

# Culture, Tourism, Europe and External Affairs Committee

## Arts funding inquiry

### Summary of written evidence

#### OVERVIEW

The Committee launched a call for evidence on its arts funding inquiry, which was open from 15 March 2019 until 12 April 2019. The call for evidence focused on two main areas of interest: what would a sustainable model of arts funding look like; and how public funding should be made available to artists. The Committee received 67 written submissions in response. This summary provides an overview of the main themes that emerged from the written evidence received.

#### PUBLIC FUNDING LANDSCAPE

##### National funding

A common theme in the written submissions was commentary on the decline of public funding for the arts in recent years,<sup>1</sup> particularly in the past decade.<sup>2</sup> The Federation of Scottish Theatre noted that currently overall funding for the arts in Scotland “is much less than 1% of the total budget”.<sup>3</sup> Some respondents explained that even those artistic organisations that are successful in bidding for funding from Creative Scotland are feeling the pressure on public finances. The Scottish Contemporary Arts Network noted in this regard–

“Many visual arts organisations were awarded standstill funding deals in the most recent round of regular funding (RFO funding) from Creative Scotland. By the end of this period (2021) that means a real term drop in funding of around 15% since 2014. If this trend continues with the next round of RFO funding, there is real concern among our members that they will reach breaking point. Standstill will become collapse.”<sup>4</sup>

The Federation of Scottish Theatre also commented on the real terms funding being awarded by Creative Scotland, as follows–

“Whilst FST members recognise that this is less than the cuts to the budget as a whole and welcome the Scottish Government’s support for arts and culture, Creative Scotland’s policy of allocating flat cash funding has compounded the reduction. More than two-thirds of our regularly-funded members received the same cash award from Creative Scotland for 2018-21 as they received for

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<sup>1</sup> See for example: CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/11; CTEEA/S5/19/AF/12; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/20; CTEEA/S5/19/AF/25; CTEEA/S5/19/AF/40; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/48; CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/52; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/54; CTEEA/S5/19/AF/57; CTEEA/S5/19/AF/58; CTEEA/S5/19/AF/61; CTEEA/S5/19/AF/63.

<sup>2</sup> CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/52; CTEEA/S5/19/AF/35.

<sup>3</sup> CTEEA/S5/19/AF/11, p. 1.

<sup>4</sup> CTEEA/S5/19/AF/61, p. 1.

2015-8, and for several this is the same cash amount as their grant in 2010 when Creative Scotland took over responsibility for funding. This is a real-terms cut of more than 25% in ten years and its impact on sustainability is palpable.”<sup>5</sup>

Some respondents commented that declining real terms public funding for the arts in recent years has led to a dependence by the sector on funding opportunities supported by Creative Scotland.<sup>6</sup> The Ayr Gaiety Partnership noted in this regard–

“There are many organisations, and much cultural activity in Scotland, which is almost entirely dependent on public funding. So in practice the art that gets produced is determined directly by Creative Scotland (acting as a sort of National Artistic Director across all art forms). Once the funding for the particular artwork has completed, the only method in which the next artwork will be created is through further Creative Scotland funding. The results of the recent RFO decision process are testament to this – where organisations that did not secure funding have either closed, or in some cases have been sustained through substitution of their funding from one Creative Scotland funding stream (RFO) to another (OPF or Touring Fund).”<sup>7</sup>

The Committee also received evidence from the National Theatre of Scotland about how the direct funding it has received from the Scottish Government over recent years compares to wider funding landscape of artists and arts organisations, as follows–

“We applaud the Cabinet Secretary’s efforts to ensure that the reduction in income to the arts from National Lotteries was compensated for by the Scottish Government. Despite this the reality for many arts organisations and independent artists is that funding has been going backwards in real terms for some time. The National Theatre of Scotland is in the privileged position of enjoying both an extremely positive relationship with government and also strong levels of financial support. Even given this, funding for the company has reduced by 21% since 2012 in real terms when actual reduction and inflation are taken into account. This comes at a time when costs have continued to rise, affecting our ability to make the sort of cultural provision we believe the Scottish people deserve.”<sup>8</sup>

The Musicians’ Union suggested that the Scottish Government should aim to ensure that funding levels remain in line with inflation,<sup>9</sup> while Neo Productions and the Traditional Music and Song Association of Scotland advocated for 1% of the Scottish Government’s budget to be ringfenced for spending on culture in line with the recommendation of the Cultural Commission (2005).<sup>10</sup>

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<sup>5</sup> CTEEA/S5/19/AF/11, p. 1.

<sup>6</sup> CTEEA/S5/19/AF/60; CTEEA/S5/19/AF/51; CTEEA/S5/19/AF/24; CTEEA/S5/19/AF/35; CTEEA/S5/19/AF/27.

<sup>7</sup> CTEEA/S5/19/AF/27, p. 2.

<sup>8</sup> CTEEA/S5/19/AF/25, p. 1.

<sup>9</sup> CTEEA/S5/19/AF/14, p. 1.

<sup>10</sup> CTEEA/S5/19/AF/65, p. 2.

## Lottery funding

The Committee's call for evidence also asked for views about what role National Lottery funding may play in creating a sustainable model of arts funding for the future.<sup>11</sup> Creative Scotland, which is one of the twelve distributors of National Lottery funding in the UK,<sup>12</sup> expressed concern about the sustainability of the National Lottery as a reliable source of funding for the sector in the following terms–

“The National Lottery has recently been under challenge from competition from other lotteries, particularly Society Lotteries. This has led to fluctuations and volatility in the income being generated and subsequently distributed. The recent impact on Creative Scotland has been a fall in income from The National Lottery of some £6million.

This is a significant issue. With approximately 86% of Creative Scotland's core unrestricted Grant-in-Aid funding allocated to the current Regularly Funded Organisations, the two remaining funding routes we offer (Open Project Funding and Targeted Funding) are largely only possible through The National Lottery.”<sup>13</sup>

The National Lottery responded to the Committee's call for evidence arguing that the UK Government's proposed reforms to society lottery regulations<sup>14</sup> are ‘a major threat to sustainable funding of the arts in Scotland’.<sup>15</sup> The People's Postcode Lottery also responded to the call for evidence arguing that “Society lottery reform is not about competing with the National Lottery. It is about increasing the outdated annual sales limit contained in the 2005 Gambling Act...”<sup>16</sup>

Creative Scotland's written submission argued that additional methods of funding support are required for a sustainable funding model–

“Given the increasing pressures on public funding, there is also a need to investigate new, additional, methods of funding support for arts and creativity such as crowdfunding, credit unions, social enterprise support and others. Creative Scotland is exploring the potential of these additional avenues and will promote good practice and opportunities which could further help artists and cultural freelancers in Scotland.”

Aberdeen City Council's written submission expressed similar views, suggesting that the Scottish Government may wish to consider replacing the National Lottery as a source of funding for Creative Scotland with a new model based on other investment funds, such as through a Scottish National Investment Bank.<sup>17</sup>

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<sup>11</sup> See commentary on this issue in the following submissions: CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/43; CTEEA/S5/19/AF/A1; CTEEA/S5/19/AF/03; CTEEA/S5/19/AF/34; CTEEA/S5/19/AF/65; CTEEA/S5/19/AF/64.

<sup>12</sup> The distributors include: Arts Council England; National Lottery Heritage Fund; UK Sport; SportScotland; Creative Scotland; Sport England; Arts Council Northern Ireland; Sport Northern Ireland; British Film Institute; Arts Council Wales; Sport Wales; the National Lottery Community Fund.

<sup>13</sup> CTEEA/S5/19/AF/59, p. 3.

<sup>14</sup> UK Government, Consultation on Society Lottery Reform on options for amending sales and prize limits for large and small society lotteries, 29 June 2018 – 7 September 2018: <https://www.gov.uk/government/consultations/consultation-on-society-lottery-reform>.

<sup>15</sup> CTEEA/S5/19/AF/37, p 1.

<sup>16</sup> CTEEA/S5/19/AF/21.

<sup>17</sup> CTEEA/S5/19/AF/53.

## Local authority funding

Many submissions also commented on the public funding and support available for the arts from local authorities.<sup>18</sup> Glasgow Life, for example, cited findings from the Accounts Commission that suggest the outlook for local government spending will continue to be under pressure in the short term–

“According to the Accounts Commission, by 2025 local government needs to spend an additional 4% to 5% to meet social care needs alone and without service re-design or policy changes Scottish local authorities are forecast to be spending nearly 80% of their budgets on education and social work [Accounts Commission, Local Government in Scotland – Challenges and Performance, 2018].”<sup>19</sup>

Respondents identified local authority funding as being under particular threat because spending on culture is a not a statutory requirement.<sup>20</sup> The Federation of Scottish Theatre explained in this regard that–

“Funding for ‘Other Culture and Heritage’ across the whole of Scotland in 2017-18 was £51M, less than 10% of the total Culture and Leisure budget and less than Creative Scotland’s Grant in Aid from Scottish Government”.<sup>21</sup>

Creative Scotland also commented on the non-statutory nature of local authority spending on culture and the impact this is having on spending and provision across the country, noting–

“It would also be helpful, given the contracting public purse, if there was greater clarity around local authorities’ obligations in relation to funding for the arts. Local authorities are currently required to make ‘adequate provision’, however it is unclear what is expected in practice. If this provision was statutory then it would provide a firmer foundation for collaboration between local authorities and their creative and cultural partners, including Creative Scotland.”<sup>22</sup>

It was noted that pressures on arts spending in local authorities has led to some local authorities no longer employing staff with expertise in the arts to support the sector locally.<sup>23</sup> In this regard, Creetown Initiative Ltd commented–

“Another by-product of this reduced funding is that staff who are not qualified to support the arts are shoe-horned into arts posts as a result of council re-organisation (something which seems to happen on a weekly basis). So, you end up with the wrong people in the wrong jobs which weakens the depth of knowledge and support available.”<sup>24</sup>

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<sup>18</sup> CTEEA/S5/19/AF/43; CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/27; CTEEA/S5/19/AF/28; CTEEA/S5/19/AF/58; CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/40; CTEEA/S5/19/AF/20; CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/64.

<sup>19</sup> CTEEA/S5/19/AF/48, p. 1.

<sup>20</sup> CTEEA/S5/19/AF/20; CTEEA/S5/19/AF/58; CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/26; CTEEA/S5/19/AF/59; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/43; CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/63.

<sup>21</sup> CTEEA/S5/19/AF/11, p. 1.

<sup>22</sup> CTEEA/S5/19/AF/59.

<sup>23</sup> CTEEA/S5/19/AF/64.

<sup>24</sup> CTEEA/S5/19/AF/03.

Culture Counts and the Traditional Music and Song Association of Scotland also noted that the creation of Arms-Length External Organisations (“ALEOs”) to deliver cultural and leisure services on behalf of local authorities has been an outcome of the pressure on local government finance.<sup>25</sup> It was noted that this has received some external scrutiny, such as the Barclay Review of Non-Domestic Rates,<sup>26</sup> which argued that the use of ALEOs by some local authorities amounts to “tax avoidance and should cease”.<sup>27</sup>

## Brexit

Another issue commented on by respondents is the impact that Brexit may have on the future of arts funding in Scotland and the sector generally.<sup>28</sup> The National Theatre of Scotland highlighted, for example, the impact Brexit may have on compounding existing issues about the amount and regional distribution of arts funding in Scotland–

“The reduction in and in some cases complete removal of local authority funding has been detrimental to arts organisations and individual artists and arts workers. We would contend that this has also been detrimental to local authorities who have lost the benefits that art brings to local communities. When coupled with the potential removal of access to European Commission funding and variable changes such as a reduction in National Lottery spending and the position of arts funding is increasingly precarious.”<sup>29</sup>

The Traditional Music and Song Association of Scotland highlighted that the potential loss of access to European funding could result in a real-terms decrease in available funding because the amount currently invested in the UK is “proportionally greater in return than the proportion of the funding the UK contributes”.<sup>30</sup> Creative Scotland also commented on this issue, noting that the UK Shared Prosperity fund will be a relevant consideration in the future funding landscape–

“The proposed UK Shared Prosperity fund, or an equivalent programme, will be needed to support development of the creative sectors if significant investment is not to be lost. This will be particularly felt by rural areas of Scotland where EU funding has been critical.”

Museums Galleries Scotland also expressed its desire for Scotland to continue to benefit from the Shared Prosperity Fund once established, noting–

“Critically, this should – at least – equal the current funding stream as available to the UK from the existing EU Structural Funds, with consideration also given how allocations reach and benefit communities across the whole of

<sup>25</sup> CTEEA/S5/19/AF/60; CTEEA/S5/19/AF/63. NB: A 2018 Audit Scotland Report found that 25 local authorities had formed leisure and/or culture ALEOs with a total turnover of £430 million, see: Audit Scotland, [“Council’s Use of Arms-Length Organisations”](#), May 2018, p. 4.

<sup>26</sup> CTEEA/S5/19/AF/60.

<sup>27</sup> Non-domestic tax rates review: Barclay report, 22 August 2017, para 4.116: <https://www.gov.scot/publications/report-barclay-review-non-domestic-rates/>.

<sup>28</sup> CTEEA/S5/19/AF/59; CTEEA/S5/19/AF/62; CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/63.

<sup>29</sup> CTEEA/S5/19/AF/25.

<sup>30</sup> CTEEA/S5/19/AF/63, p. 2.

Scotland. More broadly, we would welcome consideration of how access to funding could be made simpler for local initiatives that would not necessitate the resource and capacity of a larger lead body.”<sup>31</sup>

The Musician’s Union also noted that “many of Scotland’s orchestras rely on foreign Scottish-based artists” and that a recent survey in Scotland found that “more than a quarter of artists and arts workers are considering or planning leaving Scotland after Brexit”.<sup>32</sup> The Musicians Union explained in this regard that it is campaigning for “an EU touring visa for musicians working in the EU post-Brexit”.<sup>33</sup>

## CHALLENGES FOR ARTISTS

The main challenges for artists that were identified in the written evidence include fair pay; competition for funding and bureaucracy in the application process; and diversity of artists. These issues are considered in turn below.

### Fair pay

The lack of fair pay for artists was a recurring theme in the submissions received.<sup>34</sup> Craft social enterprise, Really Interesting Objects CIC, commented on the relative rates of cultural freelancers’ and artists’ pay over the past decade, noting–

“Financial pressures on funding means many cultural freelancers (who are often also artists) are working at a rate of pay which is lower than the rates paid ten years ago. This is evidenced in the recent Art Professional UK research on pay which also shows that pay and fee rates in Scotland are lower than the rest of the UK with a freelancer in Scotland averaging £11,481 a year compared to a UK average £16,000 a year.”<sup>35</sup>

The Scottish Artists Union also expressed concern about fair pay in the sector, noting that “three out of four members consistently fail to be paid rates equivalent to the union’s published rates. At 76%, this is the highest figure in recent years”.<sup>36</sup>

Catherine Wheels Theatre Company explained that the approach of some unions to set minimum recommended rates of pay<sup>37</sup> has not necessarily had the intended effect of raising wages for artists, when it observed–

“Companies and artists are keen not to be seen to ask for too much money because this might hinder their chances of being successful. One knock-on

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<sup>31</sup> CTEEA/S5/19/AF/62.

<sup>32</sup> CTEEA/S5/19/AF/14, p. 2. The survey cited in the submission was authored by the Federation for Scottish Theatre and the Scottish Contemporary Art Network.

<sup>33</sup> CTEEA/S5/19/AF/14, p. 2. The survey cited in the submission was authored by the Federation for Scottish Theatre and the Scottish Contemporary Art Network.

<sup>34</sup> CTEEA/S5/19/AF/61; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/51; CTEEA/S5/19/AF/39; CTEEA/S5/19/AF/04; CTEEA/S5/19/AF/36; CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/08; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/11; CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/29; CTEEA/S5/19/AF/63.

<sup>35</sup> CTEEA/S5/19/AF/39; Arts Professional, “Arts Pay 2018: A summary of pay and earnings in the arts and cultural sector”: [https://www.artspromotional.co.uk/sites/artspromotional.co.uk/files/artspay\\_2018\\_report.pdf](https://www.artspromotional.co.uk/sites/artspromotional.co.uk/files/artspay_2018_report.pdf).

<sup>36</sup> CTEEA/S5/19/AF/29, p. 2.

<sup>37</sup> The example cited was Equity Union: <https://www.equity.org.uk/at-work/list-of-rates-and-agreements/>.

effect is that performers and artists employed through the funding grant are offered Equity minimum rates only as a normal practice. The result is that a performer that has been working for the past 10 years in shows, receiving the same rate of pay for those 10 years. Equity minimum rates are there to set standards for the minimum wage you can pay an actor. It is not normal in any other profession for the rate of pay not to increase due to experience over a 10 year period.”<sup>38</sup>

It was also noted that the existing ‘rates of pay’ within the arts do not necessarily cover all artforms. Neo Productions commented, for example, that “if you are working in the musical theatre genre there is no specific information readily available for musical theatre of this nature – rates for opera performances are the nearest to them but that genre is different in many ways”.<sup>39</sup>

Another issue highlighted in the submissions was the relative wages of different types of professionals within the arts. In this regard, some respondents commented that there is a perception that artists themselves are the least well-paid of professionals working in the arts. Writer and performer, Harry Josephine Giles, noted for example–

“Those in administration and management have the most stable jobs and wages, while those actually making art have the least access to jobs and stability, with producers somewhere in the middle.”<sup>40</sup>

Another issue raised in the submissions was a lack of transparency in arts funding, which undermines fair pay for artists. It was noted in this regard that day rates are not always calculated using the actual hours worked or required,<sup>41</sup> and that some funding does not cover aspects of artistic production, such as producer fees.<sup>42</sup> Other challenges posed to fair pay and funding, included the lack of maternity leave and childcare for freelancers, particularly for those from less privileged backgrounds,<sup>43</sup> as well as a lack of sick pay, holiday pay and travel expenses.<sup>44</sup> Specific examples provided included the Visual Artist and Craftmaker Awards, which “do not fund artists’ time”.<sup>45</sup>

Some respondents argued that funders, such as Creative Scotland, should not fund organisations that do not pay union rates.<sup>46</sup> Another individual quoted in the Catherine Wheels Theatre Company’s submission noted that in their experience, actors in France are paid according to their age and experience. They considered that a similar model should be considered for Scotland, noting that “it wouldn’t have to be law, it could be introduced into Scotland as a charter to be followed by companies, an endeavour to move towards”.<sup>47</sup>

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<sup>38</sup> CTEEA/S5/19/AF/36, p. 3.

<sup>39</sup> CTEEA/S5/19/AF/65, 1.

<sup>40</sup> CTEEA/S5/19/AF/04, p. 2. See also: CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/18.

<sup>41</sup> CTEEA/S5/19/AF/22.

<sup>42</sup> CTEEA/S5/19/AF/08.

<sup>43</sup> CTEEA/S5/19/AF/08; CTEEA/S5/19/AF/18.

<sup>44</sup> CTEEA/S5/19/AF/22.

<sup>45</sup> CTEEA/S5/19/AF/53.

<sup>46</sup> CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/04; CTEEA/S5/19/AF/14.

<sup>47</sup> CTEEA/S5/19/AF/36, p. 3.

## Funding application bureaucracy and competition

The Committee is aware from the Regular Funding Inquiry it conducted last year that the demand for public arts funding currently outstrips supply.<sup>48</sup> Creative Scotland highlighted this issue in its written submission to the Committee's Arts Funding Inquiry, noting–

“For example, in the 2018 round of Creative Scotland's Regular Funding, 184 applications were received requesting £154m across the three years of the programme. In total we were able to award just under £102m to 121 organisations.

In Open Project Funding in 2018/19 we received 1,177 applications requesting £23.7m and were able to award £10.7m to 493 applicants. Of these, 201 awards (41%) were made to individual artists and practitioners and 292 (59%) to organisations, who in turn support many hundreds of artists through their projects.”<sup>49</sup>

The Committee considered in detail concerns about the additional pressure that bureaucratic application forms and processes place on artists in its inquiry last year and this issue was also raised in response to the call for evidence for this inquiry.<sup>50</sup> The concerns expressed include the considerable unpaid time needed to complete applications;<sup>51</sup> the disproportionate burden on smaller artistic companies;<sup>52</sup> the disparity in available resources to apply for funding between artistic companies that employ paid staff versus volunteer-led organisations;<sup>53</sup> artists lacking the necessary skills to complete bureaucratic application forms;<sup>54</sup> and concerns about 'network organisations' competing against their members in the same funding streams.<sup>55</sup> Some respondents commented that these issues contribute to an uneven playing field in the competition for funding.<sup>56</sup>

A number of possible solutions to reducing the bureaucracy of applications were suggested by respondents. One idea was to introduce an application process with distinct stages with a lighter-touch approach to early stages.<sup>57</sup> Another suggestion was to introduce micro grants with a lighter-touch application process.<sup>58</sup> Options for how a micro-funding model could be developed are discussed in more detail in the 'innovation' section below.

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<sup>48</sup> Culture, Tourism, Europe and External Affairs Committee letter to Creative Scotland, 14 June 2018: [www.parliament.scot/S5\\_European/General%20Documents/CTEER\\_2018.06.14\\_Letter\\_to\\_Creative\\_Scotland.pdf](http://www.parliament.scot/S5_European/General%20Documents/CTEER_2018.06.14_Letter_to_Creative_Scotland.pdf).

<sup>49</sup> CTEEA/S5/19/AF/59, p. 2.

<sup>50</sup> CTEEA/S5/19/AF/A2; CTEEA/S5/19/AF/45; CTEEA/S5/19/AF/36; CTEEA/S5/19/AF/30; CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/12; CTEEA/S5/19/AF/13; CTEEA/S5/19/AF/15; CTEEA/S5/19/AF/16; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/24; CTEEA/S5/19/AF/59; CTEEA/S5/19/AF/65; CTEEA/S5/19/AF/64.

<sup>51</sup> CTEEA/S5/19/AF/30; CTEEA/S5/19/AF/15; CTEEA/S5/19/AF/17.

<sup>52</sup> CTEEA/S5/19/AF/16; CTEEA/S5/19/AF/65.

<sup>53</sup> CTEEA/S5/19/AF/63.

<sup>54</sup> CTEEA/S5/19/AF/13; CTEEA/S5/19/AF/24.

<sup>55</sup> CTEEA/S5/19/AF/63; CTEEA/S5/19/AF/61; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/38; CTEEA/S5/19/AF/02;

CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/20.

<sup>56</sup> CTEEA/S5/19/AF/A1; CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/15; CTEEA/S5/19/AF/27.

<sup>57</sup> CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/36; CTEEA/S5/19/AF/08; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/23; CTEEA/S5/19/AF/64.

<sup>58</sup> CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/45; CTEEA/S5/19/AF/44; CTEEA/S5/19/AF/38; CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/25; CTEEA/S5/19/AF/27; CTEEA/S5/19/AF/35.

## Diversity

The written evidence received raised a number of concerns about the extent to which the current arts funding environment supports opportunities for artists from a diverse range of backgrounds, including socio-economic profile of the sector,<sup>59</sup> as well as the protected characteristics of sex,<sup>60</sup> race<sup>61</sup> and age<sup>62</sup>.

Katriona Holmes, an independent creative producer, noted that women working as cultural freelancers face unique challenges, including funding their own maternity leave beyond statutory rates of pay.<sup>63</sup> Ms Holmes' submission also highlights the challenges faced by primary carers to maintain professional networks, compete for work and afford childcare.

Neo Productions' submission comments on the barriers faced by artists from a black, Asian and minority ethnic background. Its concerns related to the extent to which there is funding available to promote artforms with a focus on ethnic diversity, noting that "We have identified that at this point in time there is only around £500k of public funding directly targeted at supporting BME activity."<sup>64</sup> It also stated that an analysis of the most recent regular funding round found that there was a reduction in the number of Equality, Diversity and Inclusion-led organisations and a reduced focus on Equality, Diversity and Inclusion programming.<sup>65</sup>

Individual artist, Dr Alison Bell, commented on how older artists may be unintentionally discriminated against in funding priorities. In her view, there is an underlying assumption in current funding priorities that public funding should be based on the potential economic return of the funding investment. Dr Bell argues that this model favours young artists and that "...artists (60 years+) with a long creative practice applying for funding tend to be excluded".<sup>66</sup> Furthermore, she comments that "Indeed, there are almost no funding opportunities aimed specifically at older artists. (I don't mean those choosing to enter the arts after retirement, there have been funding opportunities for them recently)."<sup>67</sup>

## WHO SHOULD BE FUNDED?

The issue of who should be funded raised many questions about the overall strategic purpose of public arts funding. Many written submissions reiterated the importance of focusing on the quality of the art being produced as the basis for any arts funding framework.<sup>68</sup> For some respondents, the quality of the work was defined as 'artistic

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<sup>59</sup> CTEEA/S5/19/AF/58; CTEEA/S5/19/AF/55; CTEEA/S5/19/AF/27; CTEEA/S5/19/AF/29.

<sup>60</sup> CTEEA/S5/19/AF/08, p. 1.

<sup>61</sup> CTEEA/S5/19/AF/48.

<sup>62</sup> CTEEA/S5/19/AF/05, p. 1.

<sup>63</sup> CTEEA/S5/19/AF/08, p. 1.

<sup>64</sup> CTEEA/S5/19/AF/65, p. 1.

<sup>65</sup> CTEEA/S5/19/AF/65.

<sup>66</sup> CTEEA/S5/19/AF/05, p. 1.

<sup>67</sup> CTEEA/S5/19/AF/05, p. 1.

<sup>68</sup> CTEEA/S5/19/AF/64; CTEEA/S5/19/AF/44; CTEEA/S5/19/AF/42; CTEEA/S5/19/AF/36; CTEEA/S5/19/AF/04; CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/15; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/19.

excellence’,<sup>69</sup> whilst for others it should be defined by wider issues, such as accessibility and connection to the local community.<sup>70</sup>

The written evidence also considered how to define what makes an ‘artist’; as well as what is the difference between an ‘artist’ and a ‘creative freelancer’ and how they should be supported and by which public agency.<sup>71</sup>

Harry Josephine Giles, a writer and performer, commented on the underlying strategic tensions of arts funding, when they noted–

“We don’t know what arts funding is for. Is it to support art that cannot survive in the commercial market? To make the art that doesn’t sell? Is it to ensure artists can make a living? Is it to diversify the cultural scene? To enable anyone from any background to access any artform, as artist or audience? Is it to strengthen the sustainability and economic potential of the Creative Industries? To invest for a greater return? Because these different and sometimes mutually-exclusive aims are muddled together, we have a muddled and directionless approach to arts funding.”

A difference of views on this point emerged overall in the written evidence with some respondents arguing that there should be a clear approach to “the gradients between ‘professional’ and ‘amateur’ arts”,<sup>72</sup> whilst others took the view that “everyone is an artist”.<sup>73</sup>

## National Cultural Infrastructure

In considering who should be funded, the written evidence also commented on the fabric of Scotland’s national cultural infrastructure and the role that direct Scottish Government funding plays in supporting this in a sustainable way. Many submissions supported a model of direct funding some organisations that are deemed to be of national significance to Scotland but suggested that the Scottish Government should review how the existing model is operating.<sup>74</sup>

The written submissions identified a number of perceived ‘gaps’ in the type of institutions that currently receive direct funding. It was noted, for example, that a national youth performing arts company would be a welcome addition to the existing portfolio.<sup>75</sup> Another suggestion was to add organisations to the portfolio that focus on innovative or experimental, rather than simply classical, productions.<sup>76</sup> In this regard, it was also noted that some artistic mediums, such as musicals, do not generally feature in the programmes of national performing companies, which may unintentionally exclude the work of minority artistic producers for whom this artform holds particular cultural significance.<sup>77</sup>

Another perceived gap in the existing infrastructure was a national strategy supported with funding to preserve and sustain cultural venues. This included venues that were identified as being of national significance, such as the Royal Lyceum and the

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<sup>69</sup> CTEEA/S5/19/AF/64; CTEEA/S5/19/AF/42; CTEEA/S5/19/AF/04; CTEEA/S5/19/AF/15; CTEEA/S5/19/AF/19.

<sup>70</sup> CTEEA/S5/19/AF/44.

<sup>71</sup> CTEEA/S5/19/AF/A1.

<sup>72</sup> CTEEA/S5/19/AF/04.

<sup>73</sup> CTEEA/S5/19/AF/12.

<sup>74</sup> CTEEA/S5/19/AF/65; CTEEA/S5/19/AF/60; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/48; CTEEA/S5/19/AF/44; CTEEA/S5/19/AF/43; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/24; CTEEA/S5/19/AF/28.

<sup>75</sup> CTEEA/S5/19/AF/28; CTEEA/S5/19/AF/60.

<sup>76</sup> CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/48.

<sup>77</sup> CTEEA/S5/19/AF/65.

Traverse Theatre,<sup>78</sup> as well as the provision of capital infrastructure across the country in the form of accessible and specialist cultural venues.<sup>79</sup> The Music Venue Trust suggested in this regard that the Scottish Government consider implementing a model to act as a National Trust for Venues to support sustainable investment in venues across Scotland.<sup>80</sup>

## Genres and artforms

The written submissions also expressed concern about the extent to which the existing provision of public arts funding supports different genres on an equal basis.<sup>81</sup> Some respondents considered that each genre needs its own strategy supported by ring-fenced funding to ensure a diversity of arts is supported in Scotland in a sustainable way.<sup>82</sup>

## Artist, Arts Organisation, Network Organisation

The written evidence also considered how funding should be allocated between artists, arts organisations and network organisations. A divergence of views emerged on this issue. Some respondents argued that individuals who ‘create art’ and ‘pay artists’ should be prioritised for funding.<sup>83</sup> Other respondents made the case for a funding model that incorporates the full spectrum of artists through to network organisations,<sup>84</sup> noting that ‘a fair balance’ between the types of individuals and organisations that are funded ‘is not an easy one to achieve’.<sup>85</sup>

Network organisations that responded to the call for evidence highlighted the services they provide to artists, including places to create and show work,<sup>86</sup> skills development,<sup>87</sup> as well as providing advocacy on behalf of artists for more funding.<sup>88</sup> A solution to this issue suggested by some respondents is to provide funding to network organisations in a way that is separate from the funding available to individual artists so as to avoid the perception that they are competing against each other.<sup>89</sup>

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<sup>78</sup> CTEEA/S5/19/AF/A2.

<sup>79</sup> CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/62; CTEEA/S5/19/AF/48; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/36; CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/31.

<sup>80</sup> CTEEA/S5/19/AF/31.

<sup>81</sup> CTEEA/S5/19/AF/64; CTEEA/S5/19/AF/57; CTEEA/S5/19/AF/48; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/45; CTEEA/S5/19/AF/44; CTEEA/S5/19/AF/16; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/39.

<sup>82</sup> CTEEA/S5/19/AF/57; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/44; CTEEA/S5/19/AF/16; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/39.

<sup>83</sup> CTEEA/S5/19/AF/19.

<sup>84</sup> CTEEA/S5/19/AF/03; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/20.

<sup>85</sup> CTEEA/S5/19/AF/63.

<sup>86</sup> CTEEA/S5/19/AF/61; CTEEA/S5/19/AF/53

<sup>87</sup> CTEEA/S5/19/AF/13.

<sup>88</sup> CTEEA/S5/19/AF/38.

<sup>89</sup> CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/61.

## HOW SHOULD FUNDING BE ALLOCATED?

### Peer review

Some respondents expressed their support for the continued arrangement of arms-length funding of the arts.<sup>90</sup> A popular suggestion was to incorporate a peer review process into existing funding schemes.<sup>91</sup> It was noted that peer review works well when the panel of reviewers is rotated.<sup>92</sup>

### Staged application processes

The Committee's inquiry into the Regular Funding 2018-21 process recommended that Creative Scotland consider the introduction of a staged-application approach to funding. This suggestion was also raised by many respondents to this inquiry,<sup>93</sup> who argued that it would reduce the burden on applicants who are unsuccessful in their application at the early stages. It was noted that many trusts already use this approach to funding.<sup>94</sup>

### Fair pay

As noted in the 'challenges' section above, some respondents argued that funders, such as Creative Scotland, should not award funding to organisations that do not pay union rates to artists.<sup>95</sup> Other suggestions in the written evidence for encouraging fair pay include—

- a requirement for funded organisations to dedicate at least 50% of their annual budget directly to artists;<sup>96</sup>
- funding bodies to adopt a policy of favouring certain types of arts organisations, such as workers' co-operatives, i.e. arts organisations which are owned and democratically-managed by their workers;<sup>97</sup>
- the introduction of diversity quotas for funded organisations.<sup>98</sup>

### Thematic funding

Some respondents expressed concern with the provision of funding on a short-term or thematic basis, e.g. public funding priorities being aligned with themed years.<sup>99</sup> For example, individual artist Mary Bourne, commented that this approach to funding makes "...it very difficult to sustain a direction of travel in your own work as an artist if you don't have the good fortune to neatly fit one of these categories."

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<sup>90</sup> CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/12.

<sup>91</sup> CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/61; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/41.

<sup>92</sup> CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/41.

<sup>93</sup> CTEEA/S5/19/AF/64; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/52; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/36; CTEEA/S5/19/AF/08; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/23.

<sup>94</sup> CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/36.

<sup>95</sup> CTEEA/S5/19/AF/19; CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/04; CTEEA/S5/19/AF/14.

<sup>96</sup> CTEEA/S5/19/AF/04.

<sup>97</sup> CTEEA/S5/19/AF/04.

<sup>98</sup> CTEEA/S5/19/AF/04.

<sup>99</sup> CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/12; CTEEA/S5/19/AF/54.

## WHAT SUPPORT DO ARTISTS NEED?

### Business and professional support

Many submissions commented on the need for artists to access business and professional support in order to attract funding and make their practice sustainable.<sup>100</sup> One individual suggested that a national agency should be established to support artists to transform their work onto a commercial stage in a strategic way (such as authors' works being adapted for screen etc.).<sup>101</sup> Another individual artist encouraged a cautious approach in this regard, noting that a balance needs to be struck between the amount of funding that goes towards developing business support resources versus supporting the intrinsic value of art.<sup>102</sup>

### Career support and opportunities

A theme emerging from the written evidence was the need for the funding available to be targeted in a way that supports artists at different stages of their careers. This could have added benefits for supporting a diverse profession, as noted by Festivals Edinburgh in its submission–

“To change this profile for the better, a sustained pipeline of support is important for talented people to develop and progress as well as to enter the culture sector. Focused and co-ordinated support opportunities to provide long-term pathways for individuals, albeit limited in number, may prove more effective in growing a diverse new generation of cultural leaders than a higher volume of interventions that do not systematically address gaps and transition points.”<sup>103</sup>

Some respondents also commented that there appears to be a lack of support available for mid-career and established artists.<sup>104</sup> A number of different types of support for artists' career development were highlighted in the written evidence, including–

- Sabbaticals, residencies,<sup>105</sup> and secondments,<sup>106</sup> including for artists within Creative Scotland<sup>107</sup>
- Professional and technical skills development<sup>108</sup>
- Mentoring programmes<sup>109</sup>
- Networking opportunities<sup>110</sup>
- Apprenticeships<sup>111</sup>

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<sup>100</sup> CTEEA/S5/19/AF/A2; CTEEA/S5/19/AF/33; CTEEA/S5/19/AF/A1; CTEEA/S5/19/AF/04; CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/23.

<sup>101</sup> CTEEA/S5/19/AF/07.

<sup>102</sup> CTEEA/S5/19/AF/A2.

<sup>103</sup> CTEEA/S5/19/AF/50.

<sup>104</sup> CTEEA/S5/19/AF/A2.

<sup>105</sup> CTEEA/S5/19/AF/49; CTEEA/S5/19/AF/42.

<sup>106</sup> CTEEA/S5/19/AF/07.

<sup>107</sup> CTEEA/S5/19/AF/57; CTEEA/S5/19/AF/19.

<sup>108</sup> CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/33.

<sup>109</sup> CTEEA/S5/19/AF/08.

<sup>110</sup> CTEEA/S5/19/AF/08.

<sup>111</sup> CTEEA/S5/19/AF/45.

## Micro-funding

A common suggestion in the written submissions was the provision of micro-funding,<sup>112</sup> and bursaries.<sup>113</sup> Respondents noted that small amounts of funding would be particularly useful for obtaining equipment and artistic materials.<sup>114</sup> It was noted that this model works well when the application process is competitive yet relatively simple.<sup>115</sup> Examples cited include the “Awards for All” process run by the National Lottery Community Fund,<sup>116</sup> and the micro-grants operated by the Eigg Box social enterprise.<sup>117</sup>

## Other forms of support

Other ideas suggested for supporting artists included the provision of: rent-free housing;<sup>118</sup> free working spaces and childcare.<sup>119</sup>

## GEOGRAPHIC SPREAD OF PUBLIC FUNDING

Many responses to the inquiry commented on the concentration of national funding for the arts in Edinburgh and Glasgow.<sup>120</sup> The Ayr Gaiety Partnership noted, for example, that “...most arts funding [is] concentrated on the Central Belt and many areas of Scotland [are] without any form of funded or significant artistic organisation”.<sup>121</sup> An anonymous respondent also addressed this issue, commenting that “...we are seeing arts funding going to mainly central belt locations and causing a two tier of what is art happening within Scotland”.<sup>122</sup>

To the extent that arts funding is available in rural and remote parts of Scotland, some respondents identified the challenges faced by artists in accessing financial support and professional opportunities. Kirstin Gow, a creative freelancer, explained the difficulties faced by artists in remote areas to access existing opportunities—

“It is not uncommon for me to come across opportunities funded for the Highlands and Islands which are pretty much inaccessible to me without a significant investment of time and money. Whilst I accept that my remote location means I do not have the same access to facilities and opportunities as others, the lack of awareness of the challenges faced by those of us working in remote areas by those working on projects purporting to support us is still often stark. As evidence I point to the example of a ‘creative hub’ set up in Inverness for the Highlands and Islands which one of the project team told me was free for me to use as an islander – ignoring the fact it would take a minimum of 2

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<sup>112</sup> CTEEA/S5/19/AF/45; CTEEA/S5/19/AF/38; CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/25; CTEEA/S5/19/AF/27; CTEEA/S5/19/AF/35.

<sup>113</sup> CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/44.

<sup>114</sup> CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/44.

<sup>115</sup> CTEEA/S5/19/AF/27.

<sup>116</sup> CTEEA/S5/19/AF/27.

<sup>117</sup> CTEEA/S5/19/AF/22.

<sup>118</sup> CTEEA/S5/19/AF/04.

<sup>119</sup> CTEEA/S5/19/AF/08.

<sup>120</sup> CTEEA/S5/19/AF/58; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/48; CTEEA/S5/19/AF/47; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/45; CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/32; CTEEA/S5/19/AF/10; CTEEA/S5/19/AF/03; CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/A1; CTEEA/S5/19/AF/23; CTEEA/S5/19/AF/27.

<sup>121</sup> CTEEA/S5/19/AF/27.

<sup>122</sup> CTEEA/S5/19/AF/A1.

ferries and a day's travel each way, and a minimum of one overnight stay, just to access the 'free' facility for a few hours."<sup>123</sup>

Ms Gow also highlighted the importance of meaningful local input for projects that are funded on a collaborative basis to ensure these have maximum impact–

“In terms of geographical coverage it is also frustrating to find a project which is ‘parachuted in’ to your community and run by someone from outside the area without any liaison with those working locally. Public money for projects engaging with a community should only be available to artists who have shown that they have made proactive and reciprocated efforts to engage with the community and the creative sector in the areas they plan to enact the project.”<sup>124</sup>

Some respondents suggested that geographic ring-fencing of national funding could be a means to address the spread of funding across Scotland.<sup>125</sup> Suggestions for how a ring-fencing mechanism could work included: prioritising national funding based on gaps in provision in local authority arts funding;<sup>126</sup> by head of population across the 32 local authorities;<sup>127</sup> or that specific funding should be made available for national projects versus regional projects to be administered at the national and local level respectively.<sup>128</sup> Other respondents considered that national funding could be used as an incentive for regular funded organisations to relocate outside of Edinburgh or Glasgow.<sup>129</sup>

Neo Productions cautioned against focusing exclusively on the geographic spread of arts funding. It noted that the cultural identity of individuals from a black, Asian or minority ethnic background is not limited by geography. As such, Neo Productions argued in relation to having too narrow a focus on geographic spread of arts funding that–

“This can create an unintended barrier to accessing funding when you are working across different areas particularly when you consider how one of the benefits of cultural activity is about helping see the connections between the different places and not be boxed in by a view within a few miles of your location.”<sup>130</sup>

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<sup>123</sup> CTEEA/S5/19/AF/22.

<sup>124</sup> CTEEA/S5/19/AF/22. See also: CTEEA/S5/19/AF/27.

<sup>125</sup> CTEEA/S5/19/AF/46.

<sup>126</sup> CTEEA/S5/19/AF/47.

<sup>127</sup> CTEEA/S5/19/AF/07.

<sup>128</sup> CTEEA/S5/19/AF/03.

<sup>129</sup> CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/A1.

<sup>130</sup> CTEEA/S5/19/AF/65, p. 5.

## HOW COULD SCOTLAND BE INNOVATIVE IN ARTS FUNDING?

The Committee's call for evidence invited respondents to contribute ideas about how Scotland could be innovative in its approach to arts funding. The respondents who commented on this aspect of the call for evidence were generally supportive of encouraging greater innovation. However, some respondents warned that 'innovation is a risky world',<sup>131</sup> and suggested that innovation should be designed in a way that empowers local communities to imbed any new approaches,<sup>132</sup> and are designed with data collection technologies and impact studies in mind.<sup>133</sup> The suggestions for innovative approaches are considered below.

### Regular Funded Artists

At present, individual artists are not currently eligible to apply for Creative Scotland's regular funding scheme, which is only open to organisations. Some respondents suggested that Scotland should create a new regular funding stream for individual artists.<sup>134</sup><sup>135</sup> The proposed benefits of this approach would be to create greater financial certainty for artists deemed worthy of direct funding, which in turn give them artistic freedom to create art.<sup>136</sup>

### Artists' Basic Income

The Scottish Government has funded a feasibility study into a basic citizens' income working with four local authorities: Fife Council, City of Edinburgh Council, Glasgow City Council and North Ayrshire Council.<sup>137</sup> A number of submissions suggested that a basic citizens' income should be made available to artists.<sup>138</sup> A potential benefit of this approach that was highlighted in the written submissions included promoting greater diversity within the arts.<sup>139</sup> It was also noted that the system would require careful design to ensure that 'it doesn't become a closed shop' and to encourage artists to continue to develop 'onto other funding or business models'.<sup>140</sup>

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<sup>131</sup> CTEEA/S5/19/AF/15.

<sup>132</sup> CTEEA/S5/19/AF/22.

<sup>133</sup> CTEEA/S5/19/AF/54.

<sup>134</sup> CTEEA/S5/19/AF/A2; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/08; CTEEA/S5/19/AF/46

<sup>135</sup> NB: Artists can apply for open project funding or targeted funding. Open project funding is open to artists, groups and creative organisations for projects for up to two years. Targeted funding is available to anyone who falls within the specific criteria of existing targeted funding programmes (such as the Youth Music Initiative).

<sup>136</sup> CTEEA/S5/19/AF/65.

<sup>137</sup> <https://basicincome.scot/whats-happening-scotland/>.

<sup>138</sup> CTEEA/S5/19/AF/65; CTEEA/S5/19/AF/54; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/46; CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/08; CTEEA/S5/19/AF/17; CTEEA/S5/19/AF/23; CTEEA/S5/19/AF/43.

<sup>139</sup> CTEEA/S5/19/AF/65.

<sup>140</sup> CTEEA/S5/19/AF/53.

## Taxation tools

Taxation was mentioned by many respondents as an innovative means to create more investment in the arts.<sup>141</sup> Some respondents suggested that the creation of new taxation powers within the Scottish Government's devolved competence, such as a tourist tax, could be used to increase public funding for arts and culture provision.<sup>142</sup> Other ideas focused on matters within the UK's Government's reserved competence, such as increasing taxes on foreign companies;<sup>143</sup> the introduction of an Irish artists' tax breaks model;<sup>144</sup> and changing the taxation regime applied to the National Lottery from the Lottery Duty regime to a Gross Profits Tax.<sup>145</sup> Suggestions for encouraging greater private investment, as well as any international examples, are considered in more detail below.

## Private Investment

Many respondents commented on the possibility of using private investment from trusts, foundations and private companies, as an additional source of funding for the arts in Scotland.<sup>146</sup> Suggestions included the creation of a cultural fund 'which could draw on the diaspora for support which in turn would fund activity in Scotland';<sup>147</sup> community share programmes;<sup>148</sup> and incentives for businesses to invest locally.<sup>149</sup>

Some respondents, such as the Traditional Music and Song Association of Scotland and the Musicians' Union encouraged caution in relying on private investment to play a part in a sustainable funding approach, noting that many trusts and foundations who are reliant on stock market investments have seen a decline in their available funds in recent years.<sup>150</sup> In this regard, the Musicians' Union cited examples from the United States where a number of orchestras and other arts organisations collapsed when invested donations and legacies lost value.<sup>151</sup> It was also noted that many trusts and foundations only fund organisations, rather than individual artists,<sup>152</sup> whilst other respondents underlined the importance of ethical assurance processes when relying on private investment for public purposes,<sup>153</sup> including the extent to which public arts projects result in civic/public spaces becoming privatised.<sup>154</sup> Respondents also noted that the market for private investment is also very competitive.<sup>155</sup>

The Committee received examples of arts organisations that have been successful in diversifying their funding sources, including private investment, and the benefits of a diverse income stream. Festivals Edinburgh noted for example–

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<sup>141</sup> CTEEA/S5/19/AF/54; CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/52; CTEEA/S5/19/AF/51; CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/42; CTEEA/S5/19/AF/37; CTEEA/S5/19/AF/A1; CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/07; CTEEA/S5/19/AF/12; CTEEA/S5/19/AF/13; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/20; CTEEA/S5/19/AF/22; CTEEA/S5/19/AF/25; CTEEA/S5/19/AF/29; CTEEA/S5/19/AF/31; CTEEA/S5/19/AF/59.  
<sup>142</sup> CTEEA/S5/19/AF/53; CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/20; CTEEA/S5/19/AF/25.  
<sup>143</sup> CTEEA/S5/19/AF/52.  
<sup>144</sup> CTEEA/S5/19/AF/42. See here for more information: [https://www.citizensinformation.ie/en/money\\_and\\_tax/tax/income\\_tax/artists\\_exemption\\_from\\_income\\_tax.html](https://www.citizensinformation.ie/en/money_and_tax/tax/income_tax/artists_exemption_from_income_tax.html).  
<sup>145</sup> CTEEA/S5/19/AF/37  
<sup>146</sup> CTEEA/S5/19/AF/63; CTEEA/S5/19/AF/14; CTEEA/S5/19/AF/43; CTEEA/S5/19/AF/25; CTEEA/S5/19/AF/23; CTEEA/S5/19/AF/03; CTEEA/S5/19/AF/06; CTEEA/S5/19/AF/12; CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/61.  
<sup>147</sup> CTEEA/S5/19/AF/63.  
<sup>148</sup> CTEEA/S5/19/AF/03.  
<sup>149</sup> CTEEA/S5/19/AF/03.  
<sup>150</sup> CTEEA/S5/19/AF/63.  
<sup>151</sup> CTEEA/S5/19/AF/14.  
<sup>152</sup> CTEEA/S5/19/AF/63.  
<sup>153</sup> CTEEA/S5/19/AF/18; CTEEA/S5/19/AF/12.  
<sup>154</sup> CTEEA/S5/19/AF/48.  
<sup>155</sup> CTEEA/S5/19/AF/50.

“the Edinburgh Festivals have reshaped operations in the face of core grant reductions totalling over 33% in real terms since 2010 and have become increasingly effective at raising income against the vital foundation of core grant. Growing earned income by over 35% in the five years to 2015 involved replacing all major financial services sponsors who withdrew during the UK recession, and securing new corporate and in particular individual donor support. In a constrained public funding environment, the festivals have a continuing commitment to use the strength of their brands to diversify financing models in these ways to attract more funding that can be reinvested in supporting creative work.”

Culture Aberdeen also noted that many cultural organisations in its area have sought to diversify their income, which has enabled them to demonstrate ‘remarkable resilience’ in the current funding landscape.<sup>156</sup> The Scottish Contemporary Arts Network suggested that making a map of existing private investment opportunities across Scotland would be welcome,<sup>157</sup> whilst others noted that competition for private funding is already high.<sup>158</sup>

### **Collaborative/partnership funding approaches**

Respondents, such as Glasgow Life, suggested greater support could be offered to the arts sector to ‘develop brokerage between the private and public partnerships’.<sup>159</sup> Whilst some considered that pursuing multiple funding streams was beneficial for artists generally in terms of their income security etc.,<sup>160</sup> it was also noted that it can have drawbacks for artistic freedom.<sup>161</sup> One respondent noted in this regard ‘too many partners means the artist has to try and please all’.<sup>162</sup> A solution offered to this issue was to introduce measures to encourage collaborative funders to use a joined-up partnership approach to funding.<sup>163</sup>

### **Models for organising artists**

The Traditional Music and Song Association of Scotland noted that artists should be supported to find innovative models to attract funding through different means of organising themselves.<sup>164</sup> It highlighted the benefits of artists organising themselves as a Community Interest Company or Social Enterprise “which allows them an element of control but also an organisational structure to access a greater range of funding”.<sup>165</sup> The Playwrights’ Studio also highlighted the social enterprise model as something which could enable artists to progress and attract funding.<sup>166</sup>

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<sup>156</sup> CTEEA/S5/19/AF/58.

<sup>157</sup> CTEEA/S5/19/AF/61.

<sup>158</sup> CTEEA/S5/19/AF/50.

<sup>159</sup> CTEEA/S5/19/AF/48; CTEEA/S5/19/AF/11; CTEEA/S5/19/AF/23; CTEEA/S5/19/AF/25; CTEEA/S5/19/AF/34.

<sup>160</sup> CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/34.

<sup>161</sup> CTEEA/S5/19/AF/41.

<sup>162</sup> CTEEA/S5/19/AF/52.

<sup>163</sup> CTEEA/S5/19/AF/13; CTEEA/S5/19/AF/20; CTEEA/S5/19/AF/34.

<sup>164</sup> CTEEA/S5/19/AF/63.

<sup>165</sup> CTEEA/S5/19/AF/63.

<sup>166</sup> CTEEA/S5/19/AF/44.

## Teaching and the Curriculum for Excellence

Respondents highlighted the benefits of arts education for young people in developing their creativity, wellbeing and critical thinking.<sup>167</sup> The Traditional Music and Song Association of Scotland suggested that the Scottish Government could explore more ways in which to draw on Scotland’s artists to support the arts curriculum in schools. It highlighted the Youth Music Initiative as a successful model to build upon. Other respondents suggested that artists could be offered employment through local authorities to teach arts education.<sup>168</sup>

## International examples

Table 1 below presents extracts from the written evidence highlighting examples of best practice from other countries or regions with commentary from the respondent about why the examples have been suggested. The respondents are identified in the footnotes provided. The views of respondents expressed below are provided for context only and do not represent the views of the Scottish Parliament.

*Table 1: Extracts from written submissions highlighting international examples*

Country/region	Respondents’ commentary
Australia	Australia Council for Arts artists fellowship programme <sup>169</sup>
	In Australia in 2014-15, the federal government decided to reallocate funding worth nearly £60m over four years - a third of the ongoing arts funding - away from the arms-length Australia Council for the Arts to create a directly run government programme. The arts sector protested and a subsequent Australian Senate inquiry published a report in December 2015. The report expressed strong support for the system maintaining arms-length non-political specialist expertise in arts funding through the Australia Council; and advised that the funding policy and framework should aim to support the whole cultural ecosystem including small and medium sized organisations and independent artists, having regard to the challenges of operating across urban and rural Australia. As a result of this controversy and policy changes following the 2016 elections, the frameworks of the previous period are no longer in place and the Australia Council has had its funding and its policy leadership in these areas reinstated. <sup>170</sup>
	Australia Arts Council: This started an arm’s length organization whose role is to broker relationships between small and midsized arts organisations and small private family foundations and trusts. Art Support Australia meets with donors, talks to them about the importance of supporting the arts, and identifies organisations that might fit with their values. It also mentors arts

<sup>167</sup> CTEEA/S5/19/AF/63; CTEEA/S5/19/AF/12; CTEEA/S5/19/AF/43.

<sup>168</sup> CTEEA/S5/19/AF/12.

<sup>169</sup> CTEEA/S5/19/AF/51.

<sup>170</sup> CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/58.

	organisations to help them develop realistic funding strategies and prepare effective proposals. <sup>171</sup>
Brazil	In Brazil, the cultural foundations SESC and SESI were set up by philanthropic leaders of the commerce and industry sectors in 1946 to promote social welfare, cultural development and improving the lives of workers, their families and the communities they live in. Their revenues come from a 1.5 percent tax paid by every company according to the size of their payroll, and directed to the cultural foundations. Their funded programmes focus on citizen engagement through a wide range of interventions including connecting grassroots cultural movements in favelas and community centres to the practice of world-renowned invited artists. <sup>172</sup>
Catalonia	[Cultural tourism] has been started in Catalonia a long time ago and was almost too successful in the case of Barcelona but has benefited other lesser known places and regions considerably. The original network that has started this development now calls itself an international network and has supported cultural regeneration in other countries. ...I attach a link to their main website and also a link to the website of a region in Catalonia where this approach has been very successful and it attracts lots of international tourists with their arts and crafts. This region is called Emporda. <sup>173</sup> <a href="http://www.creativetourismnetwork.org">http://www.creativetourismnetwork.org</a> <a href="http://www.creativetourismnetwork.org/empordanet-the-catalonia/">http://www.creativetourismnetwork.org/empordanet-the-catalonia/</a>
Denmark	Our European neighbours recognise the vital importance of funding theatre and dance for young audiences – Denmark has over 70 full-time companies – but Scotland continues to lag behind, despite the fact that the work here is recognised as some of the best in the world. <sup>174</sup>
	In Denmark, the Government has established an infrastructure and trading subsidy budget which has developed 19 Grassroots Music Venues of exceptionally high quality. These venues receive ongoing subsidy to create local jobs, support for musician micro-businesses, and platforms for local emerging talent – at the full subsidy rate, each of these 19 venues commits to paying each performing musician 2000 Krone, a fee equating to £250 per band member per performance. <sup>175</sup>
England	Arts Council England's Developing Your Creative Practice bursaries (£2,000-10,000) <sup>176</sup>
	The Birmingham Cultural Investment Enquiry ( <a href="https://culturecentral.co.uk/features/">https://culturecentral.co.uk/features/</a>

<sup>171</sup> CTEEA/S5/19/AF/48.

<sup>172</sup> CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/58.

<sup>173</sup> CTEEA/S5/19/AF/47.

<sup>174</sup> CTEEA/S5/19/AF/17.

<sup>175</sup> CTEEA/S5/19/AF/31.

<sup>176</sup> CTEEA/S5/19/AF/11: <https://www.artscouncil.org.uk/arts-council-development-funds/10-things-you-need-know-about-dyccp>

	<p>birmingham-cultural-investment-enquiry-2016) completed in 2016, identified a plethora of new and innovative approaches to funding culture. Crucially, they found that a mix of models would be needed to deal with the growing funding challenges ahead and that open communication between national and local funders was important. They recommended framing a citywide cultural investment proposition, highlighting the overall value to the city of investment in the arts and helping to attract more funding. Birmingham recognised that they need to use Anchor institutions such as the business and higher education sectors to unlock further investment in culture across the city and that this would bring benefits to all.</p> <p>This model can have benefits for cities and Local Authorities across Scotland. There may also be individual elements identified within the Birmingham enquiry that National and Local Government feel could be explored further, such as use of BIDs or Social Investment Funds.<sup>177</sup></p>
England	<p>The increasing interest in culture from across government and public policymakers should be accompanied by co-creation approaches and recognition of value through securing funding from wider budgets, building on models such as the Cultural Commissioning Programme in England.<sup>178</sup></p> <p>We need to look at the arts differently and I believe that England and the arts council have led the way in terms of looking at how we support the arts more.<sup>179</sup></p> <p>the Arts Council England requirement for data sharing means that England has rich audience data that is used by individual companies but can also be utilised by government to track impact and identify gaps. We welcome the decision to appoint the Audience Agency to fulfil this role for Scotland and hope that it leads to a similar level of information sharing between organisations.<sup>180</sup></p>
France	<p>The French ‘Intermittents du Spectacle’ system whereby artists who can prove that they regularly earn an income through their practise can claim state support in fallow periods is worthy of consideration in the light of low average wages of Scottish artists and freelance arts workers.<sup>181</sup></p> <p>When working in France I learnt that actors are paid according to their age and experience. In effect the rate of pay is increased with age, read experience. Actors starting out get paid the basic wage, and actors with more years’ experience get paid according to which bracket their years of experience falls into. It wouldn't have to be law, it could be introduced into Scotland as a charter to be followed by companies, an endeavour to move towards.<sup>182</sup></p>

<sup>177</sup> CTEEA/S5/19/AF/53.

<sup>178</sup> CTEEA/S5/19/AF/50.

<sup>179</sup> CTEEA/S5/19/AF/A1.

<sup>180</sup> CTEEA/S5/19/AF/25.

<sup>181</sup> CTEEA/S5/19/AF/25.

<sup>182</sup> CTEEA/S5/19/AF/36.

	<p>We could look to France where artists are supported annually as ‘intermittent du spectacle’ – whereby an arts industry worker between jobs receives a basic income which allows them to support themselves. While the envy of arts professionals across the world, it has its grey areas and isn’t perfect; however, it evidences a much higher value on the importance of the arts in society than we currently do here in Scotland. It allows mid-career artists to stay in the industry, rather than having to look elsewhere to find any financial security.<sup>183</sup></p> <p>Across the EU, governments have provided a variety of mechanisms to subsidise and underwrite investment in Grassroots Music Venues, resulting in an average subsidy of 42% of total turnover, as high as 70% in France.<sup>184</sup></p>
France	<p>In France, GMVs receive operational support from: Le ministère de la Culture et de la Communication, Le ministère de la Ville, de la Jeunesse et des Sports, Le ministère de la Justice L’Union Européenne - Lifelong Learning Programme and La SACEM. Le CNV - Centre National de la chanson des Variétés et du jazz – administers two schemes by which a levy is paid by all live music events and distributed to Grassroots Music Venues:</p> <ol style="list-style-type: none"> <li>a. to promote risk taking with programming at grassroots level. 195 venues benefitted in 2015</li> <li>b. to improve the infrastructure at Grassroots Music Venues. 59 venues benefitted in 2015.<sup>185</sup></li> </ol>
Germany	<p>Germany count funding and scholarship applications as job applications for benefit purposes, allowing professional artists to claim state benefits if they are on low-income.<sup>186</sup></p> <p>The German Government announced a package of investments into Grassroots Music Venues to a value of €8.2million in November 2016 (Förderprogramme zur technischen Erneuerung der Aufführungstechnik von Musikclubs).<sup>187</sup></p>
Ireland	<p>Initiatives that put visual art and artists at the centre of local and national infrastructure are to be welcomed. An oft-cited example is Ireland’s Per Cent for Art scheme where 1% of the cost of any publicly funded capital, infrastructural and building development can be allocated to the commissioning of a work of art. Similar schemes are also active in Scotland, for example Aberdeenshire Council.<sup>188</sup></p> <p>We are keen to see a budgeting approach which recognises the broader impact of culture on the health and wellbeing of our citizens. The Committee may be aware that Ireland has recently invested in an innovative agreement between Arts Council Ireland and the County and City Management Association,</p>

<sup>183</sup> CTEEA/S5/19/AF/36.

<sup>184</sup> CTEEA/S5/19/AF/31.

<sup>185</sup> CTEEA/S5/19/AF/31.

<sup>186</sup> CTEEA/S5/19/AF/53.

<sup>187</sup> CTEEA/S5/19/AF/31.

<sup>188</sup> CTEEA/S5/19/AF/61.

	where the national body works in collaboration with local authorities to support the culture at local level. <sup>189</sup>
	Irish Aosdana model which provides an annual stipend to approved artists. <sup>190</sup>
Ireland	Arts Council of Ireland bursaries (various, ranges from €10,000 – €20,000 per bursary, depending on scheme) <sup>191</sup> .
Netherlands	We also believe it is illustrative to look at evidence from the Netherlands, where the two state national lotteries were forced to merge in order to try and compete with the Dutch People’s Postcode Lottery. In spite of actions taken by the state-owned operators, the Dutch People’s Postcode Lottery is now larger by sales than the merged state lottery, having displaced the national lottery as the dominant market player. <sup>192</sup>
	In the Netherlands, every middle-sized town or city (approx. 100.000 inhabitants) has a music venue for popular music genres. Fifty-one of these music venues receive funding from the Government following the advice of Muziek Centrum Nederland. <sup>193</sup>
New Zealand	Aotearoa New Zealand is currently in the process of including cultural well-being as a core component of their new Living Standards Framework. This rightly centres culture at the heart of the national conversation and ensures that government policy more broadly considers the arts. This can lead to greater integration between arts and healthcare or education provision, something that is happening in some ways in Scotland but could be enhanced. <sup>194</sup>
North America	American and Canadian fundraising models which are far less reliant on public funds but have incredibly strong cultural sectors. <sup>195</sup>
	Canada [and Singapore], which provide learning around this kind of ring-fenced funding which is linked to core national and cultural identity development and tourism. <sup>196</sup>
Norway	Norwegian model of artists scholarships <sup>197</sup>
	In Norway, The Musikkutstyrsordningen (Norwegian Musical Equipment Foundation) gives bi-annual grants to studios, venues, community groups, and rehearsal spaces for upgrading facilities and maintaining and purchasing equipment. It was established in 2009 and distributes circa 27.5 - 30 million kr per year (£2.5 - £2.8 million). Although it is a national subsidy/state funding scheme, it is governed by a General Assembly comprised of some of the key music trade bodies in Norway. <sup>198</sup>

<sup>189</sup> CTEEA/S5/19/AF/60.

<sup>190</sup> CTEEA/S5/19/AF/53.

<sup>191</sup> CTEEA/S5/19/AF/11: <http://www.artscouncil.ie/available-funding/>.

<sup>192</sup> CTEEA/S5/19/AF/36.

<sup>193</sup> CTEEA/S5/19/AF/31.

<sup>194</sup> CTEEA/S5/19/AF/25.

<sup>195</sup> CTEEA/S5/19/AF/53.

<sup>196</sup> CTEEA/S5/19/AF/48.

<sup>197</sup> CTEEA/S5/19/AF/51.

<sup>198</sup> CTEEA/S5/19/AF/31.

Nordic	A separate agency or fund to support artists to travel outside of the country usually covering travel to the country as a minimum, sometimes other costs such as visas or accommodation and subsistence. This expands the opportunities for artists and freelancers to seek alternative ways of being funded for work through fees being paid by work in other countries. <sup>199</sup>
	Provide more long term paid opportunities to work in the education system as tutors, teachers and performers so schools can access more cultural and artistic activity either through regular visits or specialists on the staff team or both. <sup>200</sup>
	There are international models which can serve as examples for Scotland, for instance from Norway <sup>201</sup> and Sweden <sup>202</sup> which provide access to employment benefits for freelance workers. <sup>203</sup>
Sweden	Long term funding that invests in artists to undertake a period of work not just a one-off project. See: Dancers/ Actors Alliance in Sweden. <sup>204</sup>
	For example, Vasterbottensteatern, a company I have worked for in Skellefteå, a municipality of 70,000 in northern Sweden, is one of the smallest of Sweden's 16 regional repertory companies. It receives a public subsidy of around £2million per year. This is far more than our biggest rep, the Lyceum, serving a city of 500,000. I understand our National Theatre receives not much more than twice the amount of Vasterbottensteatern.
Switzerland	The Swiss Arts Council Pro Helvetia is responsible for supporting Swiss artists on both the domestic and international stages in a way which is coordinated and effective, including a small team of staff based in important markets around the world.
Quebec	The latest Quebec culture policy published in June 2018 committing the government to encourage cultural philanthropy through fiscal measures, and increase levels of government support to unprecedented levels for creation, production and sharing of high quality and innovative culture, may be worth consideration. Their cultural strategy also commits to practical measures for improving the lives and livelihoods of artists – including exploring means of adapting fiscal measures to their reality. Quebec has been a pioneer in adopting two statutes on the status of the artist and introducing assistance programs as well as tax or social protection measures for artists. <sup>205</sup>
	Quebec, and Canada more broadly are examples of where government money is used to deliver objectives that are difficult for other funders, and to take a long-term approach. The Canada Council for the Arts provides a range of support, from

<sup>199</sup> CTEEA/S5/19/AF/63.

<sup>200</sup> CTEEA/S5/19/AF/63.

<sup>201</sup> <https://skuda.no/english>.

<sup>202</sup> <http://teateralliansen.se/teateralliansen-in-english/>.

<sup>203</sup> CTEEA/S5/19/AF/11.

<sup>204</sup> CTEEA/S5/19/AF/A2.

<sup>205</sup> CTEEA/S5/19/AF/50; CTEEA/S5/19/AF/58

	small R&D funds to multi-year funding for the creation and international presentation of work of scale that will showcase the very best of the country.
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