

CTEEA Committee evidence session: 01.11.18 Update on key topics from Creative Scotland

Introduction

This written submission provides the Culture Tourism Europe and External Affairs Committee (CTEEA) with an update on key topics that have been of interest to the Committee in previous evidence sessions.

This is ahead of the evidence session on 1 November 2018 at the Scottish Parliament, where our Chair and Acting Chief Executive will be able to expand on these topics, and any others, as required by the Committee.

The submission contains updated information on:

1. Organisational Development
2. Evaluation of Regular Funding/Funding Review
3. Budgets and National Lottery
4. Screen Scotland
5. Touring Fund
6. Geographical reach of our Funding
7. Culture Strategy
8. Youth arts and performing arts for young people

Appendix: Summary of recommendations from the evaluation of Regular Funding 2018-21

1. Organisational Development

As previously communicated, we are currently conducting an organisational review to look at our culture, working practices, values, structure and operations. Recommendations will be implemented on an iterative basis over the coming months.

In previous responses to the Committee, the Chair of Creative Scotland said:

"I will be working with the Board and Staff to conduct an organisational review which will look at Creative Scotland's culture and working practices, values, structure and operations in order to shape a better future for Creative Scotland and the sectors we support."

There are three strands to this work:

- A review of Creative Scotland's overall strategy and purpose;
- A review of our approach to funding;
- An internal review of our organisation considering both our systems and processes as well as culture, values and behaviours.

To ensure the process leads to appropriate and effective action within agreed timescales, the Board has set up a sub-Committee consisting of Robert Wilson as Chair, with Board members Cate Nelson-Shaw, Iain Aitchison and Karthik Subramanya. This sub-committee will work with a small dedicated project team of Staff who will be empowered to co-ordinate and drive the planning and delivery of the overall programme, working with specialist external resources.

We will ensure that external stakeholders are involved in this work as appropriate.

Following an open tender process, [Open Change](#), a Dundee based company, have been appointed to support us in this organisational development work.

While we are progressing this work as a matter of priority, it's important to remember that meaningful change is a continuous process and will happen iteratively over the coming months.

2. Regular Funding 2018-21 and Funding Review

In July 2018, following a tender and procurement process, we appointed consultants [Wavehill](#) to conduct an independent evaluation of the Regular Funding 2018-21 process.

The aim of this independent evaluation was to provide us with objective insight on the complete process, with a set of recommendations to help inform the development of future funding models.

The evaluation has taken into consideration a broad range of research and information sources, including direct research with Regular Funding applicants, information provided to the CTEER Committee inquiry, and feedback from Creative Scotland Staff and Board.

This review has recently been completed, and 105 organisations that applied for Regular Funding (57% of the total 184 organisations which applied) responded to the survey.

The following statement from the Reviewers summarises their findings:

"In terms of the delivery of the 2018-21 RFO process against the stated aims and guidance, the evidence broadly points to compliance across all stages up to the announcement of the funding decisions taken by the Board in January 2018.

"There is undoubtedly a need to improve various aspects of the implementation of the process, including providing stronger support and guidance for staff, greater clarity for applicants and clearer information for Board members, however, the assessment process has been rigorous."

The key recommendations from the review are provided in the **Appendix** to this paper. These recommendations will helpfully contribute to Creative Scotland's ongoing review of funding, strategy and operations.

Supporting information:

- CTEER Inquiry into Regular Funding: <http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/107952.aspx>
- Creative Scotland responses:
 - http://www.parliament.scot/S5_European/General%20Documents/CTEER_2018.06.15_Response_from_Creative_Scotland.pdf
 - http://www.parliament.scot/S5_European/General%20Documents/CTEER_2018.08.31_Ltr_CreativeScotland.pdf

3. Budgets and National Lottery

The Scottish Government will publish its budget on 12 December 2018. This budget announcement will not impact on Regularly Funded Organisations as the Regular Funding budget is protected for the full three-year period of the funding agreement, 2018-21.

However, we appreciate that pressure on public finances continues and we may experience budget pressures on other areas of our work.

National Lottery income continues to be under pressure (c -5% year-on-year at time of writing) and, as such, we are working closely with the National Lottery family to raise awareness of the value of funding for good causes in supporting culture and creativity in Scotland.

The UK Government have recently consulted on proposals to raise the limits that currently apply to Society Lotteries (e.g. the Health Lottery, the Postcode Lottery, et al).

Creative Scotland put in a submission voicing our concerns that the proposed changes could have a negative impact on sales of National Lottery tickets and, therefore, a negative impact on the amount of funds available to Good Causes, including culture and creativity in Scotland.

These concerns have also been expressed by other National Lottery distributors in Scotland and across the UK.

Supporting information:

- Creative Scotland Annual Budget 2018/19: <https://www.creativescotland.com/resources/our-publications/plans-and-strategy-documents/annual-plans/annual-plan-2018-19>
- Submission to the UK Government consultation on Society Lotteries: https://www.creativescotland.com/_data/assets/pdf_file/0004/55714/Society-Lotteries-Response.pdf

4. Screen Scotland

Scotland's new dedicated industry partnership, Screen Scotland was formally launched on 21 August. With £20 million from Scottish Government and the

National Lottery, Screen Scotland is charged with leading sector growth with increased funding, staff and ambition. These developments have been well received by the Screen sector who are engaging with Screen Scotland in a positive and mutually supportive way.

Key progress from Screen Scotland to date includes:

- *New and enhanced funds:* £2million *Production Growth Fund*; £4million *Film Development and Production Fund*; £3million *Broadcast Content Fund*; £600k *Film Festivals Fund*, alongside refreshed funding guidance for distribution and exhibition; markets and festival attendance. New skills development and funds to boost film and tv education will be announced soon. All Screen Scotland Funding can be found here: www.screen.scot
- *Strengthened Governance:* Newly appointed Board members Elizabeth Partyka, David Strachan and Ewan Angus form the core of our dedicated, Screen Committee which is supported by leading sector representatives Gillian Berrie (Sigma Films) and John McCormick (Chair of the Screen Sector Leadership Group).
- *Expanded and Dedicated Screen Scotland Team:* We're doubling the size of our existing Screen team. Isabel Davis has joined as Executive Director of Screen Scotland and we have recruited additional Screen Executive and Screen Commission personnel, alongside key dedicated, additional screen roles in funding, research, communications and executive support. Further info: www.screen.scot
- A new, clear and distinct brand identity, and online presence which provides a single front door to the global screen sector screen: www.screen.scot
- *Studio facilities:* The Studio Business Case received approval in principle from the Cabinet Secretary on 18 July. We have recruited a project manager drive the next steps which include tendering to secure a studio operator and this tender is being planned for issue in November.
- A Memorandum of Understanding is now in place between all Screen Scotland partner organisations and this is published on our website: <https://www.screen.scot/about/contact/publications/memorandum-of-understanding>

As the news about Screen Scotland developments is spreading our Screen Commission is responding to an increased level of enquiries from prospective productions keen to shoot in Scotland, hosting recce visits for various clients, including Netflix.

We actively market a broad range of Scottish studio facilities (including Ward Park Studios) and build space – a total of 136,000 square feet of full-time converted stage space and 335,000 square feet of build space - all of which we

are experiencing unprecedented demand for and which is contributing to the record levels of film and TV production spend that Scotland is currently experiencing.

The Screen Scotland business plan is currently being drafted for publication early in 2019. The plan will build on the Collaborative Proposal and more clearly articulate Screen Scotland partnership vision and objectives, governance, advocacy and engagement, activities, monitoring and evaluation.

The work on strategic partnerships with content commissioners is progressing well, with an MOU with the BBC in advanced stages and aiming for sign off by respective boards by the end of the year.

Supporting information:

- Our response to the Committee's Screen Inquiry:
http://www.parliament.scot/S5_European/180919_Screen_Scotland_Response_to_CTEER_Report_Making_Scotland_A_Screen_Leader_28_June_2018.pdf

5. Touring Fund

The Touring Fund will support the touring of theatre and dance, enhancing opportunities for artists, producers and companies to work more collaboratively with venues to grow audiences and provide greater access to high quality work across Scotland.

The Touring Fund has been developed in consultation with members of the touring theatre and dance sectors, in collaboration with the Federation of Scottish Theatre, and is a response to the recommendations of the [Review of Theatre and Dance Touring in Scotland](#) published in April 2017. Representatives of the theatre and dance sectors will also be involved in the final funding decisions.

We announced the opening of the £2m Touring Fund on 9 August 2018:
<https://www.creativescotland.com/what-we-do/latest-news/archive/2018/08/2m-touring-fund-for-theatre-and-dance>

In early October, we have run a series of well attended and well received information sessions for the sector on the Fund.

We issued a call-out for independent sector representatives to join the decision making panel: <https://www.creativescotland.com/what-we-do/latest-news/archive/2018/10/touring-fund-panel-members>

Deadline for applications is 6 November and decisions will be announced week commencing 17 December 2018.

6. Geographical reach of our funding

Creative Scotland is committed to ensuring that our funding supports cultural provision and creative practice across all parts of Scotland and we are working with Local Authorities and other partners to achieve this.

Through all our routes to funding, Creative Scotland supports the arts, screen and creative industries in all parts of Scotland and in all 32 Local Authorities.

With their home bases in 21 Local Authorities, three-quarters of the 121 Regularly Funded Organisations for 2018-21 work Scotland-wide, including through touring.

In addition to Regular Funding, our Open Project Funding supports artists and creative projects in every part of Scotland and our Targeted Funding supports nationwide projects such as the Youth Music Initiative and Cashback for Creativity. To assist potential applicants, we regularly participate in funding events across Scotland, providing information on applying to Creative Scotland.

In addition, we currently have 13 live Place Partnerships with Local Authorities (including, for example, Dumfries and Galloway, Moray and Inverclyde) which are specifically aimed at developing cultural provision locally, targeting parts of Scotland where there is the greatest need and the greatest opportunity. Looking forward, we are proposing that this programme will be targeted at regions with comparatively fewer applications for Regular and Open Project Funding and where issues such as geography and economic limitations were identified as challenges within our Understanding Diversity in the Arts Survey.

Supporting Information:

- Creative Scotland Place Partnerships: <https://www.creativescotland.com/funding/funding-programmes/targeted-funding/place-programme>
- Creative Scotland funding awards by Local Authority 2016/17 (last full year data available at time of writing):

Figure 18: Count and value of all Creative Scotland funding awards (Regular, Open Project and Targeted Funding) by Local Authority 2016/17

Local Authority Area	Applications	Awards	Amount Awarded (£)
Aberdeen City	38	19	£1,677,971
Aberdeenshire	36	18	£745,498
Angus	22	8	£1,344,781
Argyll and Bute	39	19	£1,070,208
City of Edinburgh	644	310	£21,915,989
Clackmannanshire	5	2	£56,733
Dumfries and Galloway	37	13	£736,259
Dundee City	55	26	£3,268,317
East Ayrshire	10	6	£183,868
East Dunbartonshire	27	8	£312,700
East Lothian	44	17	£516,558
East Renfrewshire	15	4	£125,967
Falkirk	15	2	£157,887
Fife	59	18	£869,740
Glasgow City	736	357	£19,044,985
Highland	99	43	£3,539,665
Inverclyde	11	5	£409,716
Midlothian	23	7	£184,724
Moray	27	7	£323,361
Na h-Eileanan Siar	34	13	£869,541
North Ayrshire	14	5	£192,239
North Lanarkshire	23	10	£828,898
Orkney Islands	13	5	£501,077
Perth and Kinross	39	10	£1,041,939
Renfrewshire	24	7	£446,057
Scottish Borders	36	19	£778,613
Shetland Islands	10	4	£336,048
South Ayrshire	13	6	£233,091
South Lanarkshire	50	18	£568,786
Stirling	36	14	£1,236,927
West Dunbartonshire	17	9	£138,235
West Lothian	26	10	£472,717
Other*	124	53	£2,756,855
Total	2,401	1,072	£66,885,950**

* Other includes applications from those based outside Scotland, where the funding is to support activity that benefits audiences, artists and people in Scotland; to facilitate international touring exchange; to showcase Scottish artists internationally; and to allow organisations with a UK-wide remit to deliver work in Scotland.

** This figure does not include project expenses for Targeted Funding programmes.

7. Culture Strategy

We welcome the commitment by the Scottish Government to develop a Culture Strategy and we have submitted a response to the consultation.

Key points in our response to the draft Culture Strategy:

- We support the inclusion of an indicator for Culture within the Government's National Performance Framework for Scotland.
- We strongly support the importance of the connections between culture and health and wellbeing; creative learning and young people; equalities and inclusion; and arts and justice as set out in the strategy.
- We also provided feedback, including being clearer about who the intended audience for the Culture Strategy is; having smarter outcomes for the strategy and more specific, measurable actions; and making the strategy less exclusively arts focused and encompassing broader culture (e.g. screen and the Creative Industries).
- We are ready and willing to work with the leadership of Scottish Government and with other policy sectors to develop the spirit of this strategy and realise its ambitions.

Supporting Information:

- Culture strategy consultation: <https://consult.gov.scot/culture-tourism-and-major-events/culture-strategy/>
- Our response to the Culture Strategy consultation: https://www.creativescotland.com/_data/assets/pdf_file/0003/56433/Culture-Strategyfor-Scotland-Creative-Scotland-consultation-response-.pdf9.

8. Youth arts and performing arts for young people

Creative Scotland is committed to supporting creativity amongst Scotland's young people through all aspects of our funding support and our work more broadly, some current examples of which are provided below.

Targeted Funding programmes such as the [Youth Music Initiative](#) and [CashBack for Creativity](#) are key aspects of our support for arts and young people.

As part of the **Year of Young People**, Creative Scotland also administers the [The Royal Edinburgh Military Tattoo Youth Talent Development Fund](#) to nurture youth engagement and participation in traditional Scottish art forms. For a second year running this fund will provide children and young people from across the country with the fantastic opportunity to progress their skills and techniques, supporting their groups and organisations to create new and innovative work and increase accessibility across traditional Scottish arts.

In February 2018, we announced [nine year-long full time traineeships for young people](#) aged between 16-24, which were developed to help progress careers in the arts, screen and creative industries. The **Year of Young People** Creative Traineeships are being supported by creative organisations across Scotland. More information here:

<https://www.creativescotland.com/explore/read/stories/youth-arts/2018/creative-traineeships>

Creative Scotland remains committed to [Time to Shine, Scotland's national Youth Arts Strategy](#) and the principles embedded within it. A key outcome of the National Youth Arts Strategy is the establishment of the [National Youth Arts Advisory Group](#), a group of 35 young people aged 14-23 from across Scotland who are working towards shaping the future of culture and creativity in Scotland.

The National Youth Arts Advisory Group annually award a total of £40,000 to help support young Scots make their dreams become a reality through the [Nurturing Talent Fund](#). The Nurturing Talent Fund was set up to help support young people who aspire to work in creative industries. It is delivered for young people by young people through the National Youth Arts Advisory Group in partnership with Young Scot and Creative Scotland. More information on the most recent awards here: www.creativescotland.com/what-we-do/latest-news/archive/2018/10/young-creative-scots-receive-funding-boost

The National Youth Arts Advisory Group recently delivered UNCON 2.0 a showcase of the amazing young talent from across Scotland in Perth on Saturday 22 September 2018 as part of the **Year of Young People 2018**. The day featured a series of over 30 performances, screenings, panel discussions and debates from a range of youth arts projects supported by Creative Scotland. The event coincided with the publication of an evaluation of the [National Youth Arts Advisory Group model](#) commissioned by Creative Scotland.

Creative Scotland is also supporting, with £25,000 funding, a showcase of Scottish theatre and dance for young audiences at the prestigious International Performing Arts for Youth event in Philadelphia in January 2019. Working in partnership with Imagine, we have secured a country 'spotlight' at the event and are supporting a delegation of Scotland's theatre and dance makers for young audiences to attend the prestigious IPAY event in 2019. The spotlight on Scotland at IPAY 2019 will enable us to showcase the undoubted excellence of our performing arts for young audiences, building on the strength of the international reputation, which this sector already has. More information here: <https://www.creativescotland.com/what-we-do/latest-news/archive/2018/09/spotlight-on-scotlands-theatre-and-dance-for-young-people-at-ipay-2019>

9. In Summary

This submission to the Committee provides an update on some of the topics that have been of recent interest to Members and we look forward to being able to discuss these, and any additional areas of interest, at the evidence session on 1 November.

In the meantime, everyone at Creative Scotland continues to be committed to moving forwards positively and collaboratively with the people and organisations we are here to support, to the benefit of all aspects of culture and creativity in Scotland and to those that live, work or visit here.

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Appendix:

Summary of recommendations from the independent review of Regular Funding, 2018-21

1. Introduction

In July 2018 Wavehill Ltd was appointed by Creative Scotland to carry out an independent evaluation of the 2018-21 Regular Funding process (RFO process). The aim of commissioning the evaluation was to provide Creative Scotland with an objective insight on the end-to-end process which was run and to produce a set of recommendations that would help to inform the development of future funding models.

The main objective of the evaluation was to assess the effectiveness of Creative Scotland's approach to, and delivery against, the stated aims and guidance for the 2018-21 Regular Funding process, including the application of a single model of regular (or multi-year) funding across a wide range of organisations.

2. Research Methodology

The research was conducted over July and August 2018. The Evaluation Team used a mixed-method approach that drew on qualitative and quantitative data and facilitated a process of triangulation to enable the interpretation of different perspectives provided on the RFO process. The key elements of the evaluation are presented below.

Review of documentation: A summary of the key documents accessed and reviewed by the evaluation team is provided below:

- Published guidance and application material
- Feedback from applicants from the 2015-18 RFO process
- Assessment guidance resources and templates
- Correspondence from and to the Culture, Tourism, European and External Relations Committee (CTEER)
- RFO 2018-21 funding agreements
- Complaints documentation relating to the 2018-21 RFO process
- A sample of assessment reports provided to applicants
- A detailed profile of the 2018-21 RFO Network
- Auditors report on staff responses to the Regular Funding process
- Staff responses to an internal survey on the Regular Funding process
- Creative Scotland's Complaint Investigation Reports
- Board papers and minutes of Board meetings

Stakeholder consultations: The Evaluation Team undertook semi-structured qualitative interviews with members of Creative Scotland's Senior Leadership Team and Board members. Specialism Leads and teams provided written responses to the Evaluation Team structured against a number of research questions. The Evaluation Team have, where necessary, sought clarification and feedback from non-assessing teams including Knowledge & Research, Communications, Funding and Finance.

Survey of applicants: An online survey was used to obtain feedback on the published guidance, application and assessment process for the 2018-21 Regular Funding programme.

A total of 105 organisations completed the online survey, representing 57 per cent of the 184 organisations that applied to the Regular Funding programme.

- Of the 121 organisations that were successful in their application to Regular Funding, 72 responded to the survey - a response rate of 60 per cent.
- Of the 63 organisations that were unsuccessful, 33 responded to the survey - a response rate of 57 per cent.

Telephone consultations with applicants: All respondents to the survey of applicants were asked whether they would be willing to speak with a member of the Evaluation Team. The purpose of these in-depth telephone consultations was to explore particular points or views provided during the body of their response. The Evaluation Team completed a total of 21 telephone consultations with applicants, of which 15 were from applicants that were funded and 6 from applicants that were not funded.

Review of comparable funding models: To support a process of understanding what alternative funding models could be explored or developed by Creative Scotland, the Evaluation Team has consulted with staff from Arts Council England, the Arts Council of Northern Ireland and the Arts Council of Wales.

3. Summary of Recommendations from the evaluation

What follows is a summary of the key recommendations from the evaluation conducted as above:

Design of the RFO process

- Creative Scotland should explore the feasibility of using investment bands within the design of future funding models.
- Creative Scotland should discuss the implications of extending the duration of the current Regular Funding cycle with Scottish Government as well as engaging Arts Council England to learn from their experiences.
- The design of future funding models should more explicitly consider the interplay and links between the alternative funding options available including Open Project Funding.
- Creative Scotland should provide clarity on the rationale and benefits of including sector support organisations within the RFO process and/or consider the relative merits of developing a separate process for funding sector support organisations.
- Creative Scotland should explore the use of an account management model in the design of future Regular Funding programmes.

Development of the RFO process

- Creative Scotland should review all application guidance and access support arrangements to ensure that this is compliant with relevant good practice guidelines.
- Creative Scotland should undertake a detailed training needs assessment as part of the development phase of future funding models as this will help to ensure consistency of assessment approach and also support the professional development of staff.

Stage 1 and 2 of the process

- Creative Scotland should reconsider the current closed nature of the RFO process and identify options to enable dialogue with applicants without undermining the transparency and integrity of the process.
- Creative Scotland should undertake a review of the resourcing requirements for future funding models to ensure that workloads and pressure exerted on staff during any assessment process are carefully managed.
- Consideration should be given to using external assessors to supplement aspects of the assessment process where appropriate and where this enables staff to adequately discharge other aspects of their substantive roles.
- Creative Scotland should explore options for the use of a two-stage lighter-touch application assessment process with more detailed information requested only from organisations that are recommended to progress to the next stage.
- Future guidance documentation for applicants should consider outlining expectations of what constitutes acceptable conduct following any announcement of funding awards.
- All assessment reports should be thoroughly checked prior to dissemination and a more robust system of moderation put in place to ensure a greater degree of consistency in the language and tone used in the assessment reports.

Stage 3 of the process

- Creative Scotland should ensure that applicants are more clearly signposted to relevant sector reviews in future funding models to enable them to better reference how they would address specific sector priorities rather than a more general statement of how they would contribute to the higher-level ambitions outlined in Creative Scotland's 10-year plan.
- Creative Scotland should ensure that the approach to assessing multi-artform organisations is reviewed as part of the design phase of future funding models.
- Creative Scotland should ensure that more capacity is allocated to providing guidance and oversight for specialist team discussions for future funding models to ensure consistency of approach.
- Creative Scotland should lead a process of reviewing the distribution models for future funding that is based on a balanced assessment of both historic levels of funding and the existing and future needs of each artform and creative area.

Stage 4 of the process

- Creative Scotland should enter into dialogue with the sector to explain how the balancing the network processes operate and how decisions are taken, whilst at the same time stressing the 'commercial in confidence' nature of staff discussions.
- Given the lack of certainty regarding future budget settlements it is important that the innovative ideas put forward in Stage 4 discussions are not discarded but used to facilitate ongoing dialogue both internally within Creative Scotland and more widely with the sector.
- The option of using external observers should be revisited for future funding models.
- Creative Scotland's Leadership Team should ensure that future funding models include sufficient feedback briefings for staff on the different scenarios and modelling considered as part of the balancing the network stage.

Stage 5 of the process

- There is a fundamental need for the Leadership Team and Board to reflect on the RFO process. This is likely to require a review of the lines of communication between both parties and also a discussion on the parameters of the Board's role and support needs with regards to future funding models.
- Future funding models should allow for a suitable gap between Board meetings at which funding decisions are taken and their subsequent public announcement.
- The approach to funding and supporting key organisations that are deemed to be integral to the national cultural infrastructure needs to be factored into the design of future funding models and requires a wider dialogue between Creative Scotland, Scottish Government and the sector.
- Creative Scotland should review future funding models to ensure that all reasonable steps are taken so that staff involved in the assessment process aren't placed in potentially compromising positions.
- Guidance should be included for applicants to future funding programmes around making direct approaches to the Leadership Team or Board members during a live assessment process.

Stage 6 of the process

- The process of notifying applicants of the outcome of future funding models should ensure the provision of better communication and support for staff involved in the feedback meetings.

All of these recommendations are being given proper consideration as part of Creative Scotland's ongoing review of funding, strategy and operations. The evaluation report is currently being finalised and will be published in due course.

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