Official Report
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Europe, External Affairs and Culture Committee

Comataidh na Roinn Eòrpa, Cùisean Taobh A-muigh agus Cultar

Tuesday 6 October 2026

Session 7

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EUROPE, EXTERNAL AFFAIRS AND CULTURE COMMITTEE
7th Meeting 2026, Session 7

CONVENER

*Patrick Harvie (Glasgow) (Green)

DEPUTY CONVENER

*Senga Beresford (South Scotland) (Reform)

COMMITTEE MEMBERS

*Colin Beattie (Midlothian North) (SNP)
*Keith Brown (Clackmannanshire and Dunblane) (SNP)
*David Green (Caithness, Sutherland and Ross) (LD)
*Pauline Stafford (Bathgate) (SNP)
*Jenny Young (Central Scot and Lothians West) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Matt Baker
Councillor Maureen Chalmers (Convention of Scottish Local Authorities)
Pauline Smith (Development Trusts Association Scotland)
Matthew Sweeney (Convention of Scottish Local Authorities)
Kate Wimpress (North Edinburgh Arts)

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Europe, External Affairs and Culture Committee

Tuesday 6 October 2026

[The Convener opened the meeting at 09:15]

Decision on Taking Business in Private

The Convener (Patrick Harvie): Good morning, everybody. Welcome to the seventh meeting in 2026 of the Europe, External Affairs and Culture Committee. We have no apologies to record for today's meeting.

Our first item of business is to decide whether to take items 4 to 7 in private. Do members agree to take those items in private?

Members *indicated agreement*.

Pre-budget Scrutiny 2027-28

The Convener: Under the next item of business, we will continue our pre-budget scrutiny with a focus on culture. We have two panels. With our first panel, we will discuss the report "Local Culture Scotland: Culture is infrastructure for place-based working". We will hear from the author of the report and two of the project partners. I give a very warm welcome to Matt Baker, artist and author of the report; Pauline Smith, chief executive, Development Trusts Association Scotland; and Kate Wimpress, director, North Edinburgh Arts. Thank you all very much for joining us.

I believe that Matt Baker will kick things off, with a few minutes of introduction to the report.

Matt Baker: Good morning, everybody. Thank you for having us. The "Local Culture Scotland" proposals grew from the Constitution, Europe, External Affairs and Culture Committee inquiry and its report, "Culture in Communities: The challenges and opportunities in delivering a place-based approach", which was published in September 2023. Among its key recommendations was the need to address the disconnect between local and national provisions in that area of culture and to look into the potential for a dedicated framework of national support and co-ordination.

"Local Culture Scotland" supports cultural activity that is created by, with and for communities. It is a national framework for creative social practice, which is sometimes called everyday culture or community arts. It covers everything from community galas to local choirs and large-scale participatory art projects, as well as Gaelic and traditional culture.

The report proposes to address issues within both the culture sector and society at large, as identified by the Constitution, Europe, External Affairs and Culture Committee inquiry. Those issues include an unfair geographic spread of arts funding. For example, five local authority areas still have no multiyear funded arts organisations, and communities need support to grow grass-roots arts infrastructure to give everyone opportunities to participate.

The report also seeks to address the disconnect between local and national cultural strategies, which can result in national funding landing without consideration of local strategy or local input to decision making; the public sector reform agenda and how cultural activity can bridge the gap between strategy and community delivery for sectors such as health and education by reaching sections of the community that are difficult for others to access; and the growing need for social

cohesion, a sense of belonging and democratic resilience in our communities, areas in which this form of cultural practice has been shown to be particularly effective.

The report's proposals were built through in-depth consultation with more than 50 organisations across different sectors engaged in place-based community work. This included six local authorities, the Convention of Scottish Local Authorities, public health, education, regeneration, and a wide cultural range of cultural organisation from national companies to traditional arts, funders and development companies.

My colleagues here today were a big part of that process, the Development Trusts Association Scotland being a key partner in place-based working in communities across the country and North Edinburgh Arts carries out pioneering work in cross-sectoral collaboration with culture at its heart.

Key features of the proposals include guaranteed funds of £500,000, renewed biannually for each of Scotland's 32 areas; local decision making, with funding allocated through negotiation rather than competition; the creation of a national network that supports co-ordination and strategic connection between different local areas and the national level; the development of the local culture Scotland model from existing Scottish Government funding programmes, bringing them together with administrative savings; and building a national evidence base on the impact of creative social practice that can drive systems change and attract funds from other sectors.

The report concludes with a recommendation that the Scottish Government commission an initial two-year pilot in six diverse local authority areas, starting in 2028-29. This phase could integrate the creative communities and culture collective programmes into local culture Scotland ahead of a full national roll-out in year three. The first three years are fully costed within existing national cultural budgets, requiring no new funding while bringing in additional match funding.

Thank you, convener. We look forward to discussing the proposal with the committee.

The Convener: Thank you very much for introducing the report. Can you say a little more about how you see the model working alongside the existing structures? Let us say that the green light has been given, we are into year 3 and there is a national roll-out. What is the relationship between the structures, strategies and frameworks that you are proposing and, say, Creative Scotland and the existing structures at local government level? Are you proposing something that replaces or takes functions from those existing systems, or something that sits alongside them? How do you see them interacting and co-operating?

Matt Baker: Very much the latter—the model will sit alongside and collaborate with the existing systems. When we look at the picture of support in this area of work, we see, as the CEEAC Committee report made clear, a very complex mix, with local authority venues, museums and libraries all playing their part. There is also, as has been mentioned, the national funding of the creative communities programme, the youth music initiative, and the national performing companies and their outreach programmes. You have private trusts and foundations feeding money into the cultural sector, and there is also social impact funding, which covers anything from national lottery funding through to things such as the community mental health programmes that are being rolled out through third sector interfaces.

That is a very complex mix, and the aim of local culture Scotland would be to bring all those players into a communication network so that there was an understanding of what people were doing. For example, with social impact funding—that is, national lottery funding and so on—the people involved are not specialists in the cultural area, so when they put in funding, they are not aware of the cultural ecosystem to which they are inputting. As a result, the money often ends up going to people who are already receiving considerable amounts of national funding, and you get hotspots and not-spots. That is what this proposal is all about—it is about trying to level that playing field across the country, to create opportunities and communities for everybody and to create that structure of communication.

You asked about how this would work with Creative Scotland and other agencies, but I should make it clear that the idea is not to have a new organisation; this would be hosted by an existing organisation, and it would be allowed to work in an autonomous way as a project within the existing infrastructure. It would add capacity to what is already here, instead of its being something new that would be in competition with other organisations.

The Convener: Looking at this from the perspective of a culture organisation at a local community level, how do you avoid adding to the complexity of the landscape that you have just described? Are you envisaging that local community organisation going to a front door with a sign on it saying "Local Culture Scotland" rather than to the various other bodies that might be potential funders? Is that where they would access support or funding applications, or is the purpose more to facilitate their routes to the different organisations? Would that not risk adding to the complexity?

Matt Baker: We are getting straight to the heart of things, which is great.

The idea is that local culture Scotland would have guaranteed funds that would be allocated to an area, and the funding decision making would be based on the ability to demonstrate that your community wanted what you wanted to do. That would be enough for the funding to be signed off at national level.

The key piece of infrastructure that local culture Scotland would provide would be the local co-ordinator; there would be a co-ordinator in each of the 32 areas, and they would be funded at national level. That approach is a repeat of the old cultural co-ordinators in Scottish schools programme that we had in education and which ran from 2002 to 2008—and which, if you go to any cultural summits, you will hear much lamented. Somebody at some point will ask, "Can we have the cultural co-ordinators back?" Those people made the national performing companies' lives so much easier when they wanted to know where taking their national work to communities would have an impact, because they were the ones at the local level who understood how the communities worked.

To come back to your question about how the process would work for a local arts organisation, the principle is that the local co-ordinator, who would be employed by a host local organisation, would work to bring together a consortium of local organisations to take a strategic approach to how they would to spend the money in their area. A condition is that those organisations would have to include non-cultural organisations, because the process is all about trying to grow cross-sectoral collaboration, which will make it possible to bring additional support back into the cultural sector, through the partnerships that will have been created.

I hope that I have started to make things a bit clearer.

The Convener: Thank you. Do either of the other witnesses want to comment on the issues that have been raised so far?

Pauline Smith (Development Trusts Association Scotland): The Development Trusts Association has always been an advocate for the community empowerment agenda and for greater devolution of powers to communities, and that is what the proposed approach will do. It will put the power in the hands of local people so that they can get what they require. I love the idea of getting rid of some of the siloed funding that is out there and bringing it all together. Culture can be thought of as just being creative, artsy and so on, but it is so much more than that. This development is about bringing people together.

Matt Baker talked about the different buildings, heritage sites and so on that local authorities have. We know that a lot of those are passing into community ownership now, because councils are getting rid of some of those things. We need to think about how we ensure that the funding, the finance and the powers go with those assets as they are transferred from local authorities to communities. The proposed approach represents a way forward in addressing some of the sustainability problems that we are having in communities and bringing decision making closer to communities.

I reiterate Matt's point about siloed funding. All those different bits of funding are now being talked about as part of the public service reform process. They include the Scottish Government funds, as well as other funding that is available from the various trusts and the lottery. We must ensure that we have the mechanisms for getting that money down to community level. Additional conversations need to be had about the public service and local governance side of things, but the proposed approach is absolutely a route to bringing the process closer to communities and ensuring the sustainability of cultural activities.

Kate Wimpress (North Edinburgh Arts): As someone who is speaking on behalf of an organisation that is very much based in the local community, I know that we spend a lot of our time trying to knit together the various funds to provide a consistent and coherent programme. If I was able to spend slightly less time doing that and more time developing the organisation, that would be a good thing.

As Matt said, there are lots of not-spots. We feel that we are a hotspot. We are slightly extraordinary in that respect, but we should not be. We should be very ordinary. Any mechanism to ensure that everyone has access to such programmes and buildings is a good thing. To my mind, the proposed mechanism strips out a layer of complexity.

The Convener: Thank you all very much. I will throw the session open to the rest of the committee. We will go to Keith Brown and then Senga Beresford.

Keith Brown (Clackmannanshire and Dunblane) (SNP): I agree with Pauline Smith's last point. It seems as though the proposed model would devolve power, and perhaps funding, to community level, but the report still seems to be hedged by all sorts of requirements on organisations to do strategies, report back and all the rest of it. Both panels of witnesses at last week's meeting told us that it is already very burdensome to do that kind of work to obtain the

diminishing levels of grants that are available, which come with a lot of governance.

I am still not clear about where the money would come from in the proposed new model. You say that there is no need for an increase in budget, but we are talking about more than £2 million in staffing costs alone, if there is to be a co-ordinator in every local authority area, and that would be a recurring, year-on-year cost. Where would the money come from? You hinted that it might come from existing funding streams, but it would be useful to get some clarity on that.

Matt Baker: I want to come back on the issue of reporting and so on. That is part of the point of the local co-ordinator structure. There would be an evaluation structure at national level, which would take quite a lot of that work away from organisations at local level.

On the exact money, I mentioned the first three years. The first two years are the pilot programme with six local authorities. The third year is the first year of a national roll-out, which will be a two-year process, with 16 local authorities in the first year and 16 in the second. If you total up the creative communities and culture collective budgets, that covers those first three years. Thereafter, a budget increase would be required to take it into the fourth year.

09:30

From then on, however, we are confident of bringing in additional match funding and reducing the funding year on year. We have had enormous interest from large United Kingdom philanthropic trusts, which are attempting to do scaled-up systems-change funding and that are interested in the proposal as a way of doing that. If we take a more entrepreneurial approach to dealing with national funding, in the way that arts organisations do, we could use our money to lever in considerable additional money.

Keith Brown: I am interested in your proposal for what you call equal funding rather than equitable funding, so that all local authorities—we have to go with the local authorities that we have now, although who knows what we will have shortly?—are treated the same. The contrast between Clackmannanshire Council, which is in my constituency and which has no regularly funded organisations, and Edinburgh is huge. That is why I like the idea of equal funding—it would mean that the areas that you have described as not-spots would get some cash.

You are looking to get local authorities or the Government to redirect funding and move control down, which I think is the right thing to do. However, people often feel that they have to give all sorts of assurances that every penny will be spent in the right way and organisations will be accountable. That is kind of a wasteful thing to do. I know that that is heresy, because we have to account for every penny, but there is a burden in having to do that. There should be a level of trust in the organisations. We can check that, within broad parameters, they are spending the money on what they are getting it for, but they should not have to endlessly come back with yearly reports, which seems very time consuming.

Pauline Smith: That is linked to monitoring. A place-based approach gives flexibility and freedom—I am not talking about unrestricted funding, as it is restricted for culture activities—and organisations can monitor and evaluate in the way that they want. The need to apply for funds is taken away, as is the endless monitoring and evaluation of what a funder requires rather than what the organisation requires. That is important. The place-based approach cuts down on all of that, because you are not trying to fit into boxes. Instead, there is a dialogue or conversation about what the place requires and what you can do with the resources. The minute that we start to take a place-based approach, organisations become much more flexible and creative in their approach and, to be honest, much more financially viable.

That will take away from the burden that exists. It will also probably produce lots more interesting data about what communities need—for example, about what Clackmannanshire needs rather than what Edinburgh needs. We sometimes get national programmes that are very targeted on specific cultural activities. If you give funding to a place, you have flexibility to do what culture in that place—say, Clackmannanshire—requires, rather than what the whole of Scotland requires. Does that make sense? Some of that starts to naturally be untangled.

On trust, you will have heard many times that, during Covid, communities proved that they can do it when local authorities and others disappeared. Communities were on the ground doing it, so they have proved that they can be trusted to manage things, make decisions and direct funding where it is required.

Keith Brown: Kate Wimpress might want to come back in, in defence of Edinburgh.

Kate Wimpress: Obviously, there are certain parts of the city that do not get the input that you speak of. However, to touch on what Pauline Smith said, whenever the trust was there and the third sector was charged with delivering, we proved our mettle. We are scrutinised through our audit accounts process. It is about finding different ways to measure what you want to see happen.

When I was sitting in the community cafe that we run talking to Matt Baker about the presentation,

there was a hubbub and a mix of people there; there were people celebrating, commiserating and supporting each other. Coming to the space for half an hour tells you everything you need to know about the reporting and how effective place-based work can be. Anything that can streamline that for the grant giver and the provider is a good thing in my book.

Senga Beresford (South Scotland) (Reform): I will go back to the cultural co-ordinators in schools programme. My question is for Matt Baker. The research failed to ascertain why the scheme was discontinued. Should we know why the previous one stopped before funding 32 new posts?

Matt Baker: It would be helpful to know that. It is through chat rather than written report, but my understanding is that it was basically felt that that was national funding that was given to local authorities on the grounds that they then hired a cultural co-ordinator in schools. In some places, they had up to four, and in some places they had only one.

The committee will be well aware that there are constant pressures and shifts in funding for culture, and new demands for new things are coming all the time. The feeling was that the project had proved its worth, that it was then up to local authorities to fund it instead of the money coming from national funding, and that the national money would be redirected. That is my understanding.

Senga Beresford: So, there were no papers—

Matt Baker: It was not a case of the project not working, because all the evidence was that it was bringing an enormous amount of match funding into the culture sector, and the participation numbers for the programme were very impressive.

Senga Beresford: Do you know whether anyone asked the Scottish Government or Education Scotland for papers on that decision? If not, convener, are we able to ask for papers on why the decision was made?

The Convener: I suspect that we could explore that with the cabinet secretary. We might need to flag in advance if we are looking for background to the decision that a previous Government made.

Senga Beresford: Matt is saying that the programme was successful, so we could ask why it was stopped.

Pauline Smith, the report names development trusts among the organisations that would sit in a local consortium deciding how the £500,000 is split. If that money was misspent, which member of the consortium would carry the legal and financial liability?

Pauline Smith: The plan would be to set up consortiums and co-operatives of some sort, depending on what suits them and their community. We have plenty of examples of consortiums that work. Usually, there is a lead partner and a memorandum of understanding or agreement between them in which they share responsibility. If there is a lead partner, they would potentially be responsible for the auditing. All that is laid out in a legal document so that there would not be any problems if something went wrong. If there were accountability requirements, they would be set out in an agreement.

Senga Beresford: Would someone sign each agreement in each area?

Pauline Smith: Yes.

Pauline Stafford (Bathgate) (SNP): Good morning. I draw members' attention to my entry in the register of members' interests. I am a sitting councillor in West Lothian and a previous employee of the National Youth Choir of Scotland.

The report and proposal are interesting. One arts organisation says in the report:

"It feels as if we have been having these conversations as individual organisations for years."

Perhaps this is, as has been said, a pivotal moment to bring all that together. Is the proposal flexible enough to account for the local governance review and proposals that have been put forward to look at national, strategic and ultra-local governance in Scotland? Are there opportunities that you would want to use in implementing the proposal?

Matt Baker: I will say one thing about that and then pass to Pauline Smith, because she is the expert on it.

On the flexibility of the proposal, it would be a case of drawing the lines slightly differently so that, for the super-regional bodies, you might have a team of local co-ordinators who were based in those bodies rather than having one in every single community. That would be an important part of trying to make that system work.

Pauline Smith: I totally agree with that. The proposal for the regional bodies is quite new to us, so we are all working our way through what it would mean and look like.

DTAS has been involved in local democracy and democracy matters work for 10-plus years, so we have been working on a proposal with the Scottish Community Alliance on what new local democratic bodies should look like. I am sure that that will come to you in time after we have done some more consultation.

Development trusts are supportive of the local culture Scotland proposal, because it is going in

the right direction. It does not propose a new body. It uses what already exists, which is great. However, from a local democracy side, we need a new body that can facilitate a lot of what is needed. I envisage the proposal working side by side with new local democratic bodies and going in the right direction because it would devolve certain powers and money, has certain outcomes and is place based. From a wider, local democracy point of view, there is still work to be done on that that is linked to the public service reform agenda.

The short answer to your question, Ms Stafford, is yes. The proposal is a move in the right direction and will work side by side with new local democratic bodies when we eventually get them. I emphasise that I like the fact that it does not go through the local authorities and so does not stop anything that is happening in the public service reform agenda. It supports a certain way forward for empowering community organisations and place-based bodies that already exist.

Matt Baker: There is an opportunity to embed culture within the public service reform process. It could easily get left out again.

The headline at the front of the report calls culture "infrastructure for place-based working". Culture has a role in creating safe spaces, spaces of belonging and the ways that you can bring people together in non-stigmatised spaces. Think about healthcare, for example. You can bring people into a cultural project in which they do not have to declare any sense of illness but they can then be referred into the health service.

All the work that culture can do in knitting together communities and providing other connections and outputs is fundamental to the way that we need to think about our society, with communities breaking down. It would be amazing for our country if culture were to work together with the local governance review and public sector reform on that basis.

Kate Wimpress: I will pick up on that last point. In this iteration, North Edinburgh Arts is a relatively new organisation but, since April last year, we have nearly 900 members, all of whom are people who are 16-plus living in the locality around us. People are voting with their feet. They want to come and connect and do all the things that Matt Baker is talking about while, at the same time, the community councils are slightly withering on the vine. The question is how we shift those frameworks to places where people want to be.

Pauline Stafford: The democratisation of culture, so that it is not a gift that you are imposing from the top down but something that you are doing it with communities, came up a lot in the previous evidence session.

Pauline Smith touched on the Community Wealth Building (Scotland) Act 2026. Local authorities are mandated to work alongside public bodies to develop action plans in their areas. The report says:

> "Local Culture Scotland will provide a strategic and operational interface for culture to be a part of"

those plans. What is happening at the moment to enable you to feed into community wealth building action plans and what would you like to happen?

Pauline Smith: The short answer is probably not much at the moment, but we are organising ourselves to make sure that we have a way into the community wealth building action plans. The more support that is given to communities to make sure that it is those at grass-roots level who feed into the action plans, the better. The alternative, which could happen, is that it is local authority led, with the grass roots in the communities being thought about second.

09:45

This is a proposal in which culture is not forgotten about and, among other things, is at the forefront of community wealth building. We need to emphasise different areas to make community wealth building happen on the ground. Culture brings the engagement element, ensuring that the communities in the place base are in contact with local people, taking on the buildings, creating the jobs and providing the volunteers. They are the ones who know what they need to see in the action plans.

Again, the short answer is not at this precise moment. We are organising ourselves in the communities—this is part of that—to make sure that the local authority and the community wealth building action plans have support and the grass-roots, on-the-ground action that is required.

Kate Wimpress: We are in the north of Edinburgh, and we are quite interested in community wealth building. We hosted an event last week with Neil McInroy to look at it, and we have made some small moves on it. One of those is that the building is in community ownership, which is one of the main pillars of community wealth building. We have done some research through the New Economics Foundation local multiplier 3 framework. I do not quite understand how the figures work, but somebody did it for us, and it demonstrated that, for every pound that is invested in our organisation, £2.37 is recirculated in the local economy. We feel that we are perhaps a bit of an example of how these things can work. We are working with other third sector organisations to look at how to break down the procurement process so that the smaller

organisations that Pauline is talking about can actively bid and provide local services.

Matt Baker: The conversation is mostly happening at the national level, where Neil McInroy gets around. It will probably be for the cultural sector in each local area to batter down the doors of the people who are putting together the local action plan, because engaging with culture will not be high on their priority list. I am doing quite a lot of work in Fife at the moment, which is taking a radical approach to a cultural strategy that is starting with grass-roots work in the seven Fife localities. Those folk are battering down the doors of the local authority and saying, "We are part of your community wealth building plan, and we're taking a lead." That is the way in which it will have to happen, unless somebody can corral all the local authorities and say, "You need to think about culture". However, I do not think that that will happen.

Pauline Stafford: Local communities sometimes step in to preserve local buildings at the last gasp when they are at risk of losing such things, but it is often the communities that need them most that have the least capacity to take that on at short notice.

Matt Baker: Totally.

The Convener: I might follow up on some of that at the end, but I do not want to step on others' toes.

David Green (Caithness, Sutherland and Ross) (LD): I thank the witnesses. As Keith Brown said, the report is a really good piece of work, and I welcome anything that can genuinely shift power outwards into our communities. All credit to you, and thank you for joining us.

I want to follow on from what Keith said about the £500,000 figure that you have arrived at. Keith made a good point about Clackmannanshire. It has a low starting point, so its baseline differs from that of, say, Edinburgh. There will be local authorities that have a higher proportion of deprived communities. I represent a rural constituency—in fact, it is Scotland's most rural constituency. In the Highlands, every pound that you spend has to be spread ever thinner, so the outputs that you get are much smaller. In this committee and elsewhere, I have often advocated the concept of rural proofing, which is the idea that funding settlements should recognise the additional level of costs in rural areas to provide services, including cultural services.

Will you unpack the £500,000 and say whether that is equitable across all the local authorities? From my line of questioning, you will probably understand that I do not think that it is quite right.

Matt Baker: That was a pretty hot topic in the consultation process. There are a number of starting points here. To some degree, there is a sense of rural proofing—I am with you; I am from Dumfries and Galloway, so I know what you are talking about—in this proposal, in the way that it divides the funding.

At the moment, 70 per cent of national arts funding goes to six cities in Scotland—I know that there are seven cities, but I was not able to separate out the funding for Dunfermline. However, 63 per cent of our population does not live in those six cities. We are therefore in an incredibly inequitable situation in the way that funding is devolved, which started from the idea that culture was created in big places and everybody else had to travel to see it. There were also outreach programmes that educated people on how to understand it and why they should go to see it. We are trying to shift that dial with programmes such as this, and Creative Scotland has been trying to move that dial for a long time.

As you have said, if you compare Highland with Shetland in terms of numbers of people and sheer size, it does not make any sense at all. I completely put my hands up and say yes.

Are you familiar with the community-led local development fund, which was the child of the LEADER scheme? When we lost LEADER funding, we got the CLLD fund, and we are still in a two-year process of trying to work out fair allocation of the funding. My feeling is that we are almost taking a universal benefit approach.

The point is to try to shift the dial and do something different. It will never be completely fair, and it will always be an iterative process. There has to be flexibility so that we can look at the model again if, when we evaluate the first cycle, we say that the model does not work and that we need to add more for the transport costs of working in the Highland area because those costs are crazy, for example. There is a risk in holding the whole thing up in order to go into a major negotiation process before we even really know what we are talking about.

You probably cannot work in that way, but I am an artist, and I would call that a studio approach. You try something, you throw something at the wall to see whether it sticks and you then evolve it and work with it. We need to start using that more risk-positive way of working.

David Green: That was an honest and transparent answer, and I genuinely appreciate it. We probably should recognise that it could be tried and tested.

There are so many illustrative examples. With self-directed support and the delivery of care in the Highland area, carers are being paid to travel to get to the person who needs care instead of just to

deliver care, so, automatically, the person receiving care has their SDS hours reduced. That is one of the challenges that we face. I really appreciate that answer.

How can we ensure that local culture Scotland is genuinely community led? There are questions about how participation is measured. There will be communities that are already active and ready to create local consortiums, but there will be others that do not have the same skill set. Part of the infrastructure should address those skills gaps so that we can have a genuinely community-led initiative. I am keen to understand a little bit more about that.

I want to unpack my concerns about the transparency and liability of the funds. I think that it was Senga Beresford who touched on those aspects. Let us look at the community benefit or community wealth building that comes from energy—for example, onshore wind, of which there is a significant amount in Highland. There are a lot of questions about transparency, scrutiny and liability, with some active communities taking money off in one particular direction. That can create a lot of tension. I would really like to know what we can learn from that, and how you would deal with the challenges of transparency and the upskilling that has been suggested.

Pauline Smith: On your point about energy, a lot of issues arose as a result of developers saying that the funding could be spent only in a certain postcode in a certain area. As time has gone on, communities are now getting the help, support and advice that they require. We are part of the Scottish community coalition on energy, which provides communities with support and a menu of options for when they get community benefits from energy. The lesson to be learned from that is the need for the consortium approach set out in the report, which gives people a fair playing field, the chance to have their voices heard and control over the spending on or design of things.

We are seeing more of that not just in the energy field but in wider developments. Communities realise that funding and finances are tight, but they also understand the competition element, so they are coming together in formal cross-boundary relationships to share resources, time and, indeed, ideas. There are absolutely lessons to be learned from what happened with energy, but we already have plenty of examples from Skye and various other communities of people coming together to form consortiums to share things and to talk about the wider needs of communities, how to share funding and so on.

David Green: With regard to upskilling, there will be communities that are ready to go and others that will require additional support. Will that support come from the local co-ordinator? How will that be bridged?

Matt Baker: The report highlights a number of pillars of support in the proposal, one of which has been called “the enablers”. That group would include DTAS, and cross-sector folk from health, education, housing associations, funders, development agencies and other parts of the supporting communication network. In those areas where there was no cultural infrastructure allowing the proposal to be adopted, worked on and expanded immediately, a housing association or some other third sector interface would need to take on the initial role of sheltering the project, employing the local co-ordinator and building up the local infrastructure. That is one of the benefits of the approach.

This is a key issue. There are reasons for places being not-spots, and it is because they have been not-spots for so long that they do not have amazing infrastructure. That said, I know that in Clackmannanshire there is Resonate Together, which is an extraordinary organisation that, despite adversity, has grown up and could absolutely play a central role in something like this.

David Green: I want to return to public service reform. Indeed, I do not think that we can get through an evidence session without talking about it—and I see from the witnesses’ reaction that they feel the same.

Your fairly meaty report has been put together on the basis of there being 32 local authorities. If I were in your shoes, I might well have had an interesting reaction to discovering, all of a sudden, that we might have six to 10 regional authorities. I do not expect you to be an expert on what the Government is bringing forward with regard to local government reform—indeed, I do not think that anyone will be, given that we have only about four pages of it to go on.

I think that Mr Baker suggested that, given the proposal for six to 10 regional authorities, a potential model could be lots of different local consortiums. However, it is also proposed that there will be 120 to 160 community authorities, and the very short paper that we have had from Government says that

“the provision and maintenance of local leisure, sport and culture facilities”

will come under them. Is that right?

Pauline Smith: You tell us. We have not been consulted on that paper.

Speaking from the perspective of DTAS, the Community Development Alliance Scotland and others that have been working on local democracy stuff for 10 years now, I have to say that I do not know what is necessarily meant by 120 community

authorities. My worry is that they will be like mini-local authorities, whereas we have always advocated true community empowerment and local democracy.

We are looking at different proposals, and coming to the Scottish Government to ask how a proposal works from the perspective of a place-based approach and how it addresses the requirements of public service reform. We get that there have to be savings, but this is about preventative action and redirecting funding into communities in a way that will address the cultural aspect. To a certain extent, it is a spend-to-save approach.

10:00

I am being cautious in what I say, because we are still going through a consultation process on what we are proposing for local governance and what that looks like. However, we would certainly like to see local communities and community anchor organisations being truly empowered through public service reform if possible.

I do not know where the figure of 120 came from. We are still consulting ourselves, but we would be looking potentially at 350-plus community organisations and how they fit into the picture.

David Green: I appreciate that. I have a short follow-up question. We are all perhaps in the same boat. Do you think that we have sufficient time to consult, and get a clearer picture, by the end of the year? That is the time limit that the Government has given us.

Pauline Smith: It is a very short timescale. Ideas are being given within the three-month window set out in the programme for government, but a lot of work has to go on after that, when we get to some sort of agreement—I hope—on where we need to be in the local governance review.

David Green: Thank you—I appreciate that. I have another question, which will, I hope, be more helpful than what I have been throwing at you at so far.

With regard to the report that you produced, we will come to the end of the local government consultation period, and we will debate the new model that has been presented to us. Would you consider, at that stage, relooking at the report and perhaps bringing forward a version 2.0 to reflect what has changed?

Matt Baker: We would have to.

David Green: That would probably be needed.

Matt Baker: Yes. We met the Cabinet Secretary for Education, Culture and Gaelic last week, and we are advocating for a development period. If we are talking about hitting the ground in 2028-29, we should have an ongoing development period in 2027-28 to work alongside the public sector reform process.

We have already got agreement from the creative communities programme that we can work with its current grant holders to tweak the proposals according to the needs of those projects that are already showing what they can do on the ground. That is what we are pitching for.

David Green: It is good to hear that you met the culture secretary.

I recognise that I have had my time, convener, but others might perhaps pick up on that point.

The Convener: Yes—we will be hearing from the culture secretary soon as part of our own inquiries.

Mr Baker, are you able to say whether you think that you got a warm reaction?

Matt Baker: You guys are too good at knowing not to give away too much. [*Laughter*.]

It was a very warm and positive conversation, and the culture secretary asked very informed questions that suggested that she had genuinely looked into the proposal and was interested enough in it to ask those questions.

The Convener: We will do our best to ask her some informed questions when she comes to the committee.

We move to questions from Colin Beattie.

Colin Beattie (Midlothian North) (SNP): I want to look specifically at issues around funding and so on, and how the local organisations would work in that regard. I am being very literal to make sure that I get this right in my head. Your report talks about replacing competitive funding processes with a non-competitive model. Is that only for Government funding, or for local government funding?

Matt Baker: That is for the £500,000 that would come down from—

Colin Beattie: Just the £500,000.

Matt Baker: Yes. The point with the local government funding is to try to dovetail with that and get best value from it by working strategically in alignment with it instead of dropping things from a great height.

Colin Beattie: My concern is always about adding layers of bureaucracy—I know that that is not your intention.

So, there would be a local agreement between the different cultural bodies.

Matt Baker: And non-cultural bodies.

Colin Beattie: And non-cultural bodies. It would be a general agreement.

Matt Baker: The principle is that it has to be a collaboration, because we are trying to prove the point about the way in which culture can enable place-based working with other sectors.

Colin Beattie: How will the individual bodies that are pitching for those funds get their ideas out there? Would that involve going through another bid process, with the community voting on it?

Matt Baker: It would, if a community decides to do that. It could be up to the community as to whether it wants to go through some sort of participatory budgeting process to show the community buy-in for what it is doing.

Colin Beattie: Once that £0.5 million is divvied up among everybody, people will not necessarily be getting huge amounts.

Matt Baker: That is true.

Colin Beattie: I am just concerned about what efforts the various cultural organisations will have to make in order to inform people sufficiently that they can make a judgment on that. Most local communities do not have a great knowledge of the cultural sector—people may have been to a museum or an art gallery or whatever, but they do not have an informed view. Individual organisations, in order to get the community vote, if you like, will have to make a pitch. Is that what is envisaged?

Matt Baker: Kate, do you want to say something about your experience in that regard?

Kate Wimpress: Yes. On a practical level, we have done a pilot process in Edinburgh. There are six community hubs that operate in the colder spots in the city, and we were able to undertake a deliberative process with fairly small amounts of money—I think that it was £50,000 altogether. We all came together and pitched our ideas and, through a process of discussion, we divvied up the money—as you said, Mr Beattie.

That approach is not going to solve all issues and problems, but it did two things. It made sure that we were thinking strategically, and addressing the colder spots, together through discussion. It also made us all aware of what the other party was thinking about. We are not talking about game-changing amounts of money, but we are able to change the process and how we engage. That is what the first three years of this process are really about: we are testing the model and thinking more strategically in a less siloed way. Our organisation was able to pitch for about £7,000—that does not sound like an awful lot, but it was very effective because we were able to click it into other, bigger pieces of funding.

Colin Beattie: Obviously, if the process involves giving the same amount to each council, there is a disparity in the size of councils to consider as part of that. In Edinburgh or Glasgow, the community input will be much larger than it will be elsewhere, and a lot more people will be bidding for the money.

Matt Baker: The intention is not to spread the money over the entire local authority area, but rather to take a strategic call about where to direct that money. For instance, it may be directed to a particular ward in Glasgow, and that decision is taken by the local host body—which would probably be Glasgow Life, as the cultural trust, in that instance—with the local co-ordinator, with the understanding that the position could move in the next two years.

As you say, however, with regard to the funding that is going into Glasgow, it is not an enormous amount of money, so it is not like the whole city is going to be up in arms about getting their fair share of it. Of course, there will be discussions like that, but we have to take into account the context of the way in which the process normally works. We are all largely trying to do the same thing, yet we all constantly find ourselves in a competitive relationship with each other, and it is so wearying and inefficient in terms of the time that we need to spend on being part of that competition. This is a different approach—as Kate Wimpress said, organisations actually get to discuss what they are all trying to do and think about what each of them needs to do that, with an understanding of the position.

We are not kids. We know that there are fixed amounts of money and that we cannot keep spitting out our dummy because we do not have enough money all the time. We can work with that, but the way in which the funding system works at the moment infantilises our sector, because we are constantly waiting for money to drop from above. We have a dependency relationship all the time. Organisations should be given some agency so that they can behave like grown-ups, with an understanding of the wider context in which they are working, and make reasoned decisions for themselves and the communities that they serve.

Colin Beattie: What was the rationale for pegging the figure at £0.5 million?

Matt Baker: In the first instance, it felt like what we could get away with—

Colin Beattie: That is fair enough.

Matt Baker:—but we are aware of the wider context in which we are working. I have not slept a lot since I have been doing this, and one of the things that keeps me awake is when I think, "I should have said that it should be £1 million." I

honestly do not know. I am probably being way too honest.

Colin Beattie: If I have interpreted you correctly, you anticipate that the community organisation will be chaired by the local council.

Matt Baker: No. The local council might be the appropriate body to take the hosting role at the local level, but that is not the assumption. More often than not, the role would probably be taken by a cultural organisation, a development trust or one of those kinds of organisations.

Colin Beattie: Who will decide who will pull all this together?

Matt Baker: The local host role would be assigned after consultation with enablers on who would be a trusted partnership builder in that community environment. It might be a third sector interface. It could be a local authority if that local authority was working well and could play that role well, but, in most instances, I do not think that it would be. All the local authorities that we have consulted are perfectly comfortable with that reality. They are not jumping up and down and saying, "It has to be the local authority." They are just thrilled that some of the national culture money is going straight to local level rather than being decided somewhere else.

Pauline Smith: I can give an example of what we are talking about. When you put out a call, it will be like a procurement process—people will make bids and say that they will take the host role. In very small communities and in wider community regions, bids are made for funding when it is available. People will bid to be the host or the local co-ordinator. There are examples of that happening.

A TSI might be the appropriate body, because there might be conflicts in communities, so a slightly independent body might be needed to manage such situations and provide support. However, in the majority of cases, people sort things out themselves. There needs to be an open process for what fits the community. That is what a place-based approach is. It must be flexible in relation to what works for a community. The community should decide exactly who is responsible, who is the right facilitator and how to move forward. One of the benefits of the proposal is that communities will have flexibility and will have a say on who the lead co-ordinator is.

Colin Beattie: In my experience, there is often a lot of tension when it comes to local funding.

Pauline Smith: There can be. Community work can be like that. We cannot be scared of open debate. We have to be brave with our decision making and, as we said, put our trust in communities to sort things out. Until we do that, people will not have the control and power to sort things out for themselves. We step back and say that it is too difficult, but it is not. We need to push things down so that communities have the chance to move forward.

Kate Wimpress: At the moment, we are in blind competition. We do not know who is applying for what, or when. The proposal is not perfect and will not solve all the issues. However, when we are able to get people in a room to have a grown-up conversation about these things, I find that the outcomes are usually more beneficial.

The Convener: I am sorry if I have missed this, but I am still a little unclear. If there was local disagreement about who should be the lead body, where would that decision rest in the first instance? Who would make that call? If there was disagreement, who would have the authority to decide?

Matt Baker: That is an interesting point. We might want to dig into that in the next development process. The proposal is not worked out fully at all the governance levels, but the national executive team would try to negotiate in those circumstances so that a consensual decision could be reached. If we ended up with a complete impasse, who would be the final arbiter? I will be completely honest: we do not have a set answer for that.

The Convener: That is clear.

10:15

Jenny Young (Central Scotland and Lothians West) (Lab): I will pick up on the issue of non-competitive funding. Will local cultural organisations decide how the money is divvied up? Who else will be part of that process?

Matt Baker: There will be cross-sectoral organisations, including health partners, education partners, museums, libraries and so on.

Jenny Young: Would there be local authority representatives?

Matt Baker: Not necessarily. The idea is that the local co-ordinator will be the link to the local authority. Their job will include having an awareness of the local culture strategy and sitting on the community planning partnership. They will be the connection to local structures. That will be the joint.

Jenny Young: My question is about accountability. I appreciate what you have said, including what Kate Wimpress said about discussions going much better when people are in the room together. However, our job is to think about what would happen if those discussions did not go well. I can foresee a situation in which one big hitter in the room wanted all the money to go to

their organisation or to their friend's organisation—who knows what the scenario might be. How could we have more accountability in the system to protect ourselves from such cases? I appreciate that that would happen only in a minority of cases, but it could happen. We need to be very careful about how public money is spent and about being transparent. Do you have any reflections on that?

Matt Baker: Pauline Smith probably has a lot of experience of that.

Pauline Smith: That happens in every forum, including in this room—there will be disagreements about how money is spent and where it is prioritised. There will be a chair or a convener of the decision board—someone who will, ultimately, make the decision. Conflicts of interests will be managed in communities in the same way as they are managed in this room.

The fact that there will be different priorities cannot be avoided, so healthy debate is needed. I go back to my earlier point: communities want to have healthy debate. There are not always conflicts. There are debates about priorities. Conflicts usually arise in relation to community benefits, with people saying, "Why do you have the money over there and we're not getting to see the benefits over here?"

Through further local democracy, our proposals will provide a fairer playing field, with everyone's voice being heard. It will not be a case of them versus us or of the haves versus the have-nots. Collectively, people will decide on their priorities for the available funding for their area. That will be really positive. We have to move from conflicts to healthy debate. In our communities, I would like to see priorities being laid out and there being healthy debate about them. We should help to facilitate those conversations, rather than fighting about who gets what.

Matt Baker: There will also be an element of peer pressure. We are a small country, and the culture sector is a small part of that small country, so everyone is aware of what everybody else is doing. Every area will have a local co-ordinator and those local co-ordinators will be part of a national peer network. If, for the sake of argument, those in Dumfries and Galloway were causing problems, that would be well known, so there would be peer pressure and people there would say, "Guys, come on. We're looking like idiots to the rest of the country." There is power in trusting that cultural network to self-regulate, without there needing to be someone with a big stick somewhere. I would start from there.

Jenny Young: Do you have concerns about representation, particularly in terms of class? Who is likely to be in the room when decisions are made? Who is likely to be active in their communities and involved in community development trusts or cultural organisations? In my region, that is largely a middle-class pursuit but, as I am sure we would all agree, culture should be for everyone. I appreciate that it is difficult, but have you thought about how to bring a range of voices, particularly those of working-class communities, into the decisions?

Kate Wimpress: That is an interesting point, and the whole rationale for the report is to address that issue. Partly, you would start where good practice is happening and find out how to spread that across the network. Part of the joy of the report is that it is here in front of you now, and you are considering it, so it has got that sort of thinking on the agenda. A lot of skill sharing and good practice is happening already that we could tap into.

To illustrate that, I refer to incredible funding that the City of Edinburgh Council brought together: the PlaCE, or platforms for creative excellence, funding, which was connected to the festivals in the city. The one mistake of that funding was that it all went to the festivals and not to the people who it was hoped would benefit from it. The report turns that on its head and says that, if you want communities that do not already have a voice to be represented, you should give them decision-making powers and the resources to buy in what they need to do what they want to happen. The framework completely undercuts the situation in which the well-resourced can pull in the resources.

Matt Baker: You have to grow that capacity in some places. In some very deprived working-class areas where I work, we have community champions who champion culture. LIFT D&G, which has won a national award for creative regeneration, involves a group of working-class women who decided that they needed to change their community. The point of this work is to grow that network and infrastructure. There will be places where you will not get those voices immediately. As Colin Beattie said, a lot of people will say that culture is not for them and has nothing to do with them. The point of the work that grows from the report is to grow those voices.

There is a big point about diversifying the cultural workforce. If you see cultural work happening live in your community and you see people who you know as part of that, you can see it as a potential career. If you just visit a theatre in Edinburgh, how can you possibly consider that that could be a pathway for you?

By bringing cultural creation back into communities, we are building that body of people who will then really care about what happens. To go back to Edinburgh as an example, people might be familiar with the Craigmillar Festival Society, which was extraordinary. A woman who could not

get violin lessons for her kid started a movement that ended up with almost a local university that was teaching people how to use culture as a way of growing communities. For people who are unfamiliar with that, I will say that it will make you cry.

Pauline Smith: Culture has a community ownership element and is a way of getting diverse communities together. I worked in the east end of Glasgow for 17 years. The development trust there was about the events that we put on: the sessions, the lunch clubs, the sewing classes and all of those things. That all sounds a bit social, but that was a way of engaging a diversity of people in the community and bringing them into the building so that they could call it their own. Once you have done that, you can then engage people in economic activities, such as employment, training, education and health advice—all those different services and activities. However, you need that activity to get people through the door and to call the place their own. That is an important part.

Kate Wimpress talked about listening to people in her cafe. We are in an age now when we should not underestimate the power of getting people through the door, getting them together and having a conversation with them, and culture is absolutely the way to do that. The place-based approach means that people are able to control what they do next. Engaging them in the committee, engaging them in the decision-making process and saying, "Here is some finance and funding to for something that you need in your community," is so powerful. That has a domino effect into other avenues of community wealth building and various other things that are in the report. We should not underestimate that.

Kate Wimpress: Without trying to diminish the cultural aspects of the issue, the place-based approach is the critical thing.

The Convener: We are coming to the end of our time. I want to pick up briefly on a theme that came up in Pauline Stafford's questions. A lot of the emphasis is on how we fund the activity and how we organise and support it, but that will not happen unless we look at the physical venues and premises, which are under significant pressure. Existing venues often need significant investment to bring them up to modern standards and make them attractive and accessible.

We know how stark the situation with the Scottish Government's capital budget is. That will impact on every part of public spending at local as well as national level over the years ahead. We are also in a situation where many local authorities and their arm's-length bodies are under pressure to maximise rental income, so they are not making available spaces for cultural activity at below commercial rates, which is absolutely necessary if we are to avoid those spaces becoming privatised and commercialised.

Do you have a way forward in your proposals on how we guarantee the provision of below-market-rate cultural spaces at a practical level, especially in communities that have not yet built up the capacity to take on community ownership and all the risks that can come with that?

Matt Baker: I will start. I am thinking back to the consultation sessions that we did and thinking, "Oh yeah, that is a good idea." We have been thinking about what the deal with local authorities might be for the money coming into their area. That could be one of the ways of thinking about below-market-rent spaces for cultural uses. That would be worth looking at, and I am really interested in that idea.

I have been involved in many space-type projects in Dumfries. We did a community takeover on our high street and brought five buildings into community ownership, so I know about the stuff that you are talking about. Once you end up with those buildings, the cost of them makes you think, "Oh my God."

As a country, we need to do some joined-up work on that stuff. It is probably too much to ask for this small proposal to solve that big problem, but I hope that it could be a shift in thinking that could unlock some of those other good ideas. It could be a lever for local authorities.

Pauline Smith: DTAS operates a community ownership support service, and we are looking at the stewardship versus ownership issue, because there is a lot in that space. There is probably a way that we can pull the proposals together in our work on the community ownership support service and some research that we are in the process of designing.

It is a good question and an issue that we are looking at further. We just need to join up some of the different developments and proposals that are out there.

Matt Baker: Kate, do you want to talk about your personal example? It is a pretty amazing one.

Kate Wimpress: Yes. We are at the other end of that journey. Anything that brings these discussions into the round is good. As Pauline Smith alluded to, we have to spend to accumulate. We are now in the happy position of saving a lot of money for other agencies, because they operate through us. They do not have to have a permanent base in north Edinburgh—they can come and use our spaces and work with us. They are delivering services, and we are able to offer them below-market rent because we have other ways of stacking up the budget.

I do not know whether that answers the question, but again, it is about how, in communities, people find the spaces that they need and want in which to meet.

10:30

Matt Baker: You did an asset transfer, did you not?

Kate Wimpress: Yes, we did. The asset transfer and community ownership route is really powerful because, in the city, we see meanwhile spaces that have to close, whereas we are now here for the long term and can plan for the future.

Pauline Smith: To add to that from a community ownership perspective, all the asset transfers that we see across the country involve the enterprising element. There has to be a business model in place for such transfers to progress, and we help with that.

We need to get the balance right in local authority spending, investing in community sustainability and shifting where that money is made. That does not always mean that the local authority has to sell an asset or grant a lease. This is about building sustainable communities that are able to save money elsewhere, which is why it always comes back to preventative spend. If the community is able to run a building, bring all those people together, give them lower rents, create jobs and all that sort of stuff, we need to get those numbers together to show that, yes, the building itself has not made money, but the community activity that it supports has generated huge amounts of value, which saves money in the health service and in various other areas of public spending.

The Convener: I suspect that, if we get into the issues around preventative spend and saving in other areas of the public sector, we could be here for another hour, which we do not have. However, I am grateful for the time that you have given us in answering the committee's questions.

We will suspend the session for a few minutes to change over witnesses for the second panel.

10:31

Meeting suspended.

10:38

On resuming—

The Convener: We will resume the meeting with panel 2. We expect three witnesses to join us. One of them is running a few minutes late, but we need to get the meeting under way to make best use of the time. We hope that Lynda Campbell, head of business and strategy at Glasgow Life, who will be attending on behalf of Community Leisure UK, will join us presently.

For the time being, I welcome to the committee: Councillor Maureen Chalmers, community wellbeing spokesperson, COSLA; and Matthew Sweeney, chief officer for communities, COSLA. Thank you to both for joining us.

You will be aware of some of the issues that the committee has already considered in its pre-budget scrutiny. One thing that members have shared concern about is that, in the context of a worsening national budgetary situation for culture, there is the risk—and potentially some early indications of the reality—of a squeeze at local government level on culture spending. I want to explore with you the extent to which that is reflected in the national picture. Is the situation playing out in the same way in different local authorities, or is there evidence to suggest that it is impacting different areas differently?

City of Edinburgh Council will have a story to tell about its use of funding from the visitor levy, but, so far, it is the only local authority to have implemented the levy. Other authorities will explore that option, but not all of them will see it forming part of their tax base. What is the picture as regards variation in culture spending? To what extent is the national uplift resulting in the loss of local spending?

Councillor Maureen Chalmers (Convention of Scottish Local Authorities): Thank you for inviting us to the meeting. The picture varies across Scotland, because, as you know, local authorities vary in size, and there are varying arrangements for the delivery of culture, leisure and sport at local level. For a good few years, many local authorities have had to focus more on statutory duties and—especially in the past six or seven years—crisis response. They have also been gradually scaling back on non-statutory services, which, sadly, include libraries, museums and other culture and leisure services.

Across Scotland, some local authorities face more of a challenge with their budgets than others. Some of the bigger authorities have been able to continue to provide—and to scale up—-services, while some smaller authorities are really struggling. In addition, the complexities to do with recruitment and retention of the workforce sometimes have an impact on the overall picture. The picture varies.

The funding that is announced for culture at national level has very little impact on funding at local level, because it does not always filter down to local authorities. I know from having met culture conveners across Scotland that some of them have very active relationships with national bodies

and have been able to draw down funding in that way, whereas others have had different experiences and have not been able to access that funding. Some local organisations have been able to access funding, whereas others have not. It is a variable picture.

Matthew Sweeney might want to say more about the detail.

Matthew Sweeney (Convention of Scottish Local Authorities): In the next year, councils face a £529 million budget gap, and, over the year to 2027-28, cumulatively, £1 billion will need to be found. As the committee will know, the Scottish spending review predicts a flat-cash settlement for local government for the years ahead. Therefore, it is inevitable that difficult decisions will have to be made. As Councillor Chalmers said, there is a tension between, on the one hand, services that we want to support and invest in and, on the other, what we need to do to meet key statutory duties or conditions that are attached to the budget and that ring fence spending. Every council is looking at that.

There is variation in what is going on. That will depend on what assets a council has. The culture sector looks different in different authority areas. However, a report that was produced by EKOS Consulting in 2024, which was commissioned by Community Leisure UK, sportscotland and Creative Scotland, involved engagement with culture and leisure managers across Scotland, and all of them—Councillor Chalmers alluded to this–were fairly pessimistic about the challenges that they faced in relation to the budget, the estate and the workforce.

The Convener: From the provisional outturn figures for 2025-26, if we leave aside libraries, museums and galleries, we can see that the decline has been in other culture and heritage spend. The figures that we have at the moment for 2026-27 are the budget estimates. We do not have any information about what is happening on the ground. Do you anticipate there being a similar reduction when we see the outturn figures for 2026-27, or is there reason to think that what happened in 2025-26 was a one-year phenomenon?

Councillor Chalmers: In addressing some of the issues that we are all dealing with around social and community cohesion, some local authorities have been trying very hard to protect services related to community learning and development and to culture and sport, but it is challenging. As well as facing a challenge with regard to the budget that we need to deliver those services, we face a challenge in relation to the assets.

Capital budgets have been practically non-existent. It is very expensive to maintain some of our buildings, particularly the older ones. There is that asset aspect to consider, too. I know from speaking to culture conveners that local authorities are trying very hard to protect some of the cultural services, including heritage services, libraries and museums, because they help to address issues of community cohesion.

10:45

The Convener: A number of members will want to ask about how this connects to public service reform and the Government's discussions on the future of local governance. Aside from the structural proposals that we know of, what opportunities are there for diversifying the tax base at local level in order to enable local authorities to set more of their own priorities? I mentioned that the visitor levy will have applicability in some places but not in others. Is COSLA asking the Scottish Government to devolve additional financial powers in other ways in order to enable local authorities to raise the revenue that is necessary to meet the legitimate expectations of the public, including by spending money in areas that are not necessarily statutory services, such as culture?

Councillor Chalmers: You will appreciate that this work is all quite new. We are engaging with the Scottish Government right now to work through some of those ideas. We are also working with our member authorities to pull together ideas to bring to leaders later this month. You will appreciate that, as a membership organisation, we need to bring it into that space in order to get agreement.

However, I know that individual local authorities are working on ideas and proposals. There are opportunities for them to do more in certain areas, including leisure, sport and culture.

You will appreciate that we are in the early days of that conversation, and I would not want to pre-empt what council leaders will agree later this month.

Matthew Sweeney: I would echo everything that Councillor Chalmers has said. COSLA launched a manifesto ahead of the election earlier this year, and some of the issues that you are talking about were ones that we considered. Obviously, we have been looking for reform of council tax for quite some time, and we have been discussing how we can move towards a fairer, more progressive tax system that enables councils to be more empowered and more responsive to local needs. We would be very keen to see that happen.

More generally, on having greater freedom, one of the things that we have looked at broadly and

discussed a lot in the past is the introduction of specific new ways of raising money locally, whether that be through the visitor levy or something else.

However, if we are talking about the general power of competence, we move away from that framework of very specific measures to a more general approach that empowers councils to work with their local communities and raises revenue in ways that works for those communities. As has already been alluded to, some areas have many more visitors than others. Another issue that we talked about quite a lot is the cruise ship levy, which would obviously have a differential impact across different parts of the country.

We want to move away from very specific individual proposals towards a more empowering framework in which councils and local partners are able to identify those opportunities themselves.

The Convener: I throw open the floor to members, and I encourage them to hold back questions that are specifically for Lynda Campbell. My hope is that we will have time to give everyone a shot at putting those to her later on.

Colin Beattie: You were talking about the visitor levy. Obviously, there is a disparity in how much councils will benefit from that. We have a submission from the city of Edinburgh Council that is quite positive about the levy and the impact that it will have on its leisure services. However, as you rightly touched on, it will have different impacts across the country. In my constituency, it will probably have no impact at all. So, is the visitor levy and its distribution fair, given that larger councils such as Edinburgh and Glasgow are likely to gain the most benefit from it, while smaller—and, particularly, post-industrial—areas will probably receive much less?

Councillor Chalmers: I think that it is something that councils have actively pursued and might benefit from, and there might be repercussions for surrounding authorities, too. For example, I am in South Lanarkshire, and I benefit regularly from visiting Glasgow and taking part in activities there.

However, although the culture sector in those areas could benefit from the visitor levy, it is not the answer to culture funding challenges. I just do not think that the funding on its own addresses the need for communities to lead some of this work. The levy will, I hope, attract visitors to come and take part in what is happening in those areas, but it will not necessarily benefit the wider community in terms of meeting their aspirations. The funding for culture locally has to come in and has to benefit local communities, but the visitor levy provides an additional opportunity for culture organisations to benefit and to deliver more of a visitor offer.

Colin Beattie: Does current central Government funding adequately reflect the support that is needed at the local level for culture?

Councillor Chalmers: No. There are lots of different issues with regard to how culture funding is agreed and delivered. We have been having good, regular conversations with the Scottish Government. Nearly two years ago, we had a culture value summit that brought together everyone engaged in culture locally and nationally. It was a good and positive day, and it helped us understand what the priorities were in order for us to work together and benefit from closer alignment in what was being done both nationally and locally.

As a follow-up to that, we issued a joint statement of intent on a culture partnership agreement with the Scottish Government earlier this year. In fact, I am following that up next week with the new cabinet secretary and hope to take that forward. It is all about aligning what we do and looking for the benefits that we can get from our resources in their widest sense—by which I mean not only funding, but our creative workforce and partners—so that the national offer is visible locally and benefits local communities.

Do you want to add anything, Matthew?

Matthew Sweeney: Not a huge amount. We have made very clear our concerns about the spending review's projections of flat-cash settlements for local government, and I think that that will make any decision difficult. It is very difficult to disentangle culture spending from the broader local government settlement. As we have mentioned, the new uplift for national programmes has not transferred directly into some of the local venues and cultural assets that local government runs—of which there is a huge amount across the country. With the gap that we have just now, and given the projected forward outlook, we see only more challenges arising as local government tries to make savings so that it can continue to operate.

Colin Beattie: Over the years, there has been a trend for local facilities to be closed—all the old traditional community halls have gone, for example—with the result that art and culture are being more or less concentrated in the larger population centres, both in the cities and in council areas themselves. That constricts the available space for performers to come in and deliver culture locally. How do you see that developing in the future? Will the trend continue, or can it be pulled back?

Councillor Chalmers: A number of local authorities have approached this issue in a thoughtful way, looking at the estate and identifying where community assets can be refreshed, updated and used. Some of that has happened through community asset transfer, with

community organisations, local development trusts and other organisations taking over a facility and providing community services and events through it.

You are probably right, though. Because of funding issues, most local authorities are having to look at their assets and see which ones are in good enough order to be maintained and developed for use, and those assets tend to be more centralised. I know that my own local authority looked at the community assets that it had. In the 1970s and 1980s, there was a lot of urban development funding, and that was when the local community halls that you have referred to sprung up. However, some of them were no longer being used.

The work that we did through community engagement enabled us to identify what matters to communities and how we can develop those facilities. That allowed us to decide to close some facilities and keep others, and to invest in the ones that we kept. I think that a lot of local authorities are now doing that, because they cannot maintain the level of assets that they have. The same thing has happened across the sporting estate.

There has been a history of funding, particularly capital funding, not being available. If we can start to move into a place where culture funding is provided in a different way, we can benefit from that locally by investing in those local community-led facilities.

Colin Beattie: What about those council areas that are on the periphery of Edinburgh and have tended to become dormitories? The population of my council area has increased by 13 per cent over the past five or so years—it is the fastest-growing area in Scotland. How do you support and expand the culture provision in a way that gives those people access to it?

Councillor Chalmers: As with all of these things, it is about taking a place-based approach and weaving in funding. Some communities take a lot of those things forward for themselves. Some of the more affluent communities—or communities where there are good, strong, long-standing community organisations—will often be able to lever in funding and make good use of assets, and we need to make sure that that is more consistent across Scotland. The current funding situation means that, with the best will in the world, we have not had the ability to do that.

Colin Beattie: Given the—

The Convener: This will need to be your last question before we move on to other members.

Colin Beattie: In that case, I will nip back quickly to the visitor levy and ask a controversial question. Do you think that the visitors levy should be put into a national pot and spread across the country to encourage culture in every council area?

Councillor Chalmers: I do not think that that is COSLA's position at the moment. Matthew Sweeney can perhaps add more detail.

Matthew Sweeney: As you would probably expect, we would be looking to retain that kind of revenue locally. What we would be looking for is maximising the flexibility that we have to make sure that we can use the revenues in the way that works for us. However, it goes back to something that we were saying before: we think that the visitors levy should be only one part of the system, and we need to look more broadly at the financial framework in which local government works in order to maximise opportunities to fund services for communities.

Jenny Young: I will pick up on some of what Colin Beattie said about capital funding and what a huge issue that is. I represent a region with a huge number of buildings that have had to be closed. For example, the Bo'ness recreation centre was in such a state of disrepair that it was closed and then demolished, which was a loss of a leisure facility that was important to the community for all sorts of reasons.

The answer to the situation might simply be that a stitch in time saves nine. It would be better if we had capital funding to maintain buildings and not let them get into that state. I do not think that Bo'ness is about to have a new building for a swimming pool or for facilities like that. Could you talk about capital funding in that regard?

Councillor Chalmers: A piece of work has been done on the estate. I know that we are here to talk about culture, but the culture estate is often used for sport and leisure activities, so the estate is the same. It was found that something like almost £750,000—I do not remember the exact figure—would be needed to bring that estate into good repair and into use. That could stop us from doing anything, but that is not the way that we are trying to approach the issue. We are working with partners to see how we can invest in facilities using a place-based approach, looking at what each community needs and working with that community as part of community planning to develop or upgrade facilities.

At the moment, as I am sure that you all know, it is really expensive to build anything new, but it is also really expensive to maintain and upgrade anything that has been around for 40 or 50 years. The choices that are made must be based on an assessment of each building. I know that sportscotland and Community Leisure UK have been involved, with local authorities, in looking at councils' estates and considering the needs of

communities. However, £1 million or £2 million does not go very far nowadays. In my local authority area, a new leisure centre that is being built started off with an estimated cost of about £8 million, and it is now about £27 million—before covid, the estimated cost was £7 million. That is the kind of position that we are in at the moment.

Access to capital would make a difference in terms of working with a place-based approach and a participatory budgeting approach, where that is appropriate, and it would also enable people to lever in money from external partners, because, if you have the capital budget, you can get match funding from other sources.

Matthew Sweeney can add a bit of detail.

11:00

Matthew Sweeney: I will make a very brief point. The £680 million of capital funding that was given to local government for 2026-27 supports £55 billion-worth of assets across the local government estate, so that shows the scale of the challenges that we are working to address.

Jenny Young: Thank you very much; that is really helpful.

Councillor Chalmers, you raised the issue of statutory versus non-statutory services. We hear time and time again from local authorities about the dire financial straits that they are in. Around budget time, they are looking at whether they can deliver the statutory services, which, a lot of the time, is as far as they can go. There have been calls from some in the culture sector to make cultural activities and cultural spending statutory as well. I have my own thoughts on that, but what is your reaction to it?

Councillor Chalmers: There has been quite a mixed reaction. We have talked about the issue in relation to libraries, where there is a statutory provision to provide an "adequate" service. That has caused as many problems as not having a statutory provision.

A statutory requirement for provision is fine as long as it is fully funded and comes with the funding to successfully implement it. That is the basic position: you need the money to deliver the provision of something if it is going to be a statutory requirement.

Jenny Young: That is helpful. There is a problem with saying that we just need to make a service statutory or make sure that people have a right to something, if, on the ground, there is no money to provide the service or it is not realistic to do so. There is a mismatch between raising people's expectations that they are going to get something as a right and the funding situation, particularly in local government, which is such that, with the best will in the world, that is just not feasible.

I want to turn to the issue of public sector reform, you will be shocked to hear. In the past few weeks, the Scottish Government has discussed proposals around having six regional authorities and 120 to 160 community authorities. I am sure that COSLA will be contributing to the consultation and will be in discussion with the Government on the issue. Obviously, nothing is set in stone, as the Government keeps saying, so it appears to be a bit of a moveable feast at the moment. However, if we were to move to six larger bodies and lots of little ones, what impact would you foresee that having on the cultural activities that local authorities support?

Councillor Chalmers: I have been around for quite a long time. I started my working life in a library in Hamilton Burgh Council, so I have a knowledge of different iterations of local government.

Culture is one of the things that needs to be dealt with at the local level in communities, because every community is a wee bit different: they have different heritage, different backgrounds and different priorities. Culture is also one of those things that can bring people together, improve community cohesion and allow folk to welcome in new people to the area, as has happened over decades—in fact, centuries. Obviously, you need some frameworks and funding availability, but culture can be powerful in the hands of the local community.

Jenny Young: You favour culture being closer to communities. If we were to end up with a model of 120 or 160 community authorities, I would have concerns about the capacity of those organisations. We hear of councils where the capacity is quite small because the staff has been hollowed out at the level of officials. Do you have any thoughts on how smaller organisations might be able to cope with the administrative activities as well as facilitating cultural activities?

Councillor Chalmers: In local government, there are different ways of working. There are already different structures, such as community planning groups and local area committees, through which some decisions are made, in particular on grant making, and local organisations are able to seek funding to do what they would like to do in their own communities. In many local authorities, the structures are already in place and decisions are already taken at that level, which might cover the equivalent of three or four local government wards. Those decisions are currently being made, but perhaps in a wider local authority

framework, and perhaps within the national framework, too.

The decisions about allocating pots of money and how folk want to spend it are already being taken. I have referred a couple of times to my own local authority, in which decisions on community grants, galas and festivals funding and funds for local groups and organisations, and now culture funding, are all devolved to the local area committees. That is common across a lot of local authorities, so it can happen—it just needs to take place within a framework that is agreed as a strategic approach to enabling it.

Matthew Sweeney: Some of the questions that you are asking, Ms Young, are ones that we still need to tease out through dialogue. The view of COSLA leaders is that the proposal that has been mooted so far probably raises more questions than answers, so there is still more that we need to look at together.

However, as Councillor Chalmers reflected on, the key point for us is that it is about bringing decisions on culture, and decisions more generally, closer to communities rather than moving them further away. It is about improving local democracy and, most importantly, improving outcomes. We are engaging fully and openly on a lot of things in the conversation just now, but those elements need to be the keystones.

We are probably not yet at the stage where we have a full understanding of what the model might look like, and we are still looking to answer a lot of questions. However, as Councillor Chalmers said, it should be an opportunity for us to look more generally at how we can improve decisions across the public sector. Public services more broadly should be moving closer to communities, and improving outcomes should be fundamental to that.

Jenny Young: Thank you—the point on timing is understandable.

I turn to my final question in this area. Councils will have the unenviable task of setting a budget in the next few months—it is not far away. How do you see the sequencing of that? We have the ongoing three-month consultation on local government reform, which will be closed by the end of the year, but councils will, in very short order, be setting a budget for the coming financial year. Do you see any conflict, or does it feel like things are on hold? Is the coming financial year just a holding pattern until we hear from Government, or through consultation, about what is going to happen?

Councillor Chalmers: Local government will need to continue with the budget process because we need a budget for next year, so we will go through the same process as we usually do. From a COSLA perspective, too, we will still go through the process.

We cannot not plan for next year, budget wise. It might well be that, as we get into next year, we might have some answers to questions and begin to shape up a model for going forward. Right now, however, we just need to plan for next year in the way that we would always do.

Jenny Young: So, at the moment, you are planning for the coming financial year based on local authorities having the same form that they currently do.

Councillor Chalmers: Change in local government does not happen overnight. Although we have had very positive conversations, I do not think that we will see any radical change between now and 1 April. Local government has to have a budget in place for 1 April to make sure that our schools run, our bins are emptied and our social work services are delivered. What happens in the coming year will happen, and we are very much working alongside the Scottish Government on that.

The Convener: I want to pick up on one point, as I do not want to leave an implication hanging. I am concerned that somebody listening in to the session with our first witness panel, and then to this session, might take from some of what you have said that some of the approaches proposed in the “Local Culture Scotland” report are already happening at a local level. That seemed to be the implication.

Did COSLA feed into that report? Do you believe that that report proposes something genuinely additional, or is it, from your point of view, simply a different way of delivering what is already happening?

Councillor Chalmers: No—Matthew Sweeney can come in on that. The officers were definitely feeding into the work, which they really value. It sits comfortably alongside the white paper that COSLA produced before the Holyrood election. The whole approach that is proposed sits well with our local authorities and our culture conveners. I will let Matthew talk about the work in which we are involved.

Matthew Sweeney: We engaged with Matt Baker, and I found that conversation really constructive. I suppose that we would see the proposed model as additional and augmenting. It is an asset-based approach that is based on places and on what already exists.

Councillor Chalmers was alluding to the fact that, although there are elements that are going on, the funding models that have existed for different streams are not connected to them in the

same way. In our view, the principles towards which the new approach is working are the principles of some of the stuff that we are already doing across communities and across Scotland. However, this seems like a really good opportunity for augmenting that and taking a look at it.

We found it interesting to look at the convening power and how we could improve some of the dialogue between the local and national levels; that seems to us like a really good opportunity. We are really supportive of the principles of how it is working. We are still to have a bit more of a formal conversation through our governance, and I know that Councillor Chalmers is keen to engage with the cabinet secretary on that, but it seems like there is a lot of promise for us to continue to work on.

Councillor Chalmers: As I mentioned earlier, I have a meeting next week with the new cabinet secretary on the culture part of this. We had agreed with the previous Government a statement of intent to develop a partnership agreement. That has been signed off by our governance structures in COSLA, so once I meet the cabinet secretary, we will pick that up and hopefully develop that work. We have the benefit of having the work that Matt Baker led on, with which we have been engaging, to take forward, so we are looking forward to the next stages of the process.

The Convener: That is helpful—thank you. I will bring in Pauline Stafford, and then Senga Beresford.

Pauline Stafford: I thank the witnesses for their evidence so far. I go back to budgets, because we are all currently in a period of setting budgets. It is clear that local government has a central role in its place-making ability to promote culture, but we are facing a crisis response in which it is protecting its statutory obligations.

My question relates to our predecessor Constitution, Europe, External Affairs and Culture Committee in the previous session of Parliament, which had suggested that consideration should be given to investment in culture

"from budget lines beyond the culture portfolio",

in particular with regard to preventative spend, which we are now talking about a lot. Do you think that we should be looking into that more, and looking at specific budget lines in different portfolios? Is that a way to protect culture spend in local authorities while meeting the need for a crisis approach?

Councillor Chalmers: There is current discussion in local government, not only at COSLA but in individual local authorities, about how we make that shift. As you will know, about half of local government's funding is education, and another quarter is social care and social work; we reckon that only about 30 per cent of our budget is non-directed. That is the basic position to start with, so it is really difficult to make the shift. However, with the programme for government and the shared commitment to move to the preventative space, we hope that that is something we can do.

At the culture value summit in 2024, we recognised that the folk who were in the room could do a lot of that work, but there were folk who were not in the room, in education and health—as well as business, to some extent—whom we needed to bring together, because the benefits of investment in culture are often seen through improved health and wellbeing. It is about bringing all that together, and doing that locally through our community planning partnerships, so that we recognise that work. We need to ensure that the culture part of the organisation, or the arm's-length external organisation, is at the table at community planning meetings to ensure that those conversations and budget decisions are aligned according to the community plan.

Pauline Stafford: That is great.

My other question was going to be for Lynda Campbell from Glasgow Life, who is not here, but it touches on local authority culture provision. ALEOs were set up for specific reasons, but they now deliver quite a bit of our culture and leisure provision in local government. The survey to which Matthew Sweeney referred showed that 95 per cent of ALEOs had highlighted a risk in sustainability as councils are looking to reduce their management fees.

Have you seen a change in ethos and approach, with those ALEOs now having to operate much more commercially? What impact has that had on culture and leisure in local authorities?

Councillor Chalmers: I think that they are having to operate commercially, but often the local authority directs some of that spend, whether that involves targeting some of it at reducing the cost for under-16's or ensuring that older people have good access to leisure, sport and culture. ALEOs are having to operate in that way to compete in the local market, but Community Leisure UK works closely with COSLA to look at those issues and discuss them. Part of the reason why we want the agreement is so that we can all work together to align some of that work and identify where some of the ALEOs are struggling, because we want to support them. We support the delivery of their services at local level, and we need to ensure that ALEOs are sustainable because the impact on local government if they are not is considerable.

11:15

Pauline Stafford: Do you still see them as the best vehicle for delivering such services?

Councillor Chalmers: Yes.

Matthew Sweeney: I will just add that some councils deliver those services in-house. The picture is mixed across councils, and we think that it is right for each council to develop a set of arrangements that works for it. We absolutely recognise the challenges that our ALEOs face, but, to reflect on what has been said, the provision of cultural services in general is increasingly more challenging.

Similarly, when it comes to the balance of funding that comes in, what you look at in terms of fees and charging, and trying to operate in a competitive market, the position is probably not wholly dissimilar whether it is delivered by an ALEO or delivered in-house by a council. It comes back to the financial framework that local government currently works in and how we can address the fundamental challenges that it faces.

Senga Beresford: Council library spending is to go from £104 million to a budgeted £119 million, but other cultural and heritage spending fell by 32 per cent in real terms in 2025-26. What was lost from that category—grants, programmes, venues or something else?

Matthew Sweeney: I am afraid that I do not have that information to hand. I am sure that we can go away and look at it. The figures will make up some of the different decisions that have been made by different councils in different areas.

Senga Beresford: Okay. On 24 February, the Scottish Government and COSLA agreed a statement of intent to develop a cultural partnership agreement in 2026. We have three months left in 2026, so can you tell me where we will find that agreement?

Councillor Chalmers: I think that I referred to that a couple of times earlier. We agreed the statement of intent, and that it would go through all our governance procedures. That statement was agreed with the previous Government; we now have a new Government, so I am meeting the cabinet secretary next week to pick up on how we progress that work.

Senga Beresford: Will we see a draft of the agreement before that?

Councillor Chalmers: It will be in the public domain.

Senga Beresford: Okay, thank you.

David Green: I appreciate the evidence that we have heard this morning. A number of issues have been covered, not least the “Local Culture Scotland” report. It is good to see that there is collaboration in that area. I echo what Pauline Stafford said about preventative spend and how we can ensure that there is cross-portfolio spend and that we eke out what we can in the culture brief. Unpacking where we are in terms of the impact of reduced culture spend, I recognise Councillor Chalmers’ point that it is not only culture that is affected; health and wellbeing are also affected. Tain, in my constituency, is losing a swimming pool, which will have a devastating impact on the local community.

There are some real challenges here. My opening question is this: how well equipped are local authorities to set budgets, not least given all the implications of public sector reform that Jenny Young mentioned, when it comes to recognising the importance of the cultural brief?

Councillor Chalmers: I do not know any local authorities that do not recognise the value of culture. Culture as it relates to community cohesion in different areas of Scotland has been a huge part of the discussion over the past year to 18 months, and it continues to be. That is recognised, along with community learning and development and other things, as the basis for how we address some of the community concerns. We encourage and support our communities to come together. Their input is always valued, and councils try to do things in different ways.

That is why we published our white paper that references the value of culture. That has been part of our discussion with the Scottish Government, including the previous Government, and with the community learning and development strategic leadership board, through contact with the cabinet secretaries and ministers who have had the culture remit over the past 18 months to two years.

We have a group of culture conveners that come together, including the lead councillor for each area. You will recognise that in some areas there is an ALEO, which means that a different governance structure is in place, but in some local authorities it is the chair of the education committee who leads on culture. We bring those people together a couple of times a year to ensure that they are engaged and have the opportunity to speak about issues, and we support them to take forward their work in their areas.

We will do that again shortly, once I have had the meeting with the cabinet secretary on how we progress that work. Cabinet secretaries and ministers have, over the years, been willing to engage directly with our culture conveners on that work, which is hugely valued. In the past 18 months, culture has been even more of a topic of discussion among our wider community wellbeing board, but in particular among culture conveners.

David Green: That is helpful, and it certainly reflects my engagement with Highland Council. Nonetheless, it is probably fair to say that budgets have been constrained across all portfolios, and particularly on culture. If I reflect on what my constituents are saying to me and the pressures on local councillors, I think that filling out potholes is probably far more important to them than the aspects of culture spend. I suggest that there is a bit of work to do to push back on that and get that level playing field.

I want to go back to public service reform. With the previous witnesses, we discussed the rather small proposed community authorities—there are to be 120 to 160 of them—which will have responsibility for the provision and maintenance of local leisure, sport and culture facilities. We have talked at great length about how strategically important those things are for preventive spend and wellbeing. I know that you are going through the consultation process right now, but can you suggest to us and to Government what would be too small to be strategic?

Matthew Sweeney: As we mentioned, COSLA leaders probably have similar questions about some of the proposals that are on the table. We are going through a process. As an organisation, we have never had a view of what is or is not too small to be strategic or too large to be local, so I could not confidently give you a benchmark that would be representative of our members on that.

I come back to the key priorities for COSLA in going through the process. It is about how we use the process to ensure that communities are more involved in decisions, and that applies across local governance—not just to local government but to the range of services that are involved. How does the process improve local democracy and outcomes? That is our priority in the conversation.

David Green: That is helpful.

I want to circle back to the visitor levy—saying that makes the hair on the back of my neck stand on end. The proposal was put to you that, if the visitor levy is raised, it should perhaps not go to local authorities, but go into a central pot. Can you clarify your stance on that? Surely, it should be up to local authorities to decide how they spend revenue that is raised with the visitor levy.

Matthew Sweeney: Yes—absolutely. Our position is that the visitor levy is developed locally and therefore should be retained locally. As I said, we think that the issue should be considered as part of a broader look at the fiscal framework that local authorities work within to ensure that they are empowered to raise revenues locally in a way that works for their communities.

David Green: That empowering point is really well heard, so thank you for that.

I recognise that, with the visitor levy, there will be no one-size-fits-all model. Different approaches will be taken by different local authorities. To set the scene, Edinburgh is very different from Highland. The Fringe festival in August will have a huge number of people coming, regardless of the levy. The Highlands are absolutely the best place in the world and one of the great gems of the Scottish tourism industry, but it is a lot more expensive to get there in the first instance. Just looking at the north coast 500, doing that this year will cost people about £60 or £70 more than it did last year by way of fuel in their tank as a result of the spike in fuel prices. There are already additional costs for visitors in getting to the Highlands.

As well as that point about the competitiveness of the tourist industry, there are other concerns. For example, people who travel across the region for healthcare will be slammed with the visitor levy, too, which is an absolute nonsense. Also, if the money is raised, it has been suggested in other local authorities that it should go to a culture pot. For Highland Council, we have real constraints on our roads and infrastructure, so spending it on that might be a solution instead.

Talk to me about the different approaches.

Councillor Chalmers: As I said, some areas where the tourist tax has been brought in are already considering direct or indirect cultural opportunities, or opportunities for cultural organisations. However, I come back to the point that the levy is not the answer to culture funding for local government. The levy is about the offer and it can enhance visitor attractions, but it is not necessarily about meeting community aspirations.

Matthew Sweeney: We have been looking to ensure that there is flexibility in the scheme so that councils can design the levy to meet the needs of their local communities—there is not one model that works everywhere. Fundamentally, we are pressing for as much flexibility as possible in the use of revenues from the visitor levy, so that that can be determined by local priorities. That is a key position for COSLA.

David Green: Excellent. Thank you very much, both.

Keith Brown: I want to pick up on that last point. As I understand it, under the visitor levy legislation, it is entirely up to individual local authorities whether they want to apply a levy. On the question of where the money goes, Edinburgh is spending it on, among other things, setts or cobblestones, and on police, to improve the city centre for visitor purposes. There is quite a broad range in what can

be done. There is no compulsion on any local authority to have a visitor levy if it does not want to have one.

Matthew Sweeney: That is correct—it is optional, and some councils have opted not to take that approach while others have, as you mentioned.

Keith Brown: That seems right. You can see the opportunity in Edinburgh, I think.

Matthew Sweeney: Absolutely.

Keith Brown: We have been talking a lot about public sector reform, so I will ask a general question, although it bears a little bit on culture. Councils down south have gone bust, and there has been a squeeze on local government. We cannot pretend that that has happened only in England and Wales—it has happened in Scotland as well. That is to do with austerity budgets, especially on capital. Since 2016, there has been a real squeeze on capital, and every local authority is having to deal with really tough financial challenges.

In your dialogue with the Scottish Government, are you going to marshal the argument that, whatever the Scottish Government thinks that it is trying to achieve with the reform that it cannot currently achieve, that should not include the things that cannot be achieved because of finance? If you cannot do something because of a lack of finance—I imagine that you think that there is quite a lot that you cannot do because of that—there is no point in trying to invent a new form of local government if the finance is not there, because that will not address the issue. I think that Jenny Young made that point earlier. If the finance is not there, the fundamental issue will not change. Will that be part of your response to the Government?

Councillor Chalmers: At this early stage, that is one of the key issues that has been raised directly. A few weeks ago, there was a special council leaders meeting with the First Minister, the Deputy First Minister and the Cabinet Secretary for Public Service Reform, and that very point was raised. Reform is welcome. Everybody says that there are things that we could do better and that new ways of working could be embraced, but the funding needs to follow the work, and particularly the preventative work that has been spoken about. We need that shift. We have been talking about shifting the balance of care for decades. We will not do that unless we have the funding that allows us to make that transition from A to B. None of this is without the need for funding, and that will be part of the conversations going forward.

Keith Brown: The UK is £3 trillion in debt, and is very much at the ceiling on what it can borrow, because of what is happening in the middle east, so I cannot imagine any prospect of dramatic change in the budget that Scotland gets and that flows through to local authorities.

I have two questions on culture. Earlier, Matt Baker talked about the funding for cultural co-ordinators who were previously in local authorities. He did not say this specifically, but he hinted that that was almost ring-fenced or allocated funding from the Scottish Government. However, I do not think that it was. We might differ on this, but I do not think that the Scottish Government does as much ring fencing as it used to—nowhere near it. I imagine that if we get the cabinet secretary in and ask her about that, she will say that the money is part of the pot for local government and it is up to local government whether it spends it on that. Can you shed any more light on that?

Councillor Chalmers: Even just with libraries, a substantial amount of money is actually ring fenced. It is managed by the Scottish Library and Information Council—SLIC—which distributes the funding on a grant basis for innovation, development and transformation. That is a fairly substantial amount of money. Lots of libraries and local authorities have benefited from that, but it is ring-fenced funding. If we are going to make this shift, is it still appropriate to have that nationally?

Part of the discussion around the statement of intent is to consider how we can better align national and local resources to benefit everyone in that flexible place-based approach. That certainly came out of the culture value summit, but it is also behind the statement of intent. It is about better aligning what we are doing, both financially and in the workforce.

11:30

Keith Brown: But you are unable to say whether the funding for the cultural co-ordinator posts was ring fenced or hypothecated by the Scottish Government.

Lynda Campbell: We have not had a chance to discuss—

Keith Brown: Back in the day, when they were there.

Matthew Sweeney: I am sorry, but I think that we will have to follow up on that in writing. I think that those posts were in place in the mid-2000s. I am not sure where they went. I know that there was a relationship with the Scottish Arts Council at the time, but I would not feel confident in giving you a definitive answer one way or the other. We will have a look and see whether we can come back to the committee in writing on that.

Keith Brown: That would be useful. I am sure that we will ask the cabinet secretary about it next week.

My last question is on a point that Jenny Young made. I agree that there is little point in changing legislation if the money is not there to follow it through. However, having heard the evidence from the previous panel of witnesses, I wonder whether the best hope for what they are trying to achieve, which is further devolution of arts funding and support, is to get something written into the legislation. We are about to write screeds of new legislation for new local councils. Is this not the time to put something in legislation that will protect culture at the grass roots?

Unlike the rest of the culture brief, libraries are protected because of the statutory provisions that cover them, although I appreciate that that does not guarantee them money. If there is a good chance that cultural organisations could end up with neither the money nor the powers, is it not worth thinking, in conjunction with local authorities, about how we want to devolve powers and put some provision in legislation?

Councillor Chalmers: I will use libraries as an example. The legislation on them is quite old, but it talks about providing an "adequate" library service. When we unpick that, it can mean anything to anyone. It means different things in different places.

We have done a really big and good piece of work on libraries. I was asked by the previous cabinet secretary to chair the public libraries beyond adequate advisory group, which met just three times. We looked more widely at what was happening in Wales and internationally, and we came up with a proposal. That work is now with the Scottish Government for the new culture cabinet secretary to pick up, and it will form part of our discussion. In the meantime, as local authorities were involved in that work, we are starting to look at what it looks like at the local level.

If we put things in legislation, we need to be really careful about what we put in and how. In some areas, providing an "adequate" library service means providing a library for a population of 100,000 people, so we need to be careful about what we do.

We have done that good piece of work on libraries. There is probably read across to other areas of culture, and that is perhaps work that we will take forward in the coming months.

Keith Brown: I appreciate that. The libraries legislation is better than nothing. As you say, it is ambiguous, but it means that local authorities can be held to account to some extent if they have inadequate provision.

If we have 100 small councils, that is where the culture stuff will end up. I think that I read in the report that we received that it will go to them and not to the strategic authorities. If culture goes to small councils with constrained budgets, we will have to worry about cultural provision, unless there is some other safeguard. That is the point that I was trying to make.

Councillor Chalmers: As you say, we have more questions than answers right now. I go back the point that COSLA leaders asked the First Minister to provide his thoughts and we are now engaging with that in good faith. We are looking at our own proposals and we hope to have some engagement when we bring those bits together.

The Convener: It is unfortunate that we have not had Community Leisure UK on the panel. I and some members had some questions for it. We will see whether there is an opportunity to get some written input from it before the committee finishes its pre-budget scrutiny.

I will finish by asking a question about the issues that I might have explored with Community Leisure UK, in order to get the local authority perspective on them. My question is particularly about premises and venues. Councillor Chalmers said that community facilities have not had the investment that they should have had over decades, and there is an issue about which ones to keep on and which ones we can invest in to meet modern standards for energy, accessibility and so on.

We have discussed in particular the situation in Glasgow, where, as I mentioned, some high-profile culture spaces have been lost or are under threat. Creative Scotland no longer wants to be a landlord, 50 years after taking on a high-profile culture space and making it available. Other spaces are managed by arm's-length organisations—not necessarily Glasgow Life—and are portfolio managed.

We understand the pressures and why local authorities need to increase the rental revenues that they get from such premises, particularly but by no means only in Glasgow. Do we need a new way of delivering and ensuring the provision of affordable culture premises and venues, given that many public bodies do not necessarily want to take on more property at the moment and a lot of community bodies see it as a risk to take on the ownership of buildings in the current context? How do we solve that acute problem so that there are spaces for the work that rising budgets should be able to fund?

Matthew Sweeney: That is a good question. I will double-check, but I believe that there is a recommendation in the independent review of

Creative Scotland that is specifically about a greater workstream for capital and estates.

A more general reflection is that the additional investment that the Scottish Government has made over recent years has not translated locally in terms of revenue, as we mentioned, but there has not been a capital element to the new money that has come, either. With the existing commitment to continue to expand the culture budget, I do not think that it would be an unreasonable ask for us to look collectively at whether there is more of a role for cultural venues. The public sector is crying out for more capital funding to do more work to protect those venues and enhance them.

The Convener: It is not just about the funding. The capital budget situation is particularly stark for the Scottish Government and it will impact on the whole public sector, but it is also about which organisations will be willing to take on ownership, make that provision and carry the risk of owning and managing those buildings. That seems to be a big part of what is missing at the moment.

Councillor Chalmers: We have been doing some good work on sport and leisure, and we have been working closely with sportscotland, the Scottish Football Association, Scottish Swimming and other organisations. Sportscotland sponsored a policy manager in COSLA for two years and we are now entering the third year. We have set up a special interest group and brought together all the different bodies including Public Health Scotland and Community Leisure UK. We have just entered a partnership with the Scottish Football Association to look at where our shared priorities are and where we can, between us, lever in funding.

That is a model for how we could work. In COSLA, we are limited in what we can do to support culture work, because we do not have such a place to bring people together and start to develop relationships. The work with sportscotland and the SFA is already starting to have benefits in relation to how we use local facilities. I appreciate that I am talking about sport, but I hope that you can see the links. They asked us to improve how we use our multi-use games areas and school facilities and to start to develop, invest in and upgrade toilet facilities at sports grounds. We are working together to achieve that with funding that those bodies can draw in from different sources.

In the culture space, we could work with the different partners. We often have shared priorities, but we work in different spaces and we often do not know what others have. To bring all of that together and do a concentrated piece of work with the wider partners could be of huge benefit. We see the benefits of that development in sport, and we would love to do that in culture.

The Convener: I thank you both for your time and for answering the committee's questions.

We will move into private session for the rest of the committee's agenda.

11:39

Meeting continued in private until 12:11.

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