

## SMIA Statement on First Minister John Swinney's Announcement (4 September 2024)

Today, First Minister John Swinney confirmed that in-year cuts to Creative Scotland's budget – relevant to the delivery of the Open Fund for Individuals and the Access to Making Music and Strengthening Youth Music Funds – will not be going ahead. Funding allocated to Creative Scotland to support these funds (totalling £8.4m) will remain at the Scottish Government's previously committed level for the 2024-25 financial year.

Addressing the Scottish Parliament, First Minister John Swinney, said: "We will support Scotland's culture sector and creative industries, which are key to our economy, our culture and national identity. And we recognise the need for the artistic and creative community to be well supported for the future.

A review of Creative Scotland will be undertaken to ensure the appropriate approach is in place to meet the needs of the sector. And I'm pleased to confirm to Parliament that the resources required to enable Creative Scotland to continue the work of the Open Fund are now available for them to distribute."

We welcome today's announcement from the First Minister, and we would like to acknowledge the efforts of the Cabinet Secretary for Culture, Angus Robertson, in ensuring that these vital funds remain available to support artists and creatives across Scotland. Confirmation that in-year cuts to Open Fund for Individuals, as well as the Strengthening Youth Music and Access to Making Music Funds, will not be going ahead will, undoubtedly, be met with great relief across the sector.

Whilst this is the case, there is still no clarity with regard to the planned £25 million increase in cultural funding for 2025, which we called to be secured by the start of the new financial year (1 April 2025). Additionally, we asked the Scottish Government to expedite the distribution of as much of the pledged £100 million annual cultural funding increase by 2028-29 as early as possible. We need a firm assurance that sustained increased cultural investment will be available in the months and years



to come. We are also concerned with regard to the timing and wider knock-on effects of a Scottish Government review of Creative Scotland. We would welcome further information as to what this review will entail, as well as assurance that it will involve sector-wide consultation and not have a detrimental impact on cultural funding.

The events of the past fortnight are a stark reminder of the fragile environment in which our sector operates. Our Open Letter – signed by over 1,900 artists and industry professionals – sought clarity and reassurance beyond returning to the status quo. Prior to the spending freeze, the total allocated cultural funding from the Scottish Government for this financial year represented just 0.56% of total Government spending for 2024-25. This is almost 1% below the European average. Scottish culture is and was already underfunded, and whilst today's news addresses the immediate crisis we were facing, this cannot detract from the next crisis coming down the line if culture is not adequately supported, safeguarded and sustained through essential increased investment.

281 cultural organisations across Scotland (including us) await their fate in late October, with decisions on Creative Scotland's Multi-year Funding Programme (2025–28) set to be announced. Throughout the 6-month application process (which closed in late-April), Creative Scotland consistently emphasised that their budgets remain extremely limited, and noted that they anticipate being able to fund only a portion of the organisations who have applied. The total ask from applicants was £87.5 million per year.

Assurances from the Scottish Government now that the £25 million increase in cultural investment for 2025 will be in place by 1 April 2025 will provide at least *some* form of optimism for these organisations, and the thousands of employees who are worried about their future. Many of these organisations, if not funded, will vanish from Scotland's cultural landscape forever. This will directly impact artists and freelancers, as well as employees.

Recent events have seen hope vanish and trust lost. Today's announcement is a positive step forward, and it's now essential that the relationship between the Scottish Government and the cultural sector be renewed with a spirit of mutual respect. Culture funding must be deemed essential,



and both clarity and assurance regarding future sector investment is urgently required. The sector cannot wait years for the investment it desperately needs now.

The SMIA has requested a meeting with the Culture Secretary at his earliest convenience, noting that we'd like to invite a select group of Scottish artists and music industry organisations who signed our open letter. Given the importance of transparency and clear communication at this time, it is crucial for the Culture Secretary to hear from some of the many voices who were significantly impacted, and remain deeply concerned about our sector's future.

It's been an incredibly tough couple of weeks for Scottish artists and creatives, and for all of those part of our music and arts communities. As the future of our creative output – and the livelihoods it supports – hung in the balance, artists, music industry professionals and the wider cultural sector stood together with an urgency and unity that we hadn't seen before, driven by the fact that the stakes had never been higher.

On behalf of the SMIA, I'd like to thank everyone for their support of <u>our open letter to First Minister</u> <u>John Swinney</u>.

Robert Kilpatrick

CEO and Creative Director

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Scottish Music Industry Association (SMIA)

Written at 4.30pm on Wednesday 4 September 2024

Learn more about our Open Letter to First Minister John Swinney:

smia.org.uk/cultural-funding-crisis