



**Scottish Arts Council
22 February 2005**

Strategic Review

1. Introduction

- 1.1 At the Council and Committee workshop on 9th February we further explored the ideas outlined in this paper, and the paper itself has been updated to incorporate the key themes and issues that emerged in discussion.

2. Context

- 2.1. The Council has changed its aims and objectives in recent years to reflect demand, directives and a changing society. Although many of these changes have been quite significant the pattern of allocation of resource remains substantially the same as it has been for many years.
- 2.2. Council has proposed on a number of occasions that a review be undertaken of where effort and money is allocated to determine whether a revised pattern might meet our aims more effectively. We have begun to explore this over the last year in our discussion on the National Network, then the 20:20 Arts Vision, and of course in our comments to the Cultural Commission.
- 2.3. Although we are still mapping where staff resource is concentrated it is important that this is taken into account as well as the more obvious financial allocations.
- 2.4 There are no simple answers. Much of what we support is done on the basis of professional and artistic judgement and should remain so. However, to undertake a review it is proposed that we start the process by examining some of the facts.
- 2.5 As presented at the workshop on 9th Feb. and in our submission to the culture commission we have found merit in describing the arts in Scotland and the various art forms and systems in which we work, as analogous to an 'ecoculture'. The facts are therefore presented within the context that we have a precious and distinctive arts ecoculture in Scotland that we aim to develop, improve and protect. Appendix 1 presents the system as described at the workshop.
- 2.6 As highlighted before, the major issues in the background are the Cultural Commission - due to report in June, the current funding allocation to the Scottish Arts Council - fixed up to March 2008 and the General Election— probably May – which will determine the allocation of Lottery funds from 2009. The next Spending Review (SR) will start in 2006 and it is an input to that which is possibly the most crucial element of this exercise. The output of the Commission is of course unknown other than the already published aim to introduce a Culture Bill in 2007.

2.7 **This is therefore not merely a review of organisations.** What we need to do is take an overview of what is being done and decide on any change to current patterns. We will look at current allocations on an artform basis and on a cross council policy basis. It is any major shift in these current patterns which needs to be considered in the first instance as well as the proportions of support allocated between organisations, artists and project activity.

3. Method

3.1 In the workshop we tested the proposition that we develop three scenarios designed to aid future discussion and decisions on resource allocation.

3.2 These scenarios are each based on an assumed level of resource

- Optimum
- Survival
- Radical

3.3 Optimum

This scenario is designed to determine, as the title implies the optimum resource required to sustain the activity and organisations which we consider to be necessary in delivering our wider objectives and to meet targets set by the Scottish Executive, the wider aspirations outlined in our Corporate Plan and the statements made to the Cultural Commission. It will be aspirational and ambitious.

- **Impact: Significant.**
It would allow organisations to develop audiences, engage in education and to achieve excellence in artistic presentation. It would free up time from managing ailing organisations and pursuing less effective policy areas.

3.4. Survival

This implies a situation similar to the status quo with no increase in known grant income resulting in resources spread thinly across a wide range of activity but considering culling of organisations and activities which clearly do not meet standards of artistic quality or are not likely to add value in meeting our broader targets.

- **Impact: largely negative or at best neutral.**
It would remove a few problem organisations or areas but would not achieve the impact sought by the Council

3.5 Radical

This scenario also assumes no increase in resources but takes a more radical approach to the distribution of income. This implies considerable change to the range of activities and organisations supported based on achievement of objectives and meeting quality standards.

- **Impact: Significant**
Principally it would draw negative comment from areas from which funding was withdrawn and the consequent bad publicity. However, the positive impact would be that resources would be

concentrated on areas where aims would be met and artistic excellence achieved. It would free up time from managing ailing organisations and pursuing less effective policy areas.

- 3.6 **There was consensus in the workshop that we lead on the optimum scenario.** This will provide a cogent argument for resources and will bind strongly with the outputs of the Cultural Commission. It can form the basis of the work for the SR2006 and will underpin the proposals of our submissions to the Cultural Commission and our Corporate Plan. It can also be the basis of a powerful communication strategy.
- 3.7. The radical scenario however should also be explored and described to provide an objective set of options for Council to consider resource allocation within a coherent strategic framework should no additional funding be allocated. Both scenario plans will concentrate on achievable outcomes – we must express both scenarios in terms of impact and outcomes, not simply in terms of funding.
- 3.8 The next step in developing these scenarios will be to review the overall ecosystem of the Council, the ecosystems of the individual artforms and to look at these in the context of current resource allocations. Department Heads will be invited to refine the presentations made in the workshop and translate the strategic opportunities and shifts in each sector into a description of the optimum and radical positions, and express these in terms of impacts and resources. A proposed project plan and timeline for taking the review forward is attached at Appendix 2.
- 3.9 It was also agreed that even within the optimum scenario we are not necessarily simply describing more of the same. For example in literature and drama we were shown very clear opportunities for change within these sectors that were about a more effective configuration of current activity.
- 3.100 Council and Committee were also invited to comment on the descriptions of the art form ecosystems, and a number of agreed themes emerged.
- An agreement that there was a need, where at all possible, to free staff up from ‘micro-management’ and that devolved funding can assist to that end
 - That the apparent lack of a real understanding from Scottish Enterprise of the relationship between creativity and economic development was inhibiting development in several art forms and needs to be resolved at the highest level.
 - That an effective communication strategy was essential if the strategic review is to succeed in its ambition.
 - That Scotland’s devolved status presents particular challenges for arts development in attitude and in fact.

4. Development of criteria for review

- 4.1 To allow the development of standards and measures that serve our corporate plan and aid the review we require to agree our priorities.

The corporate plan clearly states our three core aims and therefore our top priorities

Audiences
Artists
Education

However in recent years as more cross council themes or directives have emerged we have also allocated costs against a growing number of 'priorities' which include activities such as young people, diversity, health, disability, tourism, regeneration and so on. This accretion of these second order priorities has not only confused the budget presentation it has led to some confusion about the order of priority of those activities.

4.2 It is not possible to engage with all these areas without major input of resources so it was proposed at the workshop that four cross Council second order priorities should be considered for the timeframe of the present corporate plan:

- Creative Industries
- International
- Equalities
- Traditional Arts

4.3 One of the three workshop groups were concerned that more explanation of the status and definition of these areas was required.

4.4. To a large extent these are areas of policy development. They are reflected in our corporate plan and is our present practice, but they require to be focused, communicated and resourced in a more strategic way. They sit below our core aims and as such contribute directly to one or more of them.

4.5 A brief outline of our existing activity in each area, and how they contribute to our core aims, is offered in Appendix 3.

4.6. This prioritisation and focus will frame the strategic review, including allowing us to develop standards, refine our HR strategy and consider our budget commitments both across council and within each artform. .

4.7. This will also allow us to look at both the optimum and radical scenarios with the presentation of budget configurations which will describe the impact on delivering the core aims and policy priorities that result in each scenario.

4.8. Finally it is important to note that there are other policy areas and associated budget lines that we are currently involved in, to varying degrees. Considering their future status, and in fact whether they can be integrated into the proposed priority areas, will be discussed when we meet. These are briefly outlined in Appendix 4.

5. Quality standards

5.1 By agreeing our aims and key policy development areas we are then in a position to develop our quality standards which we would then expect our funded bodies to adhere to. These standards it is proposed would fall under the following general headings:

- Artistic
- Governance
- Education
- Audiences
- Strategic

5.2 Each of those will be further subdivided, into categories which start to define how the standards will be measured. Some of those categories are easily quantified while others will require qualitative judgement.

5.3 The table below – deliberately incomplete – will be considered and refined as the next stage of the strategic review.

Area	Categories	Measures	Method
Artistic	Innovation	Critical reviews Show reports	Staff Expert Adviser Peer Review
Education		Policy statement Dedicated officer	
Audiences		Policy statement Dedicated officer	
Strategic	Policy area* Geography Artform	Absolute funding Proportional funding Allocation per capita Financial allocation per artform	
Governance	Finance Board Management	Solvency test Balanced Budget Accounts Articles of Assn Succession plans	Internal monitoring Attending boards Board Development

* for example Diversity, international, Health/disability and so on

6. Recommendation

- 6.1 Council are asked to approve and support the approach to developing optimum and radical scenarios as a basis for our Strategic Review
- 6.2 Council are asked to approve the Creative Industries, Equalities, Traditional Arts and International work as policy development areas, where they clearly contribute to our core aims, and as appropriate to the needs of each art form ecosystem.

Graham Berry
February 2005

Scottish Arts Council 20:20 Arts vision strategic review

Project Plan

Timeline	Action	Who
Jan - 4 Feb 2005	Phase 1 Development period resulting in paper for February Council meeting:	Directors
11 Feb 2005	<ul style="list-style-type: none"> • finalise proposed objectives and principles of review • finalise proposed priorities for consideration by council • outline quality and standard development required for evaluation of CFOs within agreed scenarios • consider implications for communication strategy Complete final draft of paper for council	
9 Feb 2005	Joint Council/Committee discussion to inform final paper	Jim
14 Feb 2005	Council papers mailed out	Pat/Irene
22 Feb 2005	Council agree way forward including proposed timescales Draft framework for art form and cross art form scenarios including consideration of: <ul style="list-style-type: none"> • Physical infrastructure • council and committee representation on project group 	Council JT/MA/Heads sub group
March 2005	Phase 2 –Optimum and radical funding scenario developed across SAC and within art forms. Based on internal information, research and development including consultation with committees Art form heads complete further work to develop optimum and radical funding scenario based on present resource allocation and highlight impact of major shifts in resources. Draft proposals for quality standards and	JT/MA/LS Heads

29 th March	<p>timetable for organisational reviews including how to consider 'new' organisations and the role of external assessors</p> <p>Report to council on key issues arising out of scenario development –Council asked to approve next phase based on scenario and quality framework development.</p> <p>Communication strategy - draft to council</p>	<p>sub group</p> <p>GB/JT</p> <p>MA</p>
April	<p>Phase 3 Based on internal refinement and development of scenarios and change implications. Including an ongoing dialogue with the Scottish executive and other cultural partners</p> <p>Proposals for quality standards and priorities and the possible shifts in resources are communicated with the sector/s</p>	JT/MA
May – September	<p>CFO Consultation NDPB Consultation Local Consultation</p>	Lead Officers/Department Heads
June 2005	<p>Commission final report Report on phase 3 to council, including early indications and implications for change.</p>	
August 2005	<p>Phase 4 Outcomes of consultation, draft final scenarios and implications considered by council and incorporated into corporate planning guidance for 2006-07</p>	
November 2005	<p>Final report and recommendations to Council</p>	Directors

Creative Industries

In our Creative Industries Strategy (November 2003) we took as our starting point the DCMS definition - 'those industries which have their origin in individual creativity, skill and talent, and which have the potential for wealth and job creation through the generation and exploitation of intellectual property'

The Council's Creative Industries Strategy was based on a commissioned report from EKOS, and agreed that our impact in this area was focused through particular activities in the Music, Literature and Crafts departments.

A number of key actions are progressing as a result. This area involves building and maintaining partnerships with Scottish Screen, Scottish Enterprise, NESTA and several others, and as such demonstrates the leadership role we believe we can play in the context of the Cultural Commission.

The actions include the Ideasmart programme which was launched on 10th February, the Writer's Factory, and support to Publishers. This area already has a staffing and budget allocation and there is interest from the British Council in a new shared post in the Creative Industries.

These actions accord with our core aims – principally in terms of support for artists.

International

We have a partnership with the British Council with a new Head of International Arts post established as a result, and a draft International Strategy will be presented at the Council meeting in February. An important issue in this area is clarifying the Scottish Executive's areas of interest and ministerial and departmental lines of responsibility (and funding!). In addition to the main budget line (£350k 2004/05) we have allocated an additional £138k to showcasing events in Music, Literature and Visual Arts.

Again we can see how work in an international policy context follows for our commitment to support artists (eg Venice Bienalle, New York Studio) and address audience interests (eg Edinburgh International Book Festival Showcase)

Equalities

This covers three main areas where we have active policy statements, budgets and staff time allocated in support. **Arts and Disability** has been progressed through an internal team with most of the development work coordinated by a designated member of staff in the Visual Arts Department. Having reviewed our activity over the last three years we are planning to bring a refreshed policy statement to Council in the early summer. **Arts and Health**, is an area that has been developed by a designated member of staff as a project but with the imminent arrival of a new post funded by the Scottish Executive we will increase capacity in this area. **Cultural Diversity** is

supported by our current policy which is being updated after two years of work and development. Currently there is a dedicated officer post, as well as a dedicated budget line. It is also important to note that much of our work in the area of **audience development** has an equalities slant, where overcoming the barriers to attendance and participation in the arts have socio-economic characteristics.

This work though is not simply about the audiences and access. It also chimes with our core aim to support artists, for example in encouraging the work from artists from different communities to appear in the mainstream.

Traditional Arts

This is one of the few policy areas which actually received additional funding (£500k) at the launch of the National Cultural Strategy. This has been reinforced through the success of our contribution to the Smithsonian event, the positive reception that we have had to our Gaelic Arts Policy and the partnership with Bord na Gadhlig and GASD (Gaelic Arts Strategic Development Group) for a two year development programme. In music the success of the Traditional Music Awards and Showcase Scotland Celtic Connections, and in literature the success of Scots language publications, confirm the real potential for this as a key policy area.

As well as the clear relationship to our core aims to support individual artists and grow audiences, work in this policy area also has a strong resonance with our education and lifelong learning aim. The Scots Music Project in Edinburgh, the Feis movement, and many of the project funded contemporary music workshop (such as Northern Rock in Glasgow) are essentially opportunities for learning and creativity.

We do not at present have a dedicated lead officer for traditional arts, including our Gaelic Arts Policy, and we are currently considering how we may resolve this.

The other important characteristic of these policy areas is the profile we have suggested for them in our submission to the Cultural Commission. We have made strong and assertive statements about our potential to take a lead role across a re-configured cultural sector in International and Creative Industries, our work in the Equalities theme addresses the cultural rights issue at its most fundamental level, and we have encouraged the Commission to give higher status to the traditional arts in general. Pursuing these four policy area mirrors our commission statements very clearly.

Appendix 4

- Social Inclusion

Previously supported through a cross Council team and a budget targeted on the SIPs, with their re-designation, and the mainstreaming of those funds (Residencies programme) it could be said that this policy priority has in effect been mainstreamed and sits comfortably under our aim to increase participation. Our work on arts and disability, cultural diversity, mental health and audience development is also strongly related to inclusion themes.

- Youth Participation

Engaging young people in the arts is a shared interest across Council departments, ranging from very specific initiatives such as developments in youth theatre and youth music in schools, to the open application lottery fund. Again it may sit well within the core aims.

- Community, Voluntary and Amateur Arts

Beyond the existing partnership with VAN (funded via the Area Development Department) we see extensive unpaid activity in every art form. Research to outline a more coherent picture of what we currently do under this heading across council may help us define what we need to do differently in the future.

- Cultural Tourism

An existing project involving Area Development and the Music Department links well with the Traditional Arts brief, and it may be sufficient to continue this work in that context, with a watching brief on the wider policy them, for example maintaining links with key projects such as Burns 2009.

- Public Art [including Architecture and design]

Two departments – Visual Arts and Capital, are actively engaged in the Public Art agenda, and development of the public art agency, along side the evaluation of the Arts in Public Places strand of Capital Lottery funding, should offer guidance as to the next stages of our commitment in this area.