Constitution, Europe, External Affairs and Culture Committee Thursday 4 December 2025 32nd Meeting, 2025 (Session 6)

Independent review of Creative Scotland

- 1. Following publication of the <u>Independent Review of Creative Scotland</u> on 25 November 2025, the Committee will be hearing from—
 - Angela Leitch, Chair, Independent Review of Creative Scotland
 - Stuart Currie, Vice Chair, Independent Review of Creative Scotland
- 2. A SPICe briefing can be found at **Annexe A** and the summary of the Review document at **Annexe B**.

Clerks, December 2025

Annexe A

Review of Creative Scotland

Introduction

The Committee will take evidence from the Chair and Vice Chair of the independent review of Creative Scotland. The report of the review was <u>published on 25 November</u> 2025.

This paper briefly sets out:

- The background and lead up to this review
- Some key points from the Committee's work relevant to the review
- The remit of the review
- A summary of the key points of the findings of the review
- A brief explanation of the constitution of Creative Scotland

Background

The 2024-25 programme for government stated the Government's intention to:

"Review the way the culture sector is supported, including a review of Creative Scotland as part of our commitment to ensuring excellence in Scotland's public services. This will also help to ensure the distribution of additional funding in the most effective way possible."

The <u>Cabinet Secretary wrote to the Committee on 11 December 2024</u> and in this he said in relation to the review of Creative Scotland—

"The Scottish Government's review of CS is to ensure that the functions and remit of public bodies continue to meet the needs of the culture sector in Scotland. The Review of CS will consider whether its remit and functions as set out in the Public Services Reform (Scotland) Act 2010 continue to be relevant for the culture sector today recognising that there has been much change in the sector since the functions were initially established."

The Government wrote again to the Committee on 13 January to inform the Committee that the Government had appointed a chair of the review and published a survey "seeking views on how culture and the arts are currently supported in Scotland and seeking thoughts on areas for change." This survey was intended to inform both the review of Creative Scotland and the wider review of the sector.

The Government published a summary of the responses to this survey in May 2025. In conclusions the summary highlighted:

- Challenges associated with funding, including:
 - instability and rising costs
 - o short term funding models and complexity of the application process
 - inequality and access to funds, with perceptions around disparities between individuals and organisations of different sizes and geographic locations.
- Suggestions of respondents, including:
 - developing a central resource to access information and funding opportunities
 - o a desire for more opportunities to network and exchange with peers
 - funding bodies to implement new, and more tailored, ways of applying for funding.
- A difference in the responses of individuals and organisations. Individuals
 were reported to be more likely to focus on tangible, direct support that allows
 individuals to create, to connect with others and to access resources like
 studio or workshop spaces and mentoring. Organisations were reported to be
 more likely to focus on advocacy and systemic influence, aimed at developing
 a more favourable environment for the sector to thrive.

On 2 April, the Government confirmed the remit of the Creative Scotland review and also confirmed the Chair of the review, Angela Leitch CBE. The previously announced chair was unable to take on the review on health grounds.

Wider review of the creative sectors

As noted above, the Creative Scotland review was initially part of a wider review of the culture sector and this wider review was to inform how additional funding to the sector would be most effective. The <u>Government also said</u> that the wider review was also intended to "consider what can be done to help the sector to navigate current and future challenges and make the most of opportunities for collaborative working." The <u>Cabinet Secretary's letter of 11 December 2024</u> stated—

"[The Scottish Government is] carrying out a review of how the culture sector is supported to maximise the impact of [the new] significant investment. The review will look at public funding and working across the public, private and third sectors to grow the overall funding pot for culture, diversify funding streams and supporting the sector to become more sustainable and resilient in the face on ongoing challenges."

A letter to the Committee on 4 March 2025 said—

"The review of how the culture sector is supported will not take the form of a traditional review but will adopt an action-orientated approach to develop

thinking from the outset and demonstrate a range of new practices on the ground at pace. This ongoing programme of work will initially focus on two key areas: the delivery of a Culture and Heritage Capacity Fund and the further investigation and development of innovative funding solutions as well as non-financial support for the sector based on existing and developing evidence of impact. ...

"Learning from the first year of the Sector Support Programme will inform how the Scottish Government works to optimise funding approaches and support the sector going forward. The factual evidence from this learning may therefore, inform elements of the Creative Scotland Review around effective approaches to supporting the sector going forward."

Relevant Committee Work

Alongside the 2024-25 PfG, the <u>Cabinet Secretary wrote to the Committee to highlight the announcement of the reviews of the culture sector and Creative Scotland</u>. In that letter he specifically referenced the Committee's ongoing considerations on funding of culture in Scotland and its work in 2024 in relation to the REIN project.

The Committee's ongoing and consistent scrutiny of culture funding over the course of the current session has included recommendations around:

- Linking culture spending to strategic outcomes
- How cross-government support and funding supports the sector and a range of outcomes
- Multi-year funding
- Sufficiency of funding
- Leveraging alternative funding approaches, e.g. through the private sector

The Committee has also considered Creative Scotland's grant giving approaches. In the Committee's recent pre-budget report, the Committee reflected views it had heard around the balance of funding in terms of the number of organisations vs the amount of funding to each and on the application process which was seen as onerous. The Committee recommended that Creative Scotland:

- In relation to the balance of number of grants and the value of those grants, "indicate how its approach will be evaluated in relation to maximising cultural outcomes and establishing clear metrics to assess the impact of the Multi-Year Funding Programme".
- That Creative Scotland evaluates whether the application process was proportionate.

The Committee's 2023 report, <u>Culture in Communities: The challenges and opportunities in delivering a place-based approach</u>, explored local and community-

based cultural bodies and activities. The Committee recommended that the Scottish Government, Creative Scotland, COSLA and local authorities consider they can take "a strategic, joined-up and complementary approach to funding for cultural activity in communities, what the respective roles of national agencies and local government are, and where external funders are able to fill any gaps". The Committee called for a greater "cultural voice" within Community Planning Partnerships. The Committee also highlighted the importance of physical cultural and community assets (e.g. community centres, halls etc.) and asked the Government to consider whether Creative Scotland should have a capital budget to enable it to support these assets.

The Committee explored the decisions around the funding of the REIN project in 2024. The Committee was critical of Creative Scotland's handling of the issue after the funding decision was publicly challenged. The Committee wrote to the Chair of Creative Scotland on 31 May 2024 raising concerns that the Chief Executive had not been fulsome in his responses to the Committee. In this letter the Committee also raised concerns that its request that information on the funding application be published was considered alongside a wider freedom of information request and that this was not communicated to the Committee. The Committee said—

"The Committee's view is that much of the controversy surrounding this application could have been avoided by Creative Scotland being more open and transparent around how it handled the funding of Rein once the decision had been publicly challenged. The initial letter dated 16 April did not provide the Committee with the full picture and this is regrettable. In our view, much of the information which was provided to the Committee in oral evidence yesterday should have been communicated much earlier and it is unclear why it was not.

"This raises questions around the extent to which Creative Scotland has sought to be open and transparent with us in addressing this matter. The Committee requests that the Board considers whether it is content that Creative Scotland has been fully open and transparent in its communication with the Committee."

The Committee reiterated these points to the Cabinet Secretary in <u>a letter issued on 25 January 2025</u>. The review covered many of the issues that the Committee has explored this session. The review, although with a focus on the governance and role of Creative Scotland, did not comment on the relationship between Creative Scotland and the Parliament; or the concerns that the Committee had on the openness of Creative Scotland when it was under scrutiny in relation to the REIN project.

Objectives and Remit of the Creative Scotland Review

The <u>Cabinet Secretary's letter of 2 April</u> set out three objectives for the review of Creative Scotland. These were to:

 consider Creative Scotland's functions and remit, as set out in the Public Services Reform (Scotland) Act 2010, to ensure they continue to be relevant for the culture sector and meet Ministers' aspirations

- evaluate how Creative Scotland delivers its functions including appropriateness of existing governance arrangements; and
- maximise the impact of the funding Creative Scotland provide to the culture sector by ensuring Creative Scotland use and distribute funding appropriately and effectively.

The <u>remit of the review was published on 18 May 2025</u>. This included Creative Scotland's:

- Purpose and functions
- Structure and performance
- Governance and leadership
- Finances and distribution of funds; and it's
- Collaboration, relationships and partnerships

Summary of the report of the review

The report of the review and its recommendations were organised under five themes:

- 1. Creative Scotland's purpose, functions and structure
- 2. Governance and leadership within Creative Scotland
- 3. Creative Scotland's performance
- 4. Creative Scotland's finances and distribution of funds
- 5. Collaboration, relationships and partnerships

This short summary is not focused on the recommendations of the <u>Independent Review of Creative Scotland</u>, rather it highlights parts of the commentary of the report that members may wish to explore with the witnesses.

The review noted that its recommendations focus on areas where Creative Scotland could improve. (p5) The wider report is also mainly concerned with areas of potential improvement, but it did highlight areas where the organisation is valued and had been praised by stakeholders. For example, it stated:

"There was general agreement that Creative Scotland has provided significant support to the culture sector over the past 15 years and has sought to provide stability during a period of austerity. Of particular note was Creative Scotland's ability to quickly pivot to support the sector during the COVID-19 pandemic. There was also a general view that with the Scotlish Government's commitment of additional funding for the culture sector and Creative Scotland's new Multi-Year Funding programme there is a need for Creative Scotland to set out how it plans to transform the organisation to meet the needs of a dynamic sector." (p4)

The review said that the legislative underpinning of Creative Scotland was sound and provides sufficient flexibility. However, the review said that Creative Scotland interpreted its role too narrowly and highlighted areas such as advocacy, business development support and skills development as areas where Creative Scotland may seek to improve. The review suggested that Creative Scotland's role as a funder currently takes precedence over these other roles. A theme throughout the review was that Creative Scotland needs to improve its long-term planning, the implication one may take is that the organisation is too short-term in its approach (the phrase "long-term" appears in four of the recommendations). The report noted that Creative Scotland does not have a Transformation Plan to set out how the organisation will improve.

The review's commentary on the governance and strategic leadership of Creative Scotland was critical, particularly around board capability and decision-making. It recommended that Creative Scotland, "improve its governance arrangements, focusing on transparency, strategic challenge and performance oversight". (p. 22)

The review implied that there is a need to broaden the range of skills and experience on the board and noted that Creative Scotland does not routinely monitor the range of skills of board members. (p. 22) The review also suggested that the information provided to the board was not always sufficient and the Board was not always presented with options or alternative approaches (e.g. approaches to multi-year funding). (p31)

The review found that Creative Scotland's ability to advocate effectively for the sector could be improved by the use of data. (p. 32). While Creative Scotland collects significant information from funded organisations, the report observed that "it is not clear how this information informs decisions, advocacy or support for either the individual/organisation or the sector" (p. 29). The review said, "a strong national agency should be able to advocate for the sector using its data and intelligence to influence policy". (p16) The review recommended that Creative Scotland:

"develop analytical capacity to

- (a) demonstrate the economic and wider societal benefits of funding the arts, culture and creativity,
- (b) demonstrate achievement of strategic plans and priorities, (
- c) enhance its sector-wide advocacy, and
- (d) clearly articulate how its investment contributes to future financial sustainability for individuals and organisations." (p. 44)

The review also recommended that "Creative Scotland should streamline the reporting and monitoring required of funded individuals and organisations to enable more focus on outcomes and on demonstrating impact." (p29)

In terms of the funding application process, the review said, "while there must be effective scrutiny of the use of public money and a demonstration of fair and robust processes, it was reported that Creative Scotland has become too bureaucratic and

that there should be a more proportionate approach taken to funding decisions" (p4) The report noted barriers inherent to the process, including complexity which created barriers of access for, for example, neurodiverse individuals. The review said:

"It has become increasingly common for applicants to hire consultants to help prepare funding applications. This trend reflects a perception that a high level of professionalism is required to secure grants. However, this has created barriers for those without the financial means or professional networks to access such support. Many individuals expressed frustration at the significant amount of unpaid time required to complete applications, which can be particularly burdensome for freelancers." (p.39)

The review noted that Creative Scotland does not have "a dedicated capital fund". Creative Scotland has not received a capital funding allocation from the Scottish Government in recent years, but it can use National Lottery funding for capital purposes. The review recommended that Creative Scotland "work towards establishing a dedicated capital fund, supported by a strategic assessment of infrastructure needs across the sector." (p. 39)

The review raised concerns about the how Creative Scotland's reports on its performance. It noted that while Creative Scotland publishes a range of information through its annual plans, annual reports, annual reviews, "it is difficult to find key information on both Creative Scotland's activities, decisions and performance, and a clear articulation of the public benefit, impact in relation to geographic and socioeconomic cultural equity and long-term sectoral trends." (p. 33) The review recommended that Creative Scotland improve its website to "enhance public access and improve transparency" (p. 33)

The review identified pressures on Creative Scotland's organisational capacity. It observed that "staff were redirected to assess Multi-Year Funding applications" and this meant that they were "unable to address the other needs of the sector" (p25). The review continued "it is not clear how the resourcing of this significant programme was planned in advance ... or how the Board was advised of the impact it would have on other aspects of the annual plan 2024-25" (p. 25).

The review noted that there had been falls in the total number of awards made between 2022-23 and 2023-24, before recovering somewhat in 2024-25. It suggested that one possible factor could be sickness rates in the organisation, which it described as being high. (pp. 44-45) It also noted a decline in payments being made on time. The review suggested that Creative Scotland seek to address both of these issues. To improve productivity, the review recommended that Creative Scotland "revise and digitise all funding application processes to make them more proportionate and streamlined, reducing bureaucracy for both applicants and assessors" (p. 42).

The review noted that 30% of the workforce of Creative Scotland was at team leader grade or above, and that the leadership team's combined salaries took up around 17-18% of the total wage bill. (p.26) The review said that "it was reported that low staff turnover has limited the opportunity for the leadership to step back and consider the overall structures and skillsets." (p.25) The review said:

"Given the evolution of the sector and its needs, consideration should be given to the skills needed to support the sector. For example, there was a perception from some that Creative Scotland staff lack knowledge of running cultural businesses. A workforce plan should be developed as part of the organisation's long-term strategy. This should ensure that the structures, skills, competencies and experiences of both the leadership and supporting staff fit the needs of the organisation and sector." (p25)

The review called for Creative Scotland to adopt a "regional approach in its governance structure to enhance its regional relationships" (p26). The review said that there is no "recognised method for regular dialogue at a local level, unlike other national bodies such as sportscotland" (p. 49), and that "there are a variety of regional partnerships across the country that Creative Scotland could be part of to influence and use for development and advocacy purposes." (p. 39).

The review explored Creative Scotland's part in the wider policy landscape and how it collaborates more broadly. The review said, "evidence suggests that Creative Scotland is not sufficiently partnering with others or leading the coordination of support". (p. 50) The review noted—

"Many partner organisations (for example the National Performing Companies, COSLA, South of Scotland Enterprise, Highlands and Islands Enterprise, Museums Galleries Scotland and VisitScotland) would appreciate more purposeful engagement, highlighting the greater potential impact that could result from closer collaborative working ... Several fed back on the opportunity for better knowledge and data sharing, which could support more impactful and comprehensive advocacy." (p. 32)

The review noted suggested that there was a gap in how Creative Scotland supports the wider arts and culture sector. The review reported that contributors highlighted a "lack of support for the commercial development of the creative industries" (p 14) as well as a "need for Creative Scotland to collaborate more with parts of the sector that they do not fund, such as Museums Galleries Scotland and the National Performing Companies". (p. 51) The review commented—

"It was not clear how Creative Scotland maximises opportunities by partnering with others. The focus on delivering funding limits Creative Scotland's capacity to lead or participate in strategic partnerships to amplify impact. The predominately project-based funding model often leads to short-term collaborations, hindering the development of long-term, sustainable partnerships." (p. 50)

The review also called for greater cross-portfolio working both by Creative Scotland and within the Scottish Government. (p 52).

In relation to Screen Scotland, the review noted that the 2018 MoU between Creative Scotland and the (then 2) enterprise agencies, Skills Development Scot and the Scottish Funding Council does not appear to have led to the type of joint working envisaged. The review said that the MoU should be "reviewed as a matter of urgency" (p. 27) the review suggested that the position of Screen Scotland within Creative Scotland should be considered; it recommended that Screen Scotland

should "have a clearer sense of identity and the ability to act and market itself more independently within the umbrella of the national body". (p. 27)

The review suggested that the Government may wish to consult with the sectors on how it wishes to take forward the recommendations. (p13)

Constitution of Creative Scotland

Creative Scotland is an NDPB of the Scottish Government. It was established under Part 4 of the Public Services Reform (Scotland) Act 2010. The general functions of Creative Scotland are set out in section 37 of the 2010 Act and are:

- identifying, supporting and developing quality and excellence in the arts and culture from those engaged in artistic and other creative endeavours,
- promoting understanding, appreciation and enjoyment of the arts and culture,
- encouraging as many people as possible to access and participate in the arts and culture.
- realising, as far as reasonably practicable to do so, the value and benefits (in particular, the national and international value and benefits) of the arts and culture,
- encouraging and supporting artistic and other creative endeavours which contribute to an understanding of Scotland's national culture in its broad sense as a way of life,
- promoting and supporting industries and other commercial activity the primary focus of which is the application of creative skills.

Creative Scotland distributes funding from both the Scottish Government and the National Lottery.

The 2010 Act provides that the Government may make general or specific grants to Creative Scotland and those grants can be subject to "such terms and conditions (including conditions as to repayment) as the Scottish Ministers may determine". (s39) Section 40 also provides that "Scottish Ministers may give Creative Scotland directions (of a general or specific nature) as to the exercise of its functions". However the Act provides that "Scottish Ministers may not give directions so far as relating to artistic or cultural judgement in respect of the exercise of Creative Scotland's functions" in relation to a number of matters, including grant-giving.

The Government does provide strategic direction to Creative Scotland. In June 2022, following consultation with the Creative Scotland, the Government agreed a framework document with Creative Scotland. This set out "the broad framework within which Creative Scotland will operate and defines key roles and responsibilities which underpin the relationship between Creative Scotland and the SG". This said—

"Creative Scotland is to contribute to the achievement of the SG's primary purpose of increasing sustainable economic growth by aligning its aims and

objectives with the Programme for Government, Scotland's National Strategy for Economic Transformation and National Performance Framework ...

"Creative Scotland's purpose, strategic aims and objectives, as agreed by the Scotlish Ministers, are those set out in Creative Scotland's 10 Year Plan, as updated by annual plans and as commented upon by Scotlish Ministers. These aims shall support the statutory responsibilities of Creative Scotland and Ministerial objectives."

Ned Sharratt, Researcher (Education and Culture), SPICe

Date: 28/11/2025

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Annexe B

Summary

In September 2024 the Scottish Government announced a Review of Creative Scotland as part of the Programme for Government. The aims of the Review were to consider whether the remit and functions of Creative Scotland remain relevant, evaluate how Creative Scotland delivers its functions, and assess how appropriately and effectively Creative Scotland uses and distributes funding.

Having considered the views of over 450 contributors and both published and unpublished papers, the Chair of the Review, Angela Leitch, concludes that, whilst Creative Scotland's remit remains relevant, improvements are needed to fulfil its remit and ensure that support is aligned with the breadth of the sector's needs.

Several common topics emerged during the Review process.

There was general agreement that Creative Scotland has provided significant support to the culture sector over the past 15 years and has sought to provide stability during a period of austerity. Of particular note was Creative Scotland's ability to quickly pivot to support the sector during the COVID-19 pandemic. There was also a general view that with the Scotlish Government's commitment of additional funding for the culture sector and Creative Scotland's new Multi-Year Funding programme there is a need for Creative Scotland to set out how it plans to transform the organisation to meet the needs of a dynamic sector.

There was general acknowledgement that the organisation is expected to fulfil the four roles of advocacy, developer, funder and influencer but most see Creative Scotland primarily as a funder. There was widespread agreement that funding does not currently match the ambition of the sector and that Creative Scotland needs to play a key role in setting clear priorities and ensure the efficient distribution of funding both from the Scottish Government and the National Lottery, as well as supporting the sector in sourcing other funding streams. There was also a need for stronger development support and more impactful advocacy.

While there must be effective scrutiny of the use of public money and a demonstration of fair and robust processes, it was reported that Creative Scotland has become too bureaucratic and that there should be a more proportionate approach taken to funding decisions. Despite onerous processes, there was insufficient evidence of timely monitoring, or of strategic decision-making and advocacy being based on data from the whole sector.

Creative Scotland should build on its published Strategic Framework and annual plan to develop a long-term vision. Its strategic aims should be aligned with a three-to-five-year financial plan.

The value of art form knowledge in the organisation was frequently mentioned. There was a perception that Creative Scotland is under-resourced in areas that are crucial to further development of the sector. Staff were praised for being highly committed

yet Creative Scotland appears distant and impersonal to many in the sector. More relationship-based roles, regional input and cooperation with others would strengthen delivery for the whole sector.

The recommendations in the report necessarily focus on where improvements are required. It is important to recognise that, whilst change is needed, there is widespread agreement that Creative Scotland holds considerable expertise and insight, and its support is valued by the sector.