



OFFICIAL REPORT
AITHISG OIFIGEIL

Culture, Tourism, Europe and External Affairs Committee

Thursday 27 August 2020

Session 5



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CULTURE, TOURISM, EUROPE AND EXTERNAL AFFAIRS COMMITTEE
18th Meeting 2020, 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)

Ross Greer (West Scotland) (Green)

*Dean Lockhart (Mid Scotland and Fife) (Con)

*Stuart McMillan (Greenock and Inverclyde) (SNP)

*Oliver Mundell (Dumfriesshire) (Con)

*Beatrice Wishart (Shetland Islands) (LD)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Julia Amour (Festivals Edinburgh)

Lucy Casot (Museums Galleries Scotland)

Patrick Harvie (Glasgow) (Green) (Committee Substitute)

Alex McGowan (Citizens Theatre)

Nick Stewart (Music Venue Trust)

Sandy Sweetman (SW Audio Ltd)

CLERK TO THE COMMITTEE

Stephen Herbert

LOCATION

Virtual Meeting

Scottish Parliament
Culture, Tourism, Europe and
External Affairs Committee

Thursday 27 August 2020

[The Convener opened the meeting at 09:01]

Interests

The Convener (Joan McAlpine): Good morning, and welcome to the 18th meeting in 2020 of the Culture, Tourism, Europe and External Affairs Committee. This is our ninth remote meeting.

We have received apologies from Ross Greer, and I am pleased to welcome Patrick Harvie, who is a substitute member for Ross today.

I am also pleased to welcome Dean Lockhart to the committee. He has replaced Gordon Lindhurst. I thank Gordon for his contribution to the work of the committee and wish him well as he joins the Economy, Energy and Fair Work Committee.

I invite Dean Lockhart to make a declaration of any registrable interests that are relevant to the work of this committee.

Dean Lockhart (Mid Scotland and Fife) (Con): Thank you, convener. It is great to be back on the committee.

I declare that I am a member of the Law Society of England and Wales. Otherwise, I have no interests to declare.

Decision on Taking Business in
Private

09:02

The Convener: The next agenda item is a decision on taking in private agenda item 5, which concerns draft correspondence on Covid-19 and tourism. Does any member object?

As no member objects, we agree to take item 5 in private.

Cultural Sector (Impact of Covid-19)

09:03

The Convener: The next agenda item is an evidence session on the impact of Covid-19 on Scotland's cultural sector. I welcome Julia Amour, director of Festivals Edinburgh; Nick Stewart, from the Music Venues Alliance, who is the Music Venue Trust's co-ordinator for Scotland; Alex McGowan, executive director of the Citizens Theatre; Lucy Casot, chief executive officer of Museums Galleries Scotland; and Sandy Sweetman, director of SW Audio Ltd.

I remind members and witnesses to give broadcasting staff a few seconds in which to operate the microphones before asking questions or providing answers. I would be grateful if questions and answers could be kept as succinct as possible. As we have a larger than usual panel today, members should indicate which member of the panel their question is directed to. That said, my opening question is directed to all members of the panel.

Most people have an understanding of how devastating the pandemic has been for the cultural and heritage sectors. What has your experience been of the financial assistance that you have received from the Government, particularly with regard to starting up again? What assistance has worked well in each of your sectors, and what is not working? What would you like to change?

Julia Amour (Festivals Edinburgh): Festivals Edinburgh sits at the intersection of a huge range of interdependencies in the system: individual artists, freelance producers, venues, commercial companies that are presenting work, and so on. There is a huge range of schemes that some people have been able to draw on. However, there are also significant gaps that have badly affected some people—particularly individuals who have a mixed economy of work, which is common in this sector and means that, for example, they have a slightly more than half-time position with a venue or a performing company and will make up the rest of their income through freelance work. They fall between the stools in terms of their ability to apply for the self-employed grant or the furlough assistance. That is a great worry to a lot of us in the system, because we cannot function without that pipeline working well.

You have had evidence from the independent venues that present at the Fringe, for example. They are in a difficult position because they are not eligible for some of the schemes that have been running. There has been a good take-up by some people of the pivotal enterprise resilience

fund, and, because of the breadth of the sector and the communities that it faces, some of our festivals, such as the International Children's Festival, have been awarded funds from the third sector resilience fund.

Where people have been able to connect into funding, it has been fantastic, but gaps still exist. They are being talked about in groups at a national level—I know that I have talked about them at that level—and we wait to hear what decisions the Scottish Government will make about allocating the funding that has come through in consequential from the United Kingdom cultural resilience package. It would be great to see those gaps addressed.

Alex McGowan (Citizens Theatre): Your question had three parts. First, what is working? I think that the single biggest help has been the Treasury's job retention scheme. It has made a big difference to organisations that have had to close their buildings and not have performances. The furlough scheme has materially contributed to our ability to remain a going concern and see out the current financial year.

Alongside that, the performing arts venue relief fund, which came in relatively recently, has helped a lot of us to see our way through to the end of the current financial year. Many organisations are going through their audit processes at the moment, and their going-concern status has been a key part of that.

At the start of the pandemic, when we were swiftly told not to open, the commitment that was given by Creative Scotland and others that our funding for the current year was going to flow through as anticipated, despite the fact that we could not deliver any work, was also important.

Although this is not to do with the Government, I should say that it was heartening to see that a lot of the trusts and foundations that support a lot of our work quickly got in touch with us to say that their restricted funding for our programmes was still committed, and some of them said that they were happy for us to unrestrict those funds and use them in any way we felt was the most appropriate to enable us to survive.

A combination of measures in the first few months of the pandemic made it possible for us to see our way through to the end of the current financial year.

What is not working—a common theme—is that, with the JRS ending at the end of October and no sight yet of when social distancing may no longer be a requirement, which materially affects the financial viability of our companies, it is hard to figure out how we keep going beyond this calendar year, let us say, while we cannot return to the capacity of operations that we would expect.

That is important. I appreciate that, through a vagary of funding, our local authority funding through Glasgow City Council is confirmed only until the end of September at present. It was in the middle of changing its approach to funding, so we have a bit of material uncertainty there until Glasgow City Council can confirm what its funding arrangements for the Citizens Theatre will be. I am not sure what is happening in other areas about local authority funding.

Looking ahead to what might change, the funding commitments for 2021 mean that it is hard for us to predict when we all might be able to reopen fully and when audiences might be ready to return at pre-Covid levels. Knowing that the revenue support will continue in 2021 and at what level is vital. I have talked about the JRS, but for a lot of the freelancers and self-employed people, who make up the majority of our industry, the self-employment income support scheme has not been as successful as it might have been, and some self-employed people have not been able to access the schemes because of their self-employed status. There is some work to be done there to support the people in our industry whom we see on our stages, who help to make scenery and who technically run shows—that is important as well.

The Convener: What percentage of your funding comes from Glasgow City Council?

Alex McGowan: It is currently £290,000 a year, and we get £1.1 million a year from Creative Scotland.

The Convener: I take it that the £290,000 is essential.

Alex McGowan: Yes; all local authority funding is. As you may be aware, we are also in a slightly weird situation—we are in exile, because the building is being redeveloped, so we are not actually in it. The council is also a major funder of the redevelopment of the Citizens Theatre.

Nick Stewart (Music Venue Trust): Grass-roots music venues have managed to get some initial stability from the rateable value-related grants, which may have avoided some immediate and permanent closures. To date, no grass-roots music venues in Scotland out of the 80 that are in the Music Venues Alliance network have shut, but that may be about to change. Most venues have had little support other than the £10,000 or £25,000 that they got from the rateable value supports. The furlough scheme has helped a lot of businesses, but the core business that must exist—the bricks and mortar—outwith having the staff is not helped by the JRS scheme. It is important for us, in terms of our infrastructure, that we keep the staff that we have, but whether the core business can carry on keeping staff other

than the management and bookers and so on is slightly further down the list—other staff could be made unemployed and later re-employed.

The pivotal enterprise resilience and creative, hospitality and tourism funds were very difficult for grass-roots music venues to access, and, unfortunately, we got low numbers from those, although Fiona Hyslop had said that grass-roots music venues would be pivotal enterprises, so it was a real shame not to get that funding. Of those that applied, only 12 per cent were successful, and I had tried to get the entire network to apply.

Some venues have reopened as bars to get some kind of income—generally with poor results. Trade is between as low as 25 per cent of what they previously had and 60 per cent, and all of that is rapidly diminishing with the music ban that has been temporarily brought in—at least, we hope that it is temporary. We understand that the Scottish Government is looking at what it can do about that. I could talk at this point about the forthcoming £2.2 million for grass-roots music venues, but it may be pertinent to leave that until slightly later and not take up too much time at the start.

The Convener: I would now like to go to Sandy Sweetman. We have received a lot of evidence from people who are in the supply chain of technical services for the arts. Obviously, we cannot invite them all to the committee, but it is really good to have Sandy here to represent that sector and talk directly about how the crisis affects his business.

09:15

Sandy Sweetman (SW Audio Ltd): Being a business owner, I rely a lot on freelancers, on a variable scale of how many we need for each job.

Our business did okay—the rateable value business grant came in quickly and covered initial costs for me; then, through appeal, we were successful in getting some of the pivotal enterprise resilience fund. However, the furlough scheme is based on pay as you earn, and we take a very low PAYE and take as much as we need out of the business to reinvest a lot in equipment, to keep up to date with things. The furlough did not really work for me personally, as the director of a small company, and a lot of the people who work for me are freelancers. A lot of them are very young and do not have the three years' worth of accounts that make a huge difference, so they are really struggling. Although the concept of application was good, it did not tick all the boxes, so a lot of people were left out.

Our on-going worry is that the confidence does not seem to be there. I know that other witnesses have said that as well. It is a worry because we

rely on the confidence coming from the venues and the events, and I am just not seeing that, going into winter, much is going to be happening at all.

We also service the local theatre, as the incumbent technicians. Although it is receiving grants, that funding is not funnelling through to us in any form, even by percentage. It can just fall short after that first level.

The Convener: Is there any support for you going forward?

Sandy Sweetman: The support that I have had means that I can survive at a level. Our overheads are quite low. However, it does not look like there is much in the way of support after the furlough scheme ends, and as I said, it does not really work for me. I cannot comment on behalf of other people, but, as soon as those supports disappear, there is nothing really left.

There has been an announcement of support for the services sector, which comes up on Monday. However, one restriction on that is that anyone who has had support previously cannot apply for it, so I will not be able to apply. If I could have, as a business owner who supplies freelancers, I would have applied for it to pass on a percentage to freelancers, to help them, but I do not have that opportunity.

The Convener: Are you referring to funding for the events sector?

Sandy Sweetman: Yes. There is a fund opening up on Monday. I am sorry that I do not know the name of the fund, but it is for providers of services to the events sector.

The Convener: Thank you. That is very interesting and very worrying.

I now come to Lucy Casot, the chief executive of Museums Galleries Scotland. You are from the heritage sector, which is different again. What is working for you and what would you like to see improved?

Lucy Casot (Museums Galleries Scotland): Museums Galleries Scotland represents 419 museums and galleries across Scotland, and they are hugely diverse in their governance and scale. A quarter of them are volunteer run, but they go right up to the big national institutions. They have been able to access a wide variety of funding sources, with varying degrees of success, depending on their governance structure. The job retention scheme has been vital for a lot of them and, obviously, there is concern that that is coming to an end. The third sector resilience fund has been key to others. Few access the pivotal enterprise resilience fund. A few have accessed the creative, tourism and hospitality enterprises

hardship fund. A number will receive funding through the National Lottery Heritage Fund.

We are also a funder. We received £400,000 in additional funding from the Scottish Government at the beginning of the crisis, which was for the urgent response fund. We were able to support some of the recognised collections and accredited museums with recognised and important collections, but only with 12 weeks' worth of funding. That staved off an immediate crisis for some.

We have also run two small funds. The first is the digital resilience fund, which has helped people to begin working from home by supporting museums to buy the equipment and the licences that they need to enable them to continue to function away from their local venues. We also currently run a Covid adaptation fund, which helps venues to make the changes that they need to enable them to open safely—for example, obtaining screens, personal protective equipment, contact list donation points and other technology.

We are pleased to have received £4 million from the £97 million culture fund to support our creative recovery and resilience fund, which supports the independent museum sector. Just over 50 per cent of the museum sector consists of independent charities, which have been placed at the greatest risk because they do not have any core funding. Through the resilience fund, we will now be able to support them by covering their costs through to March. That fund is open now, and we are working hard to ensure that everyone understands what that opportunity offers.

Our concerns are about the other half of the sector. More than 35 per cent of museums are civic ones, which are run either directly by local authorities or, in a few more cases, by culture and leisure trusts. We are working hard to find solutions to the challenges that they currently face, but we have not quite got there yet. Further, university museums, of which there are 23 in Scotland, can be perceived as not being part of the core functions of universities, so they are also at risk.

Our concern for the whole museums sector is about what will happen beyond March. Although that is true for everybody—the situation will not suddenly recover come 1 April next year—and we are seeing costs covered through till March, it is important that we start to think about such longer-term challenges. Through the support provided by the independent museums fund, we are encouraging museums to consider what they might need to do in order to be more resilient in the future and, over the months to come, we will be working hard with them on that.

Those are the two challenges that we face: the half of the sector that is not being catered for, and the position beyond March next year.

The Convener: Thank you very much for that, Lucy. Listening to your response has reminded me that I should have drawn members' attention to my entry in the register of members' interests, in that I am the chair of a small voluntary museum that has accessed funding from Museums Galleries Scotland.

We move to a question from the committee's deputy convener, Claire Baker.

Claire Baker (Mid Scotland and Fife) (Lab): Panellists have outlined how valuable funding has been when it has been made available, but perhaps they could give the committee an impression of how long they expect such funding to last.

Also, although the Barnett consequential were announced at the start of July, we have not yet seen them being fully awarded. I understand that some £73 million is still to be awarded, but that would have to be spent within the financial year. A lot of organisations that receive funding are having to deal with debts and bills that have been outstanding since March. Therefore how long will such funding last, and for how long will the support that has been awarded enable organisations to survive?

We have quite a big panel, so it might be helpful if Alex McGowan, Lucy Casot and Julia Amour could start.

The Convener: Would Julia Amour like to go first?

Julia Amour: There absolutely is immediate need out there, but Alex McGowan and Lucy Casot are probably better placed—it is not my sector—to talk about that as it affects institutions that have on-going monthly fixed costs that might cause them to experience a cliff edge in the near future, which is also the case for the music venues in the independent sector that Nick Stewart represents.

Everyone has to strike a tricky balance between serving as much of that immediate need as is possible and considering how the sector might shape up in the longer term. We must think about how we might create a pipeline of creative content, production and participation to ensure that we have a core of cultural strength that will still be intact in 2021-22 when the sector tries to help society to emerge from the crisis. We have been advocating an open approach to allocating the funds, rather than having small pots that are dedicated to specific purposes, so that, when people make their applications and their cases for what part they play in the system, there can be

portfolio decision making about how the funds, which will not be enough to save every job or every organisation, are used.

I like the fact that we are talking about using some of the funds for freelancers and the supply chain as well as for the institutions that connect artists with audiences. Obviously, festivals would argue that we have a vital role in society and creativity coming back out of the pandemic. If we miss out any part of the system, we will not have a coherent system going forward. It is vital that we look at the system as a whole and do not think about one part of it in isolation, because we are all interdependent.

Claire Baker: Do Lucy Casot and Alex McGowan want to add short comments on how long the funding has been awarded for? Both of you have received funding so far. How long is it expected to last?

Alex McGowan: The Citizens Theatre's funding commitments will last us until the end of the current financial year—to 31 March 2021. That is a combination of our Creative Scotland revenue funding for the year, assuming that Glasgow City Council extends its revenue funding at the same level beyond the end of September; money from the performing arts venues relief fund, from which we obtained £100,000; and our estimate that we will have drawn down approximately £300,000 from the JRS. In total, there is £1.8 million across those funds to allow us to survive this financial year with no income. In a normal year, our revenue funding is around £1.4 million.

Looking forward from April 2021 onwards, if our revenue-generation capacity is still massively restricted, the funding commitments that we have in principle for 2021-22 will be insufficient to sustain the organisation in its current form.

Lucy Casot: It is important to recognise that a lot of museums were in a very precarious position before the pandemic started. We did a piece of work with VOCAL that looked particularly at the civic museum sector and the position that it was in after many years of cuts, and with future cuts already scheduled to happen before Covid. There is concern about whether we need different funding models, and there is currently a lot of talk about that.

We are, of course, trying to deal with the challenges of this year, but we do not want to leave it too late in the year to think about the challenges beyond that. For all parts of the sector, getting to March and beyond that looks like a concern.

I absolutely agree with Julia Amour. We need to think creatively as a sector and think across some of the boundaries or silos that we have traditionally worked within, but it is very hard to do that creative

thinking when your back is against the wall. This year's funding is very important to create that space. We need to use that space to think creatively for the future.

Claire Baker: I want to ask Nick Stewart about the forthcoming guidance for indoor music performances. We have guidance for outdoor music performances and an indicative date of 14 September for indoor music performances. What would the sector like to see in the guidance? Nick Stewart raised the issue of the ban on background music. I struggle to see how, at the moment, there cannot be background music although there will, I imagine, be bands playing inside venues on 14 September. I do not know how those two things match up. What do you need to see in the guidance to make performances viable?

Nick Stewart: I have looked at the guidance from quite early stages, and I am afraid that it has been through enough revisions. I think that the final version that was produced was the 10th, but I struggle to see the difference between the earlier and later versions, so I have a little confusion in my head about that. However, I agree that there is a contradiction and that we cannot have a music ban and venues opening for socially distanced performances on 14 September.

Most grass-roots music venues physically cannot host socially distanced performances—for instance, Sneaky Pete's would have a capacity of 12 instead of 100, and that would include performers and staff, so it is very tricky to do that. Also, on a financial level, it would be extremely difficult to run such shows. They would certainly not be profitable unless significant funding came from somewhere else. For a venue such as Sneaky Pete's, which between gigs and clubs normally hosts in the region of 650 shows a year, it would be tricky to do that because of the amount of funding that would need to be ploughed in per show to allow it to happen.

If you do not mind, I will jump back to the issue that was raised earlier about how long funding will last for. For grass-roots music venues, the funding is not designed to get us through to 31 March; the £2.2 million fund that is now open for applications is specifically intended to get venues through to 31 October. Thereafter, there is no further funding in place.

This is a crucial and tricky area for us. The committee has a report from Iain Munro saying that £74 million of Creative Scotland money is yet to be allocated, but when we ask people in the creative industries about their thoughts on a follow-on fund, we hear that the £97 million is, in essence, already allocated and that half of it has gone to heritage in the first place. It is tricky to work in an environment in which we do not know what is happening with that money. Our advice

from people in the creative industries is that they will have to look elsewhere in the Scottish Government budget to try to find any future funding for grass-roots music venues. It is a very tricky situation.

The best that we have on a follow-on fund is that we have been told, "Our thinking about what comes next is still happening." Months ago, Ms Hyslop talked about having some kind of follow-on that would be innovative and ambitious and which could have involved the idea of support for socially distanced shows. We pointed out at that stage, as I have said to you now, that it is difficult to do those shows, especially for smaller venues, and it is not financially viable to do them, but there was support for that. I think that, at the time, a lot of people believed that streaming might have been able to plug some of the funding gaps or even that venues would be given funding to do festivals outdoors and so on.

The figure of £2.2 million was decided on because that is the exact figure for the fixed costs for the 80 grass-roots music venues in Scotland to get through three months. Those fixed costs are for non-furloughable staff and paying rent, insurance, hire purchase payments and that sort of thing. Once we get to 31 October, we will be at a cliff edge, with no plan for what will happen next. Also, that is when the JRS ends. It would be foolhardy for most businesses to try to continue at that point. We urgently need information on what future funding we can get to keep us going. We know very well that the UK Government will not fund any future JRS, although I understand that Ms Sturgeon has recently asked for that again.

There must be a plan, or we will see mass closures. The funding that is intended to get grass-roots music venues through to the end of October will not be received by the venues until at the earliest the end of September, and for most we think that it will be early October. Of the network of 80 venues, 10 have come to the Music Venue Trust's emergency fund that we have set up, which has been crowdfunded, because they will have to close permanently if they do not receive funds immediately before that time. The Music Venue Trust is trying to help out, in the absence of Creative Scotland being able to give the money on time to those venues.

Claire Baker: I visited PJ Molloy's this week and heard that it is in the situation that you have described.

Stuart McMillan (Greenock and Inverclyde) (SNP): I thank the contributors for the extremely helpful evidence thus far.

We have heard that the furlough scheme has had benefits and that it has not had benefits. Should the scheme be continued, bearing it in

mind that, last week, the German Government announced that its furlough scheme will be extended for a further 24 months?

Alex McGowan: I absolutely think that the furlough scheme should be extended. As several of us have said, although social distancing was necessary and understandable, it is, in any form, financially incompatible with the businesses that we run. For as long as social distancing is in place, we will find it hard to retain the organisations that we operate. Even beyond the end of social distancing—let us imagine that it disappears at the start of the new financial year—it will take quite some time for audiences to have the confidence to return to venues, galleries and museums.

The recent research that was undertaken in the theatre sector indicates that about 17 per cent of audiences across the UK are comfortable attending as soon as venues reopen, even if social distancing is in place. Fifty per cent of audiences will consider attending only if it appears that social distancing and hygiene measures in venues are working, and 33 per cent of audiences say that they will wait until there is no social distancing and a vaccine or treatment is in place before attending. That gives a sense of how long the recovery will take.

The job retention scheme is vital for a number of organisations, but it is not just about that. As some of us have mentioned, the JRS helps permanent employees in organisations, but it does not directly help 60 to 70 per cent of the people who make up the theatre sector's workforce in Scotland. Other schemes akin to the JRS need to be found to support those people, otherwise the industry will be decimated.

Nick Stewart: I agree that the extension of the JRS would be very useful. Self-employment schemes would also be very useful to help people to get going.

It would be great to prioritise getting venues reopened, but all venues seem to agree that the real priority is protecting public health. We will continue to do whatever we can in that area, so continued support in some form to allow us to do that would be great. The Music Venue Trust's slogan has been that we want to reopen every venue safely; that is important.

If we get to a point at which socially distanced shows are allowed to take place but the JRS has ended, venues will feel that they have to put on shows. That will be the crunch point for a lot of venues, because they will try to trade. As we have seen from venues that have opened as bars, they will probably open unsuccessfully, and that could be the unravelling of the organisation.

Julia Amour: We have been talking to those at the Department for Digital, Culture, Media and Sport and Westminster politicians about that very issue. If the chancellor is adamant that the JRS will not continue, it will be critical to take a sector-specific approach that focuses on the sectors that will be the last to open. The scheme could be turned into a subsidy for people to be working rather than not working, if that is a key conceptual problem for the UK Government.

The previous speakers are absolutely right that, for as long as social distancing remains, there will be a serious problem in making venues viable. We are also talking repeatedly about why we are not on the same footing as hospitality in relation to the 1m-plus rule. That is not to say that that would necessarily be viable, but it would be more viable than having to keep a 2m distance, so there needs to be a discussion in that regard.

In the meantime, if venues are not able to operate on a viable basis, but organisations such as Alex McGowan's are able to be supported so that staff are working rather than not working, that would at least retain the skills and ability to reinvent and reimagine some of our cultural content in other contexts.

Lucy Casot: Yes; it is also important to recognise that being allowed to open does not mean that venues can open. Museums and galleries could open on 15 July; in the first week, a handful did so. Six weeks in, 113 museums and galleries are open; that is about a quarter of the sector that has been able to open. Permission to open does not make opening viable for everyone. More museums and galleries intend to open, but we are already getting towards the end of the peak season, so many will not open this year and therefore will face those on-going challenges.

The Association of Scottish Visitor Attractions—ASVA—has a survey out at the moment to get some information back from venues on their experience of being open. That survey is on-going, but Gordon Morrison shared some interim results with me yesterday: only 30 per cent of the venues that are open consider themselves to be operating sustainably. Venues are opening with higher costs because of the need for additional staff and cleaning but with much reduced capacity and income. If only 30 per cent can trade sustainably, that does not encourage everybody else to do the same, so on-going support would be needed.

Sandy Sweetman: I will reflect on what the previous speaker said. Until, at the earliest, next spring, our diary is cleared, which also affects all our freelance workers. The JRS is really important for those people, but it needs to be more specifically tailored to the last sectors to reopen, such as those on the cultural side of things. The

scheme is essential but it needs to be adapted to meet specific needs.

Stuart McMillan: Thank you. My second and final question, which you have partly answered, is on the schemes that have been put in place thus far by the Scottish and UK Governments. Clearly, there has been assistance, as you have all indicated, but there are also challenges and gaps in funding. Will the gaps in the schemes that have been presented cause long-term scarring to the sectors in which you are involved, through more closures, more people being made redundant and there being less of a cultural offer?

Julia Amour: Sadly, yes; it is difficult to see a future in which there is not a loss at the end of the process. For example, in the events supply chain, which Sandy Sweetman talked about, 70 per cent of the suppliers to Edinburgh's festivals are small and medium-sized enterprises. We did a survey of that a couple of months ago. We have developed an amazing capability to put on major festivals and events but, because we are a small country, in some cases there may be only one or two suppliers in the country that have the capability to do things such as rigging massive outdoor arenas and sets. I know from the forums that I sit on that a lot of those businesses are counting their cash flow in weeks rather than months.

We rehearsed other issues around freelancers, a great number of whom are having to find work in other sectors to sustain themselves. Whether they will be able to go back to creative practice depends on the long-term as well as the short-term response. I wish that I could say otherwise, but I do think that there will be scarring. The best way to minimise that damage is to take that overview of what a creative pipeline looks like over the next two or three years and what roles we all play in that.

Sandy Sweetman: Any loss will hit us at the other end of the supply chain. As Julia Amour mentioned, a lot of freelancers that we use have already turned to other jobs and careers. In our area, being rural, we do not have a huge number of people to rely on. If we lose the people that we have, it will be a struggle to support the work that we hope to get. It is about the knock-on effect as much as the immediate effect of the losses.

Stuart McMillan: Does Nick Stewart want to say anything?

Nick Stewart: Everything has been well said, so I do not have a great deal to add, except to say that it is unlikely that any venues that close permanently—the permanent scarring, as you described it—will be reopened by someone else. Grass-roots music venues were already closing across the UK; as it happens, 2019 was a turnaround year.

09:45

Live music is wildly popular, but it is very difficult and expensive to run a grass-roots music venue. Given local licensing conditions, property values and so on, it is rare that people open a new grass-roots music venue, and it seems unlikely that venues that close will be subsequently reopened as new music venues. The most likely outcome would be that a canny landlord would decide to turn the building into something else.

Lucy Casot: The funding that has been made available will greatly reduce the scarring, which was a great threat at the beginning of the crisis, but there will definitely still be some long-term impacts. The bit of the sector that I am most concerned about is the civic sector. As a non-statutory service, we think that there will be ongoing pressures—as there already were—for a long time to come. We potentially need to look at different models to ensure that civic organisations that hold collections on behalf of the public, and which make them available to the public, are able to continue. Closures in that sector would be a real loss to society and to our communities.

As Julia Amour said, there are a lot of specialist skills in the sector and once we lose them it will be difficult to bring them back. It is the same if we lose a venue—they are difficult to bring back. If one organisation fails, somebody still has to care for that collection; it would not necessarily be cheaper for someone else to look after it rather than the organisation that is already doing so.

We also need to see what opportunities there are from the funding that is available this year. Quite a bit of that funding is still to be announced. Between now and March, we need to take the opportunity to come up with some more creative solutions and think about how we can work more collaboratively. Sometimes, a crisis forces some of those more creative solutions on us, although that will not work for everybody.

It is incumbent on those of us in the sector, including bodies such as my own, to support the sector as best we can. We need to look across and take a more place-based approach to cultural activity in an area. There may be opportunities for things like shared services or shared use of venues. However, that would take some facilitation, and support would be needed behind it. We will be working hard to make the best use of the opportunity that we have been given to support part of the sector, and the independent sector in particular.

Alex McGowan: I echo what the other witnesses have said. It is hard to imagine that there will not be some long-term scarring as a result of the crisis. The macroeconomic impact of the pandemic will create a trading environment

that will be challenging for revenue generation, fundraising and things like that.

With regard to the producing venues, the five main producing theatres in Scotland, which used to be called the foundation organisations, have been in receipt of the same level of revenue funding since 2006. During that period, we have sustained our organisations on standstill funding by increasing revenue generation. That is how we have survived, but it has made us less resilient. Looking ahead to where that revenue generation has been compromised, with the revenue funding remaining stagnant, we will see a denuding of theatre production in Scotland. If you speak to colleagues such as actors, technicians, designers and writers, they would say that the work opportunities in Scotland have been declining over a period of time. There were some issues pre-Covid, and Covid has exacerbated them.

The Convener: I will bring in Dean Lockhart, but first I say to members and witnesses that, if every member asks two questions of every single witness, we will not get through all the committee members. Perhaps members could indicate which witnesses they would like to answer their questions. If there is obviously repetition, witnesses may just say that you agree with one another. Otherwise, we will not be able to get through all the questions. I ask you to bear that in mind.

Dean Lockhart: I will follow your instructions, convener. My question is directed towards Julia Amour and Lucy Casot. They raised the issue of the funding streams that are available and mentioned that the Scottish Government has allocated only £25 million, I think, of the £100 million of consequential funding that is available. What might be causing delays to that funding becoming available? Once it is available, what would be the most impactful way in which the funding could help the sector? I invite Julia Amour to answer first.

Julia Amour: I guess that the lead time involves trying to strike the balance that I mentioned between servicing immediate need and making a scheme that will look to the future, to adaptation and to renewal. I do not envy people the job of designing a scheme for the distribution of £100 million in very short order. I agree with other witnesses, however, that there is immediate need out there, and that people need to get a sight line to some relief soon; otherwise, people will start dropping out of the system.

As for what the money could best be used for, for the festivals in Edinburgh, we are conscious that, in returning, there is rightly a lot of expectation and responsibility on us to balance different kinds of benefits: benefits to the artists and professionals, to the audiences, to wider

communities, to the economy and to the environment. As well as being able to make it possible for that extraordinary, world-class cluster of festivals to still be there in 2021, we would want to consider using any funds that we were able to access through the scheme to work out how to play the best role in that recovery, connecting artists, audiences and markets while doing the best that we can with community resilience, recovery and the networks that we had started to develop through our platforms for creative excellence programme, which was about renewing the festivals' sense of purpose and vision after the 70th anniversary in 2017. It is an unenviable task, but we need to have some visibility soon about what the shape of that scheme will be, so that we can all play our part in still being here and contributing to building back better.

Lucy Casot: We are fortunate enough to have an announcement of £4 million from that pot, and we are very grateful for that. That is for part of the sector, and we have put in a request for funding for others—for the whole of the sector—but it was a part that was most urgently at risk that was prioritised. As I say, we were grateful for that.

As Julia Amour said, the task is an unenviable one, as there are so many competing demands for the funding. The part that we are still concerned about, as I have said already, is to do with how we can support the museums and galleries that are run by culture and leisure trusts, local authority museums and university museums. The complexity there concerns the different governance models and how we would direct funding through to the civic sector. There are different ways of doing that—whether it is done for culture as a whole or separately for museums, libraries and so on. I know that there are active discussions around that, and we hope to hear some news relatively soon. There are many different ways in which that could be done, and there are pros and cons with all of them.

Dean Lockhart: My second question is about non-financial support. Nick Stewart mentioned the impact of planning and licensing. I would like to ask Nick Stewart, Alex McGowan and Sandy Sweetman what non-financial support and changes, such as being much more flexible about planning and licence changes and other operational changes, might help the sector.

Nick Stewart: It was good news that the agent of change principle was introduced in Scottish planning, as that will help to protect grass-roots music venues in the future.

This is less to do with planning, but MVT and Creative Scotland are keen for further support for grass-roots music venues and funding infrastructure in the future, because we did not have that relationship before. I understand that

you are talking about what planning and licensing could do. Some of the issues around planning and licensing remain, but we have got to a better point, to some extent.

One of the main issues is noise. Anything that can be done to keep local licensing authorities mindful of the importance of grass-roots music venues in their areas will be good.

Creative Scotland had started to struggle to get money to grass-roots music venues, because it was spending lottery money. With regard to capital purposes and so on, a lot of the organisations are not set up as charities or community interest companies. They are typically limited companies, sole traders or limited liability partnerships, so they did not have an asset lock in place. If more money is going to come directly from the Scottish Government in some other way, there will be no asset lock issue, so I would be keen to see more of those relationships happening.

Just to jump back a few seconds—I am sorry if I am wavering away from your point—I have been told by creative industries that the £97 million has, in essence, been allocated. I know that you have had a report from Iain Munro saying that £74 million is still available and unallocated. I invite MSPs to interrogate that and find out what is really going on, because we do not know. Those people sit on the Scottish commercial music industry task force, which is very confused about this. EventScotland has announced a new fund, which will not be coming from the £97 million, as far as I know.

Where is the money? Where is it going? I invite the committee to interrogate that, especially since we have been told, in essence, that there is no more money for us unless something else is come up with.

Dean Lockhart: That is a very good question and something that this committee should look at.

I will ask a similar question of Alex McGowan and Sandy Sweetman. Is financial support or non-financial support the priority?

Sandy Sweetman: I can talk about both. Financial assistance is key for us. Non-financial support needs to be given further up the supply chain, such as through health and safety guidance for the people who put on events. People are scared to put on events, because they do not understand a lot of the guidelines. That is reflected in our work situation.

There should be non-financial support for the event planners—they are not all venues. A lot of our clients are pit communities and galas and things like that. They are asking to cancel everything, because they are scared and they do not understand the complexities of the guidelines.

It would assist us if support was given to the people who put on events, to make sure that they felt that their events were going to be safe. That is my concise answer.

Alex McGowan: I echo what Sandy Sweetman said about guidance around events being safe. A lot of cross-industry work has been done to set up guidelines for audiences, performers and suchlike, and that has been helpful. It would be good to have something that can reassure audiences on that front, as would a consistent standard across performances.

There is also work to be done on the insurance sector. One of our industry bodies, UK Theatre, is doing a survey about the challenges around insurance. As you might be aware, insurance did not really help us during the pandemic, as it did not cover us for anything. Going forward, insuring against those kinds of losses will probably be unaffordable. How do we mitigate the risks of putting on live performances in an uncertain environment? It is important to consider that. I echo the point about the £97 million. My understanding is that it has already been allocated, but there is no knowledge of how.

Dean Lockhart: I have completed my two questions. Thank you, convener.

10:00

Patrick Harvie (Glasgow) (Green): Good morning. You have all painted a clear and strong picture of the challenges that the sector faces. What proposals should we put to the Scottish Government for the next steps that it can take to support the sector? I want to ask about places and then people.

I struggle with the incredible diversity of the venues and the places that we are talking about. We are talking about organisations large and small; some will have their own premises and some will not. For some, premises are an overhead and a cost; for others, they are a source of income, because they rent them out. Some will use totally private sector, commercial premises with commercial landlords that are supportive or unsupportive, while some will be public sector venues such as those that are run by arm's-length external organisations. In such cases, the fact that a leisure centre has lost income might pose a threat to the cultural venues that are run by the same organisation.

How can the Scottish Government and local government provide a coherent package of support when the circumstances and needs of the organisations are so varied and diverse? I suspect that everybody could comment on that, so I will pick a couple of people at random—Nick Stewart and then Julia Amour.

Nick Stewart: Whereas we were not having conversations with the Government or Creative Scotland three years ago, say, that process has certainly ramped up in the past few years, particularly now. One of the benefits of the current situation is therefore the opening up of dialogue and the fact that consideration is being given to how we can continue those relationships from this point forward. Even the organisations that should be experts on the subject, such as Creative Scotland, were not previously aware of the diversity of venue organisations, or of the rest of the organisations that they were dealing with.

In answer to your question, it is a case of continuing to have dialogue. If that means that there have to be 2,000 different schemes to help all the different parts of the arts sector, I do not have a problem with that; in fact, it is probably a good thing. Although that will make it difficult to decide who should be allocated what and the size of each piece, because the work was not done before, it is being done now and it should continue.

Patrick Harvie: The civil servants might face a challenge in running 2,000 different schemes, but the point is well made.

Nick Stewart: My understanding is that neither Creative Scotland nor anyone else is particularly keen to be given the task of allocating all £97 million of the funds, because they simply do not have the resources. In addition, when it comes to having conversations with different parts of the sector, it is clear that they do not necessarily have experience of that. It is quite an open play at the moment.

Patrick Harvie: I invite Julia Amour to comment, given that Festivals Edinburgh works with an incredibly wide range of organisations that work in different circumstances and have different kinds of support needs.

Julia Amour: Absolutely. I totally echo what Nick Stewart said about dialogue, particularly between the Scottish Government and local authorities. Lucy Casot has alluded to the significant concerns about the position of local authority finances. I think that there have been discussions between the Convention of Scottish Local Authorities and the Scottish Government about that. As you said, it is critical that a place-based approach is taken to what is threatened in terms of cultural infrastructure in its broadest sense in local authorities.

Paradoxically, we need a localist and a blanket approach. I would probably balk a little bit at the idea of 2,000 different schemes for culture, because that would slow things down and we do not need things to be slowed down. I advocate having that dialogue and then having a cross-

cultural and flexible scheme that is able to make the interventions that the dialogue uncovers as being the most critical, so that an irreducible core of cultural infrastructure in a wide sense—human capital and social capital as well as buildings—is still standing as we emerge from the pandemic.

Nick Stewart made a great point about using the system and trusted agents who can help with sector development instead of doing that all at the centre. That would also help needs to be met more quickly.

Patrick Harvie: I will move on from places to talk about people. I think that all the witnesses have said that some folk—particularly freelancers, part-time workers and people who move in and out of the sector and combine that with other work—have fallen through the gaps between the different support schemes. Has the experience that we have come through in the past few months meant that the sector, in the broadest sense, has already lost a substantial amount of talent that will not come back—not only performers but the wide range of people who contribute skills and experience to the creative and cultural sectors—or will people who left the sector to look for work elsewhere, or who had to rely on universal credit, find it possible to come back into such work in the future?

Is there any way of turning what has happened into a positive opportunity to cast the net wider and bring more people with a different range of backgrounds, talents and skills into the cultural and creative sectors in the future, as we seek some sort of recovery? I know that everyone might have a different view, but I ask Alex McGowan and Sandy Sweetman to comment on that.

Alex McGowan: I will be honest: it is hard to quantify whether we have lost anybody already. Anecdotally, one almost wants to say that we have, but, because the lockdown thus far has been universal across society, there have not necessarily been avenues for people to go down. As some sectors open or half open, the next period might be more difficult, because there will be a sense that, although theatres, for example, can open, we cannot really do anything because it would not be financially viable to open. It would then be tricky to employ actors, designers, directors and playwrights to put on work in our buildings.

We are entering a challenging period, and the issue is how we sustain from now until social distancing is gone and we are able to gear back up to full capacity. That phase will bring opportunities for rejuvenating the Scottish theatre sector, which, as I alluded earlier, had been somewhat denuded in the past 10 years. There is an opportunity for us to focus on making work in

Scotland and getting it out to audiences, which is very important to us.

Holding on to the skills that we have is key, because it lets us do things quickly and efficiently. We have people who are massively talented at making terrific culture while operating with very limited resources. Holding on to those people will be the most efficient way of getting the sector back on its feet, rather than having to suddenly re-recruit a whole load of lost people.

Patrick Harvie: Sandy Sweetman might have a perspective from the wider supply chain and the different organisations that work with the sector but are not necessarily purely cultural organisations. Do organisations such as SW Audio face the same challenges? Do you seek to retain workers or re-recruit them later?

Sandy Sweetman: We are all passionate about what we do, and I include the freelancers we use and myself in that. Other jobs are of little interest, but many of the girls and guys we use have gone to drive for Amazon and so on, which actually gives them a more permanent income than they are used to. It is not what they want to do, however. In the short and medium terms, I think we can pull them back into the workplace quite easily.

On diversification, we have changed what we do, and we are doing a lot of hybrid meetings. That is a typical request at the moment. Training and equipment are required for that, and that is keeping some of the freelance guys involved, albeit at a lower scale, with lower income for them. However, they are all hands on and, at the moment, they are flexible enough to diversify into other areas so as to keep their hand in.

It is a long-term thing for us. What will happen in a year's time? If people are deflated and find other work and then decide not to risk coming out of a safe job to go back into what is currently unknown, that could be a longer-term situation. For us, it is about passion, and I would like to think that we would see a lot of people come back in quite quickly.

Patrick Harvie: If there is time, I would like to ask Lucy Casot from Museums Galleries Scotland to comment specifically on the issues relating to publicly owned or ALEO-run venues, premises and organisations. Is there a different set of challenges and solutions in relation to those organisations?

Lucy Casot: As you have pointed out, they have been called upon to generate a lot more of their income as culture trusts have embedded since they were first parted from their local authorities. They have been successful in doing that, although that has then created vulnerability, without the income there, so the position is difficult

now. As you have said, some organisations are cross-subsidised by leisure services. They, indeed, need specific support.

We are very much in danger of losing people from the sector, but I do not think that we are there yet. What things will look like will depend on the interventions that are made and how the money is allocated. The organisations are all different, and that is one of the challenges. Some of them include libraries, and some of them include sport. Finding the right funding mechanism is absolutely challenging, but a lot of work is going into that at the moment.

To pick up on the point about whether we need more and different people in the sector, we absolutely do. We at Museums Galleries Scotland have been working hard on that and, if we are to attract the most diverse audiences, the more diverse workforce we can have, the better. That very much plays into it.

We are also working on projects to diversify the volunteer workforce. Volunteers play an enormously important role across the culture sector, not least in museums and galleries. They tend to have an older profile, and they have therefore been particularly affected by Covid. Many of them do not feel ready or safe to come back. We are working hard with Volunteer Scotland and others to diversify the volunteer base and to think about the opportunities there. If training and recognised qualifications can come through that, it helps with younger people, too.

Patrick Harvie: That is interesting; thank you all very much for that.

The Convener: Before I bring in Annabelle Ewing, I should mention that we have four other members still to ask questions. I ask members to restrict their questions to those witnesses for whom they are most pertinent. I also ask that questions and answers be kept as succinct as possible.

Annabelle Ewing (Cowdenbeath) (SNP): I will try to follow your guidance, convener. Good morning, panel, and thank you for coming in. We have had a very interesting discussion, but it is fair to say that it is a fairly gloomy one, and I am not sure that my questions will add any rays of sunshine. However, these are important matters. My first question will be for Alex McGowan and Nick Stewart, and my second question, on a slightly different subject, will be for Lucy Casot.

10:15

My first question is on how we get audiences back. The other side of the equation is how we get people to feel confident in going back, at whatever point we reach when they are able to do so in

greater numbers. Alex McGowan referred to a survey—I would be interested if he could provide a bit more detail on that for the record. What is the survey, when was it carried out and who was surveyed? The upshot of the survey was that 50 per cent of potential audiences want to be convinced that measures for hygiene, social distancing and so forth are in place, and 33 per cent want to wait until social distancing is no longer an issue.

Taking that as the backdrop, what is the cultural sector doing to convince audiences? If that survey is correct and is representative, there is a significant hurdle to overcome, irrespective of the funding and other support that is made available in the interim to keep things afloat. At some point, we have to go back—I hope—to having people come to participate in the arts. What is the sector's role in convincing audiences with regard to safety?

Alex McGowan: The survey that I referred to was undertaken by a consultancy called Indigo—the specific report is called “Act 2: National Audience Research”. The surveys were conducted throughout June and reported on in July, and they attracted 62,000 responses from audiences across 232 organisations in the UK. That is the backdrop. I am not aware whether the document is publicly available—if it would be helpful for the committee, I can check and refer the clerks to it subsequent to the meeting. If a copy of the report is available for distribution, I would be happy to see whether I could facilitate that.

With regard to what we as a sector can do to convince audiences, a lot of our work right now is about lobbying Governments on how to help us reopen. When we get to the point at which we can reopen, the messaging that we put in place for what we can offer and how we can do that will be key. However, many of us in the theatre sector do not think that we can open anything of scale this calendar year, so convincing audiences is probably a little way off. It will be interesting to see what happens in the cinema sector. We know that that sector is looking with high hopes to Christopher Nolan's release of “Tenet” this week, to see whether it will bring audiences back into cinemas. As I understand it, cinema figures thus far have not been particularly encouraging.

We can look at other sectors that are opening ahead of us to see what they manage to do with audiences and think about how we can apply those lessons. I am speaking purely for the theatre sector—I am sure that it will be different for galleries and museums.

Annabelle Ewing: Nick Stewart already alluded to the fact that we will have social distancing—be it 2m or 1m—with us for some time to come. How do you see music venues opening in that context and ensuring that audiences feel that they wish to

come? I have heard people talk about going to restaurants or bed and breakfasts and saying, “They're taking it seriously.” That is the consumer talking. What do you need to say to the consumer of music?

Nick Stewart: I have seen very gloomy surveys and very positive surveys. It depends on which art form is being surveyed and on the demographics of who is being surveyed. I understand that the survey to which Alex McGowan referred is particularly large. The Music Venue Trust has done an interesting survey; I do not have the results to hand, but I would be happy to pass them on to the committee at a later stage.

The attitude from grass-roots music venues has been to say that we are following public health guidelines and we want to reopen every venue safely. That message is the strongest one, because it says that, when we reopen, we think that things will be safe. From that point of view, we have to follow public health advice.

Some operators of nightclubs and so on are planning to put their future customers through antibacterial or antiviral spraying tunnels and all sorts of other things, as if to say that certain things will definitely be safe. Again, strangely, the news this week was exactly that that is not safe and that it is dangerous.

While public health advice is in flux and it is not clear exactly what is and is not safe, we simply need to wait. The messaging from us will be that we will open when it is safe, and we will do something that is safe. At the moment, we have tickets on sale for a show by the well-known band Ash. It is a crowdfunder, and the tickets are raffled. That famous band is going to play for only 100 people, which is the capacity in Sneaky Pete's, and we have a competition in which people have a chance to win a ticket. We have said that the show will happen only when there is no social distancing and when it is absolutely safe, and people have been happy to enter the competition.

People want to go and see shows that are absolutely and definitely safe. The Music Venue Trust, at least, is encouraging operators not to have any public messaging that might imply that they know better than the public or public health authorities what might or might not be a safe way to go and see shows.

I understand cinemas being bullish. UKHospitality has in essence been writing its own guidance. It is right to do so and to try to prove that hospitality businesses can trade but, for public confidence, it is important that that stuff comes from the Government.

Annabelle Ewing: I agree that we need guidance that is as clear as it can be but, equally, each business has to take the bull by the horns

thereafter and get its audiences back in whatever way it can.

Lucy Casot said in her opening remarks, or in response to an earlier question, that work is going on with various museums to help them to become more resilient. It would be useful if she could give a few examples of the nature of that work.

Lucy Casot: Organisations are doing a range of things, some of which involve ways of generating additional income. For example, the fantastic Gairloch Museum, which reopened last year in a new venue after refurbishment, is working with lots of local artists and using its fantastic shop to sell locally made things. Artists can rent a space in the shop, and there is also a selling exhibition or gallery in the building where local artists always have paintings on sale. The venue also has a room that is rented to the University of the Highlands and Islands as a space with computers that people can use. It is about diversifying a little in the way in which spaces are used. That was funded through lottery funding and funding from Museums Galleries Scotland and others. That is a nice example of a multi-use venue that others can learn from.

We are working a lot with museum forums at the moment. That involves bringing together geographical groups of museums to look at whether there are things that they can share. It is early days for that project—we have just got it up and running—but we are promoting shared activity and giving grants for partnership activity to consider the opportunities. It is early days for some of those opportunities. A number of museums and galleries are looking for funding for greener solutions to their heating in order to reduce their costs and to deal with climate adaptation, which is important in relation to future resilience.

We need a mixture of cutting costs and raising funding. We will be looking at different possibilities. For example, some local authority services are looking to get communities to take on venues. That is tricky, because communities that might have been up for asset transfers in the past might be less confident about doing that now, having seen from the current situation that they could be left exposed if they were to take on an asset.

A range of things are possible for different organisations. We will explore lots of those and we will share good case studies as they come up. If we get good examples, we will use our knowledge exchange platforms to share them more widely and to engage with those outside the museums and galleries sector to try to make links to others. We have been working with Highlands and Islands Enterprise through the XpoNorth programme to try to make links between museums and galleries and

creative industries so that they can consider some of the opportunities. That is important to enable a bit of different thinking about what the possibilities can be if we look beyond our individual silos and bits of the sector.

Annabelle Ewing: Thank you for that comprehensive answer. Will you clarify that online activity is also in the mix? You have talked about shops, for example. I would have thought that, certainly in the interim period, an online facility would be the way to go for a museum to the extent that that is possible, depending on the museum's size and resource, because it might manage to create some business in that way.

Lucy Casot: There are probably some opportunities there. Museums did a huge amount of online activity during the lockdown to keep content visible for business and to engage, and they have done some online fundraising. There has not been a lot of income generation through that online activity, but it is definitely an opportunity that people will look at. That is a possibility that they will explore for the mix that they will need in the coming years.

Beatrice Wishart (Shetland Islands) (LD): Good morning, panel. I thank all the panellists for their forthright answers. The evidence has been very helpful. I am reading "Bleak House" for my next book group meeting, and I feel that we are looking at a rather bleak house.

Annabelle Ewing's line of questioning has very helpfully led on to what I am going to ask about, which is diversification and adapting to online services. I am particularly interested in how engagement with young people during the process can continue, especially through schools. I would like to hear about that from Lucy Casot and Julia Amour. Young people have missed a lot. Are there any areas that are focusing on young people?

Lucy Casot: There is activity that has been focused on young people. One thing that has been very exciting and which is a positive that has come through museums' online activity has been that they have created lots of fun content for parents for home schooling. They have engaged new audiences in their activities that they perhaps have not connected with before. That has been very positive and we would be keen to see it continue.

A great example was launched from the Scottish Maritime Museum this week. It is running a programme of new online science, technology, engineering and mathematics learning activity. That is one of our industrial museums. It has lots of exciting and real examples of how technology has been a key part of our past in that area, and it has connected with schools on things that are relevant and connected to the curriculum for excellence. It has developed those things in

partnership with schools, so that the content is right for what they need.

We will definitely continue to expand that.

Julia Amour: After lockdown, our spring festivals, including the science festival and the children's festival, very quickly retooled a lot of their material to support the home schooling effort and looked at how they could continue to support a good bank of online material.

I do not know whether people are familiar with the book festival's Baillie Gifford schools programme and young people's programme. It has a strong presence this summer, and it sees that as part of a hybrid model, which it will not move away from in the future; it will continue to build on it.

We have the storytelling festival coming up in October. A hybrid event has been imagined that will, it is hoped, be resilient to whatever is happening on physical distancing at the time. It is important that micro grants have been made available to storytellers throughout Scotland so that communities, schools and clubs can request a storytelling event in their community and the network of storytellers would then fulfil that request.

Digital is an essential part of the future, but I do not think that it can replace live experiences. Having reasons to come together and the sense of there being a moment that a person misses if they are not in it are part of the human experience and the learning experience. It is important that we continue to bring those things together as we adapt and innovate.

Beatrice Wishart: I could not agree more—we certainly need to keep things in the moment in the creative industries. I have one quick question on digital connectivity, which I will aim at Nick Stewart. Has that been an issue for musicians' performances? We have all seen live online performances, and musicians have given generously in not charging for some of them. Do you know whether there has been an issue with connectivity?

10:30

Nick Stewart: I am not quite sure what you would describe as an issue with connectivity. Are you talking about technical problems for musicians who are doing that?

Beatrice Wishart: Yes, I am sorry—I meant technical problems.

Nick Stewart: One reason why live music streams have been so hard to sell is that quality has been so poor across the board. That reinforces the point that it is great to get back to live performances.

If there could be funding to ensure better production for digital performances, and it went directly to musicians and technicians, that would be fantastic. However, that would not save venues. Our experience so far is that venues have struggled to fundraise from their live shows—if they have even tried to do so at all—in order to get any money that would sustain the venues. Nevertheless, some musicians have made great work of turning that element into part of their key income, and I am glad about that.

The Convener: We have been given a bit of extra time by broadcasting, so if our witnesses can stay with us for a little longer, we would appreciate your time.

Oliver Mundell (Dumfriesshire) (Con): I want to ask the witnesses about their outreach work. I am thinking in particular of the Citizens Theatre, Festivals Edinburgh and Museums Galleries Scotland, but I am happy to stick with the first two, given the time.

Obviously, people are fighting for survival and to save jobs, and trying to find a way to keep the doors open takes precedence. However, you do some important work to reach disadvantaged young people and diversify from those who are already interested in theatre and culture. How do you see that work moving forward in the months ahead? That is perhaps a question for Alex McGowan or Julia Amour.

Alex McGowan: Much of our outreach work was initially suspended during lockdown. Over the summer, when the school holidays start, we normally run a two-week summer academy programme for young people. Our learning department brilliantly retooled that programme to enable it to be delivered online through Zoom and other platforms, so we ran those sessions over the summer. We learned a lot from that, as it was the first time that we had done it. The programme was pretty well subscribed—we had about 74 or 75 people taking part online.

Right now, we are planning the online delivery of a lot of our normal activities with community groups and disadvantaged groups, and specific people with whom we have a regular relationship. In the first instance, we will deliver those programmes online until October or November, and we will continue to review the situation in line with Government and health authority guidance so that we can think about when we might be able to start holding sessions in person rather than online.

It is important to recognise that digital poverty is an issue for a number of the groups that we work with. Some of our team have been going out into the community in a socially distanced way and standing at the end of people's paths or outside their windows, and coming up with things that we

can deliver in the spirit of what we do for people who cannot access our provision digitally. We are going to look at how we continue to do that.

Part of the money that we have received from the performing arts venue relief fund will go towards the delivery of some of our outreach work in the months ahead, in the event that we need to hire bigger spaces in order to have more room for social distancing available to us. We very much plan to keep delivering a lot of that work.

Julia Amour: That is fascinating to hear—the festivals and their participants have been using many of those techniques as well.

Last season, in 2019, we did a survey of our links with community groups, and we found that there were 130. As we come back, we are keen to ensure that we can sustain and deepen as many of those relationships as possible, for community resilience.

The other day, we had a discussion with the community and schools engagement workers. Many of the community groups that we work with have turned themselves into first responders or food banks. We have to think carefully and laterally about how we can support them because, at the moment, it is not necessarily going to be possible for them to have the same kind of experience with creatives as they used to have. However, at the same time, they are telling us that they see access to culture as a very important part of people's mental health and resilience.

I will give you an example of how we have been retooling some of that community work into online work. The fringe runs an extensive fringe days out programme, which makes sure that people who live in less advantaged parts of the city feel a connection with the festivals that happen in their city and that they are invited in and are part of them. Melanie Jordan, a theatre maker who usually works with street theatre and has been doing an online project with Youth Theatre Scotland for the past six months, has been asked to work with one of the communities in Edinburgh to apply the techniques that she learned doing that project to work that will connect the communities across the city with the fringe.

The work continues, but it is being reinvented at pace.

Oliver Mundell: My second question is for Julia Amour. I do not want to pick out individuals, and there are understandable reasons why what is happening is happening, but certain festivals have already started slimming down their staff teams. I know that some festivals plan to move forward with an extremely small team. What support are you going to give the people who are still in employment? I have heard anecdotally that there is concern that people will be asked to do more for

even less financial return, in what is already, in some cases, quite a low-paid industry in which people are doing things for the love of it. What support is going to be given to those employees, who will have a tough year ahead?

Julia Amour: The festivals have all been looking at how they can retain a core of staff that will enable them to grow again when conditions permit. For one or two of them, because some of the funding that was due to come in is not now available to them—whether that involves commercial revenue, sponsorships or international projects and contracts—they know that, unless they move to a smaller core team, they will not be viable for the rest of the year.

We share some issues with many other cultural organisations that you have heard about this morning, concerning trading arms and the amount of revenue that is now self-generated. Where those smaller core teams have been put in place, there has to be clear communication between people about what the priorities are and how people are going to be able to specialise so that we are not beyond the capacity of the organisation.

What people are doing, very successfully, is upskilling and reskilling the workforce and the contractors and freelancers who work with the festivals. For example, in order for the book festival to provide an entirely digital offering this year, people have had to dig deep in order to innovate and turn their physical offering into a digital offering in a few months. That has been done largely with the team and the contractors who are in place, who have been able to go along with the festival in learning new skills, which will be very marketable and resilient for the future.

We hope that, through an open dialogue with our teams, we will be able to go forward in a way that is sustainable and viable and which will also be future facing, in that it will give people skills that they can take with them into the jobs market.

The Convener: Kenneth Gibson is the last member who has questions.

Kenneth Gibson (Cunninghame North) (SNP): There are a lot of questions that I would like to ask, but I will keep it brief, given the time constraints.

My first question is for Julia Amour. In your submission, you mention the huge loss across the hospitality, tourism, creative and retail sectors, whereby

“the wider economy now stands to lose at least £360 million and 7,000 jobs from the collapse of the 2020 season.”

You express concerns about long-term viability and go on to talk about the loss to Scotland's global position,

“especially at a time when the UK is leaving the EU.”

The immediate crisis is a significant issue, but how concerned about the long-term global situation are you? As we know from previous years, people who come from overseas often book hotels in Edinburgh months or even a year in advance; they also book their tickets months in advance. However, in the current situation, what with quarantines and spikes and so on, cash flow is a real issue, because people are thinking, “Do you know what? I might wait until July to see whether the festival will actually take place and to make sure that I won’t be quarantined.”

How is Festivals Edinburgh planning to deal with the long-term issues that it might face?

Julia Amour: You are absolutely right. Decision making is becoming much shorter term, and that poses a difficulty for the whole system. We are part of a group in Edinburgh that is looking at economic recovery and the role of the visitor economy in that. At the moment, there is a campaign called ForeverEdinburgh, which is initially about encouraging residents to rediscover their city and its amenities but which will radiate out from there to look at short-distance visitors and then the domestic market across the UK. I know that Marc Crothall from the Scottish Tourism Alliance gave evidence to the committee last week, in which he said that the international market remains very important for the health of the Scottish tourism industry. We need to all come together to look at as much of the trend data and the international examples as we can to see how we can come back as an attractive tourist destination.

Continuing to have reasons to visit, such as the festivals, will be a key part of that. At the same time, we are very conscious that the world of travel was set to change radically as a result of the deeper crisis of climate change in the longer term, so I would not be surprised if there were structural changes in the visitor market to make that much more focused on short-haul journeys in the future.

On the performers front, we are certainly looking at how we can have international cultural exchange without so much intense global mobility. Orchestras that are booked up five years ahead and whose members travel around the world in their hundreds are not something that is coming back any time soon. There is an urgent need to find out where the loyal, curious, responsible visitors are that will be the future lifeblood of our sector, but there is also an opportunity to reinvent the sector.

Kenneth Gibson: I turn to Alex McGowan. I have extremely fond memories of the Citizens Theatre, which I used to go to when I was at school. I went to every type of production that it

put on for many years then and thereafter, so it is quite an emotional venue for me, and I am sure that that is the case for the many thousands of others who grew up with the theatre.

As far as the long-term future of the Citz is concerned, we have already touched on your survey, which showed that, although 93 per cent of people are missing attending live events, only 19 per cent would consider returning to venues just because they reopen, and three quarters of people would want some form of social distancing. However, at the Citz, you need 70 per cent attendances to break even.

Are you looking for the Scottish Government, Glasgow City Council and others to perhaps produce a five-year plan for the future of the Citizens Theatre? I do not think that things will go back to normal next year or possibly even the year after. What are you looking for regarding long-term viability, particularly given the huge investment in the redevelopment of the Citz, to ensure that it not only survives but thrives in the years and decades to come?

10:45

Alex McGowan: We are in a slightly fortunate position in the middle of this pandemic—perversely—in that we are in exile; we are not running our building year round and doing a full programme of work. It is unlikely that redevelopment will be finished before spring 2022, so it will probably be autumn 2022 before we are trying to mount full seasons of work back in our theatre—our home. I hope that, by then, social distancing will be a distant memory and the world will be starting to feel a lot more normal again. In those circumstances, I will feel far more confident about throwing the theatre doors open.

In the longer term, it is up to us, not the Government or local authorities, to come up with a five-year plan for the Citz. To help us to offer that five-year plan, what I really need is longer-term funding commitments. We lobbied for that with local authorities and Creative Scotland before Covid. Three-year funding is not long enough for a business on the scale of ours to plan—and that applies to numerous theatres in Scotland. Longer-term strategic funding plans would really help us to plan to build our audiences and to diversify our audiences and what happens in our building.

Kenneth Gibson: The point about diversifying audiences is important. Whenever I go to the theatre or the opera, I note that most people are older than me—and I am no spring chicken. With the loss of outreach groups in schools and so on, how will you encourage younger people into the theatre, so that going to the theatre becomes a

habit, as it did for me when I was at school and could get a 50p ticket for the Citz?

Alex McGowan: We still do the 50p tickets, and we will still do them when we are back. An accessible pricing policy is always part of what we do.

It is about programming. I cannot speak about the operas and shows that you have been to see and the audiences that were around you, but you will see vastly different audiences in theatres depending on what you go to see. Shows such as “Trainspotting” and “Barber Shop Chronicles”, which has been touring the UK, draw in massively diverse audiences. Much is in our hands in that it is about what we choose to put on stage. It is not all about what we choose to charge; programming and involving more types of artist, so that more voices are heard on our stages, have a big role to play in who comes to the theatre.

Kenneth Gibson: That is right.

Alex McGowan: Part of the rationale for redeveloping the theatre was to make it better able to diversify, in the context of who it represents and who it supports.

Kenneth Gibson: I recall that the audience for “The Wizard of Oz” was slightly younger than the audience for “Hedda Gabler”.

The Convener: I remember going to the Citz for nothing; it used to give free tickets to people who were unwaged, such as students. I was there every week, too. I very much wish the Citz well.

Before we wind up, I have a couple of points of clarification for Nick Stewart and Alex McGowan about the £97 million in consequentials. Nick said that “creative industries” had told him that the funding was already allocated. Whom were you referring to? Were you talking about a civil servant in the Scottish Government? Did you mean a branch of Scottish Enterprise?

Nick Stewart: I do not mean to dob anyone in. I understand that the meetings that we have are not public meetings. However, we have weekly meetings with Simon Cuthbert-Kerr, who is the head of creative industries under Fiona Hyslop, and that is the impression that he repeatedly gave us.

The Convener: Thanks for the clarification. Alex McGowan, you seemed convinced that the £97 million had been allocated, too. Why?

Alex McGowan: I can say—and not with a view to dobbing anyone in, as Nick Stewart put it—that I have been inquiring whether any of the £97 million in consequentials would be available for capital projects, because we are in the middle of a project and there will be impacts that will require additional funding for the Citz. In a forum that

featured all the public funding stakeholders for our project, it was said that none of the £97 million was available for capital and, indeed, that it had all already been allocated to resources.

The Convener: Okay. Thank you. There are rules around consequentials, and I know that the Government has asked whether money that was allocated for capital could be put into revenue. As I understand it, the UK Government has not done that so far. We will keep an eye on the situation and on what you have told us about allocation of the £97 million, which is very interesting. The committee will want to follow that up.

I thank all our witnesses very much. This has been a long shift, and it can be hard to sit in one place for so long. The committee has benefited from sharing your experience and knowledge today.

10:50

Meeting continued in private until 11:40.

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