



Scottish **Arts** Council

Scottish Arts Council Business Plan 2009/10

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1. Chairman's foreword

Those of us who were alive and paying attention in the 1970s will remember that the last few turbulent months of the Callaghan government were described by the Commentariat as 'the winter of discontent', quoting from the opening lines of Shakespeare's *Richard III*. The trouble is, they were not so much misquoting as misusing an accurate quotation: *Now is the winter of our discontent* are certainly the opening words of *Richard III*, and when applying them to strike-bound Britain in the winter of 1978/79 they were highly appropriate, with all the emphasis landing on the opening word NOW.

There were times during last winter when the arts communities in Scotland were eloquently appropriating that misquotation to their bosoms. There was a lot of discontent with the glacially slow evolution towards Creative Scotland, and there was profound anxiety about what it might mean for artists and the organisations that represented them. It was a very discontented winter indeed.

But, happily, the time has come to complete the quotation and give it its proper meaning. Richard was not lamenting, he was exulting, because his brother, like him a son of the Duke of York, had just become king:

*Now is the winter of our discontent
Made glorious summer by this sun of York;
And all the clouds that lour'd upon our house
In the deep bosom of the ocean buried.*

With the advent of Creative Scotland, formed as a limited company last winter, the clouds that lowered upon the transition process are lifting, and the new body is being formed before our eyes. Those of us close to the project know that we'll bring the best of the past, including a passionate commitment to human creativity in all its aspects, into new forms and processes that will better help us rise to the challenges of our own time. And with this absolutely final Scottish Arts Council Business Plan we salute with hope, and with only a tiny surge of regret, the rising of this new sun over Scotland.

Richard Holloway

Chairman of the Joint Board of the Scottish Arts Council and Scottish Screen

2. Chief Executive's statement

This plan sees the Scottish Arts Council working hard to maintain a service to the sector and the public that offers continuity and stability through times of change. This is what is expected of us by the Scottish Government and we welcome that responsibility. Perhaps this year more than any before we will need to be counted on to support and nurture the artists and partners who actually deliver the goods. We have put in place a repertoire of activities that is intended to sustain the sector in troubled times and build resilience. Inviting fresh approaches and new ways of working is part of that process.

We have asked that same challenge of ourselves. The cash savings from improved efficiency in our operations will be invested directly into artistic activity. The planning process itself has demanded better integrated working between artform activities and the wider policy ambitions in policy areas such as Equalities, Education and Audience Development. This is what we ask of those we work with, so it must be what we demand of ourselves.

In closing I have to pay tribute once again to the team at the Scottish Arts Council. Talking of resilience, theirs has again proved to be remarkable. Despite the uncertainty of recent times their expertise, commitment and organisational memory are important resources to call upon during 2009/10, and into the future.

Jim Tough
Chief Executive

3. Vision, mission, aims and strategic outcomes

Vision

Our vision is of a confident, cultured Scotland where everyone takes part in the arts.

Mission

Our mission is to serve the people of Scotland by fostering arts of the highest quality through funding, development, research and advocacy. We believe the arts to be the foundation of a confident and cultured society. They challenge and inspire us. They bring beauty, excitement and happiness into our lives. They help us to express our identity as individuals, as communities and as a nation.

Aims

We have three aims which underpin our vision and mission:

1. to support artists and arts organisations in Scotland to fulfil their creative and business potential
2. to increase participation in the arts
3. to place the arts, culture and creativity at the heart of learning.

By placing our support for artists and arts organisations first, we are reflecting our primary role in relationship to artists and arts organisations. We believe this reflects Creative Scotland's future role which will give high priority to nurturing creative talent – individually and collectively.

Strategic Outcomes

We will know we have succeeded when:

1. Scotland is recognised nationally and internationally as a centre of artistic excellence and innovation
2. The levels of access to, and engagement in, the arts are more equitable.
3. Scotland sustains a thriving creative community which contributes to the economy.

Our Strategic Outcomes are linked to the Scottish Government's over-arching purpose and outcomes shown on page 8.

Priorities

In order to achieve our long-term strategic outcomes we will:

1. increase the scope and quality of our support to artists
2. secure the foundation of Scotland's artistic development
3. create flexibility to support the new and the innovative
4. create opportunities for participation in the arts
5. build a culture of co-operation with partners and the arts community
6. make the transition to Creative Scotland.

4. Introduction

Planning for a new year starts with questions. What is really important? What are the compelling things emerging from the creative community here and across the world? What can we do better to support and stimulate creativity, imagination and ambition – the bedrock of a vibrant cultural life?

There are four dominant themes for 2009/10: working collaboratively with partners; implementing the direction we set in our Strategic Review in 2005/06; working towards the opening of Creative Scotland which is now scheduled for April 2010; and, last but not least, inviting fresh approaches and new ways of working from ourselves and the sector to increase resilience in the sector through troubled times.

Effective partnership working is the key to developing a strong and vibrant creative sector in Scotland and we look forward to working closely on a number of major programmes with the arts community and our partners, Scottish Screen, COSLA, local authorities, Scottish Enterprise, Highlands and Islands Enterprise and Learning Teaching Scotland. These programmes reflect the importance of joined up planning at national and local level, investment in business and skills development and education in and through the arts. We are working together to develop our sector's innovation and sustainability in order to realise the cultural, social and economic benefits of arts and culture for the people of Scotland.

At the top of our list in the Strategic Review came support for artists and the creative process. We increased our investment in the things which creative people tell us make the difference – space, time and money to create new work; workplaces which encourage the exchange of ideas and skills; the chance to travel and work abroad and bring back new ideas and visions. The other driver was ensuring as many people as possible have the opportunity to engage in the arts as audiences, participants and creators. We believe the single most important factor is making sure the best performances, exhibitions and books are within reach of as many people as possible. So we took a radical look at what arts organisations need to create really great work and to thrive rather than merely survive. As a result, we invested in 48 Foundation Organisations for five years and, in return for extra investment, we expect them to strive for exceptional work which reaches out and captivates people – both existing and new audiences. The other factor we identified was the need for renewal and innovation so we introduced our Flexible funding strand which operates on a two year cycle. This year sees the start of a new tranche of 63 organisations, 34 of whom are new to revenue funding and who reflect our commitment to innovation and access.

A new company, Creative Scotland 2009 Ltd, has been established under the chairmanship of Ewan Brown. Subject to legislation in 2009 (the Public Service Reform Bill), Creative Scotland will become the new lead body for arts and screen industries in Scotland, replacing the Scottish Arts Council and Scottish Screen. We will be working with Scottish Screen and Creative Scotland 2009 Ltd to make the necessary practical arrangements for merger but we also look forward to embarking on an ambitious joint development programme. The Scottish Government has provided an Innovation Fund worth £5 million to Creative Scotland 2009 Ltd to support strategic developments which reflect the ambition and scope of the new body.

5. Financial context

The financial context we are facing is challenging on several fronts, not least in relation to the global economic downturn. The downturn will impact on the sector but as yet we have little hard evidence of the direct effects and when they will strike. Financial constraints relating to public sector expenditure also present a challenge and we have been advised by the Scottish Government that there is little or no prospect of growth in the current economic climate.

Our grant-in-aid from the Scottish Government for 2009/10 is at standstill. We are required, as with all similar public sector organisations, to achieve 2% efficiency savings year on year. We will achieve these efficiencies by making the most of our resources (funds and skills), developing new and existing partnerships to achieve greater leverage and redeploying back office savings into front line services.

We planned ahead in order to manage the impact of the reduction in our National Lottery funds because of the contribution we are required to make towards the London 2012 Olympic and Paralympic Games. Although we will still feel the impact of this reduction (totalling £12.5 million until 2012), the steps we have already taken to focus the investment (streamlining the funds and managing cashflow) will see significant programmes coming to fruition in 2009/10.

Whilst there are no easy answers to this exceptionally difficult financial environment, it is clear to us that increasing the range and effectiveness of our strategic partnerships will be essential to increasing sustainability.

6. Planning principles and assumptions

Our planning for 2009/10 continues to follow through on the six priorities identified through the Strategic Review and we describe our activity under the priority headings in the next section. Our planning this year has been guided by the following principles and assumptions:

- a development of our 2008/09 plan with a particular ambition for achieving more integrated working across directorates and departments
- an outcome based approach relating to our six corporate priorities aligned to identifying and supporting the Scottish Government's Purpose and National Outcomes
- the need to make economies and efficiencies
- identification of high level risks including those related to economic downturn
- development of a monitoring mechanism for high level risks relating to economic downturn
- a review of our approach to non-arts budgets to enable us to put resources where they are needed to make the most impact
- maintaining business as usual whilst working towards Creative Scotland in the first half of 2010.

7. Scottish Government's objectives for the Scottish Arts Council and Creative Scotland

We are working within the framework of the Scottish Government's over-arching purpose which is to 'focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth'. Public bodies are encouraged to align their own plans with the Government's purpose and the National Performance Framework, which sits beneath it¹.

In February 2009², Michael Russell MSP (Minister for Culture, External Affairs and the Constitution) stated the Scottish Government's priorities for culture as: support for artists, access and participation. These priorities closely reflect our three aims.

The Minister also described the Government's duty:

- 'to encourage and sustain those who create;
- to ensure that their work is accessible;
- to guarantee that the opportunity to take part in creative activities is open to all.
- to carry forward the national culture as part of an international culture, maintaining, improving, assisting, modernising and supporting.'

We know that artists, arts organisations and other creative enterprises make a strong cultural, social and economic contribution to Scotland. As part of the process of preparing this plan, we have described three high level outcomes which underpin our work and, we believe, the ambitions for Creative Scotland.

1. Scotland is recognised nationally and internationally as a centre of artistic excellence and innovation.
2. The levels of access to, and engagement in, the arts are more equitable.
3. Scotland sustains a thriving creative community which contributes to the economy.

The Scottish Government's National Performance Framework includes 15 National Outcomes and in this plan, we have aligned our aims and priorities to the following five outcomes:

1. we take pride in a strong, fair and inclusive national identity
2. we live in a Scotland that is the most attractive place for doing business in Europe
3. we are better educated, more skilled and more successful, renowned for our research and innovation
4. we reduce the local and global environmental impact of our consumption and productions
5. our public services are high quality, continually improving, efficient and responsive to local needs.

Defining and reporting how we will help to deliver the Scottish Government's national outcomes is a new piece of work which will help to shape a more outcome-focussed way of planning and reporting for us and for Creative Scotland in the future. In 2009/10 we will work with the sector to develop meaningful measures, indicators and baselines. The Scottish Government recognises the challenges we face as an organisation in transition and supports this incremental approach.

¹ Scottish Government's National Performance Framework

² Michael Russell MSP - speech to an invited audience at The Traverse Theatre, Edinburgh in February 2009.

8. Operational

From an operational perspective, there are a number of developments and challenges in the coming year. In a period of transition, efforts will continue to focus on strong governance and sound business controls. An approach of continuous improvement in terms of processes and procedures will ensure ongoing productivity gains in terms of optimising the use of our resources and where possible, absorbing additional activities such as transition work. These efforts will be funded in an environment of tight cost management on internal resources.

Goals of the Efficient Government programme include increasing public sector productivity and targets area in place for cash and time releasing efficiencies. As the bulk of funds under our management are distributed to third parties, a major operational challenge is to share the efficiencies requirement with funded bodies. Additionally, we have made a commitment to identify £73,000 of cash-releasing efficiencies which will be re-deployed for front-line use.

Sources of cash-releasing efficiencies include a review of energy consumption patterns. We are committed to improving carbon performance where feasible and an Environmental policy is under development to optimise the Scottish Arts Council's carbon footprint. While investments of significant capital expenditure have been on hold for a number of years, infrastructure will need to be maintained to ensure business continuity and security of information and resources. Low capital expenditure solutions which require minimal recourse to additional budgets will be explored to address potential exposures in the information technology infra-structure and current energy performance of the building. With the changing legislative timelines for Creative Scotland, the emphasis of the staff retention policy for the coming year will be in the area of staff development.

9. Our priorities for 2009/10

In 2009/10 we will invest just over £60 million of Scottish Government and National Lottery funds in creative people, projects and programmes which best reflect our six corporate priorities.

Our priorities are to:

- increase the scope and quality of our support to artists
- secure the foundation of Scotland's artistic development
- create flexibility to support the new and the innovative
- create opportunities for participation in the arts
- build a culture of co-operation with partners and the arts community
- make the transition to Creative Scotland.

Our plan will continue to reflect our 2004-2009 National Lottery Priorities and we will aim not to use lottery funding as a substitute for other investment. Our priorities for lottery funding are to:

- make the arts available to those who have had few or no opportunities to appreciate them
- increase the numbers and broaden the range of people enjoying and taking part in the arts
- increase arts activity for and by children and young people
- in partnership with others, enable a fair geographic spread of facilities and activities throughout Scotland.

Our investment under our participation priority has reduced which is due in part to the reduction in Lottery funds but there is a very positive reason too. In 2009/10 we have increased the two year funding package available to Flexibly funded organisations from £6.08 million to £6.98 million as a result of our Strategic Review decision to put in place a renewal process every two years for this type of funding. This has mainstreamed significant new developments in equalities and participation by funding 34 organisations which have not received revenue funding from us before.

There will be a considerable amount of activity taking place in 2009/10 that was funded and initiated in 2008/09 – in particular our Inspire programme which was designed to increase opportunities for people to experience the arts and to leave lasting legacies for the artists and communities involved.

This year, in our planning process, we have given high priority to integrating more fully the work of artform, policy area and planning and communication departments. The intention was to enable a more collaborative approach to areas of work such as international, equalities and creative industries. We believe they are crucial development areas which cut across all arts sectors and we also believe they are important building blocks for Creative Scotland.

In 2009/10 we believe that the knock-on effect of the credit crunch will be felt in the artistic sector although, at this stage, we are not sure exactly what the impact will be or its likely severity. However it is likely that public sector, trusts and foundations and sponsorship, sources of income, will become increasingly tight if not decrease severely over the coming years.

We have made provision for a Risk Programme and our approach will be to focus on creating positive change and long-term sustainability. We aim to build on the strengths of the infrastructure while addressing systemic weaknesses. We want to encourage, where appropriate, collaborative solutions which could be locally or regionally based as well as artform or sector based.

Priority 1: Increase the scope and quality of our support to artists

Our unique role is to support those who are at the heart of the creative process. We will invest in artists' awards and bursaries, professional development grants, commissions, business start-up grants and international working. These are all ways in which we pump prime Scotland's creative industries – identifying emerging talent, supporting progression from a creative idea to a business success, and helping to manage some of the risks artists need to take in order to achieve their creative and business potential. This year we have continued to prioritise investment in artists and increase this budget.

In 2009/10, supported by the Scottish Government, we will manage the second year of the Edinburgh Festival's Expo fund. Through investment of £2.35m, the Expo Fund aims to raise the international profile and exposure of the creativity of Scotland through ambitious projects involving Scottish artists and thinkers at Edinburgh's Festivals. This will include the first *Made in Scotland*, a curated showcase of high quality performances from Scottish dance and theatre companies and artists at the Edinburgh Festival Fringe.

The British Council's Edinburgh Showcase, which takes place every second year during the Edinburgh Festival Fringe, has proven hugely successful in promoting British theatre internationally. In the 2007 showcase, Adrian Howell's show was picked up by promoters in Israel, Singapore and Spain.

The Venice Biennale will once again see Scottish artists exhibiting in this major international showcase for the Visual Arts and we will be working closely with the National Galleries of Scotland and DCA on this event.

We are looking forward to the opportunities in 2009/10 to develop our own and partners' understanding of the impact and potential of the creative industries which currently generate £5 billion each year and contribute 4% to Scottish GDP. The Scottish Government has announced plans to lead a partnership to develop the creative industries which will involve Creative Scotland, Scottish Enterprise, Highlands and Islands Enterprise and COSLA.

Our creative industries Opportunity Development Fund will enable creative businesses to develop their use of technology and engage in research and production. For example, the Centre for Capitalising on Creativity at St Andrews is keen to work with partners in the arts sector to develop knowledge-transfer partnerships.

We believe that all our investment and development work underpins the creative economy but, specifically our financial contribution to creative industries includes support for the music and publishing industries, crafts businesses, collecting initiatives and art fairs. In 2009/10, we will continue to fund start-up grants to innovative creative businesses, as well as working in partnership with NESTA and the Cultural Enterprise Office to provide coaching, mentoring and business growth advice for the new companies which have received start-up funding.

Priority 1: Increase the scope and quality of our support to artists

| In 2009/10 we will: | £m |
|---|-------------|
| • support and run award schemes for artists to celebrate and nurture creative talent | 0.36 |
| • develop the creative industries through investment, training and advisory schemes | 0.23 |
| • raise the international profile of artists based in Scotland by supporting showcases and opportunities to work abroad | 3.07 |
| • build stronger links between artists and arts organisations and the business community to enhance sponsorship and other partnership opportunities | 0.64 |
| • invest in continuing professional and business development for artists in all artforms | 2.35 |
| • support career development programmes designed to promote equity of opportunity in the arts sector | 0.22 |
| Total | 6.87 |

Priority 2: Secure the foundation of Scotland’s artistic development

We have protected funding at standstill for our 48 Foundation Organisations (FOs) – a network of creative enterprises which contribute to a dynamic artistic environment in cities and towns across the nation. We believe FOs will play an important role for Creative Scotland as their very considerable artistic achievements make a huge cultural, economic and social contribution to the country. Most present work directly to the public, whereas others are development or support agencies. The majority are involved in educational work and at least seven have children and young people as their main focus.

We made an in-principle five year funding commitment from 2007/08 - 2011/12 to FOs because we think this is a necessary timescale for these organisations, whose impact is national and international, to develop and maximise their ambitions. The wide geographic spread of these organisations also reflects our ambition to see a more equitable distribution of exceptional work across the country. We believe that, collectively and individually, they help to make Scotland a more attractive place in which to live and work.

Our expectations for these organisations are clearly laid out in the Quality Framework, which we developed in collaboration with the arts community. In 2009/10 we will focus on building on the recommendations of the evaluation of our Quality Framework and will begin to work in collaboration with Creative Scotland 2009 Ltd and the sector to develop a process of review for the end of the five year funding period.

There is a lot of interest and debate about different models for arts organisations and we will continue to work with DeFT (Designing for Transition) on the ideas set out in 'Invitation to an Alternative Future'³. Specifically, we hope to share the lessons and build programmes of development from a number of strands of work which our FOs have been involved with in 2008/09.

We are also very clear that the Quality Framework is about refreshing the way the Scottish Arts Council works and we are committed to travelling the same journey as the organisations we support. In 2009/10 there will be an advanced programme of development for all our lead officers linked to their work with organisations and the Quality Framework.

Priority 2: Secure the foundation of Scotland's artistic development

| In 2009/10 we will: | £m |
|---|----------------|
| <ul style="list-style-type: none"> • help 23 producers and promoters across all artforms to create and promote excellent work that develops and widens audiences for the arts | 10.42 |
| <ul style="list-style-type: none"> • fund four festivals to present the highest quality work from the UK and abroad | 3.01 |
| <ul style="list-style-type: none"> • invest in four national youth organisations to support talented young people to achieve their potential and the highest artistic standards | 0.56 |
| <ul style="list-style-type: none"> • fund 17 arts development organisations to establish best practice in supporting people to make work, develop their practice and promote equality of opportunity | 3.30 |
| <ul style="list-style-type: none"> • develop the Quality Framework as a self evaluation and monitoring tool to encourage continuous improvement in Foundation Organisations | 0 ⁴ |
| <ul style="list-style-type: none"> • partner Mission Models Money to explore different concepts and ways in which the arts world can operate in order to become more sustainable. | 0 ⁵ |
| TOTAL | 17.29 |

Priority 3: Create flexibility to support the new and the innovative

It is crucial to have an environment in Scotland where the new and the innovative can flourish. In 2006/07 we took the decision to free up funds invested long-term in over 100 core funded organisations so that we could respond to new ideas. In 2008/09 we implemented a new process which refreshed the number and nature of the Flexibly funded organisations (FXOs). As a result we are now supporting 63 companies over a two-year period and 34 of these organisations are new to this form of funding (see appendix 3). Many represent important new artform combinations and reflect our commitment to key policy areas such as cultural diversity and arts and disability. In 2009/10 we look forward to seeing these organisations developing and creating new content which fulfils another ambition of our Strategic Review.

Our ambition is to continue to widen and refresh the range of work available across Scotland in all artforms by supporting and developing the commissioning of new work in all artforms. By helping to support a wide choice of excellent work and making sure it is widely distributed and available, we aim to develop existing audiences and attract new ones.

³ <http://www.missionmodelsmoney.org.uk/mmm3/renderb327.html>

⁴ Included in operational costs

⁵ MMM funds allocated in 2008/09

Our investment and development work in this area comes through, for example, temporary exhibitions development, our Performing Arts Programming and Venues Fund and Tune Up, our music touring initiative which is designed to ensure that people across the length and breadth of the country have access to high quality live music. Innovative Craft is a commissioning agency which initiates shows for touring to galleries but it also makes interventions in non-conventional spaces to reach new audiences. Scotland benefits enormously from the talents and energies of voluntary promoters who make sure that arts activity reaches into smaller, and sometimes, remote communities. We give particular support to two networks of rural voluntary promoters: NEAT, in the north east of Scotland, which becomes Flexibly funded from April 2009; and the Promoters Arts Network (PAN), in the Highlands.

Our national music touring project Tune-Up, investment in Scots language, Gaelic arts and traditional music and project support for the Year of Homecoming 2009, all contribute to delivering great work across the country under this priority.

Priority 3: Create flexibility to support the new and the innovative

| In 2009/10 we will: | £m |
|--|--------------|
| <ul style="list-style-type: none"> • fund the second tranche of flexibly funded organisations for two years (2009/10 – 2010/11) | 6.98 |
| <ul style="list-style-type: none"> • invest in renewal and innovation by supporting new work and commissions, | 2.09 |
| <ul style="list-style-type: none"> • support venues, festivals and touring to promote high quality work across Scotland | 2.92 |
| Total | 11.99 |

Priority 4: Create opportunities for participation in the arts

We believe in the power of the arts to change lives. The advent of National Lottery funding in 1995 brought with it a momentous opportunity to encourage creative things to happen in the places where people have the greatest need and the least opportunity.

We will see the benefits this year of another programme funded through National Lottery funding which we hope will produce a legacy of national models of best practice and learning. The £300,000 LEARN fund was designed to help arts organisations to plan and deliver high quality education work and fifteen leading arts organisations will immerse themselves in new educational development projects including research, training for artists and staff, testing of new models of practice and producing new resources for learning. The Cultural Co-ordinators in Scottish Schools (CCiSS) programme has been a major three way partnership between ourselves, local authorities and the Scottish Government. It finishes in 2009/10 but we are working closely with our local authority partners to mainstream this work and are hugely encouraged that 19 local authorities have already consolidated their Cultural Co-ordinator posts.

Maximising the use of digital technology continues to be an area of strategic interest, particularly in its potential to help develop audiences. We therefore plan to develop and introduce AmbITion Scotland, a major new fund to build the skills, knowledge and infrastructure capacity in Scottish arts organisations, enabling them to most effectively utilise digital technology and develop audiences.

One significant development is our contribution to ensuring opportunities for artists and the public to benefit and create a lasting legacy from the London 2012 Olympic and Paralympic Games and the Glasgow 2014 Commonwealth Games. This year we are developing a strategic framework to build links between the two cultural programmes, through which specific initiatives and programmes of activity will emerge. Artists Taking the Lead, one of the ten major projects of the London 2012 Cultural Olympiad, is a current commitment which will progress during 2009/10 concluding in one major commission in Scotland.

Our Youth Music Initiative (YMI), funded by the Scottish Government, will continue with investment in music and singing lessons in primary schools alongside companion projects in community settings. Last year, for example, 10,472 children and 8,682 adults attended YMI-funded Bookstart Rhymetime sessions which encourage parents and carers to share rhymes and songs with babies and young children. YMI will continue for a further two years and we will begin work with Scottish Government to establish the best way forward from 2011/12.

A recent Taking Part survey highlighted concerning trends in terms of attendance at - and participation in - the arts, by disabled people, people from black and minority ethnic backgrounds and economically disadvantaged older people. Addressing these issues is not a simple one-size-fits-all approach. Rather, it requires long-term development in a number of areas. Our Equalities approach is therefore about flexibility, responsiveness, as well as being proactive in tackling discrimination.

Our work in this area will continue through a strategic programme of funding; working in partnership with key arts organisations and others to deliver arts programmes; offering training and career development opportunities; facilitating organisational development; and ensuring increased access.

Priority 4: Create opportunities for participation in the arts

| | |
|--|--------------|
| In 2009/10 we will: | £m |
| <ul style="list-style-type: none"> • create opportunities to enable more people in Scotland to take part in the arts and become creative, imaginative members of a confident, cultured nation | 4.56 |
| <ul style="list-style-type: none"> • support national arts development programmes for children and young people (Youth Music Initiative, Cultural Co-ordinators) | 11.95 |
| <ul style="list-style-type: none"> • implement our Equalities strategies throughout the work of the Scottish Arts Council⁶ | 0.48 |
| Total | 16.99 |

⁶ Our support for equalities is integrated through all our corporate priorities and budgets. This budget figure does not reflect the full extent of our investment.

Priority 5: Build a culture of co-operation with partners and the arts community

We acknowledge that the Scottish Arts Council is a small part of a bigger and more diverse cultural ecology so the way we interact with other partners nationally and internationally is crucial. We have three main themes to our partnerships this year based on the development work toward Creative Scotland: a regional development programme with local authorities, increased international working and the development of the creative industries.

Local authorities and regional development

Local authorities remain vitally important partners for us, sharing our purpose to improve the quality of life, attractiveness and success of Scotland and its communities. Last year we made a proposal to local authorities to work with us in the planning and delivery of a new partnership framework for culture - the National Creative Development Programmes (NCDPs). The intention is to test new approaches to strategic partnerships and reflect the ethos and practice of community planning.

The NCDPs will encompass a commitment to engagement, economic development and the support for talent; they will be appropriate to the needs of particular communities, while contributing to the Scottish Government's Strategic Objectives expressed through the National Performance Framework. Working with representatives from the Scottish Government, the Convention of Scottish Local Authorities (COSLA) and the Voice of Chief Officers of Cultural, Community and Leisure Services in Scotland (VOCAL), we will develop the proposal, seek to secure the resources and launch the programmes this year.

International working

Our ambition for international working is to increase capacity in the Scottish arts community to create and operate within an international context. We will focus on increasing networking opportunities, enabling international exchanges and supporting showcases which present the best Scottish work to international promoters.

In early 2009, we launched a two year international networking project for 10 dance and theatre companies, linked with IETM, the foremost contemporary performing arts network in Europe. We have been successful in our bid to host the IETM plenary meeting in Glasgow in autumn 2010 and will be working with the members in Scotland over the next year to ensure that this is a major opportunity to showcase the most exciting dance and theatre from Scotland to 600 international promoters.

We are also supporting a high profile initiative for crafts curators to visit New York for SOFA (Sculpture Objects & Functional Art). This showcasing event bridges design, decorative and fine art attracts 55 leading international galleries from 12 countries including Japan, Italy, United Kingdom, France, Canada, Denmark, Republic of Korea, Argentina, Turkey and the United States.

Creative Industries

Our priorities for the Creative Industries are to develop creative talent; support ideas and innovation; and promote the creative use of digital technology in creative and cultural businesses. We will do this by investing in business support and advice, mainly through the Cultural Enterprise Office, as part of a three-year plan funded in partnership with the Scottish Government and Scottish Enterprise. Another important strand of activity will be our investment in Creative Apprenticeships with leading arts organisations in partnership with CCSkills.

Priority 5: Build a culture of co-operation with partners and the arts community

| In 2009/10 we will: | £m |
|--|-------------------------|
| <ul style="list-style-type: none"> • work with COSLA, VOCAL and local authorities towards a partnership framework for Creative Scotland and local government | 0.05 |
| <ul style="list-style-type: none"> • expand partnership and collaboration to increase arts and creative industries development ⁷ | 0.42 |
| <ul style="list-style-type: none"> • work with the Scottish Government and others to strengthen the evidence base for the arts by investing in high quality research and evaluation | 0.37 |
| <ul style="list-style-type: none"> • support the appointment of a Gaelic Officer based at Bòrd na Gàdhlig and prepare our Gaelic Language Plan | 0.02 |
| Total | 0.86⁸ |

Priority 6: Make the transition to Creative Scotland

Creative Scotland 2009 Ltd will lead the development of the new organisation during 2009/10. People from both organisations will be involved in making the transition to the new body by April 2010.

Whilst our eye is on the future, we are mindful of the legacy of the Scottish Arts Council and the importance of taking forward the best of the past. We will frame this legacy within a business continuity plan whose purpose will be to enable a smooth transition to the new body and maintain stability and momentum in the sector. We are committed to developing and implementing a staff development programme to support our staff through this time of change.

We are investing in ITC and systems development as well as completing a major programme to review information management. This involves reviewing the information collected and generated, classification issues, storage and preservation. Our work will continue with the National Library of Scotland and National Archives of Scotland to create an archive and help Glasgow University to write a history of the Scottish Arts Council.

We will also be working with Scottish Screen on a joint development programme which will deliver against both organisations’ existing priorities as well as looking forward to Creative Scotland.

Priority 6: Make the transition to Creative Scotland

| In 2009/10 we will: | £m |
|---|---------------|
| <ul style="list-style-type: none"> • help to bring about a successful transition to Creative Scotland whilst fulfilling the existing commitments outlined in this plan | ⁹ |
| <ul style="list-style-type: none"> • work with the National Library Scotland and National Archives of Scotland to create an archive as part of the legacy of the Scottish Arts Council | ¹⁰ |
| <ul style="list-style-type: none"> • help Glasgow University to write a history of the Scottish Arts Council | |

⁷ Budgets for International Working and Creative Industries are also integrated under other priorities.
⁸ Research and Development (£0.37m) is included in Operational costs in the summary budget in Appendix 1.
⁹ Costs included within operational costs
¹⁰ Costs included within operational costs

Appendix 1: Scottish Arts Council summary budget - income

| All values £M | 2008-09 | | | | 2009/10 | | | |
|--|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
| | Voted | Lottery | Total | % | Voted | Lottery | Total | % |
| Income | | | | | | | | |
| Scottish Government core Grant in Aid | 32.30 | 0.00 | 32.30 | 51.2% | 32.30 | 0.00 | 32.30 | 52.9% |
| Scottish Government Restricted funds | | | | | | | | |
| ▪ Youth Music Initiative (YMI) | 10.00 | 0.00 | 10.00 | 15.8% | 10.00 | 0.00 | 10.00 | 16.4% |
| ▪ Cultural Coordinators in Schools (CCiS) | 2.65 | 0.00 | 2.65 | 4.2% | 2.15 | 0.00 | 2.15 | 3.5% |
| ▪ Arts and Business | 0.30 | 0.00 | 0.30 | 0.5% | 0.30 | 0.00 | 0.30 | 0.5% |
| ▪ Arts and Business (cashback) ¹¹ | 0.00 | 0.00 | 0.00 | 0.0% | 0.30 | 0.00 | 0.30 | 0.5% |
| ▪ Cultural Enterprise Office | 0.00 | 0.00 | 0.00 | 0.0% | 0.13 | 0.00 | 0.13 | 0.2% |
| ▪ Arts Health & Wellbeing (Artfull) | 0.18 | 0.00 | 0.18 | 0.3% | 0.00 | 0.00 | 0.00 | 0.0% |
| ▪ Creative Clusters Conference | 0.03 | 0.00 | 0.03 | 0.0% | 0.00 | 0.00 | 0.00 | 0.0% |
| ▪ Edinburgh Festivals Expo Fund | 1.31 | 0.00 | 1.31 | 2.1% | 2.35 | 0.00 | 2.35 | 3.8% |
| ▪ Centre for Contemporary Arts | 0.00 | 0.00 | 0.00 | 0.0% | 0.59 | 0.00 | 0.59 | 1.0% |
| ▪ Creative Programmer | 0.00 | 0.00 | 0.00 | 0.0% | 0.02 | 0.00 | 0.02 | 0.0% |
| Sub-total restricted funds | 14.46 | 0.00 | 14.46 | 22.9% | 15.84 | 0.00 | 15.84 | 25.9% |
| Lottery funding after Olympic cut | 0.00 | 15.21 | 15.21 | 24.1% | 0.00 | 12.43 | 12.43 | 20.4% |
| Other Income | 0.20 | 0.00 | 0.20 | 0.3% | 0.20 | 0.00 | 0.20 | 0.3% |
| Transition re-assignment ¹² | 0.00 | 0.00 | 0.00 | 0.0% | 0.30 | 0.00 | 0.30 | 0.5% |
| Reserves for re-allocation | 0.90 | 0.05 | 0.95 | 1.5% | 0.00 | 0.00 | 0.00 | 0.0% |
| Total income | 47.86 | 15.26 | 63.12 | 100.0% | 48.63 | 12.43 | 61.06 | 100.0% |

¹¹ Arts and Business (cashback) sum subject to final confirmation by Scottish Government

¹² Reflecting correspondence on file between Scottish Government and Scottish Arts Council

Scottish Arts Council summary budget - expenditure

| All values £M | 2008-09 | | | | 2009/10 | | | |
|--|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
| | Voted | Lottery | Total | % | Voted | Lottery | Total | % |
| Expenditure | | | | | | | | |
| Grants Expenditure by Corporate priorities | | | | % | | | | % |
| ▪ Artists | 5.38 | 0.84 | 6.22 | 9.9% | 5.73 | 1.14 | 6.87 | 11.3% |
| ▪ Foundation Organisations (FOs) | 16.54 | 0.00 | 16.54 | 26.2% | 17.29 | 0.00 | 17.29 | 28.3% |
| ▪ Flexible - Organisations (FXOs) | 5.41 | 0.68 | 6.09 | 9.6% | 5.73 | 1.25 | 6.98 | 11.4% |
| ▪ Flexible - Projects | 2.80 | 2.21 | 5.01 | 7.9% | 2.03 | 2.98 | 5.01 | 8.2% |
| ▪ Participation | 12.88 | 9.57 | 22.46 | 35.6% | 12.37 | 4.63 | 17.00 | 27.8% |
| ▪ Co-operation | 0.03 | 0.21 | 0.24 | 0.4% | 0.39 | 0.11 | 0.50 | 0.8% |
| Subtotal Grants expenditure | 43.04 | 3.51 | 56.55 | 89.6% | 43.54 | 10.11 | 53.65 | 87.9% |
| Infrastructure expenditure | | | | | | | | |
| Transition to Creative Scotland | 0.93 | 0.00 | 0.93 | 1.5% | 0.00 | 0.00 | 0.00 | 0.0% |
| Arts Development Fund | 0.10 | 0.00 | 0.10 | 0.2% | 0.42 | 0.24 | 0.66 | 1.1% |
| Redeployment Fund | 0.00 | 0.00 | 0.00 | 0.0% | 0.07 | 0.00 | 0.07 | 0.1% |
| Efficiencies | 0.00 | 0.00 | 0.00 | 0.0% | -0.07 | 0.00 | -0.07 | -0.1% |
| Arts Services¹³¹⁴ | | | | | | | | |
| Salaries - Core | 0.72 | 0.38 | 1.10 | 1.7% | 0.80 | 0.43 | 1.23 | 2.0% |
| Salaries - Restricted | 0.31 | 0.00 | 0.31 | 0.5% | 0.38 | 0.00 | 0.38 | 0.6% |
| Salaries - Project | 0.10 | 0.15 | 0.25 | 0.4% | 0.10 | 0.18 | 0.28 | 0.5% |
| Overheads | 0.29 | 0.16 | 0.45 | 0.7% | 0.29 | 0.16 | 0.45 | 0.7% |
| subtotal Arts Services | 1.42 | 0.69 | 2.11 | 3.3% | 1.57 | 0.77 | 2.34 | 3.8% |
| Operational costs¹⁵ | | | | | | | | |
| Salaries - Core | 1.47 | 0.78 | 2.25 | 3.6% | 1.36 | 0.73 | 2.09 | 3.4% |
| Overheads | 0.89 | 0.28 | 1.17 | 1.9% | 1.04 | 0.28 | 1.32 | 2.2% |
| subtotal Operational costs^{Note 3} | 2.36 | 1.06 | 3.42 | 5.4% | 2.40 | 1.01 | 3.41 | 5.6% |
| Risk Management | 0.00 | 0.00 | 0.00 | 0.0% | 0.70 | 0.30 | 1.00 | 1.6% |
| Subtotal Infrastructure expenditure | 4.82 | 1.75 | 6.56 | 10.4% | 5.10 | 2.32 | 7.41 | 12.1% |
| Total expenditure¹⁶ | 47.86 | 15.26 | 63.12 | 100.0% | 48.64 | 12.43 | 61.06 | 100.0% |

¹³ To increase visibility of total staffing costs, salary costs specific to fixed term projects are reclassified from Grants Expenditure in 2008/09 to Arts Services costs in 2009/10. To allow a year-on-year comparison, this presentation of the budget has a retrospective restatement of 2008/09 Arts Services to include fixed term staffing costs relating to projects.

¹⁴ Activities include PR & Communications, Research & Evaluation

¹⁵ Activities include PR & Communications, Research & Evaluation

¹⁶ Restatement analysis of internal cost shows annual growth of less than half of a % point.

Appendix 2: Foundation Organisations 2009/10

| Name of organisation | Based in ¹⁷ | Web address |
|---|------------------------|--|
| An Lanntair | Stornoway | www.lanntair.com |
| An Tobar | Isle of Mull | www.antobar.co.uk |
| Arches Theatre | Glasgow | www.thearches.co.uk |
| Artlink Lothian | Edinburgh | www.artlinkedinburgh.co.uk |
| Association for Scottish Literary Studies | Glasgow | www.asls.org.uk |
| Citizens Theatre | Glasgow | www.citz.co.uk |
| City Moves | Aberdeen | www.citymoves.org.uk |
| Dance Base | Edinburgh | www.dancebase.co.uk |
| Dundee Contemporary Arts | Dundee | www.dca.org.uk |
| Dundee Repertory Theatre | Dundee | www.dundeereptheatre.co.uk |
| Eden Court Theatre | Inverness | www.eden-court.co.uk |
| Edinburgh International Book Festival | Edinburgh | www.edbookfest.co.uk |
| Edinburgh International Festival | Edinburgh | www.eif.co.uk |
| Feis Rois | Dingwall | www.feisrois.org |
| Feisean nan Gaidheal | Isle of Skye | www.feisean.org |
| Fife Contemporary Art & Craft | St Andrews | www.fcac.co.uk |
| Fruitmarket Gallery | Edinburgh | www.fruitmarket.co.uk |
| Gaelic Books Council | Glasgow | www.gaelicbooks.org |
| Glasgow Print Studio | Glasgow | www.gpsart.co.uk |
| Glasgow Sculpture Studios | Glasgow | www.glasgowsculpturestudios.org |
| HI~Arts | Inverness | www.hi-arts.co.uk |
| Horsecross Arts | Perth | www.horsecross.co.uk |
| Imagine | Edinburgh | www.imagine.org.uk |
| macrobert | Stirling | www.macrobert.org |
| National Youth Choir of Scotland | Glasgow | www.nycos.co.uk |
| National Youth Orchestra of Scotland | Glasgow | www.nyos.co.uk |
| North Lands Creative Glass | Caithness | www.northlandsglass.com |
| Peacock Visual Arts | Aberdeen | www.peacockvisualarts.com |
| Pier Arts Centre | Orkney | www.pierartscentre.com |
| Proiseact nan Ealan | Isle of Lewis | www.gaelic-arts.com |
| Project Ability | Glasgow | www.project-ability.co.uk |
| Puppet Animation Festival | Aberdeen | www.puppetanimation.org |
| Royal Lyceum Theatre | Edinburgh | www.lyceum.org.uk |
| Scottish Book Trust | Edinburgh | www.scottishbooktrust.com |
| Scottish Dance Theatre | Dundee | www.scottishdancetheatre.com |
| Scottish Ensemble | Glasgow | www.scottishensemble.co.uk |
| Scottish Music Centre | Glasgow | www.scottishmusiccentre.com |
| Scottish Poetry Library | Edinburgh | www.spl.org.uk |
| Scottish Storytelling Forum | Edinburgh | www.scottishstorytellingcentre.co.uk |
| Scottish Youth Dance | Glasgow | www.ydance.org |

¹⁷ Denotes home base of the organisations and does not necessarily reflect the places where they work. Many organisations have a national or regional remit or tour throughout Scotland.

Appendix 2: Foundation Organisations 2009/10

| Name of organisation | Based in¹⁷ | Web address |
|-----------------------------|------------------------------|--|
| Scottish Youth Theatre | Glasgow | www.scottishyouththeatre.org |
| Shetland Arts | Shetland | www.shetlandarts.org |
| Street Level | Glasgow | www.streetlevelphotoworks.org |
| Taigh Chearsabhagh | North Uist | www.taigh-chearsabhagh.org |
| Tramway | Glasgow | www.tramway.org |
| Travelling Gallery | Glasgow | www.travellinggallery.com |
| Traverse Theatre | Edinburgh | www.traverse.co.uk |
| Tron Theatre | Edinburgh | www.tron.co.uk |

Appendix 3: Flexibly funded organisations 2009/10 – 2010/11

| Name of organisation | Based in ¹⁸ | Web address |
|--|------------------------|--|
| Ankur Arts Productions | Glasgow | www.ankurproductions.org.uk |
| Arika Heavy Industries Limited | Edinburgh | www.arika.org.uk |
| The Audience Business | Edinburgh | www.tab.org.uk |
| Birds of Paradise | Glasgow | www.birdsofparadisetheatre.co.uk |
| Byre Theatre | St Andrews | www.byretheatre.com |
| Catherine Wheels | Musselburgh | www.catherinewheels.co.uk |
| Celtic Connections (Glasgow Cultural Enterprises Ltd) | Glasgow | www.celticconnections.com |
| Collective Gallery | Edinburgh | www.collectivegallery.net |
| Common Guild, The | Glasgow | www.thecommonguild.org.uk |
| Company Chordelia | Glasgow | www.chordelia.co.uk |
| Cove Park | Argyll & Bute | www.covepark.org |
| Cumbernauld Theatre | Cumbernauld | www.cumbernauldtheatre.co.uk |
| Dance House, The | Glasgow | www.dancehouse.org |
| David Hughes Dance Productions | Edinburgh | www.davidhughesdance.co.uk |
| Drake Music Project Scotland | Edinburgh | www.drakemusicscotland.org |
| The Dunedin Consort | Edinburgh | www.dunedin-consort.org.uk |
| Edinburgh Contemporary Arts Trust | Edinburgh | www.ecat.org.uk |
| Edinburgh Mela | Edinburgh | www.edinburgh-mela.co.uk |
| Edinburgh Printmakers | Edinburgh | www.edinburgh-printmakers.co.uk |
| Edinburgh Sculpture Workshop | Edinburgh | www.edinburghsculpture.org.uk |
| Edinburgh UNESCO City of Literature Trust Ltd | Edinburgh | www.edinburgh@cityofliterature.com |
| Enterprise Music Scotland | Broxburn | www.emusicscotland.co.uk |
| Gala Scotland Ltd (Glasgay) | Glasgow | www.glasgay.com |
| Glasgow Grows Audiences | Glasgow | www.gga4arts.co.uk |
| Glasgow International (Culture & Sport Glasgow) | Glasgow | www.glasgowinternational.org |
| Greater Easterhouse Arts Company (Platform) | Glasgow | www.platform-online.co.uk |
| Grid Iron Theatre Company Ltd | Edinburgh | www.gridiron.org.uk |
| Hebridean Celtic Festival | Isle of Lewis | www.hebcelfest.com |
| Hebrides Ensemble | Edinburgh | www.hebridesensemble.org.uk |
| Highland Print Studio | Inverness | www.highlandprintstudio.co.uk |
| Indepen-dance | Glasgow | www.indepen-dance.net |
| Inverleith House | Edinburgh | www.rbge.org.uk |
| Itchy Coo (Dub Busters) | Newtyle | www.itchy-coo.com |
| Live Music Now! (Scotland) | Edinburgh | www.livemusicnow.org |
| Lung Ha's Theatre Company | Edinburgh | www.lunghas.co.uk |
| Making Music Scotland - National Federation of Music Societies | Dunblane | www.makingmusic.org.uk |
| Mischief La-Bas | Glasgow | www.mischiefabas.co.uk |

¹⁸ Denotes home base of the organisations and does not necessarily reflect the places where they work. Many organisations have a national or regional remit or tour throughout Scotland.

Appendix 3: Flexibly funded organisations 2009/10 – 2010/11

| Name of organisation | Based in¹⁸ | Web address |
|--------------------------------------|------------------------------|--|
| Moniack Mhor Limited | Beauly | www.moniackmhor.org.uk |
| Mull Theatre | Tobermory | www.mulltheatre.com |
| New Moves International | Glasgow | www.newmoves.co.uk |
| North East Arts Touring | Stonehaven | www.neatshows.org.uk |
| NVA (Europe) Ltd | Glasgow | www.nva.org.uk |
| Plan B Collaborative Theatre | Ross-shire | www.planbcreative.org |
| Playwrights Studio, Scotland | Glasgow | www.playwrightsstudio.co.uk |
| Portfolio Magazine | Edinburgh | www.portfoliocatalogue.com |
| Promote YT | Edinburgh | www.promoteyt.co.uk |
| Publishing Scotland | Edinburgh | www.publishingscotland.org |
| Scottish Community Drama Association | Edinburgh | www.scda.org.uk |
| Scottish National Jazz Orchestra | Tillietudlem | www.snjo.co.uk |
| Scottish Sculpture Workshop | Huntly | www.ssw.org.uk |
| Sense Scotland | Glasgow | www.sensescotland.org.uk |
| Sound | Banchory | www.sound-scotland.co.uk |
| St Magnus Festival Limited | Orkney | www.stmagnusfestival.com |
| Stammer Productions | Glasgow | www.stammerproductions.com |
| Stellar Quines | Edinburgh | www.stellarquines.com |
| Stills Gallery | Edinburgh | www.stills.org |
| Stirling Council (Tolbooth) | Stirling | www.stirling.gov.uk/tolbooth |
| Talbot Rice Gallery | Edinburgh | www.trg.ed.ac.uk |
| Theatre Cryptic | Glasgow | www.cryptic.org.uk |
| Transmission Gallery | Glasgow | www.transmissiongallery.org |
| Vanishing Point | Glasgow | www.vanishing-point.org |
| Visible Fictions | Glasgow | www.visiblefictions.co.uk |
| Wee Stories | Edinburgh | www.weestoriestheatre.org |