

## **EDINBURGH FESTIVAL FRINGE SOCIETY – BUDGET SCRUTINY CEEAC COMMITTEE.**

The Board and Executive of the Edinburgh Festival Fringe Society congratulate the Cabinet Secretary for Culture and External Affairs on securing increased investment for the arts, and we welcome the First Ministers pledge to invest significantly more in the coming years. We understand the pressures and constraints of the time, and the efforts to support arts and culture when there are so many pressing and extreme priorities is much appreciated. However, we are keen to understand the detail of how and what will be supported, and we know that even with what has been pledged it will not yet be enough to address the systemic change that is needed, to address the sustained disinvestment over many years, and the historic underfunding. We want to work with Scottish Government and its agencies to maximise the opportunity for our sector, we want to collaborate and find new ways of doing. If the new money pledged is to have the greatest impact then we need to be at the table working through what that looks like and in genuine strategic partnership.

The Edinburgh Festival Fringe Society is the charity that was founded by artists to provide central services to the Edinburgh Fringe. Including central box office and navigational tools for audiences, support advice and information for artists, and promotion of the Fringe locally, nationally and internationally. We also nurture and uphold the Fringe's values of inclusivity, freedom of speech, experimentation and imagination. Over the last 12 months the 'perfect storm' within the operating environment for the culture sector has remained, with limited evolution since the 'end' of the pandemic. The Edinburgh Festival Fringe reflects a microcosm of the cultural sector across the UK and many of the sector wide challenges are felt acutely by Fringe artists, producers and venues.

The Fringe is a largely unsubsidised festival, with every artist, company and venue taking the professional and personal risk to put on their shows. Many Fringe venues and companies are still carrying debt from covid recovery loans, including the Fringe Society; 2024 is a critical point in the shift to 'break even' to begin to build a more stable future. While there have been discussions regarding new interventions from various funders and agencies to support the 'new normal' nothing has been implemented in the last 12 months and uncertainty remains.

As outlined in our evidence in autumn 2023, since 2022, covid recovery funds and employment support programmes have ended, so the pressures on the financial health of our charitable organisation have increased. The Fringe and the Fringe Society have worked hard, with limited resources to invest in change management, to adapt to a new operating environment (living wage, e-ticketing, wellbeing, sustainable practice), but many of the challenges remain insurmountable in the face of rising inflation, shortage of skilled workforce, reduced funding and private investment, and a cost of living crisis that impacts audiences and artists alike.

Recovery and support of the Fringe is also important to the cultural health of Scotland; over 900 shows from across Scotland present their work each year, testing out work and building their professional network and portfolio; the touring and production houses across Scotland discover new talent and content to stage at their own venues; and the Fringe employs an estimated 3,000 people each year 'off stage', in tech, stage design and build, costume, scriptwriting, front of house, box office, and so much more. The Fringe is a national and international asset for Scotland. It exists because of the ability of artists and companies to make work and the venues showcasing that work. This ecology is only sustainable if artists are supported, companies nurtured and venues can operate in a viable operating context, with the Fringe Society in a solid position to underpin with core services. We welcome the promise of new investment and hope that it will have this multi-layered, sustainable approach.

In 2020 we were clear that the impact of covid would need a 5-year recovery period for the Edinburgh Festival Fringe Society and Fringe. We now know that the operating context has changed radically, and our old economic models are not sustainable for the long term – for both the Fringe Society and the Fringe itself.

As the largest arts event on the planet, the Fringe helps Edinburgh and Scotland promote itself across the globe, and the economic impact of the Fringe each year outstrips the benefits of one-off major events – it is reported that the 2023 UCI World Cycling Championships was set to return approximately £67Mn for an investment of £60Mn, while the Fringe returns well over £200Mn each year for an investment of around £1Mn per year across all Fringe operators - yet there remains no strategic or joined up approach to supporting this incredible cultural phenomenon and the Fringe often falls between the gaps of the government funding agencies. We are

acutely aware of the strained context for the public purse and the competing priorities for limited funds. We urge government to ensure that when money is available that the choice is made to support long-term, homegrown initiatives that deliver for the nation culturally, socially, economically and reputationally. It cannot be right that something as vital as the Edinburgh Fringe can fall through the cracks of government agencies whilst one-off, bought in events receive multi-million support packages, with none of the sustained impact.

### **Investment in cultural product**

There are many reasons an artist may come to the Fringe, but for many the Fringe reflects a truly international marketplace where their professional work can be booked/bought for onward touring and new collaborative relationships are formed. This central cog in the performing arts sector across the UK and Scotland is reliant on the efforts and investment of artists, producers and venues, all underpinned by the services and support provided by the Fringe Society. The investment made each year by companies in their long-term future and onward touring (their cultural product) contributes for many years to a wider export of Scottish and UK culture across the Globe. A great example of that is the Scottish Government EXPO funded 'Made in Scotland' where Scottish artists are financially supported to be part of a Scotland showcase at the Fringe and for onward touring.

Without ongoing investment in the Edinburgh Festival Fringe as a platform for showcasing professional work there will be a sustained decline in the variety and quality of work presented on stages across Scotland, from Inverness to Dumfries – this in turn will lead to a decline in the health and viability of regional venues and arts communities, who rely on the certainty of tested, high quality work emerging from the Fringe each year.

### **Full financial recovery of the Fringe Society**

The Fringe Society needs to be able to deliver its services to a quality and standard befitting the world's most important open access performing arts festival. We deliver services across several core areas: Digital infrastructure and Box office; Artist Support, Industry and Marketplace; Marketing, Communication and Sponsorship; External Affairs and

Advocacy; Fundraising, Friends and Alumni management; Community Engagement, Access and Learning; and the operations support behind the charity, including management of our built and digital assets, HR, finance and retail. Operating year-round with under 40 staff, our cost base is largely people and technology.

Our approach:

- Be as lean as possible in our delivery.
- Seek efficiencies through digital or automated solutions.
- Continue to collaborate with cultural partners and sister festivals on specific pieces of work.
- Be uncompromising in our effort to provide first class artist and customer service.
- Continually monitor our delivery mechanisms to ensure we best serve the Fringe and our constituency.
- Add to our human resource only when there is clear need, rationale, there is no other solution, and ideally have secured income against additional cost.
- Commitment to the affordability of our services for artists, income generation against specific targets, and the affordability of the Fringe for artists and audiences.

Whilst the Fringe is now over 76 years old, the Fringe Society will not be bound by the limitations of how things have been done in the past, but will flex to new opportunities and new and better ways of doing things going forward, as long as this is in service to the performing arts. However, without significant core investment we are at serious risk of losing our leading position. With other cities in the UK and other nations seizing the opportunity and providing significant investment for ambitious cultural projects and events – Edinburgh's festival city status is looking diminished. We need to be able to be relevant, ambitious and competitive, and we need to be able to attract local and international talent to work in our sector. We provide a public service that needs to be valued and attractive as a career choice.

As a largely unsubsidised festival there is no capacity to pass these costs to artists, venues or audiences. With an average ticket price of £12.50 in 2023, fringe artists and venues are doing all they can to ensure the Fringe remains affordable to all, and accessible to the people of Scotland and beyond. Evidence of the positive impact of participation in culture is clear

– for mental health, wellbeing, social cohesion and community – and the Fringe is a rare space for people to see high quality professional work at such an affordable price. While many other events and festivals offer concessions for those who are unemployed, there remains a large section of society who suffer from in-work poverty who fall through these gaps, and would likely pay no less than £30 a ticket at any other event. The Fringe is also unique in the quantity and quality of free to access work, on the stages and streets of the City. If the Fringe is to remain affordable then it must be able to resource the creation and production of the range of high quality work available through means other than increased ticket prices, which means the Fringe Society must be able to secure funds for the crucial services delivered in support of the Fringe from alternative sources. Future reduction in service represents a significant risk to the performing arts marketplace and international reputational risk to the Fringe Society – the long ranging benefits and ecosystem to performing arts across Scotland and beyond, and the economic impacts to Edinburgh and Scotland. Our most challenging years to date have been 2022 and 2023. Our team was depleted from the economic impacts of covid, and we lost many staff through the enormous demands of delivering with minimum human and financial resource.

The Fringe Society in the 21<sup>st</sup>C needs to have an organisational culture that looks after its people, that is exacting and fulfilling, but does not put unrealistic expectations or workloads that break people. In short, we need to have a team that is commensurate with the task of providing support for the world's biggest performing arts festival, the global reputation and brand of the Edinburgh Fringe, and fit to respond to strategic partnerships and creative opportunities.

The community of people who make the Fringe happen each year are creative and entrepreneurial; the ask is not, therefore to become a curated festival and to fund the creation and delivery of all work produced at the Fringe, the principle of inclusion and open access and the ambition to be largely self-funded remains. But there needs to be investment in the platform and infrastructure that underpins the festival, to offer some underwriting of the risks and costs, which will, in turn, create jobs, improve artist and visitor experience, and allow the focus of those who make the festival to be squarely on the production of their best work for their long term professional development. As an example if the Fringe was supported by £1.5Mn per year across the festival (that would represent a 133:1 ROI for

£200Mn economic impact each year) – most of which would be spent on the supply chain of Scottish businesses who provide services to the festival each year.

