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Cabinet Secretary for Culture, Tourism & External Affairs
St. Andrew's House
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Dear Cabinet Secretary

Scottish Budget 2019-20: match-funding for local cultural investment

Culture Counts works on behalf of a group of core members to place culture at the heart of policy making. The organisation and its members are committed to working openly and collaboratively. Collectively we increase the profile of culture; aligning, aggregating and amplifying the sector across policy areas. We are particularly keen to see a budgeting approach which recognises the wider impact of culture on the health and wellbeing of our citizens.

Culture Counts has recently been researching culture spend at local level. While we are aware that it is not the role of national government to scrutinise local government, we think the scale of the issues involved now requires strategy and investment from national government.

As you will be aware, local authority budgets for the cultural sector have been subject to a steep decline since 2008. Local Culture Services expenditure in 2008/09 was £485M; by 2016/17 this had dropped to £412M – a loss of £73M over eight years, not including inflation. Falling levels of disposable income are also having an impact: in 2008/09 income generated by culture was £64M and in 2016/17 income generated was £48M. As a consequence most authorities now charge for services, which actively works against improving equal access to and participation in the arts and cultural activities that are so important to community cohesion and personal happiness.

We recently held a focus group with culture and leisure managers who told us that since the 2008 financial crash, making the case for culture at local level is much more difficult. This is backed up by our research into the financial statistics.

We believe that a match funding incentive could be a successful mechanism to help culture to win the argument for investment at local level. Ireland has recently invested in an innovative agreement between Arts Council Ireland and the County and City Management Association, where the national

body works in collaboration with local authorities to support culture at local level¹. We think this is a model which merits further exploration, and which might be able to build on existing activity in Scotland.

For example, we already have Creative Scotland's excellent place partnerships programme. At present the funding allocated to support place partnerships is too low for them to be available across Scotland. We suspect this is in part because supporting local authorities is not part of Creative Scotland's original strategic remit and to support place partnerships properly, funding would need to be cut from other areas, threatening direct support to artists and producers. It is also a function of cuts to local authority arts development officers; many areas are struggling to do the work required to gain partnership funds, and some are simply unable to engage. Only thirteen of thirty-two local authorities have taken part in place-partnership work to date, meaning that cultural access inequality across Scotland's geographies is likely to increase further.

We therefore propose that Scottish Government allocate and ring-fence national match-funding investment to support and expand place priorities such as the place partnerships programme. Whilst this would not make up the deficit in local cultural funding outlined above, we believe it could make a radical difference by ensuring that all parts of Scotland have equal opportunity to generate a cultural infrastructure that will work now and into the future to improve local provision and access.

£10million would enable the employment of dedicated staff to focus on cultural place development and would direct approximately £300,000 to every local authority in Scotland in match-funding to support arts, heritage, creative industries and the historic environment at local level. This action has the potential to be a game-changer in local authority provision, assisting local cultural providers in making the case for investment by increasing the incentive for local authorities via a match-funding approach.

We recognise that budget discussions for 2019/20 are likely to be well-advanced, and that securing £10m for the culture budget is a serious undertaking. We would be grateful if you could consider this vital proposal in line with the implementation of the Culture Strategy and as part of the programme for government cultural offer for the coming year and beyond. It may also be a timely moment to make a new proposal as UK government budget consequential flow through into the Scottish budget. We would of course be happy to meet with you or officials to discuss the proposals in more detail.

May we take this opportunity to thank you for your strong and effective advocacy for culture at national level. Our members very much appreciate your support.

Yours sincerely,

Jennifer Hunter

Executive Leader (On behalf of Culture Counts Members)

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¹ <http://www.artscouncil.ie/uploadedFiles/FrameworkforCollaboration.pdf>