

**CONSTITUTION, EUROPE, EXTERNAL AFFAIRS AND CULTURE  
COMMITTEE**

**9<sup>th</sup> Meeting 2022, Session 6**

**17 March 2022**

**Resource Spending Review**

1. This week is the final consideration of evidence on the Scottish Government's Resource Spending Review.
2. The Committee will hear from two panels, including a joint session with the Cabinet Secretary for Constitution, External Affairs and Culture and the Cabinet Secretary for Health and Social Care.
3. Previously we have taken evidence from the Royal Society of Edinburgh, Arts Culture Health and Wellbeing Scotland [on 24 February](#), and Social Enterprise Network Scotland [on 3 March](#).
4. There is a SPICe briefing at **Annexe A**, a written submission from Culture and Leisure Scotland at **Annexe B**, a note from Social Enterprise Network Scotland on preventative spend at **Annexe C**, and additionally a written submission from COSLA at **Annexe D**. The Accounts Commission / Audit Scotland previously provided [written evidence](#) on our pre-budget scrutiny.

**CEEAC Committee Clerks  
March 2022**

**SPICe**

**The Information Centre**  
An t-Ionad Fiosrachaidh

# **Constitution, Europe, External Affairs and Culture Committee**

**17 March 2022**

## **Resource Spending Review Framework**

### **Introduction**

The Committee is undertaking a short piece of work on the Scottish Government's Resource Spending Review Framework. In the past two weeks the Committee has taken evidence from two panels.

This week the Committee will take evidence from two further panels—

#### **Panel 1**

- Glasgow Life
- Community Leisure UK,  
Scotland
- Audit Scotland

#### **Panel 2**

- Cabinet Secretary for Health and Social Care
- Cabinet Secretary for Constitution, External Affairs and Culture

The first part of this paper focuses on the roles of local authorities to support the heritage and culture in their local areas. The remainder outlines the wider issues the Committee has explored so far in its work on the Spending Review.

### **Local Government's role in Culture and Heritage**

The submission from COSLA stated, "Local Government is a key part of the culture and leisure sector – directly and indirectly."

Under the Local Government and Planning (Scotland) Act 1982, local authorities are required to “ensure that there is adequate provision of facilities for the inhabitants of their area for recreational, sporting, cultural and social activities” and provides local authorities with the power to make grants or loans to cultural organisations. [Section 163 of the Local Government \(Scotland\) Act 1973](#) provides that local authorities “shall have a duty to secure the provision of adequate library facilities for all persons resident in their area.”

COSLA’s submission set out the breadth of the local government support for culture and heritage in their areas. It said—

“Scottish Local Government, and [ALEOs<sup>1</sup>] where they are the delivery vehicle, provide a very broad range of cultural and leisure services. While library, leisure, museum and art gallery buildings across all our communities dominate public perceptions of the municipal role, many Councils also operate theatres and support community halls and other venues. Councils also provide strong support to local third and independent sectors, in the form of direct grant support as well as indirect mechanisms such as peppercorn rents. Some two thirds of the ‘regular funded organisations’ supported by Creative Scotland receive Local Government funding.”

There has been criticism around the consistency of local authority approaches. The session 5 Committee’s report [Putting Artists In The Picture](#) commented—

“There is no Scottish Government guidance currently available as to how local authorities should interpret ‘adequate provision’ and in this respect the local-national policy framework appears to be unclear.”  
(p23)

That Committee recommended “a new intergovernmental policy framework between local and national government to support the arts as part of its ... culture strategy” and that the Government explore introducing an Arts Act to embed a “new framework [to require] local authorities to plan for culture and to take account of local and national priorities in doing so”. The [Scottish Government’s response indicated](#) that it would not be considering the introduction of such legislation at that time.

## *Spending and outcomes*

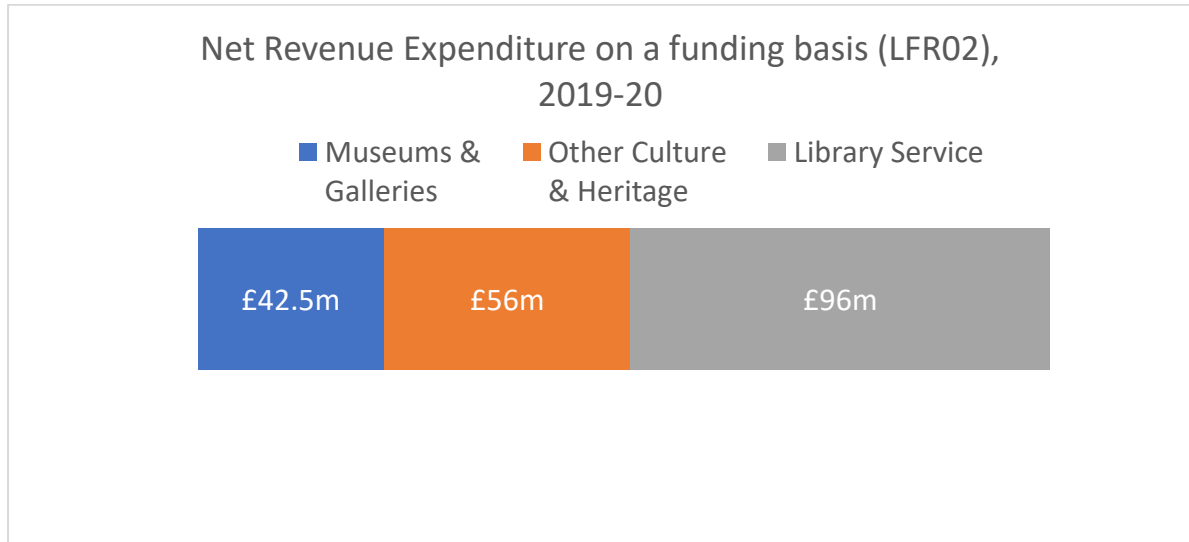
The Scottish Government collects data on councils spending. Local Government spending is badged in three ways in Local Government Finance Statistics: Museums & Galleries; Other Culture & Heritage; and Library Service. [The Accounts Commission’s submission to the Committee’s pre-budget scrutiny](#) stated—

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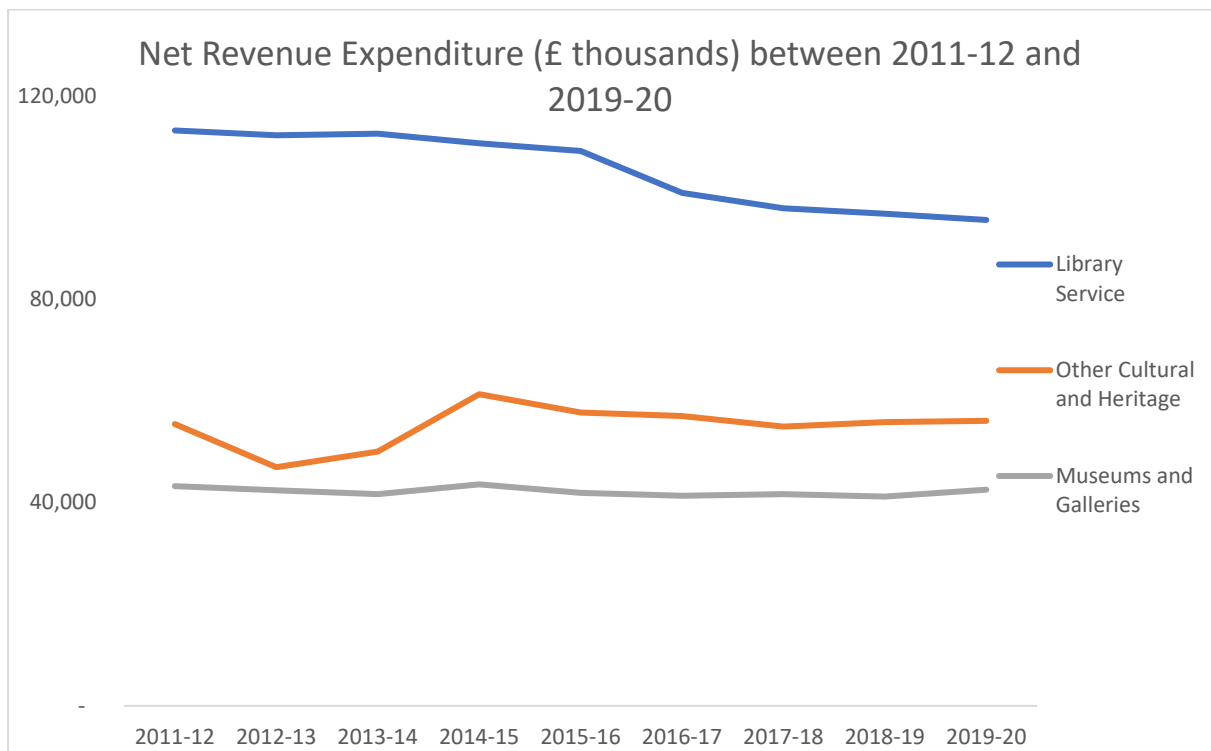
<sup>1</sup> Arms’ Length External Organisation

“We recognise that cultural services (excluding libraries) are often not statutory services and so tend to be subject to budget reductions when local authorities face financial constraints.”

The latest published Scotland-wide audited accounts are from 2019-20. This shows that councils spent a total of £194m net on these areas. Of that, just under half was on libraries. The chart below shows the balance of net spending at a national level.



The longer-term trends of spending in these areas are static or falling net expenditure in cash terms. The chart below illustrates this trend between 2011-12 and 2019-20.



Spending on these services can vary widely from local authority to local authority. The table below estimates the spend per head in 2019-20 by local authority. Here Museums & Galleries and Other Culture & Heritage are combined.

	Total Culture & Heritage	Library Service
Aberdeen City	£29.07	£17.32
Aberdeenshire	£6.22	£16.08
Angus	£7.26	£4.45
Argyll and Bute	£20.26	£15.43
City of Edinburgh	£10.93	£18.43
Clackmannanshire	£2.01	£12.63
Dumfries and Galloway	£13.95	£14.28
Dundee City	£29.04	£27.28
East Ayrshire	£11.55	£13.83
East Dunbartonshire	£4.48	£19.26
East Lothian	£28.63	£18.67
East Renfrewshire	£10.22	£19.27
Falkirk	£12.96	£18.26
Fife	£15.52	£15.15
Glasgow City	£46.93	£18.82
Highland	£12.22	£21.51
Inverclyde	£7.85	£18.84
Midlothian	£1.64	£14.52
Moray	£2.07	£20.78
Na h-Eileanan Siar	£65.74	£29.40
North Ayrshire	£8.54	£17.65
North Lanarkshire	£11.02	£15.60
Orkney Islands	£34.15	£41.25
Perth and Kinross	£22.68	£19.58
Renfrewshire	£32.29	£21.07
Scottish Borders	£21.65	£15.10
Shetland Islands	£38.92	£39.05
South Ayrshire	£12.67	£17.68
South Lanarkshire	£9.18	£13.06
Stirling	£18.66	£25.16
West Dunbartonshire	£8.47	£23.74
West Lothian	£5.99	£8.80

The figures presented here are net. That is, the data does not include the funding financed by fees or ringfenced grants. Unfortunately, creating comparable tables on gross spend is not possible. Where a local authority has an ALEO, the service income will go to the ALEO, while the only cost the council will incur is the management charge. This management charge should

be equivalent to the net cost of services, which means the gross expenditure (i.e. total expenditure) picture will be difficult to interpret. If the figures were presented in gross terms, including all expenditure, some local authorities' data would shift significantly. The gross expenditure of the City of Edinburgh Total Culture & Heritage, for example, would be £21.90 per head, around double the net figure – for other local authorities reported gross spend is the same as net.

Spend on, and satisfaction with, libraries and local museums form part of the [Improvement Service's benchmarking framework](#) (LGBF). The LGBF reported that the overall real terms cost per library visit had halved between 2010-11 and 2019-20. The cost of the service is around £2 per visit. A visit here is both physical and virtual. [The Improvement Service](#) stated—

“[Between 2010-11 and 2019-20], there has been a reduction in net spending on library services of 29.6%. At the same time, visitor numbers increased from 31.8 million to 44.9 million, an increase of 41.1%. Across this period, there has been a year on year reduction in expenditure levels, including a 2.8% reduction [between 2018-19 and 2019-20]. Meanwhile, while the number of library visits increased significantly between 10/11 and 16/17, growth has slowed in recent years.” (p98)

In terms of local museums, the LGBF paints a similar picture to libraries: falling real terms funding and increased visits. In this case, the real terms cost per visit fell by around a third between 2010-11 and 2019-20.

The LGBF also presents data on satisfaction with local services. The percentage of adults satisfied with library services has dropped from 83.5% in 2010-11 to 72.0% in 2017-18 and since then it has risen slightly to 73.0% in 2019-20. For museums in the same period, the fall in satisfaction was less pronounced, dropping from 75.5% to 70.0%. The LGBF stated—

“It should be noted that satisfaction rates for service users are consistently higher than those reported by the general population, but the smaller sample sizes available for service users mean it is not possible to present this data with any level of confidence.

“For all culture and leisure services, satisfaction levels vary considerably across councils and this variation has been widening. In leisure, satisfaction rates range from 38% to 90%; in libraries, it is 49% - 92%; for museums, 43% - 90%; ... There are no systematic effects of deprivation, sparsity or council size on satisfaction levels in relation to culture and leisure services”

The LGBF also provided some commentary on factors which are “important in understanding the variation between authorities in culture and leisure services”. These are:

- Local political and strategic priority given to the role of culture and leisure in supporting improvement in wider outcomes e.g.

health and wellbeing, tackling inequality, economic development, community empowerment

- Scale of provision and level of service
- Digital channel shift
- Service delivery model and balance between in house and arm's length/trust delivery
- Service structure and integration with other services
- Staffing composition, level and roles
- Level of volunteering, community involvement and asset transfer
- Income generation capacity
- Asset management and co-location/multi-use venues

The data explored in this section has been up to April 2020. The wider impacts of the pandemic on visitors, income and attendances will have affected local authority provision of cultural services. The picture of how local authorities have played their part in supporting local organisations through grants or other support is not clear.

### *The local and place-based cultural policy*

A key strand to the [Scottish Government's Culture Strategy](#) is a focus on localised or place-based approach to culture policy. The charity Iriss [has a useful blog on a place-based approach](#) and defines it as—

“Place-based working is a person-centred, bottom-up approach used to meet the unique needs of people in one given location by working together to use the best available resources and collaborate to gain local knowledge and insight. By working collaboratively with the people who live and work locally, it aims to build a picture of the system from a local perspective, taking an asset-based approach that seeks to highlight the strengths, capacity and knowledge of all those involved.”

Within the ‘guiding principles’ of the Culture Strategy is a commitment to that “everyone has the right to participate freely in the cultural life of the community”; and “place – community, landscape, language and geography – is important and reflects the creativity of the past and provides inspiration for cultural expression today.”

One of the aims of the strategy was to—

“Recognise each community’s own local cultures in generating a distinct sense of place, identity and confidence.” (p43)

The strategy said—

“Place-based approaches enable local communities to influence, shape, and where there is an appetite, deliver long term solutions because it is easier for people and communities to identify with, relate to and feel connected with their place.

“The importance of addressing the needs of communities holistically is increasingly recognised ... Giving people a greater say in shaping the cultural life of their communities and community ownership can help protect Scotland’s rich cultural heritage and provide inspiration for the cultural expression of the future.”

To achieve more localised and locally-led support, the Strategy set out a number of actions including:

- Creative Scotland to map local authority support for culture and to explore future models of collaboration between national and local bodies
- Launch a Creative Communities programme in partnership with Inspiring Scotland to support and empower individuals and communities to further develop their own cultural activity
- Work in partnership with culture trusts and local authorities, including in Community Planning Partnerships local networks and COSLA to realise local outcomes across Scotland
- Work with Culture Conveners from Scottish local government and culture trusts including through establishing a joint meeting of arts and culture conveners

Creative Scotland aims to support cultural and creative opportunities across Scotland. One of its programmes to achieve this has been the [Place Partnership Programme](#). This is “a strategic programme designed to encourage and support local partners to work together with their creative community”. Creative Scotland’s website lists 12 local authorities under “Current Place Partnerships” and four others under “Completed Place Partnerships”. More broadly, the chief executive of Creative Scotland told the Committee on [23 September 2021](#)—

“Creative Scotland works across the geography of the 32 local authorities in a variety of different ways. Sometimes that work is at a policy and strategic level, and sometimes it is through funding interventions and so on.” (Col 24)

Supporting bottom-up and place-based approaches was a theme of the Committee’s pre-budget scrutiny. For example, Matt Baker from the Stove Network argued for a “national investment in community-embedded art programmes that would provide a stable and fair work income for the cultural



workforce and would support the freelance economy” ([16 September 2021, col 7](#)).

The foreword to the [Accounts Commission’s 2021 local government overview](#) stated—

“The ways in which councils and communities have worked together to deliver services and support the most vulnerable has been incredible. Many communities and individuals continue to step in to provide crucial local services, empowered to do so by councils. Those local areas where partnership working was already strong and embedded were able to respond and react more quickly to the developing needs caused by Covid-19. This brought into focus the value and importance of partnership working and empowering communities to deliver services that meet very local needs.”

The Royal Society of Edinburgh’s submission to the Committee stated—

“While national institutions and event organisers play an important role in this participation in culture, the essential role of local government in supporting cultural activity across Scotland, as highlighted in the 1990s in the first collaborative cross-industry Charter for the Arts, and their pivotal role in sustaining cultural life must not be undervalued. Local Authority funding is under severe pressure, but because participation and engagement with culture is delivered locally to so many people, it is important that local funding is maintained for Arts organisations up and down the country.”

Local authorities or their ALEOs might be expected to be well-placed to support bottom-up local cultural provision, reflecting local needs and desires. There are, however, a number of national agencies and programmes also seeking to promote place-based cultural provision. How these dovetail and how resources are deployed strategically may be an avenue the Committee can explore.

## *Forward, Scotland’s Public Library Strategy*

The [Scottish Library and Information Council published a new public library strategy in August 2021](#). This strategy covers 2021-2025 and had three broad strategic aims, under the headings of: People, Place and Partnership.

Under these three headings the strategic aims reflect aims to improve outcomes across a number of policy domains. For example, under ‘People’, the aims include—

- Embed libraries as lead contributors to reading and literacy by closing the learning gap in communities, through national programmes and local initiatives.

- Improve wellbeing and support post COVID-19 recovery with programmes which target health, economic growth, and strengthen communities.
- Encourage active citizenship through access to trusted, accurate information which empowers communities to make informed decisions.

Public libraries sit within the communities they serve. The strategy stated—

“Public libraries in Scotland provide equality of access to reading, culture, technology, trusted information, and creative learning opportunities. A safe space at the heart of communities, they encourage connections, support wellbeing and are a welcoming space for all.”

The strategic aims under “Place” included:

- Design library services which reach the heart of communities and engage with new audiences.
- Curate a diverse cultural offer which celebrates local and national heritage and encourages community led experiences.

In terms of ‘Partnership’, the strategy stated—

“Libraries consistently deliver services in partnership with organisations both locally and nationally. It is essential for libraries to develop new and innovative partnerships and evaluate existing partnerships.”

The strategy’s vision of library services has clear links to the Committee’s work on the Resource Spending Review Framework and prebudget scrutiny. Namely the focus on cross-policy outcomes, place-based cultural services, and a collaborative approach.

## **The Resource Spending Review Framework**

As noted in previous papers, the RSRF is preparatory to a spending review which is intended to be published in May 2022. The RSRF says that the Government’s approach to the spending review will be:

- Outcome-focused
- Evidence-informed; and
- Consultative.

The RSRF also set out the Scottish Government’s three ‘core priorities’ of the spending review. These are—

- To support progress to meet our child poverty targets

- To address climate change
- To secure a stronger, fairer, greener economy

COSLA's submission argued and sought recognition that local government is "integral to achieving successful outcomes in each of the key priority areas".

The RSRF identified areas to explore which may make public spending more effective. These areas are:

- Cross-government collaboration to reduce duplication;
- Public service reform;
- Preventative spend;
- The capacity and distribution of Scotland's public service workforce;
- Better targeting of some policies in order to focus on achieving outcomes for those most in need, whilst releasing funding to be put towards other measures; and
- Targeted revenue raising.

The Spending Review will be an opportunity for the Scottish Government to support the long-term health of the cultural scene and creative industries in Scotland. In evidence to the Committee during pre-budget scrutiny, Creative Scotland identified six areas of concern which create a risk that major parts of the sectors that Creative Scotland work with will collapse:

- The end of furlough;
- The repayment of business loans;
- Increasing inflation;
- The retreat of public and private funding (e.g. local government and philanthropy);
- Slow return of audiences; and
- The costs of the commitment to fair pay.  
([23 September 2021](#), Cols 30-31)

As well as sectoral risks, there are wider fiscal risks the spending review will seek to navigate. The [Scottish Government's Medium Term Financial Strategy](#) set out a number of risks to the Scottish Government's fiscal outlook. These included: changes in the block grant; tax revenues relative to the rUK; volatility in social security spend; costs in relation to pay and pensions; and the aging population. The MTFS concluded that "forecasting, controlling and prioritising expenditure is our primary lever for managing fiscal risk, to enable us better to target our spending decisions in order to tackle some of the more

strategic and long-term risks to fiscal sustainability, such as changing demographics and climate change.” (p43)

In the previous parliamentary session the Culture, Tourism, Europe and External Affairs Committee’s report [Putting Artists In The Picture: A Sustainable Arts Funding System For Scotland](#) recommended a funding floor for arts sector as well as that funding being clearly linked to the culture strategy. It recommended—

“The Scottish Government [should] articulate its spending plan for the forthcoming culture strategy, including what funding will be earmarked for the arts from other portfolios to deliver the national outcome on culture in a cross-cutting way. The Committee also recommends that the Scottish Government should give serious consideration to the culture strategy being supported, on a cross-portfolio basis, by a baseline target for national arts funding above 1% of the Scottish Government’s overall budget.”

The focus of this Committee’s pre-budget work was on Creative Industries. Stakeholders from the heritage, or historic environment sector also contributed to the Committee’s work. The priorities identified by Historic Environment Scotland’s submission were—

“1. Funding for people - to improve skills development and training, and access into heritage

“2. Funding for physical cultural infrastructure – to include capital funding for works.”

Spending reviews allow for budgets to be set over longer periods. The Scottish Government has committed to a 3-year funding settlement for the cultural organisations it funds directly. This has been broadly welcomed. SENScot’s submission stated—

“Moving to a 3 or 4-year funding cycle would create greater resilience and sustainability among those organisations that are funded directly by Scottish Government and consequently have positive impacts on the broader sector including freelancers and volunteers. Such funding settlements would enable long-term planning, delivery on the Fair Work agenda, and attract external funding/ trading potential.”

However, SENScot also noted that there may be inflationary pressures in the period of the spending review which should be considered.

## *A stronger, fairer, greener economy*

In relation to the priority to “secure a stronger, fairer, greener economy”, the RSRF stated—

“The impact of COVID-19, combined with the effects of the UK’s exit from the European Union have created challenges for Scotland. The

Scottish Government's National Strategy for Economic Transformation will seek to transform the economy, setting us on a path towards a wellbeing economy for all. This will be an economy that is rooted in Fair Work. It will improve standards of living, enables businesses to grasp the opportunities of a green recovery, and secure the new jobs of the future. Our ambition for a stronger, fairer, greener economy will consider how the investment of public funds will support each of these dimensions in tandem."

The [Culture Strategy](#) highlights the links to the Government's Fair Work agenda. One of the actions identified in the culture strategy under the broad ambition of "strengthening culture" was—

"Continue to work on making the culture and heritage sector part of Scotland as a Fair Work Nation by 2025, looking at the potential impact of Fair Work criteria being part of relevant grant schemes."

Economic return is only one part of the equation of the Scottish Government's approach to supporting culture. The Culture Strategy sets out the view that culture has intrinsic value, and the 2019 [Creative industries: policy statement](#) describes the concept of a "triple bottom line" of understanding the economic, social and cultural value of the creative industries. It is unclear how the spending review will focus on the social and cultural value created by vibrant cultural scenes.

## *Cross-government collaboration to reduce duplication – health and wellbeing*

One of the RSRF's ways 'of considering public spending' is—

**"Cross-government collaboration:** we will identify where there may be shared interest, duplication or overlap in intended policy outcomes over multiple portfolios. Where there is, we will look to develop a more effective and efficient cross-government solution."

The First Minister's foreword to the Culture Strategy stated that culture is "a cross-government priority – one which all ministerial portfolios in the Scottish Government contribute towards". One of the Strategy's ambitions is to demonstrate "that culture is central to Scotland's wellbeing and cultural, social, economic and environmental prosperity." The strategy aims to—

"Place culture as a central consideration across all policy areas including: health and wellbeing, economy, education, reducing inequality and realising a greener and more innovative future." (p30)

The Strategy stated—

"We will also work across the Scottish Government to create strategic cross-policy compacts to deliver co-ordinated approaches to realising shared policy outcomes through culture in key policy areas such as

health and wellbeing, community empowerment and regeneration; exploring options for leadership, resource sharing, compatible planning and complementarity policies.” (p32)

The Cabinet Secretary’s [letter in response to the Committee’s pre-budget report was issued on 23 December 2021](#). It stated—

“I am starting a series of conversations with fellow Cabinet Secretaries in the key complementary areas of education and skills; health and wellbeing; economic development; and net zero. This is so that we can identify areas of joint collaboration and action to inform our portfolios’ part in the multi-year Resource Spending Review. We intend this to inform both the outcome of that spending review and a longer-term cultural recovery plan. More detailed recommendations from the National Partnership for Culture [NPC], established under A Culture Strategy for Scotland, on capitalising the synergies between culture, health and wellbeing will also be concluded in early 2022. As the Committee recognises from the evidence it has seen, there is widespread appetite, interest and capacity in the culture sector to engage with the health and wellbeing agenda, and this is a real opportunity in developing a cross-cutting approach.”

SPICe has contacted the Scottish Government for any update on the recommendations of the [NPC](#) making to the Scottish Government. Officials stated—

“Members [of the NPC] are now working to refine and prioritise the issues and actions discussed during [its work since June 2020], as part of the process of developing an overall package of recommendations to Ministers in February 2022.”

The concept of cross-government collaboration can be read as being beyond the culture directorate within the Scottish Government and its agencies. It can also mean working with local government. The Strategy stated the Scottish Government would ““Work in partnership with culture trusts and local authorities, including in Community Planning Partnerships local networks and COSLA to realise local outcomes across Scotland”. COSLA’s submission also highlighted the value of local leisure and cultural services in supporting outcomes across a range of policy areas, including as part of a preventative spend approach. It said—

“These services play a significant role in preventing poor health outcomes and reducing demand on health services, as well as helping to enhance recovery and improve the quality of life for people with long term conditions. These services encourage active engagement and help people to connect with and contribute to their communities, helping to reduce social isolation and loneliness and improve resilience. Cultural and leisure services are critical in addressing the social determinants of health ... there needs to be more upstream investment in preventative approaches such as social prescribing and working with physical activity, sport and cultural organisations locally.”

The submission from Community Leisure UK stated—

“For cross-government collaboration, an outcome focused approach around health and wellbeing would benefit from support through cross-portfolio funding to further build capacity and delivery. Our members recognise their role in communities as, first and foremost, supporting the health and wellbeing of their local communities and have the expertise, passion, scale and reach into communities to make a meaningful contribution to supporting health outcomes, such as improving mental and social health and wellbeing, and reducing social isolation and loneliness. However, there needs to be long-term and consistent investment to enable this work to grow with time to embed outcomes, which will not necessarily be achieved in the short-term.”

COSLA’s submission argued that there should be greater focus on providing cultural services, it said “the accessibility of the culture sector and services should not be seen as an add-ons ... it is essential to promoting equality and fostering connections within society”. RSE’s submission stated that there are “clear health and wellbeing benefits provided by participating in cultural activities”. It continued:

“It is now the time to take this further and encourage new collaborations with funding incentives between local cultural organisations, youth projects and health interventions etc. which would undoubtedly have significant measurable health and wellbeing outcomes.

“The RSE working group suggested several potential avenues that Scottish Government could consider to reinforce such mainstreaming including:

- encouraging third sector and public sector organisations to include a culture/creative industries professional on their boards.
- create a dedicated incentive fund to support collaboration that enable organisations to provide shared services and address common problems.”

SENScot’s submission noted that different sectors will have different professional languages and that needs to be overcome to develop better collaboration. On [3 March](#), the Committee took evidence from Sarah Cameron from SENS Scot, who discussed there being tension between local leadership to bring together cultural and health sectors, and grass-roots voices leading on those services.(Col 12)

On [27 February](#), the Committee heard from Robbie McGhee of Arts Culture Health & Wellbeing Scotland who suggested that encouraging cross-sector collaborative working would open up opportunities for improvement (cols 22 and 23). Diana Murray from RSE identified greater consistency of funding and networks to support collaboration as ways that small organisations could maximise their impact across a number of policy outcomes (col 23).



The committee has heard that funding for cross-portfolio working can be a challenge for individual organisations. Arts Culture Health & Wellbeing Scotland noted the tensions around funding—

“The big elephant in the room is the resources— the funding. Let us say that the referral is of somebody who is quite vulnerable, a wee bit anxious or not confident about going to an activity. Does health have the time to do the research into provision, and does culture have the resources to provide that provision? ... You need to think about the whole picture and try to resource the activity properly and provide a pathway for the person that will be positive for them.” (Col 27)

They highlighted [an evidence paper published by the WHO in 2019](#) on the role of the arts in improving health and well-being. The review made three overall policy recommendations, these were:

- To acknowledge and act on the growing evidence base of the benefits of the arts to health and wellbeing;
- promote arts engagement at the individual, local and national levels; and
- support cross-sectoral collaboration.

Under the final bullet, [the WHO recommends](#) that policy makers consider how to “strengthen structures and mechanisms for collaboration between the culture, social care and health sectors, such as introducing programmes that are co-financed by both arts, health and social care budgets.”

At a national level, SENScot’s submission said that there was experience of “positive relationships across Scottish Government departments ... however, a lack of collaboration across departments and a fear of ‘stepping on each other’s toes’ can lead to a disjointed approach to sector development”. It continued—

“The opportunity to connect the financial resources of the culture sector and other policy areas, such as health and wellbeing, employability, tourism etc are currently lacking. A cross departmental approach to policy development and implementation should be explored to ensure a broader understanding and cross fertilisation of knowledge and best practice.”

Creative Scotland commissioned [research into projects or organisations it is funding which included arts-related](#) activity designed to enhance the health and/or wellbeing of those with a health related condition or illness, the wider public, and the healthcare workforce. This research included eight recommendations:

1. Creative Scotland should use their funding leverage to create funding partnerships with other interested parties to scale up the involvement of professional artists in the area of health and wellbeing



2. Related to this, Creative Scotland should combine this with advocacy about the importance of art in the area of health and wellbeing, notably with Government, but also with others who fund arts and/or health and wellbeing related work. This should include championing and resourcing social prescribing around arts-based activity.
3. Given the range of activity and experience in this area it would be appropriate for Creative Scotland to support the rolling out and scaling up of approaches that appear to be valuable for participants and viewers, as well as innovative practice.
4. Creative Scotland could play a valuable role in promoting and helping to share good practice across projects and supporting networks which enable cross-organisational working both nationally and internationally
5. Many of these activities are held back by the lack of persuasive insights and descriptions of the difference that the activity makes to those engaged and involved. It would be helpful for Creative Scotland to sector with evaluation and impact measurement support – and to draw on the insights emerging to inform both its funding leverage and its advocacy roles.
6. There is a widespread view that Creative Scotland should support the creation of a strategy for arts and health/wellbeing across Scotland: this would allow it to create a coherent approach to funding and support, to the professional development of artists, and to scaling up the beneficial impact on those involved or engaged
7. Consistent with the focus of the activity, it was felt that it would be helpful for Creative Scotland to work actively to improve inclusivity for artists with health conditions and disabilities.
8. Finally, in terms of professional development, there should be a specific focus by Creative Scotland on the key skills of collaboration, flexibility and communication. Artists specifically noted the need to develop skills around working effectively with those working in fields outside the arts.

## *Public service reform*

The RSRF suggests that the Scottish Government is open to the possibility of public service reform in the spending review. The RSRF stated—

“As well as challenging portfolios, we will also examine discrete opportunities for longer-term, large-scale public service reform and transformation that leads to both beneficial outcomes for our citizens and the realisation of more fiscally sustainable delivery mechanisms.”  
(p26)

A spending review may be an opportunity to reassess whether the distribution of the funding and roles and responsibilities of the different actors is optimal.

While there is little clamour to fundamentally reassess these structures, there are tensions.

For example, last session, the Culture, Tourism, Europe and External Affairs Committee's report [Putting Artists In The Picture: A Sustainable Arts Funding System For Scotland](#) recommended—

“The Committee considers that the current approach to funding institutions of national significance (outwith the National Performing Companies and Collections) through the regular funding network is not sustainable. The Committee recommends that the Scottish Government should consider articulating a new, strategic approach to funding these institutions, by first identifying which institutions it considers should be afforded this status, such as a national youth company, and secondly to identify how they can be funded in a sustainable way.”

The SNP's manifesto included a pledge to establish a “regularly funded Youth National Performing Company, to showcase the creative gifts of Scotland's young people, and help grow the talent of tomorrow.”

The Session 5 Committee also recommended that Creative Scotland “re-establish a programme of funding for regionally-based arts officers where Creative Scotland's funding is significantly below the Scottish average in order to stimulate funding where there are relatively few applications at present”.

## *Revenue raising*

The RSRF stated—

“[The Scottish Government] will investigate discrete opportunities to raise revenue, for example, options for fees and charges associated with spending decisions. Any ideas identified will be carefully considered to ensure they are proportionate.”

There is unlikely to be much appetite for introducing, for example, entry fees to museums. However, the creative sectors such as, performing arts and community arts projects, rely to a lesser or greater degree on income from tickets or fees. COSLA's submission stated—

“Cultural and leisure services across all Council areas have also been badly affected by the COVID-19 pandemic, with most culture and leisure services unable to operate either at all or at usual capacity for the last 22 months. COSLA has worked to identify the level of income lost across services in Local Government including ALEOs. This was estimated to be around £200m for all ALEOs and direct cultural and leisure services in 2020/21, increased from earlier estimates due to restrictions needing to be strengthened and in place for longer. This represents 30-90% of budget for some organisations and services depending on structure and service offer. It is not expected that service usage will return to pre-pandemic levels, and therefore income, for a number of years as behaviour has been impacted

by the pandemic. The pandemic will also have affected service user behaviour and service delivery in some, as yet, unquantifiable ways.”

The balance of public, private and philanthropic funding in the arts and heritage sectors is a live issue, particularly with uncertainty around returning audiences and tourism in the coming years.

## Social prescribing

This year’s Programme for Government set out the ambition to expand social prescribing, it said “GPs are usually the first port of call for people seeking professional support and treatment, and often become the main support for those people ... By 2026, every GP Practice will have access to a mental health and wellbeing service, funding 1,000 additional dedicated staff who can help grow community mental health resilience and direct social prescribing.”

Decisions on prescribing are ultimately for a clinician to make in consultation with a patient. However, clinicians operate within a system which applies constraints to their prescribing practice. These constraints are intended to ensure safety, efficacy and value. These constraints include: licensing for drugs or treatments; clinical guidance; Scottish Medicines Consortium and Area Drug and Therapeutic Committees, which respectively recommend whether a new medicine should be used at a national and local level. The local NHS board pays community pharmacies for the drugs they dispense.

In [England, the process for ‘social prescribing’](#) is a two stage referral. First the local agency can refer an individual to a link worker who will “connect people to community groups and statutory services for practical and emotional support”. The link worker will also “support existing community groups to be accessible and sustainable, and help people to start new groups, working collaboratively with all local partners”.

[An explainer by the King’s Fund in 2017](#) stated that there is a “a growing body of evidence that social prescribing can lead to a range of positive health and wellbeing outcomes”. However, it noted that more detailed work on the costs and benefits of social prescribing is required and said—

“Overall, the evidence available today offers good reason to think social prescribing can deliver benefits for some people. But, as a number of recent meta-analyses and Public Health England have concluded, further work is needed to strengthen the evidence base and clarify expectations of what benefits can be delivered and for whom.”

The submission from Community Leisure (Scotland) stated—

“Cultural prescribing has well-evidenced impact on health and wellbeing, with potential for this to be delivered at a far greater scale than at present, if there was adequate funding and capacity. There not only needs to be capacity in terms of workforce to support the delivery of this, but also a network of venues that are open consistently across the country to ensure there are places and spaces for cultural activities

to take place. There also needs to be clear pathways from cultural prescribing to ensure the benefits are embedded in the long-term.”

Arts Culture Health & Wellbeing Scotland told the Committee on 24 February that good practice was occurring in areas of the country supported by local health boards. They called for more work to be done to understand “what is happening and how to achieve parity of service so that the approach becomes more integrated into the NHS and healthcare and everybody can access it”.  
([col 28](#))

## Christie Commission 10 years on

The RSRF’s “areas to explore” which may make public spending more effective are reflective of the Christie Commission’s four principles of reform. These four principles were

- Empower individuals and communities receiving public services by involving them in the design and delivery of the services they use;
- Public service providers must be required to work much more closely in partnership, to integrate service provision and thus improve the outcomes they achieve;
- Prioritising expenditure on public services which prevent negative outcomes from arising; and
- The whole system of public services - public, third and private sectors - must become more efficient by reducing duplication and sharing services wherever possible.

Both the Auditor General for Scotland and the interim Chair of the Accounts Commission have recently published blogs reflecting on the ten years since the publication of the final report of the [Christie Commission](#) in 2011.

The AGS’ blog, [Christie's Clarion Call Can't Wait Another Decade](#), identified limited progress on Christie-based reform. The AGS identified a number of barriers to implementing the recommendations of the Christie Commission. These included: a focus on shorter term indicators rather than longer term outcomes; a lack of empowerment of public sector leaders to work collaboratively and deliver change; and a culture which works against risk taking.

The Interim Chair of the Accounts Commission published [Christie - It Really Is Now Or Never](#) in October. She echoed the AGS, saying that there was some progress but not enough. She identified fragmented and provider-led provision as well as the continued focus on inputs rather than how well public services deliver. In terms of how to support the sort of approach envisaged by Christie, she said—

“It requires our politicians to be bold and put our citizens, particularly our most vulnerable citizens, right at the centre of decisions. It requires

our executives to be clear and precise about what is required, based on evidence and experience of those living in our communities. It requires all of us to play our part in making change happen. To encourage innovation, to manage risk, to forgive mistakes and then to learn from those mistakes and quickly adapt.”

Both the AGS and the Interim Chair of the Accounts Commission noted that the urgency of the pandemic had led to greater collaboration across the public sector. The AGS said—

“The last 18 months have proved that the public sector can deliver transformational change of the kind that Christie envisaged. Since last March, we’ve seen public bodies disobeying organisational boundaries and delivering ‘Christie’ at scale and pace. It’s been truly impressive and shows what can be done. We all owe them an immense debt of gratitude.”

**Ned Sharratt, Senior Researcher (Education, Culture),  
SPICe Research  
10 March 2022**

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.

The Scottish Parliament, Edinburgh, EH99 1SP [www.parliament.scot](http://www.parliament.scot)

Written submission from Community Leisure Scotland

**Introduction**

Community Leisure Scotland is responding on behalf of our members who deliver public leisure, sport and culture services across the country. In Scotland, we currently have 27 members, which are all registered charities (with a public benefit asset lock), often working in partnership with local authorities. 16 of our 27 members deliver some form of public culture within their local communities, including libraries, museums, galleries, theatres and community halls.

We welcome the opportunity to submit written evidence to the Constitution, Europe, External Affairs and Culture Committee on this important topic, ahead of the opportunity to engage with the Committee in an oral evidence session.

Current landscape for public culture charities

Community Leisure Scotland's members have been significantly impacted by the Covid-19 pandemic and are facing a long recovery period. The six areas of concern identified by Creative Scotland, as referenced in the pre-budget scrutiny report, provide a clear overview of some of the challenges facing the wider culture sector, which are relevant to our members: the end of furlough; the repayment of business loans; increasing inflation; the retreat of public and private funding (e.g. local government and philanthropy); slow return of audiences; and the costs of the commitment to fair pay.

Many cultural activities were unable to take place for a significant period of time due to restrictions, capacity concerns and uncertainty around future restrictions prohibiting the forward planning of activities and events. There have inevitably been significant costs and resources required to reopen facilities and restart activities. This has been against a backdrop of reduced footfall and income as a result of physical distancing measures.

It should be noted that, in the context of cultural services, it is the large scale events, activities and live events and performances, which have income generation potential associated with them, then re-invested into sustaining free of charge public services.

There has also been a significant loss of reserves across public culture charities, using these to remain solvent throughout the pandemic. Despite support from local authorities, our members are in a significantly weaker financial position as we emerge from the pandemic, yet are facing new challenges in the near future, notably the unprecedented increase in energy costs and increases to the National Living Wage.

However, the role of public culture has never had greater recognition or appreciation than in recent months and years. At a time when venues and facilities were forced to close, activities and support through cultural organisations remained active. The culture sector pivoted to digital and offered a wealth of opportunities for cultural engagement digitally, through online library provision, exhibitions and events from museums and galleries online, and digital live performances. Many activities also took place outdoors in the open air, when weather permitted.

Across the local public culture sector, the age and condition of some cultural venues and facilities and associated maintenance costs also require consideration, with investment into these venues, particularly reflecting the role of the sector to support progress towards net zero. Furthermore, specifically for cultural trusts, the outcome of the Barclay Review of Non-Domestic Rates effectively removed the potential for any new facilities to achieve rates relief, with implications for future capital developments, impacting both local authorities and their culture trust partners.

#### Priorities going forward

We welcome the focus of the new budget to aid the recovery of the sector, and fully support the ways of considering public spending identified in *Investing in Scotland's Future: resource spending review framework*. Specifically: cross-government collaboration, public service reform, and prevention.

#### Cross-government collaboration

For cross-government collaboration, an outcome focused approach around health and wellbeing would benefit from support through cross-portfolio funding to further build capacity and delivery. Our members recognise their role in communities as, first and foremost, supporting the health and wellbeing of their local communities and have the expertise, passion, scale and reach into communities to make a meaningful contribution to supporting health outcomes, such as improving mental and social health and wellbeing, and reducing social isolation and loneliness. However, there needs to be long-term and consistent investment to enable this work to grow with time to embed outcomes, which will not necessarily be achieved in the short-term.

It is important to understand and recognise the contribution of culture to the National Performance Framework at a national level and to CoSLA's policy priorities at a local level, specifically around local government funding, health and social care, and local economies and inclusive growth. Through meaningful cross-portfolio working and engagement, there is an opportunity to look at the impact of culture against these local and national priorities, and to join up budget conversations to offer support to culture organisations from other portfolio areas, specifically from the Health budget.

The Culture Strategy need to have a clear connect to the National Performance Framework, with clarity for organisations in the culture sector on the outcomes they should be reporting against, and how these interrelate. There is an opportunity through the refresh of the National Planning Framework to also ensure review the Culture Strategy and ensure that there is a clear connection across the priorities. This will make it easier to fund work and organisations in the culture sector, with evidence of outcomes against both the NPF and the Culture Strategy.

### Public service reform

The key principles of public sector reform identified in the Christie Commission Report from 2011 are as relevant today as they were eleven years ago. Public services should: be built around people and communities, work together effectively to achieve outcomes; prioritise prevention, reduce inequalities and promote equality; and seek to improve performance and reduce costs. Including cultural plans at local authority level and recognising the contribution of culture to achieving local priorities is important to ensure the voice of culture and creatives is included throughout local decision making. When investing in place, it is important to remember that a place needs to not only be attractive for new people coming to live and work there, but if we truly want to have equity and equality, we need to develop places in line with the vision, identities and aspirations of the communities that already live there. Culture has a crucial role to play in translating these identities and visions into a narrative that can lead investment.

It is essential that we look to protect our public culture, and ensure that no short-term decisions around budget are made at a time of financial pressure that may have a significant and irreversible negative impact for the sector in the future. By adopting the principles identified by the Christie Commission report, and seeking to allow space to understand the impact of the pandemic on behaviours, we will ensure that there are no financial and budgetary decisions made that may have unintended consequences of closure of venues or facilities or loss of skills and expertise from the culture sector.

### Health and Wellbeing and Prevention

Culture has a clear impact on health and wellbeing outcomes, which has been demonstrated more than ever during the pandemic, when people were unable to access many of their usual cultural activities. Culture has an important role to play in supporting mental and social health and wellbeing, and offering social engagement opportunities. There are a wide range of performing arts and library development programmes to support social interaction and encourage a sense of belonging, with different target audiences, including: [Macmillan support services in libraries across Glasgow](#) and other areas across Scotland, bookbug sessions, knit and natter groups, [OnFife's book prescription service](#), [Falkirk Community Trusts' Care Words](#)



[project](#) bringing together older people in care setting for reading and reminiscence sessions. Black History Month programmes of events. There are also programmes supporting people living with dementia to access local venues for dementia friendly activities such as [OnFife's project as art of the Cultural Connections work funded by Life Changes Trust](#), and [Live Border's Young Creatives programmes](#), supporting people aged 16-24 to engage in arts events in their own communities.

Cultural prescribing has well-evidenced impact on health and wellbeing, with potential for this to be delivered at a far greater scale than at present, if there was adequate funding and capacity. There not only needs to be capacity in terms of workforce to support the delivery of this, but also a network of venues that are open consistently across the country to ensure there are places and spaces for cultural activities to take place. There also needs to be clear pathways from cultural prescribing to ensure the benefits are embedded in the long-term.

All funding needs to be long-term and flexible, to ensure that the culture sector is able to plan and to offer long-term projects. Flexibility is also crucial, particularly as we progress through the recovery phase following the pandemic, where changes in behaviours and engagement with culture is not fully understood. There must be scope to adapt to a new normal and to tailor cultural services and opportunities

## **Appendix**

Further information on the Trust model and Community Leisure UK can be accessed here: <https://communityleisureuk.org/the-trust-model/>

**February 2022**



Constitution, Europe, External Affairs and Culture Committee

## **SENScot member views on progress made in delivering the preventative agenda**

### **Introduction**

In response to the Constitution, Europe, External Affairs and Culture Committee's request for a view of progress made in delivering the preventative agenda I have sought a response from the broad membership of SENS Scot.

Whilst members recognise there are projects that are delivering high quality and essential services, there was an overwhelming negative response to this issue. All those that replied to the call out for views replied with impassioned responses which are peppered throughout our response.

An important backdrop to this topic is the Scottish Government's new Economic Transformation Strategy aligned to the NPF. These have a core message - that improving economic competitiveness and recovery and addressing inequalities are reinforcing, not competing, objectives. Key planks of delivering on all of this are and should be a continued and intensive focus on: *reforming public services; shifting investment towards prevention; empowering communities; and tackling poverty.*

We know from the twin shocks of the pandemic and EU exit that public systems are under severe pressure. The combination of demographic changes, environmental challenges, migration pressures, spatial, access and public health challenges and downward pressure on current spending is creating a real gap between demand growth and capacity to meet it on the current public service models.

In many countries including in Scotland there has been an attempt, at least in principle, to consider new service models much more focused on 'prevention and early intervention'. Since the Christie Commission review of public services in 2011 - making a decisive shift towards prevention has been referred to as '*the cornerstone of the Scottish approach to public service reform*'. But 11 years later we still don't have a clear narrative or examples of this shift towards prevention and preventative spend. Christie reported that the current system was: unresponsive to the needs of citizens and communities'. The remedy pointed to a - more bottom-up, outcomes-led, preventative and integrated system: services need to be 'working closely with individuals and communities to understand their needs, support self-reliance, and build resilience'.

We would argue that the third sector and social enterprise in particular is and should have a huge contribution to make. Social enterprises are already active in many spheres that are relevant to public policy imperatives – actively meeting environmental challenges, addressing financial inclusion, fuel and food poverty, social housing, employability, social care, community transport and improving health & well-being - and in small ways but cumulatively significant - addressing structural inequalities.

*“There are lots of examples of local developments but the move to have preventative approaches built into how Scotland develops and provides public services has not happened.”*

*“In an operational sense, social enterprises continue to do great work in this space. In a strategic sense, there is little evidence of a shift to preventative spending.”*

*“Despite after a decade of the Christie Commission, we are not shifting resources upstream, there are token efforts but is it really in statutory services own interests to shift the resources and power to the communities when they have been operating in a controlling manner to date?”*

## **Funding**

The lack of multi-annual funding arrangements for the third sector also inhibits long term planning and delivery approaches.

*“We are good enough being recognised with shortlisting and national awards yet not so worthy when requiring much needed resources to survive.”*

Third sector organisations access to adequate resource remains a significant barrier to service delivery. It was noted that local authority and Health & Care Partnership funding is not reaching grassroot organisations and budgets have been successively cut.

*“Regardless of spending frameworks, resources are not getting to grassroots projects.”*

Organisations remarked that the lack of support for innovation, lack of willingness to collaborate and the top-down approach create barriers.

*“Same services, same people round these tables, same top-down thinking, same number crunching service delivery, and the lack of accountability”.*

Members clarified that NHS Boards are interested in saving money, but only where a direct saving can be evidenced, and not in terms of longer-term savings.

*“My own Community Capacity Building Project..., first funded in 2013 by the older peoples change fund and then by H & SC Integration monies was finally*

*pulled in 2019 when Council could not commit permanent funding. We had a UK award for Innovation in Public Sector and we had commissioned an external evaluation which showed that for every £1 spent we obtained an SROI of £7-8. Partners in NHS here could only say how many nurses they could employ for our funding and how that would be better use of money”.*

*“Preventative support services for older people can largely be grouped together via the themes of food/meals, befriending/socialising/home support, generally the provision for this has sat with the third sector in Scotland. The erosion of funding for all these activities in the last 10 years has led to an increase in malnutrition among older people.”*

### **Services and policy impacts**

Members noted that the third sector has a much bigger role to play in early intervention, prevention and self-management and this is not currently supported through implementation of policy.

*“In health, where a preventative approach would have huge benefits for individual people and communities as well as making the health service more effective and making better use of available resources, the decisions taken by SG and NHS services around implementation are undermining the limited policies that were intended to move towards prevention”*

The lack of action and accountability from national government, local government and the NHS has had a negative impact on the progression of policy. It is suggested that this goes further and that a lack of understanding and genuine collaboration has created a pressure on vital services, delivered by third sector organisations, that is unsustainable.

*“Grassroot organisation approaches are delivered on a shoestring, yet they are connecting and supporting the most marginalised groups of people.”*

*“the few paid staff we have are expected to work excessive hours or are reliant on volunteers.....It is taking a significant toll and the many personal sacrifices resulting in burn out, mental illness, family life”*

One member spoke passionately about the tokenistic attitude to working with marginalised people and the lack of respect for lived-experienced individuals in the sector.

*“Those conveniently labelled hard to reach when in truth they have been failed by systems that are clearly not changing and badging them up as something else is unacceptable”*

Members particularly commented on services for older people, youth work and the potential for sport and wellbeing. Each area was cited as being under resourced and misunderstood.

*“Despite overwhelming evidence that supporting older people with low level practical support at their time and point of need, there has been very limited action to move to prevention. The reality in social care for older people is the need is much greater than the physical or financial resource available, therefore prevention is cited as impossible.”*

*“In many areas, public sector youth provision is almost non-existent.”*

Members remarked that current economic strategies do not meet the needs of our population, in particular our most vulnerable members, and suggest that current process are getting in the way of much needed support systems.

*“The recently published Strategy for Economic Transformation demonstrates that the Scottish Government are yet to recognise that the design of our economy causes harm and failure demand”*

*“Assuming growth and productivity will trickle down to all has been debunked – Scotland needs to be bolder in its approach to economic change”*

The lack of progression has led to a feeling of resignation; that things are unlikely to change or improve.

*“Progress towards greater prevention is extremely limited, a patchwork of actions here and there around the country and not driven nationally by a timed framework of designated steps”*

*“We cannot see this changing and fear it will get worse rather than better and the erosion of social/practical community supports that 'prevent' will continue”*

*“Ministers and officials talk about reviewing processes, moving towards progress etc, but they don't do it”*

*“How can any spending review be effective when there is so little understanding or accountability of what is being delivered?”*

## **The challenge**

This has been a time-limited collation of responses and therefore does not represent the full views of our membership but, despite this, we consider this submission to be a strong representation. It should be noted that no one responded with opposing views and further consultation would be required to access alternative views, if they exist.

With public finances under increasing pressure, it's unlikely that current budget decision makers will have the flexibility or motivation to shift towards prevention – we also have embedded patterns of demand that drive up the resources needed in reactive services rather than prevention. It is difficult then to shift declining budgets to prevention if demand on current services is actually rising. We need to start to think, act and spend differently, and see prevention within

an 'investment paradigm' - invest now and a flow of benefits will be realised over time. Members suggested that systemic change is required if the preventative agenda is to be delivered.

*“Addressing failure demand in Scotland demands a bold redesign of our economy, creating a Wellbeing Economy that directly delivers our fundamental human needs first time around – dignity, connection, fairness, participation, and a healthy environment. Such a redesign requires a suite of policies that is ambitious in scope, long-term in outlook, targeting root causes and cutting across silos”*

A high-level strategic approach that holds government and health authorities accountable, and that works to ensure that grassroots organisations are resourced and have a voice is key to future success.

*“More meaningful connections between public services and third sector organisations could make a real difference”*

*“There are policies that reflect prevention, but the links between them are not getting made and this is part of the lack of progress. It feels as if there is no-one taking responsibility for it. Ministers and SG teams have to become accountable for progress in their policy areas, and that has to be passed on to the NHS boards, other public bodies and a condition of funding to Councils etc - at least as important as financial accountability”*

This is not an easy or quick fix. There is also likely to be some resistance to all of this in some sections of the public sector where individuals and professions have a vested interest in the current model of service delivery.

We need to agree and promote a stronger common narrative on what we mean by prevention (and what it is not) and encourage public bodies alongside partners to be clearer about what they want to prevent, how they will prevent it and how they will know they have been successful – that encompass financial savings whilst simultaneously keep the focus on building individual and community resilience.

- Prevention can only be done with the people and communities affected by the things we are trying to prevent. There seems to be a disconnect between the third sector's involvement in prevention activity on the ground and their engagement in the planning process.
- Part of the problem is that third sector organisations and communities do not always know how to feed into the system or do not have the resources or mechanisms to do so.
- We regard a more decisive shift to prevention as a change / cultural management process and change is difficult! Our perception is that mechanisms in the public sector 'authorising environment' can militate against the shift to prevention. This includes the limitations created by

the need to meet regulatory and audit requirements and national targets but there is also a fear of doing things differently.

**Positive example- genuine co-production approach**

*Dementia Friendly East Lothian CIC cite their co-produced project as an ongoing success. Working with the ELHSCP Community Transformation Project, the development of meeting centres for people with dementia and unpaid carers was inspired by the Christie report. The model is evidence based and embodies community, empowerment and prevention. After 8 years, the first centre is due to open in Musselburgh. It should be noted that this work has happened with limited funding ELHSCP contributed £20k all other funds were raised locally through donations.*





**Constitution, Europe, External Affairs and Culture Committee  
Resource Spending Review  
COSLA Submission, February 2022**

The Convention of Scottish Local Authorities (COSLA) is the voice of Local Government in Scotland, representing all 32 Councils in Scotland. We are a Councillor-led, cross-party organisation which champions Councils' vital work to secure the resources and powers they need to deliver effectively. COSLA works on Councils' behalf to focus on the challenges and opportunities they face, and to engage positively with Governments and others on policy, funding, and legislation.

**Summary of Key Points**

- Local Government is a key part of the culture and leisure sector – directly and indirectly.
- The culture and leisure sector is integral to achieving successful outcomes in each of the key priority areas set out in the Resource Spending Review.
- Income generation for the sector is likely to be adversely impacted for some time due to the pandemic, with knock-on implications for other council services.
- Only fair funding for Local Government will enable ongoing and sustainable investment in cultural and leisure services to support recovery and ensure wider benefits including improvement mental health and wellbeing are enjoyed by communities.

**Introduction**

1. COSLA welcomes the opportunity to provide views to the Committee on the Scottish Government's Resource Spending Review. Whilst COSLA will respond in full to the Scottish Government's Consultation in due course, we can offer the Committee some initial views on how budgetary decisions can support the mainstreaming of culture across the Scottish Government, including the impact on health and wellbeing.
2. Scottish Local Government, and Arm's Length External Organisations (ALEOs) where they are the delivery vehicle, provide a very broad range of cultural and leisure services. While library, leisure, museum and art



gallery buildings across all our communities dominate public perceptions of the municipal role, many Councils also operate theatres and support community halls and other venues. Councils also provide strong support to local third and independent sectors, in the form of direct grant support as well as indirect mechanisms such as peppercorn rents. Some two thirds of the 'regular funded organisations' supported by Creative Scotland receive Local Government funding.

3. The maintenance of, and access to, these services and venues is critical to address inequality, poverty and improved educational attainment. The culture sector is also a key driver in Scotland's local and national economy as a key contributor to tourism as well as the wellbeing and educational benefits it delivers. These venues and services are also key to realising human rights, in particular the right to cultural life and the right to the highest attainable standard of physical and mental health which are to be incorporated into law during this parliamentary term following the recommendations from the National Taskforce on Human Rights Leadership.
4. Local Government invests significantly in cultural services. Local Government direct net expenditure on culture was £194m in 2019/20. For context, the entire Scottish Budget for the culture portfolio (excluding external affairs) is £337.1m for 2022/23<sup>1</sup>, which demonstrates how much additional and added-value investment is made by Local Government across all communities in Scotland.
5. For Local Government, the biggest area of net revenue expenditure on culture was library services, taking half of the cultural expenditure (£95.6m). The remaining Local Government expenditure on culture was for 'Other Cultural and Heritage' (£56.1m) and 'Museums and Galleries' (£42.5m)<sup>2</sup>. It should be noted that the £194m expenditure does not include significant additional spending which is relevant to the cultural sector, such as community centres and other recreation and sport facilities. In addition, Councils have an important role as a steward of local, regional and national cultural and historical assets, for example Stirling Council operates the Wallace Monument, but also many buildings that house cultural assets are themselves listed buildings and cultural assets in their own right. It needs to be remembered that the cost of preserving and maintaining these needs to be met even if the assets are not accessible to the public. For example, Glasgow Life displays, stores, maintains and preserves around £1 billion worth of art and artefacts. It is also important to highlight the preventative nature of much of the spend on culture and leisure and further information on this is set out in the sections below.
6. Local Government has been under significant and sustained financial challenge over the past decade. Councils have seen a real terms reduction in core funding. The Local Government Settlement is once again

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<sup>1</sup> Scottish Budget: 2022-23

<sup>2</sup> 2019/20 LFR 02 - Culture

extremely challenging for 2022/23 demonstrating a £251m real terms cut in core funding. An explanation of this real terms cut can be found in Appendix A. The Settlement also does not take into account inflation, pay, increased demand and significantly this year rising costs such as energy. Sustainability of cultural and leisure services therefore remains challenging for both Councils and the ALEOs. Ring-fencing, national policy initiatives and protections in education and health and social care continue to mean that Councils have limited flexibility over local spend and unprotected areas, including cultural and leisure services and venues, are subject to a higher proportion of cuts. Evidence<sup>3</sup> shows that over a period of 8 years before the pandemic, the investment in the collective cultural area decreased by nearly a quarter. Councils and the ALEOs that deliver cultural and leisure services have sought to manage these budget reductions in ways that minimise the impacts on services, but the cracks are starting to show, for example some are having to cut back on exhibitions, learning and outreach programmes and reducing opening hours. During this same 8-year period, satisfaction levels in libraries, museums and galleries all fell.

7. Cultural and leisure services across all Council areas have also been badly affected by the COVID-19 pandemic, with most culture and leisure services unable to operate either at all or at usual capacity for the last 22 months. COSLA has worked to identify the level of income lost across services in Local Government including ALEOs. This was estimated to be around £200m for all ALEOs and direct cultural and leisure services in 2020/21, increased from earlier estimates due to restrictions needing to be strengthened and in place for longer. This represents 30-90% of budget for some organisations and services depending on structure and service offer. It is not expected that service usage will return to pre-pandemic levels, and therefore income, for a number of years as behaviour has been impacted by the pandemic. The pandemic will also have affected service user behaviour and service delivery in some, as yet, unquantifiable ways.
8. Given the erosion of Councils' core funding, it is anticipated this lost income will need to be addressed through efficiencies, service redesign and considering any fees or charges – meeting future pay awards and inflationary pressures will compound this challenge.

### **Resource Spending Review**

#### **Resource Spending Review Priorities**

9. The Resource Spending Review Framework sets out three priorities:
  - To support progress towards meeting our child poverty targets
  - To address climate change
  - To secure a stronger, fairer, greener economy

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<sup>3</sup> Local Government Benchmark Framework

10. Local Government's role is integral to achieving successful outcomes in each of the key priority areas and this should be recognised. It is critical that the cultural and leisure services provided by Local Government are recognised in this context.

### ***Equality and Child Poverty***

11. Local Government has the overarching role in assuring that culture is accessible to all. This accessibility of cultural services and assets is critical to promoting equality within our society – it cannot be that only those that can afford to are able to access the enrichment cultural service offer, there is a key role in promoting equality, including addressing the poverty attainment gap, that cultural services and assets provide. The National Performance Framework (NPF), co-signed by COSLA and the Scottish Government in recognition of the need for partnership working between local and national government to support its delivery, includes culture as one of our national outcomes. The Framework acknowledges the importance of our arts and culture being expressed and enjoyed *widely by everyone*, and the social and economic benefits that stem from Scotland celebrating and supporting its diverse creative talent, traditions and culture. In turn, this will help us make progress to meet the three UN Sustainable Development Goals related to this outcome, namely Reduced Inequalities, Sustainable Cities and Communities and Gender Equality.
12. Culture, as well as contributing to tackling inequality, contributes significantly to developing the confidence and sense of identity in young people which contributes to addressing the poverty related attainment gap. Culture has a significant role in removing barriers to learning, for example in Aberdeenshire giving a place for Doric in schools and community engagement has increased the confidence of young people who speak Doric at home, thus helping their overall learning. On a very local level libraries help equalise society and address child poverty through 'book bug' joint reading with children, acting as a venue from which employability services are provided and amongst other things by providing support to people making benefit claims.
13. Critically, the accessibility of the culture sector and services should not be seen as an add-ons, when possible. Instead it is essential to promoting equality and fostering connections within society. In turn this can help revitalise local communities and tackle the impacts of social isolation and loneliness across all ages, stages and groups in our society, which will have been exacerbated by the Covid pandemic.

### ***Achieving a Just Transition to Net Zero***

14. Local Government is committed to a Just Transition to net zero and delivery of the 2030 and 2045 emissions reduction targets. The successful delivery of these targets will be put at risk if Local Government is not properly resourced. Energy efficiency and heat decarbonisation are critical to a Just Transition, as well as focus on waste reduction and a circular

economy.

15. The leisure estate is a huge user of energy and water as well as a producer of waste, making a significant contribution to Councils' carbon emissions. Investment is required to decarbonise the leisure estate and improve resource efficiency. This will be crucial to help achieve net zero targets locally; however, with cuts to capital funding this will be challenging. Individual programme or project funding is not adequate and not effective in addressing the many interlinked issues and challenges linked to addressing the climate emergency. Local Government needs non-ringfenced and more flexible capital *and* revenue which it can invest in local projects and programmes.
16. Physical activity services also have a key role to play in helping people change behaviours and feel confident and fit enough to be more active locally, as well as to switch from cars to cycling, walking or wheeling to nearby destinations whenever possible. As the joint COSLA-Scottish Government route map<sup>4</sup> for a 20% car kilometre reduction by 2030 recognises, our current level of car use is unsustainable. A reduction in car kilometres will need to take place as part of a broader set of societal shifts in order to support the shift to net zero – active travel will play a role, alongside demand management, improved access to local services and enhanced public transport.
17. In addition to the physical and mental health benefits of physical activity to the individual, there is evidence that safe walking and cycling can have wider population benefits including reductions in traffic congestion leading to reduced air pollution, noise and road casualties. Physical activity can also have a direct impact on the economy thanks to job creation and employment opportunities, but also reducing staffing costs thanks to a healthier and more active population.
18. Consideration should also be given to the potential role of cultural and creative industries in enabling significant changes in thinking towards economic growth given the climate emergency and the need to shift from consumption-led towards wellbeing-led models via innovation.

### ***Contributing to a stronger, fairer, greener economy***

19. Cultural and leisure services are significant contributors to local and national economies. Whether directly provided, through ALEOs or a combination of these working in alliance with the third and independent sector, the cultural offering also support schools, colleges, universities and local economies by providing educational resources, key visitor attractions providing a driver of tourism in cities, towns and rural areas and broadly increasing access and participation across the local population. Activities,

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<sup>4</sup> <https://www.transport.gov.scot/publication/a-route-map-to-achieve-a-20-per-cent-reduction-in-car-kilometres-by-2030/>

such as curating and lending collections as well as performing arts support international relations and understanding.

20. In addition, the role culture has to play in local and wider employment economies can create a strong pipeline of talent, job and training opportunities. These services therefore have a key role in driving a stronger, fairer, greener economy.

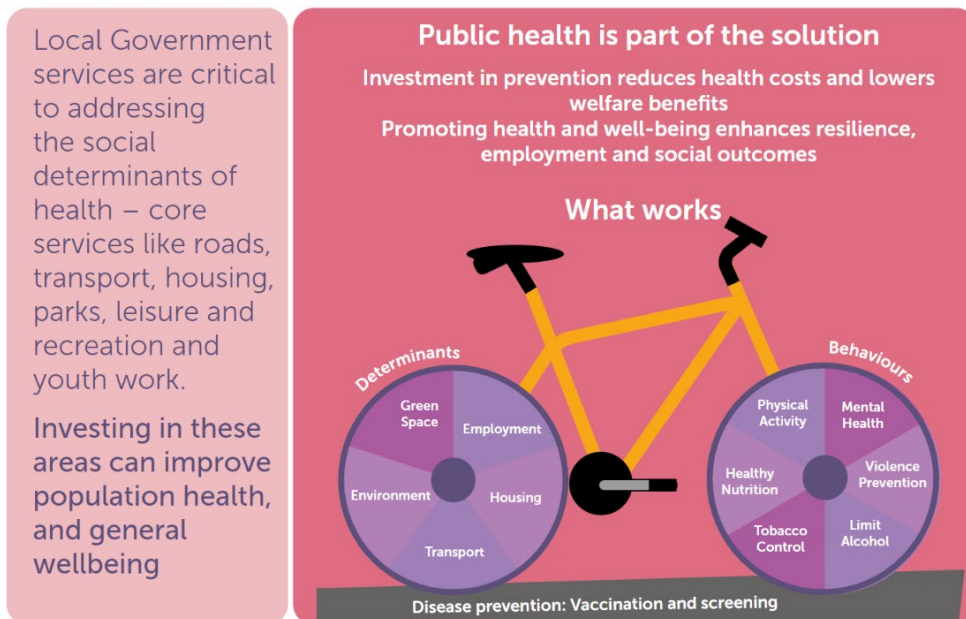
### **Resource Spending Review – Additional Considerations**

#### ***Health and Wellbeing***

21. In addition to the three priorities set out in the Resource Spending Review, cultural and leisure services are also important to the wellbeing of individuals and communities and have huge physical and mental health benefits. These services play a significant role in preventing poor health outcomes and reducing demand on health services, as well as helping to enhance recovery and improve the quality of life for people with long term conditions. These services encourage active engagement and help people to connect with and contribute to their communities, helping to reduce social isolation and loneliness and improve resilience. Cultural and leisure services are critical in addressing the social determinants of health, along with other core Local Government services such as roads, transport, housing, parks and youth work. There needs to be more upstream investment in preventative approaches such as social prescribing and working with physical activity, sport and cultural organisations locally.
22. Councils' core budgets are where spending on prevention takes place, on cultural and leisure services as well as local nurture programmes and English for Speakers of Other Languages (ESOL), all of which contribute to health, wellbeing and attainment. With erosion of councils' core funding, ever greater levels of funding being directed toward the NHS and reduced investment in preventative work, this simply exacerbates the problem and takes us further away from key priorities, especially around tackling child poverty. Simply putting more resource into health is not the answer. The Spending Review should recognise that health and wellbeing are interrelated and that investment is needed in the 'whole system' – that improving these outcomes depend on the building blocks being in place. These are housing, education, employment to name a few. The World Health Organisation (WHO) has made this case for wider thinking about public health<sup>5</sup>.

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<sup>5</sup> <https://www.euro.who.int/en/health-topics/Health-systems/public-health-services/publications/2015/the-case-for-investing-in-public-health>



Local Government services are critical to addressing the social determinants of health – core services like roads, transport, housing, parks, leisure and recreation and youth work.

Investing in these areas can improve population health, and general wellbeing

23. The health and wellbeing benefits of cultural participation could be further recognised and enabled through the National Performance Framework. As set out above, this is particularly important with regard to mental health recovery, closing the education attainment gap, the local economy, local placemaking, and individual and community resilience.

### Workforce

24. Local Government cultural and leisure venues and services also employ a significant workforce. Our employees deliver services but are also members of the community and rely on the services we deliver. Our staff also directly contribute to the local economy. The long-term pressures faced by the public sector over the past decades, as set out above, affects the sustainability of Local Government having significant impact on recruitment and the retention of our workforce as the sector is continuously undervalued.
25. The inability to invest progressively in our current workforce and attract new talent ultimately has a negative impact on our communities and the essential services we deliver. The lack of investment further disregards our role as often the largest employers in our areas and the lead we take as Fair Work employers. The influence of the Public Sector Pay Policy and the Living Wage Foundation’s “real” living wage has resulted in compression or removal of points on our pay scales. This has narrowed or removed the pay differentials between basic roles like cleaners and roles that have greater responsibility and qualification requirements such as lifeguards.

### Need for Sustainable Funding

26. There needs to be fair funding to Local Government to enable ongoing and sustainable investment in culture and leisure services, both revenue and

capital, to support recovery and ensure wider benefits such as physical and mental health are enjoyed by communities. This must be a critical part of 'whole system' thinking, and about addressing the social determinants of health. Local Government and the wider public sector are anticipating significant challenges over the next few years as we recover from the pandemic, which is likely to place additional pressures on budgets.

27. It is therefore critical that Local Government is sustainably funded to deliver not only Scottish Government policy priorities, but all of the everyday essential services that enhance quality of life including theatres, museums, sports facilities to name a few, which should be recognised for the value that they add to our communities and to recovery.

### **Appendix A: Real terms budget reduction – Explanatory note**

- COSLA's [Budget Reality](#) document highlighted a **£100m revenue shortfall** (cash terms) in the settlement for Local Government, once all funding for Scottish Government policies (transferred from portfolios across SG) is taken into consideration. (Note: COSLA always bases its Budget Reality document on cash comparisons)
- This shortfall is mainly due to the fact that the budget pressure created by the National Insurance Contribution increase and Council tax reduction change have not been funded.
- The **core** revenue budget for 22/23, as presented in the [Scottish Budget](#) (table 5.13) is £10,496m (the revenue settlement presented in Budget Reality was £11,791m as this included transfers in from other portfolios to cover Scottish Government policies). However to make real terms comparison, we need to use the core budget figure, allowing a like for like comparison.
- When comparing the core revenue budget for 21/22 (£10,495m) with 22/23 (£10,496m), and applying GDP deflators, we see a 2.58% real terms cut, equating to £272.9m (comparable to the analysis done by SPICe in their recent [blog](#)) However, if the £100m policy shortfall is also factored in, then the real terms shortfall is **3.51% real terms cut, equating to £371m**
- Following the publication of the Scottish Budget, an additional £120m for Local Government was announced. This still leaves a real terms shortfall of £251m. This additional funding is also not recurring.