

## **Culture, Tourism, Europe and External Relations Committee**

### **Creative Scotland – Regular Funding 2018-21**

#### **Written submission from Ayr Gaiety Partnership**

##### **Background**

As a past recipient of regular funding, and an unsuccessful applicant in the current round, Ayr Gaiety Partnership welcomes the invitation from the Committee and provides the following responses to the questions the Committee has asked.

##### **The process of applying for Regular Funding for 2018-2021 period**

We successfully applied for RFO Status for the first time for the 2015-18 funding round. At that time we had submitted what we felt was a relatively weak application put together quickly. It requested around £75,000 a year in core funding. We were then very young organisation that had only been functional for two years and the funding was to allow us to tackle the management and growth of the organisation and extension of its activities over a period which included (Creative Scotland part-funded) capital restoration. We also requested a further £150,000 a year for touring productions that would meet the clear gap for “entertainment with substance” – Ayr based Borderline Theatre Company’s focus for many successful years.

Following submission, we met with Creative Scotland appointed experts who reviewed our overall Business Plan, our Environmental Policies and our Equality and Access Plans. Ultimately Creative Scotland resolved to award £75,000 a year – a tiny sum in comparison to every other theatre they funded, but significant for us.

For the 2018-21 funding round there were some changes, and in particular greater reliance on a “Business Plan”. Creative Scotland’s rationale was that a Business Plan would be less onerous than an application form (presumably because organisations would already have or should have a Business Plan). And it would allow organisations to express themselves in their own way. Creative Scotland set out the headings and sections that the Business Plan should cover to meet their purposes so in some senses this was no different to an application form.

We then spent considerable time crafting our submission. Despite facing a major setback in Council funding late on in the process, which diverted energy from our submission, we were largely happy with the case we made. In contrast to the previous occasion, there was then no contact whatsoever with Creative Scotland and no meetings and no requests for clarification. There were occasional email updates on the likely decision date, and then a single e-mail informing us of the negative decision and attaching the account of the assessment made.

The assessment itself was clearly and objectively incompetent. It included a plethora of mathematical errors – ranging from the unimportant through to fundamental. In our view, the language used was unprofessional and pejorative, which made us feel that the overall attitude towards our company was negative. It lacked internal logic and explicitly stated that things were missing in our Business Plan, which were quite

clearly present. Most importantly, rather than responding to the way we chose to present our case, the assessment appears to us to be made against the individual assessor's *personal* views of what theatres such as ours should do. The assessment appears to ignore the evidence we presented in the Business Plan that didn't fit this view. We are making a formal complaint about the assessment.

Despite the incompetence of the assessment and the complete misreading of the intention of the supportive statement provided by our local Council (who by then had reversed their earlier decision on their funding for us), our proposal was **recommended** for funding. The reason given for not funding our application was "strategic" and had wording very similar to all of the other unsuccessful applications that we are aware of.

We found this reasoning highly unsatisfactory since there *is* no theatre strategy in any published format, and indeed has not been one for over decade. Creative Scotland has published documents that it has called "strategies" but these are extremely general and do not set out any plans for theatre. Nevertheless, we did pay careful attention to these strategies and articulated within our Business Plan how we met them. The assessment made no reference to this and simply indicates that we do not make "sufficient strategic contribution" to the Scottish theatre sector. Given that there are very few RFO's south of Edinburgh/Glasgow (for 2015-18 there were only two, with 1% of the total budget). And that we are only RFO in Ayrshire, it would appear that Creative Scotland do not believe that having any form of geographical spread across the country is a strategic purpose. This appears to us to be bizarre.

Finally it has been clear in our view, not only from our assessment but those of others, that assessors generally had very little understanding of how organisations develop and work in practice. There were many negative comments in our assessment that, in our view, make us question whether the assessor has senior management experience and an understanding of how a new organisation develops. In our view, there was no attempt in the assessment to consider the relative impact of the small level of support provided by Creative Scotland, nor how we levered this to create substantial impact.

### **The importance of Regular Funding**

As well as Regular Funding, Creative Scotland also provide Open Project Funding. This funding funds individual artists, artist collectives and organisations to deliver short term projects. While technically such projects can last up to two years, as far as we understand it most have a much shorter life. The whole approach of the funding stream is to support specific artistic projects, large and small. This funding is valuable and indeed we've co-produced high quality touring theatre with Borderline Theatre Company supported through this funding stream. However, it provides no funding whatever for organisation to exist in the first place, or for artists to create and develop ideas, or of course for anyone to develop credible funding applications. It provides no ability for long term planning and no ability to develop an independent artistic vision. This is not in any way to criticise the Open Project Fund but simply to highlight the contrast with Regular Funding, which provides **all of these** things.

Even the very small level of £75,000 per year afforded us has made a massive difference. It has enabled us to have a full time Chief Executive and to employ

someone in a development role. It also enabled us to take some artistic risks. We have been able to programme events that were unlikely to attract to large audiences with the ultimate purpose of extending and developing audience appreciation and the breath and nature of audiences we engage with.

The funding enabled us to develop new ideas and in turn to secure funding from other sources. As a result we now have an active programme of projects:

- Delivering music and reminiscence theatre to people with dementia in care homes and in the theatre;
- Delivering youth theatre to over a dozen communities in rural Ayrshire;
- A three-year heritage project engaging people locally, and even internationally, in exploring the living heritage of our iconic Edwardian Theatre;
- A rural touring network working with 15 local communities to deliver a near sell-out programme of professional theatre music and dance in village halls and community facilities across rural Ayrshire.
- A major schools project engaging young people, particularly those from less advantaged areas, in all aspects of theatre including technical and back stage theatre disciplines; and
- Partnering with Ayrshire College and the University of the West of Scotland to deliver the only fully articulated technical theatre education route from National Certificate through to Masters Degree.

We've achieved widespread recognition for these developments not only within Ayrshire but also across Scotland – indeed from almost everybody *apart* from Creative Scotland. Nevertheless it was the Creative Scotland RFO funding that enabled us to devote the time to taking these projects from idea through inception to implementation. They will continue, but our ability to extend and build new projects is now non-existent. We've also had to cut from our main theatre programme any performance where there is a significant risk of less than 50% occupancy. This more or less rules out all our important programme for bringing international artists to Ayr. It rules out future performances in our studio, where we had, for example, been building a regular audience for Play, Pie and a Pint presentations from Oran Mor. And it stops in its tracks our steady audience development, building a demand for more varied work and newer Scottish artists.

### **Creative Scotland's challenge where expectations exceed available funds**

Anybody distributing funding, including Scottish Government, will inevitably face a greater demand than it has resources available for. As far as we understand it, Creative Scotland received bids totalling 50% more funding than it had available to allocate. This is a position that most funders would give their eye teeth for. Creative Scotland's Open Project funding stream as we understand it can currently only fund one in three applications. For funds are administered by others including, for

example, the Big Lottery Fund, it is common for applications to total many multiples of the available funding.

Clear criteria, clear and transparent communication, and involvement of and consultation with those involved “at the sharp end” all help to such funding processes but were largely absent from the Creative Scotland RFO process. Of course the process is difficult and of course people will be disappointed but most people in the sector understand this.

We think the problem goes beyond this however. The theatre (and indeed wider arts sector) in Scotland is not so large and unwieldy as to demand or justify a detached and distant funder. The key problem with the current Creative Scotland funding processes is that they appear to have been copied from Arts Council England.

What we need is a Scottish solution - building on the strengths that come from a relatively small population and the accompanying strong network of interaction between individuals, groups and organisations. A respectful and constructive regular dialogue about funding processes is urgently required. And going forward the process should involve engagement of peers in funding decisions and regular dialogue with those funded.

### **Challenges for Creative Scotland supporting different areas of the Arts**

Again such a challenge is not unique to Creative Scotland. It is the nature of all public and quasi-public agencies to have to balance different demands on their resources – to find a way of valuing apples and oranges and to allocate funds between them. The essential requirement is an ongoing and inclusive strategic conversation. Such a conversation must be distilled from time to time in a broad strategic vision, clear strategic goals and practical implementation mechanisms. Such a strategy must include a transparent articulation about what proportion of resources should be dedicated to different art forms, to network organisations and to strategically important organisations versus individual artists.

There is, however, no strategy other than the very broadest statements of intent. Indeed for the theatre sector there has not been a strategy of any type for at least a decade. The nearest is the 2016-17 Arts Strategy – which in our view was largely ignored in the recent decision-making process, and in any case lacked any detail. Creative Scotland must “pin its colours to the mast” after appropriate dialogue with the sector and with Scottish Government. The current system means that funding allocations are made in a hidden (and perhaps unplanned) way by Creative Scotland.

Critically we believe that Creative Scotland almost entirely fails to engage with audiences and potential audiences in any aspect of its activity. At the most basic level, the legitimacy of national funding for the arts that fails to provide any form of RFO funding to 11 out of 32 Council areas is very questionable. Particularly when this is exactly the same number as three years ago in the last round, Public funding for the arts must pay much greater attention to the public who provide the funds.

We also want to highlight that, despite an apparent rhetoric from Creative Scotland in support of artists, proper pay levels and so on, the fundamental structure of Creative

Scotland funding affects artists even more than it affects art organisations. Few individual artists in the performing arts in Scotland have any security of income. Almost all provide much of their creativity for free with very little income at all.

### **Impact of RFO on other funding streams**

Backing from Creative Scotland as an RFO organisation imparts a significant level of credibility with other funders.

There is no sense in any of the assessment criteria or reports we have seen that Creative Scotland has carried out any impact assessment whatever on the results of its funding decisions either on organisations or on other funders. So at one extreme there are organisations who have just received RFO funding who we and others believe will have significant difficulties in gearing up to deliver. (Will they then be cut if in two years' time when they submit their next application they have only just started to fire on all cylinders?) On the other hand there are organisations, (still members of the RFO portfolio) whose funding has been cut back severely and where the impacts will go far beyond the apparent percentage impact of the lost funding compared to overall turnover.

In our own case and those of others where funding has been cut completely there are major risks to survival – and some incredible organisations are already in the process of closing down. It is *only* because we have committed to charitable fundraising to fill the hole left by Creative Scotland that we currently have a viable plan to continue at all. We believe any responsible funder in the public sphere must take account of the impact of its funding on the organisations it supports. If there has been any such impact assessment we are unaware of it. Certainly the claim in Creative Scotland's assessment of our bid that we would be able to secure funding from "commercial" and "project" sources is entirely without foundation.

### **Other Issues**

We believe that the move over the last five years of Creative Scotland to become a distant organisation largely focused on making decisions on funding applications in closed rooms is inappropriate. It has demonstrated in the recent RFO round a complete inability to do this effectively. If the main purpose of the organisation is simply to receive, assess and then pay out on funding applications in an arms-length manner, we suggest that everyone would be better served if the organisation was shutdown. Their funding would then be given under contract to Big Lottery Fund Scotland (or another efficient funding distributor) with a set of clear outcome agreements with Scottish Government.

We do not believe this is the appropriate route forward for Creative Scotland. Instead it should reassert its role as a strategic leader in the field in an open and respectful dialogue with the wider arts sector.

Particularly in relation to longer term funding a three-year hidden "all or nothing" process is inappropriate. Creative Scotland should instead have long term strategic relationships with a network of organisations that enable it to deliver within its agreed strategy. Clearly such organisations should not be funded no matter what they do. An annual dialogue about achievements and progress towards agreed outcomes

would be appropriate. Where Creative Scotland felt an organisation was not delivering what it wanted (whether the organisation agreed or not) they would indicate this and request an improvement over the next 12 month period. In the absence of such an improvement at the end of that period, a final 12-month warning would be given and failure to comply reasonably with that would result in partial or complete withdrawal of funding. We know that such an approach could have widespread support as we have articulated it in meetings and written fora and have had good feedback in the form of e-mails, tweets and indeed applause.

Our CEO is working on a more detailed reflection on the future and will forward this when complete.