# **PUBLIC PETITIONS COMMITTEE**

Wednesday 28 June 2006

Session 2

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# CONTENTS

### Wednesday 28 June 2006

	Col.
CURRENT PETITIONS	
Borderline Theatre Company (Funding) (PE959)	
7:84 Theatre Company (Closure) (PE970)	2691

### PUBLIC PETITIONS COMMITTEE

† 13<sup>th</sup> Meeting 2006, Session 2

### CONVENER

\*Michael McMahon (Hamilton North and Bellshill) (Lab)

DEPUTY CONVENER \*John Scott (Ayr) (Con)

### COMMITTEE MEMBERS

Jackie Baillie (Dumbarton) (Lab) \*Helen Eadie (Dunfermline East) (Lab) \*Mr Charlie Gordon (Glasgow Cathcart) (Lab) Rosie Kane (Glasgow) (SSP) \*Campbell Martin (West of Scotland) (Ind) \*John Farquhar Munro (Ross, Skye and Inverness West) (LD) \*Ms Sandra White (Glasgow) (SNP)

### COMMITTEE SUBSTITUTES

Frances Curran (West of Scotland) (SSP) Susan Deacon (Edinburgh East and Musselburgh) (Lab) Phil Gallie (South of Scotland) (Con) Rob Gibson (Highlands and Islands) (SNP)

\*attended

#### THE FOLLOWING ALSO ATTENDED:

Jim Tough (Scottish Arts Council) Cathy Peattie (Falkirk East) (Lab)

#### **C**LERK TO THE COMMITTEE

Jim Johnston

# ASSISTANT CLERK

Richard Hough

Loc ATION Committee Room 2

## † 12<sup>th</sup> Meeting 2006, Session 2—publication delayed due to loss of sound recording.

# **Scottish Parliament**

### **Public Petitions Committee**

Wednesday 28 June 2006

[THE CONVENER opened the meeting at 10:02]

### **Current Petitions**

### Borderline Theatre Company (Funding) (PE959)

### 7:84 Theatre Company (Closure) (PE970)

**The Convener (Michael McMahon):** Welcome to this morning's meeting of the Public Petitions Committee. I have received apologies from Helen Eadie and Jackie Baillie.

The purpose of our meeting this morning is to discuss two petitions. The first is PE959 from Eddie Jackson, on behalf of Borderline Theatre Company, which calls on the Scottish Parliament to urge the Scottish Executive to act urgently to ensure the continuation of Borderline Theatre Company's innovative touring and lifelong learning programme.

Petition PE970 is from Chris Bartter, on behalf of 7:84 Theatre Company, which calls on the Scottish Parliament to urge the Scottish Executive to act urgently to prevent the closure of 7:84 Theatre Company.

At its meeting of 14 June 2006, the committee agreed to link PE970 with PE959 and to invite the Scottish Arts Council to give oral evidence prior to the summer recess. I thank the Scottish Arts Council for agreeing to give evidence to the committee at such short notice. The SAC has informed the committee that both 7:84 and Borderline have submitted formal appeals that are due to be heard by an independent appeal committee later this summer. The SAC feels that it would be inappropriate and might be prejudicial to the appeals process if it discussed the details of an individual appeal prior to the formal hearing. I remind members that the committee has no remit to intervene in individual funding applications.

I welcome Jim Tough, who is deputy chief executive of the Scottish Arts Council, and Michelle Jordan, who is the SAC's senior communications officer. You have a few minutes in which to make some introductory comments. We will then discuss the issue.

**Jim Tough (Scottish Arts Council):** We welcome the opportunity to appear before the committee to talk about these matters. The issues

that the petitioners have raised relate to the process of our recent strategic review. It will be useful for me to say more about that process, before outlining the context and wider principles that informed the review and our work in general.

The strategic review began more than a year The process has involved regular ago. communication with the organisations that were affected, briefing of key partners such as the Convention of Scottish Local Authorities and consultation with advisers, committees and council. We invited the organisations to submit applications set against our corporate aims, and they were assessed accordingly. We made a clear commitment to give at least a year's notice of any significant change to the funding status of individual organisations and have made available additional funds to help those organisations whose funding status was affected, so that they may manage the changes that may follow from the review.

For the majority of organisations, the process has resulted in continued funding, albeit in a different funding relationship. For nearly half of the organisations, it has meant an increase in funding. The same process that applies to all our work applies to this process. Because the two petitioners are in the midst of their appeals, I cannot offer any detailed comment in that regard.

I hope that it will be helpful to give a wider context to the process and to our work. The Scottish Arts Council, which was formerly part of the Arts Council of Great Britain, is 60 years old this year. The Arts Council was created in the post-war years with the aim of forming part of the restoration of our civic lives after the trauma of war. Even then, the regenerative power of the arts was recognised, and access to the arts for all was a clear commitment. The kind of organisation that we have become has changed, however, as have the artistic programmes that we support.

The other important characteristic was the arm's-length principle. The separation of our cultural concerns from political agendas was born of the experience of seeing culture being used to support the political agenda that outlawed the books, music and theatre that did not support the orthodoxy. We believe that that principle is still valid. Artistic freedom flows from and enhances the freedom of speech that we all value in a democracy.

We advocated the retention of the arm's-length principle to the Cultural Commission and we are delighted that that is the intention for Creative Scotland. The principle was supported by the vast majority of the 92 organisations that we fund, including the petitioners. In that context, the Scottish Arts Council does not support political theatre; it simply supports theatre. That is not to say that the work that we support is not political. Artists are often the first to critique, comment on and help us to explore our political lives. Picasso said:

"painting is not done to decorate apartments. It is an instrument of war."

His painting "Guernica" is a powerful affirmation of that comment.

The work done in the area of arts and disability challenges our perceptions of and attitudes towards people who experience disability. That, in many ways, is political.

We have a role in considering the quality of work. We also consider how well an organisation is run, the purpose of which is to ensure the best use of public funds. Finally, we frame all that in the national context. We do that using the expertise of our officers, our committees and the specialist advisers who provide us with reports. Judging quality is undoubtedly a difficult business, but it is not one that we shy away from.

Those are not our only concerns, of course. We have three aims: as well as supporting artists, we aim to increase participation in the arts and to put creativity at the heart of learning. To achieve that, we need to think about how the sum of what we support addresses the wider picture. Are we reaching the whole country? Are we providing for a range of audiences, including new audiences? Are we supporting innovation? Are we playing our part in ensuring that the transformational power of the arts for the individual and the community is a reality for those who need it most? Is there enough flexibility in the funding system to allow us to respond to new approaches and demands?

It was in trying to answer all those questions and more that we embarked on the strategic review. The council was clear that the status quo was not an option. If it changes the landscape, then that was the intention. I mentioned earlier that the principles that inform our work have remained the same, although the scope and impact of how we apply those principles have changed.

I will close with two examples. I recently gave evidence to the Equal Opportunities Committee on our work in the area of disability. I was able to show a growth in the number of arts companies and project initiatives that we supported, with a fundamental shift in our approach in that regard. It is those welcome new demands on our funds that necessitated a fresh look at the dynamic of who and what we fund. We have increased our equalities budget fourfold, to £1 million, as a direct result of the strategic review.

One of the most exciting developments in theatre in the past five years has been in the increased interest in work for children. We have supported that through increased support for companies and artists who produce and tour their work for children. The requirement to create financial space for such developments has been part of the need for the strategic review.

I came to the Arts Council having worked in Wester Hailes for 10 years. There, I saw the transformational power of the arts change lives. I knew that if I did not present work of the highest quality, involving people with the best artists, I was not serving them to best effect. The same applies to the work that we do at the Scottish Arts Council.

I do not think that that is elitist—it is a commitment to offering the best that we can, regardless of a person's circumstances. In fact, I would go further. There is a case for focusing on those communities and individuals as the beneficiaries of public funding; they should enjoy the best that we have to offer. We want the best for our artists, for our audiences and for the wider community. That requires taking responsibility for making tough decisions sometimes and we take that responsibility very seriously.

The Convener: Thank you, Mr Tough, for that interesting introduction. I would like to open up the discussion on the situation by asking you a question that has puzzled me since the two petitions were brought to us. The change in criteria that has caused the two organisations to lose their funding was based on their being too "audience focused". Can you explain what that means and what the problem is with a successful company being "audience focused"?

Jim Tough: I am delighted to have the opportunity to put that question to bed, if that is possible. The invitation to apply was against our three aims-on the artists, on audience participation and on education-so we did not move the goalposts. The Scottish Arts Council has ended up with a corporate view of our aims, and support for artists and creativity has to be central to that, but that absolutely does not abandon our commitment to audiences and to education and participation. We did not change the criteria and we would not penalise a company for being too audience focused. To be honest, that phrase was used in the pressure of the moment during a telephone conversation between one of our officers and a company, but a key concern in many of the decisions was the quality of the work.

It is a complex business. We need to ensure that the quality is good, but we would not tell people that they should ignore the audience as a characteristic of that. It is pointless supporting great work if nobody sees it, so I want to reassure the committee that the notion that people could be too audience focused does not inform the strategic impulse of the process. **Ms Sandra White (Glasgow) (SNP):** Why did you change the criteria for funding after both Borderline and 7:84 had submitted their applications for funding?

Jim Tough: Again, just for clarity, we did not change the criteria. The criteria were set out in the original application form, to invite people to describe how their work in the future would address our three aims. That has been consistent. As officers, we took to council scenarios for how the council might look at the future. One was a participant-led scenario and one was an artist-led scenario. The council told us that it did not want either extreme but that we should try to synthesise those things. That is why, as I mentioned in my presentation, the strategic review has led to an increase in our commitment to areas in equalities, such as cultural diversity and arts and disability, because that is the bit of the synthesis that surrounds participation. We did not change the criteria, but even with emphasis on participation, if we do not support good art, good artists and good companies to present the work, we will be getting off to a difficult start. We need to ensure that we have that at source.

**Ms White:** So you are basically saying that you did not change the funding criteria before.

Jim Tough: We did not change the criteria.

**Ms White:** That is fine. That is what you are saying.

You mentioned audiences in response to the convener's question. Although you did not change the funding criteria, perhaps you changed the way in which you would reflect on critical acclaim from people who went to see productions and reported back about funding. You also mentioned audience participation and outreach work. Borderline has undertaken research into its audience, has been successful and has exceeded its targets for audiences and performances in the past year. In fact, one touring performance attracted 13,000 people in a year, and another attracted 18,000. The 7:84 Theatre Company has an excellent record on outreach work, with 23 outreach projects attracting 3,400 participants. It also brought to the Parliament a play by young offenders and homeless people-people who are obviously disadvantaged and whom you say you want to reach. Why then, when people were given criteria for performances, were comments made about poor quality of work and lack of value for money?

I have seen most of 7:84's productions and I pay for my tickets. I do not get them free, as was once suggested. I saw "Can't Pay? Won't Pay!" One comment that was made about that play was: If, as you say, you support political theatre to an extent and agree that there should be artistic freedom for all, why were those comments made by someone who would later advise on whether the company should receive funding?

#### 10:15

Jim Tough: There were a lot of issues in that question, but let me start with the last one. We draw artistic evaluation from different places, including specialist advisers. I think that you have probably quoted from the report of one of our specialist advisers. Those folk are invited to give their critical view of the work and their comments are then passed on to the company. In that sense, that comment is just one of a range of comments from advisers and from council committee members and, as such, it will be part of the material that is drawn together in providing a qualitative assessment of the work.

I did not say that we support political theatre per se; I said that we support theatre. I expect theatre to engage in the political world that we live in, so it is not a surprise if political aspects come out.

On the wider process, the specialist advisers are appointed after external advertisement. They are appointed under the public appointments process, so there is now an openness and transparency to the process. At the end of that process, we have for the first time put all those assessments and reports on our website. I do not say that that was easy for everyone involved, but it is a stage in the process of openness, transparency and dialogue that will serve us well into the future. Those kinds of conversations are important. Being able to put that material online so that we can have a proper conversation about it is important.

On your point about the relationship between what we support and the education and outreach in which organisations are involved, we bureaucrats have what we call a funding agreement, which lays out the relationship between the money that the organisation has applied for and what we, after negotiation, expect it to do for that money. For many companies, the agreement will specify particular things such as the development and touring of a new production. It might not be about education and outreach: sometimes education and outreach are mentioned, but sometimes they are not.

In the case of the companies that we are talking about, we recognise the value of their education and outreach but we may not have funded them for that. They may have received funds from other bodies such as local authorities—properly, I would say—to support that kind of work in local communities.

**Ms White:** You have said twice now that you obviously, not you personally but the Scottish Arts

<sup>&</sup>quot;Why are we turning sharp political comment into panto for the working classes? ... Maybe us intelligentsia wanted more and hoped for comment on the current crisis rather than cheap gags about New Labour".

Council—do not support political theatre. However, let me give you another quote about the play that I mentioned:

"There was lots of laughter at the swearwords which I found slightly depressing. I would have hoped audiences have sufficient maturity by now than to give this nervous tittering every time they hear a swearyword."

That comment was written by Jaine Lumsden, who is an Arts Council drama officer. Although you have said that such criticisms by Jaine Lumsden and others are only part of the criteria, their comments have a bearing on whether organisations such as 7:84 or Borderline receive funding. I know that other members have questions to ask, but I just want to finish this question. Are you saying that, because theatre is political, the Scottish Arts Council will not fund it?

**Jim Tough:** We will fund theatre that is of high quality. We are comfortable with the idea that such theatre may have a political dimension but—to be crude about it—we do not fund a category that is called political theatre. The point is that we will fund theatre that is of good quality. Quite often, that will have political aspects to it.

To give an example that I mentioned previously, we fund Edinburgh Theatre Workshop, which is Scotland's first fully integrated company with disabled artists as participants and actors. I think that Theatre Workshop's work is quite political because it represents disabled people on the stage in a way that traditionally did not happen.

We are very comfortable with the idea that there will be a political strand of thought. That will always be the case among artists. Given that we fund 25 touring theatre companies, we need to think about the range of those and, as I said earlier, the possibility of reaching all parts of the country. The invitation that I recently received from Birds of Paradise Theatre Company, which is one of the companies that works in the area of equalities, states that its tour will include Glasgow, Banchory, Perth, Ballachulish, Taynuilt, Gigha, Drumnadrochit and the Isle of Harris. When we look at funding, we try to ensure that we cover the country and that we cover a diverse range of work.

**Ms White:** You did not answer my first question about the criteria and the comments from your officers. Do they have a direct bearing on the funding?

**Jim Tough:** My apologies. I return to a point that I made earlier. The officers are one group in a range of people who contribute to an understanding of the quality of the work in an organisation, as well as the quality of the governance, the financial probity, the type of work that it does and how it reaches the country. A range of issues are considered, but the quality is one characteristic in the process.

John Scott (Ayr) (Con): You have mentioned on three occasions the need to pursue the equalities and disabilities agendas. What is your thinking on the Scottish Arts Council's place in that mix?

Jim Tough: In that matter, it is impossible for us to cover all the policy areas fully. We are a part of the civic picture. In equalities, we have a strategy on arts and disability that is based on visibility. We aim to support work that enables disabled artists to develop their practice and have a profile, literally, on the stage. That challenges the attitudinal barriers that disabled people experience. The strategy has been informed through a process of discussion and consultation. Likewise, on the theme of cultural diversity, our about visibility-we strategy is call it mainstreaming. The idea is to support initiatives, which are often at the grass roots, to help them to build the capacity and skills to be able to compete in the main stream-we are doing a lot of such work in Glasgow.

One of the interesting points about that dynamic is that it creates more competition. That is why we are always asking the Executive for more resources. That competition is a result of welcome new demands, whether in relation to equalities or in relation to new types of work. There is a growing sense that street theatre, which is popular in other European countries, could engage audiences in Scotland. We are considering different areas of practice.

**John Scott:** You mentioned your work in Wester Hailes, which has obviously influenced your thinking.

**Jim Tough:** That is true, but lots of things have influenced my thinking. When I was in Wester Hailes, because Edinburgh and Munich are twinned, I was involved in an international exchange with companies in Munich, which influenced my thinking, too. Like all of us, I have been influenced by many things.

John Scott: From the flavour that you are giving me, it seems that you are in essence pursuing an equalities agenda rather than an artistic one. To me, it is not for the Scottish Arts Council to make mainstream provision for equalities. That is part of its work, but I have a sense that there has been a huge directional change away from the aim of funding quality art.

**Jim Tough:** There has been a change, but it is one that I, personally and professionally, think is positive. I was trying to offer a balance to the committee. Much of the debate about the petitions has been about whether, with that new focus, we are abandoning the audience and wider inclusion issues.

John Scott: That is how it comes across.

**Jim Tough:** I have tried to offer the committee a balance. The SAC of today, perhaps differently from the council of 25 or 30 years ago, is interested in how the best work can reach the wider margins of civic society and people whose opportunities have been inhibited, perhaps for financial reasons.

John Scott: Is it up to the SAC to pursue that agenda? I would have thought that your commitment should be to art. You said that you had not abandoned your commitment to audiences, but you are completely refocusing that commitment. I do not want to hog the discussion, but I am particularly concerned about the Borderline Theatre Company in Ayrshire. If it closes, there will be no other company like it in Ayrshire, so how will you fulfil your commitment to audiences there?

**Jim Tough:** We try to spread our support throughout the country and that includes—

**John Scott:** I make no apology for the fact that I am thinking about Ayrshire.

Jim Tough: I am trying to contextualise my response so that I can answer your question. We have to think about where the tours go in the country. Many of the 25 touring companies that I mentioned earlier have performed for Ayrshire audiences. I have a list of them here—benchtours, Vanishing Point, Communicado, Lickety Spit, TAG, the Curve Foundation and the Scottish Dance Theatre. I had a meeting last week with local authority colleagues about the Harbour Arts Centre in Irvine and how we could help it with its programming.

We take into account how the work that we support moves around the country and tries to reach all parts of it.

John Scott: You would have absolutely no concerns if these two well-known companies were to disappear because the gap that they would leave would be more than adequately filled with better-quality work from other companies.

**Jim Tough:** The overall process increases the money that we can give to promoters to put on the work that they want to put on—the Harbour Arts Centre in Irvine is an example of that.

**John Scott:** What sort of audiences do its productions play to? How many people?

**Jim Tough:** I do not know the specific numbers for the Harbour Arts Centre. It is a brand new facility that we helped to fund through the capital programme from the national lottery.

You suggested that we are not concerned about the disappearance of these two companies, but of course we are concerned. We have a concern about the impact that that would have. We have to be as responsible as possible in taking an overview so that we take account of audiences everywhere.

**Mr Charlie Gordon (Glasgow Cathcart) (Lab):** You said in your opening statement that the provision of transitional funding is part of a relatively new process. Does every company whose funding has changed receive transitional funding? Do those that do receive it for the same length of time?

**Jim Tough:** We look at each instance on its merits and on a needs basis. We prioritise transitional funding. For example, those companies whose situations are most difficult are our priority. We ask how we can support them and we help them to look at their situation. Looking at all the organisations is part of the assessment process. We try to identify where we think support might be needed or could be made available to affected companies.

**Mr Gordon:** Without straying into the detail of individual companies' appeals with which you are dealing, the principal reason for calling this special meeting of the Public Petitions Committee was that it was reported to us that 7:84's money was going to run out in August. That does not seem consistent with what you just said, which is that transitional funding is prioritised for those companies that are hardest pressed in absorbing the changes.

Jim Tough: Again, it is difficult for me to comment specifically, but I am happy to say that we have already made a commitment to 7:84 that has contributed to changing its situation. We made a commitment that predates the rest of the process because that company was considered to be a priority. That was partly because, as I think 7:84 was aware, the SAC's concerns about the work predate the strategic review, so the period of notice was already in place. It is difficult to say too much about the details, but I am sure that they will be aired more fully during the appeals process.

**Mr Gordon:** As well as covering the substantive issue of revisiting funding decisions, does the appeals process cover secondary issues to do with how transitional funding is applied and for how long?

**Jim Tough:** It will if the appellant indicates that as the basis of their appeal.

**Mr Gordon:** So they have to appeal on one basis or another—that could not be the fallback position on the part of the people who hear the appeal even if they do not agree with the substantive issues of the appellant's case.

### 10:30

**Jim Tough:** No. The appeals process invites the person to appeal on whatever grounds within a range of possibilities.

**Mr Gordon:** Can they appeal on more than one ground?

**Jim Tough:** Yes. They can appeal on a number of grounds.

**Mr Gordon:** I do not want to stray into an individual case, but if an appeal is being heard the very month that a company may run out of money, that company may want to say, "We think we've got a case for funding, but if you don't agree with that, can you at least revisit the length of time for which transitional funding may apply, in order that we can develop some kind of new strategy?" It may be called an exit strategy, depending on what the company's management decides.

**Jim Tough:** If the company has asked for that to be considered in the appeal, absolutely. If that is part of what it has put in as grounds for concern, it can be a matter for the appeals process.

**Cathy Peattie (Falkirk East) (Lab):** I welcome what the Scottish Arts Council is saying about quality and the money that is going in to support companies such as Birds of Paradise Theatre Company. That support is vital, but it should not be an add-on; it should underpin everything that the SAC is doing. You talked about participation at community level. To me, there is a real irony that 7:84 and Borderline may be facing the axe.

You also talked about appeals, but it is hard to imagine how an organisation can exist if its funding is so close to the wall. The fact that August is when funding ends and appeals happen gives no clear indication that the SAC is committed to cultural diversity, to involving communities and to a level of theatre that other companies perhaps do not reach. Charlie Gordon talked about transitional funding. There should be some way of creating flexibility in traditional funding methods to allow the discussion to go on. Leaving the decision until August does not make sense. Scotland is in danger of losing two important companies.

**Jim Tough:** The funding agreement with 7:84 was to the end of 2005-06, so the notice period was the same as for others. If that is to be covered in the appeal, I cannot say much more about it.

I agree that support for the themes that you mentioned should not be an add-on; it should be fundamental to the diversity of the work that we support in Scotland. You used the word flexibility. Ironically, in my view, that is the very thing that we are trying to achieve. We want to achieve a dynamic in the system that allows new work, new companies and new approaches, whether in the area of equalities or in new and cutting-edge areas.

**Cathy Peattie:** Surely it should not be an either/or—we should be considering both approaches.

#### Jim Tough: Absolutely.

**Cathy Peattie:** In order for companies to maintain their staffing levels, keep their artists and plan ahead, they need to know what support they will be getting. They need decent core funding. I am concerned about the uncertainty. Given the support that those companies have on the ground, is the SAC really listening to what people are saying? Are we moving away from that level of theatre?

**Jim Tough:** I hope that we are listening. I—very publicly, if you like-went along to the Federation of Scottish Theatre conference soon after the decisions were made and had a dialogue like the one we are having now. We want to hear what people are saying. That possibility of diversity-I do not mean cultural diversity but diversity in the sense of types and range of work, where the work reaches, what it looks like and what its audience is-involves us in thinking about a portfolio of organisations that we support. In some ways, we are trying to get a dynamic that allows our portfolio to change and allows us to be responsive to new types of artistic practice and new audiences, while at the same time acknowledging the need for a planning cycle that allows folk to think ahead. That is a tough thing to do, but we have 25 or so touring theatre companies that we will support within the range of possibilities. There are other flexible funds that companies that are project funded, or that may become project funded, can access.

The dynamic is difficult to achieve and, as I have said, we do not shy away from that responsibility. We are trying to create flexibility that allows the new dynamic. I am thinking about the Birds of Paradise Theatre Company, Lung Ha's Theatre Company and Edinburgh Theatre Workshop, for example, and about companies that work purely on children's theatre, such as the Wee Stories Theatre for Children. Those are the companies that, to be frank, we have managed to squeeze in over the past five or 10 years. We are trying to create the flexibility to allow us to be more dynamic.

**Campbell Martin (West of Scotland) (Ind):** Thank you for coming to the committee today. I would like you to clarify the criteria for funding. When 7:84 came to the committee, the company gave us a briefing that said:

"The criteria for considering the funding applications was changed by the SAC, A FTER the submission of application forms. No opportunity was afforded the companies to revise their applications."

You have said today that that was not the case.

Jim Tough: We did not change the criteria.

**Campbell Martin:** How could 7:84 be so mistaken on such an important issue?

**Jim Tough:** I go back to what I have said about our aims relating to artists, audiences and participation, and education and learning—those are the three criteria. Organisations will address them in slightly different ways; many will have a particular thrust or direction. There were other criteria but they were to do with things such as financial probity, good governance and how well the organisations were run. Organisations would be assessed against those criteria too.

We arrived at what we called a corporate scenario. There was a synthesis of artistic drive after all, the council is for the arts—and how, for example, we could best use lottery money to support participation. We did not change the criteria, but we need to think about the range of possibilities.

In lots of companies-not only theatre and dance companies-the drive can come from an individual who is visionary, inspired and talented. Historically, we have often started off by supporting a company that is built around that person's vision, and we have become locked into a funding relationship. That relationship will be with the organisation, but the vision and the visionary may change. We have worked with artist-led companies - companies gathered around a creative individual - and we have to consider how such companies fit into the process. Many of the companies that are on what we call flexible funding for two or three years come into that category. Sometimes, we have to think less about the organisation and more about whether we are supporting Scotland's most creative people and whether we are creating an environment in which they can work most effectively.

**Campbell Martin:** Like John Scott, I am from Ayrshire and I have long been aware of the immense work done by Borderline. The same goes for 7:84. If the Scottish Arts Council's decisions mean that Borderline and 7:84 can no longer continue, do you think that they will be missed, and if they are missed, should they not be funded?

**Jim Tough:** The last part of your question is the hardest to ans wer. Of course those companies will be missed; through the petitions process, people are saying that they will be missed. We are not blind to such possibilities and that is why I keep saying that the decisions we have to make are tough.

With regard to participation, access and engagement, the drive in the "Scotland's Culture" document, which seeks to define future roles and responsibilities more clearly, is—to put it crudely for the new body, Creative Scotland, to devise the menu and to support the creative individual, the company or the work that, for example, is shown at an exhibition, and for local authorities to be responsible for creating opportunities for local folk to access those events. Such a dynamic is very challenging because the picture throughout the country is varied and unbalanced. Last Friday, I discussed with colleagues from every local authority in Scotland how we could work with them to make the transition.

No matter whether we are talking about Ayrshire, Inverness or areas of Glasgow and Edinburgh, we must talk to colleagues about how we ensure participation and access and how folk can see work of the best quality. That is what is going on at the moment.

Helen Eadie (Dunfermline East) (Lab): A lot has been said about the quality of productions. Many Government agencies feel that their role is to support, develop and improve organisations that are not performing at the optimum level. However, from your comments this morning, I do not sense that you feel that you have such a role. Instead, you seem to be saying that you decide whether you like the company and then apply criteria such as quality. Correct me if I am wrong, but you do not seem to work with or support companies if they appear to be failing in any way.

**Jim Tough:** No, you are not—well, I should point out that we can reasonably get involved in such matters only to a certain extent. As far as governance is concerned, we should respect the fact that all these organisations are independent trusts with independent visions. As a result, it would be inappropriate for us as officers to say, "We think you should do this, that or the other."

That said, when reports by specialist advisers and officers are fed back to the companies, quality often becomes the subject of discussion. People should not be surprised to find that assessments over a period of time say, "We're a bit concerned about quality." We might not necessarily step in and tell organisations how to improve, but I think that it is reasonable for us to tell them to look at the issue of quality.

It is up to us not to define or to dictate but to respond to these matters. The whole process has taken a while to develop, but I do not think that it contains any surprises.

**Helen Eadie:** Has the Scottish Arts Council provided clear guidance to companies on what sort of wind-down period it will give after funding is withdrawn?

Jim Tough: That will vary from company to company. The material in question has been circulated to companies that have been invited to apply for the process. The period might well be shorter for some than for others; for example, some companies might have to look again at their work or at their relationships with other funders, including local authorities. Because there is a range of possibilities, there is no one-size-fits-all timetable for the process. Instead, we are inviting the companies involved to consider how financial resources might help them to deal with their situation.

**Helen Eadie:** So there is no clear guidance on the wind-down period. Instead, it is a case of whatever fits for particular companies.

**Jim Tough:** Yes. After all, their future is under consideration. We are not dictating to companies that they must resolve their future situation by X, Y or Z. However, the companies need to have some ideas to allow us to distribute the money, and the deadline for those decisions is September.

#### 10:45

**Helen Eadie:** Where there has not been an application for core funding, is it the Scottish Arts Council's practice to phone an organisation and offer core funding? I believe that one of the allegations against the Scottish Arts Council is that, in a couple of cases, funding was not applied for and yet the organisation was invited to make an application.

Jim Tough: The word that I have used—I guess that it is a bit of an internal shorthand—is that we are trying to build a dynamic such that we create opportunities for other companies to come into the system. In my opening statement, I mentioned some of the companies that get what we call foundation funding. The long-term and enhanced funding of those companies allows them to fulfil their potential; something that resource issues inhibited in the past. There are 48 of those companies and we have made a long-term commitment to them.

The other category of—

Helen Eadie: I am sorry to interrupt, but I am confused. I am not getting a clear picture. I seek a yes-or-no answer to the question whether organisations were phoned up and offered core funding.

**Jim Tough:** No. Organisations were not phoned and offered core funding. Flexible funding is available to people who want to apply for it. Council invited a couple of organisations to apply for that funding.

Helen Eadie: So, you invited a couple of organisations to apply for funding.

Jim Tough: Yes, but not for core funding.

Helen Eadie: Right.

**The Convener:** A couple of members have indicated that they would like to come back in. Before I call them, I have a couple of questions that have occurred to me during the discussion. You mentioned the 92 groups that the Scottish Arts Council funds. I do not expect you to know the exact figure off the top of your head, but you may be able to give me a rough estimate. How many of those 92 organisations would be financially sustainable without SAC funding?

**Jim Tough:** If the committee asked the question of those 92 organisations, I guess that all of them would say none. I agree that our public funding support is quite critical to most of those organisations.

The Convener: I suspected that that was the case.

I think that all of us start from the premise that no organisation has the right to exist. However, if there was no opera company in Scotland, we would have to invent one; if there was no national orchestra, we would have to ensure that there was one. Is it not incumbent on the Scottish Arts Council to ensure that, where there is a gap in cultural diversity, you do what is required to fill it? If the companies did not exist, we would have to invent them.

**Jim Tough:** I agree with the principle that you describe. Part of the national picture is ensuring that there is that range of activities. That is why, for different reasons, we support 25 touring theatre companies of a range of types and styles.

**The Convener:** If, by your decisions, you create a space that has to be filled, would it not be better to leave the space filled by those who already enjoy the support of the Scottish Arts Council?

Jim Tough: I guess that a key component of that argument is the question whether the space is being filled by work of the best possible quality. We would need to ask whether there are others whose quality of work is different or better. I return to our earlier discussion: the issue is not simply the space, but the quality of what you put into it.

The Convener: If you knew that a decision to withdraw funding would ultimately leave a gap in provision, would you create the gap by not continuing to fund work that did not tick all the boxes?

Jim Tough: Through the strategic review process, we have created an increased fund for promoters and venues. Flexible funding for project tours by touring theatre companies continues to be made available. We have not left a gap in the way that you describe. We are involved in a process of renewal. Culture and the arts are not tidy; they are a process.

I return to the question whether we support the organisation or the creative impulse behind it whether that is an individual or a group of folk. We are trying to create a dynamic that allows renewal. That includes thinking about the gaps, as you described it. We definitely want to have companies that address a range of audiences.

The Convener: Thank you.

John Scott: I am interested in the concept of creating a dynamic for renewal. To me, it seems as if you are throwing the baby out with the bathwater. You spoke about the need for participation. Last year, Borderline-a longestablished and highly regarded companydelivered 1,100 workshops and reached 18,168 people. Surely, that relates to the criteria that you have set. However, you say that the company is not matching your criteria-in essence, because it is long established—and you are asking us to buy into the process of this challenging dynamic that you constantly bring up but which, as far as I can see, probably means a pig in a poke. You are asking us to believe that it is better to support new, developing companies, even if that means getting rid of long-established, valuable companies.

**Jim Tough:** The companies that have petitioned you were, at one time, new and unknown. We are not doing this for the sake of it—

John Scott: That is what it seems like.

**Jim Tough:** We are doing it because we genuinely want to create an opportunity for a dynamic that reflects the nature of the work that we support. With regard to the workshops that have been run by Borderline, I must say that that is not what we have directly funded it to do. The company is funded for that work through the local authority, which is good and appropriate. I have no problem with that whatsoever.

**Ms White:** You mentioned best quality and challenging dynamics. As you said, Borderline and 7:84 were once new companies. The name "7:84" refers to the fact that, when the company was set up, 7 per cent of the population owned 84 per cent of the wealth. You might not agree with me, but it seems to me that, if a theatre company has a political agenda, it is not going to get funded. You might want to respond to that.

You say that you did not change the criteria for funding. However, it seems that the way that you assessed the evidence changed. From what you said to Helen Eadie, it sounds like you looked at the evidence in different ways. If the companies had known the way in which you were going to look at the evidence that was presented to you, they might have changed their evidence or their performances slightly. Could you elaborate on that? Commendably, your criteria are about artistic development and so on. The companies fell in with that, but, when the SAC assessed their cases, it used various other tick boxes that companies were not aware of. Does that have something to do with the situation? **Jim Tough:** Companies are aware of all of the criteria and our deliberations. Every word that we have said about them during the assessment process is on the website.

**Ms White:** I am talking about the way in which you consider the evidence.

**Jim Tough:** I know, but I was starting with your last point.

On the issue of the criteria, one of the things that I have experienced while working with the SAC is that, sometimes, organisations that have a clear vision of what they are about, what they want to do and what their purpose is will come to the SAC and say, "Can you tell us what the priorities of the SAC are, so that we can shift towards them?" I do not think that that is what should be happening. We respect what organisations are and want to do. If the SAC has different priorities, all that we can do is respond to what the organisation wants to do in that regard. It might be that the organisation does things that are important to other public funders, such as local authorities. Again, that is why we would welcome those areas of their work being supported through that route.

On the suggestion that this issue is about the SAC not wanting to support companies with a political agenda, I would say that that is absolutely not true. A lot of the theatre that we support will have political aspects to it. Many of the companies will do quite political work but do not say, if you like, "Our raison d'être is to be a political theatre company."

**Ms White:** I am sure that, if there were ways in which good companies could tweak their applications in order to ensure that they got funding, the SAC would advise them of that.

However, I will describe what I—and probably most other committee members—do not understand. To me and others, theatre is about educating and about getting people in the door. On audience admissions, 7:84 and Borderline are the most popular touring theatre companies—you cannot give us numbers for others. However, the people who judged the companies made comments such as:

"Reminds me ... of the Pavilion audiences",

and:

"At times this verged on the juvenile",

although it is said that the audience liked the performance. We have two fantastic theatre companies—Borderline and 7:84, which we are here to discuss—that meet all your criteria about artistic direction, involving disabled people and outreach.

The Convener: We are here to discuss not Borderline and 7:84, but the funding of organisations by the SAC, which affects 7:84 and Borderline.

**Ms White:** I apologise. I do not understand why, when I and audiences feel that such theatre companies tick all the right boxes, they do not meet the criteria for funding from the Scottish Arts Council.

**Jim Tough:** I have said that one key consideration is quality; considering that is our responsibility. That has been an aspect of the process.

**Campbell Martin:** In answers to my colleagues, you said that Borderline and 7:84 were new and young companies at one time and that funding must be directed to companies that are new and young now. However, the logic of that argument is that if Borderline and 7:84 go, new and young companies will be given funding with the caution that they should not become good at what they do or produce work that audiences want to see, otherwise they, too, will have to go, and their funding will have to be redirected.

### Jim Tough: No.

**Campbell Martin:** That is the logic of what you said.

**Jim Tough:** That is not our intention; I apologise if that is how it was perceived from how I communicated it. From our point of view, that is not the logic of the argument.

The diversity of what we support already includes the audiences that you are talking about. We support a range of stuff in other touring theatre companies and dance companies. Last week, I attended a community production about George Mackay Brown through the streets of Stromness. Local folk were involved in the production and local folk were involved in the production and local folk went to see it as part of the St Magnus festival, at which we support a broad range of activity. I reassure the committee that we support a range of work that addresses a range of audiences who have different interests and inclinations.

**The Convener:** I give the last set of questions to Cathy Peattie.

**Cathy Peattie:** I acknowledge the work that the Arts Council does across Scotland and its commitment to community arts. I am interested in quality, which you spoke about. How do you measure quality and an improvement that a company has made? If I were an opera buff who loved to see a bit of Puccini, I might not enjoy a community arts production—I might think that the language was not appropriate and be shocked that somebody was swearing. However, that would be my perception, and I am interested in the perception of the people who measure quality and in how the Arts Council decides that the quality is not as good as it might be. We know that one company that we have considered—7:84—claims that its quality has improved considerably in the past couple of years, but that does not seem to be accepted. What background do the people who assess quality come from? In deciding who does assessments, is it horses for courses?

Jim Tough: We obtain people from three main sources. We have specialist advisers, whom we advertise for and appoint for each department. The drama department has about 15 or 20 of them on the books and they are invited to look at work. They are theatre practitioners or critics—they have specialist knowledge. My colleagues in our departments are part of the assessment process, of which SAC committee members have also traditionally been part. That is not scientific, but it draws on the expertise of the people for whom a subject is a specialism. That is the dynamic.

### 11:00

**Cathy Peattie:** Does the person who measures a theatre company's quality make recommendations on funding, or is that done more broadly?

**Jim Tough:** That is done more broadly. Several advisers' reports cumulatively form a bit of the assessment process. That is a lot of material. If the committee is interested, it can see the material that we used for the process online.

**The Convener:** On the committee's behalf, I thank Jim Tough and Michelle Jordan for coming to the meeting. The discussion was interesting.

We have written to the Scottish Executive about the issue. As I said, our purpose was not to discuss the whys and wherefores of 7:84 and Borderline's appeals, but I would hate to think that, in a year's time, we will receive petitions from people who say that a huge gap in cultural diversity in Scotland has been created by decisions that are about to be made. That would disappoint the committee hugely. We will have to wait and see how the process develops. I thank the witnesses for engaging positively and constructively with the committee.

I ask committee members to stay behind after the meeting as I have an issue to discuss with them.

Meeting closed at 11:01.

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