15 April 2020

Dear Joan,

Thank you for your correspondence regarding the impact of the COVID-19 pandemic on the cultural sector. As I am sure you realise, we are experiencing an unprecedented number of enquiries of at this time.

The Covid-19 outbreak is having a profound effect on the culture and heritage sectors in Scotland and the important work that artists and creative organisations do within our communities. The Scottish Government recognises the importance of these sectors and is committed to doing everything we can to ensure our world-class culture and heritage can continue to thrive.

We understand that these are challenging and uncertain times, and recognise the personal and professional impacts for artists, practitioners and organisations during this period. We know that many parts of the culture sector and the creative industries operate on fine financial margins, and the impact of the pandemic has been immediate and severe.

Recognising the ongoing challenges faced by individuals and businesses caused by the Coronavirus (COVID-19) pandemic, the Scottish Government took immediate action within the devolved powers and resources at our disposal to provide support.

On 18 March 2020, the Cabinet Secretary for Economy, Fair Work and Culture announced a package of support worth £2.2 billion to limit the impact of COVID-19 on the business community.

Joan McAlpine MSP
Email: joan.mcalpine.msp@parliament.scot
This support has been tailored to the tax base and tax system in Scotland. New measures delivered during the 2020-21 financial year for non-domestic properties offer a range of rates relief and grant support:

- 100% rates relief for the retail, hospitality, leisure and aviation sectors
- 1.6% rates relief for all properties across Scotland, effectively reversing the planned below inflation uplift in the poundage for 2020-21
- one-off £10,000 grants to a range of businesses in receipt of Small Business Bonus Scheme (SBBS) relief, Rural Relief, or properties eligible for SBBS and in receipt of either Nursery Relief, Business Growth Accelerator, Fresh Start or Disabled Relief on that date
- £25,000 one-off grants to businesses in the retail, hospitality and leisure sectors for those with a rateable value between £18,000 and £51,000

The package of grant scheme measures is being administered by local authorities. Creative organisations meeting the eligibility criteria would be able to apply using the application form available on their local authority website.

We are using the Non-Domestic Rates system to distribute support because it is the fastest, most effective way to reach businesses. The Business Grant funding is targeted to support small businesses and those medium sized businesses in the retail, hospitality and leisure sector who are liable for non-domestic rates to maximise the number of businesses we can support. For further information on eligibility for these reliefs and grants, please visit https://www.mygov.scot/non-domestic-rates-coronavirus/

Other sources of support are available for the cultural sector, as well as the third sector.

Creative Scotland has developed a Bridging Bursary Fund for freelance artists or creative practitioners who have lost earnings as a result of COVID-19. They can apply for a Bridging Bursary which is a one-off bursary payment of between £500 and £2,500.

Individuals and organisations can also apply for funding up to £50,000 through Creative Scotland's Open Fund, to help support themselves during the COVID-19 pandemic. Open Project is an existing fund supported by £7.5 million National Lottery funding. It has been repurposed to help applicants explore ways of working that will help them to adapt and respond to the current changing circumstances.

The Third Sector Resilience Fund is a £20m emergency fund for charities, community groups, social enterprises and voluntary organisations working in Scotland. The fund will support organisations that already deliver services and products but find themselves in financial difficulties directly as a result of the coronavirus pandemic. The primary intention of the fund is to help third sector organisations to stabilise and manage cash flows over this difficult period.
The Fund will provide grants between £5,000-£100,000. In addition there will be up to a further £5m available in fully flexible, 0% interest loans starting at £50,000.

The fund will be complemented by specialist business advice from Just Enterprise to help grant recipients maximise the impact of the financial support. More information can be found here.

As you can appreciate, this is a rapidly evolving situation impacting across many sectors of the economy. I hope this response reassures you that we are doing all that we can, and the Scottish Government will continue to monitor its position and work with the UK Government to consider where further support may be required.

KATE FORBES