EDUCATION, LIFELONG LEARNING AND CULTURE COMMITTEE

AGENDA

11th Meeting, 2008 (Session 3)

Wednesday 7 May 2008

The Committee will meet at 10.00 am in Committee Room 4.

1. **Creative Scotland Bill**: The Committee will take evidence on the general principles of the Bill at Stage 1 from—

   Barbara Absolon, International Events Director - Culture, Event Scotland; Lorne Boswell, Scottish Secretary, Equity; and Dr Donald Smith, Director, Scottish Storytelling Centre;

   and then from—

   David Caldwell, Director, Universities Scotland; and Professor Jan McDonald, Vice-President (Arts and Humanities), Royal Society of Edinburgh.

Eugene Windsor

Clerk to the Education, Lifelong Learning and Culture Committee

Room T3.40

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The following papers are attached for this meeting:

**Agenda item 1**

Note by the clerk

**SPICe briefing: Creative Scotland Bill (214 KB pdf)**

*Copy of the Bill as introduced, plus accompanying documents*
EDUCATION, LIFELONG LEARNING AND CULTURE COMMITTEE

Creative Scotland Bill

Background

1. The Creative Scotland Bill (SP Bill 7, Session 3 (1)) (“the Bill”) was introduced in the Scottish Parliament on 12 March 2008 by Alex Salmond MSP. The Bill is accompanied by Explanatory Notes (SP Bill 7-EN, Session 3 (2)) which include a Financial Memorandum, and by a Policy Memorandum (SP Bill 7-PM, Session 3 (3)) as required by the Parliament’s Standing Orders. On 18 March 2008, under rule 9.6 of Standing Orders, the Parliamentary Bureau referred the Bill to the Education, Lifelong Learning and Culture Committee (“the Committee”) to consider and report on the general principles of the Bill.

2. At its meeting on 5 March 2008 the Committee agreed its approach to its Stage One scrutiny of the Bill. The Committee agreed to issue a call for written evidence with a deadline for responses set as 18 April 2008. To date, the Committee has had 59 submissions to its call for evidence. The written submissions are available online at this link:

http://www.scottish.parliament.uk/s3/committees/ellc/CreativeScotlandBill.htm

3. At its meeting on 30 April 2008 the Committee took its first sessions of oral evidence on the Bill. The Committee heard firstly from relevant Scottish Government officials and then from the Creative Scotland Transition Project which is made up of representatives from the Scottish Arts Council, Scottish Screen, the Joint board of those two organisations, and the Creative Scotland Transition Director.

Second oral evidence sessions

4. At its meeting on 7 May 2008 the Committee will take evidence from—

Barbara Absolon, International Events Director - Culture, Event Scotland; Lorne Boswell, Scottish Secretary, Equity; and Dr Donald Smith, Director, Scottish Storytelling Centre;

and then from—

David Caldwell, Director, Universities Scotland; and Professor Jan McDonald, Vice-President (Arts and Humanities), Royal Society of Edinburgh.

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(1) Creative Scotland Bill http://www.scottish.parliament.uk/s3/bills/07-CreativeScotland/b7s3-introd.pdf
5. The members of the first panel are appearing in support of written evidence they submitted to the Committee. These witnesses were invited to give additional evidence as their written evidence focussed on many of the themes which emerged from the call for evidence as a whole.

6. The second panel focuses on the theme of the role of education and Creative Scotland’s relationship with higher education institutions, which emerged from the call for evidence.

7. All witnesses have provided written submissions which are attached at Annexe A.

8. A SPICe briefing on the Creative Scotland Bill is available at this link—

   http://www.scottish.parliament.uk/business/research/briefings-08/SB08-23.pdf

Finance Committee consideration

9. At its meeting on 22 April 2008, the Finance Committee took evidence on the Financial Memorandum of the Creative Scotland Bill from Scottish Government officials. The Official Report from that session is available at this link—

   http://www.scottish.parliament.uk/s3/committees/finance/or-08/fi08-1002.htm#Col393

10. At that meeting, the Finance Committee requested additional information on a number of points relating to the Financial Memorandum from the Scottish Government. That additional information has now been supplied and is attached for information at Annexe B.

 Nick Hawthorne
 Senior Assistant Clerk
 Education, Lifelong Learning and Culture Committee
Written submission from Event Scotland

Introduction

1. EventScotland is the national events agency and is working to make Scotland one of the world’s leading event destinations. By developing and supporting an exciting portfolio of cultural and sporting events EventScotland is helping to raise Scotland’s international profile and boost the economy by attracting more visitors.

2. Through its International Programme EventScotland supports a range of festivals including this month’s Glasgow International Festival of Contemporary Visual Art and Edinburgh’s international festivals individually (as in the case of the Edinburgh International Film Festival which has secured support for a further three years in order to assist in its move to June) and collectively through Festivals Edinburgh, the marketing body for all 14 festivals. In the case of the latter EventScotland was involved in commissioning the Thundering Hooves report which brought it into existence.

3. EventScotland supports many cultural events and festivals around Scotland through its Regional Programme. These include local events such as: the Wickerman Festival and Wigtown Book Festival in Dumfries and Galloway; WORD writers festival and Sound, the contemporary music festival, in Aberdeen and Aberdeenshire; The East Neuk Festival in Fife; and the St Magnus Festival in Orkney to name but a few. In all cases EventScotland’s financial support and commitment has assisted their development and growth.

4. EventScotland’s involvement in cultural events and festivals is extensive and the national events agency welcomes the move to establish Creative Scotland next year, regarding its creation as a unique opportunity to give creativity a central platform within national life. Furthermore EventScotland is keen that Creative Scotland develop a holistic approach in its vision, structure and framework.

5. In short EventScotland looks forward to working closely with a dynamic arts agency able to represent and take a lead on culture in Scotland.

Engagement with creative industries

6. The creative industries have a value and a unique set of opportunities which Creative Scotland will be able to support and promote. This role in relation to the creative industries is crucial and the agency must be able to develop synergies between public and commercial sectors. As well as being able to work across the whole of the creative economy it must also have a well-informed opinion of what is right for the sector, so building credibility will be vital from the start.

7. Creative Scotland should also act as a focus for attracting creative individuals and businesses to Scotland. The nation’s events industry could benefit greatly from such a development with EventScotland and Creative Scotland working together to maximise opportunities for international partnerships and festivals in Scotland.

Promoting Scotland’s Cultural Events and Festivals

8. Greater exposure of cultural events and festivals to a Scottish audience must be a key aspect of Creative Scotland’s work. Many of the problems highlighted in last month’s
Scottish Broadcasting Commission report, including the absence of coverage of high profile cultural events like the Edinburgh International Festival should be addressed by Creative Scotland. It is the lack of a body such as Creative Scotland that has contributed to Scotland’s cultural success stories being overlooked, particularly by domestic broadcast media.

Financing Scotland’s Creativity

9. With government efficiency savings of 2% over the next three years, and dwindling resources from the National Lottery one of the biggest challenges for Creative Scotland will be finding new ways to finance culture in Scotland.

10. EventScotland is keen to see Creative Scotland develop innovative and groundbreaking ways of funding culture. It is widely acknowledged that the traditional grants scheme is no longer viable. Instead tax incentives, venture capital, loans and corporate investment are all being considered and it is vital these developments link in with the funding and investment programmes being developed and delivered by other agencies. Again, on this EventScotland sees synergies in the way it works and would welcome Creative Scotland’s partnership in initiatives like the Business Club which can be developed around major cultural events in Scotland and link the two.

11. Equally it is essential that Creative Scotland be able to demonstrate a return on its investment. However, this measurement must go beyond economics and must include the impact on communities and that generated through the media.

Conclusion

12. EventScotland would like to see Creative Scotland play a lead role in delivering a cultural vision for Scotland; enabling creative businesses to flourish; and in coordinating and building relationships and partnerships between stakeholders in the creative sector in Scotland, the UK and internationally.

13. Scotland’s events and festivals are world leaders and it is essential that Creative Scotland is able to assist in extending the contribution they make to Scotland. EventScotland looks forward to working with Creative Scotland to create an environment for existing festivals to flourish and new festivals to emerge and become established.
Written submission from Equity

Introduction

1. Equity, as the trade union representing 37,000 actors, singers, dancers, variety artists and other performers across the nations of the United Kingdom, welcomes the opportunity to submit to the committee on the proposals for this bill. Equity is a non party political and non sectarian union. Many of Equity's members work for organisations supported or funded by either Scottish Screen or the Scottish Arts Council so they have a direct interest in the future of those organisations even if they do not have a direct relationship with either. Most Equity members work in both the publicly supported and the private sectors. In Scotland, without the support provided by Government funds to both Scottish Screen and the Scottish Arts Council, it is questionable whether it would be viable to maintain a career in Scotland as a performer. The film, television and theatre industries are heavily concentrated in London and the Scottish Government’s investment in these industries is essential in keeping talent in Scotland.

History of the Bill

2. This bill is the successor to drafts prepared by the previous administration. The idea of a body called Creative Scotland, combining the functions of the Scottish Arts Council and Scottish Screen, was developed by the former Liberal/Labour coalition. Whereas previous thinking was possibly too prescriptive and ambitious, the thinking behind this bill is hard to understand. The bill is vague, is loosely drafted and the only thing in the bill that actually needs legislation is the abolition of the Scottish Arts Council, a body created by Royal Charter. It is hard not to see that the apparent objective of this bill could be achieved without legislation.

The arm’s length debate

3. One area of concern with the previous incarnation of this bill is the ability of ministers to direct the new body. The current bill gives an undertaking that ministers will not get involved in artistic decisions but since the body will be the primary channel of government support for artistic organisations, directions from Ministers that relate to resources and priorities will quickly have artistic implications. Ostensibly, the Scottish Arts Council is an ‘arm’s length’ body but that position has been consistently undermined for the past twelve or so years by direct Ministerial intervention starting with Sam Galbraith’s direct intervention in Scottish Opera.

4. Equity believes that this bill creates a body that occupies a muddled middle ground between the obvious alternatives of a ministry of ‘Culture and the Arts’ (as in France) or the tradition in this country of an ‘arm’s length’ independent body. Equity strongly favours the latter and calls for the reinstatement of the ‘arm’s length’ principle and the re-assertion that public funds for art and culture should be administered independently from government and political interference.

Relation to Local Government

5. The bill seems to ignore the key role local authorities have in the promotion of arts and culture. The move by Edinburgh City Council to cease to fund Scottish Ballet is symptomatic of a shift in local authority priorities.
Lack of reference to specific art forms

6. Equity’s concerns are unashamedly related to the areas that provide employment to our members. The bill makes no reference to theatre, drama, ballet, dance, singing or other art forms. Equity believes this will prove to be a mistake and that any successor body to the SAC or Scottish Screen must develop art form expertise.

Increased responsibility

7. One obvious concern is the increased responsibility of the new body. Creative Scotland is tasked with covering many things that SAC or Scottish Screen did. No explanation is given of how this will be achieved or prioritised.

Resources

8. Looking at the Scottish Government’s budgets for the next three years, the new body is not to be given an increase in its resources that is commensurate with its increased responsibility. This begs the question of what it is going to cease to fund in order to be able to resource its new responsibilities.

Competition with its own clients

9. Creative Scotland will have the ability to set up or operate as a charity. This is presumably because it is to be given the ability to apply to charitable foundations to develop initiatives. Unfortunately this will put it in direct competition with many of its clients who rely on additional funding from such sources for their survival.

Leadership

10. Leadership in the arts and cultural world is a big issue in Scotland. The National Performing Arts Companies are now managed directly by the Scottish Government. Artistic provision would benefit from a more coordinated approach from SAC/Creative Scotland and the National companies. One criticism levelled at both SAC and Scottish Screen is that they do not act as leaders in their fields. Combining them and expanding their brief will make it very hard for the new body to act as an effective leader across a broader spectrum whilst the National Companies are funded from elsewhere. The absence of leadership and effective advocacy leads to artistic and cultural activity being funded for social ends. All in the sector recognise that artistic activity can produce very positive social outcomes but these are incidental and neither the guaranteed consequence or the objective of artistic activity.

Political consequences

11. The reality is that this is a slight bill. When it is scrutinised by the opposition parties at Holyrood they may well choose this bill as an opportunity to embarrass the Government. However, much of what is planned here could be implemented without legislation.

Conclusion

12. Equity believes this bill is a missed opportunity. The arts are an important part of Scotland’s identity. The Creative Industries are a vital area of economic importance. The biggest failure is the failure to recognise the potential of increased investment. The
National Theatre of Scotland is proving to be a hugely successful new organisation whose success across the English speaking world has helped raise Scotland’s profile. This success is the direct result of additional investment. Structural re-organisation of the prime channel of Government investment offers no guarantees but the uncertainty of change.
Written submission from the Scottish Storytelling Centre

1. Can I draw the attention of the Convener and members to the fact that the provisions of the Bill are already being implemented?

2. A Transition Board for Creative Scotland has been appointed along with a Transition Director, who has already publicly described the functions and operations of Creative Scotland, and given media interviews on the same topics. This seems to suggest either that scrutiny is a nominal process or that the agreement of Parliament to this legislation is being presumed?

3. We submit that the Creative Scotland Bill as it stands is badly drafted legislation:

   a) **In principle** because its substantive clauses are lacking in any effective definitions in law, while its administrative provisions do not require a Parliamentary Bill to be implemented

   b) **In practical effect**, since the Bill greatly increases the total responsibilities previously assigned to The Scottish Arts Council and Scottish Screen, while the government predicts in the financial memorandum a reduction in resources to the new united body by comparison with the former agencies.

A. Definitions and responsibilities

4. The purposes laid out in section 2(1)(a) and section 2(1)(b) are so wide as to lack content and any workable application either in law or practical policy.

   **Culture**

5. ‘Culture’ as defined by UNESCO includes built heritage, archaeology, languages and religion. The notes to the legislation indicate that any definition is undesirable as limiting freedom. Does a concept that cannot or should not be defined have any role in a piece of parliamentary legislation?

6. The use of the term ‘culture’ in the Bill is not only ineffective but potentially misleading and counter-productive.

7. The government has excluded matters of cultural judgement from its powers of ministerial direction in the draft Bill. It is then left open, due to the Bill’s lack of definition of purposes, for the Chair and Board of Creative Scotland to promote any cultural preference or passing fashion, and appeal to the Bill’s wording as their authority for so doing.

8. There are also potential confusions with the remit of other national bodies which have key cultural roles, such as historic Scotland, Bòrd na Gàidhlig, Museums and Galleries Scotland, etc.

9. We submit that the term ‘Culture’ has no effective function in the legislation and should be relegated to the explanatory notes and/or policy memorandum. Culture, unlike an art form or a language or specific activity, is the context in which the arts and creativity operate and cannot in itself be a specific purpose or responsibility.
The Arts

10. We submit that the term ‘The Arts’ is at the core of the Bill and that it should be defined as “The arts, including music, literature, drama, visual arts, film and new media”.

11. These arts in their broadest sense are at the centre of our common European culture and are embodied in centuries of Scottish cultural achievement. The Scottish Enlightenment played a lead role in defining the value of such art forms to modern society and it is difficult to conceive a civilised nation without such art forms.

12. Nonetheless, the Creative Scotland Bill enables Creative Scotland to exclude, for example, literature if it so desired. The first Scottish Executive’s cultural policy in fact excluded literature, though probably by mistake.

13. The explanatory notes and policy memorandum seek to justify the Bill’s lack of definition of the arts or even artists on the grounds of cultural change and the influence of new media. Such changes have been part and parcel of the arts for centuries and do not justify ‘junking’ rather than expanding the core definitions, most of which have lasted for millennia and form part of international structures of recognition and discussion.

Creative

14. The draft Bill and its subsidiary documentation are liberal in their use of the word ‘creative’, again without definition. This term is used in effect to create an agency without any limitation on its responsibilities and functions.

15. These include in its core purposes the “application of creative skills to products and processes”. This covers everything from film production to designing the third Forth crossing.

16. The problem here, as in ‘Culture’ is of significant confusions with the remit of other national bodies such as Scottish Enterprise, Architecture & Design Scotland, etc. The confusion or clash with Scottish Enterprise’s lead economic development role is particularly surprising, given a track record of disagreement and confusion amongst the existing bodies regarding ‘creative’ or ‘cultural’ industries and creative skills.

17. The purpose of the language employed, judging by the policy notes, is to underline the widest “benefits of creativity across the public sector to business and society as a whole.” But such qualitative benefits derive in the first instance from inherently artistic creativity and activity. Recognising these as the essential starting point does not prevent a wide view of benefits and applications.

18. We therefore submit that maximising the benefits of creativity is not well served by such vagueness. The resultant organisation has so many potentially diverse purposes as to have no governing, directing or prioritising purpose. Again, we would refer to Scottish Enlightenment thinkers including George Turnbull, David Hume, Adam Smith and George Campbell who directly link, on the basis of clear definitions, the practice of the arts to the social, economic and educational benefits which are integral to good artistic practice across society.

19. James Watt was a creative engineer but he expected to be funded by business investors, not through the relatively limited sources of public or private support for artistic
creativity in whatever medium. A creative blacksmith may be an artist when designing and making a wrought iron screen, but not when he or she is shoeing a horse.

20. We therefore suggest deletion of section 2(1)(d) and substitution of section 3. as follows:

3. In exercising the functions defined in subsections 1(b) and 1(c) Creative Scotland must do so with a view to

(a) realising the educational, social, cultural and economic benefits of the arts

(b) assisting other persons to realise the educational, social, cultural and economic benefits of the arts

B. Relationships

21. Creative Scotland is envisaged in the policy memorandum as a lead strategic agency, but the definitions in section 3(2) and section 3(3) of this strategic role are weak – “may provide advice”.

22. In particular the relationship to local authorities as Scotland’s main public sector cultural providers is hazy.

23. We submit that, without clear strategic relationships, Creative Scotland cannot deliver the lead strategic role envisaged by the policy memorandum and, in particular, cannot increase access to the arts across all sectors of society.

24. One clear relationship might be the responsibility of assisting local authorities in the development of local and regional cultural plans.

25. Another clear relationship would be the responsibility to contribute through national, regional and local plans to effective delivery of arts education at all levels. The Bill avoids reference throughout to education, although the government’s curricular reforms need the active participation of Scotland’s artistic community if they are to deliver on their ambitions for creativity in all its aspects. Please also see Creative above.

Conclusion

26. The draft Creative Scotland Bill expresses many good intentions in so vague a way as to be ineffective, both as legislation and as a basis for distinguishing clear purposes or functions. Behind such vagueness may also lie the intention to force a quart of policy outcomes into a financial and institutional pint, to the detriment of Scotland’s artistic achievements in the future.

27. The flourishing of the arts in a successful Scotland and boosting the creative economy are both vital to a successful Scotland. Creative Scotland should have the lead on the first but be only part of much wider strategic investment for the second.

28. The imprecise drafting and confusion of terms is in danger of miscommunicating an artistically unfocussed rather than a creative, Scotland – or at least a nation detached from its own artistic heritage and achievements. We do not believe that this is the intention of
government or The Culture Minister, nor is it the legacy that Parliament should establish in statute.

Dr Donald Smith
Director
The Scottish Storytelling Centre
Written submission from Universities Scotland

Summary

1. Universities Scotland is the representative body of Scotland’s 20 universities and colleges of higher education, including four art schools, one conservatoire and many departments working on both teaching and research in the fields of culture and the arts.

2. Universities have a critical role to play in the future development of Scottish arts and culture. The role they play in this area is multifaceted. All universities contribute significant financial resource and staff time to contribute to the vibrancy of Scotland’s cultural life. This is not a bolt-on or periphery activity but it is intrinsic to the work of universities. They mount exhibitions, hold lecture series, festivals, performances, are guardians of historic buildings, host writers in residence and community arts projects. In 2005/06, Scottish universities invested more than £10 million in cultural engagement activities.

3. The table below demonstrates the expenditure of the higher education sector in 2005/06 as compared to the expenditure of some of Scotland’s national agencies for the arts and culture. Understandably the higher education sector does not equal the expenditure of the agencies that have national responsibility for arts and culture. However figure 1 shows that universities’ expenditure on cultural engagement is significant by comparison. At one sixth of the total expenditure of the Scottish Arts Council, Scottish universities can be seen to make a very real financial contribution to Scotland’s cultural vitality. This data also significantly underestimates the amount spent as it was only recorded for 16 institutions. However it gives an illustration of the significance of the amount of money that universities invest in this area.

Figure 1: Expenditure on the arts and culture by source

4. Nearly one million people enjoyed a diverse range of cultural opportunities by universities in 2005/06. Over 680,000 people visited some of the sector’s biggest galleries and art centres in 2005/06. To put this figure into context the galleries and art spaces of Scotland’s universities were visited by just over 50 per cent as many people as the six National Galleries based in Edinburgh. Visitor numbers for attendance at music, theatre and drama events are less well recorded across the sector as a whole. However the Royal Scottish Academy of Music and Drama alone attracts around 100,000 people to events throughout the year making a significant cultural contribution to Scotland.
5. Universities Scotland welcomes this opportunity to comment on the Creative Scotland Bill. In general Universities Scotland is supportive of the creation of Creative Scotland. However we think that the key role that universities play in supporting the arts and culture has not been significantly recognised in this Bill. The activity that occurs in Scotland’s universities is the foundation for a flourishing arts and culture scene in Scotland. We make all the other activity possible. Universities are pivotal to the success of Scottish arts and culture through the role we have in nurturing Scotland’s creative talent, provided training and continuing professional development for the industry, in our innovative research, in being custodians of some of Scotland’s finest art and culture and in our ability to attract other talented and creative people to Scotland.

The role of higher education

6. Higher education is critical to the future development of Scottish arts and culture. The definition of a ‘creative Scotland’ is an ambition shared by many, especially universities. All higher education institutions in Scotland act as forums for wider cultural activities, and promote creativity amongst their staff and students. There are four dedicated art schools in Scotland – two stand-alone leading textile schools and research centres. As well as the Royal Scottish Academy for Music and Drama and Queen Margaret University which also delivers conservatoire drama, higher education institutions host schools of music and the performing arts in all of Scotland’s four major cities, promoting participation in music and drama throughout the country. However, creative arts training is very labour and resource intensive and can be expensive to deliver. It’s vital that these subjects are funded appropriately.

7. Along with a proven record in fine arts such as art, creative writing, music and literature, Scottish institutions are strong in teaching and research of other culturally significant subjects such as architecture and planning, with fifteen institutions offering a range of courses in architecture, interior architecture, architectural design and architectural technology. In terms of the emerging creative industries, the higher education sector is also leading the way in areas of growing economic importance such as design, journalism, publishing, film and photography. Much of this excellence is through digital media innovation and attracts international investment in the Scottish economy.

8. Scottish universities also provide lifelong training and continuing professional development opportunities for people working in the creative arts. This is particularly
important in the creative arts as often skills are developed at a later stage in one’s career. For example, training to be a theatre director is a second level skill which builds on earlier qualifications and experience. It is therefore vital that an effective lifelong learning system is in place to enable us to effectively harness and use the talent and skills that exist within the creative arts industry.

9. Higher education institutions play a significant role in helping Scottish communities meet their cultural, artistic and creative needs, and the importance placed on this role is reinforced by the establishment in a number of institutions of a dedicated office or staff unit for the advancement of their cultural policies.

Promoting arts and culture in Scotland

10. As illustrated, higher education plays a crucial role in developing and sustaining culture and the arts in Scotland. Scottish universities are particularly encouraged by the stated objective for Creative Scotland which is to “inspire and support a culturally ambitious Scotland, where our creative practitioners excel and their enterprises prosper, and one which attracts and retains increasing number of gifted people”. Universities share this ambition for Scotland and are committed to working in partnership with a wide range of organisations, including Creative Scotland, to achieve this.

11. Universities also welcome the intention that Creative Scotland will be tasked with encouraging more people and a greater diversity of people, to access and participate in the arts and culture. Higher education is built on the principle of open and equal access to knowledge and the fruits of knowledge. Higher education institutes attempt to put this principle into practice as universities make as many of their resources as possible available to their communities and to the general public. Most universities sustain theatres and arts venues, art galleries, libraries and archives, museums and historic buildings, and where possible they are permanently open to the public. Member institutions of Universities Scotland do have existing links with both the Scottish Arts Council and Scottish Screen. These do vary depending from institution to institution and some of our members feel that there could be greater co-ordination between the Scottish Arts Council/Scottish Screen and other partners. There is scope for these links to be strengthened and the new body should look to create the widest possible dialogue with bodies involved in the creative fields and particularly with the higher education sector. Universities Scotland therefore welcomes the proposal to create Creative Scotland, which is a timely rationalisation of the organisational arrangements for supporting creativity through the combination of Scottish Arts Council and Scottish Screen’s overlapping functions. We hope that this will help create a broader and more co-ordinated approach to the creative field as a whole. However, Universities Scotland does have some concerns that the role and function that universities play within the creative sector is not reflected in the Bill or the policy memorandum accompanying the Bill.

12. Another objective for Creative Scotland is that the agency should ‘support activities which involved the application of creative skills to the development of products and processes’. The higher education sector is critical to the success of this objective. The creation of Creative Scotland should be used as an opportunity to look into how we support creativity in Scotland through curriculum development, continuing professional development and knowledge transfer. It may also be an appropriate time for universities and Creative Scotland to identify and separate training and education to establish the best spread of provision across undergraduate and postgraduate programmes in order to offer
students and practitioners structured progressions and opportunities for flexible as well as focussed continuous professional development.

13. Universities Scotland is concerned that while there is reference to a range of interests/bodies whose functions are related to or may be impacted on by Creative Scotland (Local Authorities, Scottish Museums Council, Scottish Library and Information Council) there is no reference to the role played by universities. Scottish universities play a crucial part in fostering and supporting access to and/or participation in the arts through formal programmes of study or practice based and ‘conventional’ research in the arts, curatorial, scholarly and other cultural engagement work. Universities Scotland is supportive of the ‘arms length’ principle outlines in the provision under 3(4) and 5(2) that Ministers will not be involved in determining the form of assistance to other organisations.

14. While the Bill itself may not be the place to express this, Universities Scotland would emphasise the importance of encouraging Ministers, Government officials and Parliamentarians to recognise the importance of Creative Scotland establishing close links with universities and to look to working in partnership across relevant areas. Partnership will be key to the success of Creative Scotland and it must look to create the widest possible dialogue with those working in the creative field, as especially with universities. Universities Scotland is keen to work with the new agency to support Scotland’s creative and cultural development to create maximum benefit from the potential synergies between and among relevant Scottish institutions and companies.

15. Universities Scotland found the policy memorandum accompanying the Bill particularly helpful.
Written submission from the Royal Society of Edinburgh

1. The Royal Society of Edinburgh (RSE), Scotland’s National Academy, welcomes the invitation from the Scottish Parliament’s Education, Lifelong Learning and Culture Committee to comment on the general principles of the Creative Scotland Bill. These comments have been compiled under the direction of Professor Jan McDonald, the Society’s Vice-President with responsibility for the Arts, Humanities and Social Sciences, and with the assistance of a number of expert Fellows of the RSE.

2. In Scotland, performers, writers and directors move comfortably between stage and screen, and there is increased use of filmed or video material in theatre and in creative art. The establishment of Creative Scotland, which recognises the central importance of creativity and culture to the nation’s cultural, social and economic well-being, is a timely rationalisation of the organisational arrangements for supporting creativity through the combination of the Scottish Arts Council and Scottish Screen’s overlapping functions. Whilst we recognise that efficiency should be a consideration of the amalgamation, this should be subordinate to the ability of the new body to carry out successfully the wide range of functions expected of it.

General functions of Creative Scotland

3. We have concerns over the way in which section 2 (1) of the Bill is framed. The proposed remit is wide-ranging and it will be a challenge for Creative Scotland to develop a coherent approach in fulfilling all of its functions. The Society considers that the prime function should be the support and development of excellence and talent in the arts, and that issues related to economic gains, wider access and other incidental benefits will naturally flow from this approach. Therefore, we strongly recommend that section 2 (1) (b) identifying, supporting and developing talent and excellence is put before 2 (1) (a) promoting understanding, appreciation and enjoyment of the arts and culture.

4. Within the functions of Creative Scotland there is continual reference to arts and culture. Given the extended remit of Creative Scotland, the Society believes that the phraseology should reflect this and we suggest arts, culture and creative practices.

5. The Policy Memorandum states that the resources of the Scottish Arts Council and Scottish Screen will be amalgamated to create the body. Creative Scotland, however, is to have new and wider functions than its antecedent bodies. Therefore, it is crucial that there is commensurate funding in place to enable Creative Scotland to undertake its wider functions. We urge the Committee to give priority to this issue, and to ask the Scottish Government whether there is any intention to transfer funds from Scottish Enterprise to Creative Scotland in light of the refocused remit of Scottish Enterprise and wider remit of Creative Scotland.

Grants and loans

6. We assume that section 4 (1) covers the core funding of Creative Scotland and that funding as a result of specific one-off initiatives proposed by Ministers would be covered under 4 (2). The Society would appreciate guidance and clarification in relation to section 4 (2) on the particular purposes that Scottish Ministers may make further grants to Creative Scotland, and in particular how this fits with the requirement in section 5 (2) that “.. Ministers may not give directions so far as relating to artistic or cultural judgement.”.
Directions and guidance

7. We welcome the specific provision in the Bill (section 5 (2)) that prevents Ministers from giving directions relating to Creative Scotland’s artistic or cultural judgement. The extent of Ministerial directions was a particular concern of many respondents, including the Society, to the Draft Culture (Scotland) Bill. However, there is provision in section 5 (1) giving power to Ministers to give directions, and it appears to the Society that there is an unnecessary and intrusive elaboration of this power in section 5 (3). To some extent this could undermine the non-intervention provision in section 5 (2). The Society is strongly opposed to this and recommends that 5 (3) be removed. We are firmly of the view that the proposed powers to be provided to Ministers should be qualified to reflect Ministerial policy that any direction or guidance issued to Creative Scotland should be limited to the governance of the organisation.

8. In the context of decision-making, we advocate that a collaborative culture be fostered and that decisions are taken after discussion and debate, including interaction with practitioners.

Transfer of Scottish Arts Council staff

9. Whilst we recognise and understand the importance of upholding the principles of employment law in relation to the transfer of employees from the Scottish Arts Council and Scottish Screen to Creative Scotland, we wish to add that in doing so, Creative Scotland may not be perceived as a new body. This could have implications for Creative Scotland in carrying out its wide-ranging functions. We would suggest that given the focus on creating a new body with a new direction and new responsibilities, there is going to have to be some form of reallocation of staff responsibilities.

Schedule 1 of Creative Scotland Bill

Status of Creative Scotland

10. The Society notes with regret the dissolution of the Royal Charter of the Scottish Arts Council and the fact that Creative Scotland will not be established by Royal Charter. A Royal Charter protects the independence of a body. As set out above, much of the anxiety being expressed is that Creative Scotland will not be sufficiently independent of government direction. We hope that the dissolution of the Royal Charter does not lead to the foreshortening of the ‘arm’s length’ principle that has existed to date.

Membership of Creative Scotland and terms of appointment

11. We believe that these are important matters, given that those appointed will influence the strategic direction of Creative Scotland. We understand that civil servants lead the appointment process in public bodies and suggest that the appointment committee could be expanded to include persons with relevant expertise, to ensure the appropriateness of those appointed to the new body.

12. With regard to the terms of appointment, we do not agree with section 3 (1), that members will be appointed for such a period as the Scottish Ministers think fit. In order to ensure confidence and a degree of consistency, the terms of appointment should be made more specific. Therefore, we have taken this opportunity to suggest that members should serve a term of three years and that after this three-year period their membership is
reviewed. Members should be able to serve a maximum of twelve years. This would allow a reasonable degree of flexibility.

**Location of office**

13. We agree with the approach taken that Creative Scotland should determine the location of its office premises.

**Relationship with local authorities and other groups**

14. We applaud and encourage the partnership approach set out in the Policy Memorandum and agree that given the wide-ranging remit of Creative Scotland it will have to work closely with COSLA, local authorities and other relevant groups.

15. While there is reference to a range of interests whose functions are related to, or may be impacted on by, Creative Scotland (local authorities, Scottish Museums Council, Scottish Library and Information Council), there is no reference to the role played by higher education institutions (HEIs). HEIs play a crucial part in fostering and supporting access to and/or participation in the arts (through formal programmes of study of historical, theoretical, analytical and practice-based research in the arts, curatorial, scholarly and other cultural engagement work). While the Bill itself may not be the place to express this, the Society would emphasise the importance of Creative Scotland establishing close links with HEIs and of developing partnerships across relevant areas.

**Additional information and references**

16. In responding to this consultation the Society would like to draw attention to the following Royal Society of Edinburgh responses which are of relevance to this subject: Draft Culture (Scotland) Bill (March 2007) and Scotland’s Creative Industries, produced for the Scottish Funding Council (March 2008).

17. Copies of these responses can be requested from the RSE’s Consultations Officer, Mr. William Hardie (email: evidenceadvice@royalsoced.org.uk). Responses are also published on the RSE website (www.royalsoced.org.uk).
Correspondence from Greig Chalmers, Head of Creative Scotland and Broadcasting team, Scottish Government, to Allan Campbell, Assistant Clerk, Finance Committee, dated 30 April 2008

CREATIVE SCOTLAND BILL: FINANCIAL MEMORANDUM – FURTHER INFORMATION

Thank you for your email of 23 April, which seeks information further to that included in the Financial Memorandum for the Creative Scotland Bill. You seek in particular information about the one off transition costs associated with the implementation of the Bill, which I offer below. I would wish to emphasise that estimates and ranges of estimates noted below are offered prior to a decision of the joint board of the Scottish Arts Council and Scottish Screen and Ministers about the structure of the proposed organisation, and – as a consequence – represent neither the policy of the Scottish Government nor a decision of the joint board. The exception to this is the running cost of the transition project team in this financial year, which is confirmed.

The joint board expects to consider a detailed plan for transition implementation, including a budget, by September, and for implementation to begin thereafter. Such implementation will have regard to any substantive amendments relating to the functions and operations of Creative Scotland that may be made during the course of the Parliament's consideration of the Bill.

Transition costs

At present, it is expected that transition costs may arise in the following general categories:

- Staff and other costs of transition team;
- Professional and legal fees;
- Policy and systems’ development and implementation;
- Arrangements for voluntary redundancies;
- Recruitment of chief executive and board members;
- Arrangements for pensions; and,
- Premises (relocation) costs.

Following further discussion with the two organisations, provision for general staff training and recruitment have been removed from estimates of one off transition costs (except insofar as they relate to the recruitment of a chief executive). The organisations are content that they will meet the costs for these activities from their operational budgets.

Estimates of possible costs

The estimate offered in the financial memorandum was the result of initial discussions with the newly appointed transition team for Creative Scotland, based on their first consideration of possible costs. Following further analysis, and consideration, we are now able to offer further developed costings and some breakdown of categories. Work on this continues as a transition plan is finalised.
The table at the appendix notes a number of estimates and, in some cases, ranges of possible estimates in categories of expenditure over this and the next financial year. If the organisation is to be established early in the next financial year, it is anticipated that the greater part of the costs identified in the appendix will likely be incurred in the present financial year, although precise timings are yet to be confirmed.

We are aware that the ‘twin track’ approach to this process, with the legislation and the transition planning progressing at the same time is an ambitious undertaking. Ministers wish us to proceed in this accelerated fashion taking account of the wishes of the cultural sector and others to bring to a conclusion an extended process of debate and reform that has been continuing since around the time of the establishment of the Cultural Commission, in 2004.

The table also includes some background information.

In three categories of expenditure we are not presently able to offer an analysis of possible costs. These are as follows:

- Estimates are included at the annex in relation to the design of new systems, including IT and other administrative systems. As the operational remit of Creative Scotland is still in development and the requirements with regard to systems are still to be clarified it is at present not possible to offer an estimate for system implementation costs, reflecting the potential retention of current systems and development of new;
- In relation to staffing costs, the process of commissioning actuarial advice about pensions is under way but no estimates of one off costs necessary for future arrangements are yet available. In relation to costs associated with any voluntary redundancies, it is not possible at present to offer an estimate of overall cost, as no proposed organisation structure yet exists for Creative Scotland; and,
- In relation to premises costs, initial work has been undertaken to identify potential liabilities and relocation costs. This work is to be further developed and will benefit from preparatory work undertaken in a location study that began in 2006 under the terms of the previous administration’s policy on the location of public bodies. The decision regarding premises requirements will be subject to the identification of the requirements of Creative Scotland and relevant financial restraints.

**Timing**

We have to date worked on a general planning assumption that Creative Scotland may be established at the beginning of financial year 2009/10, or shortly thereafter. Accordingly, we have assumed that one off transition costs will fall principally in 2008/09 and 2009/10. As noted above, however, the transition team is preparing an implementation plan, which will set out time tables and will clarify what can be achieved in this financial year and what elements might form part of a longer term transition phase. When this plan is available, it will be possible to offer a more precise view on when exactly costs will be incurred. For the time being, therefore, we offer estimates over two years, with the greater part of costs anticipated to be incurred in 2008/09.

**Funds for transition**

In your email of 23 April you note that the financial memorandum states that “all costs associated with transition will be met from the 2 per cent efficiency savings that are
required by the Scottish Government”. That is not an accurate interpretation and perhaps I can provide some clarification.

The financial memorandum states:

“These costs will be met from savings from the two organisations’ grant in aid which is required from the Scottish Government”

In common with all Scottish public bodies, the Scottish Arts Council and Scottish Screen are, during the period of the present spending review, seeking 2 per cent annual cash releasing efficiency savings. The Scottish Government is working closely with the Scottish Arts Council and Scottish Screen to pursue these targets. When information is available about efficiencies achieved in relation to the present target, it will be published. It is not the case, however, that the Creative Scotland transition project is being funded from cash releasing efficiency savings. The Government’s policy is that monies released from such savings should be recycled into other core activities. This will apply to the Scottish Arts Council and Scottish Screen as it does to other bodies.

The policy of the Government is that one off transition costs should continue to be met from grant in aid. The allocation of such funds, other than funds provided on a restricted basis (such as those provided for the Youth Music Initiative), is a matter for the joint board (and, in due course, the board of Creative Scotland). Consequent upon this, the joint board has agreed, at the end of March, to retain a contingency for transition costs of £1,003,000 across both organisations, and this will be reflected in their published operating plans. This amount is approximately 2 per cent of their combined grant in aid. As noted, above, however, no decision has yet been taken by the joint board about how to distribute these funds to different tasks associated with the transition, nor whether the contingency is sufficient to cover all costs. In the event that a request for additional funds is made, the Government will of course consider and scrutinise any such request.

Staffing costs

In the course of the evidence session on 22\textsuperscript{nd} April we were asked to provide figures for staffing costs for the two organisations in financial year 2008/09. In relation to the Scottish Arts Council, the budgeted figure is £3.975 million. For Scottish Screen, the budgeted figure is £1.351 million. Both figures are based on a range of assumptions regarding staffing levels and present Scottish Government pay remit guidance.

Also, for completeness, we said in the course of our evidence that there are 30 people employed at Scottish Screen. There are in fact 36 full time equivalent posts; but a total of 39 individuals working full and part time, and on a job share basis.

In the course of this morning’s evidence session before the subject committee, I was asked whether we would be willing to offer the information here also to that committee and for that information to be made public. In a spirit of helpfulness, I assented to those requests.

On reflection, I can see that these decisions are essentially a matter for the Convener of your committee. We would be grateful if you could let us know of the Convener’s view on this, and presume that you will liaise in this with the Clerk of the subject committee. We are conscious that there was discussion at the Finance Committee about whether all the information here should be made public, due to sensitivities around staffing issues. We
expect too to be asked for information from the subject committee and will liaise with you about this.

I hope this additional information is useful to the Committee, and will provide further information when it becomes available.

Appendix

Transition to Creative Scotland: estimates of costs 2008-2010

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimates (inclusive of VAT)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transition team running costs</td>
<td>£410,000</td>
<td>Includes salaries, travel and accommodation, office costs, events, advisory consultants and connected services. Transition project is scheduled to complete at the end of 2008/09, but this figure includes a contingency for ‘spill-over’ into 2009/10.</td>
</tr>
<tr>
<td>Legal and professional fees</td>
<td>£280,000</td>
<td>Estimate based on previous business practice. Includes provision for advice and services connected to HR, tax, property, intellectual property, business transfer and general financial and legal advice.</td>
</tr>
<tr>
<td>Policy and systems’ development</td>
<td>£240,000</td>
<td>Includes provision for 3 policy and strategy development projects. Also includes provision for Creative Scotland website; design of electronic administration systems; and, communication for new organisations.</td>
</tr>
<tr>
<td>Board and chief executive recruitment</td>
<td>£150,000</td>
<td>Costs based on cost of equivalent 2004 recruitment exercises, plus inflation.</td>
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