

Submission to the Constitution, Europe, External Affairs and Culture Committee – Funding for Culture Enquiry

September 2021

Background

[Creative Scotland](#) is the national development body which supports the arts, screen, and creative industries across all parts of Scotland. We are a Non-Departmental Public Body, sponsored by Scottish Government and Scottish Ministers and we work with funding from both the Scottish Government and the National Lottery.

We support the arts, screen and creative industries as a funder, an advocate, and as a public body that seeks to influence others to increase opportunity, to develop Scotland's creative and culture sectors nationally and internationally and to maximise the impact our resources can offer. We work in partnership with Government, Local Authorities, national and international partners, and the wider public, private, and voluntary sectors to deliver this support.

We distribute funding from the Scottish Government and the National Lottery in the region of £90m each year, although this has almost doubled through 2020/21 with our distribution of additional emergency funding provided by the Scottish Government to help address the impact the COVID-19 pandemic has had on Scotland's creative and culture sectors.

[Screen Scotland](#), established in 2018, is part of Creative Scotland and leads the growth of the screen sector through increased funding and support for film and television production, an increase in specialist staff and further investment in skills, festivals, audiences, and education.

What follows is our response to the Constitution, Europe, External Affairs and Culture Committee (CEEAC) enquiry into Funding for Culture and the [questions set as part of that enquiry](#).

Specifically, the Committee has asked Creative Scotland the following:

- What are Creative Scotland's immediate priorities in supporting the culture sector's recovery through Budget 2022-23?
- Do you agree with UNESCO that *"a degree of restructuring is inevitable"* as the sector recovers from COVID? If so, has Creative Scotland adapted its approach?
- A crisis can also trigger new ways of thinking – has Creative Scotland had to 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?

Our response to each of these is provided below. We will be able to expand on these and our work more broadly when we give evidence to the Committee on 23 September.

What are Creative Scotland's immediate priorities in supporting the culture sector's recovery through Budget 2022-23?

The main priority for Creative Scotland since March 2020 has been delivering emergency support to help address the impacts of the COVID-19 pandemic on people and organisations working in the creative sector.

Since the onset of the pandemic, we have made almost 12,500 emergency funding awards totalling £91m in value. This is alongside 1,400 funding awards made through our existing funding programmes totalling £88m in value. This is far in excess the normal level of funding support that we deliver each year (typically around 1,300 awards). The staff of Creative Scotland have worked tirelessly and with enormous dedication to deliver this emergency funding efficiently and effectively, and at considerable pace, in the most challenging of circumstances.

Throughout the pandemic, we provided regular [monthly updates](#) to the Culture, Tourism, Europe and External Affairs Committee in the previous Parliament session, setting out in detail the extent of our support for the creative sector during the pandemic.

The most recent round of emergency COVID-19 funding was in August of this year and consisted of [£17m delivered to 331 businesses](#) through the Culture Organisations and Venues Recovery Fund and the Performing Arts Venues Relief Fund.

At time of writing, we are not aware of any plans for further emergency funding from the Scottish Government and, as such, our focus is firmly on the recovery and renewal of Scotland's creative and culture sectors.

During the pandemic, an important part of our ongoing support has been the continued provision of [Regular Funding](#) to 121 of Scotland's key creative and cultural organisations; the availability of [Open Funding](#) for Individuals and Organisations; and broad support for different aspects of creative and cultural provision through [Targeted Funding](#), including amongst a host of other funds, support for Youth Arts and the Youth Music Initiative.

Following [confirmation of a stable budget settlement](#) of c£60m from the Scottish Government in January 2021, we were pleased to be able to confirm a further year of support for Regularly Funded Organisations, and the continuation of the support we provide through Open and Targeted Funding (using £30m from the National Lottery).

Our plans for the current financial year are provided in our [Annual Plan for 2021-22](#), which sets out our priorities and budgets against a refreshed strategic framework. In it, we say:

"In 2021/22, our focus will be on supporting both recovery and future renewal across the creative sector. This includes continuing to adapt our programmes of support, demonstrating understanding and offering flexibility as many incrementally rebuild their programmes, operations, and audiences. This sustained support and understanding will sit alongside our continued drive to grow participation in arts and creativity and to help build a more diverse, equitable, and sustainable sector for the future."

Our priority areas of work for the year include:

- A commitment to transition to a new long-term and sustainable funding model for organisations (to be announced by April 2022 and implemented from April 2023) replacing the existing Regular Funding programme (more on this below).
- Continued support for individuals and organisations through a refreshed and improved Open Fund (first phase launched in August 2021), as well as through Targeted Funding.
- The development and launch of a new approach to advocating on behalf of creativity and culture in Scotland, and increasing participation in art and creative activity, in partnership with people and organisations from the sector ([Our Creative Voice](#), launched on 08 September 2021).
- The development of a new [Climate Emergency and Sustainability Plan](#), work on which is underway, reflecting the scale of the challenge we all face and the role that both Creative Scotland, the sectors we work with, and art and creativity more broadly, can play in helping addressing that challenge.
- A commitment to Fair Work, promoting fair pay, conditions, and employment opportunities across the creative and culture sectors, with our [Fair Work Review](#) launched on 08 September.
- Work to develop our next Gaelic Language Plan for 2022-27, incorporating a comprehensive review of how we support and promote Gaelic language and culture through our advocacy, our operations, and our funding.
- Building on our existing support for international collaboration and artistic exchange, including promoting Scotland's cultural strength at home and internationally through initiatives such as [Our Creative Voice](#) and as a Partner in [Scotland is Now](#)/Brand Scotland campaigns.
- Continuing to grow our commitment to Equalities, Diversity, and Inclusion by supporting a diverse range of creative people, communities, and activity, promoting an equality of opportunity to create, participate and engage.
- Continued roll out of our improved experience for applicants through digital channels, including an on-line application process to improve access to our support.

Key to successful delivery of all the above is the security of long-term and sustainable funding support from the Scottish Government.

We were pleased to see in the recently published Programme for Government a commitment to '*Strengthening our world class culture offer*' and, also the commitment to multi-year budget planning. Following on from a prolonged period of year-on-year budgeting, this commitment to longer-term funding, building on the extensive emergency support provided by the Scottish Government during the pandemic, will bring some very welcome stability to aid sector recovery and move towards a period of renewal with more confidence.

This is also in tune with public opinion. For example, the evidence for support of public funding for art and creativity from the public is overwhelming:

84% of people believe that it is right that there should be public funding of arts and cultural activities in Scotland (Scottish Opinion Survey, 56 Degree Insight, December 2020)

Evidence also recognises the wider economic value of art and creativity:

Scotland's Creative Industries contribute £4.6bn to the Scottish economy each year, supporting 90,000 jobs (Latest Scottish Government Creative Industries Growth Sector Statistics, 2020).

It remains a fact, however, that the demand on public funding for cultural activity from people and organisations across Scotland continues to outstrip the budgets available. Creative Scotland's annual budget is 0.2% of the total Scottish Government budget, and culture spend as a whole is 0.7%.

In the last [full pre-pandemic year](#), for example, Creative Scotland received more than 2,400 applications for support through Open and Targeted funds and were able to support just over 1,300 of those applications with our available funding. We welcome the increased commitments to sector support set out in the Programme for Government and look forward to discussing these further with the Scottish Government.

It's also important to note that Creative Scotland is part of a network of broader support for culture across Scotland and we work in partnership with a network of stakeholders and partners, including, importantly, Local Authorities whose continued support for culture is a vital part of the overall landscape.

Do you agree with UNESCO that “a degree of restructuring is inevitable” as the sector recovers from COVID? If so, has Creative Scotland adapted its approach?

A crisis can also trigger new ways of thinking – has Creative Scotland had to rethink how it supports the culture sector?

Yes, we agree with the UNESCO view that a degree of restructuring is inevitable following the pandemic, and that a crisis can trigger new ways of thinking.

Something that is obvious from our own research, but also from our collective experience over the past 18 months, is how important art and creativity is to us as human beings and how that importance has been amplified during the pandemic.

For example, our own [survey of public opinions on art and creative activity during the pandemic](#) tells us that:

57% of the population report that they missed cultural activity during lockdown

Nearly all the population have listened to music, watched films, drama or documentaries, read for pleasure, or pursued creative activities such as painting or craft at home during lockdown.

Since November 2020 the desire to take part in all cultural activities has increased for the majority of the population

Compared with other surveys on cultural engagement and participation, this strongly indicates that cultural activity has been of even greater importance to people through the pandemic period and that an increased number of people are interested in re-engaging as the pandemic recedes (although public health concerns will continue to be a factor influencing that re-engagement).

The role that art and creativity will play in our post-pandemic lives is more significant than ever in terms of our health and wellbeing, our sense of community, our local and national economies, and our place in the world.

This is why a new initiative from Creative Scotland like [Our Creative Voice](#) becomes even more important post-pandemic, where we will work collectively across the culture sector to unequivocally tell the story of the difference that art and creativity makes to all our lives. Our Creative Voice shares the evidence and seeks to influence policymakers to support greater investment in culture, encourage increased participation amongst the broader public, while also working to improve access to culture for everyone.

Another vital part of our support being refreshed as we look forward is our new approach to funding, particularly in relation to organisations.

Pre-pandemic, Creative Scotland carried out an extensive programme of consultation aimed at informing the way that we deliver funding in the future. This work was necessarily paused because of the pandemic to focus on the development and delivery of emergency support. Whilst remaining sensitive to the ongoing impacts of COVID-19, our work on delivering the outcomes of this review has resumed, with the focus now very much on supporting the future recovery and renewal of Scotland's art and creative sector.

Our main aims for the future funding approach, responding to the feedback received from people and organisations working across the creative and culture sectors and their experience of the pandemic, are:

- **A broader base of organisations receiving funding regularly:** Most organisations want *stable, regular funding* to do their work effectively and this is even more apparent following the pandemic, where we saw how fragile many organisations are in terms of sustainable finance. Responding to this, we aim to better reflect the full range of creative organisations which need support on a regular basis and move towards a more tailored approach to providing support, based on the specific context and individual needs of organisations, and the funding available.
- **Strengthened relationships:** We will take a partnership approach to developing art and creativity and place a greater emphasis on managing relationships with creative organisations and individuals. Creative Scotland's expectations in terms of applications and monitoring will also be scaled according to the size of funding. Again, these also build on experience and learning from the pandemic period.
- **Improved decision-making processes linked to priorities:** We will also approach assessment and decision-making in a less generic way, taking into account the different circumstances of those we support. Most funding will still need to be considered on a competitive basis as demand for funds continues to exceed funding available.
- **Support for individual artists:** In response to the widely expressed desire for more dedicated support for artists and individual creative practitioners, we have established an easy access grants programme for individual creative development. The refreshed [Open Fund for Individuals](#) went live in August 2021.
- **Simpler, more transparent processes:** We are introducing a new Funding Management System which will mean a streamlined online process for applicants. This system is being developed in stages and many people will already have experienced it in use through delivery of recent emergency funds.

It is clearly not practical or appropriate to seek to implement this approach in its entirety within 2021/22 and so we will be treating 2022/23 as a transition year prior to a new system being fully

implemented from 2023/24 onwards. Subject to our own budget confirmation from the Scottish Government, we will maintain commitments to organisations currently in receipt of regular funding in 2022/23 at a level consistent with their current average awards and will provide further information on the transition year arrangements in October 2021, with key information on the new funding framework available by April 2022.

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 pandemic has necessitated a re-think of our strategic approach, alongside the pressing need to deliver swift and effective emergency funding support to enable the culture sector to address its impact.

In responding to the context, we are operating within, we have established a refreshed Strategic Framework to guide our work in 2021-22 and beyond, which is presented as part of our [Annual Plan](#). We have identified four Strategic Priorities:

- Equalities, Diversity, and Inclusion: Supporting a diverse range of creative people, communities, and activity, promoting an equality of opportunity to create, participate and engage.
- Sustainable Development: Helping tackle the climate emergency and supporting the growth of sustainable creative businesses across Scotland.
- Fair Work: Promoting fair pay, conditions, and employment opportunities across the creative sector.
- International: Developing innovative and sustainable ways of strengthening international collaboration and promoting artistic and cultural exchange

These priorities are clearly linked to the aims of Scotland's Government Economic Strategy and National Performance Framework. We believe that the arts, screen, and creative industries in Scotland have a considerable contribution to make in achieving National Outcomes and a successful wellbeing economy. However, achieving progress in each of these four areas will be challenging, as creative and cultural organisations focus on recovery and stabilising their financial positions.

We also welcome, as stated above, the commitment to longer term budget planning by the Scottish Government, set out in the recently published Programme for Government.

Alongside this, the pandemic has made us all realise the value of art and creativity in our lives, and its role across all parts of society and all aspects of public life, in terms of economy, health and wellbeing, education, environment and community.

Again, demonstrating that value and underlining it for policymakers and public alike is a core objective of our new approach to advocacy, [Our Creative Voice](#), which also underlines the need for impacts of culture and creativity to be recognised across more parts of the National Performance Framework, unlocking opportunities and resources to deliver for the greater good – culturally, socially and economically. Culture and creativity have a role to play across all parts of public life in Scotland.

In conclusion

All this evidence underlines the significant role that creativity and culture can play in a wellbeing economy, helping Scotland recover from the effects of the pandemic, and contributing to the health, happiness, and wellbeing of the nation. This is the priority focus of Creative Scotland now and as we look to the future.

Finally, we would like to take this opportunity to formally welcome all the Members to the Committee and to also welcome Angus Robertson as Cabinet Secretary for the Constitution, External Affairs and Culture and Jenny Gilruth as Minister for Culture, Europe, and International Development. We look forward to working collaboratively to the benefit of Scotland's world-renowned art and creativity, during the coming Parliamentary term and beyond.

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