

**Constitution, Europe, External Affairs and Culture Committee  
Budget, Strategy and Outcomes  
9 September 2021**

**BACKGROUND**

The Committee has agreed to undertake pre-budget scrutiny on the Creative Industries. The Committee's call for views set out the intended focus of this work. It asked for views on—

- What should be the Scottish Government's immediate priorities in supporting the culture sector's recovery through Budget 2022-23?
- Do you think that a degree of restructuring is inevitable as the sector recovers from COVID? If so, what approach should the Scottish Government adopt?
- A crisis can also trigger new ways of thinking – should the Scottish Government rethink how it supports the culture sector?
- Specifically, are there opportunities to develop a more strategic approach through, for example, the medium-term financial strategy, a multi-year spending review and the National Performance Framework?

The call for views closes on 8 September 2021.

In the first evidence session, the Committee will be hearing from representatives from—

- [BECTU](#)
- [Musicians Union](#)

The remainder of this paper sets briefly the purpose and approach to the budget process and provides a sketch of the strategic policy work in Scottish culture policy. Some key themes are evident, such as: the precarity of work for many working in the sector; a focus on skills; a focus on the processes to access funding; culture for and of communities; participation; a desire to have a more joined-up approach to supporting culture; the impact of the pandemic; the positive impact on wellbeing; and the desire to create a better cultural scene post-pandemic.

**BUDGET PROCESS**

The Finance and Public Administration Committee issued [guidance for subject committees](#) on 25 June. This guidance builds on the work of the Budget Review Group, which reported in 2017.

The review recommended the following framework for budget scrutiny:

- A full year approach: a broader process in which committees have the flexibility to incorporate budget scrutiny including public engagement into their work prior to the publication of firm and detailed spending proposals.
- A Continuous cycle: scrutiny should be continuous with an emphasis on developing an understanding of the impact of budgetary decisions over a number of years including budgetary trends.
- Output / outcome focused: scrutiny should also be evaluative with an emphasis on what budgets have achieved and aim to achieve over the long term, including scrutiny of equalities outcomes.
- Fiscal responsibility: scrutiny should have a long-term outlook and focus more on prioritisation, addressing fiscal constraints and the impact of increasing demand for public services.
- Interdependent: scrutiny should focus more on the interdependent nature of many of the policies which the budget is seeking to deliver.

The guidance states—

“Parliamentary committees should seek to influence the Budget when priorities are being set through constructive dialogue with Ministers, public bodies and other stakeholders. This dialogue should continue throughout the year using an outcomes-based approach.”

An outcomes-based approach is one that brings together financial and performance information. The Scottish Government budget for the current financial year are set out in [a section below](#).

## **NATIONAL PERFORMANCE FRAMEWORK**

The [National Performance Framework](#) sets out the overall purpose and aims the Scottish Government has for Scotland. Beneath this are a number of National Outcomes, and below those outcomes are indicators which are intended to measure progress in meeting the National Outcomes. The National Outcome for Culture is:

We are creative and our vibrant and diverse cultures are expressed and enjoyed widely.

While there is a specific Culture outcome, the creative sectors are likely to also contribute to other National Outcomes, such as education, communities and international.

Underneath the Culture National Outcome, the Scottish Government [lists four indicators](#). These are listed below, along with the year of the latest data reported and whether performance is reported as improving, worsening or staying the same (“maintaining”). None the data currently reported under these indicators are from after the outbreak of Covid-19.

- Attendance at cultural events or places of culture (2019, maintaining)
- Participation in a cultural activity (2019, maintaining)
- Growth in the cultural economy (2018, worsening)
- People working in arts and culture (2019, improving)

## SCOTTISH GOVERNMENT’S AIMS IN SUPPORTING CREATIVE INDUSTRIES

In [a policy statement published in 2019](#), the Scottish Government set out its ‘vision and priorities for the creative industries in Scotland.’ This policy statement was not intended to be a ‘final statement’ but rather part of an “on-going conversation which allows us to seek common ground, work more strategically, and adapt our priorities to achieve the best outcomes for the sector”. Around four months later the Culture Strategy was published, and this is discussed below.

The Scottish Government’s definition of the Creative Industries “includes visual and performing arts, cultural education, crafts, textiles, fashion, photography, music, writing and publishing, advertising, libraries, archives, antiques, architecture, design, film and video, TV and radio, software and electronic publishing, and computer games.”

The policy statement noted the economic value of the sector and also “the role of creativity in health and wellbeing, ... building resilient communities and social transformations.” It also set out what it considered to be the role of the public sector in supporting the sector—

“The Scottish Government and our public sector partners support the sector by advocating, championing, investing, and brokering relationships within the sector and with wider industry.”

The policy statement also set out eight priority areas of work. These were:

- Developing and retaining skills
- Developing business support
- Promoting international profile
- Promoting innovation
- Encouraging inclusiveness
- Strengthening importance of place
- Focus on design
- Strengthening screen

## A CULTURE STRATEGY FOR SCOTLAND

[A Culture Strategy for Scotland](#) (“the Strategy”) was published in February 2020. The Strategy is structured with a vision, three ambitions, and six guiding principles. Below are the three ambitions and brief descriptions. Annexe A provides a more detailed summary.

- *Strengthening Culture*  
Supporting the creation of culture.
- *Transforming Through Culture*  
Realising the benefits of cultural activity across society (and government structures) to support “wellbeing and cultural, social, economic and environmental prosperity”.

- *Empowering Through Culture*  
Celebrating culture more broadly “as part of every community; essential to our lives and wellbeing”

Underneath each of the ambitions, the strategy listed a number of policy actions.

Importantly, the Strategy is not considered to cover only the areas of Government or the public sector whose main concern is the creative industries. In her foreword, the First Minister stated—

“The strategy ... challenges the public sector to think about how culture can make Scotland a country which is fairer, greener, more inclusive, more innovative and more creative. And it makes clear that culture is a cross-government priority – one which all ministerial portfolios in the Scottish Government contribute towards.”

### **Progress on the Culture strategy**

The pandemic has taken up a great deal of policy attention since the publication of the Strategy. Nonetheless the Scottish Government reports<sup>1</sup> that it has made some progress against the actions within the Strategy. These include—

- Established a new National Partnership for Culture (NPC), to provide a voice for the sector to advise Scottish Ministers on matters affecting culture in Scotland, including considering and advising on ways of promoting the recovery and renewal of the culture sector in light of the COVID-19 pandemic. The NPC has published its work programme in the light of the pandemic and, having convened workshops on fair work, wellbeing including mental health, education including skills, and measuring change, will present recommendations to Ministers by the end of the year.
- Launched three new innovative programmes: Creative Communities, implemented by Inspiring Scotland, which aims to support and empower communities to develop cultural activities; Arts Alive, implemented by Scottish Book Trust, through creative residencies pilot in schools, education and early years settings focussing on areas of multiple deprivation across Scotland; and in February 2021 the Culture Collective, a £6m programme which supports creative practitioners, organisations and communities to work together across Scotland to help shape the future of local cultural life.
- Initiated policy dialogues with across Scottish Government portfolios, including education, health, community regeneration and climate change to pave the way for greater policy and funding partnerships across different portfolios. In addition to Creative Communities (co-funded with Justice) this led to the Climate Beacons project, which in the run-up to COP26, brings together funded partnerships between cultural and environmental organisations to develop deep-seated and long-term public engagement with climate change. Launched in June 2021, this was the first co-funded initiative between the Scottish Government’s culture and climate change teams.
- Launched a review of fair work and leadership, workforce and skills development in the arts, screen and creative industries in Scotland (led by Creative Scotland).

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<sup>1</sup> Personal Communication

- Required national public bodies to strengthen their approaches to fair work principles are embedded into grant schemes (the most recent examples include Culture Collective and EXPO festival funding schemes).
- Continued to press the UK Government for the much-needed changes to immigration, trade and wider mobility issues for our cultural sectors to ensure that Scotland, post-Brexit, can continue to operate effectively as a cultural and creative leader on the world stage.
- Established the first joint meeting of the Arts and Culture Convenors from Scottish Local Government, which paves the way for continuing dialogue on collaboration to improve the equitable delivery of cultural services.

## COVID-19 – IMPACT AND FUNDING

The creative industries were hit early and hard by the effects of the pandemic. Performing arts venues, from local pubs to concert halls, shut. In the short period of respite in autumn 2020 venues were able to open (subject to local levels) but public health measures impacted on capacities. Furthermore, lead-in times for productions along with deep uncertainty meant that there were very few in-person performances. Consumption of culture in 2020 became more heavily on-line, whether through watching online streaming services (e.g. Netflix) or live-streamed theatre or music. Television and film production returned relatively quickly but with public health measures that slowed the process.

Public sector funding to support the creative sectors through the pandemic might be thought of in three ways: the planned funding for the arts which was either repurposed or conditions of grant relaxed (i.e. the agreed outputs were no longer required); the economy-wide financial support to businesses or individuals; and the sector-specific emergency funding. A list of the sector-specific funds is included in Annexe B to this paper.

Economy wide financial support such as business grants and rates relief for organisations and furlough and the Self-Employment Income Support Scheme for individuals were also important financial supports for the sector. However, the nature of work in the arts means that some workers in the sector have a mixed economy of work (PAYE and Self-employed) and did not meet criteria to support their income through these UK Government schemes. In part, the specific, particularly the bursaries and hardship funds, Scottish Government schemes were aimed at covering these gaps.

From [9 August restrictions for venues have been significantly reduced](#). Outdoor events should not exceed 5000 attendees, unless granted an exemption by a local authority. Indoor events should not exceed 2000 attendees, unless granted an exemption by a local authority. There is now no legal requirement for physical distancing.

The [UK Government recently announced a government-backed insurance scheme](#) worth over £750 million, which is intended to support the planning of events. The scheme will support live events across the UK that are open to the general public - such as music festivals and business events. It will cover costs incurred in the event of cancellation due to the event being legally unable to happen due to Government Covid restrictions. A similar support for the screen sector was opened last year under the [UK-wide Film and TV Production Restart Scheme](#).

## ARTS FUNDING INQUIRY

In 2019, the Culture, Tourism, Europe and External Affairs Committee [undertook an inquiry on the future of arts funding in Scotland](#). The Committee's report, [Putting Artists in the Picture: A Sustainable Arts Funding System for Scotland](#), was published on 10 December 2019.

The report made a number of recommendations in three areas—

- The Funding Landscape
- Investment in Scotland's Artists
- Re-setting Local and National Policy alignment

Recommendations under each of these headings include, “that the Scottish Government articulate its spending plan for the forthcoming culture strategy” and “give serious consideration to the culture strategy being supported, on a cross-portfolio basis, by a baseline target for national arts funding above 1% of the Scottish Government’s overall budget.” The Committee called for better data on spend on culture and outcomes across Scotland.

The Committee’s recommendations around individuals focused on a sustainable income self-employed artists and cultural freelancers working in the arts and wider creative sector, including developing a national indicator on this matter. It made recommendations to Creative Scotland in relation to its funding processes. Creative Scotland were developing a new funding approach at the time, and more details on that new approach are set out below. The Committee also suggested that “artists and cultural freelancers are included in the range of participants in the ongoing feasibility studies into a basic citizens income.”

In terms of the National and Local alignment, the Committee sought a more joined up approach across local and national governments. This should include a “new framework should include a requirement for local authorities to plan for culture and to take account of local and national priorities in doing so”; the Committee suggested that this could be taken forward by creating statutory duties. The Committee made a number of other recommendations in relation to ensuring a geographic spread of publicly funding for culture.

The Committee recommended that the Scottish Government consider requiring a percentage of the overall cost of a construction project for new public buildings, places or spaces to be spent on public art.

The Committee’s recommendations can be found following this [link](#). The executive summary of the report is included in Annexe C of this paper.

### Responses to the report

Responses to the report were received from the Scottish Government, Creative Scotland and the Scottish Further and Higher Education Funding Council (SFC). The responses from the Scottish Government and Creative Scotland are summarised below.

#### *Scottish Government response*

The [Scottish Government’s response was issued on 20 April 2020](#), after the beginning of the pandemic. Overall the Scottish Government welcomed the report and placed it within a

suite of work which would inform policy development in the coming years. The response stated—

“Particularly at a time of budget challenges, I welcomed the Committee’s inquiry and the opportunity it presented to take a longer-term view of arts funding. It gave us a chance to look collectively to the future, to investigate funding models and consider new ideas and aspirations to inform decision-making. The Committee’s report, Creative Scotland’s strategy refresh and funding review, the Culture Strategy and the creation of the National Partnership for Culture promised to combine to give us a strong basis from which to progress as we considered budgets beyond 2020-21.”

In terms of the overall funding of the arts, the then Cabinet Secretary said, “I do not believe in setting an overall percentage baseline for national arts funding but I certainly agree with the Committee’s desire to secure more funding for the arts”. She also highlighted her work in encouraging funding of culture and the arts through other portfolios. She also said—

“The Committee’s report considers sustainable funding, and I believe that greater funding stability is critical to this. It is a matter which the Scottish Government is keen to address through longer-term budget planning in the future, following the single year budget necessitated this year by the circumstances of the UK political situation. We will have, however, to return to the question of the future budgeting framework in the light of the current emergency.”

The then Cabinet Secretary noted that the Culture Strategy did not have funding specifically attached to it. Ms Hyslop said that she intended to set up a joint meeting of the Culture Conveners from Scottish local government and culture trusts to develop “a new intergovernmental policy framework between local and national government to support the arts”. In terms of working across portfolios, she said—

“When the work of the Scottish Government has returned to a ‘business as usual’ footing and to realise the Culture Strategy’s objectives, we will also develop cross-government policy compacts, embedding culture at the centre of policy-making.”

Ms Hyslop confirmed that there are “problems of consistency” in the collection of data on local authority spend on culture. She said that Creative Scotland were working with local authorities with a view to build a more strategic relationship and also to consider issues with data.

The Scottish Government linked the concerns about sustainable income for individuals to its ambition for Scotland to be a leading Fair Work Nation by 2025 and the Culture Strategy. The Scottish Government indicated it would explore an indicator which measured whether self-employed artists and cultural freelancers receive a fair wage.

Ms Hyslop indicated that the Scottish Government was not minded at that time to commit to legislation to ensure local authorities actions aligned with national priorities. She noted that strategies and initiatives to improve collaboration across local and national government had been initiated. In relation to ensuring a wider geographical spread of culture spend, she stated—

“We accept the principle that there should be a way or ways of stimulating arts activity in areas of Scotland where this is lower than average, and we will continue conversations with Creative Scotland, and potentially through a re-established COSLA group, to identify the best way forward.”

The then Cabinet Secretary interest in the idea that a percentage of the budget for public capital projects be set aside for public art. This was subsequently included in the SNP's 2021 manifesto.

### *Creative Scotland*

Creative Scotland [responded to the report on 1 May 2020](#).

Creative Scotland acknowledged the financial pressures on artists and the precarious nature of work. It said that is issue "is a perennial and complex challenge which includes, but ultimately goes beyond, public funding for the arts". In this context, Creative Scotland was "encouraged" by the Committee's recommendation on including artists and cultural practitioners within feasibility studies on a basic citizen's income. A study on the feasibility of a [Citizen's Basic Income in Scotland reported in October 2020](#) that "it is currently not feasible due to substantial challenges associated with institutional arrangements". Creative Scotland also pointed to guidance on Rates of Pay and an expectation that any organisation funded by Creative Scotland are expected to pay artists fairly.

Creative Scotland broadly welcomed and agreed to consider the Committee's recommendations on its funding process. These included using a peer review on its funding programmes, minimising instances where individuals and organisations compete for the same funding, and introducing tiered processes for funding applications.

Creative Scotland also agreed that a better understanding of public-sector wide funding of culture would be useful. It said—

"We would be supportive of mapping out existing expenditure across local and national bodies, including disaggregating expenditure on 'arts' where possible. This would provide an improved understanding of the current position and provide a foundation for considering both the merits, and prospective level, of a percentage expenditure target. This would form an important element in considering the focus, models and levels of ongoing public funding for the arts in responding to the immediate and longer-term changes which arise from Covid-19."

Creative Scotland noted that it has good relationships with local authorities. However, it said "the Covid-19 pandemic has changed the context significantly" and the "unprecedented challenges facing the sector, and local authorities and associated trusts therein, adds further weight to the requirement for a focus on future models of support for arts and culture".

In terms of a geographical spread of culture funding, Creative Scotland noted that it is one part of a wider funding landscape and that organisations it funds will work outwith the area they are based. It stated—

"We will ensure that greater consideration is given to what we fund across Scotland and the specific context of each area. This will help us to determine where we can have the most impact relative to our remit and limited resources, including where the principle of regular funding may be extended. This will be particularly important in seeking to ensure that the effects of Covid-19 do not disproportionately impact on different parts of Scotland and that a strong cultural infrastructure is maintained across the country."

## CREATIVE SCOTLAND REVISED FUNDING APPROACH

Prior to the pandemic, Creative Scotland undertook a review of how it funds the creative industries. It published its [Refreshed Strategy and Funding Framework this year](#). The intention is that the new funding framework will be embedded in 2023-24 with 2022-23 as a transition year.

Creative Scotland identified five ways in which the new funding approach will differ from the current approach.

- A broader base of organisations receiving funding regularly
- Strengthening relationships
- Improved decision-making processes linked to priorities
- Support for individual artists
- Simpler and more transparent processes

Significantly, this will involve a move away from the Regular and Open funds. Creative Scotland seeks to develop a “more tailored approach to providing support, based on the specific context and individual needs of organisations.” This will continue to include the potential for multi-year funding. More broadly, the intention is that Creative Scotland will take a more individualised approach to funding and developing relationships across the sector.

## BUSINESS AS USUAL FUNDING LANDSCAPE

In normal times, public funding of heritage and creative industries comes from three sources: the Scottish Government, either directly or through its agencies; local government; and the National Lottery.

### Scottish Government

The Scottish Government budget for 2021-22 set out its spending plans. There were some minor changes from the previous years’ largely in capital funding.

The budgets for heritage and creative sectors were under the Economy, Fair Work and Culture in 2021-22. The relevant high-level (‘level 2’) spending plans are set out below.

<b>Level 2 Spending Plans</b>	<b>£m</b>
	<b>2021-22 Budget</b>
Culture and Major Events	174.7
Historic Environment Scotland	55.9
National Records of Scotland	63.3

## **Creative Scotland**

Creative Scotland (and Screen Scotland) disburses both National Lottery and Scottish Government grant-in-aid funds to support the creative industries. Creative Scotland's 2019/20 Annual Report and Accounts show that the annual funding for Creative Scotland in that year was £88.3m. £62.9m was allocated from Scottish Government grant-in-aid and £25.4m from National Lottery funds.

## **Screen Scotland**

A great deal of policy focus in the past years has been on improving the support to the screen sector. This has included the establishment of Screen Scotland in 2018. Screen Scotland sits within Creative Scotland and is a partnership with Scottish Enterprise, Highlands and Islands Enterprise, Skills Development Scotland, and the Scottish Funding Council.

[Screen Scotland](#) funds, develops and seeks to grow Scotland's screen sector by:

- “Boosting production by increasing funding and support to grow the number and diversity of film and TV productions from Scotland
- Creating specialist business development provision for screen businesses ensuring that advice and support is appropriate and easy to access
- Improving employment opportunities in the sector through increased and co-ordinated opportunities for training and development
- Developing audiences by improving access to Scottish film and TV productions at home and internationally
- Growing and improving Scotland's screen infrastructure including studio facilities
- Developing Scotland's reputation as a destination for international productions and co-productions, supported by our world-class talent, crews, facilities and unique locations”

The establishment of Screen Scotland included increased funding for the Screen sector. In 2019/20, Creative Scotland received £9 million in grant-in-aid for Screen Scotland activities. Screen Scotland, in turn, [disburses monies through a number of funds](#), covering the production of Film and TV, professional development, networking, distribution, and education.

## **Local authority spending**

The budget estimates<sup>2</sup> for local authorities' expenditure on 'Culture & Related Services' in the current financial year is £561m. However, this headline figure includes expenditure on sport and recreation. Taking only culture and heritage, the spend is expected to be around £97m. Spending on library services is expected to be around £99m.

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<sup>2</sup> POBE 2021-22.

## Pre-budget scrutiny of the 2021-22 budget

The Culture, Tourism, Europe and External Affairs Committee's highlighted a number of issues to the Scottish Government on [18 February 2021](#), prior to the then Cabinet Secretary giving evidence on the budget. The following quotes were among the paragraphs highlighted in bold in the Committee's letter which highlight four key issues: the development of a longer-term strategy in recovering from the pandemic; skills development; cross-portfolio support for the cultural sector and supporting the sector in the short-term to restart.

"The Committee recognises that it is not possible at the moment to know when the cultural sector will be able to operate in a more 'normal' environment. The Committee considers that there is an opportunity, in the coming months, for the Scottish Government to work in partnership with the cultural sector to learn lessons arising from the pandemic and to develop a longer-term strategy which should aim to provide a framework to assist the sector to recover, where possible, from the pandemic and also adapt to new ways of working."

"The Committee recommends that you work in partnership with the sector to identify the current and future skills gaps and to evaluate the capacity of the sector to support the delivery of education and training programmes. The Committee would welcome further information on the approach being taken with regard to skills when available."

"The Committee would welcome further information on where expenditure in other portfolios in the Scottish Government 2020-21 budget will involve cultural expenditure."

"The Committee welcomes [the work with the sector to consider how best to enable the reopening of live activity, and how to give the public confidence that they are safe environments] but given the likelihood that events and venues will need to operate at reduced capacity for some time, the Committee would like to see more detailed proposals for supporting venues either through the use of digital performances or tailored guidance and financial support for different types of events and venues."

The [Cabinet Secretary's response](#) said:

"I also welcome the Committee's recognition of the need for and value of a longer-term collaborative approach to planning for the reopening of the sector once that is possible which builds on the lessons learned during the pandemic.

"I agree that a collaborative strategic framework to cultural renewal will help shape the changes that we wish to see. ...

"I agree that there is likely to be a need for support to help the sector rebuild and adapt to new ways of working."

## SUBMISSIONS

The deadline for submissions to the Committee's call for views is 8 September and, at the time of writing few submissions have been received. SPICe will produce a brief summary of the submissions once the deadline has passed. Of the submissions received, a theme is a call to ensure a move to a more community-based policy focus, such as the [Culture Collective model](#). Another theme is a need to link to a wide set out outcomes, such as health and wellbeing.

## UNESCO Policy Guide

Submissions were asked to reflect and comment on a quote from a December 2020 publication of [UNESCO, Culture in crisis: Policy guide for a resilient creative sector](#). The quote was “a degree of restructuring is inevitable”.

The policy guide is intended to be both a practical guide to help governments address the challenges artists and cultural professionals are facing during the pandemic, as well as offering advice on how to strengthen the resilience of the creative industries in the future. UNESCO’s paper identified three areas of work—

- Direct support for artists and cultural professionals
- Support for sectors of the cultural and creative industries
- Strengthening the competitiveness of the cultural and creative industries

Under each of these headings, UNESCO set out several specific policy actions. Many of these actions will be familiar, e.g. direct financial support, training programmes. UNESCO also recommends taking the opportunity to support capital upgrades to facilities with a future that includes social distancing in mind, e.g. digital infrastructure, outdoor performance spaces. The final bullet is more forward-thinking and suggests that states take a participatory approach to policy responses; specifically, it recommends supporting the adaptation to business models, for example using digital platforms to expand markets where the artform lends itself to this.

**Ned Sharratt**  
**SPICe Research**  
**1 September 2021**

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.

The Scottish Parliament, Edinburgh, EH99 1SP [www.parliament.scot](http://www.parliament.scot)

## A Culture Strategy for Scotland

This Annexe reproduces a summary of the Strategy. The text is extracted from <https://www.gov.scot/publications/culture-strategy-scotland/pages/1/>

### *Our Vision*

Scotland is a place where culture is valued, protected and nurtured. Culture is woven through everyday life, shapes and is shaped by society, and its transformative potential is experienced by everyone. Scotland's rich cultural heritage and creativity of today is inspired by people and place, enlivens every community and is celebrated around the world.

### *Ambitions*

#### Strengthening Culture

Sustaining and nurturing culture to flourish and to evolve as a diverse, positive force in society, across all of Scotland

##### Aims

- Develop the conditions and skills for culture to thrive, so it is cared for, protected and produced for the enjoyment and enrichment of all present and future generations
- Value, trust and support creative people - for their unique and vital contribution to society and the economy
- Encourage greater openness and diverse cultures to reflect a changing Scotland in the 21st century
- Foster international collaboration and build on Scotland's reputation for cultural excellence

#### Transforming Through Culture

Demonstrating that culture is central to Scotland's wellbeing and cultural, social, economic and environmental prosperity.

##### Aims

- Place culture as a central consideration across all policy areas, including: health and wellbeing, economy, education, reducing inequality and realising a greener and more innovative future
- Open up the potential of culture as a transformative opportunity across society

#### Empowering Through Culture

Celebrating culture as part of every community; essential to our lives and wellbeing.

##### Aims

- Continue to celebrate Scotland's extraordinary cultural contributions
- Extend the view of culture to include the everyday and emerging, the established and more formal
- Extend opportunities that enable people to take part in culture throughout their lives
- Recognise each community's own local cultures in generating a distinct sense of place, identity and confidence

### *Guiding Principles*

- Culture in Scotland is valued in and of itself
- Culture is free to be inspiring and to challenge
- Culture is central to the future wellbeing and prosperity of Scotland - cultural, social, economic and environmental
- We celebrate the diversity and excellence of cultures in Scotland and the value of open exchange with the wider world
- Everyone has the right to participate freely in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits (Article 27, Universal Declaration of Human Rights)
- Place - community, landscape, language and geography - is important and reflects the creativity of the past and provides inspiration for cultural expression today

### **COVID-related funding for the culture and events sectors and the creative industries**

- £1.2 million for Creative / Screen Bursaries (Mar 20)
- £17 million to address hardship faced by creative freelancers (Aug 20, Mar 21)
- £12.5 million then £12 million for Performing Arts Events Venues Relief Fund (Jul 20, Jun 21)
- £13.1 million then £13m for Culture Organisations and Venues Recovery Fund (Aug 20, Jun 21)
- £3.5 million Open Fund (Aug 20)
- £4.25 million for youth arts, including the Youth Music Initiative (Aug 20 and subsequent additional funding)
- £0.5 million Creative Communities (Aug 20)
- £6.0 million for the Culture Collective programme (Nov 20)
- £6.2 million for Grassroots Music Venues (July and Dec 20)
- £5.6 million for independent cinemas (2 rounds) (Aug 20 and 21)
- £0.4m for Museums Urgent Response fund (Mar 20)
- £7.1 million for Museums Recovery and Resilience Fund (July and Dec 20)
- £31.5 million for the Events sector (July and Dec 20)
- £1 million for V&A Dundee (Oct 20)
- £0.5 million for Capital Theatres (Oct 20)
- £150,000 for Glasgow International and £81,00 for Edinburgh Festival Fringe Society (Nov 20)
- £3 million for Aberdeen Performing Arts, Eden Court Highlands and Capital Theatres (Jan 21)
- £150,000 for St Giles (Feb 21)
- £1 million Creative Digital Initiative (CDI) (Mar 21)
- £900,000 in Capital for Capital project increases (Burrell Collection, David Livingstone Birthplace and Fruit market Gallery) (Oct 20, Nov 20, Jan 21)
- £750,000 Scotland on Tour fund (August 2021)

## [Putting Artists In The Picture: A Sustainable Arts Funding System For Scotland, 5th Report, 2019 \(Session 5\)](#)

### **Executive Summary**

The Culture, Tourism, Europe and External Affairs Committee launched this inquiry at what is a pivotal moment for arts funding policy in Scotland. There is now, for the first time, a national outcome on culture within the Scottish Government's National Performance Framework. This should raise our ambition for the arts and culture to be embedded in all aspects of government policy. Creative Scotland will shortly announce the outcome of its funding strategy review and the Scottish Government's culture strategy is expected imminently. Scotland's arts funding system is facing ongoing challenges and uncertainty arising from fluctuations in National Lottery income, wider pressures on public finances and a lack of clarity about the direction of the UK's future relationship with the European Union. In this landscape, artists face increasing competition for funding in what many see as a bureaucratic system that does not adequately support them to build sustainable careers and artistic ventures.

This report sets out recommendations that focus on putting artists at the centre of Scotland's arts funding system. Public funding of the arts will only be sustainable if artists are paid a fair wage and the Committee therefore calls on the Scottish Government and Creative Scotland to take urgent, robust action on this issue. The Committee recommends in this regard that the Scottish Government develop a new indicator within the National Performance Framework to monitor the number of self-employed artists and cultural freelancers who are paid a fair wage and that Creative Scotland should take steps to ensure greater transparency in the amount of funding it awards that goes directly to artists producing artistic work, in order to raise the profile of this important issue within government. The Committee also recommends that artists and cultural freelancers should be included in the ongoing feasibility studies for a basic citizens' income funded by the Scottish Government.

The Committee has also made recommendations for Creative Scotland to change the way it allocates funds by putting artists at the centre of its approach. The measures suggested by the Committee include incorporating peer review into its application processes; creating a tiered application process to reduce the burden on applicants who are unlikely to progress to later stages of the process; and introducing funding programmes, such as bursaries and stipends, aimed at supporting artists and arts organisations at different stages of their development. The Committee also makes a recommendation for the Scottish Funding Council, in conjunction with relevant partners, to ensure that artists in further and higher education are supported to gain the necessary business skills to support them to build a career as an artist.

The Committee's inquiry has highlighted that a sustainable arts funding system is one where all government portfolios are strategically aligned to fund the arts in a way that supports and delivers national outcomes. The Committee therefore recommends that the Scottish Government sets out its approach to funding its forthcoming culture strategy, including how this will be delivered across portfolios. The Committee also recommends that the Scottish Government should give serious consideration to setting a baseline target for national arts funding, on a cross-portfolio basis, above 1% of its overall budget.

The Committee's inquiry has also highlighted the complexity of public funding for the arts and the difficulty in accessing data to measure the impact of investment. The Committee has also highlighted the need to improve data on local authority culture spending. The Committee has therefore recommended that the Scottish Government establish an independent national cultural observatory in consultation with local government, relevant agencies and stakeholders.

This inquiry has also highlighted the need for the Scottish Government to plan for known challenges to arts funding in the medium-term that threaten artists' ability to produce work and plan for the future, including Brexit and fluctuations in Creative Scotland's National Lottery income. The Committee recommends that the Scottish Government should set out its plans for protecting Creative Scotland's funding in the long-term before its existing commitments to protect Creative Scotland's budget expire. The Committee has also recommended continuing Scotland's participation in the Creative Europe Programme. The Committee's inquiry has highlighted possible avenues of additional funding that could be leveraged to address these challenges, such as a 'percentage for the arts' capital investment scheme.

A sustainable arts funding system is also one where the Scottish Government and local authorities work in partnership to support artists in all parts of Scotland. The Committee's inquiry has highlighted why the relationship between local and national government must therefore be re-set. The Committee has recommended that the Scottish Government work with local authorities to create a new policy framework to support the arts. The Committee recommends that the new framework should include a requirement for local authorities to plan for culture and to take account of local and national priorities in doing so. The Committee's view is that the Scottish Government should consider using new legislation, such as an 'Arts Act', to establish the new policy framework and to work with COSLA and local authorities in developing it. Other measures that the Scottish Government should take in resetting this relationship, include working with COSLA to jointly develop guidance for implementing the forthcoming culture strategy; and creating a refreshed approach for maintaining cultural venues across all parts of Scotland.

A sustainable arts funding system must also be one for all of Scotland. The geographical distribution of national arts funding therefore needs to be improved as a matter of priority. In this regard, the Committee recommends that Creative Scotland take action to ensure that its new funding approach improves on the current geographic spread of regular funded organisations. The Committee also recommends that the Scottish Government work with Creative Scotland to re-establish a programme of funding for regionally-based arts officers in local authority areas where Creative Scotland's investment is significantly below the Scottish average.