OFFICIAL REPORT
AITHISG OIFIGEIL

Culture, Tourism, Europe and External Affairs Committee

Thursday 30 May 2019

Session 5

The Scottish Parliament
Pàrlamaid na h-Alba

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CULTURE, TOURISM, EUROPE AND EXTERNAL AFFAIRS COMMITTEE
16th Meeting 2019, Session 5

CONVENER

*Joan McAlpine (South Scotland) (SNP)

DEPUTY CONVENER

*Claire Baker (Mid Scotland and Fife) (Lab)

COMMITTEE MEMBERS

*Annabelle Ewing (Cowdenbeath) (SNP)
Kenneth Gibson (Cunninghame North) (SNP)
Jamie Greene (West Scotland) (Con)
*Ross Greer (West Scotland) (Green)
*Stuart McMillan (Greenock and Inverclyde) (SNP)
*Tavish Scott (Shetland Islands) (LD)
*Alexander Stewart (Mid Scotland and Fife) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Professor Richard Demarco CBE
Harry Josephine Giles
Emma Harper (South Scotland) (SNP) (Committee Substitute)
David Leddy (Fire Exit Theatre Company)
Rhona Matheson (Starcatchers Theatre Company)
Ken Mathieson
Raymond Vilakazi (Neo Productions)

CLERK TO THE COMMITTEE

Stephen Herbert

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Culture, Tourism, Europe and External Affairs Committee

Thursday 30 May 2019

[The Convener opened the meeting at 09:03]

Arts Funding

The Convener (Joan McAlpine): Good morning, and welcome to the Scottish Parliament. I remind everyone to turn off their mobile phones, and I ask any members who are using electronic devices to access their committee papers to ensure that they are turned to silent.

I have received apologies from Kenneth Gibson MSP, and Emma Harper MSP is attending in his place. Emma, do you have any relevant interests to declare?

Emma Harper (South Scotland) (SNP): I do not.

The Convener: Thank you very much.

Our first item of business is a round-table evidence session as part of the committee's inquiry into arts funding. The inquiry follows on from our work on regular funding last year, and we aim to consider the wider issues around the future of the funding of arts organisations. We are particularly interested in how we support our artists and cultural freelancers in Scotland, and we are looking hopefully at models past and present, from around the world, in relation to how we sustain not just our arts infrastructure but our individual talent.

We have a fantastic round table this morning. I welcome Professor Richard Demarco CBE; Harry Josephine Giles; David Leddy, the artistic director of the Fire Exit theatre company; Rhona Matheson, the chief executive of Starcatchers theatre company; Ken Mathieson, jazz musician; and Raymond Vilakazi, the artistic director of Neo Productions.

The inquiry is wide ranging and we will focus on a number of themes this morning. I will start on the theme of support for artists. All of the witnesses made written submissions to the committee, for which I thank them. I found them very useful, particularly in relation to the suggestions for arts funding that they make—many of which are very innovative—and in relation to the particular barriers that exist for cultural freelancers.

I will start with Harry Josephine Giles. In your submission, you mention that

"it's easier to get money if you have money".

You also talk about how organisations that employ financial or fundraising officers find it easier to get grants. Obviously, that means that there are particular barriers for artists who work on their own. Can you elaborate on that, and on the interesting solutions to that challenge that you suggested?

Harry Josephine Giles: Sure. The basic problem is that the majority of money that an artist gets to make art comes from public funding bodies, and that, in order to get that money, they have to fill out a funding application. Filling out a funding application is difficult and requires a specific skill, which an artist has to learn and really work at—I have been doing it for 10 years now and I just about understand it. It is not a skill that has any correlation whatsoever to artistic talent or merit. If an artist is any good at it—I am lucky enough to have become decent at it—they are more able to get the money. However, if they are no good at it, even if their art is brilliant, they have to pay somebody else to do it for them. That is why we have fundraising officers in arts organisations; we employ people in arts organisations with the specific set of skills to persuade people to give artists money, so that the people who are good at making, managing and directing art can focus on the stuff that they are better at doing.

However, that obviously creates an inequality, because when an organisation can pay a fundraising officer, it has better skills in getting money than freelance artists, who are not being paid to do that. As a freelance artist, I never get paid for the time that I spend writing funding applications. As co-director of an arts organisation, Anatomy Arts, I can be paid to do the work of trying to get more money—as we have got more money, we have been better able to that. If that sounds absurd, it is because it is absurd. We have to try to get money to pay me to get us more money, because if we do not do that, we are less able to get money to do the work that we want to do—which is, for the most part, paying artists to make art.

One of my major suggestions is that, when an arts organisation is funded to have a fundraising officer, that fundraising officer should have some time set aside to support freelance artists, specifically freelance artists in their sector. It is not that radical a suggestion, because it is already happening. I have been really well supported by organisations that support my work or Anatomy's work by offering their fundraising officer's time to help me to figure out how to write funding applications. However, that is entirely voluntary. Although that is reasonable enough, there is still

an inequality that disfavours freelance artists and makes it harder for us to get money.

The Convener: Thank you very much for that. Does anyone else want to come in on that particular subject?

Raymond Vilakazi (Neo Productions): The point that Harry Josephine Giles made is particularly acute for black and minority ethnic people, some of whom do not have even the language skills to be able to apply. English is not their first language and they do not have the Scottish skills of expressing themselves normally, let alone in the archaic forms that they get from Creative Scotland. I have raised that issue with Creative Scotland for years, and, although it says that it will consider giving internal support to organisations, the reality is that that is very thin on the ground. It would be useful to have paid people who can help you with applications, particularly for black and minority ethnic organisations.

David Leddy (Fire Exit Theatre Company): As a measure of the amount of work that Harry Josephine Giles is talking about, for the past nine years, we have been funded as a regularly funded organisation. We are RFO funded no longer, and we announced our closure yesterday.

Before that, when I was project funded, I worked full-time for 12 months of the year running the company, and I was usually paid for about seven or eight weeks' work; I just stretched that money out over the 12 months. Running the company, the work of raising money and managing a company of that size with a very small staff took all my time for the rest of that year; I just was not paid for it.

The situation, which Harry Josephine Giles describes, is extreme. A great amount of unpaid work goes into getting that project funding.

The Convener: Richard Demarco, your perspective goes back quite a long way, if you do not mind my saying so. Is the situation for artists that has been described today a historical one or has it arisen more recently?

Professor Richard Demarco CBE: Things have changed dramatically in my lifetime. A meeting like this would have been unthinkable in the days when the Scottish Arts Council existed. That body was the only one that you could go to for the Government funding that you needed. You now have to learn the arts-speak to negotiate all the pitfalls before you get anywhere near being considered to be a valuable contributor to the cultural identity of the nation.

It is difficult for me to consider the problems. I have read all the submissions and I feel strongly that everyone is in a difficult position. No one can be happy about the situation. We are living in a difficult time; a time of crisis. Everything is unstable and has to be short term because there does not seem to be a view that takes us forward into the lifetime of those children who are protesting in the streets and are worried about a situation that will affect us all—the condition of the planet within the cosmos.

I have 88 years on the planet. I do not think that there is anybody in the room who can possibly understand what that means. It means that I have clear memories of something called the second world war and the 50 years of the cold war, and what Scotland was all about when, in 1947, as a result of the war, there came into being a great gift, which was unexpected and almost miraculous, and was given to the people of Scotland—the Edinburgh festival. It brought an international stage to this country. That has never been given to any other country in Europe. It was like being given the space of the Olympics. It was an arts or cultural Olympiad.

I do not think that we have used it properly, and it is simply a money-making machine now that enables something like 2,000 stand-up comics to feel reassured that they have a future. I do not think that it benefits Scotland—not every corner of Scotland that I can think of. There are many big issues that we should be considering, such as the role of any institution making a contribution to the cultural identity of Scotland at a time when we are not sure about what that future will be.

09:15

The Convener: That has certainly given us a lot to think about. Thank you. I will bring in Alexander Stewart because I know that he has specific issues to ask about.

Alexander Stewart (Mid Scotland and Fife) (Con): The witnesses have touched on the whole idea of the funding and support that they have. It is quite obvious that those in the sector live from hand to mouth and on a shoestring while they try to capture that resource and finance, which might be project led or be for a period of one or two years. As you have already identified, you therefore have to bring in individuals to support you to achieve that. However, is it the case that there is a certain breadth of resource and that it cannot infinitely be given to you all and that it, therefore, has to be given out as a proportion? Is it also the case that that proportion sometimes depends on what is the flavour of the month or the year, and that organisations such as yours have to adapt your programme, lifestyle or company to try to attract that proportion? That is what I am seeing, from reading some of your submissions. It seems to be the case that, without that professional support that you are asking for and have to have, you do not survive.

David Leddy: That is how it appears, but it is actually worse than that. The current funding system works in a way that claims to be giving us a series of priorities that we need to meet. However, our organisation did manage to meet those and achieved a high level in relation to all the priorities that were set, but the funder did not fund us and refused to explain to us why it did not fund us.

Alexander Stewart: So, you fulfil all the criteria and are doing a really good job, but you still go to the wall and you do not get feedback telling you why you do not get the funding. The message is just that the funding is no longer available or that that is not where the funder wants to put in money this time.

David Leddy: It is even blander than that. It would just repeatedly fall on the idea that the situation is very competitive and it would just generally repeat that it will be creating a new fund in the future, that we could apply to that and that it has decided to give the money that is available now to other people. We had a three-and-a-half-hour-long meeting where we asked about 20 times for an explanation, but they refused to give us one.

Alexander Stewart: So, what needs to change in that environment, and how should we be involved in that process as well, because we have a role in it?

David Leddy: For me, the highest priority is peer review. I do not know what other people here, such as Rhona Matheson and Ken Mathieson, feel about that, as they have not said anything yet.

Ken Mathieson: I can say that part of the problem is the way in which the absence of budgeting impinges on everything. I say at the outset that I do not see this as a Creative Scotland bashing exercise, because if Creative Scotland did not exist, another similar body would have to exist. It is nothing to do with that but is about the methodology that Creative Scotland applies.

I have survived as a professional musician because I am also an accountant. I split my year and give as much of it to music as I can afford to and operate as a full-time professional in that period, which varies from six months to a year, two or three months or whatever. Anyway, the upshot is that I have heard from two successive heads of music that there is no budgeting. There is a pot, but is not subdivided into genres or specific arts types, such as theatre, music and so on, never mind the sub-genres that exist in the panoply of the arts. To me, as an accountant, that is just madness. We could not run a sweetie shop like that.

It hits every one of us in the arts by making everything totally unpredictable. It turns what should be a budgeting and allocation exercise into a free-for-all for all the arts communities—it works on a first-come, first-served basis, and on the basis of who has the loudest voice. In accounting circles, that is known as midden accounting: they shovel the money in and no one knows what is in there—they know the amount, but they do not know what it is for—and then they shovel some out at the end. If people apply for project funding or touring funding towards the end of the financial year because an opportunity has arisen, they find that there is no money left.

Alexander Stewart: It seems that a relatively small number of people have control over what is given and where it goes.

Ken Mathieson: There is clearly some issue inside the funding body. There are always tensions between finance and the other departments and finance has the responsibility for maintaining the budget. I get all of that. The question is how to deal with it if the body does not know what is costing it money but not giving a return. That cannot be done in a sweetie shop—you need to know what creates your margin and profit and what costs you money.

If the funding body had proper budgeting that was broken down by genre, it would mean that the figures were fixed. The health service is a classic example of how that approach can be made to work in straitened circumstances: if a budget is seriously underspent as the year progresses, elements of that budget can be allocated to crisis areas where unforeseen circumstances have had an impact. The technical term for that is viring the budget. In academic accounting terms it would be described as a subvention of part of that budget to another pot. The health service can make it work. Every commercial business in the world has to make it work, too, because no one has infinite resource.

Rhona Matheson (Starcatchers Theatre Company): There are several issues. Creative Scotland is the primary funding body in Scotland and that is one of the biggest issues. If someone is making art for art's sake, Creative Scotland is the only route. Some of Starcatchers' resource comes from Creative Scotland to carry out a particular part of our activity, but we are also funded from other bodies in order to do the rest of our work. If someone is an individual artist or their daily work is to make art, then Creative Scotland is the only mechanism for support.

We have issues in local authorities that do not have statutory provision. I have some questions about some of that and the evolution of cultural trusts, in particular. The provision that there has been within some local authorities has been devolved to cultural trusts, which has had an impact on people in communities who are trying to

make art and cannot access local support to deliver that work.

Years ago, when I first started working in the sector, there were different funds for different art forms, such as theatre and dance. That was the funding landscape. Several years ago—and this idea probably came from the sector—it was felt that it made more sense to have one pot of money. However, with hindsight, the way in which the open project resource has evolved is much more problematic than the earlier model. Individual artists are judged against organisations in the funding round and that does not seem to be the most appropriate way to work.

There is a need for infrastructure and for organisations to be supported, but we need to look at more creative ways to do that and consider whether they are regularly funded or whether funding is for smaller organisations that operate through the project resource that is available. One of the biggest challenges at the moment is that we are really constricted by the funding model.

Alexander Stewart: You end up having to follow the money to obtain the money: if you fit the criteria you get the money and if you do not fit the criteria, you do not get it.

Rhona Matheson: Yes and no. One of the biggest challenges is that there are lots of applications that absolutely do fit the criteria, but the resource is finite. When there are lots of applications that are as strong as others, the funders have to find arbitrary reasons to say why they are not being funded. The need for peer review in the funding process is something that we need to revisit.

Raymond Vilakazi: I want to put in a perspective from the BME community. In the context of the limited resources that Creative Scotland has available to push out, what is happening is that there is not a level playing field, as Harry clearly articulated.

About two years ago, I asked Creative Scotland to give me figures on how much of the available money is actually coming through to the black and minority ethnic communities. In Scotland, about 9 per cent of the population is black and minority ethnic. Two years later, I am still waiting for an answer. I know why Creative Scotland cannot tell us that, and it is because the answer is basically nothing.

All the talk about inclusivity is just that—it is just talk. The truth of the matter is that, for whatever reason, none of the available funding on which Creative Scotland makes decisions is used to include black and minority ethnic communities. That is the reality of the situation, regardless of what the criteria may or may not be.

Annabelle Ewing (Cowdenbeath) (SNP): On Ken Mathieson's point about viring and so forth, many of the submissions that the committee has received have called for long-term funding. How would that approach fit with those calls? I do not know whether you are a proponent of those calls, but many are.

Ken Mathieson: The nature of the funding system makes it very complex. Large organisations and established companies are in receipt of regular funding, which is on a three-year cycle, although they can still come a cropper, even if they are respected and well established.

I will cite an example of what I am looking for. We are seeing a long-term decline in the audience for jazz, and if there is no audience for it, it will disappear, at least in Scotland. People cannot be expected to put in hours and hours of practice and then play gigs for the same amount of money that was paid in the 1980s, but that is the reality in the jazz world today. Most of the gigs that people can get by picking up the phone and chasing venues will pay £20 to £25 a man. Nobody can live on that, considering that a player of any standard has to practice constantly and play constantly in an improvising situation in order to maintain match fitness.

The funding system works against people in the smaller genres. I addressed that issue three or four years ago with the then head of music. He heard what I was saying—that there was a need to generate performance opportunities in order to protect the music. I came up with a model, which I do not claim is foolproof. The situation means that we have to involve the promoters—the people who are going to take a risk and put on something. They have to be part of the dialogue, but they frequently get left out of it. We are sitting here talking about arts funding, but promoters are very important—they are the people who get art to the public, whatever the art is, so they have to be involved.

My band has a base-figure fee. There are eight of us, so it is quite a hefty one. The band members are all new professional players who have mortgages to pay and kids to feed. They cannot go out and work for £20 a gig—they have to get a sensible working wage that reflects their talent, and that is quite a sizeable figure. The approach that I came up with is that, in order to get performances, we would give the promoter a 33 per cent discount if the funding organisation covered that amount.

The aim was to get performances back into theatres, which have stopped pushing jazz. They will not programme jazz because they think that there is no audience for it and they cannot make money. There is no audience because people have not heard jazz—they do not know what it is,

because it has been pushed off the map by commercial music. Jazz is of the instant, even if musicians are working from orchestrations, as my band does. Every solo is of the instant and will never happen again in that form.

09:30

As I have said, the funding system is complex. Our first two funding applications succeeded, but the third was dismissed as more of the same. That application was to get into certain places in order to expand the music further across Scotland. It is easier to get a job for an eight-piece band in Glasgow and Edinburgh than it is in Inverness, Nairn, Helmsdale or any other place that is outside the central belt, but going to such places was a crucial aim of our project, which could never be for one or two years—it had to be evolutionary. The project was not just for my band; I told other people in the business who have good-quality bands that I had a template that they could use to see whether it worked for them, because it had worked for us.

The third year when I applied for funding was crucial, because three members of the band were in their 70s and we needed to get in fresh blood so that the band could continue, because it has an international reputation that is worth maintaining. As I said, that application was dismissed as more of the same, but an element of it was to fund rehearsals to find the right people to fill the three chairs. Two band members have retired, but I have stuck with the band and I am still doing all the unpaid admin.

Because that application was dismissed, the band went from expecting to have 25 performances in the third application year—those performances were agreed and ready to be contracted for, subject to funding—to having six performances. Nobody can live on six performance fees in a year.

I met Creative Scotland's new head of music and its jazz representative to go through everything. I was given all sorts of things to address and I was encouraged to reapply, but all those points had been covered in fine detail in my application—Creative Scotland just had not understood that. I question how much knowledge the people who do the assessments have about genres and the lives of working artists of whatever genre.

David Leddy: That is a serious problem.

Annabelle Ewing: That point has touched a nerve; I know that we will come on to ask about peer review shortly.

Ken Mathieson made an apt point about the lack of involvement of promoters in relevant fields, such as jazz, which I have not reflected on and which the committee needs to consider. What you said about Creative Scotland's approach to jazz was disappointing; if it told you that your application was just more of the same, it does not seem to have one. What does it expect from jazz music? The performance is instant, as you said. Does Creative Scotland have no commitment to jazz as a form?

Ken Mathieson: I cannot possibly say whether Creative Scotland has a commitment to jazz, but its response tells me that there is no analytical mind to separate one-off funding applications to make a specific thing happen from applications for longer-term plans—such as mine, which was spelled out in three applications—to bolster the genre and ensure its success. I am concerned that conservatoires and music colleges are churning out youngsters who will have nowhere to play unless there is a thriving scene, and the only way to have such a scene is to have performance opportunities.

The issue seems as simple as A, B, C to somebody who is in the business, which tells me that the people who assess applications have no grasp on the reality of the situation. I do not know whether that is peculiar to the jazz genre or across the board but, from discussions that we have had this morning, it is obvious that the problem is prevalent.

Harry Josephine Giles: I will touch on both of the previous questions, which were about the role of long-term support and how to approach the need to prioritise if funding is restricted. We have heard some good points about the problems in Creative Scotland in relation to long-term support. It is vital to broaden the answer to both questions beyond Creative Scotland. That single public body should not be the only way in which the arts are supported, and it is not the only provider of long-term support.

The two major forms of long-term support that have more or less entirely gone in Scotland are local authority funding, which Rhona Matheson mentioned, and the benefits system or social security. It might seem a bit strange to say that, but it is clear from talking to folk who are 20 or 30 years older than I am that many of our major organisations have been built on people working as artists while being on the dole. I have done that, too—I built the beginning of my career on the dole. I know that I was not supposed to do that, but that is what I did, because there was no other way of doing so much unpaid work without a basic amount of financial support. For decades—as has been mentioned, this was part of the post-war settlement—the ability of people to have some level of social security while they began building an arts career enabled a flourishing of the arts in

the post-war period. That was a form of long-term support. Local authorities such as the Greater London Authority also had a role in that and were huge funders of the arts.

To pick up on Raymond Vilakazi's points, both those forms of long-term social support were also ways to diversify the arts, because the entry barriers were lower. Those of us from marginalised groups, whether people of colour, women or disabled people—let us remember that it was the defunding of disability arts organisations that led to the massive stramash that occurred a couple of years ago—are the people who most need such support and who are most obstructed from accessing it through Creative Scotland. As has been pointed out, that is a major barrier.

For me, prioritisation is a strategic and a political question: what do we want arts funding to do? In my view, the function of any collective project—government, like arts funding, is a collective project—is to further equality, justice and quality of life. In the arts, quality of life is also quality of art. We want everyone to be able to participate in the arts as much as they want to and to get access to good art. The more diversity there is, the better the art is. The more people from different backgrounds that we have doing art, the more interesting, exciting and new the art is. That is what is being obstructed.

On prioritisation, the question to ask is what we can do with arts funding to lower the entry barriers, to diversify the arts and to enable those who are marginalised to participate more fully. In my view, that is how prioritisation should be addressed.

David Leddy: A few years ago, I had an interesting experience at a conference in Europe, at which a European just laughed at the United Kingdom and said, "You can't get arts funding in the UK; you can only get funding for social engineering. British arts funding doesn't believe in funding art. You have to prove that you're achieving some kind of social aim rather than an artistic aim."

My experience of the funding stramash, as Harry Josephine called it, was a meeting that I had with Creative Scotland at which Janet Archer said to me, "I don't think that, as an organisation, Creative Scotland is very good at funding art." In response, I said, "Don't you think that that's the most damning thing that the head of an arts funding body could say about itself?" She shrugged and said, "I suppose so." I think that that is very revealing.

Harry Josephine Giles: I will respond to that—as quickly as I can—because I do not want what I said to be mistaken for social engineering.

David Leddy: That is not what I was saying.

Harry Josephine Giles: I understand.

I think that diversity policies and inclusion strategies are usually—although not always—sticking plasters for the basic problem, which is equal access to the resources. Active inclusion strategies are necessary to get past that, but the more equal that we make access to the money, the greater the diversity. It is that way round—you do not fix diversity with a diversity policy; you fix it by enabling people to get the money, then the art happens.

David Leddy: I completely agree that that leads to better work.

Ken Mathieson: A fundamental problem, which is nothing to do with Scotland or Creative Scotland, is that the arts in general are not appreciated in the UK in the way that they are in many other countries. I did a stint of three and a half to four years as treasurer of the Scottish Jazz Federation, which has since been replaced by another body. The federation is not sadly missed by the jazz community, because it never provided any tangible benefits to the musicians, who are obviously the bedrock of the form.

There was an initiative led by the Scottish Jazz Federation, its French equivalent and jazz services in London to set up a touring network covering France and the UK. Everybody thought that that was a terrific idea, but when we got round to talking about what the money would be, the French shook their heads and walked away. They were looking for about three times the amount of money that would be the best that was on offer here. They are used to being paid that sum, because the culture is appreciated in France.

In countries such as Brazil, the national culture is almost fetishised. I have lived in Brazil and I was astonished at how well musicians could be paid for quality work. There is a different mindset—that is certainly at the national Government level, but there is a community feel about it, too. It is so important that we get it right in Scotland. We need to find a way to do that. I do not want to get political—there are enough politicians around the table for that—but in a country where the amount of national funding is very restricted that will be a very difficult equation to solve.

The Convener: I know that other members want to talk about international models, but perhaps we can come to that later. Does anyone else want to come in on the subject of peer review? I can see that there would be pitfalls to that approach.

Ken Mathieson: Yes, there are pitfalls. There have to be ways of ferreting out people who have vested interests, to ensure that they do not affect the dialogue. I would rather have an application reviewed by people who knew what I was talking

about than by people who have no understanding of the life of a musician, artist, sculptor or whomever. I have a son who is a sculptor and he had to go into full-time teaching in order to make a living.

Rhona Matheson: We had peer review previously under the Scottish Arts Council and, as always with such things, it was not perfect. However, peer review allows the voices of the sector to be heard through the decision-making process. When there is tension between the different arts sectors that we work in and the funding body, how we build the relationships, communication and trust between the sectors is really important. It is essential to have peer review as part of those decision-making processes.

It is challenging. Our children's theatre sector is very small, but it is seen internationally as one of the shining lights of the Scottish arts scene. Only a small number of people have a real understanding of work for children, so when applications are being reviewed, that creates tensions. I welcome the idea that, as part of a funding process, other people who understand our sectors, including those who work with theatres and in communities, have input into the process.

David Leddy: The pitfalls of peer review are quite easy to mitigate: there can be rolling panels, so people do not sit on panels for long periods; there can be panels that are large enough that individual members do not have undue influence; there can be split panels where the first round of decision making is carried out by a very large group that offers brief feedback before it goes to second panel of 10 who sit round a table; and people can be asked to formally declare any interests that they may have. All those things mitigate the pitfalls more than the current system does, where a small number of people who have been in post for a long time make all the decisions.

09:45

Harry Josephine Giles: If the panels are actively diversified and we ensure that they are not just representative but take affirmative action, we will also start to undo the power structures in decision making. Currently, that is left to whoever is employed by Creative Scotland and so it is subject to exactly the same power structures as everything else. If peer review is diversified beyond populations, that can be addressed, too.

David Leddy: Diversity would mean including on the panels people who are not currently funded.

Stuart McMillan (Greenock and Inverclyde) (SNP): On peer review, are you suggesting that the criteria should remain the same, but the individuals on the panels should be changed?

David Leddy: Those are different issues. The criteria for apportioning funding is a separate question. Peer review is like democracy: it is not perfect and there are things wrong with it, but it is the best option that we have.

Raymond Vilakazi: The peer review group could also have an input on the criteria for funding: it is about giving artists a voice. As my colleagues have said, the people on the panel could be rotated and diversified, but they should not be limited to decisions on applications—they could also be part of the resource in terms of setting criteria in the first place, because they know what they are talking about. That would be a way of using them to ensure that the criteria are fit for purpose.

Stuart McMillan: Who would select the individuals to be on the peer review panel?

David Leddy: There needs to be a balance between people who are able to apply and people who are asked to apply. When we have used peer review in the past, panels have often been dominated by arts administrators who have applied to be on them, and there are very few high-level artists in the group. Often, those high-level artists are very busy, but if they had been asked to do it, they would have done. A panel needs to be open to anyone who wants to apply and can prove that they are knowledgeable in the field, but there also needs to be a degree of selection so that when we look at the list of peers, it really is a list of diverse and highly qualified people.

The Convener: Richard Demarco's submission suggests that the panels should be composed of artists from various disciplines who are remunerated for their time.

Professor Demarco: I am sorry; could you repeat that?

The Convener: We are talking about peer review and the suggestion in your submission that committees that award grants should be composed of artists from various disciplines.

Professor Demarco: My heart goes out to anyone who is applying for funding for something that I delight in, which is the great art form that we call jazz. Nobody can control, anticipate or quantify the value of jazz as an art form. I am thinking of Mike Hart—he was a great friend of mine—and without him, his way of life and his commitment to the language of jazz, we would not have the great jazz tradition that we have in Scotland. However, it is in a very fragile state. I would like to know how many jazz players make decisions about how much funding goes to the development of that great expression of culture.

Ken Mathieson: Zero.

Professor Demarco: Zero? Okay. If we look at this committee, the words "culture", "tourism", "Europe" and "external affairs" dominate, but I am not sure that you can equate whatever you call culture with tourism. We are talking about a different ball game, and tourism is not helping Scotland at the moment—it is certainly not helping Edinburgh. It is completely out of control, and it does not improve the cultural identity of this city.

I am thinking of Europe. At the end of the second decade of the third millennium, we are not in control of the great political game that is being played, so I worry about how Scotland can be in a position to contribute as it should, because there is a Scottish dimension at the very heart of European culture, and we are being deflected away from that.

Scottish jazz is different from English jazz or French jazz; it has a particular quality. I remember Sandy Brown playing with Al Fairweather at lunch time at the Edinburgh College of Art—way back. Someone who is on a committee judging what kind of money should go towards the development of jazz who does not know those names is probably unfit to make a decision. Who on earth was Al Fairweather, and what was he? He was an architect. Who was Sandy Brown? He was an architect, too. However, they were really about the sound of jazz. They contributed a sound that affected the whole population of Edinburgh College of Art at the time. We did not realise that we were being given a great gift. The sound of jazz, which was on the highest level of achievement, permeated the college every lunch time.

I am worried about the whole business of how we deal with the word "culture". Culture should be identified with what caused the Edinburgh festival to come into being, which was to do with another word—"healing". The festival came into being not because people wanted to make money, or to develop a tourism industry, but because the world desperately needed to find out how it could consider its future. It was the year 1947, two years after the tragedy of the second world war. The festival came into being because the Lord Provost knew full well then that it was about the flowering of the human spirit and the need to heal the terrifying wounds that society was enduring at the time, which included not just rationing of food and clothes, but rationing of light and energy.

The Convener: Thank you very much.

Professor Demarco: I just want you to know that we are in a very dodgy situation, and that we should be asking what we mean when we juxtapose the words "culture" and "tourism", and "Europe" and "external affairs".

The Convener: I reassure you that in this particular meeting we are entirely focused on culture.

Tavish Scott (Shetland Islands) (LD): I am very tempted to get into that philosophical discussion, but perhaps I had better not.

David Leddy has already touched on this issue. The really interesting bit in your submission, in the context of peer review, is your observation that

"Organisations should not receive funding unless 80% of their assessments in the last two years have been rated 'very good' or 'excellent'"

Describe what you mean by that.

David Leddy: Under the Scottish Arts Council, work was regularly assessed to check its quality. If we are trying to fund excellence, are the people whom we are funding excellent? If a theatre maker wanted to be funded, an assessor would be paid to go and see their production. They would fill in a pro forma review on which they were asked to give ratings across six categories for elements of the production, and to give an overall rating. We had a series of those assessments over time. In theory, 80 per cent of the ratings had to be in the top two categories for us to move into the group of applications that were to be considered for funding. The idea was that people who were not good enough would be taken out of the process at the beginning.

When we moved to having Creative Scotland rather than the Scottish Arts Council, assessment of artistic quality was got rid of completely. There is now absolutely no assessment of whether people are good at what they do: there is assessment only of business priorities.

Tavish Scott: So, you think that the previous system had considerable advantages.

David Leddy: Yes. The previous system worked well. What shocks me most is that when I talked to senior management at Creative Scotland about that, they took copious notes, because they did not know that that was how the system worked only a short time ago.

Tavish Scott: Ken Mathieson's point was that assessors would, in his case, have been people who knew about jazz.

David Leddy: Yes—the assessors were peers. I was one of them, at that time.

Ken Mathieson: I have personal experience of that. I was invited to a music advisers meeting at which new contracts were being discussed. I pointed out that I had not actually been a music adviser to the Arts Council, but that there was a journalist with the same name as me who wrote about jazz for *The Scotsman* who had been. I pointed out that they had probably got the wrong

guy. They said “No—it’s you we want.” I asked, “Do you want the journalist or the drummer?”, and they said, “We want the drummer.” So, I went along, but I was the only person—there were 25 music advisers covering different genres—who had actually made a living as a performer. Everybody else came from an administration or—in one case—a journalism background.

Tavish Scott: There is a lesson there.

Ken Mathieson: I agree that it is, in principle, a system that should work, but it has to be made to work.

David Leddy: Yes—it has to be done properly.

Ken Mathieson: Yes.

The Convener: Do Rhona Matheson and Raymond Vilakazi want to come in?

Rhona Matheson: I agree that there is a need for artists to be involved. As an arts administrator and producer, I sit in that world. I advocate for people like me, but we absolutely cannot do the work that we do without the artists. We have to have that balance of people who understand the business side of things and artists who make the work. What is the point of any of this if we do not understand what the artists want to make, how they want to make it and what they need in order to do that?

Raymond Vilakazi: I have been in Scotland for 26 years, so I remember when the Scottish Arts Council did assessments. A couple of days ago, I spoke to a very senior person in Creative Scotland who told me that work from black and ethnic minorities is generally viewed as substandard, and I agreed—because we are not funded. The problem with the assessments is that organisations such as Royal Lyceum Theatre, for example, will get 2 million quid, but the assessors assess work by ethnic minority organisations that get no money whatsoever in the same way as they assess that organisation’s work. The minority ethnic organisations cannot compete with the lighting, costumes and quality of production that the Lyceum is able to put on, because they simply do not have the funds to do so. However, the assessment criteria are the same, which disadvantages people who have not been funded. Assessment, the people who are doing it and the resources that an organisation has been given need to be taken into account when an organisation’s work is being assessed.

David Leddy: Incorporated in the pro forma review should be acknowledgement of the level of support that people are getting at the moment. We could therefore have a realistic understanding that if someone is receiving no funding or has just £500, they do not have the support that they would have if they were in an organisation that has £2 million.

Ken Mathieson: The old system did not do that.

David Leddy: You are right.

10:00

Harry Josephine Giles: I also want to sound a note of caution on the quality assessment. Half my point has just been made, so I will leave that because I entirely agree. The other half is that I am concerned about levels of monitoring and assessment of quality because of the power structures that are involved and because, in the arts, as in education and as in most of society, we have rather too much assessment and monitoring. That also costs money—I always want to bring it back to the money. A huge amount of money in the arts is spent on monitoring and reports, rather than on making art. It is a bit tricky to get our heads around, but I suspect that if we did far less of that, we might get better art, just as kids might, if we tested them less in school, learn more.

David Leddy: That is why we have the system that we have now.

Harry Josephine Giles: Yes. I am not totally disagreeing. I am just being cautious. I do not want loads of monitoring of art because the more time that is spent doing that, the less time is spent making art, and the more the power structures get involved.

I am trying not to make this a philosophical point, but what happens if every time you need funding to do something, you sit there anxious that it will be funded badly and your whole career will be over? We deal with that enough during the reviews as it is. I am a bit worried about the effect.

I know that there are solutions. I will leave it there.

The Convener: Does anyone know why there was a move away from the old system to the new one?

David Leddy: It was for the reasons that Harry Josephine is describing. Lots of people hoped that getting rid of assessing artistic quality would allow artists to flourish and make great work, and would save money. I do not think that that has happened.

Tavish Scott: Will Richard Demarco give us a perspective on assessment of artistic quality? Is there a role for that in funding of arts?

Professor Demarco: As it is now, I find the great flagship that is called the Edinburgh festival unrecognisable from what it was during its first 40 or 50 years. I have experienced every single Edinburgh festival.

By the way, I would like to point out that there is something called zero funding. For about 15 years, I operated on the basis that I had no funding. I would create an international programme with no money at all and, at the end of the year, I would break even. How many people today would take that attitude and see that the arts are not about commerce or commodifying everything in sight, but about an expression of our inner beings or souls, and of the soul of the nation? The arts should be forever linked to the world that we call education. Our education system in Scotland has fallen well below the standard that I was used to in my youth.

We have to rethink completely the whole idea of the power of the cultural language that we use. It is the one and only language that we have to express our love of life. Therefore, without it, society collapses. All the political statements that are made by political parties add up to nothing when compared with one great sound by one great jazz musician, or with the work of one great poet.

In my lifetime, I have produced something like 3,500 theatre productions and exhibitions, and most of their funding came from outside Scotland, because I realised that Scotland was not geared up to providing the money. The Edinburgh festival, through many of its most outstanding years, had to depend on foreign money—on the British Council and on the kind of funding that we identify with Europe.

As I sit here, I am very conscious that I came into violent contact with the powers that be—I think that they were called the Scottish Arts Council then—because they did not like my suggestion that art had to be, on the highest level, something that we use to deal with the terrifying problem of our ever-growing population of human beings packed in our prisons. I concentrated all my attention on the idea that the art world had to encompass the world of penal reform. That did not go down at all well. I was accused of bringing dishonour to the meaning of art. What a great achievement! I brought dishonour to the meaning of art in Scotland and, of course, dishonour to the meaning of art with regards to the Richard Demarco Gallery, or whatever it was called then. It was not just a gallery, anyway; it was a way of life, and a continuation of what the Traverse or the Paperback Bookshop were about.

You have to fight with all your might for the language that you dare to call art, because it is the one language that will, somehow or other, move in a way that is mysterious beyond belief towards the generations who are yet to come. I dislike intensely the fact that I was told, "You can no longer have anything like annual support from the Arts Council—it's gone. You are now reduced to the concept of project funding." I remember thinking that I did not want to be involved in something so stupid and pathetic, because I am concerned with the language of art, which lasts well beyond any one lifetime. It should be the language that we use as a gift to future generations, and it should be the language that you, if you are serious politicians, know will be the legacy that you should give to anyone you love who at the moment is a child who breathes the air and drinks the water of the world in which we live.

I do not regret that moment when the Arts Council said, "You are now cast out—you do not belong to our world of Government thinking." I was happy that that happened, because I believe that all the artists whom I have represented—people such as Hugh MacDiarmid and Ian Hamilton Finlay—were troublemakers who were asking the kinds of questions that politicians are very rarely in a position to ask, and were actually defenders of the truth. That is really what it is all about: art is about truth and telling the truth. It is not about false truth; it is about truth and it is about beauty. It is about the things that we cherish the most and the things that this building is supposed to represent.

It is ridiculous that, when I was given the job of director of the Edinburgh international festival's official programme of contemporary culture, I had to raise £7 million, and not a penny of it came from Scotland. It came from countries such as Poland, Romania and the Baltic states. During that time, those countries were in desperate need of expressing their concept of truth—political as well as cultural—when they were fighting for their lives and identity.

The Convener: I remember that. I will stop you there, because Emma Harper has questions about international working. Thank you very much.

Emma Harper: My question is about innovative approaches to funding in other countries. The Starcatchers submission says:

> "Our European neighbours recognise the vital importance of funding theatre and dance for young audiences—Denmark has over 70 full-time companies—but Scotland continues to lag behind".

I am interested in the examples in the submission from across the planet, including our European neighbours. What could we do differently? How can we learn from others?

Rhona Matheson: There are 70 fully funded children's theatre companies in a country that is the same size as Scotland. They are funded to make work, and it is okay if it is not very good, because they are funded to experiment and take risks and they make some exceptional work. The Danish arts council has made the decision to invest in those organisations.

We are part of an Erasmus+ project and work with companies from France and the Netherlands. The French artists are supported by the state; we are paying our artists to ensure that they have the resource that they need to live on during the project delivery. We found that out during the project, when it was asked where the resources were coming from for the French and Dutch artists and what we were doing for the Scottish artists. The Erasmus+ programme provides only a small proportion of the resource that we need to fully deliver the project. The French artists benefit from a stipend from the state because they have delivered a certain amount of activity—that is how they are able to participate in the project.

David Leddy: When I was at the point in my career when I no longer needed to have a day job, my solution was to do a paid PhD. The stipend—the small amount of money that I received—was for a PhD that was practice based and allowed me to focus entirely on making my career work.

Lots of European colleagues have said, "Oh, we have a similar thing where you ask the arts funding body for money." They reach a point in their career when they have shown that they are an artist of promise and an arts funding body will say, "Here is €8,000 to €10,000 to see you through the next year, so you can focus on your work." It is incredibly good value for the funding body, because that person will suddenly blossom into being able to create a lot of work.

There is a gap in our funding, because we focus entirely on organisations. We do not support individual artists who have not yet set up an organisation and may never need one but supporting them in that way is really good value.

Harry Josephine Giles: As a freelance artist, I took exactly the same route as David Leddy—I am doing a PhD. My PhD funding runs out in September and I have literally no work of any kind after that, so it will be an exciting time.

I have been able to earn a minimum wage as an artist—I almost never get any more than that—through funding from Creative Scotland and also from the British Council, which I think is UK Government money, and through EU-funded projects in Europe. Until this year, I had more money from European countries, through European Union funding, than from Scottish funding; however, things got better for me this year, which was nice.

Given that experience, I would love to know whether Rhona Matheson knows of other forms of support for artists in Europe—I know that she works quite a lot in Europe with Starcatchers. I can talk about two forms of support that I have heard about. In Finland there is subsidised housing for artists—wow, what a dream!—and I think that in France there are tax breaks as well as the possibility of stipends for people who are working as artists.

Such forms of support are well worth exploring, because of the diversification that they allow. It might sound a bit weird, ideologically, to give an artist a house or a tax break, but it works out cheaper, because the artist is not then applying for funding and doing all that monitoring. They can use all their time to make art, so they make more art and therefore have more economic impact. Do you know of other forms of support, Rhona?

10:15

Rhona Matheson: There are a few, but I do not have all the details. I know that it is easier for artists in the Netherlands to access the funding that they need.

We are in discussions with an organisation that is attached to a university in Norway—we always look to Norway—which has a huge amount of money to run artist residency programmes. The artists are funded to be in residence for a time, to develop ideas and work. Hundreds of residencies are run every year and the artists are funded.

Off the top of my head, I cannot tell you about other things, but I can do some investigations and share what I find.

Ross Greer (West Scotland) (Green): I was struck by a couple of things that Ken Mathieson said. On his point about Brazil, my understanding is that it is partly to do with how Brazilian culture has developed over the centuries and it is partly because there was a five-year period in which culture flourished because Brazil appointed an internationally renowned songwriter and guitarist as minister for culture, who transformed Government policy.

Ken Mathieson said earlier that here in Scotland, the people who shout the loudest are often the ones who get in the door. That was the case, to some extent, in the stramash of a couple of years ago. I think that everyone understands that groups that were facing closure because they were losing funding that they had expected to get were bound to shout as loudly as they could, to try to secure funding.

If the people who shout the loudest are the most privileged, the most connected and the most networked, how do we design a new, sustainable model in Scotland that does not give undue advantage to such people, who can create enough pressure to get funding that they might not otherwise have got?

Raymond Vilakazi: Let me respond again from a BME perspective. At the moment, the BME community gets zero funding. If that was to

increase to 8 or 9 per cent of the available funds, it would transform the landscape of art in Scotland.

Scotland is a wonderful, diverse country to live in, but its artistic output does not reflect that at all. A model in which funding was increased from 0 to 8 per cent of available funds, to reflect the nation's current demographics, would show Scotland's openness and diversity and project Scotland as a country that is welcoming to people of all creeds and colours. It is such a country, but that is not what we see in the art.

The Convener: Are you aware of other countries that do better for their minority communities?

Raymond Vilakazi: The Americans do, and the South Africans do—I am from South Africa. Many countries are very successful at that.

The culture that is produced by a country should reflect its citizens. Scottish culture is all about tartan and haggis. Scotland is changing, but that is not being reflected in the artistic output of the country.

Ken Mathieson: If Ross Greer is talking about people sitting down to design a new method of funding or to overhaul the existing method of funding, the process has to start with the inclusion of the arts community. It cannot be designed in absentia by management consultants, for some ridiculous fee, which is very often the way in which bureaucracy deals with such problems.

It has to involve people who actually understand what life is like if you cannot make any money from doing the thing that drives your life. That is one of the issues for people in the arts. It is a life force—they are there to do it, whether their genre is performance arts, fine arts or whatever. It is a voice within, and if we do not let that voice out, we stifle all those talents.

I remember an occasion from the days of the Scottish Arts Council. I was not applying for anything; I was trying to understand how the funding system worked. With my accountant's hat on, I was interested in knowing how the system worked and whether there were opportunities to pursue my plans to develop some musical ideas. Basically, it boiled down to the council telling me that it did not have me on its radar because I was not an established artist. I had worked in four continents as a professional musician and was better known in New York than I was in Manor Place. However, that is neither here nor there. My point is that when we got into discussing how you get to the position of being an established artist, I said, "There's this eight-year-old called Wolfgang Mozart living in Wester Hailes. How does he get his talent developed? How do we know that there is not a Wolfgang Mozart in Wester Hailes right now, who could be one of the most influential people in whatever genre he or she is talented in? How do we know that such people will ever be recognised?" There was no answer to those questions—absolutely none. Any restructuring has to involve the arts community at a very significant level.

Rhona Matheson: We need to look at what we have. We have a hierarchy of funding that starts with the national companies being funded directly by Government. There is a second stage involving Creative Scotland and the hierarchy of regularly funded organisations. Then there are those who are in receipt of project funds. There is a sense from Creative Scotland that in its eyes there is no distinction between regular funding and project funding—there is no hierarchy. However, having sat on both sides of that fence, I would say that there is a hierarchy in the relationship.

We have to look at how we bring local and national structures together. It comes back to my concerns about the lack of support from local authorities for artists and arts organisations. From an international perspective, I have been talking to a colleague from Ireland recently who has local authority support. It is not necessarily a huge amount of money, but that support allows them to take work to different parts of Ireland; they are also supported through the national arts funding body. In Ireland, they have a completely different agency that is looking at how they are exporting their Irish cultural product.

For me, it goes much further than just the funding structure in Creative Scotland. It is about how we bring all these things together so that we have a national funding strategy for the arts that supports work from the grass-roots community level up—a clear and recognised strategy that allows artists to do the work that they want to do.

David Leddy: That reminds me of a very simple idea that goes back to what we said earlier about long-term support and fixed time periods. I have often suggested that there could be a flexible time period and that, at particular points in their development, organisations could say, "We think a year of funding would be great for us." A major building might say that it needs a 10-year commitment and a touring company might say that it would like five-year funding. The funder might come back and say, "We think you're at a three-year point."

The idea seems to be that everyone is fixed in a three-year term and it is about whether we should make that longer or shorter. There is a simple solution. The time period could slide and you could ask for a certain amount and then negotiate what you actually get.

Harry Josephine Giles: To come back to Ross Greer's question about how we ensure that it is

not just those who shout the loudest who benefit, that stramash—well, one of them—was started by an almost total defunding of disability arts in Scotland, which happened because no one noticed that that was the effect that all the cuts were having. At that time, disabled artists were doing a lot of shouting, along with people who were shouting on their behalf. I just want to pay tribute to that moment.

Raymond Vilakazi and I have both spoken about the fact that the more you lower the barriers to accessing arts funding, the more that funding diversifies. I have suggested a couple of solutions in that regard, which I can talk a bit more about. One involves the fact that the more equal the wages are, the more diverse the people who commission work and direct arts organisations are. I do not know whether there is a national organisation or major international festival in Scotland that has a BME chief executive. I am not sure that there is. There is certainly a major shortage of women chief executives, too. One of the reasons for that—I said this before, and it was not popular—is that the salaries are too high. They are way higher than the salaries of the people at the bottom. Because that level of chief executive is an elite occupation that is completely distant from the concerns of most artists, the work that is getting programmed and commissioned is increasingly less diverse. There is a problem there that the funding of arts organisations can address. We should not be having that inequality of pay in the arts—we should not have it anywhere, for that matter, but the arts is my industry.

The other solution that I propose concerns the fact that it is not only how the arts sector is funded that is important but which art forms are funded. The art forms that attract the most funding tend to be the ones that middle-class and white people like. That is the situation—that is where the money is going. I work in poetry, and poetry gets more money than hip-hop, even though it is the same stuff. It just does, and it should not be that way. Why should hip-hop, which, by the way, makes more money for Scotland than poetry—I should not be saying that, as a poet, but it is true—get less funding? It is not seen as an art form that deserves that kind of funding. The same is true for other art forms and other vectors of marginalisation or inequality. We have to think about which art forms are valued and how they are brought in.

I will make one last point. There is now a Creative Scotland fund that is specifically for artists of colour in Scotland—the create:inclusion fund, which has just run its first round. It is peanuts. It is a fraction of the overall Creative Scotland budget, and it does not go anywhere near far enough towards addressing the problem. I am glad that it is there, but it is nowhere near enough. It is also only there because a lot of us have done a lot of advocacy for a long time to draw attention to the problem. It is a small step that does not go even halfway towards the solution that we need.

Claire Baker (Mid Scotland and Fife) (Lab): We came to this inquiry following the issues that arose in relation to Creative Scotland's regular funding model. We are looking at sustainable funding, but it strikes me that demand is clearly outstripping supply. If we just put more money into the system, that would solve a lot of these issues. Therefore, the question is: how do we put more money into the system? There seems to be a tension between whether the issue is about money going into the system or Creative Scotland spending its money differently and cutting the pie differently. Who decides how the money is divided? There is also a question about Creative Scotland's focus on excellence and quality and how that affects diversity. Who makes decisions in that regard?

Running alongside those questions is the issue of the Scottish Government's culture strategy, which the cabinet secretary has been consulting on. Do you have any views on that? Do you think that the cultural strategy will address those questions and resolve those issues? I am concerned about the possibility that it will not. I do not think that it really deals with funding.

Although I accept that the Scottish Government and the UK Government are under pressures and have tight budgets, the cultural budget is tiny—it is something like 0.2 per cent of the overall Scottish budget. Even if it were to be seen as a longer-term ambition, should it be recognised that more money needs to come into the system through either the Government or local authorities?

We might talk a bit more about local authorities, which, as you have said, do not have statutory responsibility. There is huge variety across those: some appoint a cultural lead or spokesperson, but others do not.

I have thrown out quite a few issues there. Perhaps our panellists will pick up on some of them.

10:30

Harry Josephine Giles: The best way of getting more money into the arts system—and every system—is to raise corporation tax and raise tax on the top income bracket. That is the answer to that question. I have looked at the economics and I do not know of any other way in which it could be done. As you have said, the issue is not just about raising an amount of money—I would love that to happen in all the publicly funded areas of life—but about addressing inequalities.

I will leave my remarks there, because I have forgotten what the second question was.

David Leddy: On both those issues, I would say that we need a lot more money to be committed to the arts and culture. The other aspect is how funding bodies make their decisions. Diversity and excellence are sometimes discussed under the false assumption that the two things are in conflict with each other, which they are not. The approach should be about identifying different types of excellence and having a truly diverse understanding of what excellence means in different contexts and cultures.

As Harry Josephine said, it should also be about respecting differences. For example, working-class culture has a different conception of excellent work from that of middle-class tastes. We can start to address that by bringing in a wider range of truly diverse peer-review voices, rather than focusing on a small number of people making decisions.

Claire Baker: Would anyone like to comment on the national companies, which Rhona Matheson mentioned and which have protected funding that does not come through Creative Scotland? I am not suggesting that their funding should be reduced in any way, but they are in a different situation from everyone else who is applying to Creative Scotland. I know of the hand-to-mouth existence that such organisations lead. Do panellists have any views on that structure?

We have talked mainly about how individual artists could receive support. It has been suggested that there should be a hierarchy in Creative Scotland funding that would recognise that some venues are of greater cultural importance than others and so should have a more secure level of funding, or that some companies, such as youth companies, should have more confidence in the funding that they will receive.

Rhona Matheson: For me, the main issue is about how we value our children and our citizens. Our culture is a real expression of who we are, so how we invest in it and enable people to access the arts is key.

On the tension between regularly funded organisations and those that are project funded, we have organisations and buildings that will be funded anyway, just as the national companies are. Perhaps the approach should be to say, “Here are your core costs and here are your minimum costs for running this building,” and then give everyone access to a pot of money that is for the art that we are all making. The tension comes about because any organisation will have core running costs, but artists have core costs as well. If separating those core costs from a pot of money that could be seen as being for all our art were to be an option, that would make things more transparent and allow us to think about things in a different way, and an interesting model could come from that.

As I have said, the issue is how we value our citizens and our society, and the role that art has to play in that.

Claire Baker: You mentioned that cultural trusts were problematic.

Rhona Matheson: Local authorities used to have arts officers, creative links officers and culture co-ordinators. There were also people working in local arts centres who were in charge of making programming decisions about the work that they would present for their communities.

Initially, the introduction of cultural trusts was quite an exciting idea. They had resources: money, space and support. Gradually, over the past 10 years that I have been working with them, all that resource has disappeared.

When it comes to taking something on tour across the country, the people who are making programming decisions do not necessarily understand theatre. The majority of the work that we make is for babies. Our shows will not necessarily cover the costs; they are not financially viable. That is a really horrible business model, but there is an audience for our work and children have a right to it. When we ask a venue to take one of our shows to its audience, someone in that organisation is asking why such a show should be programmed, given that it will not cover its costs.

In previous incarnations, the cultural trusts would have much bigger pieces of children’s work that would sell out, which would be used to offset costs. The approach taken would almost be that of a loss-leader. A show that can cover its costs 10 times over can subsidise the work that needs to be subsidised. That does not happen so much anymore.

Claire Baker: Is the situation any different with authorities that do not have cultural trusts? Are they not just facing the same difficulties?

Rhona Matheson: A lot of the authorities that do not have cultural trusts do not make massive investments in the arts either. In my view, areas with cultural trusts have generally been making more investment in the arts.

We are an Edinburgh-based organisation. Last year, when we applied for some support through a joint City of Edinburgh Council and Royal Edinburgh Military Tattoo fund, we received a small amount of money for a pilot project. That is the first time that we have had any money from the council.

Claire Baker: At the beginning, did the trusts model look like a good way to give more significance and funding to the arts? Has it just been the pressure on local authority funding that has led to a lack of delivery?

Rhona Matheson: There has been pressure on local authority funding. For the key cultural trusts that we have been working with, their work was initially to do with arts venues, museums and galleries, but libraries and sports and leisure then became involved, so sports and leisure managers now have to make decisions about cultural programming. Their background is in sports and leisure, not in theatre, dance or cultural programming. There is a massive tension, because people are trying to make judgments about things that they do not have skills and expertise in.

Raymond Vilakazi: To return to the point of more money being put in the system, we suggest in our submission that 1 per cent of the Government's budget should be spent on arts and culture.

It is a false economy to slash funding for the arts to 0.2 per cent of the available money. Particularly for our communities, arts and culture have always been viewed as a way of improving one's life, as has sport. In Scotland, the route into music, arts and culture for BMEs is non-existent. Consequently, young people are not involved in making music or in cultural activities. They get involved in other things, and the Government ends up paying for that through the criminal justice system. In addition, people's isolation leads to mental health issues, and the cost of that has to be picked up by the national health service.

The solution is to increase funding to the arts and the opportunities for people to engage with them. Not spending money on arts is a false economy.

Claire Baker: Harry Josephine said that the Government could increase taxes to raise revenue that could be put into the arts—we all have different positions on that approach. In his submission, Professor Demarco talked about freelancers working in primary school. Is there the potential for health or education budgets, for example, to make more of a contribution to the arts budgets or to offer more opportunities for freelancers to work in those sectors? Is there the potential to increase the income of individual artists by doing that?

Harry Josephine Giles: Thank you—that lets me make slightly less inflammatory suggestions.

I am from Orkney. It still has—but only just—a free instrumental music tuition programme; I think that Shetland does, too. That means that every child in an Orkney school gets to learn a musical instrument for free. That is a remarkably cheap and effective way of both providing employment to artists and supporting the growth of a culture. Orkney and Shetland have a music culture, including a traditional music culture, that is the envy of Scotland, the UK and the world. It is a huge music culture and a huge part of life, and it provides a social situation, tourism money and work. It is vital, and it is built on that thing happening in the education system.

I think that there is one other local authority in Scotland that does that, although I might be wrong about that. It is being vigorously defended in Orkney and Shetland, and it is vital that it keeps going. Systems such as that provide extraordinary levels of subsidy to the arts and employment in the arts, and they provide ways of strengthening an arts culture that are actually cheaper. That plays into the point about a false economy. As in social security and social care, when things are cut, things in other areas become more expensive in the long run. That brings me back to the point that it is not just a Creative Scotland problem.

I have remembered your second question from earlier, which was, "Can the culture strategy fix it?" We have had a lot of culture reviews. I think that the strategy will be able to fix it only if there is a broad mission at a political level not just to try to fix it through Creative Scotland—let us remember that it was created to try to fix some problems in the Scottish Arts Council, and I do not want a third organisation to try to do the same thing—but to have an overall Government strategy for how all the different things link up: health, education, the arts and other areas of life. We need that high-level stuff, or the culture strategy will only be so much paper.

Rhona Matheson: Coming from the organisation that I come from, I have concerns about the idea of opening up a model that suggests that any artist should go into schools for 50 per cent of their time. Working with children is a specialist way of working and not just anyone can do it. There is often a perception that working with children is dead easy, but it really is not. It is specialised, and children deserve the best as much as anyone else does.

I caution against the idea that working with children should become a free-for-all, because it is a specialism. We need to nurture the artists who want to work with children and support them not just to work in schools but to make the amazing work that we are seeing at the international children's festival this week and the work that is presented in communities across the country.

Claire Baker: The Macrobert arts centre, which I visited recently, employs a freelancer to do dance and drama. I think that there is a one-year contract for that, although I am not sure about that.

The freelancer is employed to work with the community and with the centre's dance and drama groups. Is that a common model? It is giving employment to a working artist. Are such opportunities given by other companies?

Rhona Matheson: Those opportunities exist. That is what we do at Starcatchers. We have a pool of associate artists. Across a year, we work with maybe 20 artists who deliver across our programmes of work, whether that is in the productions that we make and tour; in our community engagement projects, where we work in places such as Wester Hailes, Lochgelly and North Ayrshire, supporting vulnerable families and their young children to participate in artist-led activity; or in our creative skills training programme, which is funded through the Scottish Government's third sector early intervention fund.

We deliver a programme that is about empowering early years professionals to use their innate creativity when they are working with children and families and to encourage expressive arts in childcare settings across the country. We have a huge pool of artists that we are supporting, and we are not unique in that approach. Lots of organisations are working with artists in lots of different ways.

David Leddy: It is important to remember that being a good artist and having those other skills are not necessarily the same thing. Someone can be an amazing artist in one form or another and be a really terrible teacher, or just be somebody who does not want to go and teach other people, lead community workshops or even appear publicly in any way.

I am always wary of saying, "Let's fund people through this parallel, separate thing—they can go into hospitals and be clown doctors," because only some people can do that. It replicates a problem that we talked about earlier—that people who come from a particular educational background may be good at writing funding applications. People who have a particular type of personality might be good at standing up in front of groups of people, while other people are really not.

10:45

Stuart McMillan: I have two brief questions. First, the Scottish Government has funded a feasibility study on the idea of a basic citizens income. It is working with four local authorities—those in Edinburgh, Glasgow, North Ayrshire and Fife—and some of the submissions have suggested that a basic citizens income should be introduced. Do the panellists agree?

Rhona Matheson: Yes.

Harry Josephine Giles: Yes.

David Leddy: I am interested in knowing more about it. I am interested in the idea that some basic citizens incomes that have been rolled out in other countries seem not to have succeeded in the way that people imagined they would. It disappointed me to read that. I think the idea is great in theory, but I want to know whether it works in reality.

Ken Mathieson: It must be a more efficient way of spreading income across society than hugely complex benefits systems that do not really work. It must be cheaper to administer and more effective in the longer term. I have not really looked at the economics of it, because I cast off my accountant hat many years ago. However, if we think about the bureaucracy that is needed to run a hugely complex benefits system, a basic citizens income is bog-standard simple, because everybody is on a computer system and has a national insurance number. It would probably not cost any more than it currently costs to run the benefits system and disburse benefits, and it might cost a lot less.

I touched on the fact that most people in the arts are driven people—they are there to do stuff. It becomes economically impossible to do that unless there is something like a basic citizens wage. That allows people breathing space and allows them to know that their income is coming in and they can sit down and write the piece of music that has been bothering them. That happens to me daily: I go out for a walk and come back with a new melody or idea for an arrangement, but I do not have the time to write it down and I do not have any market for it, because there is so little work out there. That is one way that those issues can be addressed.

The other thing that strikes me, if I put my accountant hat back on for a minute, is that the arts are not just for now. They are about the future. Local authorities and the education system in general are key to ensuring the cultural future. That seems to me to be a no-brainer—it has to happen. I am very aware that it is not entirely a Scottish problem, because the governmental economy is largely disbursed from elsewhere. However, if we squeeze the local authorities, one of the first things that goes, as we have seen widely across Scotland, is cultural education: those programmes get slashed. In the longer term, that is fatal to the arts community and to wider society.

These are hugely political questions, but all the factors are interrelated. We have to ensure that the local authorities can provide a basis for the nation's culture. If we do not do that, what will we finish up as?

The Convener: Thank you. Did Raymond Vilakazi want to come in?

Raymond Vilakazi: No. I agree with everybody that a basic citizens income would be a good thing.

Stuart McMillan: My second question is about regional funding. One of the terms that we have heard today is "the elite" in relation to the allocation of funding. There are 32 local authorities in Scotland and, understandably, the bulk of the moneys goes to the cities. However, there is a hinterland of areas outside the cities. Do they get a fair deal?

Harry Josephine Giles: No. I am from Orkney, and it does not get a fair deal in terms of national arts funding. Not as much funded work goes to Orkney or is made in Orkney.

Orkney has benefited a lot from European Union funding in various areas, including the arts, so the current situation is really worrying for me. No wonder we had the highest remain vote in Scotland. It is worrying to me that that funding is being taken away. European Union funding has also been a major factor in other rural areas, because it tends to end up there in lots of different ways.

With regard to the ways that the funding plays out, it creates the ability to make funded art in Orkney. I talked about the situation with regard to music, but Orkney is also a place with an extraordinary level of what we might call amateur or community participation in the arts. I do not know a person in Orkney who is not involved in artistic production in some form, but the vast majority of them are not paid for it. That is okay—not everyone has to make it their job, and some people do not want it to be their job. However, the people who are involved in that way deserve to have support for that work, whether it is support for the buildings that they make it happen in or support for resources.

In my submission, I mention the need not to make the approach purely about professional arts, but to consider how the non-professional and professional sectors overlap, and how the people who do it for a job and the people who do it for pleasure benefit from the same systems.

The money needs to go into rural areas. That will always be the case, because there are fewer arts jobs there and because people in those areas have a more communitarian way of life, which means that there is community participation in the arts.

The other aspect is work that tours to rural areas. If you want to take work to Orkney—I did that just two weeks ago—it is really expensive. Taking complex work to rural areas is expensive. It is harder to get into the venues, because they are smaller. There are attempts to address the issues around rural touring, but I do not think that they have been dealt with yet. There is demand for such tours in rural areas—people there really want to see this work—but there is a lack of funding to make them happen.

David Leddy: I have always been frustrated by the fact that the allocation of funds between urban and rural areas seems to be focused mainly on where organisations are based. That is not an accurate way of measuring provision, because there is so much work that tours. I would like to know what is going on—

The Convener: I represent a rural area, and I would say that, from the point of view of cultural practitioners who are based in rural areas who wish to make a career while staying in their area, that focus is quite important.

David Leddy: I am not saying that it is not; I am saying that it is hard for us to measure that, because we do not really know the balance between where people live and where their work is produced or shown. For example, someone might live and work in a rural area, but the majority of their work might be shown in cities. We do not have a way of measuring that, and that is not helpful.

Rhona Matheson: I agree with that point, but other things are going on that allow work to happen. For example, one of our projects has been working with kinship carers in Ayrshire and Moray with local artists. Again, that involved third sector early intervention funding. We are based in Edinburgh, but we have that scope, and our partnerships allow us to work in those areas and ensure that people across the country are able to access and participate in those experiences.

The Convener: You talk about accessing early years funding. I have not seen any of your work, but I am sure that it is absolutely of the highest quality. Given your regularly funded organisation funding, do you think that it is helpful that you have also had that funding stream because a lot of money is going into early years?

Rhona Matheson: Yes. Our organisation has had to diversify in that way. We have three distinct pillars, which are interconnected—our producing and touring work, our engagement work and the professional development aspect. That approach has evolved over the 12 years since we began in Muirhouse as a pilot project.

The consistent support that we have been able to get has been useful. We got three years of funding from the Scottish Government, which was extended for 2019-20. A proportion of that contributes to our core, but it also supports us to deliver the training programme that I mentioned. Further to that, we have had a project fund for the past couple of years, which has allowed us to demonstrate to Creative Scotland that we can look

to a portfolio of funders to support the delivery of our work.

We asked Creative Scotland to fund a specific part of our work and it funded 50 per cent of our request, so we are still slightly in limbo with regard to our ability to produce and tour, but we can develop new work and support artists to explore ways of making work for under-fives in Scotland.

It is absolutely the case that the other resources that we have levied—money from the Big Lottery Fund and the Scottish Government—have been a bonus in relation to that application process.

Ross Greer: I have two questions, but, for the sake of time, I will make one of them a yes/no one.

The Convener: Can you ask just one question? Annabelle Ewing wants to come in as well.

Ross Greer: No bother. I will jettison the yes/no one.

Particularly during the most recent episode of the process, we have had a lot of feedback from artists who feel that there is increasing pressure to demonstrate a strong business case, rather than purely artistic merit, when applying for funding. We have discussed that this morning, too. However, the cultural sector is a significant sector of Scotland's economy, and one of the strongest arguments that you can make to get funding involves talking about economic output. That is very far from being all that art is, of course, but how do you resolve the tension between the fact that we want to fund art for art's sake because it is culturally enriching in itself and the fact that the cultural sector is a significant sector of Scotland's economy? How do we strike a balance between arts funding and something that is, essentially, enterprise funding?

David Leddy: Sorry—was that a yes/no question?

Ross Greer: No. I jettisoned the yes/no question.

David Leddy: Okay. Personally, I do not think that it is that difficult to strike the balance. My company has always been a well-run business and we have also made great art. It is possible to do both things, and you can judge them at the same time.

It is not just a problem for arts funding. One of the biggest problems that we have faced is that venues are obsessed with how many tickets work is going to sell to a degree that is much more extreme than it used to be. A lot of the time, the business pressure comes from venues who say, "We like your work, but we want something that is going to sell out."

Harry Josephine Giles: Ross Greer is actually talking about two distinct things in relation to the business case: one is the business case for individual artists or arts organisations and the other is the business case—that is, the economic impact case—for the arts as a whole.

The economic impact case for the arts as a whole is incredibly strong, for all the reasons that have been brought up today. The arts absolutely bring in more money than is spent on them and we provide all sorts of social benefits of the sort that Raymond Vilakazi has mentioned. Those benefits cannot always be adequately measured in economic impact terms, although it is possible to do that.

What is not possible is for individual artists or arts organisations to say that they are responsible for a particular slice of the pie with regard to the massive social and economic benefits of the arts. It is also not possible for any arts organisation that is in receipt of public funding to say that it is making a business case. We are not doing that. None of us is a profitable business. We are not there to make a profit. In fact, in the main, we have to be not-for-profit organisations. Most of the time, our tickets are massively subsidised. They have to be, because otherwise the art will not happen, for all the reasons that we have been talking about. We cannot make individual business cases for our funding.

The other aspect of all of this is that the stuff that genuinely makes money, such as big musicals that can be run as for-profit businesses, exists only because of the subsidised sector. An actor who works in a musical probably works in the subsidised sector as well. They were probably trained in the subsidised sector and they might work in education sometimes. The subsidised and unsubsidised sectors have a huge overlap. That is another reason why we cannot say that one bit of the arts sector makes a profit so we should put money into it and other bits do not make a profit so we should not put money into them. It is all one big system, so we need to talk about the overall impact and not the impact of the individual organisations.

Do not make us prove it, because we cannot do that. We try, but we are lying when we do it—we do it every time, but we are lying. We know that we are lying and the people who fund us know that we are lying. It is all a big game.

11:00

Annabelle Ewing: On the broader discussion about funding and given the public funding constraints that people have referred to, how can we encourage greater private investment in the arts?

The Convener: Richard Demarco mentioned that he operated his organisation with zero funding for a long time.

Professor Demarco: That is right.

The Convener: What advice would you give nowadays to people who want to operate without subsidy?

Professor Demarco: I think that that was the most productive period for me. I had to ensure that the Edinburgh international festival was all about the use of language—that was not just English. When the English language predominated in the Edinburgh festival fringe, we did not have an international event.

One thing that has not been mentioned yet is that art originates in and is maintained in friendship. That means friendship among a group of human beings with shared ideals, hopes and aspirations. Decisions are made by a group of human beings who demand something that is not yet made available in society.

I was privileged to work with groups of human beings who wanted the spirit of the Edinburgh festival to exist in the remaining 49 weeks of the year. They wanted the feeling that people are in an international city—a European city, not a Scottish or British city—and they produced an extraordinary set of circumstances that did not depend on money at all; it simply depended on shared values. They desperately wanted to feel that they belonged to something bigger than Scotland. The greatest gift that was given to Scotland was the feeling that we were dependent on not just Scottish history, but European cultural history.

I advise everyone here to read the book "Reclaiming Art in the Age of Artifice: A Treatise, Critique, and Call to Action", which has been translated from English into Spanish and has become a great success worldwide. I think that we are living in an age of artifice and dumbing down, and in a world in which false truth and fake news are as prominent as the real thing. The words "Reclaiming Art" are key words that we should all be thinking about. Art has been taken away from the hands of artists and placed into the power base of those who are better paid, more secure and more powerful in society.

The Convener: You mentioned Hugh MacDiarmid. How do you think he would have survived in the current climate of arts funding?

Professor Demarco: He would be in a state of rage. He was always in a state of rage, but that would have increased to an amazing level. He was, of course, ignored by the Edinburgh festival. I celebrated the 100th anniversary of his birth—he was dead by then, of course—by presenting him as part of the official Edinburgh festival. I paid for the whole thing and made it an international event. It is outstanding that, as soon as we use the language of art, we break down all national and artificial barriers in time and space and speak in the language that endures powerfully across the ages.

I rely on what the artist says, as Hugh MacDiarmid said in his lifetime. I will never forget the moment when we sat together in the pub and he said, "Do not forget that Scotland has a future in the wider world." He reminded me that he once went to Venice to meet Ezra Pound because it was necessary for someone from Scotland to speak to that extraordinary human being, who was one of the great poets alive at the time. He said that the dialogue and the international world that was represented by Ezra Pound belonged to us as well as to the people from all over the world who regarded him as important. He went all the way to Venice to have that conversation; he was a single human being who had few resources in terms of money, but he took the trouble to have that conversation.

I am concerned that art is not in the hands of artists. All those here who represent this Parliament should ask the major question, which has been asked so many times, "What is our peer group?" Who are we in the hands of? In my long life, I have seen that art is not really about artists; it is about the administration of art and the commodifying of the language of art. The one element that has to be present in all art expression is the removal of risk so that, for example, there is a guarantee of five-star or seven-star success in the Edinburgh festival official programme. T S Eliot's contribution in Edinburgh in the 1950s was an early play written in blank verse, and another play was in the French language, which would have guaranteed a very small audience.

We are avoiding the one thing that all great artists use most effectively, which is the element of risk—seeing the future, and seeing that part of reality that is beyond any quantifying process in any system in which we can guarantee that we are on safe ground.

The Convener: We will stop there, because we are looking at the future, which is a good place to wind up.

I should have said that we have had apologies from Jamie Greene. That is now on the record.

I thank everyone very much for coming and for their contributions. We will now move into private session.

11:08

Meeting continued in private until 11:27.

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