

## **FINANCE AND CONSTITUTION COMMITTEE**

### **FUNDING OF EU STRUCTURAL FUND PRIORITIES IN SCOTLAND, POST-BREXIT**

#### **Introduction**

This written submission from Creative Scotland provides the Finance and Constitution Committee with information to support their inquiry on the future of funding of EU Structural Fund Priorities in Scotland, Post-Brexit.

Creative Scotland is the public body that supports the development of the arts, screen and creative industries across all parts of Scotland on behalf of everyone who lives, works or visits here.

As a Non-Departmental Public Body, we work within the parameters of the Scottish Government's Programme for Government, the National Performance Framework and are cognisant of the draft National Cultural Strategy for Scotland.

We recognise that funding is a crucial factor in creating a sustainable arts sector in Scotland. In our approach to development we also seek to respond to the wider context that artists and creative people operate which includes a number of interdependent cultural, social and economic factors.

We are working to our 10-year plan "Unlocking Potential, Embracing Ambition", published in 2014, within which we articulate our key contributions:

- Funding support for individuals and organisations working in the arts, screen and creative industries.
- Advocacy on behalf of these sectors, both nationally and internationally.
- Development support for these sectors so that they can continue to grow and thrive.
- Influencing others to understand the value that the arts, screen and creative industries deliver.

We distribute funding from the Scottish Government and The National Lottery. Creative Scotland's 2018/19 budget was £92m, approximately two thirds from Scottish Government (Grant-in-Aid) and one third from the National Lottery. We distribute this funding through three funding routes: Regular Funding for up to three years for organisations; Open Project Funding for individuals and organisations for programmes of work for up to two years; and Targeted Funding to support specific sectors, projects and initiatives (including Film & TV production).

## European Structural and Investment Funds (ESIF)

In May 2017, Creative Scotland published [research](#) which assessed the European Union's contribution to the 'arts, media and creative industries' in Scotland.

This research found that over 380 projects had received a minimum of £23m in EU funding in the period from 2007-2016. Within this, there was an estimated total of £8.7m from the ESIF, with the majority (£6.53m) from the ERDF (European Regional Development Fund). There was a further £1.56m from the ESF (European Social Fund) and £650K from the EAFRD (European Agricultural Fund for Rural Development, including LEADER) for rural based projects. It is notable that approximately 65% of this support came from programmes which are not exclusively targeted at the arts, media and creative industries.

These figures represent a significant financial contribution towards the development of the arts, media and creative industries in Scotland. When combined with findings from comparable research undertaken by [Historic Environment Scotland](#) and [Museums Galleries Scotland](#), the overall contribution of ESIF to the cultural life of Scotland is marked.

ESIF have played a particularly important role in supporting cultural activity across Scotland's rural and island communities. This includes significant support for a diverse range of venues, festivals, events and creative business activity. While culturally rich, such areas often have complex social and economic challenges. ESIF has evidently supported the respective organisations to make significant contributions to their communities, including to promote social cohesion; enhance local economies; and support individual and collective health and wellbeing. In this context, and looking beyond the figures, the nature and impact of cultural projects supported through the ESIF further demonstrates the importance of this support.

## Post-Brexit Structural Funds

Creative Scotland believe that post-Brexit structural funds should be devolved to individual nations. This would allow England, Scotland, Wales and Northern Ireland to consider its specific priorities within the overall framework for any related programme(s).

In a Scottish context, it would allow for a tailored approach to the focus upon 'reducing inequalities between communities' which has been set out within a prospective UK Shared Prosperity Fund. In addition to considering noted geographic challenges, there is an opportunity to align these funds to specific areas of social and economic need. This includes, but is not limited to, the adoption of priorities which place a greater emphasis on measures contained within the Scottish Index of Multiple Deprivation.

This devolved model would also allow Scotland to proactively consider ways in which such funds could be utilised to ensure arts and culture is a more considered, prominent and integrated component of measures to reduce inequality. This includes providing increased funding opportunities which support cultural bodies and individual artists and practitioners to collaborate across policy areas such as Health, Wellbeing and Social Care; Housing, Justice and Social Care; and Local Government and Communities. Such a step would be

consistent with stated national priorities. This includes Programme for Government, which outlines the Scottish Government's commitment to (p.110) "...long-term change through greater collaboration and integration across culture, communities and policy development".

## **Conclusion**

Creative Scotland recognise the significant value that ESIF bring to the cultural life of Scotland, in particular to rural and island communities. We would strongly advocate that post-Brexit structural funds should, as a minimum, match this current contribution for cultural activity in Scotland. We do, however, believe there is an opportunity for development through establishing priorities and models of support which allow for arts and culture to play a greater role in tackling inequality and supporting inclusive growth.