Finance Committee

Public Services Reform (Scotland) Bill

Submission from Voluntary Arts Scotland

About Voluntary Arts Scotland

There are an estimated 2 million people in Scotland who participate in the arts and crafts, including nearly 9,400 organisations (or 18.8% of the general voluntary sector) and 263,400 volunteers in the voluntary cultural sector. Voluntary Arts Scotland was created to support the efforts of these people and their groups to provide cultural activity in their communities, through development and advocacy. Voluntary Arts Scotland is part of the Voluntary Arts Network (VAN), the development agency for the voluntary arts across the UK and the Republic of Ireland. Our mission is “promoting practical participation in the arts and crafts.”

We welcome the opportunity to comment at this stage on the Bill and its related documents especially as we are aware the Scottish Government did not carry out any consultation prior to the introduction of the Bill. We will be concentrating primarily on the Creative Scotland aspect of the bill with a small note of the Charities legislation change.

General comment

We are aware that the legislation covers only the framework of the new organisation, Creative Scotland, and that there is still significant work to be done on the content. However it is essential that this work results in an organisation whose ethos and abilities are trusted by the people and groups whom it is meant to support and represent.

The Bill itself

(1) Creative Scotland has the general functions of—
   c) encouraging as many people as possible to access and participate in the arts

(2) In exercising the function mentioned in subsection (1)(c), Creative Scotland must do so with a view to increasing the diversity of people who access and participate in the arts and culture.

Voluntary Arts Scotland considers that the main issue regarding diversity may not be the range of people accessing and participating in the arts and culture, but more the range of what is considered to be arts and culture highlighting a need to expand the underlying definition from mainstream or ‘high arts’.

29 Grants and loans

(1) The Scottish Ministers may make grants to Creative Scotland. Does this mean that the organisation has no guaranteed income from the government?
30 Directions and guidance

(1) The Scottish Ministers may give Creative Scotland directions (of a general or specific nature) as to the exercise of its functions.

(2) But the Scottish Ministers may not give directions so far as relating to artistic or cultural judgement in respect of the exercise of Creative Scotland’s functions under section 27(1) or (3), 28(3) or 29(4).

We understand concerns that some have over the power of direction by the Minister. We think there needs to be a certain element of direction as it is public money and the organisation needs to be accountable for decisions made. Whilst never expecting that the Minister would rule on every case, we would expect to see clear direction over what the government expects to be outcomes from the public purse and strong principles of equality and access to that support.

Schedule 5

1 (2) Creative Scotland is not to be regarded as a servant or agent of the Crown, or as having any status, immunity or privilege of the Crown, nor are its members or its employees to be regarded as civil servants.

Does this mean that it does not have to take account of any Government policy directions, or agreements it might make with sectors that come under the Creative Scotland remit?

2 (1) Creative Scotland is to consist of the following members—
(a) a person appointed by the Scottish Ministers to chair Creative Scotland, and
(b) no fewer than 8 nor more than 14 other members appointed by the Scottish Ministers.

This is obviously the section that puts Creative Scotland out of charitable status. If charitable status is wanted then the government will need to look at a democratic way of electing people to the Board.

Committees

8 (1) Creative Scotland may establish committees for any purpose relating to its functions.

(2) Creative Scotland is to determine the composition of its committees.

(3) Creative Scotland may appoint persons who are not members of Creative Scotland to be members of a committee; but such persons are not entitled to vote at meetings of the committee.

Just pointing out that if you have no vote – what’s the use of being on the committee?

General powers (10)
We understand that the list in this section is meant to be enabling; but we have concerns that there is no restraint on what Creative Scotland can do with respect to creating organisations or services which could duplicate what already exists.
We are pleased to see specific reference to Creative Scotland being able to enter into contracts as this certainly opens up the possible relationships the organisation can have beyond grants!

We are also aware that the new legislation may make it impossible for Creative Scotland to fund unincorporated associations, which we understand is currently not the case with the Scottish Arts Council. This will have implications on the nature of clients it can support and may end of making it an exclusive rather than accessible organisation. It also brings into question its Awards for All allocation as many groups that utilise this route are unincorporated associations. We know the Scottish Law Commission are looking at this area but it is important that legislation is not passed that inadvertently suddenly excludes many potential clients from Creative Scotland support.

Financial memorandum comments

471. New Government Priorities
Youth Music Initiative – might transfer to creative Scotland? Why put this uncertainty in? Either it is going to transfer or not?

472. Efficient Government programme
We think that the efficiency targets that Creative Scotland will inherit will immediately cause financial problems. Instead of the increase that it should be getting to cover a larger remit, it faces immediate cuts? Combining the two existing agencies was theoretically to free up money only to have it disappear into ‘efficiency’ gains. Why let the arts still be underfunded through these mechanisms especially when the arts and culture is one of the areas greatly hit by the reduction in Lottery funding because of the Olympics 2012 drain, and we need to encourage more participation ahead of the Commonwealth Games in 2014?

And also there is the effect of the loss of charitable status. Creative Scotland should be at least keeping the expected efficiency gains to cover this loss of income.

475. Transition Costs
We are pleased to see that Government is footing the bill for the transition as opposed to the opposite in the first attempt. If this is a change the government wants then it needs to spend the money rather than from efficiency gains, which also made the original transition project difficult to account for it appears!

497. Cost to other bodies
We do not agree at all with the assertion that there will be no costs to other organisations other than those named in the paragraph. Clients of the Scottish Arts Council and Scottish Screen will need to change letterhead, websites, publications and so on. Maybe in some cases this will be relatively small costs but in others they will be sizeable and no-one will be funding them to cover these changes in most cases!

Also there are the costs in getting to know a new organisation, systems, expectations, language, culture. These are items that ultimately translate into real
costs of staff and volunteer time, which again will not be covered by funding from Creative Scotland. So to say there are no anticipated additional costs to other bodies, individuals and businesses is simply not true and shows a lack of understanding of the scale and nature of this type of transition.

Also we have not been contacted by the Government with regards to the reference of further defining roles and responsibilities of delivery and advocacy bodies. Consequently they are unlikely to have any idea of what our costs are likely to be, so are potentially working without full knowledge of the situation and making assertions that do not add up.

498 Loss of charitable status

Reducing the amounts needed in efficiency gains would cancel out the losses from the loss of charitable status e.g. £546,400 loss compared with £912,000 in year 1 efficiency gains!

The loss of rates relief – could this also be mitigated by moving to a site not so expensive?

With regards to donations – who is giving these? Would it be better to encourage them to be given to organisations that are not statutory ones and have charitable status? Also what are the implications of the ownership of the current assets of the Scottish Arts Council. Also assets owned by charitable organisations are generally expected to be held by a charitable organisation in our reading of the OSCR requirements?

499 Transition Team

This is good to finally see some figures on the cost of the transition team costs. What is unfortunate is that from our perspective it appears that there was not the best value gained from the money expended..

Policy memorandum extracts

We have commented on aspects of this document as the legislation only covers the framework in many cases and the work of content of Creative Scotland is still largely unknown, but we expect that the points made in the policy memorandum will shed some light on the possibilities:

141.’ …its role will be to develop support frameworks’

We can understand the role with regards to funding but expert/best practice advice do already have other support frameworks – this needs to be recognised in policy and practice of Creative Scotland and maybe how it helps develop existing ones too.

143 ‘As the national public body for the arts …. the key advocate of Scotland’s arts and culture’
We are not sure how this paradox will be resolved as being the national public body should make it answerable to demands of government policy but at the same time may need to question that very policy? Also there is the issue about the different demands of being a development agency and a funding body that can cause potential conflict in delivering support.

144. 'Creative Scotland ... will recognise that the fun, fulfilment and creative stimulation of both experiencing and joining in the arts and culture are valued by individuals and communities across Scotland'.

We are pleased to see the word ‘fun’ in a government document as this is such a motivating factor in taking part in arts and cultural activities!

146. International profile

We do need to recognise that it is not always high profile showcases that have the greatest effect on people connecting to Scottish culture across the world. Often the one to one, personal contact, word of mouth can have a greater impact.

150. Composition of the Board

We agree with not reserving places for specific interested on the Board as long as the need to have a good coverage is taken account of when recruiting and selecting the Board.

163. Ministers will expect Creative Scotland to work in partnership with these and all other relevant bodies across the arts/culture sector, as well as more widely.

We are happy to see this stated in the policy memorandum – we obviously are very interested as Voluntary Arts Scotland to be one of the partners for Creative Scotland as we are already delivering support, advice, training and advocacy services for a large portion of the arts and cultural sector.

164. ‘The Government believes that Creative Scotland’s functions as proposed in this Bill will allow it to develop and lead a strategic approach to the delivery of arts and culture, garnering input from others in order to act as principal advisor to Ministers on arts and cultural policy.’

We are happy with this approach as long as it is much more inclusive than in previous times, when sometimes only funded clients of the Scottish Arts Council were the main consultatees rather than the large number who do not have a relationship with them and even then certain clients were not included on the lists. Also consultation earlier in policy development processes is always more welcome, especially if policy is driven by activity by arts and cultural organizations, instead of written documents landing on the desk two days before summer holidays start for everyone!

Equal opportunities
166. ‘Creative Scotland will also work with voluntary, business and charities sectors as well as other interested bodies.’
We find it interesting that the first time the voluntary and charities sectors are mentioned are in relation to equal opportunities and not where we would expect to see them around ‘participation’ as the majority of these opportunities are created by groups in these two interconnected sectors and need support as such!

**Part 7 - Charity trustees’ indemnity insurance**

We are very pleased to see this issue being cleared up!

Fiona Campbell, Executive Officer
Voluntary Arts Scotland