

CULTURE, TOURISM, EUROPE AND EXTERNAL AFFAIRS COMMITTEE

ARTS FUNDING INQUIRY

SUBMISSION FROM CULTURE COUNTS

Q1 What are the major threats to sustainable funding of the arts in Scotland?

1.1 Funding for the arts comes from many different sources, local government, national government, the national lottery and charitable trusts and foundations. The future of sustainable funding for the arts may depend on legislative commitments from Scotland to the arts and culture sector. The programme for government aims to ensure equality of access to culture, though this is difficult to deliver without clear direction of role and remit across delivery partners, including local authorities. The creation of a new culture strategy is an opportunity to map public funding across Scotland and identify local and national actions to strengthen the sector.

1.2 For the purpose of this evidence submission, it is important to note that ‘arts’ means ‘investment in public participation in the arts, to encourage and enable citizens to produce work and to actively exercise (in the wider sense) the (UN) right to freedom of expression’.

- ‘Creative Industries’ means the exploitation of creative-work (production) for financial gain, accelerating the cultural sector’s significant contribution to the Scottish economy.
- Arts are the foundation of creative industries, without investment in creative production and experimentation ‘the arts’, the work exploited by the industries (distribution) cannot materialise; because there is no product to exploit. The link below to Dr Richard Sennett at Edinburgh Culture Summit in 2018 outlines the difference between production and distribution and why that’s an important distinction to make:
<https://twitter.com/culturecounts/status/1037697924195655680>
- The right to Freedom of Expression is legislated for within the UK Human Rights Act 1998¹, though there is potential for a wider interpretation of the right to be incorporated into cultural rights legislation in Scotland. For example, the idea of local cultural entitlements was a key recommendation within the Cultural

Commission 2005². This kind of rights legislation could help to ensure everyone can participate in the arts in Scotland.

- 1.3 Culture Counts welcomes the new outcome for culture within the national performance framework 'We are creative, and our vibrant and diverse cultures are expressed and enjoyed widely'. The outcome helps to raise the profile of the outcomes that can be achieved across the government from involvement in the arts and culture. Though is the outcome for culture enough to secure funding for the arts or do we need to protect the arts and the right to freedom of expression through the legislative process?
- 1.4 The Cultural Commission Report in 2005² (page 30) advocated for cultural rights and entitlements.
In 2018 Independently Culture Counts advocated for a similar minimum-access system, in its collaborative response to the Culture Strategy for Scotland 2018³ (page 10).
- 1.5 The Cultural Commission Report in 2005² outlined several recommendations for the protection of the arts. Some of the recommendations were apparent in the Creative Scotland Bill 2008⁴, which fell in June of that year. Instead, Creative Scotland was established by the Public Services Reform Act in 2010⁵.
 - 1.5.1 Other than to establish Creative Scotland; the Public Services Reform Act in 2010 did not seek to achieve the broader aims of the cultural commission. This created a gap in remit, particularly in terms of how the arts work in partnership with local authorities, and education.
 - 1.5.2 The Creative Scotland Bill fell, due to the lack of clarity as to the remit of Creative Scotland (as was outlined by the Scottish Parliament Finance Committee and Subordinate Legislation Committee at the time)⁶. Creative Scotland was then established as part of the Public Services Reform Act (2010) minus any **legislative remit** in terms of how it would work with local authorities, education or enterprise.

- 1.5.3 The general functions of Creative Scotland are outlined in the Public Services Reform Act (2010)⁵. There is currently no legislation or policy guidance to cover how Creative Scotland works with local authorities or education.
- 1.6 Sport in Scotland is accepted as something that is good for us and that should be subsidised to enable everyone to participate. State investment in sport is understood locally and nationally as an important public health issue; while the industrial economic-remit is seen as a separate issue. Why is the same methodology not applied to the Arts? We should all equally be able to attend a local craft group; in the same way as we go to swim at the local pool? Do Sport Scotland have a clear remit in comparison to Creative Scotland?
- 1.7 Culture Strategy – the Scottish Government is committed to producing a new national Culture Strategy for Scotland. In consultations to date, the funding of culture has been a recurring theme. The creation of a new culture strategy is an opportunity to map public funding across Scotland and identify local and national actions to strengthen the sector. The government should work with the sector to collaboratively agree the aims, role(s) and remit(s).
- 1.8 Scotland's creative higher education institution budgets have been at stand-still for several years, and this makes it increasingly difficult to compete with the rest of the UK. The RCS is recognised as a world leading conservatoire and attracts international students to study and stay in Scotland; this helps to increase the diversity of artists in Scotland, supporting innovation in the sector. International flows are more important for cultural, social and economic development in Scotland because we are further away from international travel routes, less urbanised and less ethnically diverse than England.

Q2) What are the main challenges for artists and cultural freelancers in obtaining funding in Scotland?

- 2.0 There are challenges to artists and cultural freelancers obtaining funding in Scotland, which may be due to their being very few avenues for funding. The only source of

funding for most people is Creative Scotland. This makes funding a hugely competitive and time-consuming process for artists and Creative Scotland.

- 2.1 Current funding levels allow Creative Scotland to fund one-third of the applications they receive. Two-thirds of the applications received are eligible for funding under the criteria. Creative Scotland would need an investment increase of one third to enable them to fund all the applications they receive who are eligible for funding.

Q3) What measures could the Scottish Government take to ensure a sustainable level of funding for the arts?

- 3.0 Many local authorities have moved to an Arms-Length External Organisation (ALEO) model for the delivery of cultural and leisure services. Given charitable status, ALEOs are more tax efficient from a local authority perspective and can potentially lever in additional funding. However, their use has seen some challenge, most recently in the Barclay's Review on Non-Domestic Business Rates which argued that central government should not provide subsidy to culture and sport through this route.

To better understand the role of local authorities in supporting culture, and the relationship with central government funding, the Cabinet Secretary for Communities and Local Government could be invited to contribute to this inquiry.

- 3.1 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, where the national body works in collaboration with local authorities to support the culture at local level⁷. We think this is a model which merits further exploration.
- 3.2 The Scottish Government should protect the youth music initiative, the expressive arts curriculum, and ensure (using legislation as required) equality of access to instrumental instruction. Scotland's musicians bring significant value to Scotland through international Soft Power; instrumental instruction provides musicians with the skills they need to compete on the international stage; bringing economic benefits to Scotland.

- 3.3 The Creative Industries Framework Agreement 2009 sets out the creative industries role(s) for all Executive Non-Departmental Public Bodies (Creative Scotland, Highlands and Islands Enterprise and Scottish Enterprise). The action plan which was to be drafted as outlined in the framework agreement didn't happen, instead, the Creative Industries Partnership Group was established in 2015. Is the Creative Industries Partnership Group achieving results? Was the Creative Industries Framework Agreement 2009 ambitious enough?
- 3.4 The culture strategy planning at Scottish Government and the organisational and funding reviews at Creative Scotland are both underway, this may also be an excellent time to consider a re-draft of the Creative Industries Framework Agreement? This could be an opportunity to allow all NDPBs to develop clear action-plans, measurements and indicators, to incorporate place-making, recommendations from the Cultural Cities Inquiry and South of Scotland Development Agency.
- 3.5 The Scottish Government Creative Industries Advisory Group meets twice per year to advise the Minister of Creative Industry issues, though there is currently no entertainment trade-union representation. Culture Counts recommends that Scotland's entertainment unions are invited to attend the Creative Industries Advisory Group.
- 3.6 Arts and Business Scotland (A&BS) the Cultural Enterprise Office (CEO) both have an important role to play in connecting the arts to industry. Sponsorship of the arts was to play a role in the new Creative Scotland; however, this idea was understood before the financial crash of 2008. Subsequently sponsorship is more difficult to achieve now than it was in 2007.
- 3.7 Both A&BS and CEO currently need to compete for Creative Scotland Funding to ensure they are there to support to the sector. Allowing sector infrastructure organisations to gamble on applications for regular funding is a risky approach to securing sector infrastructure.
- 3.8 The Cultural Enterprise Office is needed to connect entrepreneurs to opportunities and mentors who can help them shape their business. Business gateway does not have the expertise or the sector connections to do this. Recently CEO did not manage to compete for Creative Scotland Regular Funding. Can a re-draft of the

Creative Industries Framework Agreement and or the Culture Strategy address these challenges?

1 <https://www.legislation.gov.uk/ukpga/1998/42/contents>

2 <https://www.webarchive.org.uk/wayback/archive/20180518063005/http://www.gov.scot/Publications/2005/06/22145256/52593>

3 https://static1.squarespace.com/static/59c1187bf09ca4f7f95ae515/t/5bb39cfceef1a163dcb23324/1538497789743/CultureCounts_ConsultationEventReport.pdf

4 https://www.parliament.scot/S3_Bills/Creative%20Scotland%20Bill/b7s3-introd-pm.pdf

5 https://www.legislation.gov.uk/asp/2010/8/pdfs/asp_20100008_en.pdf

6 https://www.parliament.scot/S3_Bills/Creative%20Scotland%20Bill/CreativeScotlandBillsummary.pdf

7 <http://www.artscouncil.ie/500?aspxerrorpath=/Arts-in-Ireland/Local-Arts/Framework-for-Collaboration/>