

Dear All,

I'm writing to provide an update on the Covid-19 emergency funds that we are managing on behalf of the Scottish Government, and where we are in terms of forward budget and strategy planning. This is against a backdrop of continued uncertainty, but I want to share as openly as possible what we know, or can reasonably anticipate, at the time of writing.

In the light of the ongoing Covid-19 pandemic, Creative Scotland continues to deliver the emergency funding package announced by the First Minister on 28 August, including £31.5m for culture, as quickly and efficiently as possible. We made an announcement on [03 September](#) setting out how this emergency support was to be delivered, and progress is being announced on a weekly basis. You can keep up with all of this via the [News](#) section, on our [Twitter channel](#) and other social media.

While we have prioritised our resources to address the impact the Covid-19 pandemic is having on people and organisations across Scotland's creative sector, other work also continues. For example, our newly enhanced £10.5m Open Fund remains live to help sustain creative practice and activity; other funds not specifically related to the Covid-19 emergency continue to operate; and our Officers continue to work with people and organisations to offer support and advice directly (including RFOs); all of which is essential to the future health of Scotland's creative and culture sector.

Nevertheless, while we remain in the midst of addressing the impact of the Covid-19 pandemic, there is also a pressing need to help organisations look forward as much as we possibly can. This includes setting out our priorities within this changed context and moving to new funding models, including acknowledging that the current Regular Funding arrangement, affecting 121 cultural organisations across Scotland, is currently scheduled to come to an end in March 2022.

On this point, I want to re-iterate that we have agreed with the Scottish Government to commit to supporting the fourth year of Regular Funding in 2021/22, subject to confirmation of the level of budget available. We are working on the planning assumption that funding for the 121 Regularly Funded Organisations for this fourth year will be at an average of the funding awarded in the first three years.

The Scottish Government has also confirmed that the overall Scottish Budget for 2021/22 will be published on 28<sup>th</sup> January, at which point we would also expect to understand Creative Scotland's draft budget for the forthcoming year. Following confirmation of Creative Scotland's budget settlement, the proposed breakdown of this budget for 2021/22 will be discussed at the 24<sup>th</sup> February Creative Scotland Board meeting and communicated to you as soon as possible after that.

At the beginning of 2020, the Creative Scotland Board agreed on the high-level recommendations from our Funding Review and a refresh of our Strategy, work which had been conducted through much of 2019. Our intention had been to proceed with sharing these recommendations and to begin to implement the recommendations from Spring 2020 onwards. The unexpected and unprecedented impact of the Covid-19 pandemic required us to delay these plans and to prioritise securing and subsequently delivering emergency funds to support the sector.

However, we are now revisiting this work, taking into account the new context, to consider how we support organisations across our funds in the future. This will include consideration of how we will move on from the current Regular Funding programme, from 2022/23 and beyond. This work will align with ongoing developments in our approach to supporting individuals.

All of the above will be brought together into a draft action plan which will set out our priorities and future funding models. We are working to have this framework and action plan in place for 2021/22, with an update on our thinking to be shared publicly in the early part of next year and discussed with you directly, including as part of your Annual Review meetings in April and May.

In summary, four key things to note:

1. The delivery of Covid-19 emergency funding and support remains a priority;
2. We are committed to a fourth year of Regular Funding through to March 2022, subject to confirmation of Scottish Government budgets;
3. The Scottish Government Budget will be published on 28<sup>th</sup> January, with Creative Scotland's headline budget, including the fourth year of RFO funding, planned for discussion at the 24<sup>th</sup> February Creative Scotland Board meeting;
4. We are revisiting our work on future strategy and funding models and these will be communicated in early 2021.

I appreciate that you will have many more questions as regards the above that we are not able to answer, at this point in time. However, I want to assure you that we will continue to share updates as soon as we have them, to keep you fully informed.

Finally, I want to emphasise how much we appreciate the nature of the challenges you and Scotland's wider creative sector are currently facing, the stress and difficulty caused by the Covid-19 pandemic, and the uncertainty this has brought in terms of planning for the future. This impact is clearly being felt across all parts of society in Scotland and, indeed, across the world.

Nevertheless, I can promise you that I and my colleagues at Creative Scotland will continue to provide as much support and clarity as we can, so that we can collectively meet the challenges ahead.

Best wishes,

Iain Munro