

Ms Fiona Hyslop MSP
Cabinet Secretary for Economy, Fair Work and Culture
The Scottish Government
St Andrew's House
Edinburgh, EH1 3DG

Tuesday, 8 September 2020

Dear Cabinet Secretary

While we welcome in principle the announcement made by the First Minister earlier this month we are writing to you with the utmost urgency to express grave concern around the £15m Cultural Organisations and Venues Recovery Fund.

We note that the approach of this fund is significantly different from those delivered to date. Whilst support to date has been focused on specific needs of the cultural sector, we note that this fund combines a wide range of unmet Covid recovery needs, many of which stretch beyond the usual funding remit of Creative Scotland including aspects of the creative industries not normally supported and whole new sectors including the night-time economy.

We believe the scope of this fund represents two major risks to the future of culture in Scotland. Firstly that the wide scope of the fund means that resources will be stretched too thinly to be meaningful and, secondly, that the assessment of not-for-profit cultural organisations alongside for-profit business risks creating long-term damage to the sustainability and viability of our sector.

We note that the proposed guidance and criteria of the fund are markedly different from previous funds, placing new burdens on organisations who are still operating within furlough restrictions and under great pressure. In our proposals we suggested ring fencing funds for those organisations we know are core elements of the infrastructure and who have met extremely high thresholds for governance and accountability.

We have consistently advocated for a dedicated fund for visual art, demonstrating the contribution our members and the wider visual art sector make to societal wellbeing and to the cultural landscape; also demonstrating the characteristic of the sector in which small to medium organisations support a wide range of economic activity, whether artists or other creative freelancers.

We have been told that the £15m recovery fund is based fundamentally on protecting jobs. We have shown that the visual arts have an impact on a far wider pool of employment beyond direct FTE jobs. Our most recent figures show that within our membership 311 jobs are at risk without support

before March 2021; but that 3663 self-employed people would see their livelihoods at risk if organisations failed. It is crucial that this wider economic picture is recognised within this fund.

The draft fund asks for information on financial stability beyond 2021, and figures around financial stability prior to Covid. We know that many visual arts organisations have been on standstill funding for some years now. We have yet to hear whether RFOs are able to access a 4th year of funding and are unclear about what the future looks like in terms of Creative Scotland's funding review.

Since the Covid crisis we have worked extensively with our colleagues at Creative Scotland and with your own officials. Creative Scotland advised us yesterday of the draft guidance and sectoral bodies were given one hour to consider the guidance and attended a one-hour meeting with colleagues and the senior management team. We are deeply concerned that the Scottish Government's overall framework for the allocation of this funding leaves our colleagues at Creative Scotland in a position of being unable to deliver a scheme that is fair, equitable and allows them the necessary assurances around governance and due process.

We feel that any emergency funding should be strategic, targeted and effective. Our proposals of 23 July and 24 August outlined a format we felt would achieve this; placing emergency funding within a wider strategic context that recognises our collective wellbeing, as well as equality of access and opportunity.

We have seen last week the impact of the Glasgow Communities Fund decisions on organisations throughout the city and would hope that modelling and mitigation of risk would avoid a similar situation with this fund. We urge you to reconsider and believe there is still time for adequate consultation with the sector, a fresh look at the guidance and a strategic approach to avoid inadvertently exacerbating rather than improving the problems faced by the cultural sector at this most challenging of times.

Yours sincerely,

Clare Harris

Director, SCAN on behalf of SCAN board and membership