

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

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

#### **Written submission from Federation of Scottish Theatre**

#### **Background**

Federation of Scottish Theatre (FST) is the membership body for the professional performing arts in Scotland. Our 200+ members span producing theatres, dance companies, arts venues and individual producers and producing artists, and collectively they turnover more than £100m a year. 46 of our members are part of the Regular Funded Network from 2018-2021 (including ourselves) and together we have been awarded around 43% of the total amount of regular funding.

We anonymously surveyed our members online during February 2018 and received more than 90 responses. We also discussed the issues at our members' meeting on 28 March 2018, and this submission is informed by the survey, those discussions and informal conversations with our members before, during and since the funding announcements.

We hope this evidence is useful and would be happy to facilitate opportunities for the Committee to meet FST members as part of its future work on funding for the arts and culture in Scotland.

#### **Summary**

Whilst we remain committed to working collaboratively with Creative Scotland it remains the case that many of our members still feel angry about the needless uncertainty and distress caused over a long period by this funding process. We need to see meaningful action, soon, from Creative Scotland to redress the situation. This should include:

- **Clear, artform-specific strategies** based on real and inclusive consultation and engagement which includes audiences as well as practitioners, and which support transparent funding decisions
- **A new approach to long-term funding**, which recognises that one size does not fit all, and that putting a large part of the arts and culture sector on notice every three years is not the best means by which to support it
- **Strategic dialogue with regularly-funded companies** to discuss progress and flag issues – 'no surprises' – together with new ways to engage with other parts of the sector in meaningful ways
- **More involvement of involve practitioner and sector experience and expertise in both strategy development and decision-making process.** This could be helped by including an element of peer review / assessment in grant-awarding processes as well as throughout the lifetime of funding

- **Honest engagement on how to support new entrants to the sector** when public funding – from all sources, not just Creative Scotland – is declining in real terms, despite the welcome intervention of the Scottish Government in the 2018-19 budget to address the fall in UK-administered Lottery funding
- **Better recognition of and support for the strength, depth and importance of informal collaborative networks within the sector**
- **‘Better’ bureaucracy** – recognising that Creative Scotland needs, on behalf of the people of Scotland, to demonstrate value and impact but reflecting the widespread concern that current applications and reporting is burdensome and makes little positive contribution to the work
- **Separate funding for development and support bodies from funding for those making work.**

### **Process & experience of application**

87% of respondents to our survey agreed or strongly agreed that they were concerned about the introduction of a new strategy, without consultation, mid-way through the funding process. Although over 90% of respondents agree that a strategic touring fund has the potential to improve the landscape for touring in Scotland, the lack of consultation prior to the announcement was profoundly disturbing. **We call for the rapid development of consultative strategies to support our artforms and to inform future funding decisions.** Over 90% of those who completed our survey agree with the need for a clear link between strategies and decisions.

Far too much time and effort was required by the application process. For instance, Creative Scotland required specific business plan formats which meant existing, useful plans had to be re-written purely for the purposes of the bid. Applicants were told to assume that Creative Scotland had no prior knowledge of their organisation which, whilst clearly intending to create the impression of a level playing field, was absurd in practice. For those already in receipt of Regular Funded Organisation (RFO) funding this felt like a waste of time; for those seeking to be included for the first time it created yet more unpaid work. In the event two thirds of those whose regular funding was continued received standstill support, leading again to a sense of wasted effort.

Members were asked to pretend that Creative Scotland did not know their work when applying for regular funding and lead officers within Creative Scotland were required to withdraw from relationships during the assessment year. This approach was intended to provide a ‘level playing field’ for applicants. Instead it provoked yet more anxiety and actively worked against productive engagement with the funder. **We seek a new approach to support meaningful strategic dialogue with regularly funded organisations, individually and collectively, and to explore better ways for Creative Scotland to engage with other parts of the sector.**

Applicants who had spent months painstakingly compiling bids were disappointed to find problems with the assessments they received, with some members indicating

that they had found errors of fact in their assessments, instances of assessors having missed information included in bids, cases of assumption/supposition appearing to influence assessments, and poor quality control including getting the names of companies wrong. We know that our members are still engaging with Creative Scotland on specific cases. Whilst we recognise that they may not have a direct bearing on decisions, the **poor quality of some responses did not serve the process well.**

Finally, some of our members received increases in funding and some others received funding for the first time. Although our membership has strongly signalled its delight for these colleagues, the problems caused by the process and its announcement have marred what should have been a time for celebrating success.

### **The importance of RFO to you or your organisation**

There needs to be a clear distinction between 'regular funding' as currently conceived by Creative Scotland and stable, long-term funding for the arts and culture infrastructure in our country. The latter is vital to the health of the sector and **we strongly support an element of stable, longer term funding as part of the overall approach to funding the arts in Scotland.** (70% of respondents to our survey agree or strongly agree that they would support a funding model which includes stable longer-term funding based on agreed outcomes rather than the entire system bidding every three years). This must, of course, be balanced by other funding streams which support other kinds of work, including short and medium term project funds.

The removal of regular funding threatens the existence of some companies, and removal with no warning is particularly devastating for companies and audiences. On the other hand, some of our members prefer to work on a project basis. Others again spent months of unpaid time writing applications only to be disappointed, some for a second time. The binary approach to funding means that the gap between regular funding and project funding can seem unbridgeable for the majority; and those who do not want to apply for regular funding but still want some ability to plan long term can struggle to find the right route. The 'RFO/non-RFO' approach can also foster an unhelpful sense that those who do not succeed are out in the cold in both funding and relationship terms. Three-quarters of our members agree or strongly agree that **there must be more flexibility in Creative Scotland's funding routes and timescales to meet the different strategic needs agreed with the sector.**

As FST we exist to serve our members. **We do not support a process which requires us to compete directly with our members for funding.** Whilst we recognise that all public funds ultimately come from the same source, we would strongly prefer not to be applying for funds intended to support those producing and presenting work.

### **Challenge of allocating funds**

Members who responded to our survey were clear that concerns about this particular RFO process must not obscure the wider issue of a lack of funds for the arts more generally in Scotland. Whilst we and our members warmly welcomed the Scottish Government's additional funding for the sector provided in December **the fact**

**remains that costs are rising and funding is not.** Audit Scotland has indicated a 12% drop in local government funds since 2013-14; Lottery receipts dropped 35% over the same period. Inflation has averaged at 2.9% a year since 2010, when Creative Scotland was established; flat cash awards will mean a drop of as much as 20% in real terms by the end of this regular funding period. And this all takes place in an environment where staff, materials, utilities buildings and services costs are rising, and where capital funds in particular are severely limited.

The introduction of a Strategic Touring Fund, as noted above, is welcomed as a potential opportunity to support the sector; however Creative Scotland currently has no published strategy for theatre or for dance, and has not done so for several years. **Our members strongly support the development of artform specific strategies developed in collaboration with the sector and audiences.** Such strategies will help to lay the groundwork for transparent funding decisions which support the vibrant and inclusive arts and culture landscape for which Scotland is renowned.

One of the problems of a form-based application process is that discussion of the quality of the work itself can be lost. This is made worse by the lack of external review involved in the assessment process. Whilst 75% of responding **members with a lead officer in Creative Scotland consider that they support and advocate for the work**, more than 80% of those who replied agree or strongly agree that **Creative Scotland needs to introduce measures to increase up to date knowledge of the sector**, for example by introducing advisory or decision-making roles for sector practitioners, and/or by ensuring that officers attend a range of sector activity across the country.

Whilst **the majority of FST members surveyed support an element of peer review/assessment as part of funding decision-making processes**, there are caveats around that approach. We need to be clear about the right kinds of input at the right points in the various processes. Training and selection of reviewers must be open and inclusive and alert to unconscious bias; there must be a balance between building up experience as a peer reviewer and avoiding permanent or semi-permanent reviewer appointments; the fact that an 'expert' in one sector may still not have knowledge of all elements of that sector needs to be recognised. Members also want to explore the role, function and type of peer review at other points in the funding process, for instance as part of formative and summative evaluations.

The challenge of how, within a diminishing real-terms funding context, to support new entrants to the professions is separate from the promotion of innovation, which is not always or only driven by new entrants to the sector. That challenge is very pressing and we call for **early and honest engagement about how best to support and develop individuals, companies and organisations** to enter our sector and to thrive within it.

### **Challenge CS faces in supporting individual artists and organisations**

**Around 40% of our members are independent producers and artists producing their own work.** 57% of those surveyed agree that the current OPF application process is straightforward and easy to use, with some noting improvements since it was introduced. There were however comments that even though the process is relatively straightforward, there are better models available. Some members

consider that there should be an even quicker and less onerous route for smaller amounts of funding, for instance under £5,000. The upper limit for the shorter OPF route is currently £15,000, which is almost a year's salary at the current Scottish Living Wage.

Our survey also indicates that, by a narrow margin, **members support the rolling nature of OPF** rather than specific deadlines (although it was noted that deadlines might work better for some of our specific artforms). However, we also received many comments about the unpredictable nature of OPF decisions, as well as a lack of strategic approach which means that applicants might receive funding to make work but then be turned down for funding to present it. Some members proposed a multi-stage process which allows for ideas to be presented before they are developed into full bids. The idea that artists and practitioners can themselves be more involved in the decision-making processes is again broadly welcomed.

### **Extent to which you consider RFO supports organisations across Scotland**

Our members have expressed **serious concern that there are regularly funded organisations in only 21 of the 32 Scottish local authorities, with particular gaps evident in Southern Scotland**. Members have also commented that if there is no Creative Scotland support in an area it can be more difficult to engage constructively with local authorities on arts and culture. A strategy-led approach to funding would be better able to take geographies and communities into account.

Our members have suggested that there are mapping and analysis techniques commonly used by other sectors, e.g. sustainable development, which may be useful in supporting strategic decision-making. These tools can help to map existing provision and better understand need, desire and distribution of populations. We are happy to share those ideas with Creative Scotland's teams.

**Those in receipt of RFO funding often provide a great deal of behind-the-scenes support for colleagues.** The touring companies who were and are excluded from RFO on the grounds of the new approach to theatre are a good example of this, offering advice, mentoring, space and equipment in ways which did not seem to be fully appreciated by Creative Scotland. This contributes to a sense of a lack of understanding about the impact of RFO funding and its removal. This is not to say our members seek yet more documentation – there is more than enough of that at present – but again links to the need for more meaningful dialogue between the national funding body and those it is charged with supporting.

### **Appendix Extract from submission to CTEER, 22 February 2018**

FST members' concerns about the 2018 Regular Funding process, announcement and subsequent revised announcement include:

- The **introduction of a major strategic shift in support for theatre**, with some of Scotland's leading companies having their Regular Funding (which provides stability over three years) removed and instead told they could apply to a new project-based Strategic Touring Fund which would be developed in

consultation with the sector. It is not clear why Creative Scotland did not consult the sector before they introduced this new strategy.

- This **strategic shift taking place mid-way through a process** and behind closed doors. This meant companies were told that although their application had initially been assessed as deserving of funding, the goal posts had since changed and their application no longer met the criteria for theatre – which did not exist when they applied. The thinking behind this approach is unclear.
- The outcome of this strategy meaning that **children’s theatre and disabled theatre sectors were particularly hard-hit**. Scotland has a strong international reputation in both these fields, but the sector is not large and these regularly-funded organisations provide an enormous amount of behind-the-scenes practical support for others working in it. Their removal from regular funding seriously threatened the survival of not just these companies but the sector as a whole, and was viewed with disbelief around the world. This is the Year of Young People and Creative Scotland has published commitments to equalities, diversity and inclusion: the reasons for these decisions and the apparent initial failure to understand their wider impact remain hard to understand.
- **Reductions in funding for several theatre buildings**, all outwith the Central Belt. This is particularly concerning given the well-documented pressure on local authority budgets – according to Audit Scotland, culture spend dropped by 12% between 2013-14 and 2016-17. The extent to which Creative Scotland engaged with local authorities during the assessment process about these reductions, and the wider impact of the strategic shift more generally, has not been made public.
- Why the **revised decisions reversed the strategic shift for some, but not all**, applicants. We have many members whose applications were initially deemed successful but then removed because of the new theatre strategy. It is unclear whether all applications were included in the review of decisions which led to the reinstatement of some companies, or only those previously in receipt of regular funding. Not even all of these were reinstated and again, the reasons for this have not been made public.
- Continuation of standstill funding for the majority of regularly-funded organisations. By the end of this period of funding this means a **real-terms drop in funding of around 15%** since 2014. As running costs continue to rise there is widespread concern about the impact on Scotland’s performing arts sector of this continued erosion of support.
- **Lack of consistency** in relation to assessments, with some members reporting inaccuracies and examples of assumption and speculation indicative of a lack of understanding about how companies, and the sector more broadly, work today. It is vital that Creative Scotland has a clear strategy to ensure that all relevant staff have up to date experience of current business and artistic practices.

- **Lack of clarity in communications:** particularly around the new strategic approach to touring theatre and dance and also in relation to the differing transitions arrangements and details of new alternative funding routes being offered to those companies removed from the regularly funded portfolio.
- **Length of time and amount of resources spent on the process.** Creative Scotland's initial intention was to carry out this process with a view to announcing funding results well in advance of the start of the funding round in April 2018. In practice results were finally announced less than 3 months before the start of the next financial year.