



Evaluation of Creative Scotland COVID-19 Emergency Funding Programmes: Phase 2

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1. Overview and Summary

1.1 Introduction

This section provides a brief overview and summary of Creative Scotland Emergency Funding support to the arts, screen and creative industries in Scotland throughout the COVID-19 pandemic. It should be read in conjunction with two evaluation reports:

- Evaluation of Creative Scotland COVID-19 Emergency Funding Programmes (EKOS, August 2021); and
- Evaluation of Creative Scotland COVID-19 Emergency Funding Programmes: Phase 2 (EKOS, March 2023) (follows below).

The effects of the coronavirus (COVID-19) pandemic on the arts, screen and creative industries were profound and far reaching. The performing arts, including music, theatre and dance, along with artists' studios, museums and galleries were effectively closed for long periods of time, leaving people and organisations across the sector in a financially precarious position. Screen production work was halted, and cinema incomes vanished overnight as they also remained closed during most of the lockdowns. Artists and makers had no access to their markets, and sales fell, even with a shift to online sales.

The impact of all of this on the creative workforce was no less severe. Employees were furloughed or laid off and freelance workers were left without work (and income) for extended periods. Some left the sector, while others worked to continue their practice while making ends meet through other employment.

Government support was crucial in enabling organisations and individuals to stay afloat both in the creative sector and the wider economy. Loss of employment was substantially mitigated by the Coronavirus Job Retention Scheme (CJRS) - the 'furlough scheme' - and by support for the self-employed, and organisations were able to apply for a range of Government support funds.

As the UK Government announced support measures for the creative sector, funding was devolved to the Scottish Government according to the principles of the Barnett formula. This was then provided to Creative Scotland and its partners to distribute to the sector.

The distribution of these funds can be considered in two phases, corresponding to the evaluations mentioned above.

The first phase ran from March 2020 to September 2021 and covered what many thought was the main period of the pandemic with successive lockdowns and periods of considerable restriction on movement, travel and the ability of people to gather together. Many venues were unable to open at all during this period, and the level of pressure across the economy was genuinely unprecedented.

The second phase was initiated in response to the rapid emergence and spread of the Omicron variant of the SARS-COV2 virus. The rise of this variant and the associated precautionary measures introduced by the UK Government created further pressure on a cultural sector that was still trying to recover from the major lockdowns of 2020 and 2021. Due to a combination of the new restrictions and the fast-rising incidence of infection, events and activities were curtailed and even cancelled, and the main sources of financial support – the Job Retention Scheme and Self Employment Income Support Scheme – had come to an end.

1.2 Emergency Funding

Details of each of the Emergency Funds can be found in the two evaluation reports along with an account of their timing and development. In general, the broad terms of the funding programmes were set by the Scottish Government with detailed award criteria, focus and application and assessment processes all developed by Creative Scotland.

In total, between April 2020 and March 2022, Creative Scotland distributed 18,546 funding awards with a total value of £150m as follows:

- 17,023 funding awards to individuals with a total value of £31.7m;
- 1,523 funding awards to organisations with a total value of £110.1m; and
- additional funds added to the Open Fund budget of £8.2m.

The breakdown of this by Fund across the two phases is shown in **Table 1.1**, below.

Table 1.1: Creative Scotland Emergency Funding Phases 1 and 2

	No of Awards	Value of Awards
Phase 1		
CS Bridging Bursary Fund & Screen Scotland Bridging Bursary Fund	2,295	£4,309,061
Hardship Fund for Creative Freelancers/ Screen Hardship Fund	9,041	£16,835,545*
Phase 1 Total (Individuals)	11,336	£21,144,606
Cultural Organisations and Venues Recovery Fund	511	£21,462,435

Independent Cinemas Recovery and Resilience Fund	52	£5,530,888
Performing Arts Venue Relief Fund	115	£21,144,637
Grassroots Music Venues Stabilisation Fund	144	£6,324,999
Culture Collective	26	£5,891,553
Phase 1 Total (Organisations)	848	£60,354,512
Phase 1 Sub Total	12,184	£81,499,118
SG COVID-19 Targeted Support	6	£3,801,000
Open Fund	Additional funds added to Open Fund budget March 2020	£4,000,000
Youth Arts Fund**	147	£4,202,953
Support for Edinburgh Festivals delivered through the PLACE and Expo programmes.	4	£2,300,000
Phase 1 Total	12,341	£95,803,471
Phase 2		
Hardship Fund for Creative Freelancers	3,923	£7,531,745
Cancellation Fund for Creative Freelancers	1,764	£2,988,660
Phase 2 Total (Individuals)	5,687	£10,520,405
Cancellation Fund for Cultural Organisations	205	£13,149,640
Recovery Fund for Cultural Organisations	283	£20,840,338
Recovery Fund for Independent Cinemas	26	£3,196,998
Phase 2 Total (Organisations)	514	£37,186,976
Phase 2 Sub Total	6,201	£47,707,381
SG COVID-19 Targeted Support 2022 top up ¹	4	£2,300,000
Open Fund ¹	Additional funds added to Open Fund budget between January and March 2022	£4,200,000
Phase 2 Total	6,205	£54,207,381
TOTAL	18,546	£150,010,452

*Values for the Hardship Fund for Creative Freelancers and Screen Hardship fund are presented in summation because they share a joint budget.

**CS commissioned an in-depth evaluation of the Youth Arts emergency funding package. As a result, this was not within the scope of the current evaluation.

¹ Not within the scope of the evaluation work

1.3 Delivery and Impact

Delivery

The evaluations found that Creative Scotland had done extremely well to develop and deliver the full range of funding support often within very short timescales and under considerable pressure. This was particularly the case in Phase 2 where almost all of the funding was distributed within a three month period.

Overall, funds reached the intended beneficiaries and the application and assessment processes managed to strike an appropriate balance between the obvious requirement to distribute support as quickly as possible and the need for an appropriate level of diligence.

The scale of the corporate effort required to achieve this, under the difficult conditions of the pandemic, was considerable. Credit is due to the staff at Creative Scotland (and Screen Scotland), many of whom worked long hours under pressure to ensure that the funds were delivered.

Impact

The stated purpose of the funds was to avoid business insolvencies and protect employment, and the evaluation evidence is that both objectives were met. There is no doubt that the Creative Scotland Emergency Funds were an essential lifeline to individual and to many organisations across the arts, screen and creative industries without which the sector would have struggled far more.

The Phase 2 Funds had a stronger focus on recovery and on building reliance in the sector and the evidence again suggests that they were helpful in this respect. However, the future outlook remains uncertain. There is evidence of some residual fragility, and the sector is now facing a new set of economic challenges with high energy prices, the cost-of-living crisis and enormous pressure on public sector budgets. Combined with the fact that audiences have not yet returned to pre-Covid levels, the creative sector is facing a very challenging future.

2. Phase 2 Evaluation: Introduction

2.1 Preamble

This report provides an update to a previous independent evaluation² of the emergency funding provided by Creative Scotland (CS) and Screen Scotland (ScSc) to the arts, screen and creative industries in Scotland during the coronavirus (COVID-19) pandemic.

The previous evaluation examined the impacts of the emergency funding provided in 2020 and 2021. By the summer of 2021 restrictions on travel and on people gathering had largely eased, and society was starting to return to a form of normality, albeit cautiously. For the cultural sector, this meant a return to live events and performances and buildings reopened again.

However, in the autumn of 2021 a new variant of the SARS-COV2 virus was detected in South Africa and within weeks it had spread across the world. The Omicron variant was distinguished by its increased ability to evade immune responses conferred either through prior infection or vaccination and its rapid spread prompted governments around the world to react with precautionary measures.

In the UK this largely consisted of a return to face masks in indoor settings, increased use of vaccination passes to gain entry to events, stricter testing regimes relating to travel, and a recommendation to the population to work at home where possible.

The rise of the Omicron variant and the associated measures introduced by the UK Government created further pressure on a cultural sector that was still trying to recover from the major lockdowns of 2020 and 2021. Due to a combination of the new restrictions and fast rising incidence of infection, events and activities were curtailed and even cancelled, and the main sources of financial support – the Job Retention Scheme and Self Employment Income Support Scheme – had come to an end. There was, therefore, no safety net for businesses or individuals.

Aware of this pressure, the Scottish Government made available further funding to CS to distribute to the sector, with the proviso that the funds had to be spent by the end of the 2021/22 financial year.

² EKOS Final Report to Creative Scotland, Evaluation of Creative Scotland COVID-19 Emergency Funding Programmes, August 2022.

Five funding programmes were delivered in the period from January to March 2022 (four new finds and one returning fund):

- Cancellation Fund for Creative Freelancers (CFCF) which awarded £3.0 million to 1,764 freelancers.
- Cancellation Fund for Cultural Organisations (CFCO) which provided £13.1 million to 205 organisations.
- Hardship Fund for Creative Freelancers (HFCF) which awarded £7.5 million to 3,923 freelancers (returning fund).
- Recovery Fund for Cultural Organisations (RFCO) which awarded £20.8 million to 283 organisations.
- Recovery Fund for Independent Cinemas (RFIC) which provided £3.2 million to 26 independent cinema organisations.

Two other funds also operated at this time, but are not within the scope of the current evaluation:

- Platforms for Creative Excellence Programme - £2.3 million was awarded to four festivals in the form of a top-up to the PLACE Programme.
- The Open Fund - £4.2 million was added to the existing Open Fund to support artists and organisations develop new projects.

A further £4.2 million was also awarded to 26 projects as part of the Culture Collective and this was drawn from underspend from previous rounds of emergency funding. The Culture Collective programme is the subject of a separate evaluation.

2.2 Study Objectives

The research sought to evaluate the outcomes of the funding awarded during the financial year 2021/22. It also involved a look towards the future and examined the extent to which beneficiary organisations and individuals were more (or less) confident about the future. This was particularly important in light of the current cost-of-living crisis and increases in energy and workforce costs.

We also looked at funding processes, however, this was a lower priority, given that these aspects were covered in detail in the previous study.

2.3 Method

The study method comprised a mixed methods approach, including secondary and primary research elements.

Secondary Research

The desk research included a review and synthesise of background documentation on each funding programme and data on applications and awards made to provide a first level analysis of the reach of the funding programmes (individually and together).

We analysed the distribution of funding awards to develop an understanding of the beneficiary population according to specific characteristics including:

- Funding programme(s) accessed.
- Individuals and organisations.
- Size of funding request and award received.
- Geographical location.
- Type of business/ professional activity and creative sub-sector.

Primary Research

The primary research was undertaken remotely, and comprised two main elements:

- Consultation with six members of CS staff involved in the Phase 2 Funds.
- Two online surveys of funding recipients - one for freelancers and one for organisations. No sampling was involved, and the online surveys were distributed to all individuals and organisations who received emergency funds during the financial year 2022/23. A total of 654 (individuals) and 151 (organisations) responses were received, representing an overall response rate of 16% (14% and 32% respectively).

3 Emergency Funds

3.1 Initial Response

As the scale of the COVID-19 crisis started to become clearer in early 2020, CS and ScSc had already launched online advice and support information for the sector (19 March 2020) and announced £11 million of funding support (27 March 2020) through three funding programmes (CS Bridging Bursary Fund, Screen Scotland Bridging Bursary Fund and re-purposed Open Fund). A further £2 million for the Bridging Bursary Fund was subsequently announced on 20 April 2020. CS had also pledged to maintain regular funding into the Regular Funded Organisation (RFO) network, while at the same time relaxing the requirements around agreed outputs.

The cost of all these measures was met from CS's existing resources, although discussions were also underway with the Scottish Government on the need for further support to the sector.

Additional funding was made available in tranches in the form of £97 million Barnett consequentials for culture and heritage which was then used to support the development of the series of emergency fund programmes that were the focus of the previous evaluation. The rationale for these emergency funds was set by the Scottish Government and was focussed on two main objectives - to prevent job losses in the sector, and to avoid business insolvencies in the sector.

The previous evaluation found that the funding provided by CS and ScSc had been critical in helping to sustain the arts, screen and creative sector through the worst of the pandemic, helping to protect jobs and avoid business closures.

3.2 Phase 2 Funding

The second phase of the CS emergency funding, and the focus of the current assessment, was developed and delivered at considerable pace, often with very short notice between the announcement by the First Minister and the Funds opening, and was aimed at responding to a number of conditions in the cultural sector:

- Loss of income for individuals and organisations from events and activities cancelled due to the rise of COVID-19 (Omicron) infections.
- Ongoing hardship amongst freelancers across the cultural sector.
- The need to support recovery post-pandemic.

Funding of £54 million was made available to CS by the Scottish Government. Due to the staggered delivery of these funds underspends from one fund supplemented the budgets of future funds, therefore budget lines cannot be aggregated.

The five funds considered as part of this evaluation are detailed below.

Cancellation Fund for Cultural Organisations

The guidance for the Cancellation Fund for Cultural Organisations (CFCO) was launched in January 2022 with a deadline for applications of 2 February 2022. The £25 million fund was targeted at organisations that had suffered financial losses as a result of cultural activity being cancelled or postponed between the dates of 27 November 2021 and 31 March 2022.

Applicants could apply for funding from £5,000 to £500,000 and were required to provide evidence of activities being planned and then subsequently cancelled or postponed. It was not intended that funding would replace lost income in full, but rather that it would offset some of these losses.

Applicants were also required to demonstrate that they were vital to Scotland's cultural life by showing that their primary activity is the delivery of cultural activity to the public and/or that their business performs a vital role in supporting the production of cultural activity for the public.

Those that had previously been supported by the earlier emergency funds (such as the Performing Arts Venues Relief Fund, the Cultural Organisations and Venues Relief Fund and the Grassroots Music Venues Stabilisation Fund) were eligible to apply.

Cancellation Fund for Creative Freelancers

The guidance for the Cancellation Fund for Creative Freelancers (CFCF) opened for a first round of £4 million in January 2022 with a further £6 million to be made available later. Due to a drop off in applications following the first round, the extra £6m was added to a further £2m and the Hardship Fund was reopened (see below).

The fund was aimed at supporting freelance creative professionals based in Scotland who work in the arts, screen, and creative sector and who were experiencing immediate financial difficulty due to the cancellation or deferral of events because of COVID-19. Applicants could apply for grants of between £500 and £2,000 and the fund was open to those whose work has direct creative outcomes as well as those in supporting roles whose work directly supports the making and presentation of creative work.

All applicants had to be freelance creative professionals who are both based, and working, in Scotland and who could demonstrate that they had a cancellation or deferral of work in the arts, screen and creative sectors that had been due to take place during the period 27 November 2021 and 31 March 2022. Again, applicants were required to provide evidence that an event or activity had

been planned to take place during the dates specified and also that it had subsequently been cancelled or postponed.

Hardship Fund for Creative Freelancers

The £8 million Hardship Fund for Creative Freelancers (HFCF) launched in February 2022 and effectively replaced the second round of the CFCF (and added to its budget). The fund aimed to support freelance creative professionals working in the arts and creative sector in Scotland who were experiencing immediate financial difficulty due to the loss of income as a result of COVID-19.

Applicants could apply for grants from £500 to £2,000 and were required only to demonstrate their eligibility in the form of a CV or bio showing that they worked in the creative sector. This was similar to the previous Hardship Funds delivered in 2020 and 2021.

Recovery Fund for Cultural Organisations

The largest of the Phase 2 funds, the Recovery Fund for Cultural Organisations (RFCO) was launched in March 2022 with a total budget of at least £15 million. The stated aim of the fund was to enable cultural organisations, working primarily for public benefit, to rebuild and create opportunities to increase their financial resilience after the COVID-19 pandemic. Applications were limited to organisations with charitable status (or local authorities/ALEOs) with annual income in excess of £50,000 and in operation since April 2019.

Applicants were able to apply for funding equivalent to 10% of their 2019/20 income up to a maximum value of £150,000. The published guidance stated that the budget for the fund was dependent on the final position of other funds then the amount awarded may be reduced or increased. An increase in award would only take place if funds are available and it was assessed that the organisation can deliver increased public value through an enhanced award. Applicants were required to demonstrate that the funds would be used for one or more of the following purposes:

- Restarting programmes of publicly available cultural activity led by the organisation and/or artists they support.
- Activity that was designed to encourage people to re-engage with the organisation and its activities.
- Partnership and collaborative working to maximise impact and reach.
- Business change and development projects, including opportunities to diversify or enhance income streams.
- Strengthening organisational reserves.

More funding was available than first assumed, and applicants received awards of around 16% of their 2019/20 income.

Recovery Fund for Independent Cinemas

The £2.5 million Recovery Fund for Independent Cinemas (RFIC) launched in February 2022 to provide additional financial support to cinemas to help stabilise, rebuild and revitalise independent cinema businesses in Scotland, by supporting new activity and initiatives that help address the fundamental shifts to the industry brought about by COVID-19. The fund was later increased to £3.2m.

The fund opened in February 2022 with a deadline of 4 March 2022, and funding was available to help stabilise organisations covering costs between December 2021 and August 2022, and to identify new areas of opportunity and address challenges by undertaking change programmes through to December 2022. Applicants could apply for grants between £15,000 and £250,000 (and applicants with requests significantly outside these amounts requested to contact Screen Scotland to discuss their application before applying) and were required to provide financial information along with details of how the business has been impacted by COVID-19 as well as their plans for the future.

3.3 Development and Delivery

The consultations with CS staff explored in some detail the issues around the development and delivery of the Phase 2 Funds. In particular, three main issues emerged:

- Timing.
- Evidence and assessment.
- Organisational impact.

Timing Issues

Clearly the time pressure to set up and distribute the Phase 2 funds was considerable, particularly with the requirement to issue the funding before the end of the 2021/22 financial year (end March 2022). However, CS benefitted from the prior experience of the Phase 1 funding programmes as well as greater familiarity with the new digital systems, and this helped facilitate the quick roll out in Phase 2. The Hardship Fund in particular required little development as it had been delivered in Phase 1, but the Cancellation Funds did need some development work. To CS's credit, these were designed and launched very quickly.

The timing of the Recovery Fund for Cultural Organisations funding was also identified as an issue in relation to its benefits and impacts, as recipients were required to commit funds by October 2022. This of course, was agreed before the steep rises in energy prices and inflation, and many of the consultees felt that the funding is needed now more than ever, and it was unfortunate that the money had to be spent so quickly. Indeed, the highly precarious situation facing the cultural sector now is

such that despite the injection of significant support through the pandemic, some of this funding may be lost as organisations fail. We return to this issue later in the report.

Evidence and Assessment

The Cancellation Funds (for individuals and for organisations) required applicants to provide documentary evidence to show that events had been cancelled during a defined time period (from the first discovery of the Omicron variant on 27 November 2021 to the end of March 2022). The development of funding focussed on cancellations was reportedly a result, at least in part, of lobbying by the music industry, although it is also the case that cancellations were taking place and were resulting in lost income to the sector. The focus on cancellation directed the funds more towards the performing arts than other art forms where cancellations and lost income were less common.

The assessment of the Cancellation Funds became extremely complex, particularly for organisations. In large part this reflects the informality of contractual arrangements in parts of the sector (particularly music) meaning that documentary evidence for cancelled bookings or events could be somewhat limited. This then required some checking back on social media and/ or corroborating claims with venues to establish the veracity of some applications - a very resource intensive process.

Venues were also able to claim for losses in net income such as lost ticket sales and bar takings and there was reportedly some inflation of both from some (but certainly not all) applicants. Again, this required a more forensic assessment process to identify any potential fraud.

Finally, in the organisations fund there were also instances of multiple applicants claiming for the same cancelled (or postponed) event. For example, a promoter might claim for all of the costs, expecting to then distribute the funds to the band, tour manager, venue etc as they would in normal circumstances, while others were also claiming. Again, this required more detailed assessment to unpick and allocate funds correctly.

All of these issues were made more complex with the availability also of cancellation funds from EventScotland, requiring considerable cross referencing and checking of applications between the two organisations.

These issues also meant that the assessment process for the CFCO took longer than originally expected, but arguably for the right reasons and certainly to ensure a properly robust process.

With individuals the process was lighter touch, but it also became apparent that in addition to cancelled events and gigs, many individuals were simply not getting the same level of bookings as they would otherwise. However, as these were not cancellations as such, they were unable to claim for the lost income. This then led to the shift to a repeat of the Hardship Funds in response to evidence of more general hardship issues across the sector.

The Recovery Fund for Cultural Organisations took a different approach and in the case of cultural organisations was based on a percentage of pre-pandemic turnover. With the additional funding, this percentage was increased from 10% to 16%, meaning that applicants received more than they applied for – a first for CS. However, the assessment process here was simpler as the majority of the applicants were already known to CS.

Organisational Impact

As was the case in the previous funding phase, the organisational impact of the developing and delivering the funds in Phase 2 was significant. While some of this was mitigated by prior experience, the timescales were shorter, and there was some impact on business as usual.

Perhaps most significantly, a decision was taken to postpone the Future Funding Framework. While this is very much a function of the challenging economic conditions (cost-of-living, cost of doing business, and public finance pressures) it also reflects the demand on organisational resources through the Phase 2 funding period.

4. Funding Distribution

4.1 Introduction

This section presents a review of the programme of emergency funds based on data provided by CS. More detailed tables can be found in **Appendix A**.

The analysis considers support activity across the five separate funds. While each fund was intended to support different areas of the creative sector (as described in **Section 2**), for purpose of analysis we have examined the programme as a whole, on a fund-by-fund basis and through the following two classifications:

- Funds for Individuals:
 - Cancellation Fund for Creative Freelancers (CFCF).
 - Hardship Fund for Creative Freelancers (HFCF).

- Funds for Organisations:
 - Cancellation Fund for Cultural Organisations (CFCO).
 - Recovery Fund for Cultural Organisations (RFCO).
 - Recovery Fund for Independent Cinemas (RFIC).

4.2 Project Funding and Spend

Funding was provided by the Scottish Government with CS responsible for distributing grants to individuals and organisations across the Scottish creative sector.

When considering the five Phase 2 COVID-19 emergency funds evaluated for this report, **£47.7 million** was distributed to support individuals and organisations involved in the creative sector across Scotland, with a further £4.2m added to the existing Open Fund to support artists and organisations develop new projects, and £2.3m was awarded to four festivals in the form of a top-up to the PLACE Programme. Overall, the combined budget for the Phase 2 funds was £54 million.

Technical Note: There are three withdrawn applications which have been awarded, in total, £155k. However, it is unclear if the applications were withdrawn before any funding was released or otherwise. Therefore, award value granted to withdrawn applications has been disregarded in the analysis of project funding distribution.

Table 4.1 presents the total value of awards granted against the budget on a fund-by-fund basis.

Table 4.1: Fund Spend Against Budget

Fund	Fund Budget	Award Value
Hardship Fund for Creative Freelancers	£8,000,000	£7,531,745
Cancellation Fund for Creative Freelancers	£4,000,000	£2,988,660
Cancellation Fund for Cultural Organisations	£25,000,000	£13,149,640
Recovery Fund for Cultural Organisations	£15,000,000	£20,840,338
Recovery Fund for Independent Cinemas	£2,500,000	£3,196,998

It is worth noting that the pace of delivery often meant that there was little or no opportunity to match the intended scope of the funding to the budgets, and the scope was therefore set against a practical and deliverable process intended to achieve an outcome within the budget envelope only after a budget envelope was announced.

The budgets for the cancellation funds, for example, were high level estimates as it was not possible to accurately estimate the number of eligible performances cancelled nor the costs of cancellation. This is because most of the activity was not funded by CS and there was insufficient time and resources to collect all the non-funded performance data.

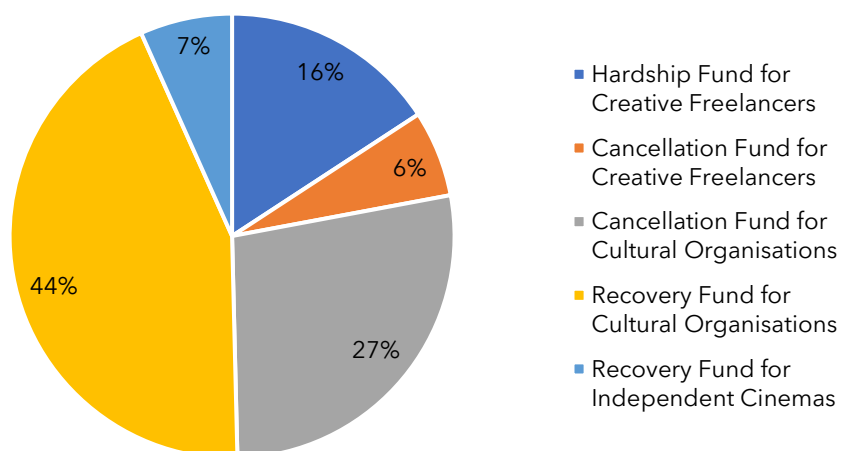
Two of the three organisational awards were the largest in terms of award value - the RFCO and the CFCO, distributing awards valued at nearly £21 million and just over £13 million, respectively. Of the two individual funds, HFCE distributed the majority of the funding at £7.5 million while the CFCE was significantly smaller awarding just under £3 million in funds.

Notable is the divergence in over and underspend. Performance against fund budgets, as presented in Columns 3 and 4 of **Table 4.1**, shows variability across the funds.

Two funds underspent considerably: the CFCE and the CFCO at 30% and 53%, respectively. On the other hand, two funds spent over and above their allocated budgets: the RFCO (139%) and the RFIC (128%).

Figure 4.1 shows each fund's share of the programme's total awarded value.

Figure 4.1: Share of Total Award Value by Fund



N= £47,707,381

RFCO accounted for the largest share of funding at 44%. CFCO also accounted for a significant share at 27%. The HFCF was the next biggest in terms of value, accounting for 16% of all funding. This fund was also the largest of the individual award funds.

Overall, organisational awards made up the majority of all funding, together accounting for 78%. The individual funds represent 22% of all funding.

4.3 Support Activity

Across the five emergency funds being assessed, a total of 6,575 eligible applications were received and 6,201 awards were approved/granted, representing an overall application success rate of 94%. However, application volumes and success rates varied widely across funds, **Table 4.2**, over.

Technical Note: For consistency with previous analysis, stopped/ineligible applications are excluded from support activity analysis. We also note that 28 applications that were still categorised as “pending” have been reclassified as stopped/ineligible as further investigation into these applications showed correspondence between the funding department and applicant that these applications have been stopped or deemed ineligible. Going forward, the number of applications and approval rates are based on approved, rejected and withdrawn applications.

Table 4.2: Summary of Application and Award Volumes

Fund	Applications	Approved	Approval Rate	Number of Uniquely Supported Recipients
Individual Funds				
Cancellation Fund for Creative Freelancers	1,842	1,764	96%	
Hardship Fund for Creative Freelancers	4,156	3,923	94%	
Individual Award Subtotal	5,998	5,687	95%	4,643
Organisational Funds				
Recovery Fund for Cultural Organisations	284	283	100%	
Recovery Fund for Independent Cinemas	26	26	100%	
Cancellation Fund for Cultural Organisations	267	205	77%	
Organisational Awards Subtotal	577	514	89%	465
All Funds - Total	6,575	6,201	94%	5,108

As was the case in Phase 1, the individual funds received much higher application rates and granted more awards compared to the organisational awards. In particular, the HFCF received the greatest number of applications (4,156) and granted the greatest number of awards (3,923).

In terms of applicant success rates, the RFIC and RFCO had application success rates of 100%. The CFCF and the HFCF also had high success rates at 96% and 94% respectively. Only the CFCO had an application success rate below 90%. This was driven by more stringent application criteria where applicants had to first show they had lost income due to cancelled events and then demonstrate they were vital to Scotland's cultural life.

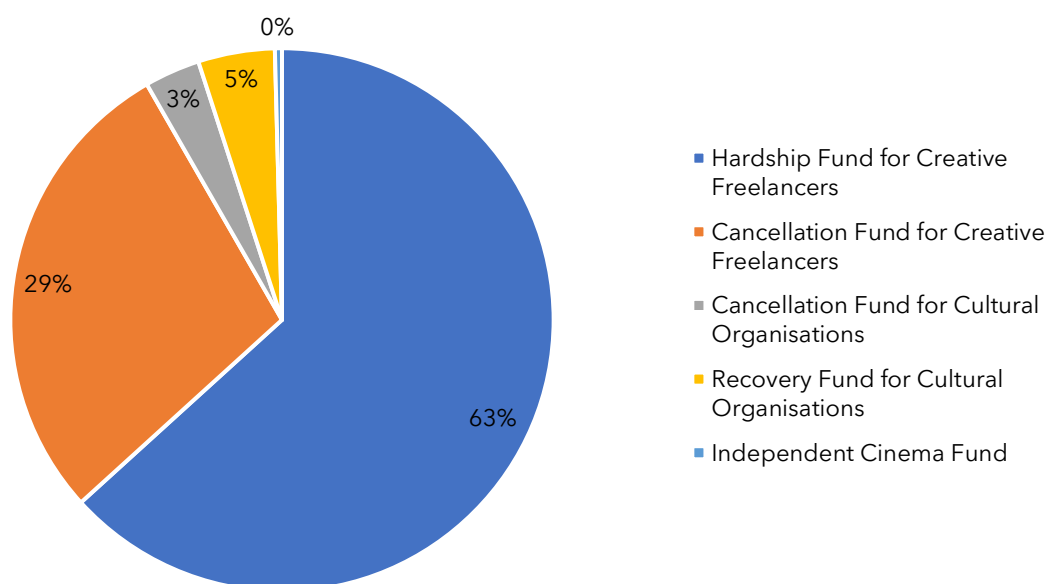
As with the Phase 1 funds, the high application approval rates of these funds suggest a focus on releasing funds to support individuals and organisations in financial need.

It is worth noting that individuals and organisations were able to apply to multiple funds. For example, individuals were able to access funding from both the CFCF and the HFCF as the Hardship Fund effectively acted as a round two of the former.

Column 4 of **Table 4.2** presents the number of uniquely supported individuals and organisations. In total 4,643 unique individuals and 465 organisations were supported across the five Phase 2 funds.

Figure 4.2 presents the share of all approved applications by fund.

Figure 4.2: Share of Approved Applications



N=6,201

The HFCF made up the largest share of all successful applications at 63%. When including the CFCF, the individual award funds accounted for 91% of all funding awards. The organisation funds made up just 9% of all awards.

Awards by Local Authority

Table 4.3 presents the breakdown of awards and award value across all funds by local authority area. Note that a local authority breakdown of individual and organisational awards can be found in **Tables A.1 and A.2 of Appendix A**.

Table 4.3: Awards by LA

Local Authority	Approved	Share of Total	Total Value	Share of Total Value
Aberdeen City	84	1.4%	£1,381,242	2.9%
Aberdeenshire	70	1.1%	£492,092	1.0%
Angus	41	0.7%	£441,927	0.9%
Argyll and Bute	72	1.2%	£865,170	1.8%
City of Edinburgh	1058	17.1%	£11,671,420	24.5%
Clackmannanshire	20	0.3%	£39,350	0.1%
Dumfries & Galloway	82	1.3%	£1,122,335	2.4%
Dundee City	123	2.0%	£1,590,095	3.3%
East Ayrshire	52	0.8%	£492,245	1.0%
E. Dunbartonshire	109	1.8%	£264,843	0.6%
East Lothian	97	1.6%	£948,721	2.0%
East Renfrewshire	93	1.5%	£318,076	0.7%
Falkirk	74	1.2%	£208,499	0.4%
Fife	203	3.3%	£1,081,484	2.3%
Glasgow City	2481	40.0%	£13,942,497	29.2%
Highland	197	3.2%	£2,463,500	5.2%
Inverclyde	32	0.5%	£578,014	1.2%
Midlothian	49	0.8%	£93,799	0.2%
Moray	47	0.8%	£228,478	0.5%
Na h-Eileanan Siar	39	0.6%	£419,374	0.9%
North Ayrshire	68	1.1%	£259,443	0.5%
North Lanarkshire	223	3.6%	£735,811	1.5%
Orkney Islands	14	0.2%	£455,771	1.0%
Perth and Kinross	106	1.7%	£1,750,300	3.7%
Renfrewshire	156	2.5%	£538,068	1.1%
Scottish Borders	65	1.0%	£565,458	1.2%
Shetland Islands	18	0.3%	£366,114	0.8%
South Ayrshire	73	1.2%	£472,333	1.0%
South Lanarkshire	218	3.5%	£652,441	1.4%
Stirling	88	1.4%	£1,178,669	2.5%
W. Dunbartonshire	54	0.9%	£116,580	0.2%
West Lothian	88	1.4%	£321,536	0.7%
Outside Scotland	7	0.1%	£1,651,696	3.5%
Total	6,201	100.0%	47,707,381	100.0%

Unsurprisingly, and similar to Phase 1 fund distribution, Glasgow City and City of Edinburgh accounted for a majority of all awards and award value, together accounting for 57% of all awards and 54% of award value.

It is also of note that seven awards (four to organisations and three to individuals) and around £1.7 million of funds were granted to entities apparently based outside of Scotland. The four organisations all have a presence within Scotland either through a physical location or venue, but with registration or ownership located outwith Scotland. Two individuals (one whom received two funding awards) live outside Scotland but with proof of permanent residency in Scotland received funding.

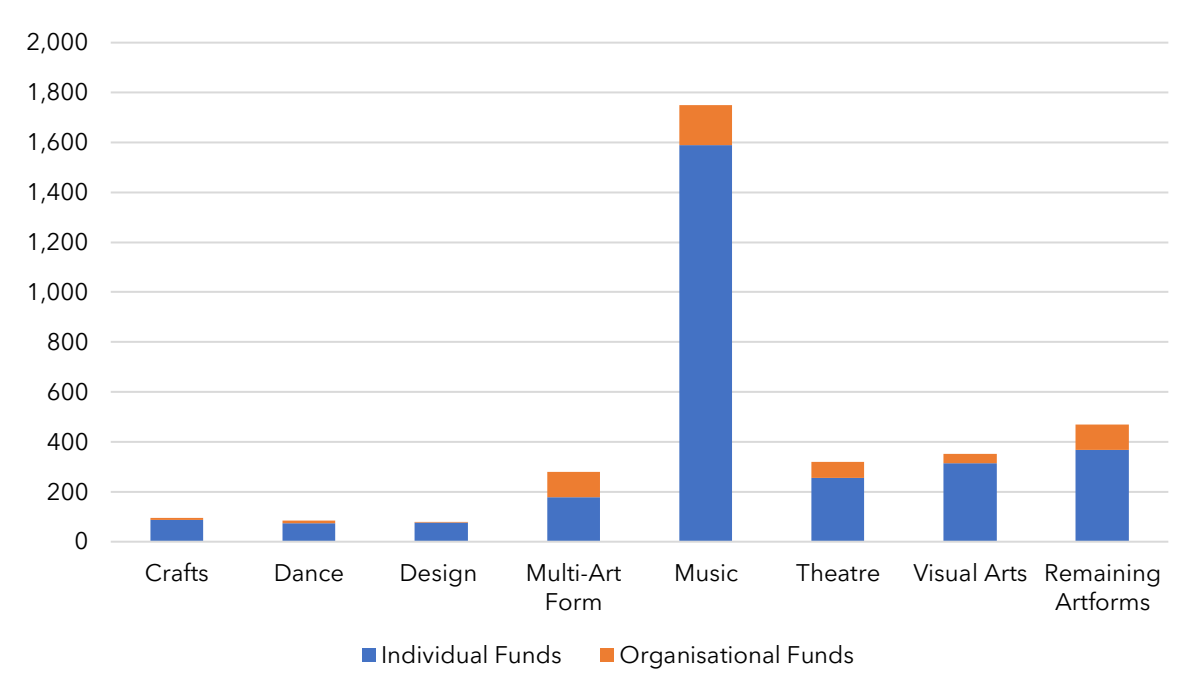
Awards by Artform

While all Phase 2 applicants were asked to provide the artform they work in, many successful applications did not provide this information - 2,774 of the 6,201 successful applications or 45%. Because of this, the analysis removes these applications and focusses on the 3,427 successful applications which provided artform data.

Data was collected across 20 different artforms (a full breakdown can be found in **Tables A.3** and **A.4** in **Appendix A**). However, many artforms had a small number of successful applicants, and therefore, for presentational purposes the following artforms have been grouped as a collective “remaining artforms” category: arts and health/wellbeing; children and young people; creative learning; digital; equalities, diversity and inclusion; interdisciplinary; literature; other; place and communities; Scots; socially engaged practice; traditional arts.

Figure 4.3 presents the total number of successful applications by artform.

Figure 4.3: Total Number of Awards by Artform



N= 3,427

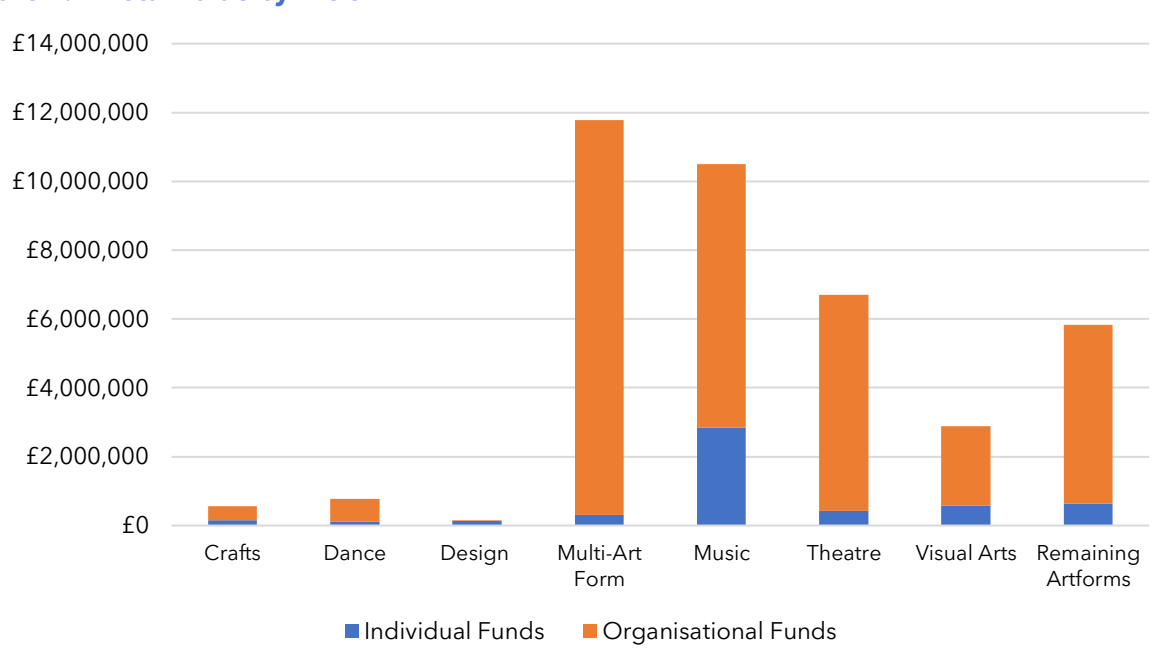
Music accounted for nearly 1,749 successful applications (51%), mainly driven by freelance musicians who received funding awards from the HFCF and the CFCF. Visual arts, theatre and multi-artform were the next largest single artform categories accounting for 351 (10%), 321 (9%) and 280 (8%) awards.

Crafts, design and dance all accounted for a small number of awards 95, 84 and 78, respectively (3% or less), mostly comprised of individual awards.

While the “remaining artforms” category made up the second largest proportion of total awards over 400 or 14%), this category includes 12 different artforms most of which accounted for 1% or less of all awards.

Figure 4.4 presents the total value awarded to each artform.

Figure 4.4: Total Value by Artform



N=£39.2 million

In some cases, the proportion of total value diverges from the proportion of total awards:

- Notably, while music accounts for over half of awards, it represents just 27% (£7.6 million) of total value awarded.
- Multi-artform was the most significant artform in terms of value, accounting for £11.8 million or 30%. This is in contrast to multi-artform representing just 8% of the number of awards. The high share of value is due to a relative high volume and value of organisational awards within the artform (£11.5 million of the £11.8 million).
- The theatre artform follows a similar pattern accounting for 17% of total value (£6.7 million) but just 9% of all awards due to the higher value of awards granted to theatre organisations.
- The total value awarded to the crafts dance and design artforms are relatively low, with all receiving less than £1 million in support, though this is consistent with their low proportion of total awards.

Further analysis of awards by artform can be found in **Appendix A**.

4.4 Fund Award Value Analysis

Table 4.4 summarises award activity for each fund. The number of approved applications, the total value of approved applications, the average value requested (average ask) of approved applications, the average award value and the difference between the average value requested and the average award granted.

Table 4.4: Awards Values by Fund

	Approved Number of Applications	Total Value of Approved Applications	Average Ask	Average Award	Difference between Ask and Award
Hardship Fund for Creative Freelancers	3,923	£7,531,745	£1,920	£1,920	£0
Cancellation Fund for Creative Freelancers	1,764	£2,988,660	£1,694	£1,694	£0
Cancellation Fund for Cultural Organisations	205	£13,149,640	£88,079	£64,145	-£23,934
Recovery Fund for Cultural Organisations	283	£20,840,338	£46,141	£73,641	£27,499
Recovery Fund for Independent Cinemas	26	£3,196,998	£129,631	£122,961	-£6,670
Total	6,201	£47,707,381	£7,258	£7,693	£436

For the two individual funds applicants received the full amount of funding requested. CFCO had the largest differential in ask against award at £23,934 on average, or 27% less than requested. Successful applicants to the RFCO received significantly more funding than requested. This was driven by additional funding becoming available which increased the awards limits from 10% of annual revenue to 16%.

A detailed analysis of each of CS's COVID-19 emergency funds, where each fund is examined in isolation and fund activity and performance is assessed can be found in **Appendix A**.

4.5 Summary

The Phase 2 emergency funds have again reached far and wide across Scotland's creative sector and have provided continued support to individuals and organisations that have been adversely affected by the pandemic.

Notably, the music artform, both individual practitioners and organisations, was strongly supported accounting for the largest volume of awards and second largest in terms of total value.

CS managed to distribute a significant proportion of funding although at a lower rate than in Phase 1 (79% compared to 89%, respectively).

As with Phase 1, the sheer volume of applications and awards far exceeds what CS would normally deliver. In an average year, CS estimates that it would process around 2,250 funding applications and 1,250 awards. This suggests that in the three months of delivery for the Phase 2 Emergency Funds, the organisation processed three years' worth of applications and five years' worth of awards. This underlines the scale of the achievement and is evidence of a rapid and targeted response to the negative impacts the pandemic has had on the sector.

5 Beneficiary Surveys

5.1 Introduction

As part of the evaluation, freelancers and organisations within the arts, screen and creative industries who received emergency funding from CS and ScSc during 2022/23 were surveyed.

Two large scale online SNAP surveys of applicants were issued by CS in early November 2022 which aimed to gauge opinion from the sector on the successes and/or failures of the COVID-19 Phase 2 emergency funds. The surveys included a core set of questions for all applicants and specific questions aimed at individuals or organisations.

No sampling was involved, and the online surveys were distributed to all individuals and organisations who received emergency funds during the financial year 2021/22. A total of 654 (individuals) and 151 (organisations) responses were received, representing an overall response rate of 16% (14% and 32% respectively).

This section provides a summary of the main findings from the surveys, with focus given to: opinions on the funding application process, the relative importance and benefits accrued by recipients of emergency funding, as well as thoughts on the future outlook for the creative sector.

5.2 Freelancers

5.2.1 Key Profiling Information

The survey reached and engaged a diverse range of freelancers, and a few points to note include:

- Freelancers who responded to the survey were based in all 32 of Scotland's local authority areas, albeit to varying degrees. Over half (54%) were based in either City of Edinburgh or Glasgow City.
- The freelancer survey attracted responses from a diverse range of creative artforms. The most common responses were from Visual Arts and Music (both 29%).
- The most common source of funding for freelancers was the HFCF (84%), while 30% received financial support from the CFCF. Many freelancers received funding from both sources.

5.2.2 Application Process

A majority of freelancers were satisfied with all aspects of the application process (i.e. rated either good or very good), **Table 51**. The highest ratings were received for time taken to access applications, clarity of guidance, and ease of the applications process (all either 95% or 96%). Ease of finding out about funding received the highest average or below ratings.

Table 5.1: Freelancer opinions on application process

Rating	Ease of finding out about the funding	Clarity of guidance issued	Ease of application process	Time taken to assess applications
Very Good	46%	57%	65%	66%
Good	34%	38%	30%	30%
Average	15%	4%	3%	3%
Poor	3%	1%	1%	0.2%
Very Poor	1%	0.2%	0.5%	1%
Don't Know	0.2%	0.3%	0%	0.2%

N = 646

What worked well

Freelancers noted that the application process was relatively straightforward and seamless. The assessment stage was described by freelancers as 'light touch', and CS staff were praised, with their engagement described as prompt, friendly and helpful.

Freelancers with additional support needs (e.g. dyslexia) appreciated that the application form did not require a huge amount of writing, and that they could easily speak with someone at CS to talk them through the application form and process.

Many freelancers described the added worry and stress felt during COVID-19 and noted that the ease of the application process and speed at which financial support was received helped significantly and provided them with much needed breathing space.

What could have been improved

As noted above, ease of finding out about the funding attracted the most average (or below) ratings. The main feedback from freelancers was that the Phase 2 emergency funds and application process/timescales could have been better advertised and promoted, with many only finding out about it via word of mouth. Furthermore, some freelancers also experienced issues with the online application process (e.g. website crashing or very slow to process their information), although most recognised this was likely a result of the sheer volume of traffic at the time.

5.2.3 Funding Received

A majority of freelancers received less than £3,999 (78%), **Table 5.2**. The median amount of emergency funds received by freelancers was £2,000, and the highest amount was £8,000. Note: this includes freelancers who received funding from multiple funds.

Table 5.2: Level of funding received by freelancers

Funding received	Less than £1,999	£2,000-3,999	£4,000-5,999	£6,000+	Median	Max
% of freelancers	21%	57%	17%	6%	£2,000	£8,000

N = 596

Note 1: Percentages do not add up to 100% due to rounding.

Note 2: Both funds were capped at a maximum award of £4,000, therefore any responses provided stating a figure higher than £8,000 have been excluded. While the funds each had an award cap of £2,000, this could be added on to with disabled access costs (up to an additional £2,000).

Freelancers were highly appreciative of the speed at which the emergency funds reached their bank accounts, particularly given the pressing need for financial support.

5.2.4 Impact of Emergency Funding

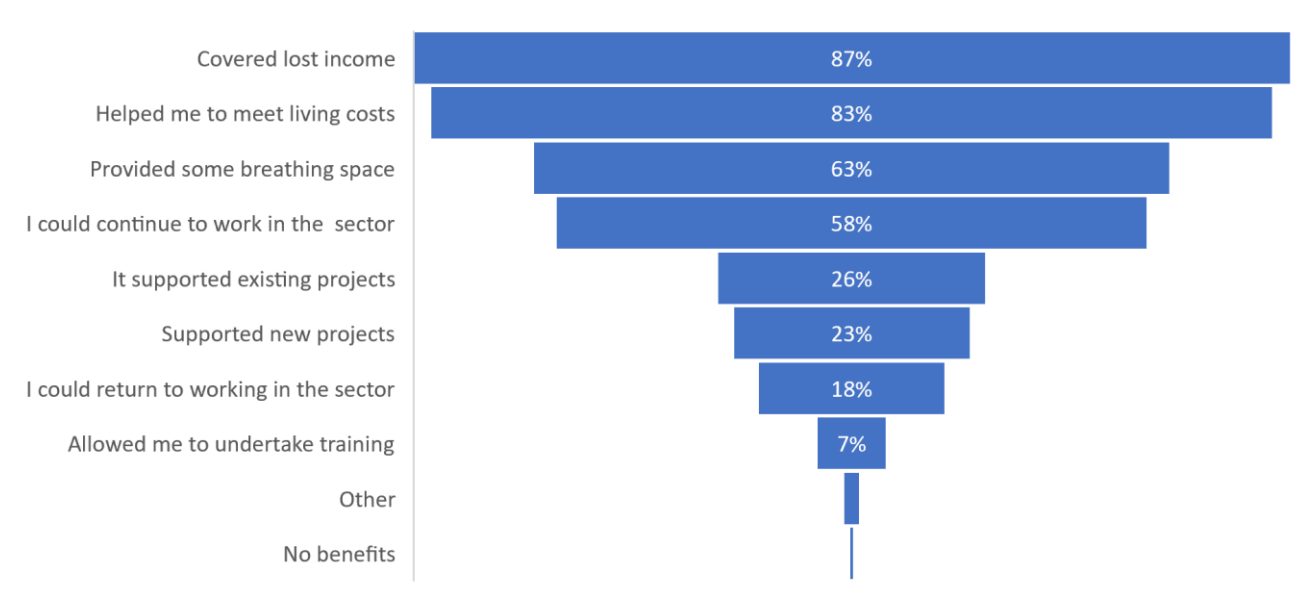
Almost all freelancers (reported at least one benefit derived from the emergency funds, **Figure 5.1**.

The emergency funds helped creative freelancers in multiple ways, including:

- Covering the loss of income from cancellations due to COVID-19 (87%).
- Helping to meet living costs (83%).
- Providing 'breathing space' (63%).
- Being able to continue to work in the creative sector (58%).

The emergency funds helped freelancers with their outgoings, which ordinarily would have been covered by scheduled work. Many also said that without the funds they would have struggled or been unable to meet their living costs, and some may have had to leave the creative sector to seek alternative work.

Figure 5.1: Benefits provided to freelancers from emergency funding



N = 648

Note: Questions were multiple choice, with organisations able to tick all answers that were applicable.

5.2.5 Improvements to funding

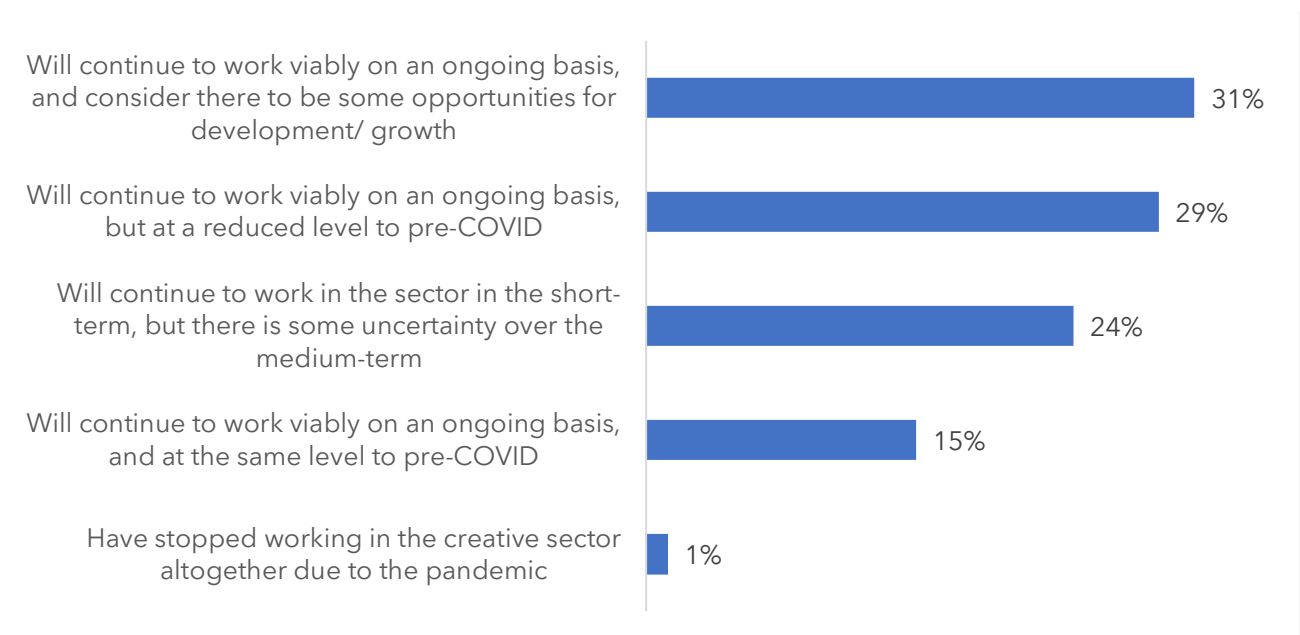
The most common response from freelancers was that the maximum grant award size was not sufficient to cover all lost income. Numerous freelancers felt the support given to the creative sector was not comparable to other sectors of the economy, particularly given the disproportionate impact of COVID-19 restrictions on the creative sector. While most freelancers understood that it was unrealistic for CS to be able to cover all lost income, most would have liked a greater level of financial support.

The impact and spread of the Omicron variant was regularly highlighted by freelancers as a particularly challenging time. Although restrictions had been eased, the early part of 2022 was still said to have been a very uncertain period for the creative sector, with events cancelled or audience numbers well below pre-COVID-19 levels. Freelancers were disappointed that there was a funding gap during this time, with many feeling that they were left to 'fend for themselves' for a time (i.e. between the end of Phase 1 funding and the mainstream Government support and ability to apply for Phase 2).

5.2.6 Freelancers short to medium-term outlook for the sector

Almost all freelancers (99%) reported they would continue to work within the creative sector over the short to medium-term, although feedback on what this would look like was mixed, **Figure 5.2**.

Figure 5.2: Freelancers outlook over the short to medium term



N=647

Challenges and Opportunities

Respondents listed numerous challenges facing the sector, including:

- The cost-of-living crisis - reduced disposable income and a focus on necessities for many.
- Job insecurity - as a result of theatre shows and gigs being cancelled at short notice and a lack of cancellation fees.
- Gaining back the trust and confidence of audiences post-COVID-19.
- Limited financial support from the government for the creative sector.
- A lack of suitable and affordable venues and spaces for their work.

Despite these challenges, freelancers also identified several opportunities ahead for the sector.

Although audience confidence was identified by many as a challenge, many believed there to be a pent-up demand for art, music, theatre, comedy, etc due to two years of restricted access.

The growth of hybrid-working and online events were also identified as potential opportunities where cost savings could be made, whilst also expanding the audience/customer base and reach. It was, however, recognised that the extent to which all parts of the creative sector could move their work/business online was variable.

Collaborative working was also seen as a growing (and important) trend within the creator sector, borne in part due to the financial challenges faced by the sector, as well as a need to pool resources, and share experience, knowledge, and expertise.

5.2.7 Recommendations for Future Sector Support

The main suggestions from freelancers for future support for the sector included:

- Regular payments or grants to the creative sector and/or greater levels of hardship funding (cost of living support to help pay for increased energy bills, overheads, etc).
- A universal basic income.
- Increased education and training opportunities for young people looking to work within the sector.

5.3 Organisations

5.3.1 Overview

The survey also reached and engaged a diverse range of organisations, and a few points to note include:

- Responses were received from organisations based in 26 of Scotland's 32 local authority areas. Over half (53%) were based in either City of Edinburgh or Glasgow City.
- The survey also attracted responses from a diverse range of creative artforms. Among organisations the most common artforms were Music (26%), followed by Theatre (13%) and 10% (Other, which mainly comprised multi-artforms).
- A vast majority of organisation responses were from either micro businesses, defined as those employing 1-9 people (65%), or small businesses, which is those employing 10-49 people (27%).
- Around 80% of organisations operate in the third sector, with responses from the private and public sector relatively evenly split (around 10% each).

5.3.2 Application Process

Organisations were overwhelmingly positive about their experience of the application process for the Phase 2 emergency funds. Between 92% and 94% of organisations rated their experience as either good or very good across the different aspects of the process, **Table 5.3**.

Table 5.3: Organisations opinions on the application process

Rating	Ease of finding out about the funding	Clarity of guidance issued	Ease of application process	Time taken to assess applications
Very Good	53%	54%	53%	60%
Good	40%	40%	39%	34%
Average	5%	5%	4%	5%
Poor	1%	0%	1%	0%
Very Poor	0%	0%	2%	1%
Don't Know	1%	1%	1%	1%

N = 147

What worked well

Similar to the feedback from freelancers, organisations also felt that the application process was relatively simple and efficient. Some noted that the forms were straightforward to complete and that the turnaround time from submission of applications to receiving a decision was quick. The guidance and support provided by CS staff was also praised by organisations.

Further, a few organisations noted that they were awarded more funding than they had initially applied for from the RFCO which was a welcome bonus. As noted in **Section 3**, more funding was available than first assumed for this fund, and applicants received awards of around 16% of their 2019/20 income (rather than 10%).

The online application portal generally received positive feedback from organisations. For example, organisations in receipt of Culture Organisations and Venues Recovery (COVR) funding (a Phase 1 fund) noted that they did not have to provide some of the same information or details again when applying for accessing Phase 2 funds - this helped speed up the process and saved time and effort.

What could have been improved

Common feedback from organisations was that the eligibility criteria of funds were not always completely clear, and some noted that they were hesitant to apply as they were not sure if they were eligible. It was felt that some organisations may have missed out on the emergency funds as a result. Similar to freelancers, organisations felt that the funds could have been better promoted and advertised (i.e. some relied on word of mouth to find out about the Phase 2 funding).

Furthermore, some organisations mentioned that communication from CS around the deadlines for applications could have been improved, and that a longer lead-in time could have helped. While the 'light-touch' nature of the application process was considered helpful, there was some feedback that a more rigorous process could have been put in place.

5.3.3 Funding Received

Over half of organisations (54%) reported that they received funding less than £49,000, with a median amount of £45,000, **Table 5.4**.

Table 5.4 Level of funding received by organisations

Funding received	£0-24,999	£25,000 – 49,999	£50,000 – 74,999	£75,000+	Median	Max
% of organisations	30%	24%	13%	33%	£45,000	£740,000

N=144

Note: The largest pay-out of £740,000 comprised contributions from all three funds.

In terms of the funds in which organisations received payments from, the RFCO was the most common, **Table 5.5**.

Table 5.5: Funds in which organisations received funding

Fund	Cancellation Fund for Cultural Organisations	Recovery Fund for Independent Cinemas	Recovery Fund for Cultural Organisations
% of organisations	22%	6%	86%

N=145

Note 1: A number of organisations received funding from more than one fund.

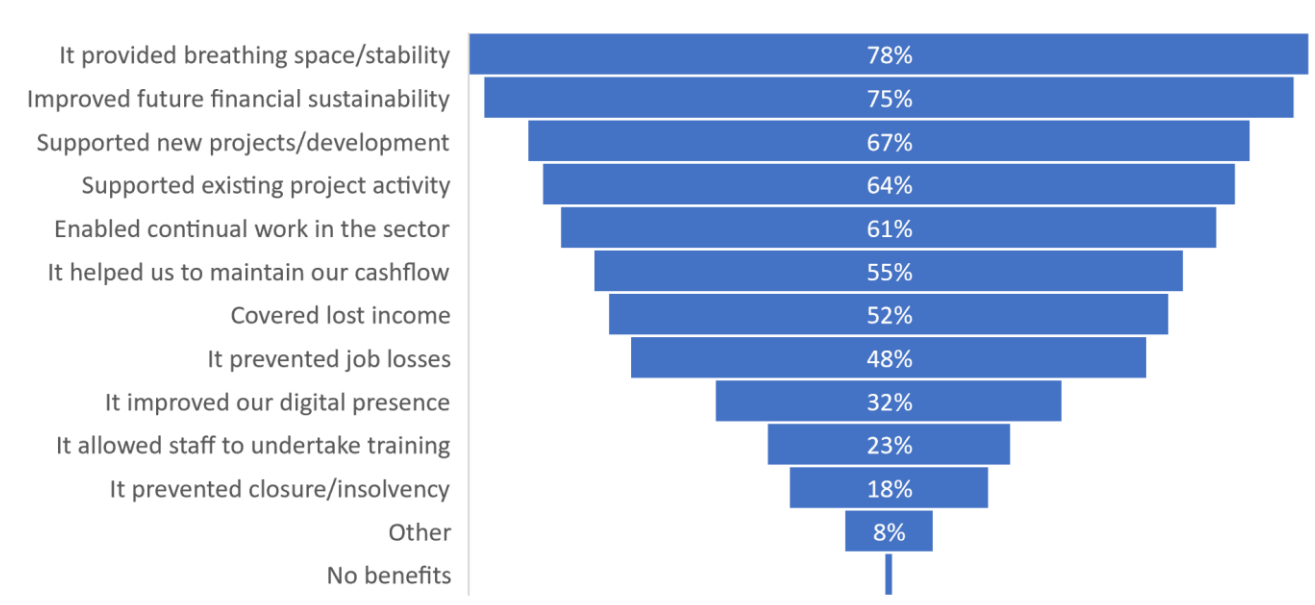
Note 2: The percentage splits are based on the numbers of organisations receiving funding per fund, not the proportion of total payouts.

5.3.4 Impact of Emergency Funding

The emergency funds provided a wide range of benefits to organisations in receipt of funding, with the most common benefits as follows:

- It provided financial breathing space and stability (78%).
- It improved the organisation's chances of future financial sustainability (75%).
- It provided an opportunity to support new projects/longer-term developmental/programming activity (67%), **Figure 5.3**

Figure 5.3: Benefits provided to organisations from emergency funding



N=147 (Organisations)

Note: Questions were multiple choice, with organisations able to tick all that were applicable.

The funding has had a vitally important impact on organisations that operate in the creative sector, for example in terms of income and jobs protected, etc. **Note:** organisations responded in different ways to this question and provided details in different formats. As a result, some assumed outliers have been excluded from the summary presented in **Table 5.6**.

Table 5.6: Quantified impacts of funding for respondent organisations

Type of impact	Total
Total income covered/protected	£4.9 million
Organisations sustained	103
Jobs Protected (FTE)	348
Staff that participated in training	617
Digital products/services/platforms developed/improved	121
Existing projects supported	335
New projects/programming activity developed	332

N=87 (Organisations)

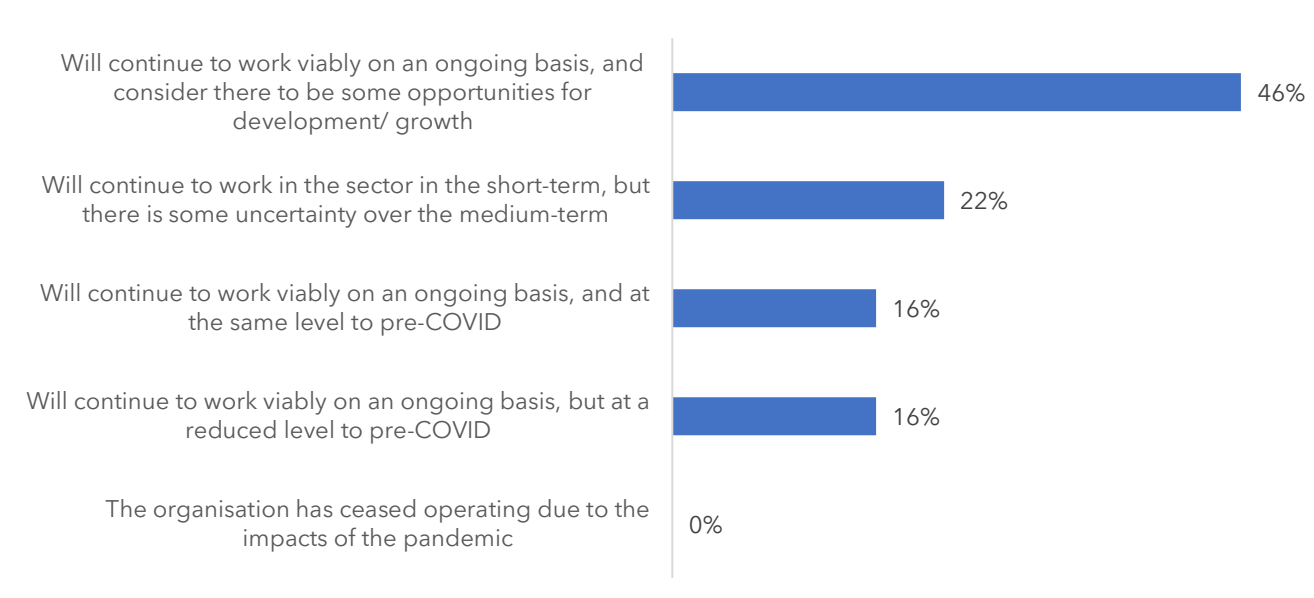
Note: The top 10% (approximately) of responses have been excluded from analysis to avoid a limited number of outliers greatly affecting the accuracy of reporting.

5.3.5 Organisations short to medium-term outlook for the sector

A positive finding was that almost organisations reported they would continue to operate over the short to medium-term, although feedback on what this would look like was also mixed, **Figure 5.4**.

Organisations were, however, generally more positive about their future outlook than freelancers - for example, 46% of organisations reported opportunities for future development/growth, compared to 31% of freelancers (**Figure 5.2**).

Figure 5.4: Organisations outlook over the short to medium term



N=147

Challenges

Organisations identified various challenges on the horizon for the creative sector, namely:

- The cost-of-living crisis.
- Higher operating costs, including rising energy costs.
- Ongoing economic and financial uncertainty.
- Challenges in securing commitments from artists/performers due to concerns about ticket sales and ability to pay, etc.
- Securing funding to support the delivery and development of projects/activities has become even more challenging due to reduced public funding and increased competition.

Opportunities for the sector

Many of the future opportunities identified by organisations for the sector focused on the technological and flexibility improvements that have resulted from COVID-19. Technology was presented as an opportunity by which to expand the audience base for creative organisations products/services, while also reducing costs and attracting talent from a wider geographic area (i.e., remote working). The role of the creative sector in contributing towards other national policy priorities (e.g. community wellbeing, mental health and wellbeing) was also mentioned as a future opportunity.

5.3.6 Recommendations for Future Sector Support

The main suggestions from organisations for future support for the sector included:

- Increased core funding to support diversification and resilient business models.
- Funding support to help meet increased energy costs, and to help safeguard venues (e.g., maintenance costs for historic buildings, reduced business rates, and help to address cash flow challenges).
- Support to foster improved collaboration across the sector (e.g. to help address shared challenges – staff and skills shortages).

5.4 Summary

Overall, feedback from freelancers and organisations in receipt of Phase 2 funding who responded to the surveys was positive.

This included high levels of satisfaction with the application and assessment process. There was, however, some feedback that alluded to a need for increased marketing to raise greater awareness of the different funds, increased financial support (albeit many were realistic about the extent to which this was possible), clearer eligibility criteria (for funds aimed at organisations) and freelancers experienced difficulties with the online portal (in the main to do with the volume of traffic).

High levels of satisfaction among freelancers and organisations was also apparent when looking at the range of benefits and impacts reported. Almost all respondents reported at least one benefit achieved as a direct result of the Phase 2 funds. For freelancers, this included covering the loss of income from cancellations due to COVID-19 and helping to meet living costs. For organisations, key benefits reported were that it provided financial breathing space and stability and improved the organisation's chances of future financial sustainability.

While the short to medium-term outlook for both freelancers and organisations was broadly positive for many, almost one-quarter in each sample reported uncertainty about the medium term. A range of challenges (e.g. cost of living, increased operating costs) and opportunities (e.g. digital, collaboration) were identified, and there was a strong request for continued and ongoing support for the arts, screen and creative sector, including financial support and support for increased collaboration and knowledge-sharing.

6 Conclusions

6.1 Introduction

This section draws some broad conclusions about the effectiveness of the Phase 2 emergency funds in three main respects:

- Delivery of the funds.
- Benefits of the funds.
- Outlook for the sector.

6.2 Delivery

Consistent with the evaluation of the Phase 1 emergency funds, the Phase 2 funds have been developed and delivered effectively by CS, and in this case done so even more quickly than before. Staff and applicants alike praised the clarity and efficiency of the application and assessment process, even if the latter was in places quite challenging and complex, given the need for appropriate rigour.

In particular, the Cancellation Funds were difficult to administer, and while this was the remit given to CS, with hindsight these funds could maybe have been more broadly targeted to support those that were struggling but perhaps not as a direct result of specific cancellations (for example, musicians that were not receiving the same volume of bookings as pre-Covid). These wider needs were recognised with the subsequent move towards a more general Hardship Fund for individuals. The Cancellation Funds were also more suited to music and the performing arts, where cancellations were more prevalent, and less relevant for other art forms. This was subsequently addressed both with the Hardship Fund and the RFCO which were more broadly targeted.

Overall, CS does seem to have struck an appropriate balance between distributing a large amount of funding quickly with the need to apply an appropriate level of scrutiny and diligence in the assessment process. This was undoubtedly a difficult balance to strike, particularly with the complexity around the Cancellation Funds in particular.

Inevitably, the organisational resources required to support the delivery of the funds were considerable and some ongoing development work was affected. Most significantly the introduction of the Future Funding Framework was postponed. It is also the case that some CS staff were required to work very hard indeed to support the delivery of these funds, and it is important that this effort is noted.

6.3 Benefits

The evidence clearly demonstrates that the Phase 2 emergency funds have largely reached the intended beneficiaries and have delivered a range of positive benefits and outcomes (see **Section 5**).

For individuals, it has helped to provide much needed income and address hardship as a result of cancelled work and lost income. While the funding provided cannot make up for all lost income, it was clearly valued, and the evidence suggests that it has helped to sustain individuals in the sector (rather than them leaving for work elsewhere). The Hardship Fund may have been better suited to the prevailing circumstances for individuals than the Cancellation Fund for the reasons highlighted in **Section 3** (e.g. limited evidence available, not all affected by cancellations, more general hardship issues prevalent).

For organisations, the evidence demonstrates that again the funding has helped to sustain organisations and protect jobs in the sector. It has also supported new projects and activities as well as training for staff and was generally considered to have helped future financial sustainability. While the survey has gathered some quantified economic benefits, we would caution against using these to generate estimates of wider economic impact, as there is no data to assess the counterfactual (what would have happened otherwise) and the sample may not be representative of the wider population of supported organisations. However, the data does suggest that the funds have delivered significant economic benefits to recipients.

6.4 Outlook

The outlook for the sector is undoubtedly challenging. When the Phase 2 emergency funds were developed and delivered, the current economic circumstances were not yet clearly known. Now, with high energy costs, growing inflation, continuing uncertainty about audiences (made worse by cost-of-living issues) and the pressure on public funding, many in the sector are now facing something of a perfect storm as they try to recover from the pandemic.

As discussed in **Section 3**, the timing of the funds was, with hindsight, unfortunate although unavoidable. It would have been impossible to foresee the current economic crisis, and the Emergency Funding did what was intended and mitigated the collapsing economic base for creative and cultural activity at the time. However, a longer time horizon for the use of the funds may have helped more in the sector to prepare for the current circumstances (although some could use the funds to boost reserves via the Recovery Fund). While the survey did find some optimism, it also found almost one-quarter of organisations and individuals in each sample expressed uncertainty about the future.

The risk now is that, despite all of the emergency funding support, some organisations may fail and individuals leave the sector due to these more recent economic pressures. The huge efforts made to sustain people and organisations through the pandemic may now feel like a waste, at least for some, if this comes to pass.

This then suggests an urgent need for further intervention and support, even if this is hard to resource at a time when public funding is under unprecedented levels of pressure.

Appendix A: Additional Funding Distribution Analysis

Appendix A presents additional analysis of funding activity across all programme funds.

Funding Activity by Local Authority

Tables A.1 and **A.2** present a summary of awards and value across each local authority by individual awards and organisation awards, respectively.

Table A.1: Individual Awards by Local Authority

Local Authority	Approved	Share of Total	Total Value	Share of Total Value
Aberdeen City	72	1.3%	£132,508	1.3%
Aberdeenshire	59	1.0%	£113,698	1.1%
Angus	36	0.6%	£67,575	0.6%
Argyll and Bute	59	1.0%	£110,680	1.1%
City of Edinburgh	933	16.4%	£1,659,773	15.8%
Clackmannanshire	20	0.4%	£39,350	0.4%
Dumfries & Galloway	64	1.1%	£114,851	1.1%
Dundee City	105	1.8%	£202,275	1.9%
East Ayrshire	45	0.8%	£78,389	0.7%
E. Dunbartonshire	107	1.9%	£199,206	1.9%
East Lothian	88	1.5%	£160,019	1.5%
East Renfrewshire	90	1.6%	£163,570	1.6%
Falkirk	73	1.3%	£136,104	1.3%
Fife	192	3.4%	£349,590	3.3%
Glasgow City	2,333	41.0%	£4,367,737	41.5%
Highland	168	3.0%	£314,363	3.0%
Inverclyde	28	0.5%	£54,422	0.5%
Midlothian	47	0.8%	£81,300	0.8%
Moray	42	0.7%	£76,336	0.7%
Na h-Eileanan Siar	32	0.6%	£58,230	0.6%
North Ayrshire	65	1.1%	£122,640	1.2%
North Lanarkshire	217	3.8%	£398,742	3.8%
Orkney Islands	9	0.2%	£17,371	0.2%
Perth and Kinross	94	1.7%	£177,740	1.7%

Renfrewshire	148	2.6%	£273,239	2.6%
Scottish Borders	55	1.0%	£99,060	0.9%
Shetland Islands	15	0.3%	£28,000	0.3%
South Ayrshire	70	1.2%	£137,645	1.3%
South Lanarkshire	209	3.7%	£392,167	3.7%
Stirling	77	1.4%	£138,858	1.3%
W. Dunbartonshire	53	0.9%	£101,730	1.0%
West Lothian	79	1.4%	£147,238	1.4%
Outside Scotland	3	0.1%	£6,000	0.1%
Total	5,687	100.0%	£10,520,405	100.0%

Unsurprisingly, Glasgow accounted for the greatest number of approved applications (2,333) and total value awarded (£4.37 million), representing 41.0% and 41.5% of all awards and value, respectively. Edinburgh was next with 933 approved applications and £1.66 million in value. Together Glasgow and Edinburgh accounted for over 57% of both approved applications and total value granted through the individual funds.

Table A.2: Organisational Awards by Local Authority

Local Authority	Approved	Share of Total	Total Value	Share of Total Value
Aberdeen City	12	2.3%	£1,248,734	3.4%
Aberdeenshire	11	2.1%	£378,394	1.0%
Angus	5	1.0%	£374,352	1.0%
Argyll and Bute	13	2.5%	£754,490	2.0%
City of Edinburgh	125	24.3%	£10,011,647	26.9%
Clackmannanshire	0	0.0%	£0	0.0%
Dumfries & Galloway	18	3.5%	£1,007,484	2.7%
Dundee City	18	3.5%	£1,387,820	3.7%
East Ayrshire	7	1.4%	£413,856	1.1%
E. Dunbartonshire	2	0.4%	£65,637	0.2%
East Lothian	9	1.8%	£788,702	2.1%
East Renfrewshire	3	0.6%	£154,506	0.4%
Falkirk	1	0.2%	£72,395	0.2%
Fife	11	2.1%	£731,894	2.0%
Glasgow City	148	28.8%	£9,574,761	25.7%
Highland	29	5.6%	£2,149,137	5.8%
Inverclyde	4	0.8%	£523,592	1.4%
Midlothian	2	0.4%	£12,499	0.0%
Moray	5	1.0%	£152,142	0.4%

Na h-Eileanan Siar	7	1.4%	£361,144	1.0%
North Ayrshire	3	0.6%	£136,803	0.4%
North Lanarkshire	6	1.2%	£337,069	0.9%
Orkney Islands	5	1.0%	£438,400	1.2%
Perth and Kinross	12	2.3%	£1,572,560	4.2%
Renfrewshire	8	1.6%	£264,829	0.7%
Scottish Borders	10	1.9%	£466,398	1.3%
Shetland Islands	3	0.6%	£338,114	0.9%
South Ayrshire	3	0.6%	£334,688	0.9%
South Lanarkshire	9	1.8%	£260,274	0.7%
Stirling	11	2.1%	£1,039,812	2.8%
W. Dunbartonshire	1	0.2%	£14,850	0.0%
West Lothian	9	1.8%	£174,298	0.5%
Outside Scotland	4	0.8%	£1,645,696	4.4%
Total	514	100.0%	£37,186,976	100.0%

Much like the individual awards, the greatest share of awards and total value were granted to Glasgow and Edinburgh, who together accounted for 53.1% of all awards granted and 52.6% of total value awarded by organisation funds.

Funding Activity by Artform

This section presents a detailed presentation of funding activity by artform. As noted in **Section 3.3** several artform categories were combined to create an “remaining artforms” category for presentational purposes. This section disaggregates the “other” category and presents funding activity by all artforms on their own. Note that in the tables below the percentage shares area are based on funding awards which had artform data provided.

Table A.3 presents individual funding activity by artform.

Table A.3: Funding Activity by Artform - Individual Funds

Artform	Awards	Share of all Awards	Value	Share of Total Value
Arts and Health/Wellbeing	9	0.3%	£16,080	0.3%
Children and Young People	23	0.8%	£38,995	0.8%
Crafts	87	3.0%	£152,824	2.9%
Creative Learning	20	0.7%	£31,682	0.6%
Dance	73	2.5%	£108,604	2.1%
Design	77	2.6%	£139,506	2.7%
Digital	31	1.1%	£56,008	1.1%
Equalities, Diversity, and Inclusion	2	0.1%	£4,000	0.1%
Interdisciplinary Performance	15	0.5%	£25,080	0.5%
Literature	30	1.0%	£53,315	1.0%
Multi-Art Form	177	6.0%	£311,583	6.0%
Music	1,588	54.0%	£2,843,423	54.8%
Other	202	6.9%	£357,040	6.9%
Place and Communities	5	0.2%	£6,300	0.1%
Scots	1	0.0%	£2,000	0.0%
Socially Engaged Practice	16	0.5%	£29,900	0.6%
Theatre	255	8.7%	£421,683	8.1%
Traditional Arts	13	0.4%	£20,800	0.4%
Visual Arts	315	10.7%	£571,796	11.0%
Subtotal	2,939	100%	£5,190,619	100%
No Data	2,748	-	£5,329,786	-
Total	5,687	-	£10,520,405	-

Over 50% of all awards and award value were granted to individuals within the music artform. The visual arts were the next most supported artform with 315 awards (10.7%) and nearly £600,000 (11%) in value. On the other hand, Scots and Equalities, Diversity and Inclusion were the least supported artforms in terms of volume and value. This is likely indicative of the relative size of these artforms within the creative industries rather than any systematic issue.

Table A.4 presents organisational funding activity by artform.

Table A.4: Funding Activity by Artform - Organisational Funds

Artform	Awards	Share of all Awards	Value	Share of Total Value
Arts and Health/Wellbeing	1	0%	£31,967	0%
Children and Young People	23	5%	£1,270,152	4%
Crafts	8	2%	£412,748	1%
Creative Learning	8	2%	£736,527	2%
Dance	11	2%	£666,248	2%
Design	1	0%	£11,270	0%
Digital	2	0%	£19,114	0%
Equalities, Diversity, and Inclusion	6	1%	£375,274	1%
Interdisciplinary Performance	4	1%	£88,891	0%
Literature	8	2%	£499,747	1%
Multi-Art Form	103	21%	£11,465,589	34%
Music	161	33%	£7,646,486	22%
Other	26	5%	£834,984	2%
Place and Communities	13	3%	£654,834	2%
Scots	1	0%	£25,967	0%
Socially Engaged Practice	4	1%	£147,054	0%
Theatre	66	14%	£6,289,664	19%
Traditional Arts	6	1%	£500,447	1%
Visual Arts	36	7%	£2,313,016	7%
Subtotal	488	100%	£33,989,978	100%
No Data	26	-	£3,196,998	-
Total	514	-	£37,186,976	-

While music received the most organisational funding awards with 161 or 33% of the total, it was multi-artform which captured the largest share of funding, accounting for 34% of all funding or nearly £11.5 million. As was the case with the individual funding awards, Scots received just one organisational award which was worth just under £30,000. Arts and Health/Wellbeing and Design also received just one award each, with Design being the least funded artform overall with c.£11,000 in award value.

Awards by Fund

This section presents a detailed analysis of each of CS's COVID-19 emergency funds. Each fund is examined in isolation and fund activity and performance is assessed. The following information is presented for all individual and organisation funds:

1. Applications: The number of applications to the fund.

2. Approved: The number of applications which were approved.
3. Rate: The percentage of applications that were approved (approved/applications).
4. Total Value: The sum of the value of all approved awards.
5. Average Ask: The average monetary amount requested on approved applications.
6. Average Award: The average value approved applications.
7. Difference (Organisation Funds only): The difference between average ask and average award.
8. Max Award: The highest value award granted.
9. Min Award: The lowest value award granted.

Individual Funds

As noted earlier, the funds categorised as individual funds include: Hardship Fund for Creative Freelancers and the Cancellation Fund for Creative Freelancers. These are discussed below.

Hardship Fund for Creative Freelancers

Table A.5 summarises funding activity delivered through the Hardship Fund for Creative Freelancers.

Table A.5: Hardship Fund for Creative Freelancers - Funding and Award Summary

	Applications	Approved	Rate	Total Value	Avg Ask	Avg Award	Max Award	Min Award
Value	4,156	3,923	94%	£7,531,745	£1,920	£1,920	£4,000	£500

Overall, the fund had a 94% approval rate and distributed just over £7.5 million to creative sector freelancers.

While the fund had an award cap set at £2,000, this could be added on to with disabled access costs with up to an additional £2,000 (i.e. £4,000 maximum award). Further, the fund's award floor was set at £500 and this was the amount of the lowest value award.

Cancellation Fund for Creative Freelancers

Table A.6 summarises funding activity delivered through the Hardship Fund for Creative Freelancers.

Table A.6: Hardship Fund for Creative Freelancers - Funding and Award Summary

	Applications	Approved	Rate	Total Value	Avg Ask	Avg Award	Max Award	Min Award
Value	1,842	1,764	96%	£2,988,660	£1,694	£1,694	£3,000	£500

Overall, the fund had a 96% approval rate and distributed just under £3.0 million to creative sector freelancers.

Like the Hardship fund, the award cap was set at £2,000 and this could be added on to with disabled access costs with up to an additional £2,000 (i.e. maximum award of £4,000). However, the maximum award granted was £3,000 (£2,000 core funding and £1,000 disabled access). The fund's award floor was set at £500, and this was the amount of the lowest value award.

Organisation Funds

As noted earlier, the funds categorised as organisation funds include: the Recovery Fund for Cultural Organisations, Recovery Fund for Independent Cinemas, and the Cancellation Find for Cultural Organisations. These are discussed below.

Recovery Fund for Cultural Organisations

Table A.7 summarises funding activity delivered through the Recovery Fund for Cultural Organisations.

Table A.7: Recovery Fund for Cultural Organisations - Funding and Award Summary

	Applications	Approved	Rate	Total Value	Avg Ask	Avg Award	Difference	Max Award	Min Award
Value	284	283	100%	£20,840,338	£46,141	£73,641	£27,499	£242,434	£8,081

Noteworthy is the average award value over and above the average ask. This was driven by additional funding becoming available which raised the award value ceilings from 10% of annual revenue to 16%.

Recovery Fund for Independent Cinemas

Table A.8 summarises funding activity delivered through the Recovery Fund for Independent Cinemas

Table A.8: Recovery Fund for Independent Cinemas - Funding and Award Summary

	Applications	Approved	Rate	Total Value	Avg Ask	Avg Award	Difference	Max Award	Min Award
Value	26	26	100%	£3,196,998	£129,631	£122,961	-£6,670	£354,052	£18,008

The RFIC had the highest applicant success rate at 100%, although two applications were rejected at the pre assessment stage as they were non eligible. The average award value was relatively close to the average ask, with £6,670 less than requested awarded on average or 95% of the funding ask.

There was significant variation in the value of awards, reflecting the significant differences in size, scale and operations of the applicant cinema organisations. The highest value award (£354,052) was granted to the Centre for the Moving Image in Edinburgh and the lowest (£18,008) to Robert Burns Centre Film Theatre in Dumfries.

Cancellation Fund for Cultural Organisations

Table A.9 summarises funding activity delivered through the Cancellation Fund for Cultural Organisations.

Table A.9: Cancellation Fund for Cultural Organisations - Funding and Award Summary

	Applications	Approved	Rate	Total Value	Avg Ask	Avg Award	Difference	Max Award	Min Award
Value	267	205	77%	£13,149,640	£88,079	£64,145	-£23,934	£1,453,482	£5,000

At 77%, the CFCO had the lowest overall application success rate of any Phase 2 funds. There is also significant variation in the value of awards. This is due to the fund mechanism which was designed to replace lost income from cancelled events. For example, the two largest awards (both over £1 million) were granted to Capital Theatres and the Ambassador Theatre Group. These companies operate multiple venues across Scotland and have greater potential for income loss.