there are people

who knew that old system and need to know how it has changed. Part of that is knowing who makes the decisions and how they are made. Do people know that?

A point was made about a street theatre company going to the Borders and there being, somehow, a mismatch. What references would such a company need? Was the company in question funded through a competitive process that you announced? Was money to be available for the Borders and did that company apply for it? Did it then have local partnerships with local people who wanted it to come, even if Matt Baker did not know about that?

The Convener: Jean, can I stop you there? That is probably enough questions to be getting on with. We will come back to you.

Andrew Dixon: First of all, I will address budgets. The Scottish Arts Council did some really good things. I was one of the first people to say that the organisation was not broken. It was doing really good investment programmes, such as its inspiring communities programme, which supported brilliant projects such as Matthew Bourne's "Lord of the Flies" production with young people in West Dumbarton or the prisons project with Motherwell College. There were lots of really good programmes, but the majority of the SAC's budgets were tiny budgets that were locked away in art form cupboards with quite big decision-making processes around them, a bigger staff—as you say—and a big advisory structure with committees, steering groups and other bodies around it.

Creative Scotland has saved, and continues to save, £1.5 million a year in its operating costs. We have reduced from 155 staff to just under 100 and have gone down from having 108 separate budgets to having 15 investment programmes, which will, in time, become clearer.

With the exception of film, our investment programmes are cross-art form. We invest in artists and talent; audience and access; and festivals and events. Those are broader programmes. The decisions are taken by teams within the organisation. Typically, they are led by a portfolio manager with a team of development officers and a range of people assessing them.

There is now a greater plurality of decision making within the organisation. The perception is that the decisions are all made by my senior management team, but I can tell you that I do not go anywhere near the financial decisions. Other than the large-scale investments, financial decisions are devolved down within the organisation. I accept that we need to get better at communicating that and showing visually where decisions are made.

The new approach has allowed us to be much more flexible. If we have had a high demand for literature festivals, for example, we have been able to increase resources into our quality arts production fund and support festivals at a higher level. The Wigtown book festival and the Melrose and the Borders book festival have had better resourcing from the new programme; in the past they would have had a cap and been told that the maximum amount for a literature festival is £20,000 because that is what the literature budget allows.

We have been much more flexible and we have increased success rates in our investment programmes. We continue to monitor that. You might say that not enough people are applying, and that might be the case. However, in general we have moved to a much more flexible way of resourcing.

On the second question, yes, there was a competitive process and UZ Arts, a Scotland-based company with a good reputation, bid. In each case I think that there were local partners—the company worked in Shetland and I would be interested to hear from Gwilym Gibbons whether that was successful. There was certainly good media coverage of the work in different parts of Scotland.

Gwilym Gibbons: I am not sure what happened in Dumfries and Galloway. Our experience in Shetland with the roofless project, working with UZ Arts, was one of collaboration and co-production, so it did not feel as if the company had parachuted in. Maybe that is a reflection of the strong culture infrastructure in Shetland. We were able to work with UZ Arts, which worked with local artists and performers.

The project was extraordinary—we took a large mechanical bird round agricultural shows and reached an audience that was in excess of a third of the Shetland population. It was an audience that such an art project would not normally reach. A fantastic series of events ran this summer.

The Convener: I will bring Matt Baker back in, given that he raised the issue about UZ.

Matt Baker: The geography is part of the problem. Andrew Dixon said that UZ did not parachute in but, to be frank, in south-west Scotland we consider things from Glasgow to be parachuted in. That is the geography that we live with.

Creative Scotland is doing phenomenal stuff. I do not want to be the critic here, because I am not a critic of Creative Scotland. The creative places scheme is phenomenal. For members who do not know about the scheme, smaller places around the country bid—cities are not allowed to bid—and three places get an award every year. The

problem is that that should be the rule rather than the exception; it happens only once a year and it is a relatively tiny amount of money.

Creative Scotland also runs the place partnership programme. Dumfries and Galloway is a place partnership. Our experience was that some high heid yins from Creative Scotland visited a couple of times and then suddenly a great structure appeared for what we could do as a place partnership, which put sums of money against particular bids. In the meantime, Dumfries and Galloway had completely reinvented its arts infrastructure, through positive partnership working with the local council, and invented something called the chamber of the arts, which is a sector-led commissioning organisation. It is revolutionary, and regional arts hubs all round the region are feeding into it. However, we are still stuck with having to work to the pots of money that are attached to the place partnership. We cannot do what we want, which is to get someone from Creative Scotland to come and help us to build the chamber of the arts model into something of a national scale.

It is not just about a particular project. Things go wrong in the arts for all sorts of reasons and it is great to hear that roofless worked in Shetland. I was not having a pop at a particular project.

Francis McKee: There is maybe a Glasgow bias. There is a fragile but vibrant infrastructure—an ecology of different organisations that produce things from the grass roots up to international level and have achieved international success. There is a fear that if we pull out the wrong things everything might collapse, and people worry about how well that is understood.

The portfolio managers in Creative Scotland have a large part to play in relation to decision making. They have an in-depth knowledge of the different art forms, and it is important that they are involved enough in each of the art forms at different times to make those decisions. There is concern in the community about how much they are involved in each of the decisions.

Jean Urquhart: Accepting what Andrew Dixon says, is it the portfolio managers who make the decisions at the moment?

Francis McKee: It is hard to know at the moment. I do not know—that is the honest answer.

Jean Urquhart: We need clarity about that.

Francis McKee: We would want the portfolio managers to visit more. We have had a portfolio manager assigned to us who knows us very well, and that has been very reassuring. I would like to see more of that for other people, as we have benefited from it.

Jean Urquhart: I have a final question. The Scott-Moncrieff audit was critical of the governance structure and stated:

“There is a risk that the board is given insufficient information to scrutinise the performance of the organisation.”

Do you accept that criticism?

Andrew Dixon: Creative Scotland has had more clean audits than an organisation would normally have had in two years. Last year, we had two separate audits because it was not a full year. We had one for the lottery and one for the Treasury up to June and then another audit for the second half of the year. We have just had another two audits. All six of the audits have been unqualified and clean audits.

Inevitably, within an internal audit process, we look for areas of improvement. One of those areas is our reporting of information to our board. We are only at first base on performance measurement at the moment. We are developing a framework for performance measurement that links to the Government outcomes but uses the information that we get from cultural organisations to give an indicator of health. We measure some things on a long-term basis, such as economic impact and the Scottish household survey, which came out positively for the first year of creative Scotland. We measure other things on a monthly basis to see the health of the cultural sector, and that is the area that the auditors have aligned on. The information technology systems that we inherited were not adequate to do that, so we have just procured a new IT system that will be in place in April and which will enable us to report more to the board on that performance.

Jean Urquhart: I do not know whether Gwilym Gibbons has personal experience of that. You were on the board—are you still on the board?

Gwilym Gibbons: I was on the board. During that period, I was not aware of not having enough information to make the decisions that board members needed to make or of having to send officers back to get more information for us. The structure felt robust. I was there for the first two years, which was a period of focus on the new structure and developing the corporate plan for how we would go forward. Creative Scotland is a young organisation and now is the time to look at the data that has been generated in those first years of activity.

The Convener: Time is moving on and I must allow other members to ask brief questions.

Liam McArthur: Andrew Dixon has mounted a fairly staunch defence of his team. It has clearly been a challenging time, with a reduction in the number of staff from 155 to just below 100. Are you content that you have the skills mix within that

new complement to cover all the bases? In particular, I note the concern that only one board member out of the 11 is a practising artist. Are you comfortable with the make-up of the board? Might you want to address that over time as a way of improving communications across the various art forms?

Andrew Dixon: I will deal with the board matter first. It is the Scottish Government and the cabinet secretary who appoint our board—I have no input other than through recruiting some additional board members and suggesting some areas of expertise that we might like the Government to look for in the board. We have just recruited four new board members: one has particular expertise in animation; one has education and visual arts expertise; another is involved in Gaelic singing; and the fourth has TV production experience. There is more than one artist on our board, but they may not have “artist” as their main title.

11:45

We have an increasingly strong and engaged board and, indeed, it would be good if artists felt more able to come through Government board recruitment processes. Today might not be the time to scrutinise the matter, but when I have recruited board members in the past we have been able to specify that the board should contain a certain number of artists.

We recognise that the board is good, if still new, but we need to find other ways of talking to artists and getting in cultural expertise. For example, I would love to have more conversations with Matt Baker and to get him to feed into my board. We are looking at that issue and trying to find ways of dealing with it.

As for expertise and skill sets in the organisation, we have a terrific team, which has gone from 155 staff to under 100. Actually, we went down to 85 and then recruited 15 back. There are still one or two areas such as resource development—in other words, leveraging in new funds—and television production experience where we want to build our expertise. We are also having to deal with the pressures of taking on an awful lot of extra tasks with reduced staffing. In short, Creative Scotland is doing a lot more than its predecessors with a third fewer staff—but, I should note, with an increased budget. As you will see from the material that we have provided, our lottery income is going up. Processing that finance—we are dealing with £20 million more than we were two years ago—creates demands on and volumes of work in the organisation, and two years on we are going to look at the organisation’s capacity and skills base and find out what we need in order to be fit for purpose in future.

Joan McAlpine: With regard to the connections that you say you plan to make with artists, Matt Baker suggests in his written evidence that you could appoint regional officers to work directly with artists instead of having them go through middlemen all the time. Would you consider such a proposal?

Andrew Dixon: I am totally committed to the principle of having people who think about geography and place. However, we have also been committed to delivering for the Government a savings target, which we have delivered, and it is simply not tenable to put 30 more people into our structure. Instead, we have to empower our specialists in other areas to take a geographical interest in Dumfries, Shetland or elsewhere and to spend more time in those places, and we have established the basis for that.

I have to say that I was concerned by Matt Baker’s comments about the Dumfries and Galloway place partnership. The partnerships very much work on what local authorities want to deliver and offer an opportunity to spend an intensive time talking to a local authority and understanding what works best for its area. I have initiated a number of those partnerships; indeed, having visited Argyll and Bute last week, I think that we have the basis for a really valuable conversation there. We have had a brilliant place partnership in Fife and have developed our work in Perth and Kinross. The next phase, which will go into North Ayrshire and Aberdeenshire, will address some different issues.

Joan McAlpine: But where the approach is not working—and Dumfries and Galloway artists have said as much—are you going to revisit it and find a way of making it work?

Andrew Dixon: I am certainly going to talk to Matt Baker after this meeting, find out the details of his concerns and take a look at the matter. The reports that we are getting about the Dumfries and Galloway place partnership suggest that it is still early days. The infrastructure was fragile—Dumfries and Galloway Arts, an ex-FXO under the Scottish Arts Council, was lost—and the local council made cuts, so we had to start with a fresh base. However, some terrific things have happened in Dumfries and Galloway, including creative place awards for Wigtown and Creetown, new events such as the big Burns weekend and some really exciting capital projects. I think that Dumfries and Galloway is about to experience particularly exciting growth in infrastructure.

We parachuted one project into Dumfries and Galloway—I will tell you the story about it.

The Convener: Only if it is a brief one.

Andrew Dixon: We asked a children’s theatre company, Wee Stories, to look at the lack of

touring infrastructure in Dumfries and Galloway and the Borders. It developed its own show, went on tour and opened up a potential 55 venues in those areas. However, it told us that the long-term solution was not to get theatre companies to tour but to build an infrastructure for children's theatre in Dumfries and Galloway, which is exactly the point that Matt Baker has made.

Matt Baker: I completely understand that you cannot take on any more staff but is there any reason why some of your staff cannot be devolved to other areas of the country, say, two or three days a week and hosted by local authorities? I presume that that would not add massively to costs—after all, we have all got the internet and so on.

Andrew Dixon: We encourage quite mobile working. We have a member of staff based in Inverness; one of our development officers lives in Dumfries and Galloway; and other staff live in Dundee, St Andrews and West Kilbride. I have got people all over Scotland.

The Convener: I am sure that you are not deliberately using the example, but I note that living in Dumfries and Galloway is not the same as working in Dumfries and Galloway.

Andrew Dixon: I am not saying that with the staff that we have we can afford to be like Scottish Natural Heritage and have satellite offices across the whole of Scotland. Our staff structure is pretty tight and we are trying to use staff to get greater ownership of certain parts of Scotland with, of course, the absolute commitment that we want to understand and work with every single local authority area.

Joan McAlpine: I take your point about costs and the fact that we live in difficult times. However, you have commissioned a lot of outside consultants to do work for you; for example, all your sector reviews have been undertaken by consultancies. Indeed, in his submission, Mr Baker highlights the amount of money and the number of projects that have been given to consultancies. Can you tell us how much you are spending on external consultants?

Andrew Dixon: We can certainly provide written evidence on the consultancies that we have commissioned in the past two years. I suspect, though, that Creative Scotland spends significantly less on consultancies than its predecessors; I far favour our doing things for ourselves.

For the theatre review, we commissioned an external consultant because at the time we did not have a portfolio manager for theatre and felt that the issue needed an objective outside view, and Christine Hamilton Consulting has delivered a fantastic piece of work that has involved a lot of

consultation. For the music review, we commissioned a Glasgow-based company called EKOS for capacity reasons and to get an objective view. However, I point out that the dance, crafts and visual arts reviews are being done in-house. We make relatively little use of consultants.

The Convener: It would be helpful if you could write to us with the detail.

Clare Adamson has a very brief question.

Clare Adamson: I beg the convener's indulgence—I hope that the answer will be brief.

I want to get to the nub of the infrastructure issue. Obviously, there is a variance in cultural infrastructure across Scotland. Historically, has capacity been built up by local authorities and cultural trusts, of which Glasgow Life is an example? Is it really Creative Scotland's role to build that capacity in future or should local authorities, cultural trusts, arts organisations and so on continue to do that?

Matt Baker: I do not think that that is Creative Scotland's responsibility. Instead, Creative Scotland is responsible for creating a better playing field for us, for encouraging and being the advocate in partnerships and for breaking down certain barriers. One really practical issue faced by artists is that of having to cope with local authority procurement procedures, which we are just not set up to deal with, and Creative Scotland could help to take down some of those bureaucratic hurdles so that we can work with health, tourism and so on in ways in which we cannot at the moment. In the current culture, artists are viewed as odd, special creatures that normal people cannot deal with, and we need to break all of that down. That is what I meant when I referred to consultants and middlemen; in the culture that has built up, the view is that artists can be dealt with only through a middle layer.

What Creative Scotland is doing so brilliantly is breaking down barriers between art forms, looking at a wider role for the arts and trying to encourage the idea of self-sustainability. However, we need that stuff to be targeted.

Francis McKee: I am going to disagree slightly. In Glasgow, for example, you need Glasgow Life and other organisations, including Creative Scotland, probably VisitScotland and whatever else. You are building on something that has grown over 40 years. Quite often, it starts with artists who have done something that looks crazy in a derelict building that then gets made into something more official, and then becomes even bigger. Artists still come up from the grass roots. Glasgow Life needs to support that, and it has been very good at consciously supporting that as a regeneration policy and a new economy. Creative Scotland is also part of this new economy

in Scotland, in which arts play a large role. If you are going to do that, everyone has to be involved.

In one sense it is art; in the other sense it is an economy and an industry. You need to be able to take things from the grass roots through to the international level, and you need to have artists and artists' organisations in there, who can tell you when something is working and when something is slightly wooden and duff. Creative Scotland and Glasgow Life are sometimes more likely to kill something by supporting it, so you need artists in there to say, "That is terrible, but this is good". Glasgow Life would happily recognise that.

You need those organisations to step back sometimes and to come in at other times, and you need them to trust artists and artists' organisations, because we know the industry. We have built it up well enough—that has been proven—and we do not want to lose it. It has taken 40 years to build, but it could be lost overnight. You have to trust all those things—they can all work really well together.

Neil Bibby: I want to concentrate on geographic coverage, which I think is a key issue. I have heard what has been said about different areas of Scotland. I am a member for West Scotland so I am mainly concerned about that area. I went through the list of flexibly funded organisations in 2010-11 and 2012-13 and looked at how many of those were in local authority areas in West Scotland. In East Dunbartonshire there were zero, in East Renfrewshire there were zero, in Inverclyde there were zero, in North Ayrshire there were zero, in Renfrewshire there were zero, and in West Dunbartonshire there were zero. Given the wide variety of areas in West Scotland, surely there are some companies or projects that are worthy of investment. If there are not, what is Creative Scotland doing to stimulate artistic and creative activity in West Scotland?

Andrew Dixon: You are quoting figures that we presented in our corporate plan. I wanted to be absolutely transparent about what we had taken on, historically, and where our foundation and flexibly funded organisations were based. Our whole strategy of strategic commissioning and all the concerns about the change arose because we are trying to reach into the Renfrewshires and the Ayrshires, and we are trying to spread resources. We do not want to take away from Glasgow and Edinburgh—we need to be proud of Edinburgh as a festival city and Glasgow as a production base and a great centre for music and visual arts—but we need to find the cultural strengths of Inverclyde, West Dunbartonshire, East Dunbartonshire and Renfrewshire. Things such as the year of creative Scotland, Glasgow 2014 and festivals and events in our place partnerships are

enabling us to have really useful conversations with local authorities and other local partners.

Some very interesting things are about to happen in Neil Bibby's part of Scotland. The new Beacon arts centre in Inverclyde will probably be one of the best theatre spaces in the country and will have an influence well beyond its own district. Obviously, in Inverclyde, there is "Waterloo Road", and Shed Media are moving in—a kind of creative industries growth is happening there. Across the water, Dunoon burgh hall is being developed in Argyll and Bute. In Clydebank, Clydebank town hall is being developed by West Dunbartonshire Council. In Renfrewshire, the two local authorities are getting together to celebrate 100 years as part of the year of creative Scotland.

We are finding something to talk about and support in every one of those areas. You are seeing the start of an infrastructure change and I hope that if I am invited back to give evidence in five years' time, you will see the end of the journey.

12:00

Neil Findlay: According to the figures that Creative Scotland provided for 2010-11, 14 of the 32 local authorities received no funding. In 2012-13, under the foundation programme, 21 out of the 32 received no funding, and in the flexibly funded programme, 20 out of the 32 received no funding. Under the "other supported organisations" heading, 28 out of the 32 local authorities received no funding in 2012-13. I hear what Andrew Dixon is saying about good things happening, and I do not doubt that for a second, but Creative Scotland has a huge challenge. When are we likely to see those figures change for the better?

Andrew Dixon: That is just the funding of those organisations. Some of those organisations are based in a single local authority area, but they might be delivering across the whole of Scotland. Mull Theatre—or Comar, as it is now called—is based on Mull but delivers theatre to the whole of the north of Scotland. The figures are not quite sophisticated enough, but they show that the core infrastructure is concentrated in certain areas.

When I talk to East Lothian Council or Midlothian Council, I typically look at a range of things that we support in those areas, such as youth music initiative activity, festivals and individual artists. I find that the infrastructure has a correlation with the overall level of investment. Active festivals, active artists such as Matt Baker and public art initiatives generate the activity. East Lothian is quite interesting at the moment, because it is really flying with its festivals—I was at the Lammermuir festival at Tantallon castle last night. We are seeing a real maturing of that local

authority, which is supporting independent organisations and helping festivals to happen. As a result, more resources are coming from Creative Scotland to East Lothian. The same is the case in Fife, which has really started to build a body of cultural projects. Perhaps two years ago—when we were getting all the criticism for the Byre Theatre decision—it was not as strong.

The situation is more sophisticated than the figures for those organisations show. We remain open to having a debate about where our resources go and making sure that we spread benefits across the whole of Scotland.

Neil Findlay: I totally get what Matt Baker said about the danger of a production or event being imposed on a community. The cultural differences between Dumfries and Glasgow will be huge. In my own area, the cultural differences between a mining village in West Lothian and Edinburgh are massive. There is a danger that something might be brought in and done to people, rather than having something that people engage in. We have to be careful about that.

In terms of the geographical spread, are we likely to see more money going into grass-roots community theatre, events and art? If we build on those areas, that could permeate through to the international level—as Francis McKee said—and all the rest of it. That is where it begins.

Andrew Dixon: A number of our programmes are absolutely about trying to get into grass-roots activity. For example, some of our work on cashback for communities is very much targeted on grass-roots activity. Our support of Sistema Scotland in Raploch and its potential roll-out to other places such as Govan is absolutely about supporting the grass roots. In our work with Awards for All and the Big Lottery—and we are working with the other lottery distributors to develop a possible programme for 2014—we will try to reach communities across the whole of Scotland.

There has to be a mixture of both things. We want our national companies to be performing all over Scotland. It is fantastic when the National Theatre of Scotland or the Royal Scottish National Orchestra arrives in Shetland; equally, we want Shetland to have its own grass-roots activity. It is a balancing act to ensure that both things are happening.

Liz Smith: I will change the theme a little bit. How easy is it for you to assess the impacts of cultural exports? It is a very interesting time—as Mr McKee mentioned—as we are building up to the Commonwealth games, which will be a very important part of our process over the next two years. How do you think that is going? Is it improving our cultural image abroad?

Andrew Dixon: Scotland's international exports are another untold story. Creative Scotland did an audit with the Government and the British Council on the extent of international collaboration. Far more of our cultural organisations are exporting their work abroad than people might realise. Visible Fictions theatre company will do a 150-date tour in the United States of America this year: it is doing as many performances in the USA as it is doing in Scotland. Our made in Scotland programme during the fringe festival, which was supported through the Government's expo fund, was hugely successful in taking Scottish theatre and dance to export. If you look at the curriculum vitae of some of our best-known artists, such as Martin Creed, they have an international ambassadorial role.

We need to do more to co-ordinate that. Last week, Creative Scotland's board agreed on some geographical priorities that we will work to in order to develop more in-depth relationships with countries, while letting artists work where they want to work.

We can also do more to showcase visual arts. We showcase art with Scotland and Venice, we showcase film in Cannes and we showcase music at South by Southwest. We need to find other important places to showcase the best of Scottish work. During the Olympics we worked with other agencies at Scotland in London, which enabled us to showcase Scottish fashion, music, film and festivals to people in London. You will see more of that sort of activity coming out of our organisation.

Liz Smith: What do you mean by greater geographical co-ordination?

Andrew Dixon: The world is a big place and the Scottish Government has geographical priorities—countries with which it works. There are economic priorities and there are natural social partners. We will be working with 71 countries in the Commonwealth in 2014. During the Edinburgh festival, 150 delegates from 25 countries came through the international delegate centre, which was hosted at Creative Scotland. Those delegations informed the way we want to work. Festivals Edinburgh has been successful at inviting nations to showcase in Edinburgh. Equally, we want those nations to take our work out. We want to develop our export potential and our collaborations in India, Brazil and other places.

However, we cannot work everywhere, so we have been trying to focus on and prioritise working with the British Council and the Scottish Government in a number of places where we can make a real difference. Those are likely to include India, Brazil and sub-Saharan Africa. We are already working with the USA on a number of fronts.

Liz Smith: Has that meant quite a big shift of resources? You talk about ambassadors, so obviously it is not just money that counts.

Andrew Dixon: We have not made a huge shift of resources into the international area, but we have uplifted our international budget to try to make a difference. In many cases, we are looking for international partners to buy work. However, it is also about building capacity. Many cultural organisations have the potential to work internationally, but do not have the expertise or experience. One of the benefits of the FXO review was that we identified 11 organisations that we think have greater international potential. We will work with them to build their capacity so that they can start to experience working abroad, either in an export capacity or by collaborating on or developing projects with other nations.

Marco Biagi: You referred to promotional trips to Cannes and Venice. In the current financial times, eyebrows are raised about any such project that does not have clearly defined outputs. How do you monitor the impact of such trips? How can you ensure that we are all confident that there is value for money?

Andrew Dixon: I will give you two examples. The first is Venice. I do not know whether he is still here, but Phil Miller was in Venice. In fact, he was also in Cannes.

The Convener: Phil is doing very well. [*Laughter.*]

Andrew Dixon: His journalist colleagues will be jealous.

He asked me absolutely the right question, which was how we justify spending so much money taking one artist—Karla Black—to Venice. I answered by saying that people come to the Edinburgh international festival because it is the best place in the world to showcase theatre, music and dance, and people go to Venice because it is the best place to showcase the visual arts. Do we want Scotland to showcase in Venice? Yes. Do we want to take our best up and coming artist there? Yes. Do we want to promote the four art colleges in Scotland as places to learn? Yes. Do we want to take students from those colleges to learn about and experience curating a major show? Yes. Do we want to sell the work of Scottish artists internationally? Yes. That is why we went to Venice with one artist—although next year we will go with three. It was not just to showcase one artist, but to showcase a lot of things in Scotland. We measure that.

It is not an easy trip going to the Cannes film festival. We showcase film producers to international buyers and film locations in Scotland to film-makers. We showcase films from Scotland to international festivals and we try to broker deals

for Scottish artists and film-makers. Cannes is a heavy industry event and our investment in it is relatively small compared to that of nations such as Denmark or Ireland. We have limited film budgets to make a difference, but we punch above our weight.

Marco Biagi: Is the Cannes promotion going to be a fixture?

Andrew Dixon: If a nation wants to be taken seriously as a film location and film producer, it has to be at Cannes, Toronto and Berlin, which are the three important trade fairs. We are selling products from Scotland. If we can attract one film, such as “World War Z” or “The Railway Man” with Nicole Kidman and Colin Firth, the benefits to the Scottish economy far outweigh the relatively modest investment that we make in visiting Cannes.

Neil Findlay: I see that Phil Miller enjoyed that answer.

Liam McArthur: We have been talking about outputs and measurements, exports and internationalisation, investment and returns. Earlier in the proceedings, we heard references to a criticism about sado-competition. Gwilym Gibbons referred to a social entrepreneurial model. On a couple of occasions, Francis McKee referred to a new economy or a new economic model. Is that language clearly understood? Are the concepts agreed by the stakeholders? It sounded like the language that traditionally has been more likely to come from Scottish Enterprise than from Creative Scotland.

Francis McKee: It is incredibly boring language. It really is. There are the people like me who have to master it and then there are the artists who should not have to touch it with a bargepole, because it is incredibly deadening and a real passion killer at the best of times. However, we are talking about an economy and industry. We run a business as well as an arts centre—the two go hand in hand. I am in the middle. That is my role, but my role is also to keep artists away from that so that they can get on with creating. Obviously, they know how to do business—sometimes much better than we do—but they have to put that language to one side and think about creating and doing daft things and staring at a wall for three hours.

That language has its place, certainly in a country where there is less funding and a recession. We have to acknowledge that and we have to try to give value for money and ensure that we get the most out of our centres or organisations, but we must also draw a line and let people be creative. They have to stop at a certain point. There is a place for bureaucrats, although they must do what they do well.

It is undeniable that there is a relationship between tourism and the arts, but that is not why anyone sits down to write a poem or why anyone forms a band. Artists are not necessarily interested in that, and there is no good reason why they should be. If they are, they are probably not very good. We have to keep a distance from the artists and we have to protect them. They need a creative space and an infrastructure that makes that space work and protects it. There is a schizophrenic attitude.

Liam McArthur: Is that done through intermediaries? Does Creative Scotland provide support to artists or artist-led bodies?

Matt Baker: I am going to take my turn to disagree with Francis McKee. The issue that he mentions relates to the problem of transparency. If we have a culture in which we try to protect artists from understanding what those things are and from that type of language, we end up with a situation in which artists say, "We don't get what is going on, and we think that something is being hidden behind that language".

I agree that we should not get hung up on having to write in that way, but it is important that there is no process of mystification. We do not want to be wrapped in cotton wool.

12:15

Francis McKee: I do not think that anyone wants that, but I do not want to spend a whole day talking to an artist about VAT either.

Matt Baker: That is a fair point.

Francis McKee: There is a balance. Artists have their dealers and organisations, and they know business too.

Liam McArthur: It should be said that Scottish Enterprise rejoices in the name "passion killer". It is a badge of honour.

Andrew Dixon: One thing about the model that the Government has created in Creative Scotland has not been fully understood. We invest in individual artists and organisations, and in social enterprises and charities. We also invest in businesses, and sometimes in commercial businesses, because we work in partnership with Scottish Enterprise and Highlands and Islands Enterprise around the creative industries. We are investing in innovation, technology, applications and TV production. That is commercial activity, but it is about the economic basis.

Some of our decisions are made on economic grounds, some on artistic grounds and some on social grounds. We have to create balance across all those areas.

The Convener: This is not a criticism, but is it not part of the problem that your responsibility is so broad that it is quite difficult to understand?

Andrew Dixon: Creative Scotland might seem on the face of it to be a relatively simple organisation, but it is very complex. We have an £80 million budget and we deal with a very wide range of portfolios—wider than any other cultural agency of the type in Europe.

Other countries are watching our model, and a number of them have come to talk to Creative Scotland about the model of putting film, the creative industries and culture together. If we add to that our promotional and advocacy roles, it is a powerful and interesting model.

However, the model is complex, and it is difficult to get the messages across about why we invest in a TV production or in the intellectual property for a new technology for the international educational promotion of piping. The Scottish Arts Council as was might not have been involved in those things, but we are.

The Convener: Is the very complexity that you have just described part of the reason why there has been such vehement criticism of the organisation?

Andrew Dixon: The criticism is about change and the pace of change, and about our need to communicate a bit better how we are changing things beyond just the organisation. We must hold our hands up and say that there are areas in which we could have done things better and in which we should not have done things as quickly as we have.

However, we feel very confident in where we are heading in dealing with that complexity, and in trying to deliver something special. Culture is an enormous strength of Scotland. As Jean Urquhart, who heard me speaking at an event in Inverness on Friday evening, will know, when you start to describe the cultural strengths of Scotland, you just cannot stop. One of our difficulties is getting that message across. I always say that we will succeed by celebrating success.

The Convener: Do you believe that we are over the worst—or rather, over the hump? Is progress now being made? More importantly, can people in the artistic community see that progress? Can they see through the difficulties and challenges that are currently being faced to what is on the other side?

Andrew Dixon: I hope so. It serves the interests of nobody—Creative Scotland, artists or the Government—for there to be public rows going on. We want to listen more and engage people through our sector reviews. The proof of the pudding is in the eating, and when we finish the

flexible funding review and start to invest using lottery funding and other organisations, I think that people will understand our strategy and where we are heading. We already have bids from 15 organisations; we are currently assessing those bids and will be taking decisions in the next month.

The Convener: Marco Biagi has a final question.

Marco Biagi: Yes—it follows on quite nicely from Mr Dixon's point about the breadth of Creative Scotland's work. I recently submitted a couple of parliamentary questions asking the Government for its opinion on a report that was co-authored for Creative Scotland and Scottish Enterprise, which dealt with the size of various sectors in Scotland. It raised eyebrows in the computer games industry, which was found to have zero employees and less than £10 million in gross value added. That was down to the methodology that was used, which conflated games developers with software development in general.

I asked the Government—I am awaiting the written response to my PQ—to restate its support for the computer games industry, largely because it is a major employer in my constituency. I am thinking in particular of Rockstar North, which is based in Edinburgh Central; we won it from Dundee some years ago.

Can you state how you view computer games in the artistic life of Scotland, and their importance economically, so that there is no doubt whatever that they are viewed as an important part of the cultural economy?

Andrew Dixon: Yes. First, I will explain the economic contribution element of the report. Creative Scotland worked with the Government, Scottish Enterprise and HIE as partners, and we used consultants. The computer games industry is a very specialist area. We were trying to get the first overall picture of the economic contribution of the cultural sector in Scotland.

We got very good economic impact studies of the Edinburgh festivals, which contributed £271 million—more than golf—and of Glasgow as a city, but we did not get that information for the whole of Scotland. The report involved geographical benchmarking, and we were trying to understand the sectors.

We based the work on primary data, so the work is as good as the data that we had. The report threw up some anomalies, particularly around gaming and the computer industry. I have a briefing note on that, but rather than go through the technicals now I will happily share the note with the committee—I am sure that it is wending its way towards the answer to Marco Biagi's parliamentary question.

Creative Scotland is not primarily responsible for investing in the gaming industry—that is one of Scottish Enterprise's priorities, on which it will make decisions. However, we are responsible for helping to promote the creative industries, and we take that side of things very seriously. The interface between the gaming industry and our ambitions to have creativity reach into every home and to engage young people in digital activity is really important.

As we have discovered in consulting on our national youth arts strategy, people are interested in things that are not core art forms—for example, new technology, gaming and the interface of digital activity and new media. We need to embrace some of that creativity and apply it in some other areas of our work.

The Convener: I thank all our witnesses for coming in this morning and giving evidence; the meeting has been very useful.

Before I close the meeting, members may have noticed that a motion has been lodged to make a slight change to the committee and it will come before Parliament this evening. Assuming that the motion is agreed to at decision time, I thank Jean Urquhart and Marco Biagi for their contribution to the committee since May 2011 and wish them well on their new committees.

Meeting closed at 12:23.

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