

Scottish Contemporary Art Network

**Department of Culture, Media and Sport Committee at Westminster:
Inquiry into Impact of Covid-19 on DCMS sectors**

June 19, 2020

This submission is from Scottish Contemporary Art Network (SCAN), a member-led organisation which exists to connect, champion and cultivate contemporary visual art in Scotland. SCAN's members include national institutions, publicly-funded organisations, commercial galleries, education, voluntary collectives, production facilities, artists and individual workers. Our membership spans two-thirds of Scotland's local authority areas from Shetland to the Borders.

More about us can be found at www.sca-net.org

• **What has been the immediate impact of Covid-19 on the sector?**

The immediate impact of Covid-19 on the visual arts sector in Scotland has been devastating.

Since the beginning of the Covid-19 outbreak in the UK, SCAN's team has been gathering evidence from its membership on immediate impacts and needs and has fed this back to funders and government (both Scotland and UK) on a regular basis. In April SCAN undertook a survey to collate information on the impact of the Covid-19 pandemic from the wider visual arts community (including but not only our membership).

76% of respondents (both individuals and organisations) had lost income in April, with an average of 53% of income being lost. 29% of individual respondents had lost 100% of their income in April. In organisations, 38% had lost 50% or more of their income.

The biggest challenge for both individuals (31%) and organisations (44%) was loss of income. After that, individuals cited the biggest challenge was loss of engagement with the public (17%) and organisations cited covering staff costs was the next biggest challenge (26%)

As a result of the pandemic, 15% of organisations were fairly likely to make staff redundant; 19% were fairly or very likely to increase debt, 70% were likely or very likely to cancel programmes and projects, and 65% were fairly or very likely to see a lower positive impact on the public.

For both organisations and individuals, the primary means of support that would benefit them most is more funding (28% individuals, 91% organisations), combined with sector-level collective support

and policy level support. One in ten of individual respondents cited a Universal Basic Income as a means of support that would benefit them most.

• **How effectively has the support provided by DCMS, other Government departments and arms-length bodies addressed the sector's needs?**

We reference the submission of Culture Counts, of which SCAN is a member, in this regard, specifically:

Arts council funding in Scotland concentrated on solutions to keep people working and to allow people to change their plans for the coming year or two. They were heavily oversubscribed and there is uncertainty around the future for many organisations and individuals.

Enterprise funding concentrated on the helping viable businesses to 'pivot' though we are unsure how many cultural businesses benefited; the numbers are thought to be around 30%.

Third sector resilience funding was made available to charities in Scotland; we have heard that cultural organisations with a social purpose were turned away and we're currently trying to find out more about who benefited and who did not.

In addition, we would put the following points:

- Self-employed support and support for individual artists

A considerable number of those working within visual arts in Scotland are self-employed and rely on a mix of income streams to survive.

Our feedback, both from the survey and from ongoing member engagement, shows that a significant proportion of those working in visual arts are concerned that they won't qualify under the criteria of the UK Government's Self Employed Income Support Scheme (SEISS). These could be people who mix self-employment income with part-time PAYE work, from the gig economy, or from other sources which are now no longer available to them due to the current situation.

The Scottish Government's Newly Self Employed Hardship Fund has filled some of the gaps left by SEISS, but we are aware of many more circumstances where individuals won't be covered.

Creative Scotland's Bridging Bursaries were a very welcome and rapid form of support, take up was high and the fund has now closed. SCAN along with other sector bodies continue to work to identify those who have fallen through the gaps and continue to struggle.

- Organisational support

Our survey showed that 50% of organisations had taken up the Coronavirus Job Retention Scheme by mid-April; we know that many others have since. This scheme has been widely used in our sector with some organisations furloughing all but senior staff. This support has been welcome but the concern now is how organisations are able to support the return of staff as this scheme ends, when their earned income sources have been either lost completely or severely affected.

Our feedback is that organisations, with many staff furloughed, find it incredibly hard to navigate the varying available funding streams at the pace required and while some have been successful in sourcing the support they need, others have not due to a range of loopholes and inconsistencies in criteria as interpreted at local level.

Overall, the needs addressed are short-term. As we begin to exit lockdown, governments and all levels need to work hard for a recovery that will enable the visual art community to get back on its feet and continue to produce work that has a far-reaching benefit for our society.

• What will the likely long-term impacts of Covid-19 be on the sector, and what support is needed to deal with those?

The long-term impacts on the visual art sector, but on society as a whole are serious. Again, we reference the Culture Counts submission to this enquiry:

We now know that at the end of June there is no return to normal; while there is a return to something that is yet to be defined.

Early scenario planning by Creative Scotland has shown that up 50% of its regularly funded organisations are at risk of insolvency by 2021.

SCAN represents workers and organisations beyond the Creative Scotland portfolio, including commercial galleries, voluntary collectives and studio networks. The impact of loss of earned income will be felt beyond the immediate lockdown period as a result of the restrictions necessary to open safely.

Many organisations within this sector were already operating on tight margins due to years of standstill funding and cuts at local and national level. The event of Covid-19 has meant that carefully built-up reserves, in some case for vital capital work, will be depleted with the long-term prospects leaving organisations unlikely to be able to rebuild reserves leaving the sector highly vulnerable to future uncertainty, including recession and further waves of Covid-19.

The wider impact is upon society as a whole. Many artists and art organisations play a key civic role in their communities and, if supported to do so, have a valuable part to play in wider renewal and

resilience. This was recognised by the Scottish Government's Culture Strategy, published December 2019: 'Culture is central to Scotland's wellbeing and cultural, social, economic and environmental prosperity.'

One oft-cited means of providing a bedrock of support for those working in the arts, as well as other precarious industries, is a form of Universal Basic Income.

• **What lessons can be learnt from how DCMS, arms-length bodies and the sector have dealt with Covid-19?**

The rapid and drastic effects on the cultural infrastructure have demonstrated clearly the vulnerability of an already precarious sector to shock. The speed at which many within our sector have pivoted towards online activity to continue engaging with audiences demonstrates an ability to innovate and to act with the wider interest at heart, that only underlines the key value artists and the arts community have to society at large.

It is important the governments at all levels recognise and properly invest in cultural and creative sectors, knowing the value that culture plays in wider societal wellbeing.

• **How might the sector evolve after Covid-19, and how can DCMS support such innovation to deal with future challenges?**

The sector we will see after Covid-19 will be a very different one. We must ensure that the impacts of the pandemic do not compromise the sector's ability to engage a diverse range of audiences and to play a core role in local economies and in the wider cultural and creative infrastructure.

We would reference the submission from Culture Counts in this regard, particularly:

Support for Reopening

Investment should be directed to enable reopening. Attractions such as galleries, community centres, venues and museums require funds to make buildings safe to allow the public in; many do not have the reserves required to invest in reopening to begin to trade.

It is vital to retain furlough options and SEISS options past October 2020; otherwise we will lose skills and talent across the UK.

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