



OFFICIAL REPORT
AITHISG OIFIGEIL

Constitution, Europe, External Affairs and Culture Committee

Thursday 21 September 2023

Session 6



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**CONSTITUTION, EUROPE, EXTERNAL AFFAIRS AND CULTURE COMMITTEE
25th Meeting 2023, Session 6**

CONVENER

*Clare Adamson (Motherwell and Wishaw) (SNP)

DEPUTY CONVENER

*Donald Cameron (Highlands and Islands) (Con)

COMMITTEE MEMBERS

- *Neil Bibby (West Scotland) (Lab)
- *Keith Brown (Clackmannanshire and Dunblane) (SNP)
- *Kate Forbes (Skye, Lochaber and Badenoch) (SNP)
- *Mark Ruskell (Mid Scotland and Fife) (Green)
- *Alexander Stewart (Mid Scotland and Fife) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

- David Avery (Prospect)
- Kara Christine (Artlink)
- India Divers (Museums Association)
- Duncan Dornan (VOCAL Scotland)
- Liam Sinclair (Federation of Scottish Theatre)
- Pamela Tulloch (Scottish Library and Information Council)

CLERK TO THE COMMITTEE

James Johnston

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Constitution, Europe, External Affairs and Culture Committee

Thursday 21 September 2023

[The Convener opened the meeting at 09:02]

Pre-budget Scrutiny 2024-25

The Convener (Clare Adamson): Good morning, and a warm welcome to the 25th meeting in 2023 of the Constitution, Europe, External Affairs and Culture Committee.

Our first agenda item is evidence as part of our pre-budget scrutiny on funding for culture. We are delighted to be joined this morning by Duncan Dornan, who is an executive committee member at VOCAL Scotland; Pamela Tulloch, who is the chief executive of the Scottish Library and Information Council; India Divers, who is the policy and campaigns officer at the Museums Association; David Avery, who is a negotiation officer at Prospect; Kara Christine, who is a senior programme producer at Artlink; and Liam Sinclair, who is co-chair of the Federation of Scottish Theatre.

This is a round-table discussion and we want it to be quite free-flowing and not too formal. If you want to come in, please indicate that to me or the clerk and we will try to ensure that everybody gets an opportunity to come in.

I will open with a question on our report from last year. The theme that came out of that was the perfect storm that is facing arts and culture. Thank you all for your written submissions, which have been very helpful. I will open with a question for all of you. What has changed in the operating environment over the past 12 months, what impact has the cost of living crisis and current financial situation had on your organisations and has that impacted on the services that you have been able to provide? We will hear from Duncan Dornan first, please.

Duncan Dornan (VOCAL Scotland): That is a central question. Obviously the report last year identified that the sector is facing a perfect storm. At that time we had depressed income on the back of Covid, budget pressures and increasing operating costs. Although the footfall into cultural venues has recovered very well after Covid, the impact of the cost of living crisis has meant that income has not recovered equally. Although we have more footfall—and ironically, therefore, more costs, in many cases—income is still depressed, relative to the pre-pandemic period.

At the same time, the level of funding from local authorities continues to be under pressure, which is having a significant impact across most of local authorities' cultural provision. After 10 years of cuts, we have arrived at a point where the invisible reduction has gone. Historically, we were able to take out back-of-house functions and reduce investment in maintenance and so on in order to maintain the level of public provision. We are now in a position in which that is no longer possible and we are beginning to see cuts in programming, workshops and the quality of public provision, which will have a major impact.

We know that culture is a very cost-effective way of improving health and wellbeing, and that it very effectively reduces expenditure on primary healthcare. We also know that it is very effective in driving tourism and in generating income and inward investment, but there is depletion of our ability to do that, which will have major long-term consequences.

After more than 10 years of budget pressures, the sector generally is losing not only public-facing provision, but its ability to bounce back to deliver major high-quality activities. An example, as you may be aware, is that this year the Burrell Collection in Glasgow won Art Fund's museum of the year award, which is a major international prize. Simultaneously, however, the service is removing 38 posts, or 12 per cent of its workforce. Our ability in the longer term to deliver projects of such international status will be very heavily impeded.

Kara Christine (Artlink): I echo much of what Duncan Dornan has said. Conditions continue to be very tough. Increased costs and stand-still funding are eroding our capacity to address the exponentially growing needs of people with complex disabilities and the double-whammy that they are facing with increased cost of living pressures and the reduction of funding for social care. On staging of locally based activities, people with complex needs have no access because there is no staff member available to bring them.

We have to respond in a much more local and smarter way, with much more partnership working. The continued erosion of local government support for the arts is very marked, at the moment. The move to transfer of responsibility for cultural assets is a challenge for local communities, which face the maintenance costs of buildings. Such transfers are not necessarily an opportunity for some of the communities where we operate—in, for example, West Lothian.

We are trying to challenge the narrative of the difficult decisions on annual budgets and unknowns. We have done that for years; the arts sector is expert at responding to the unknown. We are, consequently, trying to reduce uncertainty by

developing high-quality work, which involves partnership working and identifying new resources, different ways of thinking and ways of collaborating with our public partners and third sector organisations. We are trying to move away from a transactional model to a longer-term way of thinking to see how we can bring in investment and increase not just the cash possibilities, but our experience and knowledge and how skills can be valued.

That is for the people whom we work for and the sectors that we operate in. We are not thinking just about resources in hard cash; we are also thinking about the creativity and ingenuity of the people whom we work with, and about how they see the world and how that can enrich and offer new opportunities.

We are focusing on what the Christie commission said in 2011, the report of which is not in the slightest an outdated document: we are still inspired by that document. We are still looking at ways to reduce demand or higher-tariff public spend by working in a much more imaginative and early-action way.

I will let somebody else take on the next part of the discussion. We are looking at much more proactive ways of working.

India Divers (Museums Association): The museums sector in Scotland is at a crisis point at the moment, with very difficult situations being faced by museums across the country. There has been a hollowing out of services, and continued cuts put more and more pressure on museums.

In 2021, the Museums Association conducted research into local authority investment in museums after a decade of austerity. During that decade, local authority investment in museums decreased by 23 per cent. Since 2021, we have had the cost of living crisis, with the continued pressure of rising costs of maintenance and energy. For museum project funding, by the time a project comes to delivery the costs might have gone up so much because of inflation that it is not deliverable. The cost of living is continuing to have a real impact on museums.

A lot of museums have very strong visitor numbers and have had a return to pre-pandemic levels, but some are still struggling to return to those numbers. Often, it is the museums that charge for entry and some of the independent museums that are not experiencing the same return to previous numbers. That is because of the cost of living; people are more likely to go to the museums that have free entry. If a museum is charging for entry, visitors perhaps come only if there is an extra event or activity running, so that they get more for their money. That is having an impact on museums' income.

The museums that have free entry have a lot of pressure now and are thinking about moving towards more commercial models and considering having to charge for entry. That causes some concerns, especially during the cost of living crisis. Last winter, many museums opened up as warm and welcoming spaces and were essential parts of the community, in offering that service. There are real risks in museums moving towards a model of charging for entry. We need to look at who will be excluded and who will be left behind, if that is the path that we go down.

David Avery (Prospect): I echo what my colleagues have said. Although there has been recovery in visitor numbers, it is uneven. Across the various institutions and companies, some are recovering but others are not. As has been noted, numbers having recovered does not necessarily mean that income has recovered.

In terms of budgets, there is more of the same: there are flat budgets and increased staff pressures, which are leading to difficult conversations about staffing levels and pay. National Museums Scotland has not had the money for the April 2023 pay round released to it yet. That continues to be the case in September and we are having more discussions with the Government about that today.

We continue to have real issues around pay negotiations because of the level of budget that has been assigned. I believe that for the past three years we have had to have an intervention from Government to bail out National Museums Scotland, the National Library of Scotland and the National Galleries of Scotland to allow them to make a pay award that is broadly in line with what has been paid to other members within the public sector. It is likely that that will need to happen again this year because it is simply not possible, because of frozen funding and the pressures that others have talked about, for them to make savings within budgets in a way that an organisation such as the Scottish Government is able to do. Unless they move towards doing something like closing properties or starting to charge more, they are not able to make those kind of savings.

In terms of the cost of living impact on services, there is higher turnover of staff, particularly in visitor-facing roles, in respect of which organisations are competing not just within the sector but against private sector organisations, which offer significantly higher salaries. That is having a real impact. We saw the closure of Modern Two last year, which was in part—although not entirely—because of staffing levels. There is a higher turnover in specialist roles; curator and conservation staff are leaving the sector because of pay and insecurity of

employment resulting from insecure funding. We have members coming to us saying, “This is what I want to do. This is what I have wanted to dedicate my life to, but I simply cannot afford to stay within the sector anymore.” That has become more and more acute over the past two to three years, with the cost of living crisis and the challenges that it is presenting to people in relation to the cost of staying in Edinburgh.

Unfortunately we will see more of the same, with more of that storm continuing to hit the bodies. Those that are centrally funded by the Government are in a slightly better position, in that they can come to Government for more funds, but our members who work in charities and smaller museums are absolutely at the whim of Creative Scotland and often find out what their funding is only at almost the 11th hour. If that means changes to staffing levels, it has a huge impact on individuals.

09:15

Pamela Tulloch (Scottish Library and Information Council): A “perfect storm” is the perfect way to describe the situation that libraries find themselves in, at the moment. The SLIC submission mentions that it is not just the past 12 months that have been challenging, but that it is the accumulation of what has happened in probably the past 12 to 15 years, since the credit crunch and public sector austerity.

As you all know, public libraries are funded either directly or indirectly through local government. In your papers for today’s meeting, you will see highlighted that a 36 per cent decline in investment in libraries has taken place over the past 10 years. To make what that means real for people, I point out that we have heard about a hollowing out of services and services trying to manage on flatter and declining budgets, so what we have seen is reductions in opening hours, closures of libraries in some places, reduction in staffing levels and a real hollowing out of support staff, who are needed to enable front-line staff to carry out their duties effectively.

We have also seen quite a decline in investment in the bread and butter of the library—the book fund. Over the past five years there has been a 26 per cent decline in investment in that offer to the public. To make that real to people, I point out that that represents a more than £2 million reduction every year in funding for materials for the public to borrow across Scotland. That has a direct impact on what children can borrow from libraries. Of course, such borrowing supports attainment in literacy, which is extremely important for life opportunities and chances.

Digital inclusion is another big issue. We are seeing the digital divide growing rather than contracting—which is very disappointing—despite the best efforts of library staff on the ground to support the public in their needs. We heard talk just now of health and wellbeing, and the role that culture and libraries play in supporting that. That has never been more important and more needed than it is now, yet this is a time when the library sector cannot respond as it would like to respond best.

We have heard about collaborative working. There is what is known as the collective force for health and wellbeing, which supports the chief medical officer’s realistic medicine agenda. It involves SLIC, the national health service, the Health and Social Care Alliance Scotland and Digital Health Scotland coming together to deliver services in local libraries that help people. For example, NHS Near Me is working with Diabetes UK and Alzheimer Scotland to support people who are suffering from dementia and so on, but such things can happen only if the libraries are there and have reasonable opening hours and staff who can help to support all that.

Evidence has come forward that every £1 that is spent in public libraries brings £6.75 worth of benefit to the community. That is great, but equally, you can turn that on its head: for every £1 taken away from public libraries, that £6.75 of benefit is taken away from the community. It is a tricky situation in which we find ourselves. I think that the sector has been extremely resilient and creative in responding, but the trajectory that it is on cannot continue if we want to offer what Scotland has a proud history of, which is a very strong and vibrant public library offer.

Liam Sinclair (Federation of Scottish Theatre): The Federation of Scottish Theatre is quite a diverse body. It is worth pointing out that, as well as our members who operate theatres and present and tour professional productions, we have members who work across a range of community, education and social contexts, including—this picks up the point that was just made—those who make direct therapeutic interventions to address a range of policy areas.

In answer to the question, all our members report that the situation has got worse in relation to the impacts across services and the reduction in the choices that can be offered.

A material issue since the last time the committee took evidence ahead of the budget relates to the journey through the Parliament that the Scottish Government took the culture budget on last year. It would be difficult to overstate the erosion of faith and trust among our members that resulted from that journey. The culture budget was cut—albeit that funding was reinstated—which left

people feeling less clear than they should have been about the vision under which we are all operating for the delivery of cultural services in Scotland. That has had a corresponding impact on the health and wellbeing of the workforce.

I will pick up the points that colleagues have made. People are making significant choices about whether they want to work in the sector, and those people are a talented and experienced workforce that Scotland has been proud of for a long time. However, there is a great amount of determination in the sector. For example, members of the Edinburgh festival fringe presented a range of work and, once again, international promoters from across the world said that the quality of work that Scotland produces is truly world class.

We stand ready to make a contribution, but we are at a tipping point. The passage of the next budget through the Parliament and, indeed, the passage of subsequent budgets will be tipping points. With tipping points, there is the opportunity to build forward. In relation to what that should look like, I draw the committee's attention to the Culture Counts submission, because our colleagues have done a great amount of work in putting a number on that tipping point in order to make change for the better. If the budget stands still—or, in the worst case, if there is a cut—there will be a tipping point and regression. That will have an impact on the ability of the culture sector and our members to deliver for the next decade or more.

The Convener: I will bring in members to ask supplementary questions based on the opening statements.

Donald Cameron (Highlands and Islands) (Con): I am very struck by the starkness of what many of the witnesses have said today and in their submissions. Liam Sinclair from the Federation of Scottish Theatre described a tipping point. His submission states:

“There is no space closer to the edge to move to.”

My question is to all the witnesses. If we are at a tipping point or a breaking point, what does that mean in practical terms? Pamela Tulloch touched on potential closures, staff reductions and so on. I am keen to understand what it would mean in practical terms in relation to day-to-day operations.

Liam Sinclair: It would mean a retraction of services across what our members do. Fewer of those world-class productions would be presented, so the Government's cultural export agenda would be impacted. At the therapeutic end, choices would need to be made to prioritise services that had a greater chance of generating revenue, so the commercial agenda would outweigh the social impact agenda. Our members do not see it that

way—they see revenue generation as a necessity, but they absolutely believe that cultural services should deliver a social purpose.

I think that there would be mass redundancies in the sector. There have been a number of comments about people choosing to leave the sector. We are not quite yet at a point of mass redundancies, but members will be aware of some notable cases in the past year. In order to maintain integrity and to trade, organisations must have a healthy balance sheet, so they would have no choice but to think about what it would mean for the workforce. Nobody wants to go there, because we take great pride in the skill, talent and ambition of the sector, and that is built on a brilliant workforce, but there is no more room to move; we are on the edge. I do not want to labour the point, but we are at a point at which we need to make a choice about what we want our culture sector to look like in the next decade.

Duncan Dornan: Liam Sinclair mentioned job losses, which are symptomatic of the fact that institutions have nowhere else to go. The last two things to happen are job losses and the closure of venues. Job losses are having an impact on the level of programming and on the level and quality of content; they will have a longer-term impact on Scotland's ability to deliver world-class content. The next step after job losses is the closure of venues.

Liam Sinclair described the sector as being on the edge. There have been job losses, which are a symptom of having nowhere left to go. Those job losses will have an impact on provision, particularly on public sector provision for the most disadvantaged and excluded in society. Our latest data shows that 50 per cent of our Scottish audience come from quintiles 1 and 2 of the Scottish index of multiple deprivation, so the poorest people in society are using our cultural provision. If funding is reduced, those are the people who will be hit most directly.

Pamela Tulloch: I will set out how things would play out if libraries were put under further pressure. Libraries remain the most popular service that local government provides, and we have seen footfall return to pre-pandemic levels. To make that real for people, I note that more people probably use their local public library than attend Scottish premier league football matches, so we are talking about really strong engagement.

We know that libraries help those who are socially isolated, have a positive impact on attainment and address digital exclusion. They have had a strong offer to support individuals and families through the cost of living crisis, they support people into work and help people to remain in work through skills development, and they reduce mental health and wellbeing issues.

Those are the societal impacts, and you could expect to see those problems being exacerbated if the library offer was reduced.

The Convener: I have a quick question. Are libraries being used as warm spaces, in the same way as museums are being used, as was mentioned earlier?

Pamela Tulloch: Yes. Public libraries have been a strong anchor in offering families support during the cost of living crisis. They are certainly warm spaces, but they also provide activities. We do not want libraries just to be pity places for people to keep warm, so there has been a strong offer of programmes to support people through the cost of living crisis. That has been good for mental health and wellbeing, too.

India Divers: I echo a lot of what has been said about the risk of job losses and closures. Often, the first jobs to go are learning and engagement roles and audience-facing roles, and a reduction in the number of those roles will have a direct impact on our communities, our audiences and the most vulnerable people in society.

There is also a risk relating to maintenance costs. There are real risks if there are leaks and if there are no appropriate buildings in which to store our collections.

In relation to salaries, people will keep leaving the sector. The issue of people in front-of-house roles leaving has already been mentioned. A lot of museums cannot keep up with the competitive wages that people might get in companies in other public-facing sectors such as supermarkets. The same is true in relation to information technology and human resources roles. The competitive salaries that other sectors can offer mean that we will find it harder and harder to fill such positions.

I want to highlight the picture across the United Kingdom, because the Museums Association is a UK-wide membership body. In England, some councils are declaring themselves bankrupt, which means that there is no money for anything that is not a statutory service, including museums. If we continue on that road, there will be quite a bleak picture. In Cardiff, there was a proposal to close a museum and turn it into a mobile attraction. Luckily, there was a U-turn due to campaigning, but we can see the kind of picture that is forming across the UK and the path that we are going down. If action is not taken to stop this, that is where we will end up.

09:30

David Avery: I will make a point similar to the one that India Divers made about facilities. Our submission and a number of those from other respondents show that pretty much everyone now

faces a choice between reducing staffing levels, reducing opening hours, closing properties and making other divestments. There is very little choice for organisations; they have to choose one of those things. I am proud that, in public bodies and some of the larger charities, rates of pay for heritage staff in Scotland are slightly higher than they are in the rest of the UK. However, unfortunately, that just speaks to how bad things are in the rest of the UK; it does not mean that we are in a good position.

We are losing and will continue to lose some of the less visible work, such as collection care and cataloguing. The national collection has millions of uncatalogued items, so it thinks that it has some items but it is not sure, and we have seen the problems that that caused for the British Museum. That work is under pressure, as is work around digitisation and conservation. The National Library of Scotland talked about having to delay work on critical infrastructure. The failure of a temperature control system, for example, has a huge impact. Organisations can choose not to replace some stuff, but, if something fails, the costs to replace it are far higher, and there is the risk of losing irreplaceable parts of the collection.

Our members care about those things and are concerned. They say to us that they are very worried about what the situation might mean for the collection. That is the case for centrally funded museums but, when I speak to members who work for charities and so on, I can see that the problems are even more acute for them.

The Convener: India Divers mentioned that the speed of the cost of living crisis and inflation meant that funded projects were now no longer viable. Does that mean that they are being cancelled or scaled down, or is it a bit of both?

India Divers: It is a very live issue. Museums find themselves in situations in which they have applied for funding and are now having to find the money to deliver the projects. Although they said, "This is the budget, and this is what we can deliver," costs have now gone up, so the projects might have to be scaled back slightly or museums might have to dip into their own money to try to deliver them.

Kate Forbes (Skye, Lochaber and Badenoch) (SNP): Over the summer—this relates to Liam Sinclair's point—I had the privilege of seeing the quality of the creative and cultural industries, particularly across the Highlands. I want to focus a bit more deeply on three questions, which pick up on Kara Christine's point about preventative spend and the need to acknowledge and quantify the wider outcomes that culture spend can deliver, because I think that all of us have continued to be inspired by the Christie commission. Preventative spend has been notoriously difficult to do, because

any fixed budget requires funding to go up in one way and down in another way.

When it comes to the public discussion about funding the creative and cultural industries, to what extent do you think that progress has been made in acknowledging that culture contributes more generally to outcomes? When I talk about acknowledgement, I do not mean politicians saying, “We accept that”; I am talking about the concrete movement of funding. That might be a short answer.

Secondly, when it comes to more general outcomes, Duncan Dornan talked about the impact of culture on health and wellbeing, education and the economy. As we have seen in the Western Isles, it has acted as a tool for reversing depopulation, through spending on MG Alba. What further work would you like to be done to demonstrate and quantify the wider impact of culture spend that can be used as proof, for want of a better word?

My third and final question—I am just throwing them all out there, because I thought that you might be able to pick up on different elements of each—is about partnership working between the private and public sectors. I am talking, for example, about joint projects with the NHS or with organisations that are tasked with delivering economic outcomes and so on. To what extent have you seen growth in such partnership working so that some of the risk around projects can be shared, with the result that not just the museums, for example, have to fork out, but they can partner with other organisations?

The Convener: There was a lot in there. Kara Christine, would you like to come in?

Kara Christine: I am probably best placed to answer your third question. I hope that you do not mind me illustrating your point with some life examples. Do rein me in, convener, if you need to. We have been developing our services to support adults and young people with neurodiversity, complex needs and mental ill health, but we innovate at the same time. If you can focus on the individual, very complicated solutions to individual and collective social problems become apparent. If you act at a local level, you can scale up approaches.

I will give you a couple of examples. We work with adults with profound and multiple learning disabilities and complex needs in our day centre in Bonnyrigg. Through some innovative resource transfer from part of a care assistant’s salary, the manager has brought us in to provide creative learning for their staff team. People with profound and multiple learning disabilities have unique views on the world and how they sense the environment. We want to look at how they see

skills development and what the ambition is for people to continue to learn, despite having cognitive disability. Can we change what the centre looks like? Can we programme imaginatively what happens there? Can we use artists across disciplines to refresh and imagine what that could be? For a very small amount of money, we have a year-long programme where staff are engaging in sound, light, vibration, movement as communication and product design. We have turned a team of action group workers into product engineers to redesign very simple objects to engage the people whom they support on a deeper level.

The University of Dundee identified the value of our work. I think that this is an important point. As a sector, it is sometimes very difficult for us to articulate the social and financial value of what it is that we bring to health and social care, education and community. The University of Dundee evaluated the role of our work on a relational level and identified its value in directly improving the quality of care within health and social care in learning disability. The interdisciplinary collaborations that we explore through working with occupational therapists, healthcare, social care and education save so much money in stopping referrals.

One of the projects that I run is a children’s project in eastern Midlothian, which involves working with kids who have been out of school, some of them for more than three years, as a result of emotionally based school avoidance. Nobody knows how to fix that and nobody has simple answers to that; the answers come from just listening to what the individual needs. I am a kind of fairy godmother of the education world, in that I go in and find out what a young person is interested in. That could be ferret care, astronomy or graphic design. We match that young person with a practitioner—an expert, whether from the arts or the non-arts field—and we make something concrete happen that lifts attainment. We can combine whole-systems-approach money, LAC attainment funding and community mental health framework funding and pool those resources to almost innovate a new service. If we do not have the innovation funding, what we need is longer-term strategic investment in a coherent way so that local authorities can be given the permission to bring in new services that solve those very complex problems.

The Convener: I have a small supplementary. In terms of the work you do in education, do you ever know where the funding is coming from? Is it pupil equity funding?

Kara Christine: It would be PEF. The other point to make is that there is a double whammy, as I mentioned earlier. We will also use Skills

Development Scotland funding within the adult learning and mental disability terrain, but because the eligibility criteria for SDS funding have changed, families no longer have as much funding or they might not have funding at all, so they can only buy in what exists. I suppose that it is becoming a transactional model; it is like purchasing services and support. If we cannot innovate from what is there, they can only choose from what exists, which is further reduced by a reduction in arts money.

What we need is multiyear funding. We have been moved from a regularly funded organisation to an open project funded organisation, which means that we have to fundraise for our salaries at the same time as delivering and innovating in the sector. That is a very hard job to do. We should be allowed to do what we do best—to reduce ongoing costs and to reduce child and adolescent mental health service waiting lists because somebody does not need that assessment as much. That is where I think we should be at.

Duncan Dornan: The question about funding culture and the impact on wellbeing is quite central here. There is a widespread political acceptance that it is a fact that culture has an impact on wellbeing, and we have enormous academic information to back that up. Within the sector, we accept that, and I think that the public do, too. I think that there is widespread acknowledgement that cultural engagement is a good thing, and our audience demographics in Glasgow's museums reflect that. It is what the poorest in society do in leisure time.

However, the funding models that we have do not support the arts being delivered at scale to have a sufficient impact. Currently, the sector is essentially in an annual cycle of managing decline, and that soaks up enormous amounts of capacity. We have to simultaneously implement last year's cuts and begin to plan to deal with next year's cuts, which leaves no scope to look at funding models and, in the longer term, create new, sustainable models that respond constructively to the society that we are operating in. That is one of the difficulties. If we had a period of stability to allow us to re-imagine our services, we would be able to achieve more and to meet public aspirations but, at the moment, we are all individually fighting for survival and we cannot do that.

Liam Sinclair: I echo what Kara Christine and Duncan Dornan have said. There are a lot of good examples of work out there, and we know that that work works, but it is quite ad hoc and reactive. That is under more strain because of all the things that we talked about in the first round of questions. With the refresh of the culture strategy, there is an opportunity—I will stick with the tipping point

theme—to move from a reactive to a strategic position. A couple of things would be quite transformative. The first would be to agree a commitment to ring fence the portfolio money that has been talked about for quite some time across Government. Kara Christine talked about a design process. If you design products or services, you commit to a prototyping phase. Let us commit to some mass prototyping of interventions across portfolio that build on the extraordinary work that has already gone on there and ring fence some money for that.

Together with that, we need to look at what the agreed metrics will be, because there is a lot of understanding at quite an implicit level that the contribution to health and wellbeing and education outcomes is there, but we are all working to slightly different evaluation metrics. If we could work to a unified set of metrics while prototyping within the context of a refreshed culture strategy that works towards the Government's goal of transforming to a health and wellbeing economy, that could be truly transformative over the next decade. I would love to imagine people sitting around this table in 10 years' time and saying, "Wow! Look at the evidence base for how we have transformed Scotland through cultural intervention across every Government portfolio area."

Pamela Tulloch: I echo what everybody has said, but I want to come at the issue from a libraries perspective. I have thought hard about Kate Forbes's question about acknowledgement, the progress that has been made and what would be proof of that, and I want to focus on "A Collective Force for Health and Wellbeing", which sets out the collaborative approach that is taken in the library environment. One of the strengths of that is that all the partners were at the table together at the beginning. They had a common goal; as a result, that really punches above its weight. In some scenarios, libraries or the culture sector are invited to take part at a later stage and are expected to contribute and do something at that point, but it can be very impactful to be at the table right at the start and to be able to outline what the culture offer is. I think that libraries have a strong evidence base of doing that with a range of partners. Part of the unique selling point of libraries—they probably share this with museums—is that they are trusted safe spaces and the staff have the skills to work with a range of organisations to bring things to life.

09:45

Reflecting on last year, we had a national reading moment called "Keep the heid and read!", which had a focus on mental health and wellbeing. A range of third sector and private industry organisations promoted it, as well as the library

sector. Everybody was there at the start—at the planning stage—and they all had a common goal. Similarly, with NHS Near Me, it was not a case of the NHS approaching libraries and asking, “Can you help us?” It was a true collaboration that came through from “A Collective Force for Health and Wellbeing”. Again, the process of discussing, developing and rolling out the project involved all partners. That kind of model involves a move away from considering who brings what to the table and, instead, looking at how, collectively, we can bring things together to achieve an outcome.

India Divers: There is a recognition of the role of museums in contributing to health and wellbeing in Scotland’s museums and galleries strategy. We were very pleased to see that. At the Museums Association, our museums change lives campaign recognises the role of museums in contributing to health and wellbeing, and we encourage that work in the museum sector. However, more work needs to be done to formalise that, to move it away from being ad hoc, as Liam Sinclair said, and to join up the work that is being done. Partnership working is happening, particularly when it comes to social prescribing, and museums are doing work in that area.

However, there is a risk in the way that museum funding comes into a lot of organisations. A lot of the time it is project based and involves short-term roles. Effective partnership working takes a lot of time and effort, and such relationships have to be built over a long period of time and handled very sensitively. When the people who deliver that work are on short-term contracts, there is a real risk that, when they leave, the relationships will be lost and the people who have been involved in it will be left quite vulnerable because the work has suddenly just stopped. Therefore, we need to look at how we fund such work. It needs to involve permanent staff, and it needs to be part of the core of what our museums and cultural organisations deliver. We are at risk of damaging relationships if we do not formalise that work and provide adequate funding for it.

David Avery: To supplement the point that India Divers made, it is in that project work and that insecure employment that we are seeing a turnover in professional roles. People are employed on a fixed-term contract because the funding is not secure, even if they are working with more vulnerable groups to deliver something. The staff have no idea what will happen to them at the end of that contract period. They are the ones who are leaving. That is the group in which we are seeing the biggest turnover of staff; they simply do not know where the next job will be. It does not have to be like that. There are plenty of other areas where project work is normal, but it is undertaken by permanent staff. There is an understanding that there will be more projects, so

those people are kept on, their skills are retained and they are given security of employment.

One of our biggest areas of concern at the moment is that there is almost a two-tier workforce. There is a permanent workforce, whose members have security, fair work and the other things that the Scottish Government talks about, but there is a second group who are on fixed-term contracts, who do not have any security or certainty about what will happen if their funding runs out. That is why they often leave before the funding runs out, which is often at the most crucial phase of a project, in the last six months. They will be looking for a job somewhere else because they do not know what will happen next.

Kate Forbes: I will come back in briefly. That has all been extremely useful. The point that we could return to—maybe not in this session but in future—is the point that Liam Sinclair made, which is that if we accept that there are significant outcomes when there is joint working, how do we formalise that joint working on a macro level? That only worked between health and social care when joint boards had to share a budget. That is formalising it on a macro level—a universal level. We need to further unpack how we get to a point where people share budgets in order to embed preventative spend.

The Convener: I believe that it is on the Government’s radar to look at metrics and ways of measuring in order to get some standardisation. We know from our previous work how much time and effort it takes to prove any outcome. Any metrics or toolkits to do that would be very helpful.

Neil Bibby (West Scotland) (Lab): Thanks for the evidence so far. It is definitely a bleak picture that has been painted about the impact of budget pressures on the sector. Mr Sinclair earlier pointed to the evidence of Culture Counts that was submitted around the specific figure of a required 30 per cent increase in the portfolio budget. Obviously, we have heard about the impact that the current budget cuts have had. Do members of the panel support the figure that Culture Counts gave? If not, is there a specific figure that you are looking for in the budget?

David Avery: I genuinely do not know what the figure would be. I know the figure that we need for this year’s pay round, but that does not necessarily affect the need for a wider increase in the budget to address some of the areas that have been cut over the last 10 years.

What we absolutely need for those centrally funded organisations is for their funding to be at a realistic level where they can achieve the goals that we want to achieve around fair work, sustainability and wages and to allow them to compete on salary in a way that others can. That

is not what we have seen in the last four years and that has ultimately meant that the budgets have had to be revised to fill the gaps, which takes time.

I talked about this in our written submission. We were in a cycle last year where we eventually got that intervention and had to rush to make sure staff were paid before Christmas. I am not at a point right now where I know whether anyone who is working in National Museums Scotland, the National Library of Scotland or the National Galleries of Scotland will get their April 2023 pay rise before Christmas this year. I suspect that it is quite unlikely now because pay negotiations have not even started and the budget intervention that we are talking about is needed. Rather than saying to those organisations that it is a flat budget and that they should try to make savings when they have repeatedly been unable to do so, we need to acknowledge that they are not in the same place as some of the public bodies and that we need to look at the situation, or, alternatively, give them more options around how they can raise funding elsewhere.

In our submission, we talked about the museum freedoms that have been granted to some of the museums in England. I have to say that we are not overly positive about some of them, but being able to look at multiyear budgets, multiyear fundraising and being able to retain reserves in a way that is not possible right now is a huge challenge for these institutions, so we would support changes around some of their finance rules to give them more freedom to do that work. The situation is not without challenges. If there is not an increase in central funding, as referred to previously, where does the money come from? Does it come through a reduction in services; a reduction in opening hours; or an increase in charges? Does it come through sponsorship, which brings its own problems, as the book festival has found this year?

I would not put a number on what is needed, but I do not think that 30 per cent is an unreasonable figure. It is a choice that Government has to make. If the funding is not coming from central Government, it will need to be found from somewhere else, or services must be cut to the same level.

Duncan Dornan: It is difficult to put a figure on the increase that would be necessary. That figure of somewhere around 30 per cent represents the level of cuts that we have had. The key thing is that the services that we delivered 10 years ago are now dramatically different, as is public expectation of services and how we might deliver them. Given what has happened over the past 10 years, it is hard to estimate what we would need, in terms of funding. What we need is a period of stability to allow us to design services that are

genuinely fit for the 21st century and are genuinely effective. In the current model we do not have that.

The Convener: We have just published our culture report, which talked about what has been described as “donut funding”, which involves project funding but not core costs such as funding for staff—I think that you mentioned that you are fundraising for your staff. Would you like to see a more realistic funding model that reflected the support costs for projects rather than the projected outcome? I am seeing nods of the head. That is not good for the *Official Report*. Does anyone want to comment?

Liam Sinclair: Absolutely—nodding dog, nodding dog. There are a couple of points to pick up there. First, if you provide a good value level of stability at the heart of all of this, you get better outcomes, more systemic change and all the health and wellbeing stuff that we discussed in Kate Forbes’s round of questions. We can apply more focus to that transformation agenda if organisations are stable. I will not go into the specifics of what Culture Counts said, because I think that Lori Anderson is coming to see you next week, so she can talk about that then. However, it is safe to say that what Culture Counts says is based on a lot of research and it still represents extraordinarily good value for the public purse in terms of that intervention. If you can get the intervention of an amount of money, plus multiyear stability that allows the base to be consolidated and stable, you can have more energy, skill and talent focused on the transformation agenda for a world and a context that is changing fast, as everyone accepts.

Duncan Dornan: Your question is central. Scotland has an amazing track record of delivering large-scale capital projects—for example, the National Galleries of Scotland is opening the Scottish galleries this month. There is recognition of the need for staff to support that. However, the long-term impact of this funding pressure means that that is dissipated. A project can start hugely successfully and it will be staffed for a period of time, but eventually it succumbs to the general pressure on funding and becomes part of that revenue challenge. We are not sustaining some of the great things that we are achieving through that capital investment. That “donut model” phrase is a good way of describing it.

David Avery: The challenge with any assigned or hypothesised funding—this is not just a criticism of Government; this is also something that you get with charitable donations—is that it must be used for a certain purpose, it cannot be used to build the foundations that that project is standing on. It does not pay for the building, the IT system or the organisation’s infrastructure, which pays the staff. Further, as that foundation has been eroded over

time because of cuts to the rest of the budget, it is harder and harder to live with those things or move that money around. As I say, it is a challenge for charitable organisations when they are given a donation that must be used for something. Sometimes, those purposes were set out more than 100 years ago and do not translate into a modern context. However, we also see it with funding from Government, where you want to use it for a project and for support for that project, and that is something that we are not able to do.

Pamela Tulloch: Reflecting on and echoing what everyone has been saying, if we are looking for some quick fixes or something to alleviate the immediate pressures that the sector finds itself in, we need to look for the stability that Duncan Dornan mentioned and should not be asking for efficiency savings at this point. We need to let the sector find its feet. If there was an extra 30 per cent funding, that would be fantastic with regard to starting to move forward, because, as far as libraries are concerned, we cannot go on finding efficiencies without seriously disrupting the business model.

10:00

Neil Bibby: We have heard about what we could potentially do if there was extra funding that was particularly focused on health and wellbeing. I was struck by some of the evidence that was given by Pamela Tulloch earlier about the impact of library cuts on children and young people. I have a concern that, irrespective of what we would like to do in the future in terms of building up the culture sector, children and young people right now have less opportunities than they previously had, and, if we carry on the current trajectory, they will have even fewer. I want to specifically press the rest of the panel on the impact on children and young people of charging for museums and various other things, which was mentioned earlier—I know that Kara Christine was talking about the impact on disabled children and young people. If we are talking about outcomes, I am particularly interested to hear what people think about the impact the current budget trajectory will have on life opportunities for children and young people.

India Divers: I have touched on it a little bit already, but I think there will be a limiting of opportunities for children and young people if more museums move towards the funding model of generating income through entry fees. It is a real barrier. There will be fewer family and school visits, which is a real concern. On top of that, I have mentioned already that, when cuts are made in relation to cost-saving measures, it tends to be learning engagement staff that go first, and there is a reduction in learning engagement activities,

which has a direct impact on children and young people. Museums often offer a plethora of exciting and engaging activities for children and young people in order to engage them with the museum, because we know that we have to build those relationships and that we have to do a bit extra to engage audiences. We cannot just expect them to come into the space and find it engaging; we have to work with our communities and identify who is not coming and make efforts to attract people to those spaces. That includes making sure that the museum is an engaging space for young people and children. There is a risk that continued cuts will have a direct impact in that regard.

Liam Sinclair: To build on that point, lots of our members work in provision of participation for children and young people right across the country geographically as well as in terms of reaching across social divides. A lot of that work, which is done at zero cost or a very limited cost, is under threat due to the cost pressure of maintaining that. That raises quite profound questions around equality of opportunity and access.

We have members that deliver performance opportunities at world-class level. In Edinburgh, Imagine delivers the Edinburgh international children's festival, which is one of the festivals that is held up around the world as an exemplar of how to do that and do it well in terms of partnership working. The commitment in that regard is about giving children and young people confidence and the opportunity to transform their world view and how they feel about the world, regardless of what they go on to do next. Some people actively go on and choose a career in the culture sector, but the intention is about giving children and young people better life chances. There is a huge commitment to that but, as we have already said, there is an enormous strain in terms of funding. The risk is that, in order to provide the on-going service, a charging agenda creeps in, not through choice but through sheer necessity. Nobody wants that, because the fundamental principle that people are trying to deliver is equality of opportunity, because everyone deserves the opportunity to participate in these activities.

David Avery: To build on the point about cultural careers, this is one of the other areas where we have a concern about where we are with funding within the sector, particularly the gallery sector. Diversity is already a huge problem within the workforce. One of the concerns that we have about this insecurity of funding is that we are struggling to see what career paths into the sector exist that do not involve people having to go through a series of temporary, fixed-term, insecure jobs—unpaid, in some cases; just volunteering—because people will have to have done that kind of work in order to get a permanent role. Because of that, we cannot see how someone can now get

into the sector unless they have some means of support beyond the salary that they are paid to do the work. Our members say things such as, “I can afford to work here because my partner works for a bank.” That is a challenge, because that does not help with the next generation coming in. I can understand why people from the outside looking at a career in culture will be asking themselves the question, “Can I afford to do this? Is this something I can afford my children to do?”

Kara Christine: Neil Bibby’s point is valid. The children and young people we work with are the most hidden in society and face the largest barriers in accessing the support that is already there. There are huge supports there: myriad different initiatives that the Scottish Government has put in place, such as the looked-after children attainment fund, and there are very creative ways in which we can support young people. However, there is a lot of fragmentation and not a lot of coherency in how local authorities administer those funds or allow us to innovate services to be able to access those funds differently. We probably need a clear framework for that cross-departmental cultural investment on a national level, but also on a local authority level. What the strategy refresh is trying to do is look at the role of culture across all of those sectors, and to empower local authorities to take the risk in terms of buying in different ways of commissioning services to look at what can enhance educational cultural access for those children.

To give you an example, ring fencing was mentioned earlier. That would be amazing and an absolute springboard. Even just 1 per cent of the SNP commitment on level 4 funding would release £18.5 million ring-fenced funding for arts to lever in different types of resources. For every pound of public expenditure we are given in a local authority area, we try to raise another pound on top of that. That is pretty good value.

Duncan Dornan: Neil Bibby’s question is a good one. The cultural sector has been very effective at diversifying its audiences and attracting young people, and moving to a position in which its audiences reflect the communities in which the organisations operate. However, the activities that support that are those that are most vulnerable, given the financial pressure that we are experiencing. That desperation to keep the doors open is the final sign of collapse. When those activities go by the wayside, we build in a problem in terms of audiences down the line because we are not attracting the current generation of young people and are not becoming part of their everyday life. It is the area that is most vulnerable, given the current financial situation.

Keith Brown (Clackmannanshire and Dunblane) (SNP): Thanks for the contributions so

far. I spent two-and-a-half hours in Edinburgh central library yesterday, which means I spent more time in the library than at a Scottish Premiership game this week—that is unusual for me. For me—I am a new member of the committee—context is quite important here. India Divers made a point about the fact that we have seen eight councils go bankrupt south of the border, and there has been a 40 per cent reduction in funding to local government. The issue of assets being sold off in Wales was also mentioned. The idea that Scotland can be immune to that is a nonsense debate, as far as I am concerned.

Much of what has been said today has been said for at least 35 years. When I first joined local government in 1988, the same discussions were taking place, with words like “cliff-edge” and “crisis” being used. I think that, as Duncan Dornan said, we have seen continued managed decline in that period. In fact, it goes back to the mid-1970s when the Government had to go to the International Monetary Fund to get funding, but we have had managed decline in public services over that time, and 13 years of austerity does not help.

It is useful to understand the context. For example, Duncan Dornan’s submission says that there has been a 36 per cent decline in public library services between 2010-11 and 2020-21 and a 22 per cent real-terms decline in museums expenditure in the same period. It would be useful to know how that compares with the rest of the UK. The comparison is valid because the same funding underlies much of it. I would like to know where the Scottish Government is doing something good—I would not expect to get too much of that—or where it is doing something that is neglectful of or impinging on the cultural sector, which it could change. Liam Sinclair has made a couple of suggestions of potential ring-fencing and other things. I think that it is part of this committee’s role to reveal the context for what is going on and a feel for where the Scottish Government could improve or where it is doing well and it should do more of it. That is probably more relevant and useful to me in trying to get a handle on some of these things.

Duncan Dornan: That is a very good question. Our submission quotes some figures on the cuts. In relation to the rest of the UK, certainly for museums, it would appear that local authority cuts have been a bit more severe. That is slightly misleading. If you look purely at local authorities’ direct funding to museums in Scotland, you will see that the cuts have been less drastic. The figure that that does not recognise is that there is some direct central Government funding to most local authority museums in England, which compensates for the difference. Essentially, the

overall level of public funding has declined by about the same amount.

I have been in the public sector for a long time, so I know that you are right: we have been cutting pretty much for the entirety of my career. Miraculously we are still here. The problem that we have now is twofold. The cuts have been going on for a long time and the level of funding does not match the level of public aspiration, which is probably going up. Critically, the problem where the Scottish Government may be able to assist involves the fact that, currently, we are in a furious process of continuing to manage that decline, but, if we could rethink the sector, it may be that, with a little bit more funding, we could still deliver a great deal. At the moment, we are having multiple conversations across the country about shrinking what we are doing, which makes it difficult to look at co-operation and shared services. There is not really a conversation identifying what it is that, as a society, we wish to see delivered for our population and to maintain our economic prosperity and encourage inward investment. That is being lost in the white noise of managing the endless rounds of cuts. That is the difficulty.

Looking back over time, I was reading some memos from Julian Spalding, a predecessor of mine in the late 1990s, bemoaning the budget cuts that he was experiencing at the time and I noticed that some of the sentences I had written myself. However, we had a period of stability that followed that where we regrouped and created a service that was different but could cope with its contemporary environment through the noughties and up to the most recent 10 years. At the moment, we do not have that breathing space and opportunity to reimagine and restructure and to amend those services. I think that that is the difficulty. We are in a rapid process of decline, which is soaking up all of the capacity. If we could stabilise that, it would make a huge difference to how we could meet the Government's agenda.

10:15

India Divers: With regard to doing a comparison between Scotland and the rest of the UK, I mentioned earlier the decrease in investment of 23 per cent in the decade between 2009-10 and 2019-20—it will very likely be even more than that now within the last two years, given the impact of the cost of living—and, when we did that research, there was a similar picture in the rest of the UK in the decade of austerity.

However, when we look at England, we can see that there are two key sources of funding for the museum sector that are not available in Scotland. One of those is the Arts Council England, through the national portfolio organisations. Between 2023 and 2026, 77 museums across England will

receive £36.5 million towards core funding, which I have already mentioned is essential for the museum sector. Of course, in a Scottish context, that figure would need to be proportional to the population and the size of the sector in Scotland, but it is still a significant investment that would make a massive difference to the landscape in Scotland if there was such a source of core funding that museums could access. The core funding into the infrastructure that museums provide—the buildings, the staff and the collections—is what will generate all of the other outcomes that we have been talking about in terms of health and wellbeing, engaging audiences and delivering for young people and children. That is what needs to be invested in before all of those other outcomes can be realised.

The other source of funding in England is the museum estate and development fund, which is a capital fund that goes towards urgent maintenance and infrastructure. We have already mentioned the issues with buildings that museum collections are housed in. A lot of them are very old and have a lot of issues that come along with that. It would be welcome to have a similar fund in Scotland to address those urgent issues of the maintenance and infrastructure of buildings.

You also asked about something that Scotland is doing well. The ambition that is set out in the museum strategy is fantastic. We are pleased to see Scotland recognising the role that museums can have in anti-racism and decolonisation. That is something that is absent in England, so it is great to see that ambition here. However, along with that ambition, we need the funding to accompany it. Those ambitions will not be realised without that core funding.

Liam Sinclair: That is absolutely a point well made. Of course, we are not immune to the global economic dynamics around all of this. I will pick up the ambition theme that India Divers introduced. When I talk to theatre and dance colleagues south of border, consistently over many years one of the things that they have said is, "You have a Government that gets this." I do not think that is what they say about the UK Government in universal terms. We need to think about how we turn that ambition into reality. One of the things in the south that we look at slightly more enviously is the stability of multiyear funding. If the Scottish Government could enable Creative Scotland to go through its multiyear funding process over the next 12 months and to award genuine multiyear commitments, that could be transformative in terms of the stability that it would provide and would enable the establishment of a platform on which to build that ambition.

One other thing on the UK-wide context. Members are probably aware that the UK

Treasury and His Majesty's Revenue and Customs are consulting now on the cultural tax relief legislation. There are some quite worrying amendments being discussed, certainly as it relates to theatre tax relief. Two of them are particularly worrying to our members. One is that the guidance around what qualifies as an exempt or a tax relief eligible piece of performance could change, removing from scope some of the more immersive theatrical experiences, which is something that the sector in Scotland is excellent at and, going back to the children and young people point, a lot of experiences for that age range are designed to be immersive and involve the participants as audience members rather than making them stand back and take it in. Such a change would have a huge implication for the overall stability of the sector.

The other amendment that is being consulted on is that the Government would potentially not pay out any tax relief if the tax relief is material to the solvency of the claiming applicant. That goes back to the perfect storm analogy, particularly with theatre tax relief at the current levels, which the Treasury has said that it will uphold to 2025—and people are lobbying to be for that to be made permanent. If you get into a vicious circle scenario where the theatre tax relief is the underpinning element, because of all the other cost pressures and income pressures, you could have an exacerbated collapse if that guidance goes through. Therefore, anything that the Scottish Government can do to bring lobbying pressure to bear on the UK Government as it goes through that exercise on tax reliefs would be hugely important.

Neil Bibby: Multiyear funding and stability of funding have come up quite a few times. The cabinet secretary, in a letter to us, has said that he is keen to work on that, but that future years' budgets could at best be "only indicative". Is that not a bit pointless? Is it not impossible to plan for future years on figures that are at best indicative?

Liam Sinclair: In short, yes. Given the overall size of the culture budget, I am not sure that many people in the sector understand why we cannot get multiyear funding sooner. I am slightly hesitant to say what I am about to say, but it is a way of finding some central ground. Even indicating on a multiyear basis a minimum amount of money that would be awarded, no matter what scenarios the Government might face, would bring stability. The constant caveat that we have—the fact that every year the entire sector has to wait and go through a budgeting exercise—is fundamentally destabilising the sector in the way that we have discussed already.

David Avery: The National Library of Scotland is almost a metaphor for the points that we are

making. The bit that is visible to the public is in fact the 11th floor, but there are 10 floors of stacks beneath it, which is storage for the collection, and one of several sites of storage for the collection that the public do not see, all of which are the foundation that the experience is built on.

On what Scotland does well that maybe is not done well in the rest of the UK, I will play a little bit to type and talk about pay. Our research this year—it has been backed up by similar research done by Icon, the curators organisation—shows that staff in Scotland are now better paid than staff in London, unbelievably. I genuinely have no idea how our London membership afford to live in London and work for some of those collections. That is in part because of work that the Scottish Government has done to insist on minimum standards around the living wage, and we have managed to replicate some of that in charities.

We would like that to be pushed out more to other bodies that are funded through Creative Scotland to raise standards in some of the smaller charitable organisations. However, that has to come with funding—it has to be carrot rather than stick. Saying to such organisations that, to qualify for funding, they have to pay the living wage might, in some cases, force them to close. We want the funding to be there to ensure that they can pay a salary at a level that means that people can afford to survive and have certain living standards.

Pamela Tulloch: It is fascinating to compare Scotland with the rest of the UK. As far as libraries go, colleagues elsewhere in the UK would say that libraries in Scotland have a much more co-ordinated approach to their service delivery. To a certain extent, colleagues down south envy the opportunity that we have to develop services in Scotland. That is partly because we have a national strategy for public libraries, which is supported by the Scottish Government and the Convention of Scottish Local Authorities. That has enabled us to attract project funding for different work packages not just from the Government but from the private sector. We have been able to leverage funding from outside the public sector to support public libraries.

However, if I was going to benchmark libraries, I probably would not benchmark against the rest of the UK; I would probably look to the Republic of Ireland, Scandinavia or Australia. The models of funding in all those places include direct funding from the Government to the library sector. Some of them have a mixture of local government running libraries but with direct funding to help to deliver programmes. Such an approach might support the sector here through these challenging times, but it would also support Government priorities in the national performance framework

and so on. I do not look to the delivery model in England as something that we would want to emulate. I would be quite sorry if we ended up moving in that direction, because we have something worth protecting.

Keith Brown: My point was not so much about a comparison, although it is interesting to hear about the different services, and it was not so much about, as Liam Sinclair said, a global economic situation. It was simply that, in Scotland, the budget is driven by what the Government in Westminster wants to spend on its services, and we get what we get as a consequence of that. What we need is not thought about; it is just about what we get as a consequence. There is vital difference between ourselves and Ireland and Australia, which is pretty obvious.

I will raise a question, although I am not looking for an answer to this, because I am aware that we are pressed for time. I was interested in the Van Gogh exhibition that happened last year in Edinburgh and which I think is going to other places now. I know that one of the issues was the cost, as a lot of people would not have been able to pay to get in. However, I wonder whether there is anything in that kind of initiative—a bespoke exhibition that travels around—that might be helpful to museums, given the treasures that they have.

I am not looking for an answer now, because I know that we have to move on, convener.

The Convener: We shall move on.

Mark Ruskell (Mid Scotland and Fife) (Green): I thank our witnesses for their evidence—it has been useful to get an updated picture for this year. I have a couple of questions. I want to go back to Liam Sinclair's point on what a strategic transformative approach to embedding culture would look like. I saw a lot of colleagues round the table nodding their heads when Liam was talking, and others have explained what that might look like in terms of services. I was particularly struck by some of the work that Artlink is doing with links to education, mental health and other services.

Can you point to an area in the UK where councils, devolved Administrations and other bodies have taken that leap and said, "Yes, we will do the full Christie—we will tackle preventative spend and invest in culture for all the transformation that we know that it can achieve"? If there is an example that you could point to, that would be useful.

I will rattle on with my second question, which is on other sources of funding. We have had evidence from the Music Venue Trust about not just cultural tax relief, which we have mentioned, but relief for small venues and a potential for a

levy on stadium and arena shows. I am struck by the fact that culture makes a lot of money and there is a lot of wealth involved, but I would make a distinction between big culture and the cultural organisations and practices that you are involved with. How can we transfer wealth from big culture to community culture?

Linked to that, do you have any thoughts on a transient visitor levy and other sources of income that could come into the sector during these difficult times? I am struck by that figure of 1 per cent or £18.5 million. That could come from Government, but it could come from a variety of other sources as well.

India Divers: In terms of a strategic vision, the museums strategy for Scotland and the culture strategy provide clear ambitions for the culture and museum sectors. Of course, we wait in anticipation for the refreshed action plan to come along with the culture strategy. To reiterate a point that I have made already, any actions or ambitions really need to have funding attached to them if they are to be meaningful and if those ambitions are to be realised.

On ways that we could generate more funding, I welcome that idea of 1 per cent of budgets being ring fenced for culture. We have heard a lot of talk about the idea of a percentage for the arts and the money that that could generate, but I would encourage the scope of that being broadened to a percentage for culture, so that all cultural organisations can benefit from it. That would be transformative.

On the Visitor Levy (Scotland) Bill, there is potential for that to bring income. We know that museums and the wider culture sector contribute greatly to the visitor economy. However, we need museums in the room during these discussions. We need them to be able to contribute to the progress of the bill. If the bill is fully realised, we need them to be in the room when the decisions are being made about where the money should go, to ensure that it is reinvested into the museums and the cultural organisations that make Scotland an attractive and vibrant place to visit.

10:30

Liam Sinclair: I have one contextual example that I will pick up in a moment, but for me it is about starting with the context that we already understand here but need to understand better. There is something about the sum total of the parts that exist within our cultural ecology, and if we could create mechanisms and ways of bringing that sum total together, that would be transformative.

To go back to Keith Brown's question, one thing that I think is exciting about being a citizen in

Scotland is that we have a Government that is committed to the wellbeing economy. That is truly transformative, and it is not a UK-wide thing. For me, it is about the cultural contribution to a massive transformation agenda, as we move towards net zero, that will place wellbeing and economic prosperity at the heart of that and bring up that sum total.

It is interesting how people in Manchester have understood that network. They have looked north of the border on a whole host of things, whether it is international festivals or venue development, and they absolutely have got their act together and are really thinking about what the north-west cultural regeneration agenda looks like. That is not only about big culture, to use Mark Ruskell's term; it is also about the wider impacts.

Mark Ruskell makes an important point about the different components in a cultural ecology that are important. You do not get the headline acts in a music or performing arts context, or probably any context, if people have not had the opportunity to hone their craft. There is something about how we generate ways of taking a levy and some of that economic impact that people are benefiting from in the big culture arena and reinvest it into the grass-roots agenda, which includes participation. That gives you the health and wellbeing outcomes, but you also get a stable talent pipeline, which is absolutely vital in all of that.

Kara Christine: There are a couple of local creative commissioning models that are worth mentioning. Thrive Edinburgh is an emotional and mental wellbeing network that has looked at what it can do collectively through the arts and others to protect the mental health of its communities. There is also the Edinburgh community commissioning through the Edinburgh Voluntary Organisations Council, which happens through the community mental health framework funding.

David Avery: The point about big culture is really interesting. In talking about organisations' budget challenges, I am particularly talking about National Museums Scotland, the National Library of Scotland and the National Galleries of Scotland. I have not particularly been talking about Historic Environment Scotland. It is absolutely not without budget challenges, but it has Edinburgh and Stirling castles. It is an oversimplification to say that those pay for everything else, but that is not far away from the truth. That is big culture paying for little culture, but it is a quirk of history, rather than the result of any strategic plan, that those are part of HES rather than sitting with local government, a charity or something else. If there were more opportunities to link up big culture into little culture and get funding from the big high-profile attractions into smaller areas, as happens

in HES, that would be interesting, but a lot of our structures do not allow that to happen just now.

Duncan Dornan: To pick up on the point that Liam Sinclair raised, the cultural ecosystem in Scotland is currently very effective at developing front of house and back of house talent. That is why Scotland in many respects punches above its weight culturally and why we have some amazing world-class content coming out of the country. However, it is a delicate system, and one of the problems with the current situation, where independent decisions are being taken, is that it jeopardises that ecosystem, because you can take one element away that seems in itself relatively modest, but the impact on the ecosystem can be dramatic. One of my concerns is that we do not currently have some kind of overview that allows us to get a sense that we are not inadvertently losing something important.

Alexander Stewart (Mid Scotland and Fife) (Con): It has been an excellent session. You have been candid about where you are in each of your organisations and how you feel. We have discussed long-term finances from local government, which is probably still the most significant funder of many aspects of the culture sector in Scotland, and you have talked about managing decline and fighting for survival. I had the opportunity to spend 18 years in local government—from 1999 to 2017—and during that time I said similar things when I was in that sector and was trying to manage where we were. Since I came here in 2016, the Scottish Government has come forward with action plans, strategies and working groups. I am sure that you have all participated in those, but it would be interesting to hear whether you feel that you have been listened to.

What is the future? From today's meeting, it sounds quite bleak, in reality, but do your organisations see a way forward that you want to and can achieve? You have talked about other parts of the globe and things that are done differently. It has been said that we punch above our weight. I think that Liam Sinclair said that Scotland gets it and understands when it comes to culture, but there is obviously still a massive gap that we need to fill. How can we manage to fill that gap and continue to be world leading? There is no question but that we are world leading in many sectors. We are proud of that and our culture is a strong part of our identity in Scotland, but we need to see the future.

What is the future? Do you believe that you are actually being listened to and given opportunities among all the strategies, plans and working groups?

Liam Sinclair: That is a great question. The answer is yes, but with the caveat that some

material change will have to be seen in what comes through in the budget bill. That is twofold. First, we need a commitment to stability in central cultural funding. Secondly—and this picks up on your point—that also translates into local government funding, which must not retract any further than it has already done.

There is a third strand, which is probably the most complex. If we want to move to a cross-portfolio approach to cultural contribution, that will probably not be achieved in one budget round, but we need an active pathway to it over the rest of the current parliamentary session.

Pamela Tulloch: I would echo exactly what Liam Sinclair has said. I would also say that I think that we are listened to in the working groups in which we participate, but the situation that we are in—I kicked off with this point earlier—did not happen over the past 12 months or so. It has been going on for a considerable period of time.

You cannot keep reducing what are now minuscule budgets without changing the model, which will mean a reduction in the service. That is where we are—that is the reality. I, too, have worked in the public sector for many years and have experienced various budget rounds, but I think that we are in a different scenario at the moment. That said, I do think that some of the things that Liam Sinclair suggested might be ways of mitigating that.

The Convener: I am not seeing anyone else jumping to answer the question. Alexander, do you have any other questions?

Alexander Stewart: There has been talk in the past about the central belt in Scotland seeming to receive the lion's share of things. Do you think that that is the case? There are fantastic organisations the length and breadth of the country, but is the lion's share of the resource, the manpower and the artistic and cultural involvement central belt-based?

Duncan Dornan: It is a good question, and I believe that it just reflects the unbalanced spread of our population and how our odd demographic mix distorts the way in which culture is delivered. It is often a difficulty for us when we compare ourselves with models south of the border. Given that what we are trying to do differs wildly, I think that that is inevitable.

I do not think that local authority funding is particularly skewed towards the central belt; it just reflects the investment of those authorities. Inevitably, the national institutions, if they are based in the major cities, will have an impact similar to the impact that London has in England. It is the same factor.

There is a risk that smaller-scale provision that is not in the central belt will be existentially vulnerable, and you might end up with a pattern of provision that is even more skewed than at present. It goes back to the need to have a sense of the minimum provision that we aspire to nationally and of the building blocks that we must have if we are to deliver effective cultural provision across the whole of the country. I do not think that we have a sense of that—it has not been put together anywhere.

David Avery: At least some of it comes down to what I have referred to as the quirks of history, whereby organisations and properties run by central Government bodies such as Historic Environment Scotland or National Museums Scotland have happened to be in the central belt or on the east coast, while those in the Highlands and Islands—again, I am making generalisations—have tended to fall more to organisations such as the National Trust of Scotland than other smaller charities. Those are the ones that are facing challenges with regard to fund raising, tourism and other issues. Members have reported to us particular issues with attracting staff to Oban and Ben Lawers, not necessarily because of the salary but because there is simply no accommodation. You cannot get visitor services staff, catering staff or anything not just because they cannot afford to live in the area but because there is no accommodation for them. There is a wider accommodation issue in that part of the country, but that is not necessarily funded directly out of the culture budget; instead, it comes through Creative Scotland and out into those charities, so it is several steps removed.

Donald Cameron: I appreciate that we are here to discuss the Scottish Government's budget, but I also want to ask about the role of the private sector, which has been touched on a few times already this morning. Do the witnesses feel that there is more potential for the private sector to help with funding issues? David Avery referred to certain well-documented issues in relation to the book festival here in Edinburgh over the summer, but I am not really talking about sponsorship. Instead, I am more interested in imaginative ways of involving the private or indeed the charitable sector in helping with this dilemma. Is such an approach viable? How could it happen? Does anyone have any reflections on that?

Liam Sinclair: The short answer is yes. I am glad that you talked about looking beyond sponsorship, because we absolutely have to move the focus away from that collectively, not least because the discretionary spend budgets from which sponsorships have traditionally come are under challenge in the private sector, too.

Some interesting ventures have been set up in the past year or so. There is Culture & Business Scotland's marketplace venture, which is looking at the reciprocal skills exchanges that can happen between those in the culture sector and those in the private sector around, for example, presentation training. A number of members in our sector actively sell or exchange on a common exchange basis presentation skills. Do you have staff who need to deliver presentations, hold meetings and so on? If so, can we help—and vice versa? What can the private sector help with? That sort of thing needs to be expedited.

I think that it also fits very well within the frame of the wellbeing economy, which is looking at other economic transaction models. Instead of everything being about selling, the question is: how can you exchange skills? It would also be interesting to see how that sort of model, if it were scaled up, would fit within a cross-portfolio agenda, because it would provide an examination of the skills in the wider economy and a way of seeing who had what particular strengths and in which areas.

Some interesting work is happening on the ground, but is it transformative yet? Nowhere near it. Given that the sponsorship agenda is coming down, too, we will have to really think over the next few years about the pathway that will bring it all together. After all, as I think that we will all accept, every bit of the economy is under strain. The theatre and dance sectors certainly understand the private sector, and the issue is how we can pull together with common cause.

10:45

Pamela Tulloch: Going back to earlier points about collaborative working and common goals, I think that the question is how we find that territory with the private sector. Libraries have recently had a bit of success working with the John Lewis Partnership on its circular future initiative, in which it was looking to support work in or to reach out to the community in order to promote the whole circular future discussion. Through discussion with ourselves—and after an application from SLIC—it has sponsored a number of lend and mend hubs in libraries across Scotland, and that has not only involved libraries, but led to engagement with the third sector and community groups in order to deliver what is a new service through libraries in Scotland.

That sort of thing does exist. In fact, I have seen other examples of libraries not just in Scotland but beyond working with journalists and the newspaper industry around common goals, freedom of expression and the curation and maintenance of collections. Perhaps not every industry is aiming to get into the culture sector, but

I am sure that there are many examples where those kinds of common purposes exist.

Duncan Dornan: It is a good question. In the past 10 years, I have seen the sector become much more imaginative in engaging with the private sector and much more hard headed about how much it charges to do so. It is a significant income stream.

However, as Liam Sinclair has alluded to, the challenge is that the scale of such engagement does not equal the budget pressures we are facing from public sector funding. The issue is how you sustain organisations, but one of the aspirations must be to continue to maximise that source of income, because such an approach has real potential.

The Convener: I do not see any hands desperately going up, so I think that that has exhausted our questions today.

Oh—I see Keith Brown.

Keith Brown: Perhaps if anybody has any thoughts on the following, they can write back to us.

Going back to Donald Cameron's point and the Van Gogh exhibition that I mentioned earlier, I do not know enough about it—after all, it is probably the only art exhibition that I have been to—but it seems to have raised an awful lot of money, although I do not know who it raised money for. Can we learn anything from that approach? The exhibition probably used pieces of art from public collections. I wonder whether any thought can be given to that, as I think that it made a huge amount of money in Edinburgh alone, and it has now gone on to London and Manchester.

I also mentioned that I was in Edinburgh's central library yesterday. It is holding an exhibition on witches—indeed, it sits right next to where most of the witches were killed in Edinburgh—but there was almost nobody in the building. Even post-festival, the streets are packed with tourists from everywhere, and I think that, with a little bit of advertising, you could get folk going in. Even the library part was almost empty. I think that you could have brought in folk who might also have been going to the library, and it could have been monetised, too. That might be anathema to some people, but any entrepreneurial ideas that might help the funding situation would be worth hearing, and I think that it would help the work of the committee—and would certainly help me—if anyone who had any such ideas were to send them in.

The Convener: We will leave it there. It has been a long but very helpful session, and I thank you all for your submissions and for coming along today. You will no doubt see the outcome in the

coming weeks when we make our
recommendations on the budget.

10:48

Meeting continued in private until 11:03.

We now move into private session.

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