The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EDUCATION AND CULTURE COMMITTEE

Tuesday 8 March 2016

Session 4

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EDUCATION AND CULTURE COMMITTEE
8th Meeting 2016, Session 4

CONVENER

*Stewart Maxwell (West Scotland) (SNP)

DEPUTY CONVENER

*Mark Griffin (Central Scotland) (Lab)

COMMITTEE MEMBERS

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

*attended

THE FOLLOWING ALSO PARTICIPATED:

Chris Hampson (Scottish Ballet)
Roy McEwan (Scottish Chamber Orchestra)
Ann Monfries (Scottish Opera)
Alex Reedijk (Scottish Opera)
Laurie Sansom (National Theatre of Scotland)
Dr Krishna Thiagarajan (Royal Scottish National Orchestra)

CLERK TO THE COMMITTEE

Terry Shevlin

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Education and Culture Committee

Tuesday 8 March 2016

[The Convener opened the meeting at 10:02]

Decision on Taking Business in Private

The Convener (Stewart Maxwell): Good morning, everybody, and welcome to the eighth meeting of the Education and Culture Committee in 2016. I remind everybody present that all electronic devices should be switched off at all times when the committee is in session.

Our first item is to decide whether to consider our legacy report and annual report in private at our next meeting. Is that agreed?

Members *indicated agreement.*

National Performing Companies

10:03

The Convener: Our next item is to take evidence on the national performing companies, focusing on the main challenges and opportunities facing them as they look ahead to the 10th anniversary of being directly funded by the Scottish Government.

I welcome to the committee Chris Hampson from Scottish Ballet, Roy McEwan from the Scottish Chamber Orchestra, Alex Reedijk from Scottish Opera, Laurie Sansom from the National Theatre of Scotland, and Dr Krishna Thiagarajan from the Royal Scottish National Orchestra.

I know that you have to leave at about 10.45, Alex. I believe that Ann Monfries will then step into your place. There will therefore be a swap at around 10.45. Many thanks to Ann for stepping in.

We will start off with questions from members.

Mary Scanlon (Highlands and Islands) (Con): I will first turn to the main issue of the day, which is funding, and I will then move on to performances.

I will open the questioning by asking how direct funding has impacted on your operation, creativity, independence and autonomy. Could you also lump in the concern about the Scottish Government being the main funder, noting the financial constraints that we are currently facing? Is there a problem or risk in depending on the Government as your main funder?

Could you also throw in something else? I was considering other sources of funding, and I appreciate the difficulties there, but the figure that I have for sponsorship and fundraising is 9.3 per cent in 2007-08, which went up to 11.7 per cent in 2013-14. That is a 2.4 per cent rise in seven years.

Do you encounter difficulties with sponsorship and fundraising in these difficult financial times, particularly in relation to risks arising from a dependence on a main funder, and how does that impact on your operation, creativity, independence and autonomy?

The Convener: A nice, simple question to start with.

Mary Scanlon: I am trying to lump a few things together in order to get a general discussion.

The Convener: We noticed, Mary.

Alex Reedijk (Scottish Opera): Thank you for that good question. I will do my best to address as much of it as possible.

First, having run national companies in other parts of the world, I think that the model that we have in Scotland is good. The link between the five national performing companies and the Scottish Government has been extremely strong. In fact, when I first came here, 10 years ago, the new arrangement was about to be enacted and I had a moment where I thought, "Crikey, you should never wish for something, because you might get it." I would say that, after the initial six-to-12 months settling-in period, the relations and the working model have been exemplary.

Secondly, I think that we have benefited from the stability of having the same minister in place for a good period of time. She has got to know the cultural estate extremely well and she has been particularly effective at supporting the international aims and aspirations of the five national companies through the international touring fund. There has been a lovely gelling together—indeed, the reason for my earlier departure today is that Scottish Opera is making its North American debut in Toronto later this week.

Mary Scanlon: You might have a nice little increase in your budget this year as a result of what you have just said.

Alex Reedijk: I think that I am speaking for all of us when I say that we do not live, work or breathe in isolation. We are acutely aware of the pressure that local government and the Scottish Government are under. In funding terms, we have all risen and fallen on the same tide. We rose to a peak in 2008-09, and we have all quietly declined since then. We have all done our very best to be aware of and operate in constrained circumstances. Equally, we have done our best to find new and other sources of earned income, including lifting box office receipts and all sorts of entrepreneurial ideas, as well as, of course, fundraising and sponsorship.

Curiously, as the need has come on us to find other sources of earned income, many of the trusts that we turn to have experienced a reduction in the funds that they have available to disburse. We are doing quite a good job of stemming the tide, but I do not think that anyone should be under any illusions about how difficult it is to find other sources of earned income.

Chris Hampson (Scottish Ballet): I second what Alex Reedijk has said. It is important to note that we all work together as a national portfolio. That is of enormous strength as we face challenges with budget cuts. As Alex Reedijk mentioned, there is a balance whereby, as budget cuts start to impinge on what we are able to achieve, the trusts, foundations, private sources and commercial interests that we look to are also experiencing squeezes. However, as a national portfolio, we are able to share intelligence on that and work together to help to mitigate some of those financial cuts.

Roy McEwan (Scottish Chamber Orchestra): I agree with my colleagues. The relationship with Government has been extremely good, and we have developed close relationships with ministers that we did not have before. We have an extremely good relationship with the officials, who have a good understanding of how the companies work.

I am not sure whether the fact that the Government is such a substantial funder of the companies is a weakness, but it makes us vulnerable if there are major reductions. However, that has happened following a period of economic recession during which some of the sources of private money—corporate concerns, trusts, foundations and individuals—have also come under intense pressure.

At the point at which we changed from Scottish Arts Council funding to Government funding, there had been a history of 15 or 20 years of financial crisis in the national companies. That was partly stabilised by an uplift in funding from the last year of Scottish Arts Council funding to the first year of Scottish Government funding.

Our grants for 2016-17 are, in cash terms, actually lower than those for the last year of Arts Council funding and, therefore, significantly lower than for the first year of Scottish Government funding. Because that is cash terms, it does not take into account inflation. Therefore, one of the major benefits of direct funding is being squeezed significantly.

Having said that, I believe that the continuing close relationship that we have with Government through the international touring support has been tremendous. That has done a lot to give us a higher profile and increase recognition of our contribution to the country as national companies.

It is important to consider private sector income. As Government funding has gone down with the pressure on public funding over the past few years, we have all been reasonably successful at increasing private sector funding—mainly individual giving in the case of the SCO. That has been a real development area. It has been under pressure but, in many ways, it has been a good news story so far.

Laurie Sansom (National Theatre of Scotland): I will reiterate some of the comments that have been made. The NTS has only ever known direct funding because it is 10 years old this year.

I will address autonomy, which Mary Scanlon asked about. We all share the sense that we have a very good working relationship in terms of

sharing goals with the Government, how those goals are evaluated and how we report against them without ever feeling that the content of artistic programme is being influenced. We are entirely autonomous in the work that we make and do, but we have shared goals that we evaluate together. That seems to work very well.

The recent funding pressures and those ahead give us all pause for thought on the point at which further cuts might make us review our programming and our models of activity. At what point do we fail to fulfil the remit of national companies if, for example, our ability to take work to the whole of the country is at risk? We are definitely all asking ourselves that question. Of course, that means that we are considering how we diversify our income streams. That is becoming necessary for all of us.

In some respects, we are all searching after the same individual private givers. We are all aware that we are in competition with one another. We are all doing well at increasing that source of income. Corporate and business sponsorship has been slow over recent years. There is now an upturn and we are in a better position. Certainly, businesses are more open to such conversations now, but that source is yet to achieve any big wins for us. However, to mix a metaphor, there are green shoots on the horizon.

There are causes for optimism on that front and reasons for us to be cautious about what the future might hold, knowing that we do not expect a settlement for 2017 through to 2020 until the autumn. That uncertainty puts us in a tricky position in relation to future activity and planning. Together, we discuss that situation and our approaches to it quite a lot.

Dr Krishna Thiagarajan (Royal Scottish National Orchestra): I say thank you to the committee for having us here and giving us the opportunity to speak about these important issues. I am honoured to be here.

I am probably the newest face on this side of the table. I joined the RSNO only in August and I came here because of the funding model. Mary Scanlon is correct in pointing out that, if a single funder has a certain percentage, there is a significant risk if there are changes in that funding, but having the Government so invested in and, to be frank, proud of its national arts companies also allows for us to have greater public participation and public buy-in of what we do, which is incredibly important for all of us.

The funding model that we currently have allows for stability both financially and in creative planning. Being allowed to plan years in advance has a beneficial effect on on-stage excellence. That allows the Scottish arts companies and the entire Scottish arts scene to punch significantly above their weight internationally, which is a very good thing.

10:15

In relation to contributed and earned income as opposed to Government support, the RSNO is trying to get to a place where the balance is 56 per cent from the Government and an even split of 22 per cent each between earned and contributed income. As my colleagues mentioned, we are all friends at this table, but when it comes to the contributed income we are all competitors because there is a finite amount of philanthropic money available in Scotland.

Mary Scanlon: We have some figures here, which show a comparison between 2012-13 and 2013-14. We looked at the figures for sponsorship and funding, which obviously vary, but the table shows that, for example, performances in Scotland by the National Theatre were down by about 25 per cent over that one year. Across the United Kingdom, the number of NTS performances remained fairly similar—135 in 2012-13 and 136 in 2013-14—but the number of international performances went down from 215 to 94. In the same period, the number of Scottish Ballet performances in the UK halved. Strangely enough, the number of UK performances went from three to 40. The figures vary, but the stand out line is the National Theatre one.

As this is my last question, I will draw attention to another figure, which again was for the National Theatre and relates to the number of education events: NTS education events in Scotland dropped from 834 to 493 and the number of international events fell from 96 to five. The figures come from the Scottish Parliament information centre; I have no reason to doubt them. There seems to be a drastic decrease over just one year, so has the funding had any impact?

I am sorry to put all that on the National Theatre. I asked my first question about your operation and so on, but I do not think that any of us wants to see a reduction in performances and, as the Education and Culture Committee, I am sure that none of us wants a reduction in education events. Although the figures for most companies were up, the figures for the National Theatre were down significantly.

Alex Reedijk: I am happy to speak to that in general terms. It might be worth taking another look at the figures over a five or seven-year arc. It is inevitable, particularly for performances or events outside Scotland, that the numbers fluctuate according to opportunities. For example, we have a major fluctuation in UK performances from three to 40 because in the summer of 2013

we were able to take “The Pirates of Penzance” on tour round the rest of the UK. However, those touring opportunities do not present themselves every year.

Laurie Sansom: The figures do not necessarily explain what the event is, and that is important because some events can capture a considerable amount of people. An event could be a workshop or it could be a performance that is working with 60,000—

Mary Scanlon: I am sorry: I only have the bare statistics and there is no further information. It is my duty to highlight the figures.

The Convener: Taking on Alex Reedijk’s point, is it fair to say that, if you are taking a new production on tour in the UK or internationally, there could be a sudden spike in the numbers in one year, the next year you might not be doing that so the figure would drop, and the following year it could go back up again? Are you saying that a view has to be taken over a longer period?

Laurie Sansom: That would be the typical pattern for us. Our model is a theatre without walls, so we do not have fixed model of how many performances and education events there should be—every year is bespoke and different. That is why our figures tend to fluctuate extremely.

Our international audience attendance can suddenly skyrocket because we have the James plays at the Olivier theatre in London for three months, which biases the figures for the percentage of our work that is outside Scotland. Not having a breakdown of the figures by production masks the fact that that shift is because of the success of a particular production.

Mary Scanlon: So in future we would need to look at the figures over five, seven or eight years to be able to see a trend.

Laurie Sansom: Yes—a bit more analysis of what those events are is needed.

Mary Scanlon: Yes, I am sorry that I do not have that.

Laurie Sansom: I am more than happy to provide further information to the committee with some qualitative analysis of what the figures represent if that would be useful.

The Convener: That would be helpful—thank you.

Mark Griffin (Central Scotland) (Lab): I have a couple of questions on funding and fundraising. How successful have the companies been in attracting funding from outside Scotland, particularly from overseas? What have the costs been of going out and seeking those overseas funders?

Roy McEwan: Outside Scotland, there has been some difficulty. In the run-up to the referendum, there was a fear—I do not know whether it was a real fear—that quite a large number of the major trusts based in London took the opportunity not to invest in Scotland because they felt that they needed to be sure about whether they were investing in the UK in the long term. That has been a problem.

As Chris Hampson said, the trusts and foundations have suffered through their own investments losing value, and difficulty with their annual income has made it more difficult to get funding from them.

Outside the UK, the SCO has found that fundraising tends to be specific to particular tours. We were in the far east a couple of years ago and we managed to get funding from an Australian bank. Oddly enough, we got funding from a drinks distribution company for a tour in India.

Private or corporate funding from outside the UK tends to be specific to activities outside the country. The main effort that we have put in has been in the UK itself, and in Scotland in particular, in developing individual giving. That has been a real growth area.

Chris Hampson: With international touring and raising our profile internationally—and raising Scotland’s profile, which all five of us are proud to do—one area that can be a little complex is tapping into the Scottish diaspora, especially in the United States or in the far east. There are complexities around the level of giving that can come back, and setting up friends or associates in those countries can be quite complex.

Strategically, we have concentrated on making sure that we are partnering with companies based in Scotland that have a strong Scottish brand and are able to help us achieve some international touring and thereby raise their own profiles as well.

Alex Reedijk: I will share two small examples from Scottish Opera. First, when the company was founded, just over 50 years ago, an American friends of Scottish Opera group was formed that morphed into a kind of Caledonian foundation. For the first 10 to 15 years, it was enormously successful in providing funds from North America to Scottish Opera. However, interestingly, as the participants in that foundation have aged—most of them are now in their 80s or 90s—the contributions from North America have pretty much ceased.

Secondly, when we were engaged in our capital project to do the new foyers for the Theatre Royal, we had very little difficulty in raising funding from trusts and foundations south of the border

because it was a capital project as opposed to revenue-related activity.

Mark Griffin: Members of the panel have talked about the difficulty of all the companies fishing in the same pond for private finance and private supporters. Are there any examples of all the companies working together to attract shared private funding?

Roy McEwan: I do not think that we have done that. In some ways, I think that the instinct has been that we are likely to get more out of people if we hit them several times from each company rather than doing it together and asking once. If we did it collectively, it would probably have to be for a collective project.

Laurie Sansom: There is perhaps more potential to gather together and make an impact in international territories. We have had some success in New York, for example, and there is potential in territories where we all go together.

One of the places where we add value to the organisations—this is certainly the case for the National Theatre of Scotland—is in the fees that we attract from major arts festivals. The James plays are playing in Auckland at the moment—they were just in Adelaide, and they are going to Toronto in June—and the fees that we get from those arts festivals allow us to remount the productions in Scotland. There is therefore a very direct financial benefit to the company and the Scottish taxpayer.

We also have a US board that is based in New York, and we are exploring ways of utilising that more as a fundraising board on behalf of the company. The two performances of "The Strange Undoing of Prudencia Hart" that we will be having at the New York public library in April are, in particular, cultivation events for individuals in New York who might end up being substantial givers to the company.

Alex Reedijk: For us, a much less visible but important source of revenue is the offshore rental of our productions. "Don Pasquale", for example, is on its way to Miami; that will bring revenue back into the business, which helps sustain other productions. Another of our productions has just finished in Madrid, and another is off to Cardiff. That sort of thing is discreet and hard to spot, but every year it brings back into our business significant six-figure sums that in turn support new productions.

The Convener: We will take a quick supplementary from Chic Brodie.

Chic Brodie (South Scotland) (SNP): First, I must apologise—I have to leave in about half an hour.

What I have heard about your physical presence across the world is very encouraging, but what are you doing to screen and stream some of your performances internationally? When I want to watch some classical music, I can find very little from the RSNO—although I am sure that you will change that situation. How can we get to what we might call the virtual audience?

Chris Hampson: As far as Scottish Ballet is concerned—I am sure that my colleagues are looking at the issue, too—digital broadcasting and the digitalisation of art forms are just starting. With broadcasting and live streaming, there are complexities with intellectual property and grand rights, but there are also opportunities to be on the front foot. Scottish Ballet was the first ballet company to live stream from its studios, and it is something that we continue to do. Our digital audience is building year on year; indeed, one of the biggest audiences for our digital output is not Scotland, but the USA. I find it quite fascinating that we have our presence in Scotland, but we are also able to tap into the digital market in the USA. There is plenty of scope for further engagement with digital media in future.

Dr Thiagarajan: You mentioned the RSNO. Especially with our new building in Glasgow, we are looking very carefully at streaming some of our concerts, but more in the area of education and, say, school concerts. If, for example, I cannot bring a concert to Shetland or Orkney, I would like to at least stream it live to an auditorium.

In the past few months, we have spent some time talking to organisations such as the Berlin Philharmonic about their success with live streaming, especially their perceived success with live-streaming revenue. Although they have been very successful in tackling the technological side of things, they have not actually been successful in making it a revenue earner, because the development of the technology is still more expensive than anything that you can realise through people paying fees back into the system.

The RSNO is in the fortunate position of having more than 200 recordings out in the field, which means that you can hear us at any given time across the world, no matter whether you are in Cologne listening on WDR or whether you are in New York listening to WQXR; indeed, my brother in Los Angeles texted me last night to say that he had heard the RSNO playing Debussy. You can hear us on radio stations worldwide at least twice a week in any major market.

Traditional media is still the delivery point that connects us to roughly 5 million listeners in the UK, through our association with Classic FM and BBC Radio 3, and probably to another 5 million or 6 million listeners worldwide, through syndication.

10:30

Laurie Sansom: We are undergoing a strategic review of all our digital work and looking at digital broadcast opportunities within that. We have used digital technology more as a way of distributing further afield. I am keen for us to look at that model as a way to reach the whole country on a more regular basis, rather than necessarily as a source of revenue.

As Krishna Thiagarajan said, while there are a couple of notable successes such as NT live, normally it is the star-led vehicles that are being monetised. That is not the type of work we make. There might occasionally be a piece of work that happens to have a star name, but it is not our bread and butter. Those models do not necessarily suit us. However, there is definitely untapped potential in reaching a wider audience through digital and broadcast.

Roy McEwan: We are in a similar position to the RSNO, in that our international profile at the moment is mainly through recordings and an extensive catalogue.

There are a few obstacles to crack with streaming. It is largely a resource issue. In the case of the SCO, which is an orchestra of self-employed musicians, it requires payment for musicians as well as equipment, skills, technical back-up and everything else. At the moment, we do not have the resources to go down that route. However, the route is critical, particularly in a country such as Scotland with its population distribution. It is a question of access—streaming means that people in remote areas can hear live performances from major centres. If the resources can be found, it would certainly be a route to go down.

John Pentland (Motherwell and Wishaw) (Lab): Over the past year or two, most public bodies have had to make efficiency savings and meet demands for cuts. What staff structures do the five national performing companies have in place, in relation to the funding they receive?

Alex Reedijk: I will keep it as straightforward as possible. Scottish Opera has a small core administration team; our orchestra members are permanent employees but are on fixed-term contracts for about 28 weeks per year; the chorus and soloists are freelance; and our touring teams are seasonal according to the workload.

We have stripped back everything to be as lean and flexible as possible. People are working when there is work, as opposed to other models in which everyone is employed year round. We have moved to a seasonal workforce culture.

John Pentland: During the period of austerity, has Scottish Opera made any staff cuts?

Alex Reedijk: We have not made any cuts, but we have on occasion chosen not to fill posts.

Chris Hampson: Likewise, we are a very lean company. We have 36 full-time dancers. Our orchestra is bought in as needed, if the production requires an orchestra. People are not on full-time pay. We have a very small technical team with a great deal of expertise that has been learned over the past 46 years of touring. It is a very important team, which ensures that our touring is as efficient as it can be.

We are the smallest ballet company in the UK, yet we take on far bigger productions than other companies of a similar size. We are about as lean as we can be in making efficiencies within the staff. Almost all the staff have two or three responsibilities. There are few people that have only one responsibility among the senior management and heads of department.

John Pentland: How much of your core funding goes into staff wages?

Chris Hampson: I do not have that figure on me, but I can provide it after the meeting.

John Pentland: I ask the same question of Alex Reedijk, so that he can also provide a figure. What about Roy McEwan?

Roy McEwan: We are the smallest of the national companies. We have 20 staff. As I said, we have an orchestra of 37, all of whom are self-employed. That gives us the flexibility to not undertake work if we do not have the money to do it, but of course that has a direct impact on the players' earnings.

We have not reduced our staff complement in the past few years. We feel that we are working with the absolute minimum staff to sustain the programme of work that we are doing. We have the lowest-paid staff across the national company sector.

I will come back to you in a moment about the percentage; I think that I can work it out.

Laurie Sansom: We have 48 full-time members of staff. We, too, have chosen not to fill a couple of posts. Recently we had an organisational review, which was conducted by an external consultant who advised us what we knew already—everyone is working at capacity and we are understaffed for the level of activity that is taking place. There was precious little saving that we could make by reducing staff size without reducing activity.

In 2014-15, we employed 700 people as freelance artists, crew and production staff. In any given year, the figure will go from 48 core staff to up to 700 people.

John Pentland: Might you be able to provide us with a figure on how much of your core funding goes into staff wages?

Laurie Sansom: Sure—I will do that.

Dr Thiagarajan: I can speak for the RSNO only for the last six months, and the data that I have is anecdotal. On the office staff side, we are basically working at the absolute minimum of what we can do. For the past two and a half years we have had in place a policy of replacing positions only on the basis of absolute need, both in the office and on stage.

We fluctuate between about 28 and 30 full-time staff members in the office. There can be up to four part-time members in the office, but we are below that number currently. On stage, there should be between 92 and 96 full-time employed musicians, but currently we have some open on-stage positions. That creates efficiencies, but we do not keep those positions open because we want the efficiencies; we are just very careful in the process of finding out who are the best people to join us. That said, we are at about 80 musicians on stage right now, so we are not at full complement and we have to use substitute players.

It is difficult to give you the exact percentage that you asked for, because there are different ways of measuring it. Basically, we try to keep it so that the non-performing staff are at about 12 to 15 per cent of budget. Obviously that fluctuation is based on whether we have a large touring year, which increases the budget artificially.

At this point, Government support no longer covers the RSNO's direct operating expenses, so we are already relying on contributed and earned income to make up for that gap.

The Convener: Has Roy McEwan worked out that figure yet?

Roy McEwan: I cannot tell you whether I have got it horribly wrong, but I estimate that between 12 and 15 per cent is spent on administrative salaries.

The Convener: Thank you.

John Pentland: Chris Hampson mentioned the close relationship of the companies now that they are working under a national portfolio. That being the case, do you think that perhaps somewhere down the line we could be moving towards a national performing company rather than national performing companies? Then we would need only one chief executive.

Chris Hampson: There is a very simple answer to that question, in my opinion. What we are able to do together as we are now is far stronger. We are able to supply Scotland's audiences with a very rich cultural diet and with engagement as well—that is, the work that we do beyond the stage on education initiatives and outreach. All the components that go together to make up the national portfolio are vital. From time to time, we work together as companies on projects on which we know that we can marry up skills and come up with some innovative ideas. However, scheduling is already a major issue that we try to overcome whenever we work together and I can envisage that becoming more and more complex in the future.

The Convener: Can I assume that all the witnesses agree with that?

Laurie Sansom: Yes.

Dr Thiagarajan: I was just wondering whether I should pack my boxes.

Roy McEwan: When we went from Arts Council funding to direct Government funding, there was a year in which there was rigorous examination not necessarily of whether the companies should be merged but of whether there were opportunities for shared services. The restructuring would have cost a lot more than the benefits in the first few years, which were fairly minimal, so we have not gone down that road.

The Convener: I know that Alex Reedijk has to leave, so I am conscious of the time. I did not want you just to stand up and leave mid question. I know that Ann Monfries will replace you, but is there anything general that you want to say to us before you go?

Alex Reedijk: No, although I re-emphasise a little part of my opening remarks. Compared with other worlds that I have inhabited with national companies in other parts of the world, we have a pretty good model for how an opera company can work. Despite what you might read in the media occasionally about Scottish Opera, in time, plenty of other opera companies in the UK will look to us as a good example, if not a great example, of best practice.

The Convener: Thank you very much. I will let you go and I welcome Ann Monfries to the committee.

Gordon MacDonald (Edinburgh Pentlands) (SNP): I have a quick supplementary on funding. My understanding is that, under the criteria for being national performing companies, you have to demonstrate year-on-year increases in private sponsorship and other non-public income. Last night, I looked through the annual accounts of each of the national companies and noticed a couple of comments. The National Theatre of Scotland said:

"Total incoming resources increased again in year from"

£7.2 million to £7.9 million. Scottish Ballet said that box office income remained strong overall and targets were exceeded across the year by 30 per cent. It also said that income from fundraising and sponsorship increased by 48 per cent on the previous year.

Bearing it in mind that you have that obligation, in relation to which you appear to be successful, and bearing in mind your competitors, will you say something about your strategies for growing private sponsorship and non-public income?

Laurie Sansom: I was a little taken aback by Mary Scanlon's question about the reduction in performances. My experience of 2014-15 was that there was a great increase. I direct the committee's attention to the total audience participation levels for 2013-14 and 2014-15, which went up greatly. We went from 69,000 in Scotland in 2013-14 to 90,000 in 2014-15 and, internationally, from 29,000 to 38,000. In the UK, we went from 21,000 to 103,000.

Those increases are on the basis of some large-scale pieces of work. We made pieces that attracted additional income from the National Theatre of Great Britain and the Edinburgh International Festival. There is something about us creating projects that attract income. Those are often large-scale, high-profile pieces of work, so we need the resource to take the risk to make those pieces to attract additional investment. A major piece of work that we made was "The Tin Forest", which was a nine-month community engagement project in Glasgow with its outcome at the Commonwealth games. We were able to attract £800,000 of additional income from agencies and private sponsors because of the scale and profile of the work.

It is interesting to note that we can increase our income by £200,000, which is ring fenced for particular projects, and that the larger the scale of those pieces of work, the more chances we get to attract additional funding.

10:45

Chris Hampson: We need to look at those statistics strategically over a period. Our winter and Christmas season is our most successful. As you can imagine, lots of people like going to the ballet at Christmas. Audience numbers had started to fall and the resurgence in box office figures was to do with two projects: one was "Hansel & Gretel", which was derived from an education initiative; the second was bringing back Scottish Ballet's "Nutcracker", which had not been performed for many years. That surge of audience numbers is what gave us the 30 per cent, but it came from a position that had started to decrease.

The same was true with the funding. The funding for those projects was healthy. There was a lot of enthusiasm for them, especially "Hansel & Gretel", where the initiative came from an education and outreach perspective, but future years did not attract such private funds, so there was a drop-off after that.

Over three to five years, there is an ebb and flow in funding from trusts and foundations. Over time, that funding probably starts to get less and less, even on the significant gives. One of the other challenges that we find is that, as trusts and foundations start to tighten the criteria for how money is used, it is strongly ring fenced, especially for outreach and education. Quite a lot of money will come in from trusts and foundations or private sponsorship, but I see more and more highly specialised projects that run for perhaps only one year or two years and, therefore, do not impact on the longevity of the business.

Dr Thiagarajan: The RSNO's strategy to increase contributions is twofold. It concentrates initially on earned income. We want to bring new audiences to the orchestra—people who may not have heard us at all. One of the concerts that did that for us was the recent John Williams concert that we very successfully produced in Edinburgh and Glasgow. Most people do not realise that John Williams's music is classical music; even though it is movie music, it is good music. Of the attendees at that concert, 65 per cent were first timers to the RSNO. That gives you an idea of why the approach is successful. With sold-out concerts, we sold about 6,500 tickets over that weekend.

The point is to introduce people to the organisation and make them fall in love with it. When they are at a point in their personal life situations at which they can afford to contribute to us, we want to invite them to do that, but it is not simply a case of finding somebody and saying, "Hey, I need some money." We need to make the case that we are relevant to their lives.

Roy McEwan: To echo Chris Hampson, the trusts, foundations and corporates tend to be project driven or targeted at particular things. We have made most progress on individual giving, which creates a community of support around the organisation. Individuals give anything from £50 up to several thousand pounds. The one thing to remember about that is that that kind of income generation is much more labour intensive administratively. It requires a lot of hard work to get, cultivate and keep hold of those individuals.

Ann Monfries (Scottish Opera): I agree with my colleagues. At Scottish Opera, we have successfully raised funds towards the capital project at the Theatre Royal. A project such as that attracts attention. Nothing is easy when it

comes to generating money, but it is easier for people to give towards a concrete project. On education projects, as Christopher Hampson said, anything that people can hook on to tends to generate money from the trusts and foundations. That can mean that it is year-on-year funding rather than funding that has longevity, which is preferable for some projects. It is necessary to find a balance.

Mary Scanlon: For the sake of clarity, I should say that the figures that I gave were for 2013-14, when National Theatre of Scotland performances were down by about a third in Scotland and were down internationally on the previous year, whereas Laurie Sansom's figures were for the following year. That proves that it is better to look at the trend. We are both right.

The Convener: Or both wrong. I am not sure.

Mary Scanlon: Or both wrong. That is how important trends are.

Liam McArthur (Orkney Islands) (LD): We have concentrated on funding, but in several responses the witnesses have talked about expanding audiences and the access and outreach work that the national companies do. I was pleased that Orkney and Shetland were mentioned. I am slightly concerned that there was almost an inference that, as a result of funding pressures, digital and other means might supplant what actually goes out to communities.

I was going to compliment the national companies on the way in which you have gone out to communities. My community in Orkney has been blessed with the presence of a national company on numerous occasions—I remember watching "Così fan tutte" recently. Scottish Opera also put on a production in the island of Sanday, which has a population of about 500.

I would be concerned if digital was regarded as a way of supplanting such performances. People would lose the physical connection with our national companies, which I think is imperative. Although the national companies need to explore digital and other options for broadening their audiences, I seek reassurance that such approaches are not regarded as a replacement for some of the excellent work that you have been doing.

Laurie Sansom: I agree; the live event is absolutely a premium. We always look first at how we can be in more of Scotland more often. That is the question for me. We are looking at models whereby we can be in more places more often. When I first arrived, we were in Shetland for a six-month-long engagement project, which resulted in "Ignition". The issue for me is how often we can be in a place. It is all very well to bring a performance or to make something with a community, but if we then do not go back for another three years we have to ask whether we are building, developing and sustaining an audience in that community. We need to think about how often we can be in certain places.

Such activity is the most costly and revenue-intensive, from our point of view. That does not mean that that is how we judge whether to do it or not. We are under pressure in sustaining such activity because it is much more costly per head, but it remains right at the heart of our remit and I am sure that it will remain a priority for the Government.

Liam McArthur: Is it reassuring that, as Chris Hampson said, trusts and foundations tend to ring fence funding for outreach work? Although such work is more costly—for all of you, I suspect, in similar ways—funders recognise that and are ring fencing the funding that they provide, to sustain it.

Laurie Sansom: They are definitely more interested in supporting that work than in supporting other work. However, I was talking about not just outreach and participation but taking performances as far afield as possible. Our small-scale touring is the most costly activity for us.

Liam McArthur: What evidence do the national companies have on how well you are doing on sustaining effort and building audiences and participation? There is always going to be more that you could do, but do you have evidence of some traction as a result of the collaborative effort that you have been able to make?

Chris Hampson: What is incredibly gratifying about our up-close tours, which go from Orkney to Galashiels and everywhere in between, is seeing the impact of our presence on the community. We know that we are high achievers on the stage, but it is about what we do in the community, too, and we always tie in education and outreach projects wherever we are.

On our impact nationally, it is worth noting that when we are in Inverness, the average journey time for an audience member is anything between 90 minutes and two hours. We know that people come from the Highlands and Islands and stay overnight just to see a Christmas production.

Audiences are being built, and I am sure that my colleagues will agree that there is a requirement from us all to make sure that we continue to commit to serving those audiences as best we can. It is costly and it puts great pressure on our tour planning, but I reiterate our absolute commitment to making sure that we are physically present in those communities.

The digital aspect enhances what we are able to do and it also enhances our creativity. It is not just about putting out digitally something that might be

seen on stage; we can also create works that can only be viewed digitally. It is not about giving those people a lesser performance experience; it is about enhancing the performance experience for as many people as possible.

Liam McArthur: That was about broadening access geographically. What efforts have been made towards broadening access socially? I am thinking in particular about how ticket pricing will have a real impact on take-up and access. Is there anything that you can say about that?

Laurie Sansom: One thing that we talk about quite regularly is ticket yield—in other words, how much money we can get per ticket. In Scotland that is much lower than in the rest of the UK. Although that hides a more complex picture, it is not something that we should feel concerned about; in fact, it is something that we should welcome. It certainly prevents theatre going from being such an elitist activity in Scotland, unlike in some of the UK. However, that means that our earned income from our work is much lower here than in other places, so we look at touring to the rest of the UK and internationally to subsidise our touring in Scotland.

For me, it is imperative that we keep ticket prices low, so that we are opening access and also encouraging first-time attenders through particular schemes. We have a first nights project, in which we give free tickets to young people who have never been to the theatre before to come to a performance. We make it a social event and introduce them to some of the artists involved. I think that we all use initiatives such as that to quite a large extent. They target certain groups who are perhaps underrepresented in our audiences, to make sure that we are increasing diversity among those who are accessing our work.

Liam McArthur: Is that something that you capture and report back on? How do you track the engagement of those demographics over time?

Dr Thiagarajan: I can give a few concrete examples from the RSNO. Our lowest ticket price is £6; that is for anyone under 26—anyone under 16 can come for free. We also have a scheme in place for those who have recently become unemployed. There is a bursary that allows them to continue to be connected with the orchestra.

We should also mention that we have an aging population that we have to be mindful of, and there are people who have difficulty coming to the hall. We have recently instituted lunchtime concerts, because it is very difficult for some people to be out and about at night—they do not feel comfortable doing that.

All those measures are imperative, but it starts with the work that we do with the young population—the schools. With our primary school concerts we are now targeting 22 schools in underserved areas around Glasgow. If that is successful, we want to take it across the country. We go as early as nursery concerts, and the RSNO created the CD “Astar” which has now been distributed to roughly 180,000 newborns and their families. The idea is that we have to be relevant in people’s lives.

I would like to come back briefly to the concern about us being present in the geographical sense in the outer regions of Scotland. It has rightly been mentioned that there is an expense associated with that—we have to get a 100-piece orchestra all the way up there with the cargo and so on and so forth. Digital media offers a way for us to be in touch in those off years.

It is unrealistic to expect that we can be everywhere all the time, yet over the last three years the RSNO has been in all 32 local authority areas in Scotland. Our last residency in the Shetlands was in 2012. It has been far too long and we would like to go back. We have to create strategies for on and off years, perhaps every two or three years. We need to try to incorporate that into the budget strategy so that you raise funds for it and know that it is coming.

11:00

The risk that is involved in funding and Government funding possibly being reduced is that it forces all the companies to become more entrepreneurially focused. That means that we are trying to get paid work and the more paid work that we accept the more it clashes with the weeks when we could go out and do the work that we think is equally or perhaps even more important, but that is not supported financially.

Ann Monfries: Opera is perceived to be an expensive art form, but in Scotland it is much cheaper than it is elsewhere. At Scottish Opera, our philosophy is to keep a broad range of prices, either through discounts or by setting a very low price for the cheapest ticket.

When we are out on the road, in the more remote parts of Scotland, we keep our prices as low as possible to ensure that those performances are an access point. We see such tours as a way to get to people who love opera, but who live far away from where it is normally performed, but we also see it as reaching out to a community and making an offer to them of something that they know very little about. We make it a very low risk entry point to experience opera and hope that it will grow people’s love of opera.

Scottish Opera visits 40 or 50 towns and villages around Scotland in a year, but there are obviously many more than that, so we can visit only every second or third year. We want to

maintain our relationship with those places, however, and like our colleagues we see digital as a way of fulfilling our supply—as it were—of performance in those years when we cannot visit and as an opportunity to build that relationship and keep it going.

We would not want to stop going on the road because it is an important part of the company's work. I was in Markinch at the weekend, talking to the audience—I am a marketer, so I want to talk to the audience—and they were delighted to have our event happening on their doorstep in a space that is part of their community. No one can take away from the value of such work and what it brings to people.

The Convener: A number of years ago I went to a lunchtime offering from Scottish Opera—I grant that it was in Edinburgh, rather than anywhere remote, but it was very popular. I do not know whether you still do those.

Ann Monfries: I would have to research that. I am relatively new to the company and that pre-dates me. I will have a look into that. As Krishna Thiagarajan said, night time does not always suit everyone and operas tend to be quite long.

The Convener: It was obviously a very cut-down version for a lunchtime audience. You were able to leave your office, watch the opera while having your sandwich, and then go back to your office—all in the space of a lunch time. It seemed to be fairly popular.

Ann Monfries: We offer opera unwrapped performances, which are early evening performances with a full orchestra and singers—it is basically a talk through the opera, as an easy introduction to the plot, and some of the secrets as to how things work backstage.

The Convener: It was not that kind of thing.

Laurie Sansom: Pricing is not the only area on which we need to focus to make work accessible—sometimes it is about the time of day or the needs of particular audience members. We all look at accessibility in those terms. For example, we do audio-described performances for those with impaired sight, and also signed and captioned performances. We have even started doing relaxed performances, which are for people with profound additional needs, such as those who are on the autistic spectrum. There are many areas in which we are trying to innovate in thinking about how we reach the broadest population in Scotland and make our work accessible. That is not just about pricing, but about how we distribute and produce the work.

George Adam (Paisley) (SNP): I want to build on the questions from Liam McArthur and the convener about the access point. I remember the first time that my dad took me to a football match, but I was an adult before I went to a performance by any of your organisations.

I know that you have mentioned this, but what are you doing in relation to the educational set-up to make sure that you get that access point from an early age, so that a young person can engage with a company and it becomes part of their life and—as Dr Thiagarajan said—becomes relevant to them?

What type of access points are you using? I take on board the RSNO's John Williams nights for "Star Wars" or "Superman" fans—you are going to kid them on and they will not know that it is classical music because it is stuff that generations of their family have lived with. Are we getting more of that type of thing and using the populist route to try to get more people engaged in ballet and opera? "The Nutcracker" was mentioned—that is a classic example. Everybody wants to see that ballet at Christmas time. Are we doing more of that? Are we trying to use the stuff that people understand and know as access points, to get people in, fill the seats and build the audience?

Dr Thiagarajan: At the RSNO, we have a music for life strategy. As I mentioned, it starts when someone is born, but there should be at least one touch point as they grow up. Student tickets complement that, and we hope that people then become engaged with the organisation. We even have intergenerational access points. We had an absent friends programme, which dealt with hospice care, the issues that arise out of that and how people can cope with it creatively.

We also have young ambassadors. We can get young ambassadors from the Shetlands and from Orkney to come to the RSNO if we cannot go to them. The young ambassadors are young people who come and work with us over a period of time.

In that vein, one day a year we have a takeover by a group of young students—I think that they are in the 15 to 17 age group—who are thinking about what they might want to be when they graduate. They come into our offices and take over running the RSNO. We become their interns and they get to see how the whole thing works.

We were in the final stages of doing something with Paisley—I am not quite sure where that project sits right now; it has been a little bit difficult to put it together, so you might have some—

George Adam: Did you research me before the meeting?

Dr Thiagarajan: I would never do that—it is not my style.

George Adam: Is it my Paisley-patterned tie? Is that what gave it away? [*Laughter*.]

Dr Thiagarajan: The difficulty is that we can always do more, but I feel very comfortable that, within our means, we are doing as much as we can. I mentioned that the primary school concerts are coming back online because of our new building. We now have a different kind of cost control in place inside the new RSNO centre, which is very good and enables up to 600 people to come and experience the orchestra very close up.

I cited the John Williams concerts as a particular example. We continue to perform up to six such concerts a year. We will bring them to audiences as demand increases. However, it is also really important not to create what I would call a shadow economy. We want people to transition from those popular concerts to the mainstream, regular concerts. In that regard, the RSNO has been very successful. On average, we have a ticket sales event for each concert of about 1,400 tickets, and we run up to three concerts a weekend. However, that highlights the difficulty. That is why, going back to the opening question, I think that the model is so good and, frankly, why it is so necessary to have Government support.

None of our organisations is concerned with only one market or one city. We are all concerned with the entire country. I think that you will agree with me that Glasgow and Edinburgh have very distinct interests as to what they think is good, not good, mediocre or bad. Indeed, Glasgow and Paisley will have very distinct ideas about what they really want—and then we go out into Dundee and Perth.

In fact, there is a collaboration between all the major orchestras in Scotland—including the RSNO, the SCO and the one that is not at this table today, the BBC Scottish Symphony Orchestra—to jointly run and subsidise a series in Perth at the Horsecross. It would not otherwise be possible for Perth to have that series. If you think about the size of the city of Perth and look at other comparable cities in Europe or the United States, you can see that there is no way that three world-class orchestras would go to such places to do a six-concert series, but in Scotland we have that. That highlights just how well this works.

Roy McEwan: In many respects, the pattern of work that Krishna Thiagarajan has outlined is similar to ours. In some respects, it is a cradle-to-grave strategy of lifelong learning. Our big ears, little ears concerts provide tolerant spaces for parents to bring young children, and in our masterworks series we take major works from the repertoire into schools, taking the piece apart, putting it back together and playing it right through so that there is, if you like, a demystifying of the music. We then track those people through special offers for the concerts in our main series.

As I said, we go into schools. We have just done a very interesting project in Wester Hailes. There are a variety of ways in which we bring young children into direct contact with musicians, creating a spark that we hope we can then track through for the rest of their lives, into live performances and an appreciation of music. I go back to what Liam McArthur said—we are all about a live experience and creating that direct contact with people of all ages.

Chris Hampson: The access point is essential. Probably, all our organisations have cradle-to-grave programmes, if you like. One thing that I am particularly proud of is that Scottish Ballet has developed wee performances, which are bite-sized performances of the full-length productions at a time of day when carers can come with the people they are caring for, and parents and guardians can come. The performances take an hour out of the day, rather than two and a half hours, and they are at a convenient time of day.

In the past year, we have also developed relaxed performances—Laurie Sansom spoke about those. They provide an amazing access point for those with really strong needs, and not just for those individuals, but for the people who care for them. To be able to do that in a safe environment, we cannot have 2,000 people in a theatre. We need to have a maximum of 200 people. It is really important that we start to develop those understandings and begin to understand what our audiences need to be able to access the art form.

We also have some amazing education initiatives. We have been working with some children who have been marginalised from mainstream education, normally through behavioural difficulties, and we closely link those projects with what is happening on stage. In the background, we have a dancers education group in which we are training dancers to be able to deliver projects with our education team so that the young people do not just learn about the art form and how to express themselves through art, but see the people they have seen on stage in front of them and have face-to-face engagement with them. There is nothing more inspiring for young people than to meet people who have blazed a trail in one art form or another, because they all come from different backgrounds, and being able to share that experience is a really inspiring thing.

George Adam: It takes away some of the mystery of the art form and makes it real to the individual.

Chris Hampson: Yes. I think that one of the most gratifying things for the performers is to hear that the audience members have their own stories as well—and vice versa: the young people hear

that the performers have had their own particular journeys, and that they come from across the world. It is really important to note that the companies attract people from beyond Scotland.

Another access point that we have alluded to relates to the fact that we are facing an ageing population. We operate a project called regenerate. Its title mentions that it is for the over-50s, but it goes far beyond that. It has been so successful that we have formed a small company so that the individuals have an outlet in which to perform and to express themselves. We are noticing that that all feeds into different parts of society that will engage with us more and more. It is vital to everything that we do.

11:15

Laurie Sansom: We have talked about the models that we use for participation and outreach work. We worked with 20 schools across the country on the Transform project alongside curriculum for excellence. Some of the anecdotal evidence of how that has changed people's lives is among the most powerful evidence that we have. The headteacher of Port Glasgow high school attributed a 14 per cent increase in attainment across one age group to participation in the Transform project.

We cannot overestimate how certain young people need unconventional ways of exploring the world. The arts companies can provide that.

We are about to launch the schools touring network. We identified the leading children's theatre companies across Scotland—and Scotland has world-class companies for children and families—which reported that their work was no longer getting to schools. That was partly because the cultural co-ordinators were no longer operating in local authorities and the infrastructure had vanished.

We are working with Imaginate, which is one of the leading companies, on a two-year pilot scheme to take two pieces across Scotland and get them to as many local authorities as possible, and to find out what infrastructure is needed to get work into every school in Scotland. That is the long-term ambition. It is a big ambition and would need resources, but it is essential that children of every age regularly see the world-class work that is being made in Scotland. We cannot overestimate the increase in wellbeing and academic attainment that that produces, and those children will be the audiences of tomorrow.

We have already talked to Creative Scotland about the pilot, and it is clear that it could be a model that works for other art forms, too. It is about breaking down the barriers that are preventing schools from regularly booking work of excellence. That work exists, but we are not creating the infrastructure so that it can easily be rolled out. We will pilot the scheme over the next two years and look at how we create a model to get work into every school.

George Adam: You made a point about attainment, which is a particular passion of mine. We cannot overemphasise the importance of the arts in getting a young person back on the right track. It is something that we should develop as a committee and discuss more in the Parliament. It is a crucial part of the debate.

Ann Monfries: Scottish Opera has similar projects across the generations, starting with "BabyO", "KidO" and primary school tours, which we try to tie in with curriculum for excellence and themes such as health issues or healthy eating. This year, we have a tie-in with the festival of architecture, looking at the protection of our built heritage and working with partners in getting messages across to children while they are still young.

We then move on to developing young professionals—people in their teens who aspire to work within the arts. We have a whole Connect programme, which involves a chorus, an orchestra and stage management. We bring young people together to create their own works, under the supervision, help and guidance of experts within the company. They present their own work and get used to working on a stage, finding a place to show what they can do and building their confidence for the future.

We offer opera unwrapped to schools, which is a free, very basic introduction to opera. Classes of schoolchildren come to see what opera can do and we give away a few secrets of stagecraft, opening up opportunities for future professions.

We also offer an emerging artists programme. Once people are on the first rung of their professional career, we give them the opportunity to be immersed in a company, take advantage of the various opportunities and build their careers. People such as Karen Cargill have come through the company in that way and have gone on to international stardom. There are processes and projects in place to try to interact at every level.

Similarly, we have been working for a number of years on the memory spinners project, in which we work with very small groups of people with dementia and their carers. Carers get a bit of respite and the freedom to express themselves, and the dementia sufferers get involved, too. The voice and singing seem to have found a place in dementia care. Singing is something that stays with people; they remember song lyrics when they might not remember anything else. We work with people in small groups in a relaxed environment,

to give them confidence and a bit of a break from their routine, to help them to find a new outlet for their creativity.

George Adam: You talked about how positive a working environment Scotland is for the national companies. Is anything going on internationally that could be used here? Are there ideas from elsewhere that we might look at?

Laurie Sansom: That is an interesting question. Scotland is a world leader in participatory theatre work. In October, at the home away festival at Tramway, we will bring in five international companies, who will explore, with five Scottish companies, models from other parts of the world. Companies from Jamaica, India and New Zealand, for example, will be in Scotland for a symposium on excellence and models for reaching hard-to-reach groups in particular. In the context of outreach work, what we can learn from international partners and what they are looking to take from us is becoming more important.

Chris Hampson: In dance, Scotland is leading in the area of integrated companies in relation to people who live with disabilities. We have started to work with Indepen-dance, which is based in Glasgow, and we have been partnering with the Mark Morris Dance Group, across the pond in the United States of America. This year, we are starting an 18-month pilot project, in which we will work with people who are living with Parkinson's disease. There are initiatives in other countries from which we can learn, but I think that we are pretty much on the front foot in bringing them in and ensuring that we do not just deliver partnerships but grow them and make them our own.

Dr Thiagarajan: The RSNO is one of the leading companies in the UK and is perceived to be one of the leading companies worldwide. That brings me to the curious issue of what we can bring from the rest of the world to Scotland; in general, we should be quietly confident that we are extremely, extremely good.

George Adam: Such confidence is not a trait that we usually expect Scots to have.

Dr Thiagarajan: Also, because an orchestra brings guest conductors and soloists to Scotland from across the world, we bring other people's philosophy of art making into Scottish concert halls on a regular basis. We have a really nice give and take between what we have to offer, as a Scottish national company, and what people bring to us from their backgrounds.

The Convener: Does Liam McArthur have a supplementary question?

Liam McArthur: It is more of a brief plug, in the context of the symposium that Laurie Sansom mentioned. As part of the scrutiny of the Children and Young People (Scotland) Bill, we focused on issues that care leavers face, and one of the introductions that we had to young people who have been through care was through the medium of theatre, which allows young people to give expression to their experiences. In the context of your work on how you get to hard-to-reach groups, I am sure that the committee can share the details with you.

Laurie Sansom: That would be great. We did a project in Glasgow and Fife called "Jump", in which we worked with young teenage boys who had been identified as being at risk of entering the criminal justice system. Our model is always about empowering people to tell their stories. In "Jump", we used free running, or parkour, as a means of doing that. It was so successful for those boys—who had often not expressed their frustrations about their lack of opportunity and how their futures might look—that it was picked up by the British Council. We are currently doing it in Jamaica with young boys who have a different set of issues, which are in some ways more extreme. It is one of the models in which you can see transformative effect on individual lives. It would be great to talk to you about those care leavers. We could do as much of that work as we have the resource to do. There is a huge need for it.

Colin Beattie (Midlothian North and Musselburgh) (SNP): Where public money is involved, it is inevitable that the first thing that we want to do is to start measuring things. How do you, as national performing companies, measure success?

Roy McEwan: The SCO uses a number of criteria, one of which is coverage of the country. There are entirely quantitative targets—audiences, participants, subsidy per seat and efficiency in terms of lowering the subsidy per seat. Beyond that, our education and outreach work tends to be assessed per project. Projects are assessed through feedback from those who have taken part, and the Government has a number of peer assessors who write reports on our work, which are open to us. Above all there are the critical responses of the audience, the music profession and the music press about the quality of our work and the standing of the company internationally and against our peers. We look at all those in different qualitative and quantitative ways.

Colin Beattie: That is quite a broad spread. Some things will be better than others. How do you bring it all together to say whether the company is a success?

Roy McEwan: If we do high-quality work and are not getting ourselves into financial difficulty, we are a success. All the factors that I mentioned inform whether we are a success. In part, the

extent to which we are a success is in the judgment of other people.

Chris Hampson: Roy McEwan has summarised much of what we would all say, because we all report annually. There is critical review, peer review and independent assessors from within the sector.

An important measure of success is knowing that Scottish Ballet is still creating new art and is not relying too much on what has gone on before. Particularly over the last five years, we have created an enormous amount of new work for Scotland. It is a mark of success that that work has been taken on international tours and has been showcased at either the Edinburgh international festival or the Sadler's Wells theatre, which is the main dance house in London. There are, within our sectors, other marks of success by which we can be judged.

Laurie Sansom: I have a similar answer. Other things are appropriate measures of success for theatre—there are many award schemes, for example. Something else that we all value is how significant we feel culture is in public life in general, which is a difficult but important thing to measure. During 2014, the contribution that the national performing companies and the theatre sector as a whole made to the national debate was exemplary.

As a theatre company, the NTS is directly making work about specific social and political topics. We have tread a very delicate line in making work that has allowed artists to express their passionate opinions without our taking a political standpoint, as a company. From my point of view, that is the mark of a company that is thriving. We were able to be the focus of people's dreams, hopes, aspirations and frustrations, and we created a place for debate. For me that is a significant part of the question whether we are a success, over and above all the quantifiable things.

We all have key performance indicators that we can measure—specifically outcomes—and assessment meetings at both six months and a year as well as annually with the Government, which also measures us against all the things that Chris Hampson and Roy McEwan have spoken about.

11:30

Colin Beattie: Inevitably, money counts. How do you measure the economic impact of your companies?

The Convener: We will start with Ann Monfries.

Ann Monfries: I am probably not the best-placed person to answer that question. I will hand the question on to Krishna, if he does not mind.

Dr Thiagarajan: There are multiple ways to measure the economic impact. There is the direct impact. The RSNO has, as we just mentioned, people in the office and people on stage—there are 432 junior chorus members and 200 senior chorus members, to which we add guest artists and visiting artists, so the impact is that roughly 800 people annually are somehow either employed by, or on stage with, the RSNO.

There are Government studies that show the secondary impact to be a factor of 2.3 or 7.1, in terms of additional pounds being generated, depending on the project and type of activity. The RSNO engages with roughly 150,000 audience members throughout the year, and those people go out and have coffee, they have dinner and they stay in hotels. We have just heard that some people travel many miles—we have recently had people flying from the continent and New York to hear our performances, which means hotel rooms in Edinburgh and Glasgow being booked.

Colin Beattie: It is easier in some ways to measure the economic impact of a project. How difficult is it to measure the overall impact of your activities through the year and their contribution to the economy? Clearly culture has a major impact on the economy.

Dr Thiagarajan: Yes.

Laurie Sansom: Your question begs the answer that the overall impact is very difficult to measure, because there are lots of invisible ways in which we affect the economy. We all have talent development schemes and opportunities through which we support development early in their careers of artists who will go on to work with other cultural organisations and generate the flagship productions of tomorrow.

The indices that Krishna Thiagarajan mentioned are imperfect measures, but they give some sense of the additional impact. The employment figures speak for themselves. Beyond that, I am not sure how we go about measuring impact.

Colin Beattie: I suppose that I am surprised that someone has not come up with a formula—

Laurie Sansom: The indices that Krishna Thiagarajan mentioned are based on formulas.

Dr Thiagarajan: There are Government studies on the financial impact and—which I say is equally important, although I am not trying to divert the conversation—on the impact on wellbeing. I happen to have in front of me a quotation from the Scottish Government social research series in 2013. The study is called "Healthy Attendance? The Impact of Cultural Engagement and Sports

Participation on Health and Satisfaction with Life in Scotland". One of its important statements is that 60 per cent of people who regularly participated in cultural events reported living better lives—feeling better about themselves. That surely translates into a financial impact also, because a person who is happy is a person who is creative and productive. We can come back to you with the actual numbers.

I can give you a relationship that is fresh in my head from my previous position. I recently moved here from the United States: arts-sector income there is twice the size of the entire National Football League's income. It is wrong to think of the classical arts as a marginalised form: the arts sector in the United States in its entirety is larger than what I would say is the most profitable and largest sports franchise that the world has ever seen. I am not saying that because I am American—the NFL is bigger than FIFA, and the arts sector is larger than the NFL.

Colin Beattie: I have seen global figures for the contribution of the arts to the economy. I am curious about how you feed into that and contribute at company level to the calculation that is done for your part of the economic contribution.

Dr Thiagarajan: On a very basic level, we feed into that by providing people with direct employment, which obviously contributes to society. On the second level, there are entire infrastructures in our cities that would be empty and barren without us—the Glasgow royal concert hall, the Usher hall in Edinburgh, the Horsecross in Perth and His Majesty's theatre up in Aberdeen.

Roy McEwan: As companies, we do not exist in a vacuum. We feed in through Scottish Government and, perhaps, Creative Scotland reports to the more global—or, at least, national—economic impacts. The economic impacts of our five companies are perhaps more difficult to define than that of the sector as a whole, of which we are parts.

The Convener: I will quote one of the national indicators from the Scottish Government in its national outcomes, because none of you has mentioned it. It is to increase cultural engagement, which is measured by

"The percentage of adults who have either participated in a cultural activity or who have attended or visited a cultural event or place in the last 12 months."

None of you mentioned that in your responses to questions about how you measure success and how you see yourselves impacting on Scotland.

Dr Thiagarajan: I will answer that, because I did not answer the question about how we measure success.

My board has five indicators. They are artistic quality, adherence to budget—which really means balancing the budget—audience participation, which is what Colin Beattie mentioned, and service to the community, which is very important. The final one is internal musician morale in the company, which is as important as all the others. Do the musicians feel that we are enabling them in the right way so that they can get the art to the people? At the end of the day, we are a conduit for an artistic process and for an actual work of art to be presented to the people. Audience participation is essential.

The Convener: How have you all increased cultural engagement?

Dr Thiagarajan: Are you looking for increased cultural engagement in terms of more people coming to hear us?

The Convener: I am looking at cultural engagement in relation to the Scottish Government indicator for its national outcomes. It may not be a perfect measurement, but I am interested in your view.

Laurie Sansom: I wonder whether there is a quantitative measurement. You have audience figures in front of you, from which you could work out what percentage of the Scottish population is engaging with particular activities and companies. There is also the thing that I was talking about earlier, which how significant a part we are of public life. We can put numbers on cultural engagement, but it is also qualitative—it is about engagement in the context of particular subjects and particular events, and about providing cultural engagement with questions that people want to discuss and think about. We do both measurements, but maybe we do not give the bald percentage, which perhaps we should.

The Convener: I am not arguing that you do not do both qualitative and quantitative work and that cultural engagement is measured in many ways. I am just reading out one of the Scottish Government's indicators for your sector. Therefore, accepting all that you have said, I am asking for the answer to my question in relation to that indicator.

Roy McEwan: Cultural engagement is the amount of contact that we have, whether it is participative or—

The Convener: I know what it is. I am asking you what you have done to achieve it.

Roy McEwan: The numbers are there, are they not?

Laurie Sansom: All the examples that we have given about how we make the work accessible to various groups and audiences feed in. The body of

what we have been discussing is all about cultural engagement.

Chris Hampson: It is important that we are able to demonstrate that there is audience participation. I have in front of me the figure of 120,000 audience members in the past year.

There are also the ancillary participations that happen in the context of education and outreach, and there can be 20,000 or 30,000 of those—or more, depending on the breadth and on whether something happens just in Scotland or internationally, given that we continue our education and outreach when we go offshore.

The Convener: Okay. Thank you.

John Pentland: Everyone else has taken the opportunity to plug something, so I will plug Motherwell concert hall and theatre, which has some terrific star attractions over the next two or three weeks. I invite you all to come along.

We talked about how the national companies measure success. Your funding is associated with the delivery of Scottish Government objectives. Has your success been constrained in any way by the requirement to deliver on those objectives? Are you able to deliver on them in partnership? Could you be more successful if your activity was uncoupled from the objectives?

Chris Hampson: The objectives ensure that we operate in the broadest way that we can and that we engage not just on the stage or in the concert hall but beyond that, in the community, making a difference socially and helping to build a stronger society, rather than just resting on our laurels and doing wonderful productions. It is about ensuring that we have a sense of social responsibility, which comes with the support that the Government affords us.

Roy McEwan: I certainly do not feel constrained by the objectives, which in many ways help us to articulate what we are there to do. In many ways, once we get used to them, they are actually quite helpful.

Laurie Sansom: I agree. They tend to describe and articulate what a national company does, so I think that we all find that they are part and parcel of the work that we do every day.

Dr Thiagarajan: I am going to be very boring and just agree. Because of the criteria that we are talking about, the national companies are more complex, but the point is that we are national companies, not just city organisations.

The Convener: I suppose that you would be doing such work anyway, as part of your remit. The objectives just set out what you would be doing anyway.

Dr Thiagarajan: Yes.

Laurie Sansom: Yes.

Chris Hampson: Yes.

Roy McEwan: Yes.

Liam McArthur: That is perfect. Alex Reedijk started the discussion by describing the strength of the model in which you operate, and we have just seen an example of that, with a show of unity that a committee such as this one finds slightly unsettling.

We talked about success factors. To what extent is there a sense that one company's gain is another company's pain? To what extent does one company's ability to hit its KPIs and have its Government funding pretty much assured, if not expanded to enable it to do more of what it has been doing so well, come at the expense of another company? Is there fluctuation in that regard? How do you retain a sense of unity, given that I presume that there must be a degree of challenge in your engagement with the Scottish Government?

Roy McEwan: I do not think that any national company has an interest in one of the other national companies not doing well. It is in our collective interest that we are all a success. I suppose that the area where the gloves come off is fundraising, where there is an element of—in many ways, healthy—competition.

Liam McArthur: So when you make your bid to the Scottish Government and say, "This is how we hit our KPIs," you do not do so with a view to securing additional funding. Do you see it as being in your interest that there is a degree of stability across all the national companies?

Roy McEwan: Yes. This depends how one looks back, and things might develop differently in future, but, since our funding levels were set in the first year of direct funding, they have gone up or down collectively and there have not been variations between the companies.

I suppose that we also compete for money from the international touring fund, which is a defined pot. We all have aspirations and plans that go beyond the limits of the fund. We all pitch for funding, and we all do well or less well from one year to the next.

The Convener: We are roughly at the 10th anniversary of the establishment of the national companies—or near enough. Where do you see the companies going in the next 10 years? It has been an interesting 10 years, and for those of us who have been around a lot longer than that, it was interesting before that. I think that Roy McEwan mentioned some of the previous instability. I remember the difficulties that Scottish Opera had some time ago.

Mary Scanlon: I remember Scottish Opera serenading the Parliament.

11:45

The Convener: Yes, when the Parliament was based up the road—I remember the groups of singers in the High Street. There were difficulties in the past. We have had some stability—we are in a difficult part of the economic cycle when it comes to funding, clearly, but there has been much success across all the national companies over the past 10 years. Given all that mixed history, where do you see each of your companies going over the next 10 years?

Chris Hampson: The continued support has given us a solid structure on which to build. When we are outside Scotland and we are asked how we are able to achieve such amazing productions and performances, it gives us immense pride to be able to say that the Government is consciously investing in the arts and in culture to have a national portfolio. It is something that is celebrated. In the future, it would be great if we were leading not following not just in how national companies are funded but, as we touched on earlier, in how they are accountable—how they can account for their position in society and their relevance.

Roy McEwan: I think that the past 10 years has been a success story. That said, there is a danger around funding. I mentioned at the very beginning that our funding is now less in cash terms than it was 10 years ago, and that applies to all the companies. Funding was part of the origin of the problems in the 1990s and the early 2000s. If the funding of the national companies continues to decline or stagnate, it will be much more difficult to make a success of the next 10 years and some hard choices may have to be made.

Turning to all our education outreach work and our concerts, I think that the potential for the five companies is almost infinite. It comes down to resources. What we have achieved over the past 10 years is fantastic—I have been with the SCO since 1993, so I have a lot to compare it with. However, I think that there is a dangerous time ahead if money continues to decline. Although we are the biggest of the cultural companies in Scotland, we are just as fragile as the rest—it is a fragile sector and it would be easy for the sector to go into crisis.

Laurie Sansom: Yes, I will back that up. We are making a big impact relative to the resource that we get. There is a fear that we will not be able to be ambitious about increasing our national reach, which I feel we need to do at the National Theatre of Scotland. We need to find new ways of reaching more of the country more regularly. That would be my ambition, and it would be a difficult ambition to reach if funding were radically reduced.

We could be facing a confident future together as a sector, but we are in danger of being hit by the triple whammy of cuts to local authorities and cuts to Creative Scotland, which then impact on those we work with. As a company that only works in partnership with other venues, other artists and other companies—that is the basis of the theatre-without-walls model—we are in danger of being hit three times over.

There is some uncertainty and fear about the future in the sector in general and for us as a national company, although we are poised to capitalise on what, for us, has only been 10 years. I think that the impact that we have made internationally as well as nationally has been huge and I hope that we can face the future with confidence and continue to make that impact.

Dr Thiagarajan: I think that the RSNO in future years will continue to be a national leader as the national orchestra but will also play an international role as an arts leader.

The fact that we are going back to the United States in early 2017 after an absence of 30 years is testament both to what can go wrong in 30 years, which is that we sort of disappeared from the world scene in large part because of funding instability, and to how easy it is for us to reconnect with the world because we are still so present in the world with our recordings, which means that people really want to go and hear us.

Funding is always a concern, but I have a bigger concern, which is insecurity in relation to the next election cycles and the Brexit campaign, because the RSNO and, to a certain extent, the SCO, are international creatures—we get a lot of our talent from abroad. Regardless of the outcome, none of those things is helpful in the long term if we are to continue thinking as an international organisation, because the uncertainty causes difficulty.

Ann Monfries: I do not want to unnerve the committee any further, but I agree with my colleagues. The past 10 years has been very successful for Scottish Opera and the company has definitely been on an upward trajectory. As you know, Alex Reedijk had to leave early to attend our North American debut, which is the culmination of our work over the 10 years.

"The Devil Inside" is a new opera written by Stuart MacRae, who is one of Scotland's finest composers, with a libretto by Louise Welsh, who is one of our finest writers, based on a short story by Robert Louis Stevenson, so it has great credentials. Stuart and Louise started working with the company about eight years ago on a short, 15-minute opera. They went on to produce a 45-

minute opera a couple of years later. The new opera is full length and has received fantastic acclaim, from both audiences and critics. It has toured England and Wales and is now going to Canada. We want to see that continue.

We share the financial concerns of the other organisations, but we feel that our trajectory is upwards and we would like that to continue.

The Convener: I thank all the witnesses who came and so generously gave their time to the committee this morning. I appreciate that you are all busy people. I also thank Alex Reedijk—I do not think that anyone has left the committee to go to Canada before, so that is a first.

11:52

Meeting suspended.

11:53

On resuming—

Petition

Kinship Carers (PE1420)

The Convener: Our final item of business is consideration of PE1420, by Teresa McNally on behalf of Clacks kinship carers, on recognising the real value of kinship carers and giving them parity with foster carers across Scotland. What action do members wish to take on the petition? We had a Scottish statutory instrument from the Government last week that dealt with kinship care.

Liam McArthur: The statutory instrument that we dealt with last week appears to have addressed the concerns that were raised with us. On that basis, it would be appropriate to close the petition.

Colin Beattie: I agree that the issue has already been dealt with and we should close the petition.

Mary Scanlon: I agree.

The Convener: I agree that the Government has responded to the petition and, although the SSI that we considered last week may not address 100 per cent of what was asked for, it has dealt with the issue fairly well. Does the committee agree to close the petition?

Members *indicated agreement.*

The Convener: Although we are meeting next week, this is the last public meeting of the Education and Culture Committee in this session. I thank all the members of the committee, including those who were members at some point over the past five years; we have had a few changes over the years. I hope that committee members have had an interesting time. It has been a fascinating five years for me as convener, and I thank you all, individually, for your support and the work that you have done in ensuring that we have held the Government to account on legislation and examined a whole variety of different parts of the sector for which we are responsible.

On behalf of the committee members, I thank the clerks, who have done an outstanding job in supporting the committee, as have members of SPICe. There is also work going on behind the scenes that members do not see, such as the press releases that go out, and I thank officials for ensuring that all that happens.

I thank all the people who make the committee work on the day, here in Parliament and also when we go out visiting. Most of us check the *Official Report* afterwards—not for accuracy, but to ensure that we have not made a fool of ourselves. I thank

the official reporters for the work that they do, as well as the broadcasting and sound team who do a great job. I thank the security people and the other staff who provide the coffee and tea.

It has been an interesting five years and we can hold our heads high in terms of the work that the committee has done over the whole session.

Meeting closed at 11:57.

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