



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EDUCATION AND CULTURE COMMITTEE

Tuesday 15 September 2015

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EDUCATION AND CULTURE COMMITTEE

20th Meeting 2015, Session 4

CONVENER

*Stewart Maxwell (West Scotland) (SNP)

DEPUTY CONVENER

*John Pentland (Motherwell and Wishaw) (Lab)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)
*Colin Beattie (Midlothian North and Musselburgh) (SNP)
*Chic Brodie (South Scotland) (SNP)
*Mark Griffin (Central Scotland) (Lab)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
*Liam McArthur (Orkney Islands) (LD)
*Mary Scanlon (Highlands and Islands) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Janet Archer (Creative Scotland)
Iain Munro (Creative Scotland)

CLERK TO THE COMMITTEE

Terry Shevlin

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Education and Culture Committee

Tuesday 15 September 2015

[The Convener opened the meeting at 10:02]

Interests

The Convener (Stewart Maxwell): Good morning and welcome to the 20th meeting in 2015 of the Education and Culture Committee. I remind everybody to ensure that their electronic devices are switched off.

We move to agenda item 1. I formally welcome to the committee our new member, John Pentland, who is replacing Siobhan McMahon. I want to place on record my appreciation and thanks for the work that Siobhan did since becoming a committee member at the start of the year. She was not with us that long, but it was good to have her on the committee in 2015.

I now invite John Pentland to declare any relevant registrable interests.

John Pentland (Motherwell and Wishaw) (Lab): I have no relevant interests to declare.

Decision on Taking Business in Private

10:02

The Convener: Agenda item 2 is to decide whether to take in private item 7, which is consideration of our work programme. Are members agreed?

Members *indicated agreement.*

Deputy Convener

10:02

The Convener: We move to agenda item 3. Now that Siobhan McMahon has left the committee, we have to elect a new deputy convener. The Parliament has agreed that members of the Scottish Labour Party are eligible to be chosen as deputy convener. That being the case, I invite nominations for the position of deputy convener.

John Pentland: I nominate Mark Griffin.

Mary Scanlon (Highlands and Islands) (Con): I second that.

Mark Griffin was chosen as deputy convener.

The Convener: I thank Mark Griffin for agreeing to become our new deputy convener, and I welcome him to his post.

European Union Reporter

10:03

The Convener: Agenda item 4 is the appointment of a new European Union reporter, following Siobhan McMahon's resignation from the committee. I invite nominations for the post.

John Pentland: I nominate Mark Griffin.

The Convener: As there are no other nominations, I take it that members agree that Mark Griffin should become our European Union reporter.

Members *indicated agreement.*

The Convener: Thank you for that. Congratulations, Mark, on your two new posts.

Creative Scotland

10:04

The Convener: The first substantive item on this morning's agenda is the beginning of our examination of the spending decisions that have been made and the outcomes delivered by some of the key public bodies within our remit. Today's evidence-taking session will focus on Creative Scotland.

I welcome to the committee Janet Archer and Iain Munro, both of whom are from Creative Scotland. I believe that Janet Archer has some opening remarks.

Janet Archer (Creative Scotland): I do, convener. Thank you very much.

Good morning, convener and committee members, and thank you for inviting us to give evidence this morning. This is an extremely dynamic time for Scotland's arts, screen and creative industries. The Edinburgh festivals have, once again, announced an increase in audiences and participants, and, last year, the Commonwealth games cultural programme reached thousands of people, stretching from Orkney to Glasgow. Many people in many places throughout Scotland are contributing significantly to the arts, screen and creative industries and will welcome the fact that culture and creativity are being discussed at the heart of Government today. I hope that our written submission, which we supplied ahead of the meeting, provides the committee with the detailed information that it needs to make positive and constructive recommendations as a result of its inquiry.

I just want to highlight some key points. As you will know, Creative Scotland was formed in 2010 by the merger of the Scottish Arts Council and Scottish Screen. That merger was part of the Government's commitment to public sector reform and, in addition, we were given a role in supporting the growth of the creative industries. Following a few challenging early years, the organisation took stock and, in December 2012, the board made a series of commitments to change. I joined as chief executive in July 2013 with the task of delivering on those commitments. Key to that was the development of our 10-year plan, which we published in April 2014 and which was developed through consultation with a reference group and more than 1,000 people working across the arts, screen and creative industries. It is a shared plan.

It is interesting to note that a widely discussed report published earlier this year by the Warwick commission talks about cultural value and the lack of attention that has been paid to the synergies

between the interlocking sectors of the cultural and creative industries—mainly in England—in terms of an ecosystem. We had a deep discussion about that in Scotland last year, when we were discussing our 10-year plan, and we worked up what we called the creative system. In Scotland, we are paying full attention to those connections and are working hard to develop an intelligent understanding of them in order to strengthen everybody's ability to deliver whatever they do.

An important part of the plan was the simplification of our funding systems. We now have three routes to funding: regular, open project and targeted funding. That enables us to carefully allocate our annual budget of £88.5 million, which comprises both grant in aid and national lottery funding. It is important for the committee to note that, across our three routes to funding, we receive more than 4,000 funding applications each year, of which we are able to support about a third. Thankfully, we are able to support some amazing individuals, projects and organisations, but we also have to turn away others that we would have supported if we had had more resources.

That issue was thrown into relief last year when we launched our regular funding programme, which was aimed at providing funding of up to three years for organisations. We set a budget of £100 million for a three-year period, which is subject to amendment if overall budgets change, and we received 212 applications that amounted to requests for almost £250 million. The resulting portfolio, rich as it is, is made up of 118 organisations, ranging from the world renowned such as the Edinburgh International Festival and the Centre for the Moving Image to the locally significant such as An Lanntair in Stornoway; the culturally vital, such as the Gaelic arts body Fèisean nan Gàidheal; and the emerging, such as the Stove Network in Dumfries.

Inevitably, funding decisions create tensions, as you will have seen in some of the submissions that you have received as part of your inquiry. However, in the majority of cases, our relationship with the high volume of applicants that we engage with—both successful and unsuccessful—is constructive, open and professional. There is lots of independently gathered evidence for that, some of which is presented in our written submission, but the figure that sums it up for me is the percentage of our stakeholders who feel favourably towards Creative Scotland. That has increased from 67 per cent in November 2012 to 91 per cent in March this year, and it is recognised that we have listened and responded to the criticism that was levelled at the organisation three years ago.

Of course, there are always things that we can improve on, and everyone at Creative Scotland is

committed to continuing to work as hard as we can to check, listen and respond. One of the key leadership messages that I have given to my team is that we must see Creative Scotland as a learning organisation that continues to adapt and respond to deliver the best possible results in everything that we do, even if that means saying no—which is always really hard to do, especially when we are saying no to Scottish talent and creative potential.

I will finish with a couple more statistics that I think are relevant. First, we note from the Scottish household survey that cultural engagement is increasing. In 2013, engagement was up 91 per cent, which means that more people are valuing and taking part in cultural activities.

Secondly, we know that Scotland's positive reputation internationally is increasing; indeed, according to the nation brands index, it is up to its highest ever level. Culture has played a huge role in that, and the ambition, talent and energy of everyone working in our arts and creative sectors are pivotal to Scotland's continuing confidence and success.

Iain Munro and I are both looking forward to this morning's conversation. Thank you for listening.

The Convener: Thank you very much, Janet. Before I come to other members, I want to take you back to the merger of the two organisations into one, a consequence of which was a reduction in overall staff numbers. Does Creative Scotland have the same necessary expertise and capacity to support the creative sector that was in place when the two previous organisations existed?

Janet Archer: Prior to the merger, we had 150 staff. We have reduced that number by about a third and are now operating with about 100 staff. We also have a number of fixed-term posts, which takes us up to 110.

When I joined the organisation, I was very impressed—and pleased—with the depth of expertise in my team. We have organised ourselves around the arts, screen and creative industries; we have a director of arts and engagement, a director of screen and a director of creative industries, all of whom come from respected and recognised backgrounds, with long histories of working in the field. We have team leads for individual specialisms across the art forms—dance, theatre, music, visual arts, literature and publishing—as well as for screen and the creative industries.

I am confident that the organisation holds the necessary expertise. We are all pushed for time. As we become better known, we will generate increased numbers of applications from across the work areas that we serve. There is always administrative pressure on the organisation to

deliver funding, but we think that we do that well now and that we are efficient. Certainly, the feedback from people out there is that we are operating effectively.

The Convener: The staff have been reduced by 50. Can you give us some detail about where they came from? Which business areas lost staff? You have said that you have the necessary expertise and capacity to support the creative sector with 100 or 110 staff, but which areas were cut?

Obviously, all organisations, particularly public bodies, have to fulfil a lot of other duties. For example, they have to meet equality duties, and they also have lots of other work that is not necessarily part of their—if you like—front-line operation, which, in your case, is supporting the creative sector. Has the organisation's core purpose been affected in any way by the losses that have occurred? What is the balance between the amount of work that is done on other things to support the organisation in meeting all of its public sector duties and the amount of work that is done on its front-line core activities?

Janet Archer: I will say a few words before I pass over to Iain Munro, who holds the organisation's corporate history.

When a funding organisation reduces its staff, the first area to go is its development role, by which I mean all the careful conversations, the advice giving and the work to ensure that the knowledge that the organisation holds is properly shared with and disseminated to the various fields to support the things that people do. We simply do not have time to do as much of that as perhaps we might if we had more people.

Iain Munro (Creative Scotland): It is also worth recognising that the financial memorandum that accompanied the Public Services Reform (Scotland) Bill set the headcount for Creative Scotland at the point of creation and led to the number that we are now sitting at.

The process that surrounded the journey from 150 members of staff down to 100 or 110 principally took the form of four rounds of voluntary severance. As that involved a process of self-volunteering by staff, there was not necessarily control over whether all requests for voluntary severance could be accepted. In the end, however, the majority of staff, if not all, who made a request were accepted on that basis, which meant that expertise left the organisation in certain quarters. Since then, with a recruitment process allowing further opportunities for staff to come into the organisation, we have been careful to understand the organisational needs for the future and to target areas where we are able to attract the right skills and expertise.

10:15

Overall, the balance is reasonable. There are certain areas where we will want to keep a close eye on how we move forward, but we want to balance the need to ensure that the maximum resources—the skills, the expertise and the finances—are available to the front line with the administration overhead, which we continue to manage tightly. We are clear that we need to keep that balance under close scrutiny.

Mark Griffin (Central Scotland) (Lab): Creative Scotland developed a number of strategies in the sector review, and you have already mentioned the 10-year plan. How are things proceeding? What progress are you making with those various strategies, reviews and plans, and when do you expect to report on the results of them?

Janet Archer: We produced the 10-year plan last April, and we said that we would also produce an arts strategy, a screen strategy and a creative industries strategy. We published the screen strategy first; in fact, it is now a year old, and we are currently scrutinising its impact and will produce a report on it shortly.

The creative industries strategy is about to be published in draft form. It has taken a bit longer partly because we appointed our permanent director of creative industries only in June. However, although he has been in post for a matter of months, he has already produced a strategy that has been discussed with our other public sector partners. We are almost at the point where the strategy can go out for public consultation and then we will start reviewing how we are performing against it.

The arts and engagement strategy will be published once we have completed the suite of sector reviews that the organisation committed to three years ago. We are just finishing the visual arts sector review; we have just published the literature and publishing sector review; and once that is in train, we will produce the arts strategy.

Moreover, underneath our 10-year plan, we produce a 12-month annual plan that articulates and sets out performance measures that we report against. Our first report, which will be set against our benchmark first year, will be published this autumn.

Mark Griffin: When you mentioned the research that you had carried out with the sector on perception, relationships and trust, you referred to a jump in satisfaction from 67 to 91 per cent. Are there any specific areas where work still needs to be done to build trust and rebuild relationships?

Janet Archer: That work is on-going. To be honest, an organisation such as ours should never ever get complacent. It is our job to listen hard to the feedback that we get from all quarters and to respond to it as it comes in. The challenge that we face as an organisation is that we have to say no to some applicants—sometimes very painfully—even when their applications are strong, because, like any other public sector body, we simply do not have the resource or budget to deliver for everyone. We have to make judgments and decisions, but what is important to me is that we explain those decisions and the rationale behind them clearly.

As part of our regular funding round just before Christmas, my team made a proactive decision to meet every single applicant who had not been successful and who wanted to meet. We spent about six weeks of our time meeting people who were genuinely quite distressed, and some of those meetings were very difficult. When we were not able to explain things at that meeting, we went back and had another meeting until we reached a position where things were settled and clear. We then started to encourage those people to think about other routes of funding, whether or not from Creative Scotland, and to make sure that they knew about the opportunities outside Creative Scotland so that they would be able to apply for funding for the things that they wanted to do.

I do not think that that job of work ever stops. It is an on-going process for us.

Iain Munro: I agree. Discussion, discourse and debate are the bread and butter of our organisation, and it is important that we organise ourselves so that we have easy connections into and through the organisation and staff who are genuinely engaged in an on-going way throughout the year. Over the past couple of years, we have been reorganising ourselves to enable that to happen most effectively, and that continues to be a work in progress.

It is important that we are regularly seen and have a presence throughout the geography of Scotland, although we acknowledge our capacity limitations. Nevertheless, it is important that we are connected in that way through the staff and the expertise that they hold.

Janet Archer: I should add that we have organised ourselves around four areas of work: funding; advocacy and championing the work of the sectors that we serve; development, which is really about working in partnership with others to draw in and create the conditions for funding to be provided by other places as well as by us; and influence, which means ensuring that we use all of our knowledge and, as a public body, make it publicly available to everyone to inform the work

that they want to do in Scotland's arts, cultural and creative industries.

The Convener: You mentioned the sector's view of the organisation improving from, I think, a satisfaction rate of 67 per cent to one of 91 per cent. What do you think is responsible for that very impressive change?

Janet Archer: The change has been partly to do with the language that we use. It is very important that we communicate with people on their terms and do not try to impose a dialect or language that does not work.

Across our remit we have very different constituencies. We have the art sector—artists and arts organisations—but we also have the commercial creative end of the spectrum. As an organisation, Creative Scotland needs to be dexterous and multilingual, which is one of the things that came through from our reference group in developing the plan; it needs to speak different languages depending on which constituency it is talking to. I think that we are starting to become more adept at that.

Mary Scanlon: I listened carefully to your contribution. This is “an extremely dynamic time”, you are full of “discussion” and “discourse”, working in partnership and communicating on “their terms”. You have given us a good pitch here today.

I have to say, as an MSP for the Highlands and Islands, that I think that the remaining 9 per cent would probably belong to An Comunn Gàidhealach and the Traditional Music and Song Association of Scotland. I will read out briefly what they say, starting with An Comunn Gàidhealach's submission, which states:

“I do not see anything that leads me to believe that the changes have helped us to engage with Creative Scotland ... Our community is excluded ... as a non-beneficiary of Creative Scotland support it is impossible for me to speak about tangible benefits.”

and—I am shocked at this one—

“Creative Scotland provides no support whatsoever to the National Mòd ... Sadly, from our point of view they fail our Gaelic community”.

A few lessons in Gaelic will not exactly bridge that gap. Why has this happened? Why have you failed that community? Why is there such a gap in empathy, understanding and support for the Gaelic community from Creative Scotland?

Janet Archer: I want to tell you a little bit about what we fund in respect of Gaelic, which is a language that we are very interested in; we are very interested in Gaelic culture and everything that it has to offer. Organisations with a substantial focus on Gaelic received 6.4 per cent of the overall regular funding budget in decisions that we

made last year. Those organisations include An Lanntair, Atlas Arts, Fèis Rois, Fèisean nan Gàidheal, Taigh Chearsabhagh, the Gaelic Books Council, the National Piping Centre and Traditional Arts and Culture Scotland or TRACS—

Mary Scanlon: I am sorry, but I must ask you to respond to the question that I asked you, rather than giving me another pitch.

Janet Archer: With regard to the Mòd, we are interested in it—

Mary Scanlon: I sincerely hope so.

Janet Archer: The Mòd is a highly successful and very strong part of Gaelic culture, and it is unfortunate that an application for open project funding was not successful. I had an email this morning from our Gaelic officer and, as I understand it, dialogue is already taking place on how that application could be strengthened in respect of the 2016 Mòd. We are in close dialogue on the matter.

I must also point out that our funding has to be used in the places where it is genuinely needed. If something is incredibly successful without funding and a panel gets an application from something that will not be successful without funding, we have in some instances to make a judgment based on the need to intervene and to provide funding where that is absolutely necessary for something to happen.

Mary Scanlon: I understand that. Perhaps the witnesses might agree to give this information in writing if there is no time to give it to me this morning, but as a Highlands and Islands MSP, I really want to know why An Comunn Gàidhealach, which is totally respected by the Gaelic community, feels so badly let down by Creative Scotland. I will give the witnesses one more chance to answer that question before I go on to my final question. Why does that organisation feel so marginalised, excluded and let down by Creative Scotland?

Janet Archer: I think that it is because it has not been funded by Creative Scotland.

Mary Scanlon: So, it is An Comunn Gàidhealach's fault.

Janet Archer: From what I understand, we have had a number of dialogues and discussions with An Comunn Gàidhealach this year, and we will continue to have that dialogue and discussion. I have a long track record of meeting many organisations personally; I have not met this organisation directly, but I am very happy to do so if there are still issues that have not been resolved as a result of dialogue with my team.

Mary Scanlon: My other question is about the Traditional Music and Song Association of

Scotland. Anyone who, like me, has grey hair and has lived all their life in Scotland will look at the list of patrons—Aly Bain, Phil Cunningham, Barbara Dickson, Archie Fisher and Sheena Wellington—and know all the names, so I am very sad to hear that the association is constantly having to make the case for traditional arts and music to be considered equally with other art forms.

Secondly, I note in the third paragraph of page 2 of the association's submission that it had been looking for £5,000 for a project to support

"young musicians to develop their career as well as bringing their music to diverse communities around Scotland."

The association says that Creative Scotland's rule is to have

"only one live application for any one project at a time",

but it, too, has been excluded. It is not asking for much, and the funding that it gets can transform young lives and keep our Scottish culture of traditional music alive. Why is it having so many difficulties with you?

Janet Archer: I cannot comment on that particular application, but I will go back—

Mary Scanlon: I presume that you have read the submission.

Janet Archer: Yes, I have. What I can tell you is that traditional music, song and storytelling are incredibly important to me. My background is in dance, and the first form of dancing that I did was Highland dancing, because my father was very keen for me to connect with my Scottish heritage. I therefore fully understand the importance of traditional art forms in Scotland.

Open project funding is competitive. We fund about 30 per cent of the applications that we get, and we are always having to say no to good strong applications that come in, because of the limited resources that we have available for such project funding.

10:30

We always talk to applicants when they want to talk to us in order to help them to strengthen their applications to be more competitive the next time. We are reviewing how we deliver open project funding; we have had comments from a range of organisations about their being able to put in only one application at a time. We are looking at that and we are about to announce a refreshment of the guidelines for open project funding.

Mary Scanlon: Is the Traditional Music and Song Association treated equally to all—

Janet Archer: It is.

Mary Scanlon: The association does not feel that.

Janet Archer: Historically, Creative Scotland had budgets that were ring fenced around art forms and different areas of work. When I joined the organisation I got rid of all that. We now have one open project fund and everybody who applies to it is treated in the same way, no matter what their specialism is. There is the opportunity—equal with every other body that applies—for the TMSA to increase its funding, based on the strength of its application.

We still need to work harder on communicating the changes in how we fund projects and how we have addressed some of the historical issues. I take your point in respect of the need to do that.

Mary Scanlon: A few trips up the A9 to Inverness would not be unhelpful.

Janet Archer: We will do that; indeed I have visited Inverness on a number of occasions and enjoyed it very much.

Iain Munro: I will add that we also convene a group—not an internal group but an external group—for traditional arts. That includes all those who work in traditional arts—music, dance, song and storytelling—across Scotland. The TMSA is a very strong and passionate advocate for the work that they do, within the scope of that bigger and broader group; it undertakes an important role. I echo Janet Archer's point that traditional arts are respected and valued and are welcome within the open project funding. The example that was given concerned only a small amount of money, but it illustrated the tough choices that we have to make in terms of the volume of applications against the available funding resource.

Colin Beattie (Midlothian North and Musselburgh) (SNP): I would like to ask a few questions about performance measurement and value for money, starting with a very basic question. Is there any inherent difficulty in defining and measuring the qualitative outcomes, given the remit of Creative Scotland? How do you approach that?

Janet Archer: We are looking at how we assess quality, which is always a challenge for any public funder, and we have just got to a conclusion. We have been working with a reference group of external experts to pull together an approach to create what we are broadly calling an artistic and creative assessment framework. That will build up a bank of expertise from three areas.

First, we will work with staff in respect of properly recording and accounting for staff judgments in relation to artistic and creative expertise across the work that we fund. We will

also work with a group of peers to produce peer reports, which will be part of the suite of tools that we will use to effect judgments. Thirdly, we will take into account what sits in the wider public domain in relation to critical feedback but also public feedback, which is now readily available to all of us through social media. All that will feed into the judgments that we make in respect of artistic and creative expertise.

We are about to pilot that work; very soon we will announce the pilot programme. The pilot will be with a small number of organisations because we need to take things very carefully. Once the pilot is concluded, and providing that we have the resources available to deliver it, we will roll it out more widely.

Colin Beattie: Are your current means of measuring and analysing quality adequate?

Janet Archer: Yes: I can confidently say that we have people whose expertise is respected in Scotland and, which is just as important, beyond. When we judge artistic and creative quality in an application, we take those people's views into account. We also pull in other views across the organisation to ensure that we have carried out a thoroughly robust process when deciding whether an application is strong or has the potential to be strong, which is important to us, too.

Colin Beattie: Much of what you are talking about is internal analysis. Surely it is the public who make the final judgment. How do you measure that?

Janet Archer: We talk to the sector—we have daily dialogue with the artistic and creative communities that are part of our remit. We listen hard to their views.

On your point about the public, we have a very strong social media presence, with a large number of Twitter followers, many of whom comment daily on the work that they have seen. Through that, we build up a bank of expertise on the public's view.

Colin Beattie: I still get the very strong impression that making judgments is quite an internal process, but I will move on to another matter. A comment has been made that Creative Scotland focuses a great deal on niche output, as opposed to material that is attractive to wider audiences. What is your response to that?

Janet Archer: The most recent figures that have come through on the increase in the audiences for the Edinburgh festivals signal that much of the work that we support plays out to wide reach. That is increasing incrementally year on year.

We will be in a position this autumn to have substantive data in place. We have systemised the data, which will give us a sense of how well

Scotland is doing compared with other nations in terms of its audiences for arts and creative events. My instinct in coming to Scotland two years ago is that audiences are good and strong not only in the central belt but beyond. I read with interest about Tam Dean Burn's experience when he rode his bicycle last year from Orkney down to Glasgow. I think that about 900 people on Orkney went to hear his stories, which was positive to hear.

We need to generate tangible data to ensure that we can tell our story in an evidence-based way. We have systemised that process, so we will be able to do that from the end of this year.

Colin Beattie: How do you balance supporting more niche performances with the need to cater for the larger population?

Janet Archer: I question whether everything we do supports only niche audiences. Eden Court theatre in Inverness is one of the most successful theatres outside London; it manages that only by playing out to a wider audience, which comes in from a wide area around the venue. What it produces and presents is very much geared towards a broader audience. Eden Court theatre is one of our core regularly funded organisations.

Colin Beattie: I will look at another aspect of Creative Scotland. It has responsibility for allocating funding and it has a responsibility for providing developmental and advocacy support for the creative sectors. Is that a conflict of interests?

Janet Archer: No. Those two areas are absolutely intertwined. In order to be a good funder, we must have a good strong sense of the developmental needs of each of the sectors that we serve. We also must ensure that we fund in a way that makes sense, that is strategic and that delivers proper resources and support for Scotland to be able to unlock its creative potential in as wide a way as possible.

Colin Beattie: I will ask a final, quick question. There has been criticism that Creative Scotland has no clear objectives in its film strategy. What is your comment on that?

Janet Archer: I point you to our film strategy, which is now online and has been published for a year. It has five clear objectives: film education; talent and skills development; film development and production; inward investment and co-production; and exhibition and audiences.

We are very clear about what we are doing and we are already starting to see rewards from that. Film production in Scotland is now at over £40 million for the past year, which is a significant increase on previous years. We are starting to see a real impact.

We have had conversations with a number of producers who want to bring productions to

Scotland. I was really pleased to see that “Trainspotting 2” has just been announced. Andrew Macdonald and Danny Boyle are now committed to that, with most of the original cast.

We saw in the press a day or two ago that Chris Young is now developing a new television series that will be set in Inverness. We have also seen Bob Last’s production of “Sunset Song”, which has just premiered at the Toronto international film festival and has done incredibly well.

I could talk for quite a while, but that is probably not appropriate.

Chic Brodie (South Scotland) (SNP): Good morning; it is nice to see you again. After the Economy, Energy and Tourism Committee had its session with you, there was a lot of angst about the lack of a film strategy and about the fact that we had slipped from second to fifth in the United Kingdom for film production.

I have two questions. First, do you believe that we will have a film studio in three years’ time? Secondly, the CMI criticised the lack of clear objectives for CS’s film strategy and said that while CS plans to

“translate this strategy into a work-plan”

there is

“no published set of KPIs or measurable objectives”.

We wish you well, but—with such a critical item, which was broadcast not just in Scotland—why do we not have a meaningful and measurable strategy or objectives in that strategy? I would also like your confirmation that we will have the film studio in three years.

Janet Archer: We do have meaningful and measurable outcomes that are—

Chic Brodie: Why does the CMI say that you do not?

Janet Archer: The strategy has been translated into a work plan, which we use internally. We are happy to share that. We will produce a report after the first year of the film strategy and we will make that public.

The impact of that strategy is already tangible and we can evidence success against the work that has taken place through it. We recently announced a skills fund of £1 million and have made decisions on the partners that will deliver that fund with us.

We have been pleased to work with our partners at the Scottish Government to produce a new £1.75 million production growth fund. That will unlock the opportunity for more production to take place in Scotland. Incrementally, we are beginning to track genuine success in film, and the fund is certainly increasing the appetite of producers, not

just in Scotland but from beyond Scotland, to come and work here.

The film studio is and has to be a commercial proposition.

Chic Brodie: Yes, but it has a bearing on your costs. Some element, although perhaps not of the capital spend, must go forward as part of your 10-year plan.

Janet Archer: Yes. We have a film production fund—it was £4 million, which we have increased by £1.75 million. That is attached to production, both linked to a film studio and beyond.

In fact, we have a film studio in Scotland. We have seen how “Outlander” has generated production of £20 million in the past year. It has been incredibly successful and there is the opportunity to build on that.

There are production facilities in other parts of Scotland—on Skye and in Stornoway and so on. A number of pop-up spaces provide quite a significant amount of space for film production companies to use.

10:45

Chic Brodie: Forgive me, but we were talking about how we hope to move Scotland from fifth back up to second—I would prefer first, but at least we could move back up to second. Those pop-up film studios were there when Scotland’s position changed. We were talking about the progressive future for the film industry in Scotland.

Janet Archer: As I think you know, I am as driven and passionate as you are about the need to develop a film studio in Scotland. At this very moment, a meeting is taking place with Scottish Government colleagues and Scottish Enterprise to discuss a film studio. If Iain Munro and I were not here, we would be there to keep the momentum going in that conversation.

We are all aware that a commercial proposition is on the table, which looks exciting. All the players that are involved feel increasingly confident that the film studio will come into realisation. We just have to wait until the processes that need to be gone through are delivered before that can be made public.

Chic Brodie: So the answer is a possible maybe.

Janet Archer: I am smiling.

The Convener: A hopeful possible maybe.

Janet Archer: For Creative Scotland, having a film studio is fundamental and really important. It is right there as a top line in our screen strategy. It was signed up to by our board as a priority and we are doing everything in our power to encourage

and foster an environment where that becomes a reality.

The Convener: Does Liam McArthur have a supplementary?

Liam McArthur (Orkney Islands) (LD): My question goes back more to the line of questioning that Colin Beattie initially pursued.

The Convener: I will come back to you later, then. Gordon MacDonald has a question that fits in better at this point.

Gordon MacDonald (Edinburgh Pentlands) (SNP): The production growth fund of £1.75 million was mentioned. I understand that it provides an incentive for more film and television productions to come to Scotland and be based here. I also serve on the Economy, Energy and Tourism Committee, which did a report on the creative industries, as you are aware. There was a concern about the lift and shift process, whereby TV production companies come up to Scotland, bring their own crews, technicians, actors, producers, directors and writers, stay for a few weeks for filming and then shoot off back down south.

I understand that the guidance for the production growth fund is being written. Will there be anything in that to address lift and shift, so that independent TV production companies that are based in Scotland get a share of the fund?

Janet Archer: Absolutely. Iain Munro can give details about that.

Iain Munro: The fund's title is important. It is called a production growth fund as opposed to an inward investment fund for the very reason that Gordon MacDonald raises. It is there to signal that we want an opportunity for growth in Scotland, be that from indigenous talent using skills in production on their own or from having that alongside those from overseas. That is important and will be a clear point in the production growth fund guidance when it is made available and public and when the fund is open for business in late October.

Janet Archer: I agree with Gordon MacDonald that everything that we do has to be about not only nurturing and growing talent here but keeping it here. That is fundamental. It distresses me when people take up opportunities elsewhere because they cannot deliver things in Scotland. We have to focus everything that we do on addressing that.

Gordon MacDonald: I have one more question about regular funding. Can I ask it now?

The Convener: We will come back to you on that. I will bring in Liam McArthur now.

Liam McArthur: I will go back to the point about measurables and the outcome of the Scottish

household survey. In our previous discussions—maybe shortly after Janet Archer took up her post—we talked about whether Creative Scotland is better at broadening and deepening its engagement with people who already have some engagement with the arts in whatever form than it is at spreading out engagement to those who have none because of socioeconomic reasons, extreme rurality or whatever it might be.

Can you point to any evidence from the household survey, the work that you do with Ipsos MORI or other sources that suggests that you are managing to crack the question of engaging with those who previously have not had engagement? If you are doing that, can you do much to deepen and broaden that engagement, rather than it simply being a tick-box exercise where you say, "We've reached them, so we'll move on and get back to those it's easier to engage with"?

Janet Archer: It is important to me that we reach out beyond people who have access to arts and culture as a matter of course so that we engage with people and communities who do not ordinarily have access, whatever the reason is for that. We have made equalities, diversity and inclusion a core connecting theme across everything that we do in our plan. We published a mainstreaming report that begins to outline how we might do that, and this year we are carrying out an equalities, diversity and inclusion review. That is one of the most important pieces of work that the organisation is doing.

We are doing that work in two phases. We are looking at what we do internally as an organisation, but we are also looking at what the organisations that we fund do in respect of equalities, diversity and inclusion. We want everyone to think hard about how they can reach out beyond what some would call the same old people who always access the arts and creative activities.

The work that we do in some of our ring-fenced programmes—such as work through the youth music initiative, the youth arts hubs and cashback for creativity—has an exemplary reach. We have robust evidence from reports on those programmes that is beginning to signal that the arts have a significant impact on the lives of children and young people who are in communities that do not ordinarily have access to such provision. All those reports are available to read.

Iain Munro: Janet Archer said that we have been systematising the way in which we collect data and stories from organisations that we fund, so that we can present that information in the form of an annual report. That will allow us to tell the story over a number of years about the very point that Liam McArthur raised. We also do an in-depth

survey, some of the data from which we referred to in our submission. TNS undertakes that work with us, which complements the Scottish household survey.

We can probably do more to share that information and we will look to do that in a way that enables the story to be seen, understood and tracked over time. We undertake that survey annually and, if we get better at presenting the stories, people will be able to see and understand the information more effectively.

Liam McArthur: I return to Janet Archer's point about the number of difficult decisions that you need to make against a constrained budget and a wealth of applications for support. I presume that the work to broaden the reach of the arts will increase the number of difficult decisions that have to be made in relation to people who might have had quite a tradition of engaging with the arts and receiving support through Creative Scotland or its predecessor bodies. Are you managing those expectations or can we expect further contributions to the committee along the lines that Mary Scanlon treated us to earlier, which probably reflect people's disappointment at not being able to draw down funding that had previously been available to them?

Janet Archer: Some of the activity is about making the work that is already being produced more widely available, but it is also about interpreting that work and connecting with people in a way that makes it much more accessible for them. That is about doing things in different ways and making sure that every theatre and every exhibition gallery is full and that ways are found to reach out and engage with people from all places. There is still capacity in our existing portfolio of work to reach out more widely than is happening, and there is strong evidence about why that is important.

Our submission referred to the 2011 report "Key Research Findings: The Case for Cultural Learning", which was produced through the cultural learning alliance. If you delve into the report, you will see that it says that

"Participation in structured arts activities increases cognitive abilities"

and that

"Taking part in structured music activities improves attainment in maths".

They are important reasons for encouraging our arts organisations to connect.

The report says:

"Students from low income families who take part in arts activities at school are three times more likely to get a degree."

That is a compelling *raison d'être* for reaching out more widely to communities. It is also interesting that the report says that children and young people who are involved in arts and cultural activities

"are 20% more likely to vote".

The Convener: Does the report say who they will vote for?

Janet Archer: I do not think that it says.

The Convener: I was just curious.

Iain Munro: I have a further point to help with the committee's understanding of our decision-making process, particularly on the open project fund. There is one component part of that against which people apply and against which we undertake an assessment to inform the decision. Open project funding runs throughout the year. As we go through the year, the decision-making panels get statistical reports that enable us to understand and map out what is coming in and what is being supported. We can therefore be mindful of the extent to which public engagement is a component of the work that we support, and we can fine tune our decision making to ensure that we address the widest geography, for example, in the open project funding process.

The Convener: I apologise for having interrupted Janet Archer.

Janet Archer: I will say one more thing. Some of this must be about us asking the questions. The very fact of us asking organisations that apply to us what they are doing about diversity, equalities and inclusion starts to accelerate the thought and care that people who we fund put into widening their reach. We saw that in our applications for regular funding. Some extraordinary and compelling narratives and propositions were put to us in respect of that area. That was heart-warming.

George Adam (Paisley) (SNP): Good morning. Janet Archer mentioned how engaging young people in the arts and culture makes such a difference in areas of deprivation. As far as I am concerned, all roads lead to Paisley. I had a wee look at what Creative Scotland has done in the Renfrewshire Council area. The area has had zero funding from the three-year programme, which is the fund that Creative Scotland manages from the national lottery. That seems bizarre.

As the local MSP for one part of Renfrewshire, I can tell you about three or four projects that are looking for funding. If we are backing the idea of a positive impact on areas of deprivation, why are we not going down that route in my constituency, which has one of the biggest areas of deprivation? Is it because no one is making applications or because their applications have not been

successful? I find it strange that no funding is provided in the area, given the cultural impact that the great town of Paisley has had on the world—and I am not just talking about me.

Janet Archer: I, too, have a concern about that. At 6 am, I was busy scrutinising the areas that we do not fund. Those areas are East Renfrewshire, Renfrewshire, South Lanarkshire and Clackmannanshire.

Chic Brodie: And Ayrshire.

Janet Archer: We have some work in Ayrshire—some of our ring-fenced programmes play into Ayrshire, although that is not the case in relation to regular funding, for sure.

We regularly fund organisations in 21 out of the 32 local authorities. Clearly, we need to focus on how we can better extend that to more local authorities.

We have a place team—we have a director of strategy whose remit is to look at how we can develop relationships with local authorities and work effectively to ensure good delivery in every place. We know where the gaps are. The position is not good enough; we need to do something about it.

11:00

George Adam: You have described the difference that culture can make to educational attainment, which we talk about regularly in the committee.

I was shocked that we do not seem to have any applications from Renfrewshire and from Paisley in particular. Paisley is bidding to be the 2021 city of culture. It is bizarre that no work has been done between local authorities and others to support that bid and ensure that we are in a position to win when the announcement is made in 2017. Surely there must be some strategy and joint work at this stage.

Janet Archer: There is. We are talking to Paisley about the UK city of culture bid and thinking about how we can align our support with Paisley's efforts.

George Adam: But you are giving the area no funding.

Janet Archer: I think that that will change once we have co-ordinated a response to strengthening the applications that come through. We have just had news—I do not know whether this is secret—that Paisley has appointed a lead for the delivery of the bid. We have a strong relationship with that person, who will be incredibly dynamic. We will work closely with Paisley on the delivery of the bid, as we will work with any propositions that come from other places in Scotland.

George Adam: To tell you the truth, I am not bothered about the rest; I am interested only in Paisley.

The Convener: Of course, George Adam is interested in all areas of Scotland in relation to his work on the committee.

Iain Munro: I will not focus specifically on Paisley; I will make a couple of general points. It is worth recognising that work travels and that audiences in Paisley, Renfrewshire, Clackmannanshire and other areas benefit from work that we already support. That is not to say that we would not want to support those areas directly—

George Adam: That is the Glasgow argument.

Iain Munro: No, no.

We recognise that we often have to have targeted conversations in certain areas to build capacity and confidence and to generate and stimulate ideas. That enables us to produce better-quality applications that stand a greater chance of success or to stimulate new and fresh ideas.

There are good examples of the place-based working that Janet Archer referred to in places such as Dumfries and Galloway and Aberdeenshire. Targeted conversations that take place through partnership working can stimulate ideas and improve the overall level of support that is available in certain parts of the country.

Janet Archer: It is not only institutions but individuals who are important. Scotland has an incredibly rich mix of individuals who are doing all sorts of creative things, often in very small but impactful ways. We must support the individuals who come to us to work in many places across Scotland, as well as where they are based. As Iain Munro said, touring is important to that. Our arts strategy will focus on supporting institutions and will prominently involve us thinking quite hard about our responsibilities to individuals and micro-enterprises, which can often make a bigger difference to communities through their efforts than larger institutions can.

Gordon MacDonald: As an Edinburgh MSP, I am more than happy with the level of funding that comes from Creative Scotland.

Chic Brodie: You should be.

Gordon MacDonald: However, I am aware that about a fifth of the population of Scotland does not get any regular funding from your national lottery money.

I want to ask about the £100 million fund that you spend over three years. The average allocation would be £33 million a year, but by the end of 2013-14 £6 million of that had not been

drawn down and 11 per cent of organisations that had been awarded funding had not received any money. Can you explain why that situation has arisen? Will they get the shortfall in years 2 and 3, or is the money lost to those organisations?

Janet Archer: I will ask Iain to explain that. It is to do with the profiling of how money is distributed.

Iain Munro: We have an annual process of contracting with the organisations that are in receipt of regular funding. In year 1 of their three-year regular funding agreement, they profile how they plan to expend over the course of the year, subject to resources being available in years 2 and 3. That is part of the answer. The other part is to do with timing and being able to agree the funding agreements with the organisations. The direct answer to the question is that the money is not lost; it is just a matter of timing and profiling.

Gordon MacDonald: I understand the point about profiling, but if there is a three-year package of £100 million, will the lottery allow that money to be carried forward from year to year?

Iain Munro: I will explain how our budgets work. With grant in aid from the Scottish Government, there is an annual income and expenditure profile that has to be pretty exact. We seek to employ the same rules to money from the national lottery, but the nature of it enables us to flex over the years. That is why you will see our ability to play the budgets through over a number of years—it is capital that has the biggest effect—in a way that enables us to cash profile as well as budget.

Chic Brodie: I would like to talk about governance and the tangible benefits that may come from funding. Before I do, I have to say that Paisley is on the route from Ayr to Glasgow and I would like to talk about Ayr.

Seriously, in Ayrshire, where we had no non-regular funding, there is certainly frustration about getting funding. I do not know what the funding criteria are, but I would like to send you a link to a film that two young film makers have made about second world war aircraft. It is an interesting film—very short—but they could not get any funding and I could not get any funding for them either.

On funding, can you tell me what your revenue expenditure budget was last year and what you actually spent in terms of your direct spend?

Iain Munro: On operational overhead or on grants?

Chic Brodie: What was your revenue expenditure budget for grants and loans and what did you actually spend?

Iain Munro: We are undertaking our annual accounts at the moment. They are going to our board for sign-off next week, and we will be

publishing them around November or December. Those accounts include all those figures. I am sorry that I do not have them to hand, but I will be happy to share them with the committee.

Chic Brodie: It would be good if you could because, again, one of our concerns was about the budget not being spent.

Governance was another issue that was covered by the Economy, Energy and Tourism Committee. A question was raised about who calls the shots, where the buck stops and so on. In its submission, the Common Guild made an interesting point that Creative Scotland's ability to manage the difficult funding process has been undermined—

“undermined by the Scottish Government's decision to fund Scottish Youth Theatre, despite its failure to secure Regular Funding”.

Do you believe that you have control of all culture-related spending in Scotland?

Janet Archer: The honest answer to that is that we do not have control of all spending.

Chic Brodie: Why not?

Janet Archer: Because we do not have control over the spending in respect of the national companies and national galleries, as they are funded directly by the Government.

Chic Brodie: Yes, but surely you have responsibility for the Scottish Youth Theatre.

Janet Archer: We decided not to fund the Scottish Youth Theatre as part of our decisions on regular funding on the basis that we had to make judgments and decisions set against a finite budget. The Scottish Youth Theatre assessed very strongly, as did a number of other organisations that we also decided not to fund through that route. We are now working with the Scottish Youth Theatre through the different routes of funding that it has been able to generate to support it to transition and strengthen its opportunity next time round.

Chic Brodie: Frankly, that is an unacceptable answer, because you and I know that we had a big discussion about where the buck stops. It was agreed what Creative Scotland would do now, and you have responsibility. You say that you are working with the Scottish Youth Theatre, which got funding elsewhere. That was from the Scottish Government. Either you are in control of all the funding and the strategy that goes with it or you are not. I am not saying that this is your fault, but it is disappointing to find that a sum of money has been allocated to an organisation that you have involvement with through its strategy and your strategy by you being given a body swerve. What was your reaction to that?

Janet Archer: We reflected that additional money was found for the arts. As the organisation that has the responsibility for generating opportunities for the arts, we think that any additional money is welcome. We were comfortable with that decision at that stage on the basis that the Scottish Youth Theatre scored well in its assessment. It scored exceedingly well in some areas of its application and was one of a number of organisations that were on the cusp of getting funding. It just fell below the line with which we had to draw a close on the budget, so we were not able to fund it at that point.

Chic Brodie: That means that you are not in control of your strategy. If somebody else can fund part of your strategy, you are not in control of it.

Let me ask about something else. In the Economy, Energy and Tourism Committee, we have been looking at the internationalisation of Scottish business, in which culture, crafts and so on are very important. When did you last meet the digital games industry? What discussions did you have with it about the internationalisation of its sales?

Janet Archer: We work with Scottish Enterprise and the digital media industry leadership group—I hope that I have got that name right. Through our director of creative industries, Clive Gillman, we will carry out a review of the games industry and its impact, as recommended by the Economy, Energy and Tourism Committee. A more shared approach will come out of that.

Chic Brodie: When did you last meet the digital games industry?

Janet Archer: I would have to go back and check the exact date of the last meeting.

Chic Brodie: Do you agree that it is a critical part of the overall strategy?

Janet Archer: I do. I talked to someone who is involved in the creative industries in Paris. The feedback from people outside Scotland on the perception of Scotland's brand is that crafts and games are two pivotal areas of quite potent brand recognition for Scotland. We need to work very closely with the games industry on how we will help to continue to build on the huge strengths that we have already developed as a nation.

Chic Brodie: Okay. Thank you.

The Convener: I ask Iain Munro to be brief.

Iain Munro: I will be as quick as I can.

Without reopening the discussion on the Scottish Youth Theatre, I want to record two things. First, of course there were very robust conversations around that particular and unique circumstance. Secondly, we are discussing with the Scottish Government a refreshed framework

agreement, which is the formal governance structure between the Scottish Government and Creative Scotland for the governance issues that have been referred to. The agreement will be discussed by our board next week and will be published online in due course. That will set out with absolute clarity the relative and respective roles and responsibilities.

Chic Brodie: That is very helpful. Thank you.

Liam McArthur: I declare an interest as the father of a son who benefited enormously from a residential course at the SYT this summer.

I want to follow on from the responses to Chic Brodie's line of questioning. Iain Munro referred to a "unique circumstance"; other people would describe that as a precedent. There is a concern that, if unsuccessful applicants who have gone through the robust process that has been described, in which uncomfortable and unpopular decisions have to be made, can go off and seek solace from the Scottish Government, it means that an alternative process and route is being invited. I cannot see how that can be avoided in subsequent years.

11:15

Iain Munro: Many organisations seek to make direct representation to the Scottish Government about the funding decisions that we take. The cabinet secretary, Fiona Hyslop, is very clear about the extent to which she has no locus in the decision making of Creative Scotland.

Liam McArthur: She now does have a locus because she has said that she will fund the theatre directly.

Iain Munro: There was a unique circumstance in that case. The framework agreement with the Scottish Government sets out the very clear relationships in a way that should guard against situations such as that in the future.

Mary Scanlon: The committee has a list of the moneys that Creative Scotland has given and allocated to organisations. How open and transparent is the process? If an organisation that applies for funding does not meet your criteria in relation to tangible benefits, connecting themes or whatever, is the organisation given the reasons why the application was refused? Is feedback given? Would we be able to go to your website to see why organisations have not been given the funding they requested? How open is it?

Janet Archer: We talk to individual organisations in depth about how we make decisions. It is important to say that sometimes organisations meet all of our criteria and we are still not able to fund them because of the resources that are available to us.

We share a written assessment with an organisation if it is unsuccessful—or if it is successful—that explains exactly how we have evaluated the application against the organisation's artistic proposition, governance and management, financial resilience and audience reach. We will talk through the report directly with folk if they want feedback from us.

We do not publish those reports online because that would be against the individual interests of the organisations involved. I do not think that it would be a popular move with organisations that have put in an application that has not gone through. They might feel that it prejudiced their chances of strengthening the application and being successful the next time round.

We are certainly very open on a one-to-one basis with individual applicants, and I think that we are getting much better—in many instances we are very good—at providing sensitive, clear, direct and honest feedback. In some instances that feedback will simply be that there is pressure on funds: we had to make strategic decisions and fund something of a type or in a place that we had not funded before. It is not necessarily because a proposition is not strong that it is not funded. It is a tough call.

Mary Scanlon: From some of the submissions received by the committee, it sounds as if the level of detail that you expect in funding applications has created a very bureaucratic process. If I could go back to the Traditional Music and Song Association of Scotland, the committee paper says that TMSA's submission expressed concern that organisations

"staffed mainly by volunteers often struggled to provide the level of detail"

that Creative Scotland is looking for. I can understand that. The TMSA

"suggested applications should be segregated by size of turnover".

We have also heard other concerns in relation to delivering the four connecting themes including

"the onerous task of reporting on these themes".

Do you think that you could be effective and efficient and have a proper audit trail but be a bit less bureaucratic and more understanding of small organisations? I go back to the £5,000; I am talking about organisations that are staffed by volunteers rather than professional fundraisers.

Janet Archer: I do think that we can do that. That is one of the key themes that has come through the open project funding six-month review that we have just completed—how we can deal with the smaller, lower level of applications in a more straightforward, easy-to-access and easy-to-

implement way, for all sides. We are thinking hard about how we can address that.

At the moment, our lowest level of funding is £1,000. Sometimes, people want to apply for less than that and we need to think hard about how we can deliver that. It is a tough question, because dealing with small applications requires a lot of administrative resource. We are thinking hard about how we can perhaps partner with others to deliver such smaller awards.

Mary Scanlon: So you confirm that you have an audit trail for every application for funding.

Janet Archer: We do.

Mary Scanlon: I appreciate that feedback would not be available to the public, but are that audit trail and the application for funding available?

Janet Archer: We publish the applications that we have awarded, but we do not publish the list of people who have applied for applications because it is against the interest of many applicants to have it on public record that they have failed in an application.

Mary Scanlon: However, for those to whom you have made awards, you have an audit trail of how they have managed to fulfil the tangible benefits criteria and address the connecting themes. Is that correct?

Janet Archer: We publish the name of the applicant who has been awarded funding, what the funding is for and the amount of funding that an applicant gets. We do not publish an account of how strong their application was because that would prejudice their opportunity not just with us but with other funders and because applicants have fed back to us that they would not want that detail on record.

Mary Scanlon: I am also on the Public Audit Committee. Can we assume, given your rigorous process, that organisations that have been awarded money have fulfilled the eligibility criteria for connecting themes and tangible benefits?

Janet Archer: Absolutely. We have on record at Creative Scotland an audit trail of every application and the various stages and processes of how we made the decision. All of that is kept in our system.

Mary Scanlon: Can you point to specific examples of projects that you have funded that have directly resulted in increased social or intrinsic value of the arts? I am looking at the criteria that you use to judge applications. I do not know whether the Traditional Music and Song Association of Scotland filled in its application for £5,000 correctly but, if that application is not acceptable, perhaps you could give us an idea of

what criteria you use to judge when a project is worth awarding funding to and when it has been successful. That would be helpful to organisations that are looking in on the discussion.

Janet Archer: Iain Munro chairs one of our decision-making panels, so I will pass over to him. One of the exemplar projects that we fund that increases social access to the arts is Sistema Scotland, which provides for children and young people from Govan, Raploch, up in Aberdeen, and I—

Mary Scanlon: Raploch is not in Aberdeen; it is in Stirling.

Janet Archer: No, no—I meant Raploch in Stirling and, separately, in Aberdeen.

I met some of the young people who have benefited from the Raploch project when I visited a few months ago and I was incredibly impressed by what that work had offered them not necessarily because they will all go on to become artists but simply in their ability to articulate ambition, their interpersonal skills and their confidence. It makes a genuine difference to the lives of those children and young people, some of whom come from very disadvantaged backgrounds indeed.

Mary Scanlon: If we were to ask for the audit trail for, for example, T in the Park, you would be able to supply that.

Janet Archer: We could, yes. I think that I am right in saying—Iain Munro will correct me if I am wrong—that we have provided funding for activity taking place at T in the Park once. That was specifically to fund the Arches—the organisation in Glasgow, which unfortunately no longer exists—to deliver a programme of arts work at T in the Park to increase its marketability and commercial prospects.

Mary Scanlon: Was that for this year's T in the Park?

Janet Archer: No—that was in a previous year.

Iain Munro: It was for 2012.

Janet Archer: We have not provided funding for T in the Park this year.

The Convener: One reason why we have asked a number of organisations, including Creative Scotland, to give evidence is to help us to assess the tangible outcomes from those organisations. I suppose that, in effect and to put it crudely, we want to know what we get for our money. One of the issues today—maybe this is our fault and maybe it is a timing issue—is that you have repeatedly said that you will publish, you will shortly report and something will be done in the near future. I could go on. We have heard that you are going to carry out something and that it will have a significant impact. We are told that you

will be in a position to do something. A lot of what you say is about something that is not yet happening, that will happen in future and that you will send to us when it occurs.

Is that our fault for asking you along at the wrong time of year? Even if we have done that, would it not have been possible to look back at the previous year and answer many of the questions with evidence-based answers about what has happened and what you have information for and have published already, rather than say that you cannot answer because you have not yet published?

Janet Archer: It is possible that I might have confused the issue. We have just published our figures for 2013-14, so those are now online and can be accessed. The figures that I am referring to for this year are the first set of figures against our current corporate plan. We have published figures for last year and they are available online.

The Convener: I am making the general point that many of the answers today have been about announcements yet to come. I am genuinely asking for advice. If you publish everything in the autumn, is it better for us to ask you to come and see us in January?

Janet Archer: We would be happy to do that and come back once we have published the—

The Convener: If we took evidence from you annually, would September be the wrong time of year to ask you to come?

Iain Munro: Potentially. To be absolutely clear, what you describe is because year 1 of the 10-year plan started in 2014-15. At the moment, we are collating the evidence on the deliverables and tangible outcomes from that work, and we will produce that in November or December. So, yes, January is a better time.

The Convener: Do you produce the material annually at that time?

Iain Munro: Yes, that will be the cycle.

The Convener: That is what I want to know.

Iain Munro: The two are six months apart. The annual plan for each year of the 10-year plan will be produced in April and then, six months later, the annual report on the previous year will be published.

The Convener: Thank you for that.

Chic Brodie: Just for clarity, I may have misunderstood but, when I asked my question about the numbers, I think that Iain Munro said that they were going to the board for approval and were draft, yet Janet Archer has just said that last year's numbers are already up on your website. What is the situation?

Iain Munro: Those are two different things. Janet was referring to the data that we hold in relation to the audiences and the number of performances and so on.

Chic Brodie: So that is not the financial numbers.

Iain Munro: The financial numbers in the annual accounts for grant in aid and the national lottery will go to the board for sign-off next week. They have been to our audit committee and they will be laid before both Parliaments in November or December.

Chic Brodie: Thank you.

John Pentland: My questions are on collaborative working. Among your key partners are Skills Development Scotland and Scottish Enterprise. At a meeting on 3 September, the cabinet secretary, Fiona Hyslop, made it clear that Scottish Enterprise and Creative Scotland are putting in place a memorandum of understanding. How is work on that progressing? From your perspective, what are the key parts of the agreement and what do you hope to achieve from it?

11:30

Janet Archer: Work on the memorandum of understanding is in progress. I spoke to Lena Wilson last Friday and had a number of conversations with other members of her team about the content of the memorandum. It will identify our shared interests, our respective roles and how we will work together to develop the creative industries in the future.

As I have said, we are in the process of developing our creative industries strategy. Clive Gillman, who took up his post in June, produced the strategy and, at the end of August, we took it to Scotland's creative industries partnership—SCIP—which pulls together all our partners around the creative industries. We have had a lot of interest from SCIP partners in working with us to ensure that the strategy's content is a shared vision of how we might work together. Since that time, we have been having quite detailed discussions with each of the partners. Those discussions have been very positive, but it has taken a bit of time to work through them. It would not be appropriate to sign off our memorandum of understanding with Scottish Enterprise until that work has fully taken place.

At the end of last week, I received a very positive report. Clive Gillman has individually met representatives from Scottish Enterprise, Skills Development Scotland and Highlands and Islands Enterprise. We will share all that information with our Scottish Government colleagues and, once we

have got to that stage, we will put the strategy out for public consultation. We want to get public feedback on it, just as we did for the screen strategy.

Last Tuesday, I presented the headlines of the strategy at a creative industries symposium, and its contents generated a broadly positive response. We have gone into this work in the spirit of public sector reform and making the best use of our shared public resources with our partners, and the appetite for that among our SCIP partners has been tremendous. Obviously, the more people who are involved in producing the strategy, the longer it will take. Nevertheless, we are very close to getting to that position. At that point, we will be able to pin down the memorandum of understanding with Scottish Enterprise properly.

John Pentland: You say that you are close to that, but how close are you? Your answer to some of the questions has been that things will happen sometime in the future. I know that you have a 10-year plan, but some things need to happen quickly and I am sure that the memorandum of understanding is a priority. If the difficulty does not lie with Creative Scotland, where do the problems arise? How soon is soon? When will it be ready?

Janet Archer: Last Friday, Lena Wilson and I had a good, constructive conversation in which we tackled some of the outstanding issues. We need to share that dialogue more widely in our teams and I need to share it with my chair, Richard Findlay. I am confident that we will get to a good, solid place with the MOU.

We have to take account of the overall ecosystem in which public bodies work together. We have needed the time that it has taken to get the strategy fully across to people and for them to be comfortable with our proposed direction; to give them the chance to chip in; and for the strategy to make sense to them. It is exciting that we have got to a place where we can have good, honest and clear dialogue across public bodies and harness our efforts together.

As I say, I was comfortable with the creative industries strategy a good two or three weeks ago but I want to give everyone a chance to feed in and ensure that it makes sense to them. Ultimately, driving forward the creative industries or supporting the sector and the industries in it to drive themselves forward must be something that we all do collectively. If we are to do that, everyone needs to have a chance to go through the strategy with a fine-toothed comb and to make sense of it for themselves.

John Pentland: Are you unable to put a definite deadline on it? Will it be ready in the next three months or the next six months, for example?

Janet Archer: Are you talking about the strategy?

John Pentland: No, I am talking about your memorandum of understanding.

Janet Archer: As I said, it is almost there. Personally, I do not think that the MOU should be published before we have reached a collective agreement on the strategy. Once we have a shared agreement on the strategy, we can put it out to consultation and we can then define the way in which we will work with our public sector partners on the agreed purpose.

It is important that we get the order of events right in approaching that work, but there is certainly no resistance on our part to holding an MOU with not only Scottish Enterprise but other public bodies. We have MOUs with a number of different organisations; an MOU is a good way of signalling shared intent in this area of work.

John Pentland: The Association of Directors of Education in Scotland has said that it has

“a good working relationship with Creative Scotland.”

However, it has suggested that further work be done to develop links with the education sector. Could your strategy “Time to Shine: Scotland’s Youth Arts Strategy for ages 0 to 25” be adapted to take account of that view? How receptive is the education sector to the further promotion of the arts in schools?

Janet Archer: The curriculum for excellence, which contains the expressive arts as a core part of its function, is fantastic, and it is important to us that we work closely with the education sector to support the delivery of the curriculum. The way to do that is to ensure that Scotland has access to the right skills, through its teaching resource, to be able to effect that delivery as fully as possible. Through the work that we do with children and young people, and through our MOU with Education Scotland, we are working to foster an environment in which better and more assertive work in schools can take place and the skills gaps can be addressed.

Chic Brodie: I have a supplementary question—forgive me, but it is fairly robust. John Pentland quoted Fiona Hyslop as making it clear on 3 September that there must be a memorandum of understanding, which she did. Of course, the committee meets on Wednesdays, so 3 September cannot have been this month—it was last year. Why has it taken a year to get a memorandum of understanding?

Janet Archer: I would like some clarification with regard to the first point at which we discussed an MOU—

Chic Brodie: We meet only on Wednesdays, and there was no Wednesday 3 September this year—I remember that it was Wednesday 3 September last year. I am talking about the Economy, Energy and Tourism Committee, which Fiona Hyslop attended on Wednesday 3 September 2014, when we were carrying out our inquiry. Why has it taken a year to get a memorandum of understanding?

Janet Archer: I would like some clarification of whether that is an accurate date, but I think that the principle—

Chic Brodie: Well, I have just checked it.

Janet Archer: Okay. The principle of an MOU with Scottish Enterprise and with our other partners in the creative industries is something to which we subscribe absolutely. It is important to have something to gather our energies around, and—

Chic Brodie: But why does it take a year?

Janet Archer: To produce a strategy?

Chic Brodie: To produce a memorandum of understanding on who has which roles and responsibilities. We asked the question then, and I am asking the question today with regard to the body swerves around your making decisions. I will ask the question again: why does it take a year to create a memorandum of understanding on roles and responsibilities?

Janet Archer: I will say again that it is important for us to have a clear sense of direction around which to gather our shared intent. We appointed a director of creative industries to do that work only after two rounds of recruitment—we set the bar high and did not want to appoint straight off, so it took us a bit of time, after our previous director left, to appoint somebody. Clive Gillman was appointed in June this year, and he produced the strategy within a month of being in post. We have now shared that strategy with other public sector bodies and we are working on getting to a point at which we are all comfortable that it represents an appropriate way forward. From Creative Scotland’s perspective, a memorandum of understanding with all those partners needs to follow on from that.

Chic Brodie: Yes, but, as you rightly pointed out, that decision will ultimately be made by the chief executives of the bodies involved. Before you develop your strategy, you will need to have some idea of what the roles and responsibilities are going to be.

Janet Archer: What we—

Chic Brodie: I am afraid that the question still stands. I do not want to push it any further, but it seems, based on my experience, inimical to wait

for a year to produce a memorandum of understanding on how organisations will work together. Thank you for your answer.

Janet Archer: We have published the terms of reference for SCIP—they are available on our website—and they give a clear sense of how all the SCIP partners, as a group of public bodies, meet on a quarterly basis and of our joint commitment in respect of how we work together. That document exists; it is live, available and accessible. As a next step, we are talking about the detail of how we will work on the creative industries strategy, which has not yet been finalised in terms of the individual relationships across the group.

The Convener: It would be helpful to the committee if you were able to write to us after the meeting, explaining in some detail the process that has been undertaken from the point at which the statement was made that there should be a memorandum of understanding to the point that we are at today. It would be helpful if you could explain to us in writing what has happened during that period, so that we are clear about the process and what has been achieved during that time.

Mary Scanlon: I wonder why a memorandum of understanding is needed to outline the respective roles and to ask the organisations to talk to each other. We need to know why Government has to step in to get the organisations to talk to each other. Can that be included in the written response?

The Convener: I am sure that you will ask the cabinet secretary about that, and I am sure that Creative Scotland can mention in its letter why it thinks that an MOU is necessary.

Janet Archer: I reassure the committee that we talk to each other. Indeed, we have been criticised in the past for talking to each other too much. There is on-going dialogue.

The Convener: You are damned if you do and damned if you don't, I am afraid—sorry.

John Pentland has one final question.

John Pentland: How does Creative Scotland ensure that funding programmes connect with the various strategies that are issued by other organisations—for example, the SDS skills and investment plans? Could further work be done to ensure that there is greater cohesion across those two public bodies?

Janet Archer: Our strategy has slowed down in that respect for that very reason. We are now going through very detailed read-across in respect of the individual strategies that have been produced by other public bodies in order to set out their focus on the creative industries. It is important to say that, for most of those bodies,

that aspect is only a small proportion of the overall work that they do. For us, the arts and the creative industries are everything, whereas for other public bodies they are part of a much wider suite of interests.

Nevertheless, we have been meeting and going through the detail line by line in order to understand how the work that we are producing weaves into the strategies that other bodies have produced and are in the process of producing. We want to ensure that we have a joined-up approach so that we can all make proper use of public resources in the most effective way. That is very important to me. The process is not straightforward, as you will all be aware, but I am comfortable that that work is now taking place in a good, collegiate, team Scotland way.

John Pentland: On page 14 of your submission, you state that Creative Scotland has funded organisations that have

“supported 265 work placements, 76 apprenticeships or traineeships and 108 internships”.

Can you advise the committee—if not, can you inform us in writing—of the duration and nature of those apprenticeships and whether the apprentices remained employed afterwards? What are you doing to expand modern apprenticeships in the creative sector?

Janet Archer: We will write to you with that information. I can tell you that one of the apprentices who worked in our own organisation has set up a company that we continue to use from time to time for documenting conferences and suchlike. We will write to you with a detailed response.

11:45

The Convener: That would be helpful. Thank you.

Let me ask a final question. One of the reasons why we asked you along at this time of year was to hear from you in advance of the publication of the Scottish Government's draft budget, which I am sure we all await with great interest. If you find that your budget has been increased, what added value will you deliver with the increase? Equally, if your funding is squeezed in the draft budget, what tangible impact will that have?

Janet Archer: Iain Munro will want to add to what I say.

On added value, first, we received £140 million-worth of fundable applications for regular funding. Had we had the resource, we would have funded them, but, in the event, we had to impose a cap of £100 million over three years. That gives you an indication of where some extra resource would go. Secondly, at the softer end of our work, in respect

of development, it is important that we increase our capacity to unlock opportunities for other resources to come in alongside our resources by working in partnership with other people in Scotland and beyond. Thirdly, we would dearly love to have a better focus on individuals who make a difference in communities that organisations sometimes do not reach. There are many examples globally of Governments that fund individuals in ways that are different from how things happen here. We would love to reach out more generously and work with people in communities across Scotland. Those are some of the areas to which additional resource might go.

On the screen and creative industries side of our work, we have managed to increase our screen funding by working with the Scottish Government to generate more production resource, although there would clearly be opportunities to be more ambitious if one wanted to be and to compete with other nations. On the creative industries side, it is interesting that some of the feedback from the industry workshops in which we have been meeting folk was less about funding than about access to venture capital, business angels, investment or small loans that would make a difference. We are looking at how we might partner with others to make things happen in that regard.

You asked what would happen if there were a decrease in funding. That is a difficult question. We would have to make difficult decisions in respect of our priorities. We would want to come back to you with an analysis of the impact. All the things that we have talked about this morning give a sense of the pressure and stretch that we feel as a funder that operates across a hugely creative nation. Compared with other nations, per head of population, a significantly larger number of creative individuals and organisations operate here.

As, I think, one of the submissions to the committee identified, the level of funding that we are able to offer is a little lower than the level of funding that is offered to organisations in other countries, including those in England. Therefore, the risk to organisations' ability to be stable, sturdy and sure-footed is quite high. We are challenged in respect of how we fund, and we would have to think hard if there were any reduction in funding. We would need to have some honest conversations with the committee and with Scottish Government colleagues, and there would be difficult decisions and pain in some quarters. As you would expect, we are thinking about that and we will be able to report back to you on that front in due course.

Iain Munro: Scotland's culture is recognised globally, and our arts, screen and creative

industries play a major role in that regard. As we say in our written submission, our budget represents 0.02 per cent of the overall Scottish Government budget. It seems to me that such an amount, which is around the margins of the overall budget, offers and delivers huge value and has exponential leverage in its effect on intrinsic social and economic value. A wee bit more could deliver that multiplier effect in even more powerful ways.

As Janet Archer said, we are looking carefully at the implications of any reduction. Because our budget is around the margins of the Scottish Government's overall budget, a reduction would not save the Government much. However, because of the multiplier effect, a reduction could be damaging in the longer term. Some parts of the infrastructure that are fragile and exist on very low levels of public funding could be fundamentally and irretrievably damaged, and that would have a longer-term impact on Scotland's global reputation in the arts, screen and creative industries.

A small amount of money either way could have an exponentially beneficial or detrimental effect.

The Convener: I thank you both for coming here. I know that Janet Archer had another meeting scheduled for this morning. Maybe you would have preferred to be there—I am not sure—but we appreciate your taking the time to come to the committee.

As agreed, we will take items 6 and 7 in private.

11:51

Meeting continued in private until 13:02.

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