



OFFICIAL REPORT
AITHISG OIFIGEIL

DRAFT

Constitution, Europe, External Affairs and Culture Committee

Thursday 25 September 2025

Session 6



The Scottish Parliament
Pàrlamaid na h-Alba

Thursday 25 September 2025

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CONSTITUTION, EUROPE, EXTERNAL AFFAIRS AND CULTURE COMMITTEE
24th Meeting 2025, Session 6

CONVENER

*Clare Adamson (Motherwell and Wishaw) (SNP)

DEPUTY CONVENER

*Jamie Halcro Johnston (Highlands and Islands) (Con)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)

*Neil Bibby (West Scotland) (Lab)

*Keith Brown (Clackmannanshire and Dunblane) (SNP)

*Patrick Harvie (Glasgow) (Green)

*Stephen Kerr (Central Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Lisa Baird (Scottish Government)

Alastair Evans (Creative Scotland)

Iain Munro (Creative Scotland)

Angus Robertson (Cabinet Secretary for Constitution, External Affairs and Culture)

CLERK TO THE COMMITTEE

James Johnston

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Constitution, Europe, External Affairs and Culture Committee

Thursday 25 September 2025

[The Convener opened the meeting at 08:30]

Pre-Budget Scrutiny 2026-27

The Convener (Clare Adamson): Good morning, and a warm welcome to the 24th meeting of the Constitution, Europe, External Affairs and Culture Committee in 2025. Our first agenda item is continued evidence for our pre-budget scrutiny for 2026-27. We are joined in the room by Iain Munro, chief executive of Creative Scotland, and Alastair Evans, director of strategy and planning at Creative Scotland. We are tight for time this morning, so we will move straight to questions.

We heard from witnesses last week that there is a tension between utilising additional funding to support a greater number of organisations and providing additional support for organisations that are already in receipt of funding. Are you aware of that tension, and how do you balance those decision-making processes?

Iain Munro (Creative Scotland): Good morning. Thank you again for inviting us to give evidence.

Context is important here. If we zoom out from the multiyear decisions for a second, what we did in the analysis and planning for that programme, as part of the funding review, was understand that a range of organisations were receiving recurring forms of regular funding through our project funds, not just those that were in the regularly funded organisations category. That is something of the order of at least 350 organisations.

They were always part of the landscape of support that we were providing. Through the funding review and the multiyear programme, we have consolidated many of those organisations into that programme, which means that the project-based organisations that were previously making annual applications no longer need to do that. That is beneficial for everyone in capacity and processing terms, and they can now focus on the delivery of the work in the confidence that they have through the multiyear funding settlement.

I again thank the Scottish Government for supporting the multiyear programme at significantly increased levels of funding, which will grow further next year. Part of the conversation with the Scottish Government was about the analysis that enabled us to understand the extent

to which the organisations that were in the multiyear assessed applications process were very positively addressing the criteria for the programme. We could see that all 251 were able to be supported.

We have always been very clear that, although people have ambition and want to make their case for receiving as much funding as possible, we ask them to be realistic, and the majority of applicants absolutely were. We have been able to respond positively to the level of their requests, and we are scaling up. The average increase in funding for organisations in year 1 is 34 per cent, which rises to 54 per cent next year.

That is the average growth, but it is important to note the average intervention rate, because we do not fund organisations 100 per cent; they have other partnerships. Our average intervention rate for those organisations is just over a quarter of their turnover, so it is a significant foundational contribution to their forward planning. However, ultimately, with the £74 million budget committed in principle for next year, we will be able to fund those 251 organisations, plus potentially 13 more, at an average of 86 per cent of their original ask, which is very close to the total that they aspired to.

What we have seen in the multiyear programme is that more than half of the organisations are new to having regular funding over multiple years. They had been securing annual funding; now they have a three-year horizon to plan with. The important thing is that the diversity and reach of those organisations is greater than ever before. More confidence and a stable platform are being provided for more organisations, so that they can forward plan and deliver even greater outcomes and impacts for the communities that they work with and for across the geography of Scotland—as well as impacts for culture itself and, we should remember, for the economy.

Coming back to the question, we have heard the feedback and we understand the point that is being made. We have tried to make sense of compelling applications that we got from so many organisations. Although 28 of them were unsuccessful, 13 organisations are in the development stream category and are being supported to make the case for joining the multiyear programme from next year. They are accounted for in the £74 million that I am talking about. The number of organisations could rise to 264 if all 13 of the organisations in the development stream are successful. We will be taking decisions on them later in this calendar year, but the assumptions for planning have all been made. I hope that that is helpful to you in understanding the context and that it addresses the point.

Multiyear funding does not support everything for everybody; it is a contribution towards the overall turnover of those organisations—it is just over a quarter of their turnover. That means that nearly three quarters of their turnover relies on other income, be it from local authorities, sponsorship, philanthropy or earned income opportunities. We want to be able to support organisations to use the confidence that we have been able to give them through the multiyear commitment to have conversations with others about ensuring that the rest of their income is able to flow in.

We are only six months into the programme and much is still to be evident from those organisations' work in terms of the value that it will present. The main thing that the programme has secured is confidence, which the foundations that have been created through multiyear support will enable them to use for their forward planning with partners.

The Convener: Thank you for that. You mentioned that the applicants had been realistic about the current financial challenges that the industry and the sector face. A few years ago, we were talking about the perfect storm, but every year we come back to that point and sometimes it feels as if there has been no progress. Are you confident that progress is being made and accepted in the industry and that you are seeing the benefits of the strategies? Are the projects with multiyear funding getting off the ground?

Iain Munro: Undoubtedly, progress is being made. We are in a different context because of the significant increase in funding from the Scottish Government. However, as I said, that does not fix everything. Although it gives people the confidence to plan, we are still in an environment in which there are inflationary pressures and mixed audience projections. There are different trading conditions for organisations.

I am sorry to say that one of the risks that we had anticipated—that the confidence from the increase in funding from us may be offset by reductions from other funders—is perhaps being realised. We are starting to see hints of that coming from local government, for example. We do not want it to be a zero-sum game, so it is important that we have dialogue—not only the organisations' individual dialogues—with local government, to try to shore up its support. I do not underestimate the pressures and context for local government and other funders, but we are trying to make sure that there is a more confident future.

If we can stabilise the situation, despite all those pressures, the next two or three years will properly manifest the product that this significant increase in multiyear funding can deliver.

The Convener: Thank you. We will now move to questions from committee members. Mr Kerr will be first, followed by Mr Harvie.

Stephen Kerr (Central Scotland) (Con): Good morning. Can you elaborate on what the threats are to the other sources of funding? Correct me if I am wrong, but I think that you have had two years of increases in grant-in-aid money. Have I got that right?

Iain Munro: Yes.

Stephen Kerr: It was £22.5 million last year. Is there a temptation on the part of local authorities and other organisations to see that increase as a reason for them to stop supporting the arts?

Iain Munro: There are hints of that, and that is what I was suggesting in response to the previous question. We are already seeing examples of where, because of an evident increase in support for organisations from us, as the national body, and because of the pressures that local government is under, there is an opportunity for local authorities to—

Stephen Kerr: To cut back.

Iain Munro: —retreat from their previous commitments. We are trying to ensure that that does not happen. Local support is as important as the national support. It is a vital part of local community provision, and we would want to support local authorities to find a way to maintain it.

Stephen Kerr: Is there anything that Creative Scotland can do to address that issue directly? Are you doing something about that? Are you speaking to local authorities? I will ask about other funders in a minute.

Iain Munro: Yes—we have direct dialogue. Although people-based relationships can cut through some of it, councillors are ultimately elected representatives in their local communities and they make the decisions. I absolutely recognise the pressures, but we try to put forward a positive case why the partnership with local government is an important dimension not just for us but for organisations in those communities.

Stephen Kerr: I take it that local authorities are saying to you that they are cash strapped and that you have more money. Do they actually say that?

Iain Munro: There are hints of that. As we go through the next planning cycle for local government, we will get a proper understanding. There are already examples from Dundee and the Western Isles of reductions for cultural support.

Stephen Kerr: Are those reductions sizeable?

Iain Munro: Yes.

Stephen Kerr: Is it going to be worse than a zero-sum game, effectively?

Iain Munro: It could be, yes.

Stephen Kerr: Oh dear. I was going to ask you what we are going to get for the £22.5 million more that you have got this year, but it looks as though you are going to be plugging holes that are created elsewhere.

Iain Munro: It is not like that yet, but we do not want to see that happen. The proactive dialogue with local authorities and the local organisations that we are supporting, advocating for the importance of cultural support, is intended to stave off what would happen otherwise.

Stephen Kerr: Who are the other funders that you have concerns about? You have mentioned local authorities. Are there other funders that you have specific concerns about?

I see Alastair Evans nodding.

Alastair Evans (Creative Scotland): I do not have specific names, but there are trusts and foundations. During the Covid period, the income that could be gained through relationships with trusts and foundations was very strong. They stepped into the space that had opened up to some degree, but that was always going to be temporary and the level of that income is coming down.

Stephen Kerr: What about the effect of activists? There have been some pretty high-profile examples of major corporate sponsors of the arts in general withdrawing. Is that having an impact?

Alastair Evans: We are not seeing that in the data. There are some high-profile examples of that, but, across the sector as a whole, private donations, gifts and legacies account for somewhere between 6 and 8 per cent. That has been standard throughout the period of the RFO cohort. Such examples are not hitting the data, but that is obviously very real for some organisations.

Stephen Kerr: It is on your radar.

Alastair Evans: Very much so.

Stephen Kerr: We have had evidence from organisations that we would probably want to describe as beneficiaries of multiyear funding. They do not see it that way, however. They have said that the amount that they get is between 70 and 80 per cent of what they had asked for and what they would normally have budgeted for. That is all that they have got, however. The compensation factor supposedly lies in getting a multiyear arrangement, but organisations do not see it that way, and it is negatively impacting some organisations. Is that the feedback that you are getting?

Iain Munro: We have seen that feedback and I saw the evidence. I do not recognise the detail of that, however, because I can confidently say that every single organisation that is in receipt of multiyear funding, if it had been in receipt of some form of funding regularly prior to that, is receiving a significant increase in year 1 of at least 34 per cent, rising to 54 per cent, on average, in year 2. As I said, organisations will be in receipt of, on average, 86 per cent of what they originally requested of us.

08:45

Stephen Kerr: I am quoting directly from the evidence that we received from the Federation of Scottish Theatre. It said:

"Many of our members were funded to 70-80% of what they had applied for, having already only applied for what they saw as the essential funding required over the next three years."

You do not recognise that as being based in—

Iain Munro: Not the figure of 70 to 80 per cent. I understand the point that the FST is making, but I go back to the fact that we are a contributor to the overall income of these organisations. We provide just over quarter of their turnover, on average, so other funders, not just Creative Scotland, are important to them.

Stephen Kerr: We have had other evidence to say that you have gone from sponsoring 119 organisations to sponsoring 251, with the suggestion being that, although you are funding more, you have spread everything so thinly now that there are a lot of dissatisfied people in comparison with the few that there were before.

Iain Munro: Well, 251 is a significant increase from 119—

Stephen Kerr: It is.

Iain Munro: —but we can afford to do that. As I said, from next year, assuming that the further £20 million that the Scottish Government has pledged comes through the budget approvals process, organisations will be in receipt of, on average, 86 per cent of their original request.

Stephen Kerr: My last question is about the open fund for individuals. You have reduced the cap from £100,000 to £50,000. We had a lot of evidence last week about individual artists, in particular, being critical of how Creative Scotland is managing them. How do you manage to strike a balance between the large organisations that you are clearly supporting and the freelancers—the individual artists? They have been quite vocal in expressing their feelings about how you have dealt with them in the past 12 months, and now there is the cap on the open fund. The Scottish Artists Union has described the fund as

“an even more demoralising lottery for artists,”

with many applications rejected due to oversubscription. How do you balance those elements? It is clear that there are quite a few dissatisfied people, particularly at that end of the spectrum of those who receive support from Creative Scotland.

Iain Munro: I can confirm our absolute commitment to individual artists and our recognition of their essential importance to the health of the nation's culture across the communities that they individually work with and serve, as well as internationally. We do not get any direct money from the Scottish Government to support individual artists—they are all supported from our national lottery funds. I would add, however, that we see individual artists as being able to be supported through the organisational funding that we provide, with individual organisations commissioning artists to work with them.

We have increased the budget for the open fund for individuals by £1 million this year. We know that there was a lot of unhappiness about the necessary closure of the fund last year—I apologise again for that, but we had no choice. In recognition of that, we have boosted the budget for individual artists this year.

It is interesting to look at the data. I appreciate the feedback to which you refer, but the historical data shows that 3 per cent of applications to the open fund for individuals were for more than £50,000. The principle of it is important, but individuals can work with organisations to access support in different ways. In reality, the number of those wanting to access more than £50,000 before we made that change was very low.

We are trying to get as much financial support as possible made available for individual artists and to make a process that works for them. I would add two points. We are about to embark on another aspect of the funding review outcome from 2019, which was to revise and reform those funds and make them simpler, clearer and easier for individuals to navigate and so on. That is a key point, and we are always keen to do that.

However, the extent to which we can meet the ever-increasing demand that we have seen in recent years, particularly post-Covid, is part of the challenge that we face. Our success rates are nowhere near where we would want them to be—we meet around one third of all individual applications that we receive. We want to find a better way of focusing on that aspect, but there is still a balance of £100 million in the commitment from the Scottish Government, and not all of it is committed yet.

With regard to support for individual artists, therefore, if it is possible to secure that funding from the Scottish Government, we would be adding to our already important offer, in which we are currently trying to reconcile the demand versus the available budget from our national lottery resources.

Stephen Kerr: My one takeaway is that perhaps we need to challenge the evidence that we have been given at a top-line level about the fact that multiyear-funded organisations are saying that they got less money this year than they expected, or than was normal, because you have clearly suggested in your evidence that you do not recognise that. We probably need to ask a few more questions about that.

The Deputy Convener: Mr Harvie, you can go next.

Patrick Harvie (Glasgow) (Green): Thank you, convener—I apologise for coming in just a few seconds late at the start of the meeting.

Good morning to our witnesses. I will start with the question that the convener started with, and which Mr Kerr touched on, about the tension between more organisations and higher levels of funding. You have given a lot of useful information on that, but I am struggling to get a real sense of clarity about whether a definitive approach is being deliberately taken in that respect. Last week, the committee heard from witnesses who were clearly under the impression that a clear, established policy approach is being taken, which is that more organisations will be funded, rather than organisations being funded to a higher level. You talked about the proportion of an ask that is met, but people are going to make their bids based on what they think that they are going to get.

Are organisations being supported, for example, to cover the additional costs for meeting fair work principles or higher energy costs? Are they being supported to bid for their increased costs, or is there a definitive policy position—our witnesses last week were clearly under the impression that there is—that the funding will go to more organisations, rather than reaching a higher level?

Iain Munro: There are two parts to that question. On the point about fair work, that was baked into the process, so the real-terms costs that organisations have been experiencing were able to be reflected in the applications to us.

As I said, all being well, the current scaling up of our funding, through the increases from the Scottish Government, takes us to £74 million next year for the multiyear programme, which gives us the ability, over all the organisations that we are supporting, to meet 86 per cent, on average, of their ask. Yes, it is not 100 per cent, but it is not

always possible to respond to 100 per cent of everybody's ask.

There are reasons for that. Sometimes the evidence in the application related to things that were not appropriate to our brief, for example, or the request was substituting for a reduction elsewhere, so there is a rationale behind the decision. As I said in answer to the convener's first question, we need to recognise, if we zoom out from the multiyear view, that we were already funding hundreds of organisations through multiple different routes anyway.

What we have done is consolidate as many as possible into the one programme, and avoid the need for those that were on project-based funding, year after year, to make recurring applications. They now have a multiyear commitment through the consolidated multiyear programme, which gives them three-year planning confidence and means that they do not have to make recurring applications as they would have done previously. Those are organisations that we would, in many instances, have been supporting anyway, through those other routes—it is not just the original 119 that were the RFOs.

Patrick Harvie: Are you saying that our witnesses last week were not correct in their assumption, or in the impression that they have taken, that there is a deliberate policy choice to fund more organisations rather than funding them to a higher level? Are they mistaken?

Iain Munro: Within reason, we are doing both. There is a conscious decision to fund as many organisations as possible through the programme. That was always part of the intent, and the budget increases are enabling us to do that. With the higher levels of budget, we have settled at meeting 86 per cent of organisations' original ask, and that means that we are able to grow the portfolio of organisations, consolidate them into the programme and support them at a level that is very close to their original level of ask.

Patrick Harvie: What about the kinds of organisations whose job is not directly to deliver cultural goods or cultural activity but to work with other cultural organisations? For example, Culture for Climate Scotland must support a wide range of other organisations to address climate issues through either their facilities, their operations or their cultural content. If there is a significant growth in the number of organisations being funded and, therefore, in the number that want to access its services, will the funding landscape work for an organisation such as that, which is sector wide, rather than working only for organisations that are funded to deliver their own programmes?

Iain Munro: In effect, that is an organisation that is commissioned by us to act as an agent on our behalf—we do that in audience development work as well. It is an independent organisation that has its own vision and mission. However, we are able to procure for organisations such as Creative Carbon Scotland—I mean CCS, as it has had a name change—to have a sector-wide offer. It is resourced to be able to work comprehensively and in a deeper way with organisations across the landscape. It is not solely focused on the multiyear-funded organisations; it is broader than that, with regard to some of the programmes that it is able to deliver. However, it is not part of the multiyear programme but resourced separately through a separate exercise.

Patrick Harvie: So, from your point of view, such an organisation, which must work across the sector, should have nothing to fear from the growth of the number of organisations that need its services, because Creative Scotland will support that growth in what it needs to do.

Alastair Evans: There will be some growth, but it is important to note that CCS—as well as others—was working with many of those organisations anyway, because we would never limit support services purely to the multiyear-funded organisations. We would want CCS to be available to the whole ecosystem, so although there is a growth in how intensively it might work with some organisations, it is not directly going from 119 to 251; it will already be working with some of those additional organisations anyway.

Patrick Harvie: My final question is not so much on the funding and delivery of that type of work but on the issues that CCS deals with. If it is done right by any culture organisation, particularly those that perhaps use older buildings, the transition to net zero could be hugely beneficial, with regard to organisations reducing their costs in the long run, such as by generating their own energy, having lower running costs for their buildings and reducing transport costs. However, if it is done wrong, it could build up to huge problems. If an organisation makes the wrong choices about those changes, it could massively increase its costs.

Are you confident that, whether through CCS or the advice that you provide directly, the culture sector has the advice that it needs to make those choices sensibly and in a way that is effective for its balance sheet and for the carbon impact?

Iain Munro: I will say a few words and then I pass over to Alastair Evans. First, the culture sector's commitment to that policy area is evident. It absolutely subscribes to it and it wants to make a difference not only for itself but also for those that it works with. Organisations such as CCS, as

we said, as well as ourselves and others can help to unlock that.

09:00

I will zoom out from that for a second, because it is worth saying and noting that there are three aspects to our approach to this agenda. First and foremost, there is Creative Scotland itself and what we are doing as a national public body to address the issues of the climate emergency and sustainability. There is another dimension—the one that we are talking about—which is the relationship that we have directly with those organisations, which is principally a funding relationship, in relation to how we can inform and influence their work to address sustainability issues. The third dimension is through those organisations. The work that they do can have a powerful impact on informing and influencing public understanding, attitudes and behaviours, and it can be part of a ripple effect of addressing the wider concerns for the country as a whole. It is worth noting that we are doing good work on all three fronts but that the sector itself is very invested in trying to make that difference.

I will hand over to Alistair Evans, but the extent to which there is a need to support organisations to continue to focus on this issue—we have now baked it into our funding criteria—is part of what will ensure that we are all focused on this. The partnership work that we are able to do with the organisations that we have mentioned is an important part of that, because of the way that the ecology of the sector works—it is very joined up in different ways. How expertise that exists beyond the culture sector and organisations such as CCS or individual organisations comes into play is important, and Alastair can talk more about that.

Alastair Evans: Yes, CCS is very well placed in that regard. We have been working with it for a decade, and it provides a bridge in a cross-portfolio way to the environment sector to bring in expertise, new ideas and good practice. That is important, and having our own plan and appointing our own lead on that is an important step for us. With regard to multiyear funding, we now have 264 organisations that have had to think very carefully about how they are going to approach the environment. There has been a step change; it is not that they would not have taken it seriously previously, but the level of seriousness and the mainstream nature of it are now very clear to everyone in the sector, which is very positive.

On some of the challenges, you heard about audience travel from CCS. That is a big area that we want to focus on, but we are generally moving away from looking at emissions and mitigation. Those are very important, and we do not want to be complacent about them, but there is a sense

that that is being addressed and that we have the mechanisms in place to keep working on that. We now want to work on adaptation. We are hearing from organisations every month and every week about problems that are weather related or heat related—flooding and so on—so adaptation is the next big thing that we will be working on, in line with our statutory requirements and the national adaptation plan. We are also working with the Scottish Futures Trust on that.

That brings me to the question of capital, because people want to upgrade buildings, make them net zero compliant and improve access to them. CCS is very strong on that, and, as Iain Munro said, the sector has—although it is not unique in this—a strong trusted role and an important contribution to make, as it is a trusted messenger. It is a place where people can come to discuss climate issues, and those issues can be reflected in programming in a relatively safe space. Therefore, we also recognise our role in public engagement, which is something that CCS also spoke about.

Neil Bibby (West Scotland) (Lab): Good morning, Mr Munro and Mr Evans. I have a question that follows on from Stephen Kerr's about the expected moneys received by organisations and the average uplift.

An average increase of 34 per cent means that some increases could be significantly more than that and some could be significantly less. Are you able to provide the committee with the full breakdown of all the moneys that were asked for and received so that we can have a look at the impact? Obviously, the size of the organisation will also be a factor. If that was possible, it would be helpful to give us a greater understanding of the concern that exists.

I see nods, so I take it that the answer is a yes.

Alastair Evans: Yes. Bear in mind the fact that some of those organisations were not regularly funded, so the uplift to them is different from the uplift to those that were previously RFOs. However, we can do a briefing.

Neil Bibby: Thank you very much. That is helpful.

A related point is the effort to maximise the number of organisations that receive such financial assistance. I think that you said, Mr Munro, that there was a conscious effort to maximise the number of organisations in receipt of moneys from Creative Scotland. Was it a recent decision to do that? When in the process was that decision to try to maximise the number of organisations made?

Iain Munro: It was part of the discussions with Government about how we could secure the best

budget for multiyear funding. We were funding 119 RFOs previously through the funding programme. If we had remained on standstill funding and all other things had remained equal, we would have been able to fund only half of that number. There was a deep concern, which was evident from the applications that we were looking at, that that would be the reality.

The conversations with the Government were, therefore, about illustrations of scenarios that would enable us to get a better outcome with different budget settlements. Those give rise to the conversations that led ultimately to the settlement that we were grateful to receive, in which we secured the £20 million increase this year and a further £20 million again next year.

Ultimately, we funded all the organisations that, in their assessed applications to us, made a compelling case and demonstrated that they deserved to be supported. We were able to support them, not at the 100 per cent to which everybody would aspire but, on average, at 86 per cent.

Neil Bibby: I thought that you were going to say that about conversations with the Government because, when the cabinet secretary was here previously, he talked about maximising the number of organisations that were in receipt of moneys from Creative Scotland. Clearly, we all want as many organisations to be funded as possible. Obviously, we need to take into account what levels those are at but it is good to get the confirmation that that was in relation to you trying to maximise your budget with the Government.

Iain Munro: And trying to fund organisations through a consolidated programme for a three-year period in a way that we had not been able to secure before. We had been funding the majority of them through a variety of different routes previously anyway, so it is not that the majority of those organisations were new to us, but they were new to regular funding in that form. We have brought them together into one place in one line of sight. That can only be a good thing. An expanded portfolio that enables organisations to operate more confidently is a good thing.

Neil Bibby: There is a tension because the Government often wipes its hands of funding decisions that Creative Scotland makes because of the independence that the body has but, on this issue, the Government made it clear that it wanted to maximise the number of organisations that are in receipt of Creative Scotland funding and you sought to do that.

Iain Munro: That was a playback from the case that we made to it. I want to be clear that the Scottish Government did not direct us on the outcomes of multiyear funding. That is absolutely

right. We are an arm's-length body and those are decisions of the Creative Scotland board. However, through the scenario modelling, we were able to demonstrate the case for the increase in funding, which has given rise to our ability to fund everybody who was assessed as fundable within the set of multiyear applications of which we were in receipt. That is where we have landed.

Neil Bibby: To follow up on that, we all know about the problems in the culture sector over the past few years; we have talked already this morning about the open fund. The culture sector has been facing a huge amount of uncertainty, and multiyear funding is an attempt to try to provide some certainty for the future.

The Scottish Government gave a £100 million commitment, and we are expecting £20 million next year. When you said that you are assuming an extra £20 million next year, were you talking about Creative Scotland or the culture sector receiving that extra funding?

Iain Munro: It is going to Creative Scotland, for the multiyear programme.

Neil Bibby: Right. I think that if it was on a linear trajectory, the Scottish Government was expecting to provide £20 million more generally next year. I might be wrong—I will double-check that. Clearly, if Creative Scotland got the whole £20 million and there was only £20 million on the table, there would not be anything left for the rest of the culture sector. Is that your expectation?

Iain Munro: That is a question for the Scottish Government, but I am very confident about, and reassured by, the Scottish Government's on-going commitment to what it has pledged in multiyear funding, which includes that further £20 million uplift. Of course, it is all going to be subject to due process in the draft budget and the parliamentary process.

Jamie Halcro Johnston (Highlands and Islands) (Con): Good morning. I want to ask a couple of questions about the health of the sector before I go on to some more local matters. We have seen a shift or—excuse the pun—a cultural change in terms of how people enjoy their entertainment, go out to hospitality and the like. Anecdotally, I have heard from organisations in my region that, in some areas, numbers are down, with fewer people going out for the entertainment side of culture. Are you seeing that, too?

Iain Munro: I will say a few words and then pass over to Alastair Evans again for some of the detail.

We have been tracking audience sentiment all the way through the pandemic and beyond, and we are thinking about commissioning another piece of work to understand the way in which

audiences have been changing, because they changed after the pandemic.

When we segment the audience into demographics in various ways, we see that some audiences have been quick to return and some have been slower to return. Some of that is changing, and some forms of the arts, culture and entertainment are seeing a greater increase in interest than others are.

A major factor is disposable income in individual households and the extent to which the pressures in those households now mean that they are having to make different and difficult choices in relation to where they spend their hard-earned income on cultural activity. There are sometimes fewer repeat visits, and late booking is another aspect.

Jamie Halcro Johnston: Today's session is focused on budgets, and on your budget in particular, so where do you see the spend from audience going? Are you concerned that the proportion of income that comes in from tickets and fees will be lower, and that you may feel pressure to step in further in the future?

Alastair Evans: As Iain Munro says, we definitely saw that during Covid. As a percentage of organisations' income base, Covid halved the earned income—it was 42 per cent, and it halved to 21 per cent. It is on the rise again now—there is a rebound. For a multiyear view, we are projecting 37 per cent—that is, close to 40 per cent of income across the group will be earned. However, it is the ancillary earning that is stubborn. Projected ticket sales are strong and are returning to the pre-Covid level, so people will come, but they will not necessarily have something to eat or buy something in the shop while they are there, or they might come once a month instead of twice.

Jamie Halcro Johnston: Do you think that there is possibly going to be a gap going forward?

Alastair Evans: Yes. The public are telling us that if they had additional disposal income, there would be other things on their list, such as a holiday or paying off debt. Culture is on the list, but we are not at the top of it. That is always going to be a concern. The public have a preference for things that are viewed as being free, such as galleries and other community assets that are free to enter.

09:15

Iain Munro: We recognise the pressures on the organisations that we are referencing here, so we are doing some work on business development support programmes. Those programmes will enable organisations to look at their business models, explore new and different opportunities

that might be available, learn from others within networks and create opportunities for connections with different areas of business, for example, as well as new avenues for income streams. We want to be able to support organisations to tool themselves up to look at their business proposition and how they can maximise their earned income.

Jamie Halcro Johnston: I am sure that that would be welcome. I would hope that it would be part of supporting the culture sector to make it as sustainable as possible and able to maximise that income.

I asked my question for a reason. We have seen some high-profile concerns relating to the licensing of short-term lets in Edinburgh and the impact that that might have on the fringe and the festival, in terms of people coming to the festivals, given the number of available lets.

Around a year and a half ago, I had a meeting in Fort William with organisations that were concerned about the visitor levy. They were not all directly involved in hospitality or providing accommodation—some of them were in ancillary parts of the industry that support people who come to the area and spend their money. Their concern was that if programmes such as the visitor levy take money out of people's pockets, that will exacerbate the issues that those sectors already face.

Do you have concerns about that not only in Edinburgh but outwith the city and in the regions? If people have to pay a levy, they will not have as much money, and some of the money that they have may not go to your sector.

Iain Munro: Decisions on imposing a transient visitor levy are local political decisions, and I absolutely respect democracy—

Jamie Halcro Johnston: But they impact on the sector. That is what I am looking at: the potential impact.

Iain Munro: We would advocate for—we would strongly encourage this—some of the product of a TVL, were it to be in place, to be ring fenced in support of culture and creativity. We are seeing that in Edinburgh—a significant proportion will flow into the culture sector in Edinburgh, to be added to the existing financial mix. Our approach would be to encourage that approach where a TVL exists, although having TVLs in place is not guaranteed, of course.

Jamie Halcro Johnston: Is there a concern that that income could simply replace local authority funding streams that might have found their way to the sector previously?

Iain Munro: If it is constructed in the right way, it can be an addition, rather than a substitution, so—

Jamie Halcro Johnston: But it has to be constructed in the right way.

Iain Munro: Exactly.

Jamie Halcro Johnston: Are you having discussions with local authorities about that?

Iain Munro: Edinburgh in particular has been learning for us all in terms of the detail, and, as I said, we respect local democracy in that sense. In general terms, however, conversations with local authorities are important in order to understand what their intentions might be and to advocate in the way that I have just described.

Jamie Halcro Johnston: I am very conscious of time, but I want to ask about one more thing, which is the regional aspect. I represent a region that is full of remote, rural and island communities. Do you have a breakdown of spend outwith the cities? I am thinking about the village halls and the small communities where culture is taken up or supported.

At the events and surgeries that I hold, I hear real concern about that issue. People are concerned that there will be centralisation as funds are constrained or focused elsewhere, and that some of those remote and rural communities will miss out. Are you able to break down where you spend?

Iain Munro: With regard to reporting, all our data is published, so you can see the picture. I want to reassure you and the committee on the extent to which Creative Scotland, as a national organisation, is firmly focused on the whole country—on all dimensions of it. We work and support people and organisations in all 32 local authority areas. People look at the data on some of our big programmes and think that that is an expression of everything, but it is certainly not—as I said, we are firmly focused on the whole country.

When we see areas where there is more potential or ambition, and we want to support the unlocking of that, we do place-based work, whether in the form of partnership programmes that run for a sustained period, such as our place partnerships, or by attending funding fairs with other funders in the local area in order to build capacity.

We deploy a range of measures, but we look at the geography of Scotland very carefully and make sure that we are reaching all parts.

There is a misunderstanding about the geography of Scotland and the way that things are constructed, with Edinburgh and Glasgow seen as the major population base. Because of the number of organisations that we support in Edinburgh and Glasgow, there could be a misunderstanding that our work is only about Edinburgh and Glasgow,

but many of those organisations work across the geography of Scotland.

Jamie Halcro Johnston: They are doing outreach work.

Iain Munro: They might have a geographic base in Edinburgh or Glasgow—that is where they are located—which is reflected in the data, but they work across the country.

We are very clear: we keep a careful eye on that. We make sure that we are able to support organisations or individuals who make applications to us, or that we stimulate activity where we see a cold spot, or an opportunity or ambition that we want to back.

Keith Brown (Clackmannanshire and Dunblane) (SNP): I will follow up on that point. How granular is your assessment of the balance of your activities around the country and your support for other activities? The city of Stirling is in my area, although I do not represent it—I represent Bridge of Allan, Dunblane and a chunk of the Stirling Council area. Clackmannanshire is next door. As a city, Stirling attracts a lot of cultural attention, not least because of its cultural assets, but that is much more difficult in Clackmannanshire. You have said that, where you see ambition, you try to reward that, but how much cognisance do you take of the situation in areas such as Clackmannanshire, where it is difficult to attract some of that attention?

Iain Munro: We pay close attention to that. I am pleased to say that we are doing a focused piece of work with Clackmannanshire at the moment to build capacity. It is not just about responding to ambition, but about creating opportunity where we see areas of the country that are underprovided for and show some potential. Clackmannanshire is an area that we are currently focused on.

Keith Brown: It is good to hear that.

I have a relatively quick question, which goes back to the visitor levy. You said that you would like the money to be ring fenced. I agree that, where it is raised, proceeds from the levy should be directed towards cultural assets and cultural activities, at least in part, but who are you asking to do that ring fencing? Is it the local authority, which would raise it, or do you want the Scottish Government to give local authorities some kind of prod?

Iain Munro: Ultimately, it is in the hands of local authorities with regard to what is local legislation. If the Scottish Government wants to set a more national framework, that would be beyond us. However, it is absolutely for local government to decide how to use the proceeds.

Keith Brown: I do not think that the Scottish Government will do that; it will see setting a levy as a local authority power.

It is likely that the budget at Westminster this year will not be produced until 26 November and that there will, therefore, be a potential delay to the Scottish budget. Does that have any implications for what you do or for the organisations that you support?

Iain Munro: Undoubtedly, that delay compresses our planning timelines and moves things to the start of the next financial year. I think that a draft budget date has now been set in the Scottish Parliament for 15 January, which is later than normal in the planning cycle.

Keith Brown: Yes—I mean the whole budget process.

Iain Munro: That brings us back to the beauty of multiyear funding, if I can use that as an example. Absolutely subject to due process within the Parliament, and subject to the available budget, we have, in principle, given organisations confidence about their budget for next year.

We are working on that basis. As soon as we have and understand our draft budget—and assuming that the commitments come through—we can move immediately into the contracting process and be ready to make payments on 1 April next financial year for the organisations with multiyear funding. It gives us all planning confidence that we did not have it before.

On other aspects of our budget, we will need to wait and see. However, the £100 million commitment is not a series of one-offs; it builds a baseline year on year. That, too, is something that we have a reasonable degree of confidence about in relation to future planning. Some of our programmes do not run until later in the year, so there is time to enable the budget planning and sign-off process to flow through.

Keith Brown: I will come back to the budget in a second, but I will first jump back to the discussion about the Edinburgh festival and so on. It strikes me that I have never seen Edinburgh as busy as it was this year—at least, I have not seen it as busy since the 1980s. It seemed extraordinarily full. Of course, there were the AC/DC and Oasis events and so on. I know that you are not directly responsible for this, but are you getting feedback on the impact of all of that? For example, it seemed as if the Americans were back in numbers for the first time in many years—local hotels have shown how busy it was as well. Have you had any feedback on the impact of the cultural activities in Edinburgh over the summer?

Iain Munro: It was definitely very busy. There was a compelling offer—I give credit to the

festivals for being able to do what they do, year after year, and we are pleased to be able to support many festivals through multiyear funding, for example.

Undoubtedly, it was very busy—we are still waiting on some of the post summer festivals data to come through. The whole country was busy, and there are other examples of that, such as HebCelt, up in Stornoway in the Western Isles, which described this year as its best year ever. That is testament to the quality of culture that exists in the country and how it is seen and understood around the world as well as domestically. There is a lot of domestic audience attending the summer festivals in Edinburgh.

Our festivals infrastructure in Scotland is very important. It provides for a diverse range of activities around the country and in different communities. Thanks to some of the £100 million from the Scottish Government that flows through Creative Scotland, we are able to enhance the festivals infrastructure around the country. We have just launched a festivals fund, which expands the expo fund model that has only been available, principally, to festivals in Edinburgh and a couple in Glasgow. We are expanding that to the rest of the country: £1.8 million is now available for those different festivals to enhance their offer in their local communities. All that means that the public funding that is used to support the quality of the culture that people are able to experience is good value.

We work across different policy areas, including tourism, so we understand the tourism landscape and the extent to which culture can play into the tourism offer. That can be locally. For example, people may have come for an Oasis concert, but they stay and experience the summer festivals in Edinburgh, or even travel to some of the other cultural offer that is available around the country. There are spillover benefits and effects.

Keith Brown: This is my final question. In your first exchange with Stephen Kerr, you mentioned the extent to which the increased budget, which is very welcome, may be soaked up by additional costs that the sector is facing. Two of those come to mind: one is last year's promised reduction in energy costs, which turned out to be an increase in energy costs; and the other is the impact on organisations of increased employer national insurance contributions.

What can you say about the scale and effect of those additional costs? The rise in employer national insurance contributions has been a huge—and unforeseen—cost. What are you able to say about the impact on the organisations that you are trying to support of additional costs that have been imposed from elsewhere?

09:30

Iain Munro: They are undoubtedly continuing the on-going pressures in the operating environment for organisations. The multiyear process enabled organisations to update, through their business plans and at different stages of the process, the extent to which real-term costs, as understood and expected or forecast at the time, could be reflected in the ask being made of us. The extent to which we have responded through multiyear funding reflects their planning assumptions. That said, the pressures are on-going and are not easing. Indeed, they might be increasing, and our concern is how we can support organisations in maximising the other income that they are able to secure and achieve, alongside their having confidence in the multiyear commitment from Creative Scotland.

We will keep a weather eye on the situation. It is something that we are very much attuned to from our dialogue with the sector, and we might carry out some further tracking research on it. It is, undoubtedly, something that I wish were not in the mix, but it is the reality of the environment in which organisations are working. We want to support them in finding a way of navigating this without their having to turn to us, because we do not have the ability to add further funding into the equation for those organisations that have already secured multiyear funding.

Keith Brown: Thank you.

The Convener: We are now up against time, but I have a final thought on what Mr Brown was just saying about the festivals this year. Again, it was a fantastic achievement from the festivals. *[Interruption.]* Sorry—did you want to come in, George? Right—I will let you in.

George Adam (Paisley) (SNP): Sorry about that. Good morning, everyone.

Iain, you said that, of the 28 organisations that were unsuccessful in getting multiyear funding, 13 are on a development stream to try, I assume, to build up future applications and so on. I am interested in hearing more about that. I am also interested in your comment that multiyear funding is not the only part of the process and in hearing more about the support that you give organisations to secure external funding.

Let me give you some examples, although you are probably aware of them already. When a witness from the Royal Scottish National Orchestra came before the committee, they talked about the idea of an endowment. When I said that that was a great plan and asked them to talk about such new ideas, they said, “Well, we have not worked it out yet.” What kind of support can you provide to develop other ideas that might be out

there in the sector and help organisations secure some form of external funding?

Iain Munro: There were 28 unsuccessful applications for multiyear funding; 13 of those organisations are in the development stream, and they are being supported with resource and access to expertise to enable them to make the case for joining multiyear funding from next year. That has all been modelled in; the organisations are going through that process at the moment, and we will be taking decisions on them later in the calendar year. All the unsuccessful organisations have some form of support; some have funding support, while others have access to specialist expertise that we have procured and have made available to them on their behalf. Not all of them have taken that up, but many have.

As I mentioned earlier in response to Mr Halcro Johnston’s question on business development support, we have a sector-wide programme that is intended to support organisations with access to learning from others, access to expertise and access to resources to diversify their income streams. We are also running some specific programmes that include using crowdfunding, which is a new part of the mix. In a programme that we are running at the moment, £250,000 is available for crowdfunding; it is a new approach for organisations and individuals, who can, as it were, go to market to sell their product, whatever that might be. If they secure funding, we will match it from that £250,000.

We are also working with organisations such as Culture & Business Scotland, which acts a bridge between the business and culture sectors and explores any new avenues and opportunities that might be available to individual organisations, as well as providing a sector-wide programme. There are multiple dimensions to how we intervene—either directly or with and through others—to support the sector to find new models and to learn from others.

In our international outlook, we also have access to learning from bodies equivalent to Creative Scotland right around the world, and we often draw on that research and knowledge to see whether there is anything else that we can use.

There is no magic bullet for this, but it is really important that the sector continues to look at a kind of plural funding base, given that Creative Scotland is not funding it—and never can do—100 per cent. It is really important for us all to support the sector in unlocking different and wider areas of potential.

Alastair, do you have anything to add?

Alastair Evans: I could give you some other examples. We are supporting smaller creative businesses that do not have access to human

resources services or support. We are thinking about those new models and what support is needed, and a lot of that thinking happens not just in our creative industries team but elsewhere, too.

Iain Munro: I should also say that there is the opportunity to bring in other new and different forms of finance. The endowment model is of interest, I am sure, but there are other creative industries-related forms of finance—for example, social enterprise finance—that could be considered in the mix and which we would be keen on supporting the sector to unlock.

George Adam: That sounds fantastic. It is great to hear that that support is available for them to tap into and that they are able to look at other forms of finance, too, because it is frustrating for us when we get organisations coming here every year and telling us the same thing. It is good to know that there are other things out there.

I am also interested in hearing about the visitor levy. We know that, in its pilot, Edinburgh is looking at allocating 25 per cent of projected revenue from the levy to the culture sector. The issue has been brought up by many of the individuals who have given evidence; I know that it is up to each individual local authority to make that decision, but how do you, as Scotland's cultural organisation, make that case to those authorities? After all, I know that you work with them at a local level. Do you say, for example, "There's the Barcelona model" or "There's the Amsterdam approach"? How do you make that pitch to local authorities and make it clear that such an approach could really help with their programmes to develop their local areas?

Iain Munro: Sometimes we do that through a direct response to consultations on the levy, and sometimes there is a direct dialogue. As I was saying to Mr Kerr, having a direct dialogue and creating connections, particularly with local authorities, are really important.

With regard to local government, we are concerned about the decline in local cultural strategies and, indeed, local cultural resources—by which I mean not just finances, but people and their expertise. Therefore, direct dialogue with local authorities is very important, and we will continue to pursue it. Where we see opportunities or have concerns, we will go in with targeted conversations.

Alastair Evans: I would also point to VisitScotland's research, which shows very strongly that culture is one of the main reasons, if not the main reason, for people visiting. Screen tourism is also a factor—that is, people come here because they have seen Scotland portrayed in its various forms.

George Adam: Alastair, you have just hit on my next question. Screen Scotland, which is one of your major successes, has created that sort of footfall; you only need walk up the Royal Mile to see American tourists wandering about various places shown in scenes from "Outlander". Indeed, we members see them when we go back to our digs at night.

You have received an extra £2 million on top of your £2.5 million base budget for that, but I note, too, a 110 per cent increase in inward investment in film in Scotland. That seems quite incredible. I know that there is "Outlander", and there are other examples such as "Batgirl"—Warner Brothers did decide to scrap it but, hey, Glasgow still got some success from the film actually being made there—and "The Rig".

I am quite interested in the fact that every £1 invested in film effectively creates £12-worth of economic activity. Surely that is a perfect example of what we are talking about. Do we not need to support such activity and ensure that we create and develop that kind of screen tourism? After all, we seem to be punching well above our weight here in Scotland in that respect.

Iain Munro: Absolutely, and I am glad that you have recognised the burgeoning success of screen tourism. We are delighted by that; we have great people in the team at Screen Scotland working on it with people in the industry, and we now have a strategy that aims to grow the value of the screen sector economy to £1 billion of net gross value added by the end of 2030.

However, it all comes back to the ecology of studios, crew, production, the skills base, tax incentives, education and skills, talent development and so on. All of that is part of the work that Screen Scotland does in ensuring that there is a very rounded offer to support the overall growth of the industry in Scotland. It is important that we continue to back that. Again, we are grateful to the Scottish Government for giving us the resources that have, in large part, helped to enable that and for the further recent injections of funding that have added to that, too.

George Adam: Thank you.

The Convener: I thank our witnesses for their attendance this morning. Given the mention of how successful the Edinburgh festivals have been, and given the earlier reference to Dundee, I just wanted to emphasise that Dundee has had a bumper tourist year, too, with an increase in visitor numbers largely driven by the V&A, Discovery Point, Dundee Rep and the new LiveHouse venue. There is also the Eden project, which, it is estimated, will bring in another 500,000 visitors. Perhaps there is an opportunity to consider how the arts might benefit there.

Again, thank you very much. I suspend the meeting for five minutes to allow for a changeover of panels.

09:41

Meeting suspended.

09:46

On resuming—

The Convener: We come to our second evidence session this morning as part of our pre-budget scrutiny for 2026-27. We are joined in the room by Angus Robertson, the Cabinet Secretary for Constitution, External Affairs and Culture; Lisa Baird, the deputy director for culture and historic environment at the Scottish Government; and Alison Byrne, the chief executive of National Records of Scotland. A warm welcome to you all this morning.

Cabinet secretary, we have just had an evidence session that looked at the relationship and overlap between culture and tourism and other areas. The committee has been keen to pursue the idea of cross-portfolio working and how we get culture embedded across those other areas. From your perspective, what progress has been made in that area?

The Cabinet Secretary for Constitution, External Affairs and Culture (Angus Robertson): I am happy to answer that question, convener. I have some words prepared, which I can read if that would be agreeable to the committee—or, because of the time, would you prefer me to get straight into answering your questions? I am happy to follow your lead, as you know what would be more useful for the committee.

The Convener: We have a private session scheduled for after this evidence session, so we are tight for time. If you want to be very succinct—

Angus Robertson: I suspect that the words that I have prepared are not as succinct as you might wish, so why not just press on?

The Convener: You also have an opportunity to write to the committee with any thoughts that have not been covered.

Angus Robertson: Absolutely.

The Convener: Thank you very much, cabinet secretary.

Angus Robertson: I am keen to build on a number of aspects of cross-portfolio working. As I have said in previous evidence to the committee, there are areas of the cultural space, in relation especially to health and wellbeing but also to the

economy space, where there is the potential for us to do more.

I do not know whether the committee has heard from, for example, Scottish Ballet about what it has done, is doing and wants to do in the health and wellbeing space. I highly recommend that the committee hear about that work, because it is absolutely world class. Scottish Ballet is a really good example of a cultural institution in Scotland. It is a national performing company, so it is directly funded by the Scottish Government, and it is doing a lot in the health and wellbeing space, which is paid for out of the culture directorate's finances.

At the same time, there are other areas in the cultural space, such as the screen sector, in which we can look at significant economic aspects. The committee has been well advised about the ambition for it to become a £1 billion GVA industry in Scotland by 2030, on which really good progress is being made. How does that marry with other parts of Government that have responsibilities? We are definitely doing more to ensure that we get the most out of opportunities. I could move on to tourism, for example, and there are other areas that are, to all intents and practical purposes, not part of my direct responsibility in Government. However, by ensuring that everything works together, we can do more.

Screen is another good example of an area in which we are required to do more. Screen Scotland has direct responsibility for television and film but not gaming, which sits in the economy space in the Scottish Government. Meanwhile, we have a national performing company—the Royal Scottish National Orchestra—that has a significant new source of income in the form of soundtracks for films and games. In painting that picture, I am making your point that cross-portfolio working is absolutely key. I have not even got to social prescribing, which is one of the committee's previous particular interests and one that I have given evidence to the committee about.

I am cognisant of all the different areas in which culture has a lot to offer. Given that you are interested in the budget element today, I note that the key change that we are seeing at present—Creative Scotland's multi-annual funding of twice as many organisations as before—is foundational for the delivery of cross-departmental benefits, which might have been harder to achieve in the past.

The Convener: Dundee City Council was cited as an example of the threat of a zero-sum game for Creative Scotland. Creative Scotland's funding has been increased, but some other funders are cutting back, and local government faces extreme pressures. Culture is one area that is often seen as an add-on and not key compared to other services.

However, we also discussed the fact that Dundee has had a bumper tourism year, which has been driven largely by the V&A and other cultural offerings. The council is also contributing to the Eden project, which it reckons will draw 500,000 more tourists to the area. Are you having conversations with local government colleagues about how vital it could be to use a percentage of funding or a visitor levy for the arts in the future?

Angus Robertson: It was definitely the case that, when there was significant financial distress, especially as we emerged from Covid, there was concern in some parts of the country that certain local authorities might make decisions on the provision of some cultural services that raised the potential for funding to be diverted. The Scottish Government would take very seriously the prospect of the likes of Sistema Scotland or the Youth Music Initiative not being able to continue in one part of the country, because they are an important part of our commitment to helping children in more challenged social and economic circumstances to access music and cultural provision. I have been very alive to that possibility. I have been meeting the cultural lead and other representatives of the Convention of Scottish Local Authorities throughout my term in office, and meetings have been taking place more widely with the cultural leads of local authorities.

I am optimistic about learning more from the review of Creative Scotland, which has been looking into the availability of cultural services in different parts of the country, as it is not uniform and there is not a uniform approach. There is one issue around local government and another around the local enterprise companies—we have three in Scotland, and they take quite different approaches to culture. That is another layer of understanding: how are things working in different parts of the country?

We must then add the question of the extent to which Creative Scotland's decision making is about what is funded and what that means in different parts of the country. Are there gaps? I would be keen to understand whether that is the case. I would say in mitigation that both the Culture Collective and Collective Communities funding streams, which are being provided throughout Scotland, offer important mechanisms to ensure that all parts of the country have the ability to draw down funds to support cultural activity.

Your question, convener, about ensuring that there is provision of cultural services is absolutely right, and there is a whole parallel discussion to be had about libraries, which fits into that context, too.

As the committee knows, I walk a fine line between wanting to ensure that we, as the Government, are doing everything that we can to

support local government, the enterprise companies and Creative Scotland and respecting our arm's length relationships—which exist for obvious reasons, as it is not for cabinet secretaries to micromanage what we might personally wish to have more of, whether on stage, on screen or wherever. I leave that to the experts.

Having said all of that, and referring back to the question that you posed, convener, I would say that there is a role for Government in using our convening power and the best possible information to ensure that we have cultural provision across Scotland that can be accessed by people of all backgrounds. In general, that is working well, and I am interested to learn, through the review, whether there are any areas where we could be doing more.

I can see a very subtle hand movement from Lisa Baird, who may, I think, want to add something.

Lisa Baird (Scottish Government): I will just add to what the cab sec has said. This year, we funded the museum futures programme with £4 million. The programme is being run in collaboration with Museums Galleries Scotland, it is funded by the National Lottery Heritage Fund and it is supported by Historic Environment Scotland. That is a real partnership for supporting museums in local communities across Scotland as they think about their business model and for helping them to reimagine how they might become more sustainable and keep playing their part in the heart of communities.

Angus Robertson: If I can take the virtual microphone back for a second, I will add that, in parallel to that, the decisions that we have been able to make with expo funding and in being able to support festivals beyond Edinburgh and Glasgow, working in parallel with the strategic partnership for Scotland's festivals that we now have, provide another example of our trying to ensure that we have benefit throughout the country from the available funding.

I am looking at Mr Halcro Johnston, who has, I know, an interest in culture in the northern isles, which is a very good example of a place that has tremendous festivals. The Orkney folk festival is an example of that. If we have a tremendous model, as we do through the expo funding route—which really is first class—why would we not want that to be able to support festivals in the rest of the country? We agree with that point.

That is a good example of our trying to add value right across Scotland.

Stephen Kerr: Good morning, cabinet secretary and others. You will know that I have raised concerns about Historic Environment Scotland regarding internal control and budgetary

considerations. I raised a concern about an incident involving the use of the Queen Anne building at Edinburgh castle. Are you satisfied that that issue has been properly reviewed? Has that review been as robust and independent as it needs to be in order to restore or command public confidence? Have you personally seen the findings of that review?

10:00

Angus Robertson: I will come to the specific question from Mr Kerr in a second. Historic Environment Scotland is in a period of transition as we speak. Mr Kerr knows that I was able to confirm the appointment of Sir Mark Jones as the incoming chair of Historic Environment Scotland. Many people in the committee will know Sir Mark, and I am delighted that he is taking on the role. As Mr Kerr and other members of the committee are aware, there are on-going issues in Historic Environment Scotland, particularly management-related issues. In acknowledging that, I am keen to highlight the general work that Historic Environment Scotland does and my satisfaction with that.

Having said that, I think that there are a number of reasons to have concerns about the management and governance in Historic Environment Scotland. Therefore, not only was I pleased to appoint Sir Mark; I have met him to discuss those issues and to give him the maximum confidence that I would wish him to have in addressing the specific issue that Mr Kerr raises, as well as others, and in ensuring that Historic Environment Scotland can continue its good work—with confidence that the leadership, both through the board and in the senior management team, is exactly what it should be.

I have not seen a final conclusion of any report about the incident that Mr Kerr raises, but he will appreciate that I am taking a very close interest in that and in other issues. There is a general understanding outside the committee that issues are being raised directly with members of the Scottish Parliament, with me and with the civil service. All of that will be shared with the incoming chair of the board, and I have a very high degree of confidence that he will take all those matters seriously.

I say all of that with the caveat, from my previous answer, that I am very mindful of the arm's-length relationship between Government and public bodies such as Historic Environment Scotland, which is why I have such confidence in Sir Mark taking up his role. He must be able to get on with his responsibilities as the chair of the board. He has a long-standing working relationship with the chief executive of Historic Environment Scotland, Katerina Brown, and I am

optimistic that they will form a formidable team. I look forward to hearing more about that in the weeks and months ahead.

The Convener: Mr Kerr, I appreciate that this is an area of concern, which I think is shared by a number of committee members, but we are doing pre-budget scrutiny, so please try to focus on that.

Stephen Kerr: I completely understand. I think that the matter bears strongly on that. The organisation gets in excess of £70 million. The concern that the cabinet secretary has raised, and which a number of us share, relates to a general sense that there is a malaise in the organisation, with some serious cultural issues that bear on the internal management and control of public funds, and on the way in which the body carries out its very important role—as has been described by the cabinet secretary.

To conclude on the issue concerning the episode that I have raised, cabinet secretary, do you expect to see a review and an outcome from that review, and will it have the necessary transparency, given the nature of the issue that I and others have raised?

Angus Robertson: I look forward to hearing about progress on that issue and on all the outstanding issues that Mr Kerr has raised. He will appreciate that some matters lie in the human resource space.

Certain procedures are currently under way, so it would not be appropriate for me to comment on them, save to say that I have confidence that the appropriate processes are being gone through and that, with a new chair, the issues that Mr Kerr has highlighted and that others, I know, will want to highlight, too—I am perfectly happy to take any follow-up questions from colleagues who might want to raise them—will be dealt with. I want people to have confidence in the core delivery of what Historic Environment Scotland manages to perform in Scotland; after all, it is in all of our interests that issues to do with the management and governance that have been raised with members of this committee directly, and with me, are dealt with by the incoming chairman of the board.

I look forward to learning any conclusions that emanate from the HR process and other inquiries that will be undertaken, and I give a commitment to Mr Kerr, and the rest of the committee, that I would wish the committee to be fully informed of all of that. We all need to have confidence that Historic Environment Scotland, which, as Mr Kerr has pointed out, does such important work, is operating as it should.

Stephen Kerr: Cabinet secretary, I want to broaden things out a little, but you are quite right. A number of us, including myself, have had

numerous whistleblowers from HES come forward and share their concerns. One concern that has been shared with regard to the culture of the organisation relates to a specific dispute resolution investigation that has been conducted in the past few months and which reported that staff felt in fear of retribution if they spoke out to senior managers and directors. I ask you this directly, cabinet secretary: have you asked Sir Mark Jones to commission a comprehensive review of the culture in Historic Environment Scotland?

The Convener: Mr Kerr, I appreciate that this is a matter of concern, and I make a commitment that we will examine how we as a committee can take it forward. However, we need to concentrate on the budget. If you could answer that question succinctly, cabinet secretary, I would appreciate it.

Stephen Kerr: I have one more question that follows on from that and which is directly related to money and budgets—

Keith Brown: This is about the budget.

Stephen Kerr: But it is all related to the budget, because—

The Convener: Mr Kerr—

Stephen Kerr: Oh, it very much is, because this is about the culture of an organisation that is in receipt of tens of millions of pounds—

The Convener: Mr Kerr, I think that, as convener, I have made my points clear on this.

Stephen Kerr: Okay. I honestly wonder what we are here for.

The Convener: I have made a commitment to examine how we as a committee can return to this issue, but for the moment, if your question is not about the budget or the budget process, can we please move on?

Stephen Kerr: Well, I think that this is about the budget.

The Convener: I will bring in Mr Brown. *[Interruption.]* Is it on this issue, Neil?

Neil Bibby: Yes, very much so.

The Convener: Okay. I am sorry, Keith.

Neil Bibby: I understand what you have said, convener. Clearly, Historic Environment Scotland is in receipt of significant public funds, and it has given evidence for the committee's pre-budget scrutiny. The cabinet secretary has said that he is happy to answer any follow-up questions. I understand, convener, that you have made a ruling, and I will not challenge it, but I assume that the cabinet secretary will also be willing to make himself available to come back and discuss the matter with the committee in the very near future—

Angus Robertson: Yes, absolutely.

Neil Bibby: —because these are very serious issues that relate to the budget and which must have proper scrutiny.

The Convener: I agree.

Stephen Kerr: Can I ask my question directly, convener?

The Convener: If it is about money, yes.

Stephen Kerr: It is about money, because I want to ask the cabinet secretary whether he thinks that it is appropriate for directors of a public body, during the renewal of a multimillion-pound contract, to accept hospitality at heavily discounted rates within the estate that they manage. Does he think that it is right that that kind of relationship should exist when we are dealing with multimillion-pound contracts and the directors are in receipt of discounted items—freebies, perhaps—from the contractor? Where must that leave the contractor? That is very relevant to the use of public money.

Angus Robertson: That is understood. I have made it absolutely and unambiguously clear to the committee that I agree that there is a wide range of issues of concern relating to the senior management of Historic Environment Scotland. They cause me extreme concern, and I expect to learn what the consequences of those cases are. Some relate to matters that are subject to ongoing internal human resource processes, and I await the conclusion of them. I also believe that those issues will be fully attended to by the incoming chair of Historic Environment Scotland, Sir Mark Jones. I have total confidence in his ability and willingness to deal with the issue. We all share an interest in the focus of Historic Environment Scotland's efforts being on the tremendous job that it does throughout Scotland.

If this part of the evidence session is drawing to a close because we are moving on to other subjects, I want to take the opportunity to assure Mr Bibby and other colleagues that, if you, convener, wish me to come back at an appropriate time, I am content to do so. Echoing an earlier answer, I would wish all members of the committee—and, through them, other members of the Parliament who have raised issues with me directly, even this week—to have confidence, through transparency, that the outstanding matters of concern that have been raised with us directly, through the media or through reports that we have been sent have all been dealt with.

The Convener: Thank you, cabinet secretary. We will move to questions from Mr Brown.

Keith Brown: It is a very serious issue which, as you said, the committee is going to examine, but I do not think that it should be done at the

expense of pre-budget scrutiny, which is what we were told we were meeting to discuss today.

I have four relatively quick questions. The longest is the first one, and it goes back to the point that the convener made at the start about cross-portfolio funding. As part of pre-budget scrutiny, we have heard from a number of witnesses that they want to see that. I am under no illusion that part of that is because they believe that there will be access to additional funds elsewhere in the Government if they can get that hearing on cross-portfolio working. That is legitimate enough. They want to make the case that what they do should attract funding because of the impact that it has in other areas. However, from what you said earlier, I did not catch any concrete examples of where that is working or where it is planned to take place. I do not know whether you have any of those examples.

Angus Robertson: That was question 1?

Keith Brown: Yes—I will come on to question 2 when you have answered that one.

Angus Robertson: By its very nature, the range of organisations that have become regularly funded organisations through the multiyear funding process is extremely broad. There is a challenge for Government—both with a small g and a large G—to work out how we can marry together what they are able to do in communities and society more generally to bring maximum benefit in spaces such as health and wellbeing, tourism or economic development. Through the Creative Scotland review process, I am keen to understand where there are examples of this working very well and where there are examples of it working less well.

For example, I am aware that the approach of Scotland's three different enterprise agencies is quite different. Cultural organisations in the Highlands and Islands might well have a very different relationship with Highlands and Islands Enterprise than cultural organisations have in the part of Scotland that Scottish Enterprise serves, as well as in the south of Scotland and the Borders.

What I am trying to say to Mr Brown is that there is not a fix-all solution to all of this. We will have to make sure that we are making progress on that across the piece. Some of it will be very easy, and I have already given examples of where that is happening, such as with our national performing companies. What is Scottish Ballet doing? What is the RSNO doing? They all have tremendous examples of things that they are doing, and I encourage the committee, if there is an interest in learning what those might be, to do just that. Because the number of organisations that are funded on a multiyear basis has doubled literally only this year, this is new, so we will have to look

at it with new eyes to understand how the significantly increased part of the cultural sector that is being funded through Creative Scotland in this way is able to deliver on a cross-portfolio basis.

10:15

We are discussing all these opportunities in a pre-budget space because the Government has committed to the biggest increase in cultural funding since the outset of devolution. We are ahead of target in delivering the additional £100 million annual uplift to the culture sector, and it is important that we do not lose sight of the foundational change that there has been in the level of spending on culture in Scotland and the fact that it is based on a multiyear approach to funding. We are the only part of the UK that is doing this; we are ahead of most other countries in the industrialised world in doing this; and we need to recognise that what we are doing here is groundbreaking, and is a good thing. Therefore, I would answer Mr Brown's question by saying that I think that we have opportunities as never before to ensure that we are getting that cross-Government benefit.

One thing that I have been reminded of, and which it is worth reflecting on, is that, for historical and administrative reasons, certain things in the cultural space are funded from elsewhere. With music, for example, the funding for Sistema Scotland comes from the children and family fund, while funding for instrumental music tuition comes from the education portfolio. We are going to have to work together, but the good news is that we are doing so.

For example, we have recently seen the launch of what is a world first—a curriculum for screen education in our primary and secondary schools. It has emerged from Screen Scotland, which is answerable to me as cabinet secretary, and it will be delivered in the education space. Jenny Gilruth and I have been working closely to deliver something that no other country in the world has done to date, for which there is a tremendous welcome and acknowledgment that it is a good thing, and the benefits of which will be felt particularly in areas of economic and social deprivation.

We are trying to work together across portfolios to understand where culture helps education, economic development and so on, but there will be no one-size-fits-all approach.

Keith Brown: I will keep my next couple of questions brief, cabinet secretary, and if you can keep your answers brief, too, I might get away with it with the convener.

The Convener: Can I ask a question first before you come in, Mr Brown?

Keith Brown: Sure.

The Convener: We have seen examples such as the new curriculum offer, which you have just referred to. There is also the pupil equity fund, which headteachers very often use to engage with cultural organisations. During the festival, I was able to see one of our local charities, which addresses mental health through stand-up, music and creative writing, perform at the fringe and, indeed, it did exceptionally well. We really want to see a focus on culture in that sort of thing. The most recent mental health strategy, for example, contains one line on culture, I think, but surely there should be a bigger focus on that if we are truly to explore the opportunities that are presented by culture and its value in other portfolio areas.

Angus Robertson: That formal commitment is there from the Government; a number of years ago, I presented a paper to the Scottish Government Cabinet on the mainstreaming of culture right across all portfolios, and it is the standing policy of the Scottish Government that it should be so. Moreover, the First Minister gave a speech at the Edinburgh International Festival this year in which he expansively reflected on his personal commitment to culture and the benefits that it brings across society and Government.

I acknowledge that we will have to be focused on helping different parts of the Government understand how culture can make a transformational impact in the delivery of public services. Instead of seeing culture as something that happens in one area alone, we need to understand that it has an impact right across Government, as it does across society. I am alive to that; I am just being frank with the committee when I say that it is easier to say that than to ensure that it happens in every context.

Convener, you have given an example of somewhere where this could have had stronger billing. I make the same cases from time to time, but the good news is that there is a tremendous willingness to try to incorporate that as much as possible.

The Convener: Thank you, cabinet secretary.

Keith Brown: I acknowledge what has been said about the increase in funding for the cultural sector, which is absolutely welcome. Witnesses have welcomed it as well. The point that we get from stakeholders is that they want to ensure that they can have an audience with decision makers across the Government. Education is one example of where that is happening, and social justice is another. I will not look for further answers on that point just now, but it would be good to be kept up

to date with examples of stakeholders being able to see across the Government.

My second question is about Creative Scotland. My experience is that this year has been a bumper year for Edinburgh in particular, because of the festival and fringe attendances and the Oasis and AC/DC concerts. You are both a cabinet secretary and a local MSP, so can you share information—if the Government has it—about how successful the year has been? It seems that it has been busier than any time since the 1980s.

Angus Robertson: I am delighted to represent Edinburgh Central, which is home to all Edinburgh's major festivals and to Murrayfield, where AC/DC and Oasis played. Mr Brown will be aware that there was some media coverage about capacity being a concern, which I appreciate. I had the good fortune to be at the Oasis concert and see how tremendous and popular it was and how people came from the rest of Scotland. Mr Bibby is nodding, so I assume that he was in the audience and can attest to that. Murrayfield, which is a tremendous venue, both for rugby and for cultural events, coped with the challenge. Public transport worked very well, even though the gig happened at the same time as the Edinburgh festivals, which are the third largest ticketed events in the world.

If, by extension, the question is whether too much is happening in Edinburgh rather than elsewhere, I cannot really answer that, because I am a great supporter of festivals in other parts of Scotland.

Keith Brown: That was not quite my question, which was about whether you have any information on how successful it has been compared with the recent past, because it seemed to me to be exceptionally so.

Angus Robertson: The feedback has been extremely positive. There are different metrics. How many shows were there? What percentage of the population attended? What was the number of total ticket sales? Most of that has been put in the public realm by the different festivals.

We are definitely beyond where we were, and the concerns that we had as we emerged from Covid, but I acknowledge that there are still questions about how we can ensure that the world-class status of our festivals remains intact. How do we ensure that accommodation is available? People coming from throughout Scotland and from further afield to see AC/DC or Oasis was a challenge for a city where most of the accommodation was already taken up due to the festivals. How do we ensure that the accommodation is on offer? How do we have affordable accommodation? Those are the medium and long-term questions that are being discussed in the Scottish Government-chaired

strategic partnership for Scotland's festivals. We need to think about how we best answer those challenges, but we are dealing with the challenges of success because the festivals were absolutely fantastic.

Having been cabinet secretary for four years, having previously grown up in central Edinburgh and having been going to the festivals since childhood, one thing that is definitely new for me is the unsurpassed level of international interest in them. There are receptions by the Brazilian embassy and consulate, the French embassy and consulate, the British Council and people from around the world. The international focus on the festivals is much more organised and focused, which offers tremendous opportunities. For example, the Edinburgh military tattoo is now touring internationally.

Some members of the committee will have had the good fortune to attend "Make It Happen" with Brian Cox at the Edinburgh International Festival or "Mary, Queen of Scots" by Scottish Ballet. Our national performing companies have had all kinds of discussions about touring those tremendous productions. I have the figure of £620 million in my head, but I need to double check that. We are talking not only about the value that is added to Edinburgh and Scotland and to artistic life, which we cannot put a financial value on, but about the internationalisation of all of that.

Keith Brown: To be honest, I do not think that you had to have a ticket for Oasis to hear every word of every song from the south side of Edinburgh.

I have a narrower question about the timing of this year's budget at Westminster, which will obviously have a knock-on effect on the Scottish budget. Is that presenting any particular issues for the stakeholders that you deal with?

Angus Robertson: Committee members are aware that the British Government has put back its budgetary process, which will have an impact on how the Scottish Government manages the budget process and on how the Scottish Parliament deals with all of that.

The culture directorate has a lot of experience in dealing with budgetary matters and support for organisations. I want to give all our stakeholders confidence that we are committed to the levels of funding that we have committed to and that we will do everything to make sure that we are able to fund what requires to be funded. It is important that I give an absolute commitment on that.

As yet, no examples have been given to me—although there may be such examples—of how the delay to the budgetary process might impact on the support for different parts of the culture

sector. Again, I want to give people something that, this year, they have in spades: confidence.

Keith Brown: Creative Scotland told us that it has the same confidence in the Government's willingness to see through the commitments that it has made. However, it also made the point, quite reasonably, that although the increase in funding, which is substantial, is welcome, that is being undermined to some extent by the increase in costs that is now being faced. There are two factors there, the first of which is the increase in energy costs. Last year, a reduction in energy costs was promised. The second factor, which is having a larger impact, is the increase in employer national insurance contributions, which organisations did not budget for. They did not expect to face a substantial increase from elsewhere in relation to NICs.

Are you hearing that message from stakeholders? The Scottish Government is giving them more money, but some of that is having to be used to make up for rising costs elsewhere.

Angus Robertson: Mr Brown has definitely hit on a challenge, which is the very unwelcome increase in employer national insurance costs that is being borne in the culture sector and beyond. I acknowledge that that decision by the UK Labour Government is having a detrimental budgetary impact.

Energy costs, on which a commitment that they would go down was given by Labour in advance of the most recent UK general election, have instead gone up. Given that our national museums and galleries are significant buildings, they face significant potential energy costs. Their heating and lighting costs and all the rest of it represent a significant outgoing. The increase in costs in those two areas—the cost of employing people in our national museums and galleries and the cost of the heating and lighting of those institutions—is undermining the efforts that we have been trying to make. We asked the UK Government to mitigate those costs, but it is not mitigating them fully.

I acknowledge that those increases are very unwelcome, and our views on the UK Labour Government's detrimental decisions in those two areas have been communicated to it.

Keith Brown: Thank you.

Patrick Harvie: Good morning. You will have heard some of the discussions that we have had with witnesses about the balance between the uplift in culture spending benefiting more organisations or benefiting organisations to a higher level. Should we fund more organisations, or should we provide more funding at a higher level? Obviously, it would be nice to do both, and either approach would have benefits, but you will

have heard the concerns about there being unintended negative consequences if there is too rigid a focus on spreading the benefit to more organisations.

10:30

Instead of having a discussion about the relative benefits, I will ask a factual question. A written submission from one of our witnesses states:

“The budget increases are welcome but their impact is reduced by ... The Minister’s indication that the increased budget for Multi-Year Funding ... could/should fund more organisations rather than funding fewer to a higher level.”

As a matter of fact, have you given an indication or a directive of any kind about the relative balance that should be struck between funding more organisations and providing higher levels of funding?

Angus Robertson: I have not sent out memos calling for such a thing to happen. If you wish to forward that submission to me, I would be very happy to look at it, but that is not the relationship that exists between the Scottish Government and Creative Scotland, and it is not the reality as I understand it to be.

Multiyear funding is not just about an uplift through the new funding that has been provided to Creative Scotland; it reflects a change in the different funding streams within Creative Scotland. As well as the multiyear funding route, there are other funds, including the open fund. I am very confident that there is a significant level of funding across the cultural landscape. The funding is wider and deeper—it is the best of all worlds. Does that mean that everybody has everything that they want? No, it does not.

However, there is a wider question. Mr Harvie is not suggesting that it is, but it is important to acknowledge that the culture sector is not only that which is funded through Creative Scotland. As I have said to the committee previously, in my mind’s eye, in relation to the areas for which I have responsibility, as well as those that are funded through Creative Scotland, we have another series of pillars that are really important to Scotland’s cultural firmament. We have our five national performing companies—as the committee is fully aware—we have our national museums and galleries, and we have a mix of other things. For example, we support the V&A, Sistema Scotland and so on.

Given that we have very much concentrated on that which is funded through Creative Scotland, it is perfectly understandable that, in other parts of the culture sector—in the national museums and galleries, in the national performing companies and in the basket of other cultural organisations that I have acknowledged—there is great interest

in understanding how the remaining £30 million of the £100 million uplift will be allocated in the years ahead. If Mr Harvie has any suggestions in that area, I would be very happy to hear them.

Patrick Harvie: The comment that I quoted is from the Culture for Climate Scotland written submission, which the committee has already published. It sounds as though your answer is that there is a much more flexible approach than our witnesses were under the impression there is to finding a balance between funding more organisations and providing a higher level of funding. That is a helpful steer.

You spoke about cross-portfolio approaches. A number of witnesses talked about the difficulties and barriers that they face in making the argument that a piece of work is more than just a culture project. Is it a climate project? Is it a health project? Is it an education project? Is it a communities project? It might be all of those things, but there are significant barriers to taking a holistic approach to funding.

I will give the specific example of the National Galleries Scotland art works project at Granton, which you will be well aware of. We were told that the project will meet many different public policy objectives that the Government supports. Anne Lyden told us:

“I have no doubt that the cabinet secretary has supported this project and would like to see it happen.”

I hope that that is true, and I would like to see it happen as well. She added that

“there is a question around whether the rest of the Cabinet and Government can see how it will perform in those areas”—

that is, beyond the culture portfolio—

“and agree that, because it will deliver those cross-portfolio benefits, it requires investment from those portfolios.”—
[*Official Report, Constitution, Europe, External Affairs and Culture Committee*, 11 September 2025; c 24.]

You have talked about the need to do cross-portfolio work better. What specifically will change? What will be different about the way that such decisions are made between portfolios in the future in order to make it less of a problem than it clearly has been in the past?

Angus Robertson: For anybody following proceedings who is not aware, Mr Harvie gave the very specific example of the art works project in Granton, which is a very important project that is about introducing bespoke provisions for the holdings of our national galleries in facilities that are appropriate for the 21st century. The proposal to do so is part of a wider economic regeneration programme in Granton, Pilton and Muirhouse, which are in the north of Edinburgh.

Mr Harvie, you asked whether there is an understanding in Government that the art works is much more than just a culture project per se. In that example, we are helped by the fact that it is a capital project. That is the other area that I want to flag up to the committee as one of the things that is at the forefront of my mind, because I imagine that it might also be at the forefront of committee members' considerations. We have been able to make significant progress in relation to revenue funding for culture—including the £100 million uplift, multi-annual funding and so on—but major building programmes fall under capital allocation, and capital allocation in the Scottish Government is extraordinarily constrained. It is an area in which we are literally dealing with the hand-me-down budgetary situation that we have through devolution, and, depending on what the capital allocation is, what that might mean for capital projects such as the art works.

I am under no illusion but that there is tremendous pressure; however we have a requirement as a Government to ensure that managing our national treasures—most of them are not on show at any one time, so they need to be stored properly—is not only what we do in relation to national museums, galleries and storage and, for example, the art works project. It must also be about what we do with our national records, which is another area to consider.

Patrick Harvie: Forgive me, but can I steer you a little closer to the question? I get why all of that is important, but what will be different about how the Government achieves that cross-portfolio approach to making funding decisions, whether on capital or on revenue, to ensure that, when a project is meeting the other objectives beyond culture, those other portfolios are able to make a contribution?

Angus Robertson: I am very confident that the example that you gave will be considered in a much wider context, not only as a cultural project. As it happens, I was speaking with Fiona Hyslop, my predecessor, about that only last night. The rationale behind the project—embedding it in a regeneration project—was deliberate. Doing it in that way underlines your point, which is that it is not only a cultural fix to a cultural challenge for a cultural organisation, but an opportunity to pursue economic regeneration, boost tourism and improve access for people in an economically and socially deprived part of the city and the country. The benefits of investing in such a programme will have to be considered in the round by the Scottish Government, and I will be making that case very strongly.

Patrick Harvie: My final question is on the arguments that we have had on the transition to net zero and the challenges in the sector. I do not

want to ask you a very general question, because we have had lots of useful input from witnesses on the issue. I want to be quite specific. One of the figures that stood out for me very clearly was that three quarters of the emissions that arise from the culture sector come from audience travel. Even if we make substantial progress on reducing emissions from all the operational elements, that will result in a very small cut in emissions overall. Is the Government willing to bring a new approach to bear in relation to culture, tourism and the economy in order to refocus on building audiences from domestic travel so that we are less reliant on the most high-carbon travel on the planet?

Angus Robertson: I very much welcome the question. Travel is one of the first areas that the strategic partnership for Scotland's festivals, which I chair, has focused on, and it was the subject of a bilateral meeting that I had with the transport secretary. We need to get travel right to make sure that our festivals, but also the culture sector more generally, are properly served with the ability for people to travel with the least environmental impact possible.

I give Mr Harvie the assurance that that is at the forefront of my mind. I point out to him that the biggest single component of the audience figures for, for example, the Edinburgh festival fringe is people who come from here. I know that he is inviting me to share my thoughts on people who fly here from other parts of the world, and I am very keen that modes of further travel are more environmental—

Patrick Harvie: I am not asking for your thoughts on those people; I am asking for a recognition that we need to fly less.

Angus Robertson: Your point is fully understood, but I point out that three quarters of the issue is about audience travel, which is your statistic. I acknowledge that getting better solutions for the audience in particular—we have direct responsibility in relation to public transport, for example—is an area where we can have an impact, and I am very seized of the need to do that.

Will that solve the issue that Patrick Harvie raises about longer and international travel? There is probably less of a locus for me there. I am not saying that it is unimportant; I am just saying that we are focusing our efforts on how we can get more people to use public transport.

Examples have been raised repeatedly of people being able to get to cultural events by train or bus and then, because of the times at which those performances end, not being able to get home. That changes people's behaviour: rather than use a train or bus, they will use a car. That is just a very concrete example of the need to be a

bit more thoughtful about how cultural events can be properly served by public transport.

The example of the long-running Pitlochry festival was given. It is now much higher in people's focus, given the artistic director who is there now. What is ScotRail thinking about the provision of transport from the central belt north, or from the north south, so that people can attend world-class performances in Pitlochry using public transport and not relying on cars? We are thinking about all of that.

Does that address all of Mr Harvie's concerns? No, it does not, but we are definitely looking at all of that. If he has particular suggestions, I will be happy to look at them.

10:45

Jamie Halcro Johnston: Good morning. I am grateful that the cabinet secretary has agreed to come back to talk to us about the situation at Historic Environment Scotland. I appreciate the fact that he recognises that it is an important issue and that he recognises the importance of the cultural offering in Orkney, which I am always keen to highlight. I am sure that he will have enjoyed Orkney's cultural offering in the past.

You mentioned some of the relationships that you have with other organisations, such as the enterprise bodies, in addition to those that you have with the likes of Creative Scotland. The budgets for some of our enterprise bodies are tighter and more focused, and local government budgets are under real pressure across Scotland. What are your thoughts on how that is having an impact on the culture sector? How are you trying to address that? What are your concerns in that regard?

Angus Robertson: A few years ago, one would regularly read that there were concerns in some parts of the country that local facilities—whether museums, galleries or other facilities—might be closed, which might lead to a diminution of cultural provision, especially in more rural parts of the country that are away from major population centres. That caused me concern. That is why, where we have a locus in being able to help, support, buttress and develop the likes of museums, that is what we are doing.

Lisa Baird has already drawn attention to the fund that exists to help museums to future proof what they do and to think about what they might be able to do differently and better, and how they can maintain their numbers. We have amazing museums in different parts of the country. I was recently at a museum in Kirkcudbright that I had not been to before. I would encourage anybody with an interest in painting, in particular, to take a look round it. That is but one example of the need

to have different ways of being able to support the cultural infrastructure in different parts of the country.

I did not hear Iain Munro's evidence, but I know that Creative Scotland—now that it has been freed from the annual consideration of budget applications—is very interested in taking a more focused approach to helping to support the development of the management of cultural organisations, venues and so on, because, as we know, audiences are changing, as is how people make best use of the cultural offering. I have already drawn attention to what the Culture Collective and Collective Communities do. I think that we have a good mixture, but I am open to learning whatever lessons we can from the Creative Scotland review to find out whether there are gaps and, if there are, what interventions we might make.

Mr Halcro Johnston is a relatively new member of the committee, so I say to him—through the convener—and to others that, if there are examples in different parts of the country, do not assume that there is an omnipotent, all-seeing eye that understands the realities in all the various parts of the country. Please take the opportunity to share with us examples of what you think we should be doing more of or less of, or doing in a different way. I will be very content to take those examples away, because, as you know, my approach is to work in partnership with the committee. That is a good example of how we can work together.

Jamie Halcro Johnston: You moved on to, and possibly through, my second question, which was going to be about the issues that have been raised about attendance at museums and other cultural sites, and how we can make sure that the numbers are there and that there are no gaps in funding. Creative Scotland highlighted the issue of business development support, which is important.

Therefore, I will move on to my third question, which is about Government policy. I asked Creative Scotland about the impacts of the regulation of short-term lets. In my area of Orkney, which we have talked about, that has led to a considerable number of bed losses, which means that fewer people are coming. Although the visitor levy has been rejected by Orkney Islands Council, it is being considered by other councils.

One of the issues that organisations raised with me—and they were not always the accommodation providers, but sometimes people in ancillary parts of the sector—was about there being less money in people's pockets. The concern is that, if people do not have so much money in their pockets, they will not spend as much in a community, even if they still visit it.

Another issue that was raised with me in relation to the proposed legislation for a cruise ships levy was that boats may still come, but they may make fewer stops in Orkney.

If you are working positively for the cultural sector, how do you make sure that some of the other Government policies are not reducing the amount of money in people's pockets or the money going through into communities that they visit? How do you ensure that policy is lined up in relation to your aims for the cultural sector?

Angus Robertson: Those are all relevant points to consider, and I acknowledge them as such. I also acknowledge that not everything that is on offer in Orkney takes place in the context of a festival. Having said that, the fact that we are now bringing people together, including input from Orkney, around the festivals opportunities and challenges, hits on all these points. It is about looking at what the Government can do to make sure that we are not making detrimental decisions and that we are able to help pool resources that will support festivals and, by extension, cultural venues and cultural organisations.

We are beginning to consider some really interesting ideas in the accommodation space. On the provision of shared support or shared infrastructure, there is a range of potential considerations around staging, sound, lighting and so on that are relevant not only for festivals but for venues outwith festival times. Does everybody need to have the same rig? Is it possible to share things? The answers to such questions are not always uniform, but it might surprise Mr Halcro Johnston to know that, often, smaller festivals such as the Orkney festival—which is still very important in the Orkney context—and large festivals such as the Edinburgh festival have the same challenges. We are taking cognisance of all these things in working together across festivals and across the wider culture sector.

I am not aware of less money being spent in Edinburgh during our festivals and I am not aware of less money being spent in Orkney on culture. However, if Mr Halcro Johnston has examples of that being a concern—

Jamie Halcro Johnston: Those are the concerns that have been raised by those within the sector.

One last thing, if I have time for a very quick question—

The Convener: If it is very quick.

Jamie Halcro Johnston: Yes, of course.

You are talking about festivals and the like. For a lot of the smaller venues and museums and so on, particularly in rural areas, there is a long period of the year when they are not getting very

high visitor numbers. Can you think of anything that could be done in the winter or in the quiet months to support them?

Angus Robertson: A lot of venues are now looking at exactly that issue—what might the offering be at a venue that is tremendously appealing in the high season, but also wants to appeal to people for the rest of the year? There is also the potential for co-location. I have one example in the forefront of my mind, but I am not sure whether I am at liberty to talk about it because they have not confirmed exactly what they are doing. It is absolutely and totally groundbreaking in terms of doing something brand new, which will definitely attract people.

There are a lot of projects in communities. For example, something might be not just a gallery, but a cafe. A venue might have break-out space for other events. It might have the opportunity to embed an educational dimension to the offering. It might be a warm space that can be used in winter for people who are concerned about keeping the heating on. There are many opportunities to make the most of museums, galleries and other cultural venues and spaces.

That is where the funding provision that Lisa Baird was talking about comes in. Part of it is about helping smaller or more challenged venues in particular, which perhaps do not have the capacity to be aware of the possibilities to do some of these things. It is about helping everybody and letting all the boats rise.

I am optimistic that there is an awareness that Government—small g as well as large G—and our agencies can help the cultural sector to make the most of not just what it has been but what it might be in the future, which might look a little different, because we are using the facilities differently.

Neil Bibby: Since the committee has been in session this morning, it has been reported that STV is making significant redundancies, which will have a serious impact not just on the workforce but on viewers. I understand that as much as 10 per cent of the workforce could be facing redundancies. The Scottish Government is a significant funder of STV, and we are talking about the budget this morning. In that context, what action can and will the Scottish Government take to protect jobs in that sector, which is vitally important not just to our economy but to democracy?

Angus Robertson: Mr Bibby knows how committed I am to the screen sector in Scotland, which, as he also knows, is growing in economic importance. More is being spent now on film and television in Scotland than has been spent in past years. There are additional job opportunities in that part of the cultural sector, and I am confident

that there are more jobs in that area. He highlights a particular concern about Scottish Television. He will have to forgive me—I do not have information about that announcement in front of me. However, I can give him the assurance that I take all of those issues very seriously. From previous examples, such as the BBC discontinuing “River City”, he knows that I have had concerns about anything that suggests that we are not heading in a positive direction when it comes to jobs.

Mr Bibby also highlights what that means for our wider democratic discourse—if important public service broadcasting provision is being downgraded, that would concern me greatly. I will, no doubt, be speaking with the chief executive of Scottish Television about this. I need to understand what exactly is happening, because we want STV to flourish, just as we want the BBC and other public service broadcasters, such as Channel 4, to flourish.

I would be very concerned about job losses, because we certainly do not want to see a loss of talent in the television sector in Scotland. We want to maintain confidence in the direction of travel in Scotland, which, in recent years, has been very positive, as we move towards a £1 billion gross value added to the Scottish economy from the screen sector in the years ahead.

Neil Bibby: I note that the cabinet secretary will seek to meet the chief executive of STV; I also ask that he hold an urgent meeting with the National Union of Journalists on this issue to discuss the importance of protecting these jobs and mitigating these cuts.

Angus Robertson: Mr Bibby probably knows that I spent most of my professional life as a member of the National Union of Journalists, but that is not the only relevant union in this regard. I have also had regular meetings with Bectu and other trade unions on issues such as the decision to end “River City”, and I will absolutely have meetings with them about any potential job losses at STV.

The Convener: I declare an interest as a current member of the NUJ.

We will move to questions from Mr Adam.

George Adam: Good morning, cabinet secretary. I would like to follow on from what Jamie Halcro Johnston was saying about cultural regeneration as a tool to regenerate our town centres, villages and other areas across Scotland.

As you will be aware, I have already gone on at length about the fact that Renfrewshire Council has invested in Paisley, in particular in the town hall, the library and the museum, all of which are on the High Street, in order to try to create footfall in that area. There is also another issue, which is

the fact that we have smaller venues—people looking to perform in a major venue will not go to Paisley town hall—and I note that, in your discussion with Jamie Halcro Johnston, you mentioned funding for smaller venues.

The Bungalow music venue, which was previously the Bungalow bar, has an interesting history. In the 1970s, it had all the major punk bands, because Glasgow City Council banned punk. For once, Renfrewshire Council thought that it was a good idea to make some money and encourage people to come to the town centre. How would venues such as that, which are smaller and of significance to the local area, go about engaging with Government in relation to funding? To be fair to the Government, it backed such venues during the Covid period, but they are struggling. They are doing well to get by, but there are still issues that mean that it is a bit of a struggle at times.

11:00

Angus Robertson: First, I thank Mr Adam for helping me to understand the history of punk in Paisley and Renfrewshire more generally. That was not part of the briefing notes that I prepared for myself.

George Adam: It is all culture.

Angus Robertson: It is all culture, and I know that Mr Adam is an outstanding representative who always stands up for the interests of his constituents and for Paisley.

I can assure Mr Adam that my colleagues and I have worked extremely hard in recent years when there have been dangers to the continuation of different venues, whether small, medium or large, and to understand what potentially can be done to support them. If Mr Adam would be so kind as to write to me about that venue, I will look very sympathetically at that case, and I ask other committee members to do the same if they have other examples.

George Adam: The Bungalow is quite interesting as it is a community investment company, not a for-profit organisation, so it ticks all the boxes with regard to the Government's idea of investing in the future of culture.

I will move on to a different issue. One idea, which just about everyone who gave us evidence brought up, is for the Government to create a cross-portfolio fund, which would encourage organisations to look at things in a cross-portfolio way, too. The Scottish Library and Information Council gave a name to it: a culture and wellbeing fund. However, it could be broader than that. What are your thoughts on creating something along those lines?

Angus Robertson: The Scottish Library and Information Council's idea is a very interesting example of new thinking about what cultural organisations—libraries, in its case, but potentially other types of venues—can offer as hubs for communities to access a range of services and opportunities.

That goes back to the question that was asked at the beginning of our evidence session about access to, for example, health and wellbeing cultural provision. I think that there is definitely something in all that. Earlier this year, in Falkirk, I saw a fantastic library which was, in effect, the community hub where the pensioners' group and the book readers group met, and that also had a children's play and reading area. There was much more than what one might traditionally have understood a library to house.

SLIC's idea of a culture and wellbeing fund is to help libraries to offer more than they have done up until now and, as a result, allow them to maintain the numbers of people who are going to use them. One of the challenges for libraries is that, as many more of us are accessing books online and do not need to go to libraries in a way that we needed to in the past, they need to reimagine how they offer themselves and their space.

There is definitely something in the suggestion, and it is part of the answer to the cross-portfolio culture and wellbeing offering that we discuss with great regularity in this committee. That is one of the strongest aspects when it comes to delivering our aspirations.

George Adam: I have two questions, which I will ask very quickly.

The Convener: You will have to be really concise, I am afraid. Sorry.

George Adam: Okay, then. I will skip my question about the visitor levy.

Screen Scotland, which is part of Creative Scotland, is a shining beacon of what a successful organisation looks like. The fact that it is being allocated an extra £2 million points to its success.

Earlier, I asked Iain Munro about the organisation and he spoke about how important it is as part of the work that Creative Scotland is doing. It showcases Scottish talent and ability, and there is also the sheer involvement element, which is important for tourism. I have already used the example of walking down the Royal Mile and seeing Americans looking for "Outlander" locations. There is growth in that for us. How do you see us moving forward in that regard? Obviously, we are investing in that, but we can generate some income from it, too.

Angus Robertson: I am very sorry that Mr Adam was only able to ask this question right at

the end of the evidence session, because I could—and will be delighted to—talk at great length about this. What has been happening with the Scottish screen sector in general has been extremely positive in recent years. The economic impact studies prove that to be so: it is heading towards being a billion-pound-a-year industry in Scotland.

Looking at what Isabel Davis, David Smith and other colleagues at Screen Scotland have been able to do, I would like to pay public tribute to them. They are understood in Scotland to be world class; in addition—I have seen this, most recently when I attended the Gothenburg film festival with them to showcase what is happening in Scotland—Screen Scotland is seen internationally as being a world-class screen agency, helping to promote Scotland as a place where one can film, where there is outstanding talent and where opportunities abound. The key part of Mr Adam's question is how we maintain that, because we are, in effect, emerging from market failure.

Due to the concentration in the past of broadcasting and film production in London and south-east England, everyone has pretty much had to agree that we have to undertake a new way of doing things to ensure that the nations and regions are able to get a fair slice of the cake, for example when it comes to the commissioning of public service broadcasting. We have also had to move from the market failure of having next to no studios in Scotland. As Mr Adam and other committee members know, we now see film studios opening up and being used literally right across Scotland.

We have been bucking international trends. There was the strike in the States, which had a major impact on film production schedules, and there has been a downturn in output for streaming services, yet the direction of travel in Scotland has still been positive, and I am confident that we will see figures shortly that will confirm that that trend continues.

To ensure that it does, we need to deal with the other elements of the market failure that we have not been able to deal with thus far. Education is a key example. How do we ensure that young people in Scotland learn the requisite skills so that they can work in front of or behind the camera and be part of a screen sector in Scotland that, frankly, until 20 years ago, was exporting its brightest and best? We are tackling that exact question through education, and we are the first country in the world to do this. Screen Scotland came up with the curriculum and has helped to deliver it, together with the Scottish Government, and the Cabinet Secretary for Education and Skills and I lay great store in that being part of the way in which we maintain the direction of travel.

I am very confident that the screen sector in Scotland will continue to go from strength to strength. We have to ensure that, when we hear of countervailing news, such as the announcement that Mr Bibby raised today, we take those challenges seriously, so that the general momentum continues in a positive direction.

The Convener: Thank you, cabinet secretary. I was fortunate enough to visit Rothesay academy when pupils were doing a project with Screen Scotland and Education Scotland on animation; the work that was being done there was absolutely incredible, so I look forward to seeing how it progresses.

After that quick thank you, we will close and move into private session. If we could clear the room quickly so that we can continue our work programme, that would be very helpful.

11:09

Meeting continued in private until 11:30.

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