CULTURE, TOURISM, EUROPE AND EXTERNAL AFFAIRS COMMITTEE

AGENDA

11th Meeting, 2020 (Session 5)

Thursday 21 May 2020

The Committee will meet at 10.00 am in a virtual meeting and broadcast on www.scottishparliament.tv.

1. **Impact of COVID-19 on Scotland's cultural sector:** The Committee will take evidence from—

   Fiona Hyslop, Cabinet Secretary for Economy, Fair Work and Culture, Jonathan Pryce, Director for Culture, Tourism and Major Events, and Simon Cuthbert-Kerr, Head of Creative Industries, Screen and Media, Scottish Government.

2. **Consideration of evidence (in private):** The Committee will consider the evidence heard earlier in the meeting.

   Stephen Herbert
   Clerk to the Culture, Tourism, Europe and External Affairs Committee
   Room T3.40
   The Scottish Parliament
   Edinburgh
   Tel: 0131 348 5234
   Email: stephen.herbert@parliament.scot
The papers for this meeting are as follows—

**Agenda item 1**

Note by the Clerk

PRIVATE PAPER
Culture, Tourism, Europe and External Affairs Committee

11th Meeting, 2020 (Session 5) Thursday 21 May

Impact of Covid-19 on Scotland’s Cultural Sector

Note by the Clerk

Introduction

1. On 28 April 2020, the Committee launched a call for views regarding the impact of COVID-19 on Scotland’s culture and tourism sectors. This evidence session provides an opportunity for the Committee to question the Cabinet Secretary for the Economy, Fair Work and Culture on the measures taken by the Scottish Government to mitigate the impact of COVID-19 on the Scottish cultural sector.

Evidence session

2. The Committee will take evidence in a virtual meeting from:
   - Fiona Hyslop, Cabinet Secretary for Economy, Fair Work and Culture;
   - Jonathan Pryce, Director for Culture, Tourism and Major Events; and
   - Simon Cuthbert-Kerr, Head of Creative Industries

Supporting Information

3. The Committee has received a number of responses to the call for views which are attached in Annexe A and listed below for ease of reference:

   - Regional Screen Scotland
   - Mark Fisher
   - conFAB
   - Nick Stewart
   - Music Venue Trust
   - Anonymous
   - Screen Facilities Scotland
   - Writers’ Guild of Great Britain
   - Norman Bissell
   - Federation of Scottish Theatre

4. There is no deadline for responding to the call for views. The responses received are updated regularly on the Committee’s and can be accessed on the Committee’s website.

5. A SPICe paper providing context to the evidence session is provided in Annexe B.

Sigrid Robinson
Assistant Clerk, Culture, Tourism, Europe and External Affairs Committee
18 May 2020
Written Submission from Regional Screen Scotland

*Cinema provision, and the ability to come together to share communal screen experiences, is a key factor in a community’s wellbeing, confidence, and economic health.*

At the point at which lockdown began, Regional Screen Scotland, with our partner Film Hub Scotland, was almost halfway through a major two year project to address gaps in cinema provision across Scotland, a project which we had been invited to develop by Screen Scotland, and to which they had contributed £500,000 in funding. The project was proving successful beyond our wildest imaginings: we had Expressions of Interest from 80 different groups and organisations across Scotland, from the smallest community centres wanting to run DVD screenings monthly, to plans to build or reopen fulltime cinemas. As we had hoped, a large number of projects were from Local Authority areas with poor existing provision, and high levels of multiple deprivation—such as the Lanarkshires, Ayrshires and Lothians.

Of course, all this activity, like all film screenings, is on hold for the duration. My plea, therefore, is that cinema, and cinema-related activities such as community screenings, are not simply lumped in with a catch-all ‘leisure’ category, and left to be, along with pubs and restaurants, the very last sector to be allowed to reopen.

Cinema is inclusive, egalitarian and popular—cinema going in the UK as a whole is still the most popular ticketed activity, with admissions in recent years being greater than *all* the admissions for music and sporting events put together. Cinema, at all levels, therefore, can become a highly effective tool in helping communities begin to come together, rebuild confidence and connections, and develop new ways of interacting socially. Compared with other forms of sport and leisure activities, cinema has a number of advantages: it does not face the social distancing issues that will, for some time, confront performers and sports players; it is affordable for those on low incomes (and that will be a much larger percentage of the population in the coming months); families can share experiences; friends can start to come together while still observing social distancing.

Scotland’s local and community cinema sector is one of its great strengths, and one that, in normal circumstances, can be largely self-sustaining. But the greatest challenge for the sector is not the present lockdown—it is the uncertain environment into which we are all moving. Cinemas, whether private/commercial or voluntary/charitable, will need transitional help for many months to come.

Our programme, *A Cinema Near You*, has been funded as part of the Scottish Government’s focus on developing the film industry in Scotland, which has led to additional annual funding and the establishment of Screen Scotland (not to be confused with RSS!). Key to our own activities has been extending the range of venues and locations which will be able to screen the new Scottish films that the Scottish Government initiative is intended to foster. In the new world we are moving towards, it will be critical that Scottish audiences can see, share and enjoy films which tell their
stories, past and present, and for that we need to ensure that the momentum created by these recent interventions is not lost.

Robert Livingston
CEO
Regional Screen Scotland
Written Submission from Mark Fisher

Thank you for the opportunity to comment on the impact of Covid-19 on the cultural sector.

I am a freelance arts journalist and theatre critic whose livelihood depends on the cultural sector. Since the press night of *Barefoot in the Park* at Pitlochry Festival Theatre on 14 March, I have had next to nothing to write about. The cancellation of Edinburgh's summer festivals means this situation is likely to remain until at least September. As a disproportionately high percentage of my annual income comes from Edinburgh festival-related feature writing, reviewing and talks, this is a big blow. I'm not pleading for sympathy. Many people are in much worse positions, not least the artists themselves. However I do ask that the remit of the Culture, Tourism, Europe and External Affairs Committee includes those, like me, whose employment depends on the cultural sector even though we are not directly employed by cultural bodies.

Arts journalists play an invaluable role not only in publicising cultural activity, but also in providing the contextualisation, analysis and criticism on which a healthy sector thrives. At the moment, there is a serious threat to these journalists' jobs, especially if, as seems likely, newspapers continue to make the cuts they began before the crisis.

The future prosperity of Scotland's cultural sector, its place on the world stage and its engagement with audiences, depends on many things, among them the survival of an informed, engaged and professional media. Public support for those journalists (and, indeed, for journalism in general) would also be a support for the sector itself.

Yours sincerely

Mark Fisher
Written Submission from conFAB

Organisational Story:

The lockdown measures have had a significant and devastating effect on our organisation. At the time of lockdown we were about to receive long awaited confirmation on a funding application which would have provided the majority of our income for the year. Lockdown conditions have meant we have not been able to progress that work and have lost that income.

We are in the process of exploring what we can offer digitally. However, we have very genuine concerns about the health impacts of such extensive use of the screen and digital technology. We are also very aware of the barriers of access to these offers for artists and audiences alike. What we can offer digitally will in no way be enough to sustain the organisation.

All funding – arts and otherwise - is now focused on coping with the lockdown measures. What the long-term outlook is for any type of funding and what will be available after lockdown measures have been released is very uncertain. As a small project funded organisation we are not able to benefit from any of the Government support packages.

The arts are an experiential and a human experience. All arts forms have people gathering as intrinsic, integral and essential elements of that experience. Even visual art, writing and composition ultimately lead to people gathering together. A work of visual art when put on a screen ceases to be a painting and becomes a photograph, a piece of theatre ceases to be theatre and becomes a film weather - it is broadcast live or not.

Not being able to gather is and will devastate the arts sector. If the government are absolutely convinced that restrictions on public gatherings are essential and that there is absolutely no other solution – such as providing PPE or offering us softer social distancing measures etc. etc. - then I ask them to have some very big ideas about how they are going to sustain the sector.

As an artist I am effectively being refused the right to work so I’d like to know what the long-term support packages are, what funds will be available to reignite the sector when they do consider it safe to lift restrictions and what extensive fully funded retraining packages are going to be on offer for those of us who will not have the opportunity to practice our art again.
Written Submission from Nick Stewart

Dear Ms McAlpine,

I am writing to you urgently on behalf of Music Venue Trust, as Scottish coordinator for the Music Venues Alliance’s 57 Scottish members, as a board member of the Scottish Music Industry Association, and as a venue operator myself.

On 30 April, Sadiq Khan launched a new £2.3m Culture at Risk Business Support Fund. £450,000 of this will be given to Music Venue Trust (MVT) to support up to 147 of London’s Grassroots Music Venues (GMVs).

"These industries are so important to the fabric of our city during the day and night, and they will play a key role in helping us to recover from this public health crisis [...] we need the Government to step forward and provide the comprehensive support this industry needs to protect its future."

I call upon the Scottish Government to do the same. Scottish Government must act now to save Grassroots Music Venues. It is behind other UK nations in doing so.

Welsh Government enabled Creative Wales to set up a Grassroots Music Relief Fund with funds available for up to £25,000 per applicant. Many Welsh GMVs have successfully applied. The criteria are clear and easy to meet; I have seen a successful GMV application for £20,904 which required only a short budget and 160 words of explanatory text.

GMVs operate in the commercial sphere but most of them essentially operate as not-for-profit, and even in the best of times their business model is not resilient. Indeed in recent years, many have re-registered as Community Interest Companies. They are not strong businesses which can easily weather economic downturns. Shocking statistics about the rate of closure of venues have abounded in recent years, but until recently the tide was turning: with MVT’s help, more venues opened and than closed in 2019. This good work is in peril.

GMVs are a crucial part of Scotland’s cultural infrastructure, yet do not receive any subsidy. The loss-making paid-performance opportunities which they provide are covered by bar revenue, which is not a sustainable financial model, especially as youth trends continue towards reduced alcohol consumption. It is not the case for GMVs that provision of entertainment is a cost of operating in order to sell alcohol; in GMVs the sale of alcohol is ancillary to the primary activity of provision of live music, hence GMVs are frequently described as the research and development hub of the music industry.

Very few GMVs have received any funding from Creative Scotland, and historically there have not been conversations between Creative Scotland and GMVs. My own conversations with Creative Scotland behalf of MVT have not been fruitful. Whilst Arts Council England introduced a ringfenced fund of £1.5m in 2019, and repeated the commitment in 2020, Scottish venues have no such fund. No Scottish GMV is a Regularly Funded Organisation, and they have had paltry few successful Open Fund Applications. There is no Targeted Fund that relates to venues in this sector.
Creative Scotland's repurposed Open Fund, ‘Open Fund for Organisations: Sustaining Creative Development’ will not sustain GMVs. Funding cannot be used for ongoing organisational running costs, and funding is to be used for periods of research, development and/or delivery of creative activity - but will not include live performances in venues. In the course of applying for the Fund on behalf of Sneaky Pete's Ltd (of which I am a director), I have been advised that applications for activities that involve future live performances, even some months hence, would be seen by assessors as too risky and would not be considered. I was applying to fund a Talent Development Programme to create much-needed performance opportunities for musicians which we can now ill-afford to entirely self-fund, and it will not go ahead under the current Open Fund.

Should venues be allowed to reopen under social distancing rules, the loss of capacity will be such that few venues would be able to afford to do so. If 2 metres was to be kept between attendees, a 100-capacity venue like my own, Sneaky Pete's, would have its effective capacity reduced to 16, including performers and staff. Many Scottish venues make money in the summer to cover losses in the winter but could face trying to open in restricted conditions after the summer when trade is poor and they are already cash-strapped.

When Scottish venues lose out, Scottish musicians lose out. Yesterday I spoke to a 180-capacity venue in the North of Scotland who paid £158,000 of artist fees to professional and semi-professional musicians last year. In the same year Sneaky Pete's paid tens of thousands of pounds to performers at the ‘emerging artist’ stage in their careers, helping them to transition into professionalism. Whilst the need for social distancing makes those performances impossible at present and so a loss to musicians livelihoods in the short term is inevitable, venues who do not survive this crisis will never pay such fees again.

**I urge you to please act now and do all in your power to establish a fund to protect GMVs.** Now is the time to act: Scotland cannot afford to lose music venues.

Yours sincerely

Nick Stewart
Sneaky Pete’s
MVA Coordinator for Scotland
Written Submission from Music Venue Trust

Coronavirus Covid 19: Grassroots Music Venues

Analysis of Impact of Scottish Government Relief Announced to Mitigate the Financial Impacts of Covid 19

About This Report

Purpose:

● To model a range of financial support announced by government to assess their impact upon the financial crisis within the Grassroots Music Venue (GMV) sector arising from the Covid 19 outbreak
● To assess the impact of the financial support against known financial implications
● To consider the efficacy of the measures proposed to achieve the purpose of preventing GMV closures
● To advise Scottish Government if the support currently offered is sufficient to avoid the outcome of permanent closure of GMVs.

Background:

Music Venue Trust is the nominated representative of the Music Venues Alliance, a network of 62 GMVs in Scotland and over 750 GMVs across the UK. Scottish government has announced a range of measures aimed at addressing the impacts of Covid 19 on Grassroots Music Venue. Support announced falls into four categories:

● Grants - public funding to be made available to a GMV upon application
● Business Rate Relief - a discount applied to the 2020/21 Business Rates due to be paid by the GMV between 1 April 2020 and 31 March 2021
● Job Retention Scheme - Wages Subsidy for furloughed PAYE workers (80%)
● VAT/Income Tax Deferment

The existing liabilities of GMVs and the cost of closure are:

● £3,280,127 in existing liabilities - 931,984 in existing liabilities to suppliers and 2,348,143 in fixed costs for 7 weeks of closure as of 11/05 (requiring payment or suspension now)
● £335,449 in weekly direct costs during any period of enforced closure.

Method:

The base measure which all layers of government have referenced as their starting point for calculating assistance is the Rateable Value of a premises. For the purposes of this analysis, we have divided that measure into three sectors to assess support available for Low (0-18k), Medium (18-51k) and High (51k+) Rateable Value GMVs.¹ MVT holds statistical analysis from surveys conducted in 2018 and 2019 which it uses

¹ It should be noted that the description Low, Medium and High does not reference the capacity or size of the business, only its Rateable Value.
as a basis to cross reference income and expenditure items in the GMV sector. This includes a database of all publicly available information relating to Rateable Values designated by the appropriate agencies in Scotland. For the purposes of this report, where no Rateable Value is publicly available, MVT has used capacity and location data to extrapolate a total impact model for all 62 Scottish GMVs.

Results

Values:

- **£3,164,596** - Total Financial Support announced, Short Term (Grants, Wages Subsidy and VAT deferment) and Long Term (Rates Relief)
- **£1,614,639** - Total Short Term Support
  - £937,400 - Total Grant Funding Available in the Short Term
  - £154,322 - Total VAT deferment for the Short Term
  - £522,917 - Total Wages Subsidy for 8 weeks of closure for the Short Term
- **£1,549,957** - Total Long Term Support
  - £1,549,957 - Total Business Rate Relief Funding available from 1 April 2020 to 31 March 2021
- **£263,251** - Total value of support offered to GMVs with Low Rateable Values
  - £238,287 in Short Term support
  - £24,964 in Long Term support
- **£1,656,836** - Total value of support offered to GMVs with Medium Rateable Values
  - £1,166,916 in Short Term support
  - £489,920 in Long Term support
- **£1,244,509** - Total value of support offered to GMVs with High Rateable Values
  - £209,435 in Short Term support
  - £1,035,073 in Long Term support

Outcomes:

- **47 days** - The total period from 23 March for which current Short and Long Term government assistance might avert permanent GMV closures. This period is dependent upon the establishment of a method by which both Short and Long Term measures have an impact upon the ability of GMVs to survive this crisis. GMVs began to accrue collective debt at the rate of **£42,396 per day** from the 9th May.

Conclusions:

- The total value of government assistance offered is **£450,976** less than the **£3,615,572** target required to fully protect GMVs for an initial **8 week period of closure** and is therefore insufficient to prevent mass permanent closures in the long term.
- GMVs with High Rateable Values are disproportionately unlikely to be able to survive without Short Term intervention, adding to the likelihood that the total

---

2 Based on established practice, this amount would be impact across ten months in 10 instalments of 10%
government intervention will be substantially less than planned due to permanent closure of the GMV prior to the arrival of Long Term support

- The Rateable Value base measure used to calculate required assistance significantly disadvantages major cities such as Glasgow and Edinburgh, where short term assistance has been denied to small capacity GMVs because they have High Rateable Values. These locations have the highest density of GMVs. Failure to address this issue will result in a very significant increase in the number of permanent closures.
- Rateable Value does not apply in a variety of situations where the Rates are paid by a third party and included within on charges to the GMV operator - the existing government proposals risks providing no support at all to this category of GMV.

Recommendations:

- The Government must create immediate additional Short Term interventions for High Rateable Value GMVs to a value of at least £274,712 to ensure that the full value of Short and Long Term interventions is released. Short Term Measures that could be effective include:
  - Giving grants to those with Rateable Values over 51k
  - Rent Free Periods/Rent deferements
  - Underwriting third party suppliers/services (such as breweries, catering, sanitary, refuse etc) for potential losses to create the opportunity for payment deferment
- The Government should consider other Long Term interventions required if it wishes to extend the closure period beyond Eight Weeks, at a value of £335,449 per week required.
Dear Cabinet Secretary and Committee Members,

I hope you are all safe and well. I am a freelance screenwriter in Scotland and currently write for two television shows. When lockdown was announced on 23rd of March I was in the middle of two current contracts which had to, of course, stop production and my income stopped with it. Many other screenwriters that I work with were in the same boat. Having a family to support made me very concerned about how I could maintain a source of income during the current crisis.

I was initially relieved when I saw on Screen Scotland’s website that they had announced emergency funds in response to the COVID-19 crisis. The first fund – Bridging Bursary Program seemed promising but as I read the guidelines it stated “Writers and producers are encouraged to apply to our development funds for project funding rather than to this bursary”. I called Screen Scotland to double check this and was advised that being a screenwriter I wouldn’t be suitable for this and instead I should look at the two other funds – Single Project Development Funding Routes.

On the website it says these funds are for “Scotland’s independent film and TV production companies” so I was confused as these didn’t seem like they would apply to me as a screenwriter. The Broadcast: Single Project Development Fund made clear that it was only for production companies to apply for. The initial development of most concepts and ideas for television come from writers who then pitch these ideas to production companies or broadcasters or write a treatment or a script which they will then send producers and production companies. Production companies who receive ideas and pitches can spend development money on projects they choose at that stage, but often this isn’t the case and writers are asked for treatments, first drafts or more drafts before they see any development money, even though this is against the Writers Guild of Great Britain (WGGB) guidelines. It can take months for a writer to get a producer or production company on board, therefore screenwriters are unlikely to see any development money by means of financial support for quite some time from these emergency funds. The only screenwriters who are likely to see any development money at this time are those who already had development in place with a production company before the COVID-19 crisis, which means their fees belong to a previous budget, not the new funding routes that Screen Scotland is offering. Therefore, even though this fund is for development, which the screenwriter is integral to, they are unlikely to benefit from this at all, leaving them falling through the cracks.

As I wasn’t eligible for the Broadcast Fund I looked to the Film: Single Project Development funding route as that claimed to “support the development of single feature film projects”. The guidelines state: “The purpose of this fund is to encourage creative producers and writers to access funding enabling them to focus on film development projects, support their financial resilience over the next 3–6 months and lay the groundwork for future sustainable growth of Scotland’s film production sector”. Individual screenwriters are eligible to apply on the condition they’ve had at least one feature film produced which has had a theatrical release, received critical acclaim and/or has screened at international film festivals. I assumed I would be able to apply for this fund as a sole writer as I fit the criteria and had many projects with “strong economic appeal” which the fund claimed to want. This route would’ve provided
funding for me to develop the first draft of another feature film screenplay which I could then take to production companies and producers in Scotland. As I started to fill out the application, it became clear by the detailed questions regarding budgets and casting that the application was far more geared towards producers than writers. I called Screen Scotland again for more information and was informed that I would not be successful if I applied for this fund as it was supposed to be for producer-writer teams, sole producers or screenwriters with several feature film credits. I pointed out that the criteria in the guidelines only asked a screenwriter for 1 produced credit meeting one of 3 criteria (I fit all 3 of the criteria) but was still told I’d be very unlikely to be successful. Therefore, the guidelines are incredibly misleading and set a criteria that the vast majority of screenwriters in Scotland aren’t eligible for. There’s also fundamental flaws with this fund as most writers who already have a producer on board are likely to have already been through some of the development stage which is what the money is supposed to be for. In addition, this fund only helps writers who have been in the right place at the right time in terms of having a producer or production company on board when the crisis started.

I was very confused at this point. As a full-time working screenwriter in Scotland there were no funds I could access. The Screen Officer at Screen Scotland suggested I apply for the Bridging Bursary Fund even though the guidelines advise screenwriters not to apply. I queried at the time why there were no development funds being paid directly to writers and explained the issues with production companies and producers receiving all the funds and how this would leave screenwriters, who are essential to the recovery of the industry post COVID-19, falling through the cracks.

I applied anyway for the Bridging Bursary Fund and was successful but, due to the guidelines, I wouldn’t have known I even could apply for this had I not had several phone calls and emails with Screen Scotland. Based on the information on the website and in the funding guidelines, screenwriters do not fit into any fund so most of them will think there is nothing to apply for. If screenwriters are able to apply for the Bridging Bursary Fund this must be clear. While the Bridging Bursary Fund is of some very limited financial support, it doesn’t take away from the major flaw of blocking screenwriters out of development funding, which they should be part of and is essential to the recovery of the film and television industry post COVID-19 as all new films and TV shows start with the writer.

At a time when we are very concerned about our health, our income, home-schooling our children, making sure elderly and vulnerable relatives have food, medication and supplies, we shouldn’t also be expected to originate, develop and write ideas, for the most part unpaid, that will aid Scotland’s screen industry recovery all the while hoping we maybe see some funds somewhere along the line if the project is picked up.

While this is part of an ongoing issue with Screen Scotland’s support of screenwriters, the shutting down of all production due to the COVID-19 crisis has made the issue much more pressing. Producers and production companies absolutely still require funds for the development of the projects they do choose from screenwriters, but it should be made clear by Screen Scotland that they expect the production companies who receive funding to adhere to the WGGB guidelines for how and when writers should be paid.
There should be a development fund for seed money that screenwriters can access now from Screen Scotland to develop their ideas in order to get them to the stage of approaching producers and production companies. There should obviously be candidate criteria for such a fund, and it could be peer reviewed by other screenwriters or story editors who are very well versed in story and script analysis.

Authors and playwrights can still currently apply to Creative Scotland’s Open Project Fund for development funds to write books or plays, yet there is no such equivalent for screenwriters at this time. If screenwriters do not have the financial means or support to continue their craft, not only will it affect their creativity and confidence, but it could also see them having to find other means of employment, taking them out of the creative sector, which could have repercussions on the industry post COVID-19.

If screenwriters are eligible for the Screen Scotland Bridging Bursary Fund, they should know that from guidelines and if the criteria for the Film: Single Project Development Fund is more than the guidelines currently state, this should be made clearer or the current criteria should be enough (which it is). In addition to properly being able to access these funds, screenwriters should also be able to access directly some of the Broadcast: Single Project Development Fund in order to develop and write new ideas for television then shop them around. Screenwriters are at the heart of the development process for film and television yet they are cut out of immediate access to the emergency development funds. The current ‘trickle-down’ approach of emergency funds going to production companies who will then fund screenwriters may sound good in theory, but the reality is that screenwriters are highly unlikely to see any of it during this incredibly difficult time.
Written Submission from Screen Facilities Scotland

Please find below some of our member companies’ responses to how their individual businesses have been affected by COVID-19 – thank you for your attention:

GBM CASTING - HOW HAS COVID-19 IMPACTED ON OUR BUSINESS.

As of the 19th March 2020 all filming in Scotland officially stopped leaving GBM Casting with no opportunity for income generation. The following is a summary of the positive and negative impacts of COVID-19:

- **Lack of uncertainty** - never been in this position before and therefore could not make plans for the future.
- **No Guidance or Communication from Screen Scotland Providing:**
  - Reassurance that Screen Scotland had contingency plans in place to protect and reinstate the industry in Scotland ASAP!
  - A place to engage the Film & TV industry in Scotland to help develop and influence the “new normal” once we can return to filming!
- **No GBM Casting employee’s are eligible for the Job Retention Scheme** - therefore, the company is relying on business reserves and personal savings to cover overheads and staff wages. The company is aware that there are loans available to us. However, we need to ensure the company remains lean and unburdened with loan repayments given the next 12 months are going to see reduced demand.
- **Boom to Bust** - over the last 4 years GBM Casting has seen a year on year increase in business. 2020 was on course for another good year. Now, after COVID-19 GBM Casting anticipates a lean year until around March 2021. This will impact on staff hours and work available to our large books of Supporting Artists.
- However, lockdown brought a well needed break and time to invest in business development. Plus all outstanding invoices have been settled enabling us to pay our SA’s during lockdown.
- Importantly, GBM Casting business model will enable the company to flex up or down depending on what number of background productions request when filming starts. This business model will provide our customers with reassurance that they can rely on sourcing background from us immediately filming starts. This is really important as we need to let the industry and production companies know that Scotland is open for business and that the foundation of the Scottish industry is strong and ready to go!

CAMERA CRANE SCOTLAND

- The Covid19 pandemic has utterly destroyed my business overnight.. I have been coasting on invoiced Payments that were generated in January and February as i was lucky enough to have work in the early part of this year. I am
sure that many were not so fortunate as the winter is usually bleak for most businesses. My Money will run out next month and then we will be in a bit of a bind.

- Our industry has ground to a halt with perhaps the exception of tv news crews which are skeleton in nature right now.
- The longer this lock down lasts the bigger a problem we all have. I have 3 months payment holidays on my credit card debt and Asset Finance. But then what if it goes on longer. And then what if there is another Lock down over the winter!???
- After a short busy shoot season with little prospect of catching up financially.
- It will take a considerable period of time to repay the debts incurred to my business by loss of trade from this.
- The Dolly Hire bill from chapmans will be in several thousand pounds of arrears that I need a busy season to square back up...
- The uncertainty is the worst aspect of all of this for everyone concerned as there is the potential for no end to the lock down this year. Or a series of small lockdowns which will again shut business down.
- I have applied to RBS for the govt bounce back loan of 50k and am applying for the Scottish Govt Grant of up to 25k though my accounts are not yet made up so it wont be completed until this end of this month before i can get an idea back of what is available. They have made the application form for that like war and peace. They are not just handing money over and injecting business with ready cash no questions asked.
- Which given the circumstances is a little galling. Given that it doesn't take a rocket scientist to work out that all these small businesses are in the same boat. That is not in a boat and drowning.!
- At the moment we are all running on speculation and hoping for the best but fearing the worst.!

CINESTORE LTD

- We are still open but furloughed my 1 part-time staff.
- Orders are a fraction of what they were.
- If the later part of the year is not busy It won't bode well as we were banking on the summer/busy to help bring up our turnover to repay loans and investments into new product lines, back end systems and staffing.

PROGRESSIVE BROADCAST HIRE

- From the beginning of March, as concern with regards to public gatherings began to be raised, we saw booked work beginning to cancel. The first to go were live events such as The People’s Postcode Lottery Gala and lens hires for Scottish Football. By the middle of March, our long term projects had all been put on hold.
- We instigated home working where possible approximately a week before the declared government mandate to do so and brought in strict hygiene and social distancing measures, limiting client access to our premises to appointment only,
in order to ensure collections and drop off of equipment were solitary events.

- Staff took turns to do client meetings, in order to minimise contact between our staff.
- As of the end of March, we have no long bookings for hires whatsoever for the next two - three months and all major productions in the UK have temporarily ceased filming. We have continued to trade on some small individual jobs - including providing cameras for the Scottish Government’s COVID awareness campaign but this is a fraction of our usual turnover.
- We began the process of contacting our various finance providers, on March 18th, to request payment holidays.
- Currently, we think we need to prepare for our business to be closed potentially until late July.
- On a return to trading, we know that our industry will be trying to get a large amount of postponed work completed in a condensed period of time.
- We are not covered by the 25K grant for hospitality businesses.
- We should be entitled to the 10K grant for businesses in receipt of SBBS but due to admin issues, we have been refused and are having to appeal that decision.
- Our bank has stonewalled and slow walked our CBILS application and we have had to move this to another financier and are still awaiting a decision for this.
- The only thing that has worked well for us so far is the furlough scheme which worked perfectly and paid us absolutely on time as promised.

BARBOUR ALL TERRAIN TRACKING

- As a result of CV19 I have had to shutdown and mothball the business as much as possible to reduce overheads.
- All tracking vehicles and associated equipment have been registered as SORN as that is the only way my film specific insurance will recognise them as not being used for work so are sitting with no insurance cover at all. Otherwise as it is film related insurance its too expensive.
- All Public liability, professional indemnity and employers liability insurance has been cancelled.
- I had planned to upgrade my truck to a heavier chassis for carrying film equipment and that has had to be postponed.
- There appears to be no grant support for facilities companies like myself in the industry at this time which would assist with on going maintenance of the business and equipment so as we are ready to step straight back into work when this comes on stream again. However if I was a cinema for instance there seems to be money available to upgrade my equipment for the future! Or a production company developing a film idea there is support for that!
- CV19 has impacted my cash flow as there is none now as no jobs forthcoming and what jobs there were at the beginning of the year which has been very slow to start this year one of them has become a bad debt because they don’t have the money to pay me because of CV19.
As owner / director of my own company I have furloughed myself but my business has worked on the model of maximum tax free allowance as PAYE with the balance being taken as dividends which has not been recognised by the government in their calculations. Very grateful for the amount I am getting but it is not a true representation of what I pay myself which is partially with dividends.

Only funding available for my business at the moment looks to be in the way of loans so therefore incurring more debt which I am loath to do based on the following.

- No idea how long the lock down is going to continue for?
- No idea once the lock down is lifted how long it will take for production companies to get rolling again.
- No idea if filming will be allowed to happen because of the issues of social distancing on a film set…. So what are the plans for that and how are they going to be implemented? When will we know?
- It’s a hard enough industry in Scotland to work in as it is without the the influence of CV19. There is very little support for Scottish facilities as it is on any production let alone the larger ones that come in and even have Scottish money funding them through Creative Scotland and still the Scottish facilities don’t get a look in and production just bring everything with them form south of the border. So why take on debt to try and modernise equipment or invest in new kit when you know that there may be work but the chances are you won’t get any of it and it will go to companies that have plenty of it already, are able to invest in new equipment because they are getting good turnover and being supported up in scotland on the large productions.

Not sure how long I can sustain the business in the state it is in and sooner or later I will have to close down completely and go and look for other work. Again not knowing what the future is for the film industry and how it will work post CV19 and lock down means its difficult to plan for the future.

WHAT SFS IS DOING TO SUPPORT ITS MEMBERS:

- Responding to any industry consultations that cross our radar.
- Gathering and sharing all screen industry and business advice, guidance, commentary, resources, webinars, and articles that cross our radar.
- Hosting virtual member meetings to regularly share and discuss our business challenges and any opportunities to survive the current situation
- Developing an online member portal to help members engage remotely to share knowledge and opportunities.
- Planning an industry exhibition and trade event concept to help springboard our local industry back into business.

KEY POINTS FOR CTEEA COMMITTEE FROM SFS VIRTUAL MEETING ON 6 MAY 2020:

KEY POINTS:
Communication - Screen Scotland remains unresponsive to most communication from SFS. The Chair of SFS emailed in February after our AGM and a reply has yet to be received.

The Scottish Government has stressed the importance of clear communication during lockdown and this applies to all Government bodies including Screen Scotland.

LACK OF A LOCKDOWN EXIT STRATEGY FOR THE TV & FILM INDUSTRY IN SCOTLAND.

TV & Film production has a significant contribution to the economy of Scotland. As COVID-19 has had such a detrimental impact on the economy of Scotland and globally it is imperative our Government through Screen Scotland moves to negate as much damage as possible. SFS would therefore, welcome a dedicated Scottish TV & Film Lockdown Exit Strategy that demonstrates to the TV & Film industry globally that Scotland is open for business through safe working practices, tax relief, locations and a strong infrastructure, skills and talent.

Industry Engagement - Everyone in the industry needs to be involved in getting Scotland back to business through the development of safe working practises and guidelines that meet the industries need.

Now is the time for Screen Scotland to step up. COVID-19 is not an excuse for targets not to be met and action not taken.

It would reasonable if targets and actions changed in response to COVID-19. Downing tools and waiting for COVID-19 to pass is not acceptable and the CTEEA committee has a role in exploring exactly what Screen Scotland have achieved on behalf of the industry and Scotland during this time.
Written Submission from Writers’ Guild of Great Britain

Since television and film production ceased at the start of lockdown, the screen and television writers that the Writers’ Guild of Great Britain (WGGB) represents in Scotland have been unable to work. Many have families and dependents to support, no other source of income and looked to Screen Scotland and Creative Scotland’s emergency funds.

However, the guidelines for Screen Scotland’s Bridging Bursary Program state that “Writers and producers are encouraged to apply to our development funds for project funding rather than to this bursary.” Screenwriters are advised to look at Single Project Development funding routes. However, the guidance on the application forms for those funds state that these routes are for “Scotland’s independent film and TV production companies”. The Broadcast: Single Project Development Fund states that it is only for production companies to apply for.

Ideas for film and television scripts and the projects that flow from those scripts, come from writers. Writers pitch these ideas to production companies or broadcasters. Traditionally if a producer or a production company liked the idea they would ask for a short treatment – the story, characters, relationships, unique selling point, plot twists, tone and resonance of the idea in one or two pages of A4. This would normally involve a writer working a week to ten days for nothing. If the producer was still interested, they would pay for an option on the idea and then either pitch it to a broadcaster or pay to develop it further into a longer treatment or a full script. Sadly, over the past thirty years the amount of work that producers and production companies ask, expect, or demand that writers do for free before they will consider an option, has increased dramatically. It is now industry standard practice to expect writers to spend weeks and months producing treatments, first, second, third or more drafts of a script before production companies will option or spend development money on projects. Often options are ‘free options’ which give the producer sole right to exploit the idea for a certain amount of time without paying the writer. As the producers are the gatekeepers to broadcasters and those who hold funding purse strings, the writers have little or no leverage and often, for all intents and purposes, have no choice but to accept this.

The WGGB’s Free is NOT an Option campaign has been drawing attention to this for several years but the practice remains widespread. Given the prevalence of this situation, the only screenwriters who are likely to see any development money at this time are those who already had development in place with a production company before the COVID-19 crisis – writers who, in all likelihood have worked for weeks and months for nothing. Therefore, the new funding routes that Screen Scotland is offering are unlikely to benefit screenwriters impacted by the Covid-19 crisis at all, leaving them falling through the cracks.

At the best of times – in the absence of any mechanism to ensure that producers follow WGGB best practice guidelines - the system of producer-led funding applications necessarily favours those screenwriters who have independent sources of income. It disadvantages working class writers, will drastically reduce the diversity of voices in the national cultural landscape, and is not sustainable in terms of building the strong vibrant film and television sector that Scotland could and should have.
In the current circumstances it is wholly inadequate and will not sustain the writers that sector will need when the industry starts to recover.
Written Submission from Norman Bissell

I am a freelance writer and co-editor of the Scottish Centre for Geopoetics annual journal Stravaig which is on its eighth issue. I received a Creative Scotland artist’s bursary in 2014 to research and write my first novel Barnhill which was published in hardback by Luath Press in July 2019. It was well received and is on its second edition. Unfortunately, four of my scheduled book events to promote it have been cancelled or postponed due to the Covid-19 pandemic lockdown at Aye Write! Book Festival in Glasgow on 19 March, at an Orwell event in Rothesay on 30 May, at a West Dunbartonshire Council Booked event at Gartocharn on 15 June and at Tayvallich in Argyll on 28 June. This means I’ve lost about £800 in fees and book sales. In addition, the publication of the paperback version of my novel has been delayed until later this year leading to further loss of income for me and my publisher.

I’ve looked at the Argyll and Bute Council self-employed support schemes and the various Creative Scotland schemes but their criteria exclude me since my earnings from my writing are much less than half my income. I’m a member of the Scottish Committee of the Writers GuildGB who are campaigning for a better deal for writers in our Free Is NOT an Option campaign.

The continuing efforts of the Scottish Government to plug the gaps in emergency funding for artists who have lost income as a result of the Covid-19 pandemic are most welcome. However, many writers like me are still falling through the gaps. It is especially difficult for authors whose books are being published in the spring and summer of this year. Since actual book launches are not possible, some virtual launches have been taking place and are planned, but these do not generate as many sales, meaning a loss of income for authors and their publishers.

The criteria of many emergency funds, particularly those administered by Creative Scotland, are unclear, restrictive and too complicated. Assistance and feedback from Creative Scotland is not as available as it should be. The serious failings of Creative Scotland that I identified in my submission to the Committee of 12 April 2019 (REF NO. CTEEA/S5/19/AF/46), and which the Committee set out in its report Putting Artists in the Picture on 10 December 2019, have not been sufficiently addressed and the situation facing writers generally, and Scottish screen and television writers in particular, has not improved.

The most recent funding information from Creative Scotland shows that only 7 Open Project Funding awards totalling £208K were made to the film and television art form in 2018-2019, the second lowest next to design. No figures are available of how much of this went to writers. Literature and publishing received 56 awards, a total of £925k in 2018-2019 but again there is no breakdown of how much of that went to writers rather than to publishers and literature organisations.

The current situation requires bold measures to ensure that it’s not just a return to business as usual for writers, artists and Creative Scotland. Here are some immediate steps that should be taken:

1. There must be full disclosure of the annual amounts of Creative Scotland and Screen Scotland funding which go to writers and producers in film and television
and to writers, publishers and literature organisations to ensure transparency and accountability.

2. Screen and television writers must be funded directly instead of their applications requiring to have a producer attached to their project. This practice means that the limited amount of available funding goes to producers who then decide how much to pay writers, and they can insist on unfavourable and exploitative contracts which do not adhere to industry-wide agreements, and can ask writers to work for nothing on multiple drafts of scripts. This also reduces diversity amongst scriptwriters since this kind of situation is unaffordable for most. In the current crisis this issue must be addressed as a matter of urgency.

3. In line with the recommendation in your report Putting Artists in the Picture, writers should be included in the ongoing Universal/Citizens Basic Income pilots and, as an interim Covid-19 measure, they should be given a Universal Basic Income for one year starting as soon as possible. This would generate much more and better artistic work than requiring them to prepare onerous funding applications, the majority of which are unsuccessful. The results of this, including its costs, should be compared to the costs of the current bureaucratic application process administered by Creative Scotland.

4. Literature, film and television, and writers in particular, should be allocated a greater share of the total available arts budget if we are to advance our reputation for the quality of our writing.

5. Scottish Enterprise should establish economic accelerator funding to support writer-entrepreneurs in areas such as writer-led films, independent film and publishing and show-running to stimulate creative entrepreneurship and creative micro-businesses with growth potential, similar to the Highlands and Islands Enterprise creative industries support model.

Scotland’s writers are a key element in the future of its creative industries. If they are supported now, they will make a substantial contribution to the recovery of these industries which will bring tangible benefits to the economy and society as a whole.

Norman Bissell
15 May 2020
Written Submission from Federation of Scottish Theatre

Introduction

The Federation of Scottish Theatre welcomes the opportunity to present views to the Committee. This submission provides the Committee with a brief overview of the impact of Covid-19 on Scottish live performing arts. We expect to present further information as the situation develops.

The Federation of Scottish Theatre is the membership and development body for the professional performing arts in Scotland, bringing the sector together to speak with a collective voice, share resources and expertise and promote collaborative working. FST represents around 200 member professional companies and individuals, from the National Theatre of Scotland and Scottish Opera to individual artists producing their own work, and the independent producers who support them. We count all Scotland's producing theatres as members and we operate in nearly all local authorities. Our members turn over more than £100M per annum on public investment of well under 20% of that amount. Moreover, the sector embodies the nation's artistic and cultural talent, critical to the perception of the nation both at home and overseas.

Impact of Covid-19

The impact of Covid-19 has been immediate and devastating across our membership. Our members have put public safety to the top of their concerns from day one. International touring companies and producers were the first affected as their tours across South East Asia were immediately cancelled, with complete loss of income and no insurance payouts. On 12 March when the First Minister announced plans to end gatherings of more than 500 people ticket refund requests began. By 17 March Scotland's theatres and companies had closed to protect their workers and communities, again with total loss of income and, at that point, no indication of what support might be available. They closed because it was the right thing to do.

Ironically their success in reducing their reliance on public funding means they are exposed and vulnerable to this unprecedented shut down of demand. In addition to the loss of performance fees and box office sales, theatres and theatre companies have suffered loss of income from all associated/secondary income (including bar/restaurant/café sales, event hire fees, and theatre rental income).

Our venues and companies employ and contract with thousands of people, from artistic and creative practitioners to technical specialists to catering suppliers. Well over 1,000 people employed by our members are currently furloughed. Our members’ work contributes to health and wellbeing, combats loneliness, provides creative education and learning opportunities and attracts visitors and spend to towns and cities all over Scotland. Without continued support jobs and livelihoods are at immediate risk.

Support measures

The introduction of the UK Government’s support measures for companies and self-employed people has provided an initial lifeline for some. The extension of full furlough...
to the end of July is buying time to consider the changes that will need to come. We know there will be a prolonged period where pre-Covid business models cannot apply. Whilst there is zero income, the proposed and as yet unclear reduction in furlough will inevitably put more businesses and companies at critical risk of insolvency.

The Scottish Government’s rapid translation and enhancement of UK Government measures addressed some of our initial concerns – for instance around those companies who did not benefit from the Covid-19 rates cut – but there are still many facing exceptionally hard times now and in the months ahead. We have previously made the case to the Committee on the impact that real terms cuts of 25% in core funding from Creative Scotland have made to sustainability over the past few years. The reality of financial precariousness and lack of reserves is now all too apparent.

The Committee will be aware that Creative Scotland’s hardship bursaries for individuals closed after four days because of high demand, and that despite the welcome injection of additional funds from Scottish Government and the Freeland Foundation, they again had to close before everyone who needed to apply had the chance to do so. Nevertheless our members welcomed the speed with which Creative Scotland moved to develop a clear, straightforward online application process and we look forward to this approach being rolled out across their funding. Flexibility in enabling funding recipients to honour commitments to freelance workers wherever possible was also welcomed.

We are particularly grateful to our audiences for their support past, present and future; our members have been particularly touched by the numbers of loyal audience members donating the price of their tickets or agreeing to accept tickets to future shows. It is a clear signal of the value local people assign to the performing arts in their area and of their desire to come back together to share the experience of live work.

**Immediate needs**

Research indicates that at least half the people in our industry are freelancers. Many are also employed elsewhere. As the Committee will know, this means that some earn more than 50% of their income from PAYE, which in turn means they are not eligible for any support for their lost freelance income. We have members who earn 51% of their income on PAYE. If they are on furlough they have lost 20% of half their income, and have no access at all to support for the other half. They are in desperate circumstances. Whilst we welcome the support for newly freelance people, more support is urgently required for this large and vital part of our industry.

Creative Scotland has repurposed its Open Fund into a new ‘sustaining practice’ fund. Their focus during this period was very much on individual hardship bursaries and this repurposed fund has caused confusion and distress among our membership. We have provided specific feedback on this to Creative Scotland and will work with them as they review the fund next month.
Community and contribution

Despite the fact that in some theatres and companies more than 90% of staff are on furlough, our members are continuing to provide vital outreach services to their local and national communities. In addition to streaming live and recorded work, usually freely, our members are telling stories for children, contacting isolated young parents and elderly people, sharing memories and designing futures with towns and villages, establishing remote ‘film nights’ across rural communities and designing artworks to be made at home and brought together when people can again assemble. The creativity and impact of their work in these circumstances reminds us once again how vital arts and culture really are to everyone in our country.

Our members are also supporting one another: not only commissioning new work but also offering their time freely to provide advice and mentoring, opening up discussion spaces for directors and online casting sessions for actors, offering bursary places to help imagine new ways of making and sharing work in the post-Covid environment. They are providing regular online catch-ups and check-ins, sharing resources and advice and helping one another to access funding and support.

Restart, adaptation and recovery

We know how important our industry will be to bringing people back together, and as visitors back to Scotland, after this crisis. Our members will need significant support to survive long enough to play this role.

At this point we know we need:

- Extended support for full furlough, further grants for businesses and more support for self-employed people until it is safe for audiences to return in numbers sufficient to make theatres viable.
- Close and clear communication between the industry and Scottish Government around the lifting of restrictions and the impact of banning or allowing gatherings of particular size. Audiences of 30, as being implemented now in the Netherlands, cannot sustain businesses who rely on selling 1,000 seats.
- Clear understanding that live performing arts will need support during the period that work is being made or re-staged, well before audiences can return. Our workers need to be as safe as our audiences. Theatres are rightly subject to mandated safety checks and there will be significant pressure on those providing equipment hire and contractor services, assuming these all survive the crisis, to deliver across the country as theatres seek to return to business. Realistic estimates on lead times for theatres to open to audiences from when they can re-open to workers range from 2-4 months, during which they will incur significant costs while their income continues to be severely limited.
- Shared work on messaging to develop public confidence in attending events. We know that audiences are anxious about being in enclosed spaces and long queues. Developing clear, nationwide guidance and signage to indicate
compliance with the new safety standards will help people to feel safe. That work needs to take place in consultation with industry and with local authorities.

- Recognition that the risks of continued surges in illness, further shutdown and illness of key workers are extremely high, and commitment to strong government support in the development of a functioning insurance industry.

- A coherent strategy around international production and touring. The combined impact of Brexit and Covid is an existential threat to many of our members, particularly in the dance sector.

- Support from Creative Scotland and Scottish Government as we develop and adjust to new business models. We know that our industry cannot emerge from this crisis as we went into it. We need sustained and strategic support to adapt to the new reality, working with others in arts and culture and those in associated industries including hospitality and tourism as well as across national and local government. Our membership is committed to working collectively and inclusively to develop new and sustainable approaches which allow our sector and those working in it to thrive and to make the work for which we are renowned at home and all over the world.
INTRODUCTION

To support its work in scrutinising the Scottish Government’s response to the Coronavirus pandemic, the Culture, Tourism, Europe and External Affairs Committee asked for a briefing setting out what that response has been to support the cultural sector in response to the Covid-19 pandemic and the equivalent responses in other jurisdictions.

The main focus of the paper is on the response in the UK nations. SPICe is grateful for the support of colleagues in the House of Commons Library, and the research services of the Senedd and the Northern Ireland Assembly. The paper also provides a broader European perspective. The Annexe to this paper provides an overview of responses from four European member states.

The paper initially provides a brief overview some themes that appear to be common across jurisdictions in terms of support for the cultural sector in response to the pandemic.

BACKGROUND

It is widely recognised that particularly the performing arts have been and will be severely affected by the restrictions put in place in response to the Coronavirus pandemic. In an open letter, European music sector bodies called for significant funding support for culture and specifically music, it said—

“Music is one of the first sectors hit by the unprecedented COVID-19 crisis. It will also be one of the last.

“As borders close, venues as well as festivals suspend their activities, performances are cancelled, group activity is stopped, shops close, and new releases are put on hold, the entire creative value chain is stalling. Artists and their management, performers, composers, songwriters, music educators, conductors, booking agents, record shops, labels, publishers, distributors, promoters, manufacturers, technicians, events managers and event staff count among the many actors of the ecosystem whose livelihoods are on the line.
“These risks will persist, even after the public health emergency is solved. The stark reality is that profound harm will be felt long into 2021 due to how the music ecosystem operates.”

The Creative Industries Federation has warned that the UK could become a “cultural wasteland” without further financial support. In a blog on the emergency response to the Coronavirus, Arts Council England’s CEO, Darren Henley provided a similarly stark analysis of the impact of the pandemic on the Cultural sector. He said—

“With cultural venues closed, tours cancelled, suppliers shut down and match-funding falling away, the vast majority of projects currently submitted [for funding] are simply no longer feasible. For most artforms, there’s no practical means of producing work at present.”

Mr Henley also used the metaphor of an ecosystem, saying “At this moment, it’s the whole of the ecosystem that we need to fight for, and that’s what I intend to do.” Mr Henley cited a blog by François Matarasso who complimented the Arts Council’s funding response in England which he said has provided breathing space to the sector. He said—

“We must also make the difficult leap to imagine what our organisation and our work might be in three or six months’ time. It would be a mistake, I think, to imagine that we will come out of our homes, reopen our venues and pick up where we were in February 2020. The economic recession that has already begun will be only the most obvious force reshaping the post-pandemic world. I’ve no idea what is coming, but not expecting it to be what was before is the only way to prepare for it. This really changes everything.”

Governments and their agencies tend to highlight the economy-wide or “horizontal” measures that are in place to support business (e.g. supporting furloughing of staff). Where there are sector-specific funds, often these are, in part or in full, repurposed funds – for example, funds that were budgeted for supporting the arts in the current financial year repurposed to support artists simply to survive where there is no possibility of work. A third intervention is for governments or public bodies to commission or continuing to fund works that can be undertaken in the current circumstances.

Taking the first element, a major element of support to the economy has been to payroll employees and small businesses. A 2017 report by the Creative Industries Federation found that 47% of workers in the creative industries in the UK were self-employed, which compared to 15% of the workforce as a whole.

While there is significant economy-wide support one issue is the extent to which workers in the cultural sectors can access the funds available. This appears to be a particular issue for freelancers who have recently begun trading or who have a mix of income sources. BECTU has called for the Treasury to undertake work to better address the needs of freelancers. In a statement on 12 April, it said—

“COVID-19 has devastated nearly all of the industries Bectu has members in. There is no work for any of Bectu’s freelance members at the moment.
“The theatres and the cinemas were the first to shut down, followed by TV and film productions, then art galleries and finally the complete cancellation of live events such as festivals and concerts.”

Creative Cardiff, in conjunction with Cardiff University’s Creative Economy Unit, conducted an online survey of 237 creative industry freelancers in Wales to look at the issues for freelancers. In an article published on 14 April, these researchers suggested changes to how the current schemes available in Wales could be improved. These were:

1. Find ways to factor in the mix of past PAYE work and freelance income in assessing average income, as well as the time it takes to build up a freelance business.
2. Many freelancers will be left with overheads but no income – their inability to pay these ongoing casts is, for many, the most critical issue they face.
3. Use metrics that include the income dividends of freelance creatives who are Limited Companies.
4. Use metrics that include those who have embarked more recently on a freelance career.
5. Consider initial upfront payments to help cover time caused by the delay in assessment.

Creative Scotland told the Committee in a letter on 24 April that—

“Creative Scotland’s primary focus is to keep funding flowing to sustain individuals and organisations through the immediate short-term impacts, but with an eye to the medium to long term recovery required.”

In terms of exit strategies to the lockdown, Live DMA, a European network for the live music sector, has collected some initial comments about how the live music sector will come out of the lockdown. Currently there are comments from Belgium, Norway and Spain – the main theme from is how the sector will cope with continued social distancing rules. In addition, the possibility of rescheduled events stacking up and providing too much competition was highlighted.

**SCOTTISH GOVERNMENT**

The Cabinet Secretary for Economy, Fair Work and Culture wrote to the Committee on 24 April setting out the Scottish Government’s approach. The Scottish Government also published advice for the creative sector on the ranges of support available, both specific to the sectors and the broader support to the economy available through the Scottish and UK Government schemes.

The Cabinet Secretary’s letter indicated that the Scottish Government has been in talks with: the directly funded agencies and companies; representatives, companies and individuals from the wider arts and culture sector; and broadcasting companies.

The Cabinet Secretary set out the Scottish Government’s immediate financial response which included relaxing grant conditions on a number of funds, directly and
through its agencies. The Cabinet Secretary noted that a number of the actions intended to support small businesses will be available to businesses working in the culture sectors, for example, one-off grants which are available to businesses eligible for a range of reliefs.

Of particular interest for the Cultural sector may be the “lifeline support for business”. This is a £100m fund which includes—

- £34 million Newly Self-Employed Hardship Fund, managed by Local Authorities, will be allocated to the newly self-employed facing hardship through £2,000 grants;
- £20 million Creative, Tourism & Hospitality Enterprises Hardship Fund, managed by the Enterprise Agencies in partnership with Creative Scotland and VisitScotland for creative, tourism and hospitality companies not in receipt of business rates relief; and
- £45 million Pivotal Enterprise Resilience Fund, managed by the Enterprise Agencies for vulnerable SME firms who are vital to the local or national economic foundations of Scotland.

CREATIVE SCOTLAND AND SCREEN SCOTLAND FUNDS

Specifically in relation to the cultural sectors, the Scottish Government indicated that it was providing additional monies to Creative Scotland’s Bridging Bursary. This was initially a £2m fund but was increased to £4m through £1m direct support from the Scottish Government and a further £1m from the Freelands Foundation\(^3\). The £1m from the Scottish Government is the balance of the £100m lifeline support for business outlined in the previous paragraph.

The Bridging Bursary was aimed at individual artists and freelancers who have lost income from their creative work and/or practice due to COVID-19. The bursary was particularly aimed at those who are least likely to benefit from the UK Government Job Retention Scheme and Self Employment Income Support scheme. The total fund was £4m and individual grants could be between £500 and £2500. The Bridging Bursary is now closed.

A similar Screen Scotland Bridging Bursary, with total funds of £1.5m remains open for freelance or self-employed screen practitioners working in Scotland’s screen sector (exhibition, distribution, development, production or postproduction for film or television, scripted or unscripted, live-action or animation, talent and skills development, film education) who are experiencing immediate financial difficulty due to the loss of screen sector income in Scotland as a result of the COVID-19 pandemic.

In addition, both individuals and organisations can apply for Creative Scotland’s Open Fund. This is a repurposed funding stream within Creative Scotland’s budget – the Open Project Fund. Creative Scotland has budgeted a spend of £7.5m of National

\(^3\) The Freelands Foundation is a UK wide charity which aims to "give more people the chance to engage with and enjoy the arts in the UK, with a particular focus on education."
Lottery funding for 2020-21 on the Open Project Fund and this money will be used in the Open Fund. The maximum grant of the Open Fund will be £50,000 and the funding will support activities for up to a year; both the maximum funding and duration are lower than the equivalents for the Open Project Fund in 2019-20 which were up to £150,000 and for up to two years of activity.

Screen Scotland has also announced two funds, totalling £1m, for broadcasting and film productions. The Single Project Development funding routes are ring-fenced funding for independent film and television production companies, and aim to support them to develop projects over the coming 3-6 months.

**BBC SCOTLAND**

BBC Scotland has also responded to the pandemic. This includes developing programmes to support learning at home. In terms of support for the screen sector, in an email to MSPs, Donalda MacKinnon Director of BBC Scotland said—

“[There are] several new commissions in response to the pandemic from the independent production sector for BBC Scotland, together with *The People’s News*. I am acutely aware of the BBC’s ongoing role working collaboratively with the sector at this time, and the new commissions sit alongside the *Scenes for Survival* initiative in partnership with the National Theatre of Scotland; development work with Screen Scotland and BBC Three to generate further content from Scotland; and a range of initiatives designed to support the sector, such as re-licensing of archive content for broadcast and increasing the BBC’s contribution to the small indies fund.”

The BBC has also donated £700,000 to support The Film and TV Charity to assist freelancers affected by the hiatus in filming and production caused by the global COVID-19 pandemic.

At a UK level, the BBC's BBC Arts' *Culture In Quarantine* initiative which is an arts and culture service across BBC platforms that aims to “keep the arts alive in people’s homes”. It is focused across BBC Radio 3, BBC Radio 4, BBC Two, BBC Four, BBC Sounds, BBC iPlayer and [www.bbc.co.uk/bbcarts](http://www.bbc.co.uk/bbcarts). The BBC is undertaking this work in consultation and collaboration with organisations like Arts Council England and other national funding and producing bodies. The Culture in Quarantine fund appears to be mainly a collaboration with the Arts Council England and seeks to commission artists based in England, however, it appears that there are other partnerships in the other nations of the UK, including working with the National Theatre Scotland to support its *Scenes for Survival project* which is working with Scottish regional theatres to commission media content from great Scottish talent.

**MUSEUMS GALLERIES SCOTLAND**

Museums Galleries Scotland is the national development body for museums and galleries in Scotland. The Cabinet Secretary’s letter indicated that MGS had suspended its regular grant funds and set up two new funds in response to the Coronavirus pandemic. The Scottish Government provided an additional £400,000 to these funds. The main part of the funding (totalling £700,000) is aimed at independent
museums to cover “urgent core costs” for up to 3 months. There is also smaller fund (totalling £55,000) to support digital working.

**OTHER SCHEMES**

As noted above, workers and businesses may be able to access funding through Scottish and UK Government schemes to support the economy. These include:

- Coronavirus Job Retention Scheme;
- Non-domestic rates relief and grant;
- Additional support available for retail, hospitality and leisure businesses (which can include theatres, museums, visitor centres etc.);
- Tax payment deferrals.
- Loan Schemes.

The Cabinet Secretary also highlighted the National Lottery’s [£50m Heritage Emergency Fund](https://www.nationallottery.com/).  

**UK GOVERNMENT**

Aside from the UK-wide support noted above (e.g. the Coronavirus Job Retention Scheme) the UK Government and UK-wide agencies have put in place other interventions relevant to culture sectors.

For example, in relation to community radio, the UK Government has announced a £400,000 Community Radio Fund administered by Ofcom to be used to provide a lifeline for community radio stations hit hardest by the coronavirus. The UK Government has also arranged for support of local newspapers including through purchasing advertising.

On 24 March 2020, Arts Council England (ACE) announced £160 million of emergency funding; this includes £90m for National Portfolio Organisations, £50 million will be available for organisations outside of the National Portfolio, and £20 million will be available to creative practitioners and cultural workers. This investment has come from repurposing ACE’s existing funds and ACE’s reserves.

The ACE site has a [useful link](https://www.artscouncil.org.uk) on financial support that is available from Government and other sources.

The Creative Industries Federation commented in a letter to the UK Government on 27 April 2020, that:

“Our creative and cultural sector is in crisis. A Creative Industries Federation survey of 2,000 creative organisations and freelancers revealed that 1 in 7 creative organisations believe they can last only until the end of April on existing financial reserves. Only half think their reserves will last beyond June.

4 There are over 800 NPOs.
We cannot allow the UK to lose half of its creative businesses and become a cultural wasteland. The creative industries are one of the UK’s biggest success stories, previously growing at five times the rate of the wider economy. The creative sector will also be critical to driving the UK’s economic recovery - and transforming lives for the better - as we re-build.

We must act, and act fast. We call on the government to implement urgent funding for creative and cultural organisations impacted by the fall-out of Covid-19.

On 27 April, the Music Venue Trust launched a Save Our Venues Campaign which aims to raise money and awareness about “the continued economic threat to over 500 Grassroots Music Venues throughout the UK.”

The British Film Institute (BFI) has repurposed over £4.6 million of Lottery funding to target specific areas of the sector, including exhibitors, freelancers and producers. It has also adjusted criteria on existing schemes in response to issues such as cash flow and company overhead. More information is available on its website.

WALES

The Welsh Parliament’s research service has published a blog on support available for the cultural sectors. The blog noted that on 7 April, the Arts Council Wales launched the £7 million Arts Resilience Fund, £5.1 million of which is from the National Lottery. It intends to distribute £1.5 million to individuals, and £5.5 million to organisations. Following this, the Arts Council Wales announced:

- On 14 April 2020 the Arts Council launched the first round of applications for individuals facing immediate financial difficulty and hardship – the Urgent Response Fund for Individuals;

- On 21 April 2020 the Arts Council opened applications for a Stabilisation Fund for Organisations; and

- On 29 May 2020 the Arts Council will open for applications to a Stabilisation Fund for Individuals.

In addition, the Welsh Government has announced:

- £1m Creative Wales fund will provide support for grassroots music venues to respond to immediate pressures (up to £25K per business), and additional support for the TV and publishing sector to allow it to consider future opportunities. Examples will include working on new content ideas for TV and new digital experiences;

- £1m Cultural Resilience Fund for museums, collections, conservation services, archives and community and public libraries to respond to short-term pressures and recovery actions on a grant application basis;
• **£750k Emergency Relief Fund** to support the smallest and most vulnerable independent sector sport, museum and heritage organisations with cash flow and other critical issues. This includes two grant programmes administered by the Welsh Museums Federation and Sport Wales; and,

• **£250k Digital Library Resources**, which will enable public libraries to provide additional digital resources to the public and gives people resources to read and engage with whilst self-isolating.

The Welsh Museums Federation is managing a [£325,000 COVID-19 resilience grant scheme for museums and heritage attractions](#).

### NORTHERN IRELAND

On 27 March, Communities Minister Deirdre Hargey MLA announced funding of £1m (referred to as a ‘Creative Support Fund’) to support the arts sector in Northern Ireland. Some of this is being channelled through the Arts Council of Northern Ireland (which has topped this up with an additional £500,000 of Lottery funding to a total of £1.5m), the Arts Council has announced an [Artists Emergency Programme](#). This programme is aimed at ‘individual artists, creative practitioners and performers’ (i.e. not yet organisations such as theatres and arts centres). Individual artists can apply for a grant of up to £5000 to ‘to take new and innovative approaches in continuing to provide their talents and services to audiences’. The Arts Council has also issued some general guidance for artists, as well as announcing a series of measures to relax funding conditions and exercise flexibility around contracts.

It appears that part of the £1.5m Creative Support Fund will also be used to provide small and medium sized organisations through an Organisations Emergency Programme, with funding of up to £25,000 to help them develop new projects or programmes or re-arrange events which have had to be cancelled. This fund has yet to be rolled out but is expected this month. In summary, the Creative Support Fund will consist of £500,000 for individual artists, £500,000 for organisations, and a further £500,000 held to monitor demand across the Organisations and Artists Emergency Programmes and allocated as projects develop’.

The Communities Minister also announced a donation of £10k to the ‘Bread and Butter’ Go Fund Me initiative, created to support struggling artists which give grants of £200 to artists, to pay for food.

However, there has been some [criticism](#) that support for the arts is being focused on established artists who have already received Arts Council support and the major venues, with many performers and smaller companies and venues falling through the cracks. An example of this can be seen in the guidance issued by [Craft NI](#) which provides support to the craft sector, but, like many organisations, Craft NI has drawn together generic sources of support for its practitioners, with little in terms of new financial support to offer.

### Heritage
In terms of other organisations funded or sponsored by the Executive, the Museums Association (which supports the non-national museums) has created a set of guidance for the sector. Many local museums in Northern Ireland are over-seen by local councils and as such cannot apply to for a Coronavirus Business Interruption Loan; no specific support has been announced for these museums and they are expected to be severely financially challenged as a result. The Department for Communities Historic Environment Division has issued a survey seeking to gain greater insights into how the COVID-19 pandemic is affecting heritage organisations in Northern Ireland.

EUROPEAN UNION AND MEMBER STATES

At an EU level, the European Commission has highlighted a number of measures it has put in place or is proposing. Some of these are horizontal interventions covering a number of sectors, others are aimed specifically at the cultural sectors.

The Commission has set up two platforms to share information. One for Member states to “allow culture ministries to exchange good practices” and a second, Creatives Unite which is intended to help people in the cultural and creative sectors share information and solutions more easily. It was launched on 5 May within the framework of the Creative FLIP Pilot project co-funded by the European Union.

The Commission has also adapted its Creative Europe programme to provide flexibility reflecting the current situation. This includes: extending timescales; modifying projects; allowing funds to cover exceptional costs; or covering costs relating to the cancellation of events. Details of the Scottish projects awarded funding through Creative Europe can be found on the Creative Europe UK desk’s website.

MEMBER STATES

On 31 March, the EU National Institutes for Culture (EUNIC) published a summary of actions being taken by EU member states. The Annexe to this paper reproduces the description for Denmark, Germany, Ireland and the Netherlands.

Ned Sharratt
SPICe Research
15 May 2020

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.

The Scottish Parliament, Edinburgh, EH99 1SP www.parliament.scot
ANNEXE

EXTRACTS FROM EUNIC PUBLICATION HOW IS THE EUROPEAN CULTURAL SECTOR RESPONDING TO THE CURRENT CORONA CRISIS?

The following information is taken from the EUNIC website and is dated 31 March 2020. EUNIC following a survey of its members on their governments’ initiatives to mitigate the loss of income for artists and creative professionals.

Denmark

The Ministry of Culture's initiatives:

- Advance payment of library fee;
- Maintaining State Grants for “Højskoler”;
- Permission to derogate from rules on public information;
- Postponement of transition to new antenna TV signal;
- More Danish music on the radio;
- Solution for zoos.

General aid packages:

- Deferral of payment of VAT, A-tax, B-tax and Am-contribution;
- Cover 75% of employees’ salaries, if they promise not to cut staff;
- Salary compensation for self-employed and freelancers;
- Compensation for corporate fixed expenses;
- Compensation for cancellation of major events;
- Easier access to loans;
- Increased student loan opportunities.

Ministry of Culture Denmark: (Corona initiatives)

Germany

General support to small businesses

Federal aids of 159 billion euros have been approved by the parliament to all affected sectors on 23 March 2020.

50 billion euros are dedicated to direct support for small businesses and single self-employed persons –self-employed persons without employees, individual artists, etc. The applications for these grants will be handled electronically via federal states (Bundesländer) or municipalities. These emergency aid measures have now been adopted by the Federal Government, the German Bundestag and the Bundesrat.

These support measures have been approved:

- Grants: Small businesses as well as single self-employed persons, i.e. especially artists and small cultural businesses, can apply for grants if they have a liquidity shortage due to the corona pandemic. Single self-employed persons and small
businesses with up to 5 employees can apply for a grant of 9,000 euros for a period of three months, companies with up to 10 employees of up to 15,000 euros.

- **Personal living conditions**: For basic security (ALG II) for a limited period up to September, reserves do not have to be used up before basic security takes effect. Rent and additional charges (e.g. utilities) can also be submitted for reimbursement without further examination. This opens up the path of emergency aid to many creative artists.

Increased protection mechanisms: Landlords cannot terminate rental agreements due to rent debts for studios, rehearsal rooms, clubs and others, before September. **Insolvency law regulations** have also been relaxed.

The following protection mechanisms also apply to larger companies:

- **Tax relief measures**: The options for deferring tax liabilities and reducing tax advance payments have been improved.

- **Short-time work allowance**: The requirements for short-time work allowance have been reduced. Smaller companies can now apply for short-time work benefits.

In addition, **credit options** have been significantly improved. These measures apply to all businesses, but can also be taken advantage of by companies in the cultural and creative industries.

Also, there is an extensive **waiver of claims** for projects funded by the Commissioner for Culture and Media: In the event of an early termination of funded cultural projects and events, the Commissioner will check individual cases whether the reimbursement of funds that have already been spent can be waived.

**Overview of measures for the creative sector** (by the German government)

[Largely these are horizontal support measures at a federal level. One development in relation to the cultural sector is a voucher scheme for cancelled cultural events - Organisers of music, culture, sports, or other leisure events should be able to refund with a voucher to holders of admission tickets purchased before March 8, 2020 instead of a reimbursement of admission prices if the event is cancelled due to the COVID 19 pandemic.]

**Overview of all available aids with a focus on the creative sectors** (by Commissioner for Culture and Media).

**General overview over impact of coronavirus crisis** (by Germany government).

**Support to the film sector**

Another initiative of the Commissioner for culture and media and a number of local funding agencies will support the film sector. The measures will be laid out for the areas of production, distribution and cinema.
Other initiatives

All the Bundesländer have adopted their own measures. An overview with links to all Länder can be found [here](#).

**German Culture Council**

One of the driving forces behind the advocacy work of the German cultural and creative sectors is the German Culture Council (Deutscher Kulturrat). They provide regular updates, overviews, and a Corona-Newsletter (three editions per week, started on 16 March 2020).

**Overview over all activities concerning corona of Kulturrat**

**Republic of Ireland**

The Government of Ireland has created a dedicated Covid 19 information page on their [website](#).

On 3rd April, Ms. Josepha Madigan, Minister for Culture, Heritage and the Gaeltacht announced measures to support artistic and cultural life during Covid-19 Emergency. These initiatives were developed in collaboration with Culture Ireland, Creative Ireland, the Arts Council, RTE, the local authorities and many other organisations who are putting programmes and supports in place to encourage creativity as a source of individual and community wellbeing. Further details can be found [here](#).

The Minister of Culture, Heritage and the Gaeltacht also announced a new grant scheme to support professional artists and enable the live presentation of their work on online platforms. Funding of €100,000 is being made available on a match funded basis by FACEBOOK Ireland and Culture Ireland. Further details can be found [here](#).

Culture Ireland is committed to working on behalf of artists and supporting them through this challenging period by honouring grants for cancelled and postponed events and through the online promotion of Irish Artists. Further details can be found [here](#).

The Arts Council of Ireland is the Irish government agency for developing the arts. It works in partnership with artists, arts organisations, public policy makers and others to build a central place for the arts in Irish life. The Arts Council have confirmed that they will honour all existing funding commitments, there will be no financial penalties for organisations/individuals that are unable to deliver key activities / key services arising from the impact of the COVID-19 virus and grantees will be able to draw down up to 90 percent of their funding commitment, with immediate effect. Further details can be found [here](#).

On 3rd April 2020, the Arts Council made a further announcement of a €1 million fund to enable artists to make new and original art during the COVID-19 crisis. Further details can be found [here](#).
Fís Éireann/Screen Ireland is the national development agency for the Irish film, television and animation industry. Further details on their range of support measures can be found here.

Further details of the culture and heritage supports available in Ireland can be found here.

Ireland’s national television and radio broadcaster have developed a cross-platform teaching initiative for primary school children. Through this initiative children will be able to watch, download and engage with curriculum-based content, project work, and fun activities which allow them to continue their learning journey despite the closure of schools. Further details can be found here.

Netherlands

DutchCulture’s Mobility Info Point, together with Het Nieuwe Instituut, collects information and Frequently Asked Questions about the possible consequences of the coronavirus outbreak and the subsequent measures taken worldwide for international cultural cooperation. This includes the most recent travel advices and restrictions and the measures taken in other countries. DutchCulture works closely with its (inter)national network, including embassies, cultural organisations and governments worldwide. Find more information here.

On March 17, a joint letter was sent to Minister Van Engelshoven about the consequences of COVID-19 for the cultural and creative sector. It was sent by Kunsten ‘92 and signed by a broad alliance of organisations and representatives of the sector, including DutchCulture.

In a letter of 27 March 2020, the Minister of Culture explained a number of direct measures for the cultural and creative sector to find connection for the cultural and creative sector with general compensation measures (e.g. work time reduction for employers and employees; support for the self-employed; extension of tax payments). This includes applying for a tax-free direct compensation of EUR 4,000 for damages (see here for more information).

Furthermore, some sector specific measures have been put in place including—

- A three-month suspension of payment obligation for museums that rent their premises from the Central Government Real Estate Agency
- Extension of the reporting deadline for all organisations funded by the Basis Cultural Infrastructure
- Four-year grants (2017-2020) to be extended into 2021
- Performance criteria for 2020 will be dismissed in reporting of activities
- Organisations funded by the Basis Cultural Infrastructure to receive an advance payment of their grant for the third quarter of 2020. See the letter here. More information about the Ministry of Culture’s measures are available here and here.

All public cultural funds are following the measures above and can take additional measures themselves: Mondriaan Fund for visual arts, Dutch Foundation for Literature, Film Fund, Dutch Performing Arts, Creative Industries Fund, Dutch Participation Fund. Private funds are in coordination with the Ministry of Culture too and are looking into ways to follow the aforementioned measures in their own capacity.

Cultural initiatives online

https://www.boekman.nl/actualiteit/online-cultureel-initiatieven/
https://www.den.nl/digitaal-als-alternatief-voor-fysiek
https://www.theaterkrant.nl/nieuws/theater-zonder-publiek-een-lijst-met-streams-en-online-registraties/

Google Arts & Culture have included virtual tours of among others the Van Gogh Museum and the Rijksmuseum.

In addition to all this, TransArtists, part of DutchCulture and home of the largest source of info about worldwide residencies, has expanded its artist in residence-helpdesk for corona related questions. Find more on their Helpdesk.

Ned Sharratt
Senior Research Specialist
SPiCe
18 May 2020