

Centre for Cultural Policy Research, University of Glasgow
**Summary of “Our Next Major Enterprise...” Final Report of the
Cultural Commission (June 2005)**

Introduction

On St Andrew’s Day 2003 Scotland’s First Minister, Jack McConnell, made a key speech that emphasised the centrality of arts and culture in our society and economy. It was a speech that that achieved significant profile in the press and media and some degree of excitement in the cultural sector itself. Soon afterwards the Minister for Tourism, Culture and Sport, at the time Frank McAveety, announced the establishment of an independent commission, sitting over a 12-month period, to review cultural provision in Scotland.

The Cultural Commission was established in April 2004 to undertake a review of culture in Scotland and to decide the framework for its support in the future. Its remit was set out in the *Cultural Policy Statement* published by the Scottish Executive in April 2004.¹ It was chaired by James Boyle, former Chairperson of the Scottish Arts Council. An interim report was published in November 2004.² The Cultural Commission conducted its review in the year following June 2004. Its final report, “*Our Next Major Enterprise...*” *Final Report of the Cultural Commission*, was published on 23 June 2005.

Almost immediately following the publication of the Cultural Commission’s report there was discussion and press criticism about its availability. The report was initially disseminated via a pdf file that could be downloaded from the Commission’s web site. Only 100 printed copies were distributed. As the report has 540 pages, there was some reluctance – not least from some smaller cultural organisations let alone individual artists – to download and print personal copies. The Scottish Executive has since organised another print run and has also created a new version on its web site which is more easily searched. However, none of the versions available offers a summary of the report.

Faced with such a large report CCPR decided to prepare a summary of the full report and to make it available outwith the immediate team. This, then, is not a commentary on the work of the Cultural Commission but a summary and ‘sign posting’ exercise that we hope will make it easier – particularly for those in the cultural sector – to obtain an overview of the report and to find the content that is most relevant to them. Anyone who wishes to make reference to the work of the Commission or its findings should, of course, consult the full report. We hope this summary simply makes it easier to identify the relevant parts.

¹ Scottish Executive, *Cultural Policy Statement* (Edinburgh: Scottish Executive, 2004), <http://www.scotland.gov.uk/library5/education/ncs04-00.asp>.

² Scottish Executive, Cultural Commission’s interim report, 4 November 2004.

The Report

The report is 540 pages long and includes the following sections:

- 1 cover page;
- 3 pages of contents;
- 1 page listing the annexes A-L and the title of a supplementary poem by Don Paterson;
- 1 page listing the nine commissioners;
- 1 page of acknowledgements authored by James Boyle;
- 3 pages of abbreviations;
- 284 pages comprise the main report, which is divided into 12 sections with the final section listing the recommendations; and,
- 246 pages comprising the annexes and poem.

Section 1 – Foreword

The first section is the foreword to the report (pp.1-4)³ which includes a quote from the First Minister's speech on St Andrew's Day 2003 which sets out his ambition for the twenty first century. He asserts that 'the development of our creative drive, our imagination [is] the next major enterprise for our society.' The Cultural Commission (CC) argues that its remit is to outline how this ambition can be achieved. It regards the challenges in terms of **structures**, **investment** and **new thinking**. It asserts that equality is at the heart of the vision for culture set out in the First Minister's speech, and that education is essential to the transformation – there are some particular references to school education. It also acknowledges the strengths of the cultural sector internationally across the board as it now stands.

The CC summarises its programme for change as aspiring to:

- better value for public funding – a more efficient use of funds through radical reform of institutions;
- new infrastructure for the cultural sector – to address the fragmentary nature of the current arrangements, which separates 'funding mechanisms' from the 'duties of advocacy' (p.2);
- more investment from the Scottish Executive.

This section closes by citing examples of Scottish artists with international reputations and recognising the demand from Scottish audiences for opportunities to see the best in international culture. It acknowledges that artists believe they played a key role in creating devolution and they now wish to make a contribution to its success. The CC notes that it believes that it will be up to the cultural sector to take this report forward.

Section 2

This section – and the next – looks at the case for culture and then describes the cultural sector. It draws on a range of research and advocacy material (pp.5-11). Section 2 is entitled 'The Cultural Case' and focuses on three areas where the Commission believes culture can

³ Page references are to the published Culture Commission Report. Centre for Cultural Policy Research, University of Glasgow Summary of the Cultural Commission' final report, June 2005

make a contribution across government policy – the so-called ‘cross-cutting agenda’. The three areas discussed are:

- *Creativity*: ‘From the classroom to the boardroom’. Drawing on research from American academic Richard Florida and from the Department of Culture Media and Sport’s Creative Industries Mapping Document the CC highlights the importance of creativity to the economy. It moves on to discuss how the arts can be used to stimulate creativity in the classroom by drawing on work from OFSTED and the child psychologist Jean Piaget.
- *Confidence*: drawing on a report from Learning Teaching Scotland, the Commission asserts that arts in the classroom can assist in developing confidence in young people. It draws on examples from visual arts, literature and crafts to indicate how international success of Scottish artists is important for national confidence.
- *Well being*: the report draws heavily on work undertaken by the New Economics Foundation on well-being and indicators or audits which might be relevant for the cultural sector.

This section then turns to ‘culture and social engagement’ and touches on the issue of ‘social capital’ and the role that the arts have in this area. It also quotes research from Harvard University on ‘multiple intelligences’ arguing that culture is a form of language. Finally, it addresses issues of definitions of culture and identifies its remit as being about the arts, creative industries, museums and heritage, galleries, libraries and archives and architecture.

Section 3

Section 3 is concerned with describing the cultural sector and putting it into context (pp.12-29). It begins with some demographic information on Scotland’s ageing population and the role of culture in supporting the Scottish Executive’s *Fresh Talent Initiative*. It also draws some conclusions about the cultural consumer of the future. It then makes reference to the digital divide -- created not by the technological challenges of ensuring the country has access, but by an individual’s lack of resources or education.

The central part of this Section (pp.14-23) examines the main government structures that support and develop culture in Scotland, i.e. the Scottish Executive and local government. The responsibilities of the Scottish Executive and the statutory responsibilities and range of local government supported activities are described. There is some discussion of the size and variances in local government support for culture. In terms of the Scottish Executive there is an admission that the data on cultural expenditure is not always easy to identify, partly because funds can come from budgets other than culture.

Some comparison with England and the rest of Europe is offered. This is followed by a description of the Lottery as a source of funding (declining); support from the private sector (becoming more focused on business outcomes); and, European funding (structural funds will change under enlargement). There is extensive information about the impressive contribution of the voluntary sector to cultural activity drawn from research specially commissioned by the CC and from information provided by the Scottish Council for Voluntary Organisations.

This section concludes with a discussion of the social and economic impact of the cultural sector. In the case of the former, there is reference to the work of François Matarasso and the

Scottish Executive's review of the literature in this area. There is also a reference to research currently being conducted by the Centre for Cultural Policy Research at University of Glasgow for the Scottish Executive on quality of life and well-being. The economic impact information is drawn from a Scotecon report, *The Economic Impact of the Cultural sector in Scotland* (2004), and reports published on the screen industries, publishing, music business, crafts sector and on cultural tourism.

Section 4 – Rights and Entitlements

The CC's remit from the Scottish Executive specified some key tasks: to define cultural rights; to consider the issue of entitlements and how these can be delivered; and, to consider the rights and responsibilities of artists and the creative community. (pp.30- 51)

The CC tackled this aspect of its work by inviting written submissions, attending meetings, undertaking desk research, and discussing the subject with a 'thinking group'. It also drew heavily on international observation and documentation on existing rights. This approach is outlined in detail. (pp.30-43) Based on the findings of these activities, the CC reached the conclusion that cultural rights should be permissive, i.e. 'the right will hold whether or not there is a corresponding duty' (p.44). It also recommends that the right be focused on the individual and should cover only areas which are not already covered by legislation.

It then defines the four key areas of these rights which it sees as:

- the right to take part in cultural life;
- the right to fulfil creative potential;
- the right to an enriching communal life in a satisfying environment; and,
- the right to participate in designing and implementing cultural policy.

Scottish Ministers, it argues, should determine these rights.⁴

The next stage is that these rights frame policy (being made by the Executive) which would, in turn, take the form of 'national standards'. These standards would interpret rights into 'meaningful and realistic targets'. The standards would also provide real guidance 'to enable the creation of entitlements at local level'. The CC identifies the areas where standards will be established: libraries and archives, heritage museums and galleries, creative industries, architecture and the built environment, the arts, and languages 'for which Scots are the chief custodians'. These standards, it argues, should be endorsed by the Executive or chosen substitute to ensure they are 'fiscally responsible and affordable' and 'co-ordinated in style and content across the sectors'.

The report then moves to 'entitlements' which are delivered at a local level – entitlements are to be specific, local, deliverable and measurable – by 'local partnerships' established by local authorities. These 'Cultural Partnerships', also later referred to as Cultural Planning Partnerships (see Section 8), will comprise the cultural sector – voluntary, public and private – as well as other public sector agencies.

⁴ We assume this means the Scottish Parliament – as this will mean legislation brought forward by Executive's Ministers but approved by Parliament.

The CC sees the development of both the standards and entitlements as iterative processes taking some years to achieve fully. However, it argues that the outcomes of what they term 'Creative Entitlement' will be increase:

- educational attainment and engagement;
- self-confidence and motivation;
- enjoyment of life;
- knowledge, and critical appreciation, of cultural activity;
- communication, reasoning and creative thinking skills;
- opportunities for creative and cultural professionals; and,
- engagement of the citizen with the cultural sector. (pp.47-48)

The CC admits that this approach will stimulate extra demand for resources – mainly cash—and this will not necessarily become available immediately and will have to be phased. However, it argues, along with a 'proposed audit', the development of the rights and entitlements process will 'clarify and quantify the nature of required provision'. This process, it is argued, will assist in making the case for increased funding and establish priorities for resources.

The CC is explicit about legislation recommending that a new National Culture Bill should be brought forward to include enshrining key cultural rights as well as confirming 'existing entitlements for which local authorities have a statutory responsibility'. It also integrates this into community planning and calls for a local cultural strategy to be enshrined in legislation as part of the community planning process.

Along with defining the four key rights, legislation would also specify the *process* for the formulation of entitlements: defining the nature, purpose and requirements of rights, standards and entitlements; establishing who has the duty of responsibility for them; leading to the constitution of the new Cultural Partnerships. The place of culture in the community planning process is also seen as a legislative matter.

This section ends with a summary of the arguments and the recommendations. (pp.49-51)

Section 5 – Education

A consistent theme in the report is the importance of education at every level. (pp.52-76) This section starts with the premise that, for educational reasons, culture should be at the heart of the curriculum (in schools) and that culture and creativity in education is important for the country's social and economic development. Schools are also regarded as potential cultural hubs for the wider community and the issue of activity outside school is also explored. (pp.52-68)

In looking at the formal education sector, including pre-school, the CC makes links with other Scottish Executive initiatives including the Curriculum Review and calls for the arts to be given a higher profile in its implementation. It regards cultural activity in early education (3-8 years) to be crucial.

It also looks at the current consultation by the Scottish Executive on parents' involvement in schooling. It touches on the evaluation of schools and the quality indicators employed and the

new initiatives for developing enterprise in schools. It also puts some emphasis on the design of schools in the future. The CC not only looks at good examples in Scotland and elsewhere in the UK where education and culture are brought together, but also draws one example each from France, Sweden, Netherlands and Australia.

Among the new ideas developed here, it links the previous section on entitlements with education and suggests a Culture Vouchers or Cheques scheme for pupils and teachers and calls for a national conference on transport, which is seen as a key issue for encouraging activity beyond the class room. The CC puts a lot of emphasis on the importance of the recent developments of Cultural Coordinators and Creative Links. It draws parallels with similar initiatives in sport. It regards these schemes as being essential again for developing the entitlements case.

Specific projects highlighted and supported in the recommendations are the Bookstart scheme (which targets babies) and a project with Learning and Teaching Scotland (LTS) and the National Archives of Scotland to develop 'an e-album for each child'. (pp.59-60) Also involving LTS, the CC proposes a national strategy for educational materials, including visits and experiences, which would involve companies and institutions across Scotland – what is described as a 'one stop shop'. (p.66)

The CC emphasises the importance of good quality buildings for schools and supports a proposal from The Lighthouse for a national programme of design for new schools and the development of schools as cultural hubs for the community. It supports Scottish Executive initiatives on increasing engagement of parents in schools and also calls for new relationships between parents' groups, cultural partners and potential business sponsors, to be brokered by Arts & Business. Nonetheless, while arguing for greater use of school spaces as cultural resources, the Commission does recognise that there is an issue of security, which needs to be balanced against this recommendation. It also asks for a review of the operation of Disclosure Scotland, which at present requires artists working across local authorities to pay more than once for the necessary checks to be made. (p.57)

Of the 22 recommendations in this section, 15 are concerned with school-based education. (pp.75-76)

The remainder of the section is mainly concerned with higher education (HE) – although there is a reference to the further education (FE) sector and some discussion of lifelong learning as it relates to literacy. (pp.74-75) HE is seen to have a role in developing artists – of all sorts – for the future and for having a role in the cultural life of the community.

The CC supports a proposal from the Scottish Higher Education Funding Council to develop outreach activity and cultural co-ordinators (p.70) at a cost of between £0.75 and £1.5 million per annum. It also recognises the role of HE in Continuing Professional Development (CPD), particularly for teachers, and calls for an audit of courses. It specifically recommends support for an initiative from RSAMD working with the national performing arts companies and a creative industries initiative at the University of St Andrews. It asks for an end to 'the differential in the funding of places for drama teachers in England and Scotland'. (p.76)⁵

⁵ We believe that this final point is a mis-reading of the funding position. There is no difference between England and Scotland in the funding of drama teachers. There is a differential between conservatoire funding in these countries which is a different issue and we suggest that this be checked before quoted further.

It also supports calls for increased numbers of funded places at undergraduate and postgraduate level in schools of art⁶ and recommends that Scottish FE and HE should include 'modules on intellectual property' in courses on art, music the performing arts.

Section 6 – Cross-Cutting

Section 6 is the longest section of the report and is concerned with addressing the part of the CC's remit concerned with guidance as to 'how cultural bodies should relate to other Scottish Executive policy areas' (pp.76- 121), in particular:

- Education
- Enterprise
- Sport
- Tourism
- Major events

The CC argues that culture needs to be viewed across the public sector as a whole, including enterprise, tourism and health and argues that there are two issues to be addressed:

- to ensure all areas of public life are aware of their responsibility and capability [with regard to culture]; and,
- to coordinate provision across these areas.

It argues that the former is best achieved by negotiation between the cultural sector and the public sector departments. The latter it regards as being the responsibility of government – or its agencies. Taking all the submissions for archives, arts, museums and galleries, and libraries, the CC has decided, in this section, to provide a précis of these consultations and 'to make observations rather than recommendations'. (p.78) It argues that it, the CC, has been 'constrained by time from our original ambition of recommending specific actions towards each area of public life'. (p.78) However, it does acknowledge that there is a great deal of detail in this section on libraries, museums and archives reflecting the nature of the submissions received. The CC also comments that it has 'refrained from observations or detailed research on the synergies between culture, sport, tourism and major events, knowing this to be an area where significant knowledge and experience is already held within the Tourism, Culture and Sport Department and their agencies Event Scotland and VisitScotland.' (p.78)

The national infrastructure is discussed in section 10 but the report argues here that there is fragmentation in the sector. It then moves through each area describing the current situation and identifying key issues.

For **archives** the key issues are digitisation – a huge task for the National Archives of Scotland; personal archives (see the reference in the education section to creating personal archives, or e-albums, for school children); and buildings and preservation issues together with the requirement for a national centre for conservation linked with the needs of the museums and libraries sector. (pp.79-81) Specifically, the CC recommends that the National Archives of

⁶ We assume this to mean Edinburgh College of Art ,Glasgow School of Art, Robert Gordon University (Gray's School of Art, Faculty of Design and Technology) and University of Dundee (Faculty of Duncan of Jordanstone) Centre for Cultural Policy Research, University of Glasgow
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Scotland are moved from the Justice to the Culture portfolio and should sit alongside other national collections on the National Board of Collections (see below).

In the **arts**, the report dissects the different art forms.

Issues for the *music* sector (pp.83-5) include widening access: research indicates there is a demand for music making but not always the opportunities; improved training; and, continuing to extend support to all forms of music including jazz and traditional. It also cites comments from the sector including the need for a national ticketing agency, the cost of rural touring, the cost of musical instruments and the impact of this on students, the need for showcasing, and the bureaucracy involved in small organisations applying for funds.

In a separate sub-section, the CC discusses *contemporary music*. (pp.85-7) The relevant issues here are: increased exposure and the call for a digital television music channel and for all libraries to buy every Scottish release; the need to support venues to encourage touring; and, a proposal for a Scottish Music Industry Forum and an outline of potential activities.

For *dance*, the issues are concerned with the place of dance on the school curriculum (in PE not expressive arts); the need for more opportunities for vocational training and studio facilities for dancers; the cost of space for the private sector dance class; and, the need for more investment in dance – regarded as a ‘fragile’ arts sector. (pp.88-90)

Drama also has issues about investment – particularly in relation to spending on English theatre and with the new National Theatre of Scotland coming on stream. (pp.91-3) There is also a call for maximising the opportunities for new writing. The CC also welcomes support being given by Scottish Arts Council to the Scottish Community Drama Association. It argues that marketing is an issue and there is a need for a national box office.

In the area of *literature*, the CC recognises the strength of the sector but there are still issues, which include the need to increase the teaching of Scottish literature and history in school; to increase funding from the Scottish Arts Council to literature; and, a proposal that Scotland adopts the Irish model of giving grants to aspiring writers based on ‘clear contracts’. (pp.93-5)

The sub-section on *festivals* highlights the role of Edinburgh’s festivals and their importance to Scotland as a whole. (pp.95-8) The issue for festivals is sustainability in a changing local context. Particular emphasis is placed on developing the Edinburgh Film Festival which struggles on its present level of support to make the kind of international impact it aspires to have, while also taking into account its role in the creative industries in Scotland. There is also discussion around how the Edinburgh International Festival deals with the new National Theatre of Scotland. The Commission also argues that the BBC should broadcast more of the festival programme. It also argues that the Fringe Festival and International Festival dates should be aligned. As for other festivals, the CC expresses concern that there is a danger of duplication because of the proliferation of book festivals – the most recent developments being in Aberdeen and Glasgow. It also raises concerns voiced by the commercial festivals about the need for a national ticketing agency with shared data and the issue of rising costs in insurance and policing. Much praise is directed towards Celtic Connections.

The *crafts* have issues about sustainability given the nature of their businesses. (pp.98-99) The report highlights initiatives taken by the Scottish Arts Council and other agencies to promote this sector.

The *visual arts*, like other areas, have issues about the education system and the need to teach visual literacy. (pp.99-101) There is also an emphasis on the role of HE in developing highly rated research projects in visual arts. The need for the development of business skills in the sector is also highlighted and reference is made to two schemes of the Scottish Arts Council to encourage people to buy work. In the case of galleries, it is argued that the Visual Arts and Galleries Association should work with the Scottish Arts Council to raise the profile of the galleries sector through Scottish broadcasting. The CC calls for a national acquisitions policy and strategy for our national galleries and museums.

There is a section on *photography*, which supports the establishment of a National Photographic Centre. (p.102)

The **museums and galleries** section reflects the detailed work undertaken by the museums sector in responding to the work of the CC. (pp.102-109) The main issues again are summarised. Education, and the lack of resource for education in museums, is highlighted. Again access is raised – specifically in relation to transport but also raising the challenges of disability legislation for collections housed in old and listed buildings. The CC commends the National Museum of Scotland’s capital development plans. There is also an issue about training curators and rewarding them: the Commission calls on HE to take on a role in training staff in this area. Marketing – particularly with regard to tourists -- is also pinpointed as an issue, as is audience development more generally.

There is also a detailed discussion about national collections – not just the treasures based in national museums’ buildings but also those dispersed across the country in independent and local authority collections. The CC calls for the national collection to be ‘collection based’ not ‘ownership based’ and raises issues about access to the national collection with ‘recognised standards of access and provision’. (p.107) In response to the Scottish Museums Council’s call for ‘a framework of policies and standards across the sector’ to strengthen ties with the local community, the Commission recommends a ‘strong strategic framework’ which it envisages will coordinate across the sector and tie in particularly with education.

The CC welcomes the role of new technologies in providing access to collections across the country and particularly commends the Scottish Cultural Resource Access Network (SCRAN).

The CC then turns to the national museums and galleries and recognises their leadership role as well as their role as guardians – and specifically emphasises their place in sharing expertise and resources across the sector. This, it is asserted, should be made explicit in their funding agreement. The CC also recommends that the national institutions work together in building audiences and ‘confer’ on issues such as estates, exhibitions, education and outreach, and resources and backroom functions. It recommends they participate in ‘strategic development of their individual sectors’. (p.108) To achieve this the CC recommends the creation of a Board of National Collections, which includes national museums, galleries, archives and libraries of Scotland as well as Historic Scotland, the Botanic Gardens⁷, and The Royal Commission on the Ancient and Historical Monuments of Scotland.

⁷ We assume this refers to the National Botanic Gardens of Scotland of which the Royal Botanic Garden Edinburgh, colloquially known as ‘The Botanics’, is the headquarters. The funding for the National Botanic Gardens comes from the Scottish Executive Environment and Rural Affairs Department.
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Finally, the Commission asserts that the museums and galleries need to be put on a new financial footing to deliver cultural entitlements – this to come from local and national government -- and that the reform of the sector should begin with the new framework to regulate standards and to move the concept of a ‘national collection’ into an ‘operational and strategic reality’. (p.109)

Libraries are first described as public library service, school libraries, university and research libraries, and the National Library of Scotland (NLS). (pp.109-117) The report argues that while libraries have proved to be pivotal in the introduction of internet access, and have increasing levels of usage, declining resources such as book funds and reduced opening hours have led to a steady erosion of the service over last decade.

The CC draws on experience in Finland to illustrate how a national library service might re-focus in the twenty-first century. It lists the initiatives taken in Finland, which might have relevance in Scotland, all of which are to do with collaboration and cooperation at state and local level and across local councils to create regional services. (p.113)

The solutions suggested for Scotland, based on this experience, involve a ‘cluster’ approach to library services working across local authority boundaries. An example given is the Ayrshire Libraries Forum which works across the three Ayrshire councils (South, East and North Ayrshire). At national level the CC argues that the proposal for cultural rights and standards will be translated into entitlements at a local level (see section 4). It argues that the Scottish Libraries Information Council (SLIC) – already working on new library standards -- should be re-constituted as the Library and Information Council for Scotland and continue its work to shape standards ‘congruent with the proposed cultural rights for Scots’. Partnership between local and national agencies is regarded as crucial to this process. (p.113) The CC also recommends a scheme to identify collections of national significance as in the museums sector.

Again on collaboration, it recommends joint book procurement and the introduction of a customer development plan to inform policy in this area. Digitisation, it argues, should be developed at a national level involving NLS, SLIC, national archives and the university libraries.

It again reiterates its support for very young readers as outlined in section 5.

Returning to book procurement, the CC argues that some of the book procurement fund should be spent on books published in Scotland and those written by writers living in Scotland and suggests a ‘non-recurrent grant’ allocated by the Scottish Executive to endow each public library with a core collection of Scottish books, the selection to be on the basis of excellence. (p.115)

Marketing is raised as an issue for the public library service. The CC draws on examples of important holdings, which attract or could attract scholars and tourists from across the globe.

It highlights the need for improvement to some buildings and gives examples of integration with other services (as in the case of Glasgow City Council’s libraries). However, beyond sharing of buildings and integration of services, the Commission also recommends a conference on libraries’ estates following an inventory. Reference is made to a Cultural Estates Council. This is examined further in the next section.

The NLS is discussed in a separate sub-section – highlighting its leadership role in digitisation and partnership working. The CC appeals for the newly acquired Murray collection to be housed in an accessible way and for funding to be found to make this possible. It also recommends that NLS governance is modernised and allocates the National Librarian a role in setting national standards.

The final sub-section, entitled ‘our thinking’, touches on the Enterprise Network, Tourism and the Department of Tourism, Culture and Sport. (pp.118-119)⁸ The CC commends Scottish Enterprise’s decision to base a Cultural Enterprise Officer in some of Scotland’s cities.⁹ The CC also praises the work of Highlands and Islands Enterprise and its support for the cultural sector. It recommends that the Department of Enterprise and Lifelong Learning, Scottish Enterprise and Highlands and Islands Enterprise work together to develop a strategy for the creative industries and that while Scottish Enterprise should continue to take a broad strategic view in major initiatives such as Pacific Quay, it should delegate to its local enterprise companies (LECs) responsibility for supporting creative micro businesses.

In **tourism**, it argues that the tourism industry needs to be more aware of the cultural product while the cultural sector needs to provide more willing and proactive partners. It calls on the Scottish Executive to work to bring both together.

Finally, it argues that the two issues for cross-cutting policy are that all areas have to be aware of their responsibilities and that there be coordination across sectors. It calls for a ‘roving ministerial portfolio’ and advocates that responsibility for ensuring all cultural sectors are ‘fully engaged in these discussions’ is delegated to ‘an appropriate government agency’.

There are 22 conclusions for this section. (pp.120-21) The first deals with the recommendations for the Scottish Executive to deliver the cross-cutting agenda and a strategy for supporting the creative industries. Also for Scottish Executive is the recommendation that it increases theatre funding (with the arguments having been ‘revealed in the Boyden report’). It is recommended that a Board of National Collections be created and that responsibility for the National Archives of Scotland moves to the culture portfolio. There is also a reference to investment in a national on-line portal for displaying collections of significance (museums). The remainder of the recommendations are concerned with collaboration across services and the creation of standards (specifically in museums and libraries) as outlined above.

Section 7 – National assets

The remit for this section is replicated from the Scottish Executive Cultural Policy Statement published in 2004. (pp.122-67) The CC is asked to consider the designation ‘national’; to consider how the potential of the national companies might be realised more effectively – including international touring; and, to assess the built infrastructure. The remit is further extended by a reference to Scotland’s languages: ‘The Commission’s findings will be informed by the diverse cultural and linguistic communities within Scotland, with particular regard to Gaelic language and culture.’

⁸ Tourism, Culture and Sport Group in the Scottish Executive Department of Education.

⁹ The Cultural Enterprise Office initiative has been rolled out from Glasgow to Edinburgh, Dundee and Aberdeen supported by Scottish Enterprise, the Scottish Executive and the Scottish Arts Council
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In tackling the first part of the remit, the CC turns to Australia where the designation 'national' is defined and a special board has been created as part of the governance structure. (pp.123-4). A national company in Australia has to fall into one of four designated categories: international company; Australian flagship company; resident or touring specialist company or state (regional) flagship company. Drawing from this example, the Commission proposes a new structure of boards (some of which have been pre-figured in earlier sections). These are essentially coordinating bodies responsible to the Scottish Executive (or appointed agency) and cover the following areas:

- estates
- performance companies
- creative individuals
- language
- collections

These bodies, operating independently of each other, will have 'a common aim to maximise the effectiveness of their constituent parts and operate collaboratively'. (p.125)

There then follows an examination of the national performing arts companies in more detail. A key recommendation is that the designation should be extended to include youth companies. (pp.126, 131-133)

The definition of 'national' is to be included in a Culture Bill with a governance structure that maintains charitable status. Beginning with the existing five national performing arts companies – Scottish Opera, Scottish Ballet, Royal Scottish National Orchestra, Scottish Chamber Orchestra, National Theatre of Scotland – the Commission favours a 'clear contract' which defines what is expected in return for support. Key aspects of a *national* company are regarded as providing inspiration for the art form and developing highest quality performances which cultivate 'leading creative artists, native and foreign'. A national company also has a role as ambassador for Scotland abroad and as a leader in its sector in the development of standards and high quality work. There is also an assumption that they have 'governance of the highest order' and 'excellent stewardship of public funds'.

The CC stresses the importance of sharing resources, planning together and joint building of audiences across the national companies.

It is this concept of sharing that is regarded as a key part of making the case for funding. (pp.129-131) While accepting that the funding of the existing national companies does not meet the aspirations of those companies, it argues that, in the first instance, a review of estates, joint planning and shared resources should constitute a starting point for a plan which will deliver confidence in the companies and justify further public funding. The CC also believes that there is untapped commercial potential from sponsorship.

As indicated above, there are several references to the importance of the national youth companies (for example Scottish Youth Theatre and National Youth Orchestras of Scotland) and the establishment of a Youth Arts Strategy Forum is recommended. Linked with this is the role importance of education – formal and informal and the role of national companies (youth and other) in delivering education projects and also developing talent.

The report identifies problems with *touring*, which are primarily concerned with coordination, and it proposes there is a need for a Touring Exchange which would work on a national and international basis. The CC proposes that it is a condition of funding that all companies lodge information with the Touring Exchange, which should be established by the Scottish Arts Council and Scottish Executive.

Another coordination issue is then dealt with in the question of a National Box Office. The report lays out the arguments for its establishment and highlights some of the barriers but ultimately argues that a single operation would develop new audiences and recommends that such a facility be developed by 2007. (pp.135-7)

The CC then turns to the issue of international presence. A list of initiatives and means of promoting Scotland abroad through culture, including Tartan Week, a Scottish presence at Capitals of Culture and the creation of cultural institutes are discussed. (pp.137-9). The conclusion is that a new international unit should be established within a (new) cultural infrastructure. The role of such a unit would be to:

- coordinate, together with Scottish Executive's External Relations Department and EventScotland, the major cultural events abroad, including Tartan Week;
- develop the range and type of international events, including Capitals of Culture;
- develop the Institutes of Culture concept;
- broker relations between the cultural sector to
 - Scottish businesses promoting abroad and
 - international development opportunities; and,
- develop a Cultural Ambassadors Programme. (pp.139-40)

The report now discusses the role of *creative individuals* as 'national assets'. The two issues it tackles are the status of the individual artist and support for artists.

The Commission argues that the term 'artist' is too narrow and they use two terms – 'creative individual' and 'creator', the latter being used to describe those who create original work and the former for those who operate a range of creative services or who interpret work. Further 'Creators' are defined as individuals whose work results in an original literary, musical, artistic, craft or screen-based work and 'interpretive artists' are defined as individuals who interpret or perform the above.

The report discusses international comparators regarding tax/VAT support for artists. (pp.143-5). In particular it examines the tax exemption scheme that exists for artists in Ireland. This has been in place since 1969 and allows artists to apply for exemption from tax on income derived from the sale of any 'original and creative piece of work'. The CC acknowledges that this offers a disproportionate reward to more successful artists but nevertheless is persuaded that benefits to low-earning individuals could make a significant difference if applied in Scotland. It recommends a ceiling of reimbursing tax on the first £30,000 of income. While arguing that this would not attract high-earning individuals back to Scotland, the CC argues it would give a boost to low-earning artists. (pp.145-6)

The Commission then turns to the idea of 'peer group mentoring and recognition'. Having examined two different systems - the Aosdana in Ireland and Academie Française in France – it concludes that Scotland requires a range of initiatives to support and develop creative

individuals from early stage professional advice and mentoring through to financial support, business advice, and further training and learning. (p.148) It proposes a National Council for the Creative Individual – a membership body whose members are nominated and elected annually by their peers. The purpose is to act as a forum for exchange, a source of mentoring for emerging artists, and a lobbying voice for the creative individual in Scotland. The Commission recommends that the Scottish Executive should offer financial support to members of this body.

It goes on to propose that the Scottish Executive – or its nominated organisation – should adopt the role of coordinating existing support for individuals, work with other agencies to develop support, identify gaps in provision, and develop opportunities for mentoring, business advice etc. as outlined above. Such an organisation should also have responsibility for promoting the profile of Scottish creative individuals abroad. This role – which is in line with current responsibilities of the Scottish Arts Council – is regarded as being ‘a significant task’ which, however, does not merit a separate organisation.

It also calls for the issue of awards to creative individuals to be reviewed and argues for a new level of award for outstanding contribution over a sustained period of time and suggests this be developed using the expertise of the Royal Society of Edinburgh.

This section concludes with some proposals that have implications beyond the devolved Scottish Parliament and are linked to the UK tax/benefit system. They are:

- creators should be eligible for annual tax exemption on copyright income up to an agreed amount;
- a review of access to social security for both creators and interpretive artists to enable automatic welfare support (non-contributory job seeker’s allowance);
- benefits after two years in business;
- freelance creators and interpretive artists should be eligible to spread their income over a three-year period for tax purposes;
- creators should be eligible for income tax relief;
- creative products should have a reduced level of VAT;
- public subsidy to creators and creative individuals should be tax-free; and,
- tax incentive for employers to hire part-time creators with the same benefits as a full-time employee.

The next sub-section is concerned with the *built environment, architecture and design*. (pp.152-7). It starts by arguing for a more strategic approach to what it terms the ‘cultural estate’, in other words the buildings that are primarily concerned with housing cultural activity. It recommends an audit and the establishment- of a new organisation a ‘National Estates Forum’ This forum would bring together Scottish Executive, its agencies, local authorities, the National Trust for Scotland and Architecture and Design Scotland. The purpose of the body would be to manage the audit, devise standards of good practice in design, develop a national maintenance strategy and prepare a case for investment. (p.153)

The remainder of this part of the report focuses on promoting a better built environment. (pp.154-157) The report discusses issues of public education in design; procurement and statutory planning and the role of promoting good practice; protection of the built environment; promotion of good design; and, what the CC calls the ‘valuing of architects’, committing itself to

seeing Scottish architects flourish. It commends the Scottish Executive Architecture Policy in this regard.

It then looks at the key issue of the protection of the built heritage and suggests a review of joint working between the National Trust for Scotland and Historic Scotland. (pp.156-7). Options for a new cultural infrastructure are further examined in section 10.

Finally in this section on national assets the CC turns to the issue of *language*, focusing on Gaelic and Scots. It examines the current state of both (pp.158-9) and then outlines some of the responses to the consultation, which include proposals for a new Institute of the Indigenous Languages of Scotland – bringing together work on all Scotland’s languages -- which the CC endorses. Having examined the issues of language status, the Commission goes on to propose a new National Indigenous Language Strategy which takes on board the issue of the status of the Scots language as well as Gaelic (now covered by legislation).

The CC concludes this section by looking at the role of education, publishing and the promotion of oral traditions in maintaining and developing indigenous languages. It encourages the use of indigenous languages by ‘key institutions and bodies’ and their use on web sites.(p.164) It also calls for measurement, through the census, of the number of Scots speakers and supports the extension of Gaelic television.

There are 27 recommendations in this section (pp.165-7), which cover the conclusions outlined above. Ten are concerned with the national performing arts companies – designation, funding arrangements, extension to youth companies, and creation of new structures. Three related to touring and international promotion. Four deal with individual artists and a further seven focus on the issue of the built environment. The final three recommendations are concerned with indigenous languages.

Section 8 – Planning and partnership

This section examines the potential of cultural planning; the responsibilities of local government; and, the relationships between the public, private and voluntary sectors. (pp.168-209) It concludes by looking at the role of new and emerging technologies and the potential role of a cultural ‘think tank’.

Cultural planning is described as being about a ‘cultural approach to urban planning and policy’. (p.169) The report describes the benefits of cultural planning as an approach that can assist local government ‘to identify the distinctive cultural resources of a city or locality and apply them in a strategic way to achieve key objectives in areas such as community or economic development’. (p.170) The CC believes that this approach – which is cross-sectoral and described as ‘holistic’ – is appropriate for delivering cultural entitlements locally. A full discussion of cultural planning is contained in pages 169-172, including a discussion on how cultural planning can assist the support of black and ethnic minority artists and performers.

The conclusion of the CC is that cross-sectoral partnerships involving voluntary, public and private sectors are crucial for sustainable cultural development and it proposes the formation of Cultural Planning Partnerships and that cultural planning be ‘the operational cornerstone for the delivery of culture locally and nationally’. (p.172)

The report then turns to *local government* and explores its role in the delivery and development of culture in Scotland. It first debates the issue of local government responsibility of for cultural provision. It touches on the emphasis made by local authorities on the importance of the democratic principle and local accountability. The CC also points out that some submissions from the cultural community raised the problems of dealing with local councils who lacked experience or knowledge, were overly-bureaucratic, and had inadequate investment for activities and facilities. The CC argues that the legislative position of local councils with regard to culture is unclear and ill-defined.

It concludes that local government has a key role to play in infrastructure and policy making at national as well as local level and proposes that local councils be responsible for leading local cultural partnerships – which would also include LECs, health boards, HE and FE and the cultural sector (voluntary and professional). (p.175) Recognising also that these partnerships would have to work across current boundaries, the CC proposes that networks of cultural partnerships be established.

The CC acknowledges the role of local government in implementing the policy on cultural entitlements and in raising national standards, and proposes that they should be asked to show they would amend existing priorities to reflect their role in developing cultural entitlements. It also recommends that they be asked to work collaboratively across authorities and with other agencies. The CC believes that local authorities should be ‘given assistance to identify new ways of developing income streams or financing’ and finally that they be given extra resources to ‘assist delivery’.

The next sub-section deals with the *voluntary sector* and, as the report acknowledges, it is clear that the voluntary sector plays a huge part in delivering culture across Scotland, and has ensured its voice has been heard in the consultations. (pp.176-81)

A study of the contribution of the voluntary sector commissioned by the Commission combined with other responses from the sector reveals the level of involvement of the voluntary sector in culture and also the issues which are most pressing. (pp.176-8) The Commission also consulted a report on young people and volunteering, carried out by the Russell Commission, which looks across the whole of the UK. (pp.179-80). It goes on to draw on the example of good practice that is *Project Scotland* – a volunteering programme for young people, which is a partnership between the Scottish Executive, private and voluntary sector. (pp.180-1). The conclusion in relation to the voluntary sector is that it is a ‘vital but often unsung’ part of the cultural infrastructure and that it needs to be included as a key partner in decision making and delivery. It argues that a relatively small investment would address issues of training, coordination and volunteer burnout. (p.181)

The *private sector* is the next area of focus. (pp.181–7) The CC clarifies that this part of the report is about sponsorship and not about the creative industries (dealt with later). Support from the private sector is acknowledged to come in different forms – financial and in-kind – sometimes philanthropic and at others in return for assisting with meeting business aims. The key argument – as with the previous section on the voluntary sector – is that this area wishes to be regarded as a key partner in delivering and developing culture in Scotland. There is also a view from the private sector that interaction between business and cultural organisations is too complex. (p.183)

The report considers the role of 'The Scotland Funds' which are concerned with involving the Scottish Diaspora in supporting projects in Scotland. There is discussion about the importance of creativity to the private sector. The report also touches on the relationship between sponsorship and employees of a company. It is generally felt that this relationship is poorly articulated. The CC then looks at 'cultural enterprises' and an initiative taken in Québec – a model similar to Arts & Business but with the added role of promoting the economic role of the cultural sector, the international profile, and the development of business skills in cultural organisations. The report then considers philanthropy and giving and urges the Scottish Executive to support a change in tax laws to promote philanthropy. The CC also supports the extension of corporate social responsibility to cultural engagement. It then argues that the private sector should be included in the Cultural Planning Partnerships.

In conclusion it argues that there are services to the cultural sector that are not provided in Scotland -- or require development – and recommend a new unit within the 'national cultural infrastructure' which will broker investment, provide business advice and financial services to the cultural sector, develop income streams and help cultural industries develop an international profile.

The CC then highlights the importance of film, television, radio, computer games and the growing dominance of platforms such as computers, DVDs, iPods, and mobile technology. (pp.187-8) It argues that public policy needs to focus on media literacy, distribution (rather than consumption), talent and creativity, experimentation and enterprise. It argues that public policy for screen-based media has recognised the mutually supportive role of culture/industry. It asks that this should be developed for the creative industries and calls for the establishment of CultureScotland.com to deliver the Scottish Executive's national cultural access and digital plan. (p.188)

The next sub-section on *creative industries* reflects on the remit to consider these 'in relation to cultural rights, infrastructure and the wider objectives of government, particularly in relation to enterprise and economic growth'. (pp.189-201)

The CC starts with a definition:

The creative industries are defined as those industries that have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property. This includes advertising, architecture, the art and antiques market, crafts, design, designer fashion, film and video, interactive leisure software, music, the performing arts, publishing, software and computer games, television and radio.

It argues that creativity drives the economy – quoting research from the US as well as from the Department of Trade and Industry and the Design Council. However, in considering the consultation in this area, the Commission expresses disappointment at the level of responses. The Commission itself held meetings with some key agencies in order to gather views. (p.190) One of the issues it acknowledges is the fact that there is not one industry but several, each with different business models. However despite this there is consensus, it appears, around the need for improving public profile and advocacy. (p.191) This, it is argued, can be achieved through a high level leader for the sector; the creation of a representative body; the development of a trade union type of association; and/or, the development of the role of the cultural enterprise offices.

Visual literacy and the place of design in education are emphasised, as well as issues of recruitment and training. There is also an argument that the south east of England is so dominant in this area that it acts as a magnet for talent. (pp.192-3)

The Commission then turns to public sector support for the creative industries. While acknowledging the important work done by Scottish Enterprise and its network, Scottish Screen and the Scottish Arts Council, the view is that there is not a coherent approach, which is a problem, particularly for micro businesses, and that the public sector is too 'conservative' in its funding. It welcomes the Cultural Enterprise Office network as a way of addressing some of these.

The report then identifies some of the key issues for the sector in the longer term. These are discussed in some detail and are concerned with the new opportunities offered by technology, particularly in the provision of creative content (p.196); the way digital technology is changing the distribution of cultural products to specific audiences and the improving 'routes to market' (p.197); digital rights and e-payment and the impact on intellectual property; the impact of digital switchover on broadcasting; and digitisation – offering opportunities for cultural objects to be reproduced. (pp.195-9)

The report then turns to television and radio and the impact of changes to public service broadcasting. The CC recommends Scottish Ministers should consider how a separate channel for Scotland might be financed and set up.(p.199) The report then summarises the key points from the consultation on broadcasting and film (pp.199-200) and finally on advertising, design, fashion and interactive software. (p.201) Responses on music, publishing and crafts are in section 6 of the report and architecture is featured in section 7.

Section 8 now turns to a discussion of CultureScotland.com, 'a practical illustration of a national initiative that addresses, through new technology, issues of access and of the responsibility of recipient of public investment'. (p.202) Building on the success of SCRAN and others, the Commission argues that Scotland needs to develop a unified strategy for digital cultural access which addresses issues of social inclusion, education and lifelong learning, citizenship and cultural awareness, access for the remote Scots Diaspora, tourism, economic development and international profile:

The goal is to be world leading in the delivery of cultural heritage in the digital environment by 2015. The vision for the strategy is a singular, cohesive and integrated national approach to the digital presentation of Scotland's cultural heritage, with the presentation of materials in a user driven format and a unified contribution from the broad range of cultural institutions.

The requirements for such an initiative and the various stages in developing its operation are outlined in detail. (pp.203-205) The key argument is that, with cooperation across the sector, a universally accessible cultural resource will be created. It is recommended that the Scottish Executive examine this further.

Finally in this section, the Commission considers the place of a 'think tank' in Scotland. It acknowledges the existing sources of research and consultancy offered via HE or from independent consultants. It also considers the role of the Scottish Executive Research Unit in coordinating particularly statistical data. It concludes that there is a need for an overview of

existing cultural thinking and policy development and this to be matched with the ability to commission new work. The Commission feels this should operate outside government and suggests it be part of the new cultural infrastructure. It also commends the role of the National Endowment for Society, Technology and the Arts (NESTA) and suggests that the research function be best placed within a new proposed Centre for Creativity. (pp.207-208)

There are 29 recommendations: the first six are concerned with cultural planning and local government; seven focus on the voluntary sector; the next six relate to private sector support; seven deal with the creative industries; one is for the creation of CultureScotland.com and, finally, two are concerned with the idea of a think tank.

Section 9 – Best Value

This is the shortest section in the report and focuses on the part of the remit from the Scottish Executive concerned with assessing the possibility of evolution and change in the existing structures; guidance on the initiatives affecting wider Scottish Executive policies; and consideration of how to achieve 'Best Value'. (pp.210-20) Reflecting on this, the CC indicates that 'evaluation is a hot topic of debate' and also acknowledges that, in the process of introducing rights and entitlements, the starting point will be concerned with standards and benchmarking and this in turn will require a new approach to evaluation. (p.210) However, the CC also acknowledges that the level of responses generally on this area of the consultation was low and that they have drawn on some current thinking in the public sector about efficiencies (specifically the Gershon Review – see p.211). The report recognises that this is of limited value since it might assist on in identifying efficiencies and effectiveness in operation but it does not offer a framework for delivering savings in artistic practice.

Cost effectiveness is not, as the report asserts, the only measure and 'public value' cannot always be measured in monetary terms. It argues that:

Our consultation confirmed our belief that in order to be able to judge the value of cultural activity, it is necessary to have a system which allows us to measure the effects of a particular project or a policy and to make comparisons with others. (p.212)

From this point, the CC turns to the question of assessing cultural value. It debates the issues, drawing on speeches from Tessa Jowell and Estelle Morris and other documentation from the Department of Culture, Media and Sport in England (DCMS) and the Scottish Executive. (pp.213-5) This identifies some of the conceptual issues involved in evaluation as well as the problems of data capture. The CC concludes that a new system is required for evaluation. It recommends that this should embrace a holistic approach and refers to current research being conducted on quality of life and well-being. It points to a new system requiring the following: a comprehensive review of current literature on public value in the cultural context; securing commitment from the sector to embrace a system which is light-touch and locally responsive; a model of self-assessment backed by a cultural sector inspectorate function; and agreement on core measures. (pp.211-7)

The remainder of the section looks at the issue of efficiency savings in existing agencies -- which are mainly concerned with rationalisation and collaboration and are explored in the next section.

There are five recommendations in this section, all concerned with developing and implementing a new system for performance measurement. (p.220)

Section 10 – Organisational Infrastructure

The CC was given the remit of examining the structures for governing the cultural sector in Scotland and identifying what changes are required to deliver entitlements. (pp.221-56) The remit also required the CC to look at the current institutional infrastructure and decide if it were fit for purpose; what impact it had on the sector; and its cost effectiveness and best value. The relationship between these institutions is also under consideration as is their relationship with the public, private and voluntary sectors. Finally, the CC was invited to suggest alternatives and the governance implications of such recommendations.

The CC begins this task by restating its view that any new infrastructure has to be effective in serving citizens, supporting the cultural sector, and managing public investment. (p.222) It reflects then on some of the key issues that came out of their consultation. The first of these is the 'arm's length principle'. It debates the pros and cons – as raised through consultation – and recommends 'maintaining the principle of 'arm's length', with clearer, more formal and auditable agreements on the extent of the influence of the Scottish Executive, or any other public funder, over any publicly funded cultural organisation'. (p.224)

It then reflects on the submissions that call for greater representation or representative bodies from various sectors and endorses the view that new 'sectoral councils' should be established which will be independent advisory boards covering areas of museums, libraries, arts, creative industries and heritage. Their role is discussed below.

The Commission turns to the Scottish Executive and Ministers. It does not endorse the suggestion that there should be a Minister for Culture per se but does recommend a Deputy to the Minister of Tourism, Culture and Sport. (p.226) It then endorses the idea of one standard approach to governance of institutions, organisations or agencies, which have the designation 'national'. It returns to the issue of representation and the argument that those disbursing the money need to be more representative of the relevant sector. This principle is addressed in the idea of sectoral councils and cultural partnerships. (p.227)

The remainder of this section is concerned with options for the institutional infrastructure. Three options (with two sub-options) are explored. Each is made up of what is termed 'constituent parts' – organisations and agencies already highlighted in other areas of the report. (pp.228-9) Each option is examined to identify how closely it meets the need to deliver key principles endorsed elsewhere in the report. These are:

- rights – standards – entitlements;
- coordination and coherence;
- assessment and evaluation;
- effective use of public money;
- better advocacy;
- new thinking and research; and,
- citizen participation. (p.230)

Each option is described in detail. (pp.232-46). Option 1 is based on a structure that offers 'more distance from government' and consists a *Development Agency*. (pp.232-8) Option 2 is in line with arguments from VOCAL/COSLA, putting emphasis on the relationship between local and national government. It presents a *Government Agency* approach. (pp.238-43) Option 3 is more closely aligned to the status quo and is the model proposed by the Scottish Arts Council (p.231) and is outlined as *Federation*. (pp.243-6).

Each option is then analysed against 25 criteria, which fall into three broad headings – fitness for purpose (eight criteria); impact on sector (eleven criteria); and, cost effectiveness/best value (six criteria). (pp.246-48)

The next task is the financial appraisal – the difficulty here being the lack of consistent data on expenditure coming from the Scottish Executive and the current agencies. There is some discussion about the sharing of costs as well as the need to find 'one-off' costs of redundancy and relocation. (pp.249-255) Finally, the Commission summarises the three options and identifies Option 1 – the *Development Agency* model -- as the preferred option. Below we describe in more detail the structure of this option, its strengths, according to the Commission, and the likely cost and savings implications.

The key constituents of Option 1 are:

- Scottish Executive.
- *Culture Scotland* – a development agency funded by the Scottish Executive, which brings all strands of the cultural sector together, and which is at arm's length from the Scottish Executive.
- *Culture Fund* – again an arm's length agency funded by the Scottish Executive with the remit to distribute public funds and to provide financial and development services to the cultural sector. It is therefore both a development 'bank' and the agency that disburses funding on the recommendation of Culture Scotland.
- *Sectoral councils* – representative bodies for six areas of cultural activity: museums, libraries, arts, creative industries and heritage representative of their sectors which will be responsible for proposing standards for their sectors.
- *Cultural partnerships* – these, as described before, are formal local partnerships led by local authorities who represent local cultural and public bodies and develop entitlements for their area.
- *National boards* – association of existing national agencies and companies. Five are proposed: collections; performance companies; estate; creative individuals; language.

In addition – in common with all three options – there will be a *Cultural Assembly* initiated and serviced by Culture Scotland – an annual forum for audience/participants/citizens. Local authorities will continue to liaise directly with the Scottish Executive.

The governance of this structure is described thus. The cultural sector runs both Culture Scotland and Culture Fund in partnership with government. Both have their own Chief Executive Officer. Scottish Ministers are represented on the full council and also have

executive membership on the Cultural Fund. Culture Scotland is owned, governed, and managed by its members – around 25 members on its governing council will be drawn from cultural partnerships, sectoral councils, business, education, and voluntary sector.

The Culture Fund, on the other hand, is drawn primarily from the cultural, financial and business sectors with government holding, what the CC terms a 'golden share'.

In terms of operation Culture Scotland would have a role of advocacy for the sector; assess applications (then passed to the Culture Fund); mentor; hold responsibility for standards and quality assurance; and, provide professional services – including national standards in each of the six sectors. It would also commission research and gather data. Finally, it would have a role in development – developing creative talent and new thinking in the cultural sector.

The Culture Fund on the other hand would be responsible for disbursement of funds – having assessed for financial viability. It would also have a development role: giving financial advice and cultivating relationships with the private sector. It would also be involved in investment – including new ways of encouraging money into the sector through endowments, bonds etc. Finally the Cultural Fund would be responsible for collecting financial data.

Under option 1 the consequences for the existing bodies would be that the Scottish Arts Council and Scottish Screen would pass their funding role onto the Culture Fund but their development role would move to Culture Scotland. This recommendation would also affect the Scottish Museums Council and the Scottish Libraries Information Council.

There is a significant variation on Option 1 offered which is to put all the funding into government (i.e. no Culture Fund). The CC argues that this would lose 'the significant advantages of working within a company to develop funding independently and provide financial development services'. It continues by noting that, 'it loses parity of esteem within the cultural sector by maintaining a differential between "national" and "non-national", with a consequent impairment to sectoral planning.' (p.238) The CC rejects the notion of Culture Scotland and the Culture Fund being a single body as it 'would defeat the purpose of splitting advocacy and funding – a pairing that many contributors agree is inherently flawed'. (p.238)

In summarising this option against the long list of 25 criteria the CC concludes it is the only one that meets all the criteria. (p.248) In financial terms it is seen to offer the potential for savings although it is recommended that further work be done on calculating 'one-off' costs.

This section concludes with the recommendation that the First Minister appoint a Deputy Minister for Tourism, Culture and Sport and the other three recommendations are concerned with taking forward Option 1.

Section 11 – Investment

This final section addresses the remit to consider how to lever growth in the cultural and creative industries. (pp.257-74) The CC argues if the cultural sector is to meet the First Minister's aspiration that everyone in Scotland shares in any cultural activity that is publicly funded, then there is a need for an increase in public finance to achieve this. The CC supports the view expressed in the consultation that this should be seen as investment by the public

purse, and not subsidy. The issue of funding appeared in every part of the consultation process. (p.257)

The CC acknowledges however that while adequate funding is key, it has to be efficiently and effectively used and argues that the previous sections have illustrated ways in which the cultural sector can be better integrated and funding better-targeted. It argues that the evidence shows that successful cultural delivery relies on investment, which in some areas is currently absent, and that public sector funding can be a catalyst for other funding sources.

The scope of the funding needs arising from the report are summarised and analysed as:

- *Cultural entitlements* – implicit that this commitment will require further investment.
- *Creating sustainable careers* – CC points to evidence of low earning given in the report and the issues of tax exemption promoted in section 7.
- *Investment in the voluntary sector* – reference to section 8 on the valuable role played by the voluntary sector and an endorsement of the proposal to extend the number of Voluntary Arts Development Workers.
- *Revenue support of national assets* – section 7 identified national assets as collection, performance companies, creative individuals and languages. The costs of achieving this include additional support for national collections, performance arts companies (and, it is suggested, the Edinburgh International Festival), and the establishment of a body to support creative individuals.
- *Revenue support of non-national assets* – here reference is made to earlier commentary on youth activity, and funding disparity of theatres between Scotland and England.
- *Museums* – based on work carried out by the Scottish Museums Council, the Commission calls for an additional £5 million per annum to go to museums. In addition it argues that Glasgow City Council receive additional support for its museums particularly the Burrell and Kelvingrove.
- *Capital costs* – here the Commission proposes an audit of the cultural estate. It argues that there is a need for funding in relation to both maintenance and major capital developments at local and national level. (pp.259-61)

The Commission then argues that the amounts outlined above total 'several tens of million each year' and considers the total to be in the regional of £100 million per annum. It goes on to argue that if the cultural sector received an uplift in this area, then this would bring the total budget to £238m – 1% of the total Scottish Executive budget, which it regards as, in one sense, symbolic. (pp.261-2)

The report then addresses the issue of where additional funding could be levered.

The first post of call is the Scottish Executive. The CC recommends that increases to the Tourism, Culture and Sport budget and identifying cross-cutting opportunities are two ways of achieving growth. It argues that this requires several methods: incentives, initiatives, targets, brokerage and advocacy, and partnership. Next it suggests that funding could come via

Scottish Enterprise through partnership initiatives instigated via Cultural Planning Partnerships. The Commission then argues that local authorities are most likely to achieve an increase in their cultural budgets via additional support from Scottish Executive; reprioritising existing budgets; cross-cutting opportunities internally and externally. The CC then considers other areas – UK Government (tax changes); Europe (cultural and other programmes); the public (attendance charges – but limited); voluntary sector (cost effective ways of delivering services); and, the private sector (tax incentives). (pp.262-4)

The report moves on to the role of government. It is required to ensure three elements are provided: finance, legislative framework and built infrastructure. The CC argues this is not for government to provide alone but to ensure it is provided. It then goes on to explore how the government has provided incentives in the past (e.g. the creation of cultural coordinators) and has led by example (e.g. the First Minister's St Andrew's Day speech). Drawing on figures from Arts Council England and the Scottish Arts Council, it illustrates how additional funding can generate a proportionally higher cultural activity. (p.265)

The report then summarises current funding levels at local and national level drawing from existing published material. (pp.265-7)

The next part of this section looks at the issue of the cross-cutting agenda – as outlined by the First Minister in his St Andrew's Day speech – and underlines the importance of meaningful cross-cutting dialogue and actions. To achieve this, it suggests a strengthening of the 'Tourism, Culture and Sport Department'. (p.268) It goes on to endorse the view arising from the VOCAL/COSLA submission that a review of the designation of national collections, archives and museums – and extended to venues and companies – should attract additional national funding. (p.269)

The CC then restates its support for tax incentives, as outlined in the Goodison Report, for both individuals and for companies. It also suggests examining the options for the Scottish Executive to offer tax incentives in areas within their control e.g. business rates. It commends joint capital initiatives and partnerships in which a commercial developer and cultural organisation work together. While it argues that the Lottery remains important although declining, new areas should be explored, such as borrowing and bonds and funds from overseas. (pp.270-2)

Turning to the idea of catalysts for growth, the CC argues that there is a need to develop the revenue creation potential of the sector – via hires, rentals, corporate hospitality etc. It regards the private sector to be a partner in this. The 'organisational solution' it sees in the form of NESTA or Quebec's La Société de Développement des Entreprises Culturelles (SODEC). The former supports the development of new ideas and linkages between arts and technology; the latter is concerned with developing business skills as well as brokering relationships with the private sector.

There are six recommendations in this section, which call for the Scottish Executive to acknowledge the funding gap; audit and invest in national assets; support tax incentives to encourage investment and the creation of a body to provide a range of financial and brokering services.

Section 12 – Conclusions

This Section details all the conclusions drawn from the other 11 sections. (pp.275-287) The full list can be accessed directly via the Scottish Executive web site –

<http://www.scotland.gov.uk/Publications/2005/09/0191729/17417> or from the pdf file on the Cultural Commission web site –
<http://www.culturalcommission.org.uk/cultural/files/Final%20Final%20Report%20June%202005.pdf>.

The contents of the annexes are as follows:

- Annex A Trends in cultural expenditure
- Annex B Methodology
- Annex C Thinking groups
- Annex D Existing rights legislation
- Annex E Rights illustrations
- Annex F The Lighthouse proposal
- Annex G Broadcasting
- Annex H Functions
- Annex I Options evaluation
- Annex J Performance matrix
- Annex K Submissions
- Annex L Research
- Poem Don Paterson