



**Scottish Arts Council  
Strategic Review  
A framework for development**

**Music department  
Optimum Scenario**

**Introductory Note to optimum, standstill and radical scenarios**

The tenets of the 2002 Scottish Arts Council Music Strategy are still applicable, that is to:

- Serve audiences across the country with a broad range of quality live musical experiences.
- Support artists in all genres to enable them to create, perform and sustain income.
- Develop and sustain a professional support infrastructure for music in Scotland.
- Support educational opportunities in music, particularly through the Youth Music Initiative (YMI).
- Create a range of opportunities for participation in music-making at all levels serving all abilities.
- Support opportunities for music to play a full role in the social and economic life of the nation.

We will be looking at funding priorities, rather than individual organisations, but within our current 20 strong CFO portfolio, reference will inevitably be made to individual organisations. A separate paper, addressing the large-scale companies has been prepared. Conclusions from that paper also inform our scenario for music. We will also consider CFO's and organisations where there is input from more than one art form.

The ability to sustain income is key in an industry that is predominantly freelance/self-employed, but perceived by many observers to be sustained by commercially related activities. Despite many employment opportunities within our sector, there are a limited number of conventional 'jobs'. This is why partnerships that include the Scottish Arts Council, whether by invitation/negotiation or brokered and led by us, can and do work so effectively to ensure a range of income-generating opportunities for musicians.

We are fortunate that we possess in Scotland a pool of musicians, who perform at the highest level and who can use a cocktail of skills and attendant activities to survive. They are multi-disciplined and work not only across different genres/styles of music, but also seriously engage with education-related activities.

**Strategic Approach:** We maintain the music department's stated aims regarding a "full menu" approach to developing and sustaining our strategy, i.e.:

- Support opportunities for more activity (promotion, touring, recording etc)
- Give musicians more opportunities to create, perform and sustain income.
- Provide greater access for audiences to the "full menu" of music available from Scotland and around the world, thus enhancing their experience.

The artist/musician/creator must be at the core of our activities and this applies equally to the core funded organisations and to the myriad number of applications we receive for project funding. The current Core Funded Organisation (CFO) structure does not support touring, the life-blood of performance-related activities, or the necessary engagement with promoters, managers, agents and festival/venue organiser. Partnerships between all of these are need to effectively exploit our product to the people of Scotland and beyond. Our mantra should be that if a musician is not aspiring to international success, they are not aiming high enough for Scotland. We are cheating our home market if we accept anything less.

Access and outreach programmes should aspire to provide a pathway that can lead those who work hardest to sustain income in the industry at the highest levels of artistic excellence and achievement. We can support and in certain instances provide the infrastructure that will allow that talent to develop.

#### **Music Department Priorities:**

- **New Work/Composers/Creativity:** Our commissioning budget is currently unrealistically small and assisting composers, ensembles and arrangers is impossible at the level we would wish to achieve. Self-commissioning is also impossible under our current systems.
- **Touring:** Large- and small-scale including consolidating the Tune Up initiative into core. We also want to extend the cross-border touring system currently only available to large-scale opera and ballet companies. (This is co-funded by all the UK Arts Councils)
- **International Promotion & Showcasing:** There is no dedicated budget for what we see to be a key activity of this department, although we are working with the joint Scottish Arts Council-British Council International Office post to develop opportunities.
- **Key Promoters:** We need to sustain and develop a network of promoters with whom we work closely. Tune Up has opened up excellent opportunities for those necessitous relationships. We must concentrate more on the artist/musician/writer/performer and help them to sustain and develop career pathways - always difficult in an industry that is essentially freelance in its employment models.
- **Continuing Professional Development (CPD):** This is a critically important area, where we are currently unable to engage at the necessary level (**which is?**). We have no systems in place that allow us to adequately support the artist and his/her potential pathway to surviving in our industry. CPD is an area where we are already working with our colleagues from Youth Music (UK), our partners in YMI. We would want more investment in this key area.

- **Groups & Ensembles:** We need to better serve this constituency that contains within it some of our finest ensembles and performers, some on CFO status, other supported on a project-by-project basis.
- **YMI:** We will soon be releasing a strategy for youth music provision in Scotland and expect to hold an event to launch the strategy and outline our future plans for this invaluable initiative in 2006. Simultaneously, a new development plan will be launched.
- **CFO Review:** Current CFO funding is known until the end of financial year 2006/2007. We must then prioritise activity for 2007/08 and 2008/09 under our optimum, standstill and reduced scenarios.
- **National Companies/Orchestral Review:** The Cultural Commission Report refers to an Australian model where a National Companies Board was set up. We may wish to consider this alongside a review of current orchestral provision in Scotland.

## 1. Optimum Scenario

### 1.1 Aim – Support for Artists (Optimum)

- **The Individual artist:** The artist/creator/musician/educator is at the heart of all we do. The work that they create and/or perform, whether conceived by Craig Armstrong, Bach, Beethoven, James MacMillan, Mozart, Peter Maxwell Davies or Fran Healy is of equal importance regardless of genre. Alongside the product and its creation/performance is the distribution, to ensure that the product reaches the widest constituency at home and abroad. This will, of course include broadcast, digital downloads, recorded product and education related initiatives.

**New Work/Composers/Creativity:** The current provision for commissioning work and for the exploitation of new work is wholly inadequate. The large CFO's should be discouraged from accessing this funding, as their ordinary business plans should include a minimum provision for new work. A revised budget of £450K would allow:

- £150K for commissioning,
- £150K for new work and
- £150K for creative development, which would include recording and label development.

Current (2005/06) allocation for commissions is £90K, for new work £50K and for supporting creative artists £95K. A newly designated pot to encourage and assist the artist/musician in the crucially important creative process would make an enormous difference to the present position.

There should also be a facility to self-commission, as this will allow effective partnerships to be brokered by the creator at the outset of their proposed project. The recently launched Burnsong initiative run by the Dumfries & Galloway Arts Association (DGAA) in partnership with the Scottish Arts Council, demonstrated just how widespread writing talent is in Scotland, and as observed by the judging panel

for Burnsong, of a consistently high quality. We need to nurture and encourage that latent creativity as fully as we are able, as this is at the core of everything we do.

The recording fund also requires additional emphasis as a CD and/or downloadable web-based track is today's musician's calling card and very little business is now done in our sector relating to performance outcomes, where this facility is not an overriding factor for potential success. Creating, recording and touring product go hand in hand. Greater 'joined up thinking' is needed on how best to support the exploitation and distribution of the highest quality product for the benefit of the artists and their audience.

**CPD:** The current allocation of £60K is inadequate and increasing this to £100K would make a significant difference. With proper investment in international showcasing and touring, we would then be able to concentrate on providing support for the sector's practitioners, (equivalent to educational 'in-service training'), assisting the development of an artist's career, whilst making the career pathways clearer.

One opportunity arises within the Youth Music Initiative team to establish a clearly defined CPD route for performing musicians who wish to gain additional skills as music leaders and tutors. This would provide support and funding opportunities to underpin a coherent pathway from point of access through to certification and entry into the profession. For many musicians, sustainable income would then become an achievable reality, rather than an impossible and often unrealised dream, while enhancing the current workforce to provide more opportunities for children and young people. New qualifications have already been validated on a national basis by SQA, by working with the representatives from the Scottish Music Industry, (chaired by the current Head of Music).

HR practice, especially amongst the larger core funded organisations is poor and too often left to chance by inexperienced or inadequate management. This must be an area with which we can engage and provide the necessary training to ensure that our artists are both treated professionally and employed and remunerated using readily available industry standard agreements utilised by properly trained management and/or engagers. Training needs apply to all contracted and freelance musicians/artists/educators, etc as well as to promoters and venue managers, who often find that accessing discrete and appropriate training is impossible because of the time demands made on them by any degree of successful activity.

- **Organisational infrastructure:** This must include the necessary support mechanisms and essential partnerships for the distribution of the artist's product.

**Touring:** If the currency of our industry is song-writing, then the lifeblood is performance. A secure touring circuit, built in partnership with promoters and venue managers is essential. Our only dedicated touring budget is currently assigned to Tune Up and stands at 200K per annum. If this was increased to £360K, we could open up its availability to small groups and ensembles out-with the current Tune Up criteria. Consolidating the £60K which goes to the administration of Tune Up then we would be able to employ 1 FTE member of staff, who would also oversee the international and showcase activities. Their remit might also include working with the key promoters and venues throughout Scotland leading to the creation of a

promotional and development team/network, which would allow real exploitation of our artists and their work and fully utilise all funding and partnership possibilities.

**International Promotion & Showcasing:** it is imperative that we continue working closely with the British Council, Scottish Enterprise, Scottish Development International and all relevant agencies and promoters, both here and overseas, to secure quality opportunities for showcasing Scottish-based musicians throughout the world. The only means we have to consider for regular networking opportunities abroad is the professional development fund at £60K. It is not enough to fund individuals to attend conferences/showcases overseas, when what we want to do is to promote our artists and their work on that international stage. We could also consider individual showcase opportunities and explore international exchange for our artists.

The dedicated funding we currently have available for international work is currently £13K, which is derisory. We set our priorities in partnership with Norah Campbell (Scottish Arts Council/British Council), with whom we are already working. If we had a dedicated pot for international promotion and showcase opportunity of £100K to make it possible to see Scottish-based artists performing at the aforementioned events alongside PopKom, Midem, International Society for the Performing Arts (ISPA), the US/Canadian Folk Alliance and others, to the huge benefit of their careers and our export portfolio, thus further enhancing the already high reputation that Scotland's music and musicians have internationally.

If we were to combine the £100K here with the £360K suggested for touring, then again, we would be able to sustain the employment of an additional full-time member of the Scottish Arts Council Music Department to work in this critically important area.

We cannot allow the serious under-funding and lack of priority for international showcase opportunity to continue. Showcase Scotland (Celtic Connections) continues to represent a huge return on a modest investment. Over 150 promoters from around the world descend on Glasgow each January to see and hear great music and leave having engaged many artists for their respective festivals and venues.

We have laid down excellent precedents for ongoing investment and serious networking opportunities. There is no limit to what we can achieve here with even a modestly increased investment. This should not be an optimum, but a stated priority for action.

- **Key partnerships:** To promote and distribute the artist's product, effective working partnerships are absolutely essential.

**Key Promoters:** This follows on from previous sections referring to Touring/International Promotion/Showcasing, etc., and would also utilise the additional member of staff, as intimated. Tune Up has already been mentioned, but this initiative alone has resulted in even closer relationships with known and trusted promoters with whom we are now engaging on a pan-UK basis. New partnerships, that co-ordinate recording and performance open up a wealth of possibilities for our artists.

Similarly, by attending the APAP event, (their 50<sup>th</sup> anniversary conference is in 2007), we will again be working at an open door to promote our best artists where they can best be seen, heard and exploited for all the right reasons. All the major US promoters working within the performing arts sector attend APAP and we already have good contacts with that organisation.

We continue to be concerned at the lack of venues in Edinburgh, particularly in the mid-scale (500-1,000) capacity area.

A combined pot covering touring, international promotion, showcasing and key promoters would total £960K including one FTE additional staff member (see summary).

### ➤ **Policy Development Areas**

**International:** Our international priorities are covered under organisational development above. We should also be able to assist small groups and ensembles and where appropriate, those larger CFO organisations to work internationally.

**Equalities:** We continue to encourage our CFO's, venues and promoters to comply with new Disability Discrimination Act legislation. We also encourage awareness of the Social Model of Disability which is endorsed by the Scottish Arts Council. Music knows no barriers and embraces every genre and every culture.

**Traditional:** Traditional music remains a priority area for the music department. When the report into traditional music was commissioned in 1999, it was recognised how patchy provision was up and down the country. There are currently four CFOs which prioritise traditional music. Three of these are predominantly about education and outreach, (Feisean nan Gaidheal, Feis Rois and ALP Scots Music Group), and offer increased opportunities to learn and fully access traditional music. In addition to the CFOs there are a number of other organisations who receive regular funding for education and outreach projects. It is important that they not only continue to receive support, but are also encouraged to link into local funding such as YMI when and where this is appropriate (such as the successful partnership with Highland Council and Feisean nan Gaidheal). The fourth CFO is the Traditional Music and Song Association of Scotland (TMSA), who offer advice and information on traditional music, as well as acting on behalf of their branch membership. It should be recognised that supporting the traditional music sector in this way has been fundamental to building up roots across the country as well as the development of stronger relationships with key players in the sector, resulting in a stronger and more effective resource base.

However, the music department is now keen to see increased support going to performers. Inherent in the music department's optimum scenario, is an increase in funding to artists, which will allow more traditional musicians to fulfil their potential and expand their influence across other genres. Increasing support to key promoters and festivals will also benefit traditional musicians.

Distil, led by David Francis and Simon Thoumire (who also runs the increasingly popular Scottish Traditional Music Awards), is now a UK-wide initiative with support from the Scottish Arts Council and PRS Foundation. This introduces already

experienced musicians/writers to compositional workshops that many participants have found to be inspirational. This has successfully influenced their new work which is now being featured at events and performance opportunities around the world, again enhancing Scotland's reputation as a creative force.

Support to Showcase Scotland must continue. This event grows in success each year, and is now firmly established on the international stage and rightly prioritised as outlined under Organisational Infrastructure. Important and key partnerships have developed between international and UK festivals and agents as a result of the success of the event. Up until this year, funding for Showcase Scotland has been found from the international budget, but for the project to continue, the music department has to find funds for 2006/07.

Many traditional musicians tour world-wide, and would benefit from additional funding for tour support and promotion, thus ensuring that they become and retain status as real cultural ambassadors for Scotland. Also some increase showcasing funds (as already suggested) would allow more artists to take advantage of international events such as the North American Folk Alliance, Womex and Celtic Colors in Nova Scotia.

A positive development for future traditional music activity is the formation of the traditional music forum. This group, facilitated by the Scottish Arts Council, has representation from the key players in the sector, and meets regularly to discuss priority development areas. The success of this forum has also inspired the recently convened Scottish Jazz Federation, thus demonstrating that success in one genre can lead to better organisational development in another, all supported and led by us. As a result, we are now confidently considering a similar forum for chamber music/small groups & ensembles, directly as a result of the traditional music forum.

**Creative Industries:** It would be easy to describe the majority of Scotland's musicians/creators as creative industries as they work primarily in a freelance capacity. This means that the need to survive and sustain income is absolutely key and more attention should be given here by both FE and HE sectors. Paper qualifications are of little significance when engaging musicians on the strength of their performing ability. If you are unable to exploit your own creativity and performance, not forgetting the many musicians who choose to work in the education sector, often embracing both contracted and freelance work.

- **Physical Infrastructure:** Infrastructural requirements for individual artists focus on quality of venue, facilities, back-line and technical provision, and how much is provided within contract and what arrangements need to be put in place and paid for by the artist and/or promoter. To promote an artist, a venue is essential, together with the CD/downloadable "calling card". There is a regular touring circuit of venues throughout Scotland, but in the more geographically remote areas, venue support is often a problem.
- When HI-Arts was first set up in Inverness with funding from the Scottish Arts Council, one early suggestion was to create a network of venues (community halls, schools, etc) throughout the Highlands & Islands that could benefit from infrastructural support. What was suggested then was basic PA and some form of acoustic assistance—often fitting curtains along the dark wall. This was never properly developed, but there are

organisations that try to co-ordinate activity such as Promoter's Arts Network (PAN), or North East Arts Touring (NEAT). Both organisations act as umbrella facilities to help promoters tour in these regions.

➤ **Summary of Aim to Support Artists (Optimum) 2007/08**

- Completely revise the allocation of funding for New Work/Composers/Creativity to allow a total of £450K divided equally (£150K) between commissioning, new work and creativity. An increase on currently available provision of £215K.
- Increase funding allocation for CPD from £60K to £100K an increase of £40K.
- International Showcasing support should increase to £100K with matched funding from other sources.
- Touring support should increase to £360K. A combination of this with international showcasing should allow 1 FTE member of staff to be added to the music department. That person would also liaise with our key promoters.
- Key promoters/venues (£500K) should combine with touring (£360K), international promotion and showcasing (£100K) to produce a combined pot of £960K and 1 FTE member of staff.
- Total funding for traditional music should increase from £250K to £400K and include provision for learning/training initiatives

**1.2 Aim – Audiences (optimum)**

- **Organisational Infrastructure:** Much of what has already been written will impact on audience. The key priority for this department is the artist, their product and its distribution to the widest possible constituency, both at home and abroad. Artists who achieve success at the highest level will always seek to develop new audiences. They will also wish to engage in access and participation activity within their respective skill-set and will never cease in expanding their creative input to that process. We will focus in this section on those organisations and groups who concentrate on developing new audiences and who are always seeking new ways with which to engage with the many potential consumers of their product.

**Groups & Ensembles:** Following the dissolution of the Groups & Ensembles fund at the end of 2001-02 (£95K) the chamber groups who received funding have largely been supported from our existing New Work and Commissions fund. This has exhausted the New Work funds available and is why we need to invest in creativity as outlined under section 1.1. Most of the ensembles we support utilise part-time administrative assistance and it would initially be advantageous to the sector to utilise a shared back office provision, wherever appropriate. That principle has already been welcomed in early conversions with the Edinburgh Quartet, Dunedin Consort and Hebrides Ensemble.

Through the setting up of a small groups & ensembles (chamber music) forum, we could easily prioritise the needs of the sector and move to a more dedicated funding scenario for the next three years. The Scottish Ensemble should be treated differently as it has a real national and international remit and could be deemed a national company.

We would establish a dedicated pot for the use of small groups and ensembles under new criteria, using the proven skills of key practitioners in this sector for advice. Funding would be considered on an annual basis rather than on a three-year cycle and an initial amount of £200,000 would represent real investment in the skills of this sector. If shared administration was also encouraged this would result in decreasing demand on funding rather than an unsustainable annual increase. This year (2005/06), we have given limited support on a project funded basis to date of £115K. Set against this scenario, £200K would appear a modest investment in such an important sector.

**Touring & Key Promoters:** reference should be made back to these sections under 1.1 as effective expansion of touring through working partnerships with our key promoters will have an immediate and long-term benefit on audience engagement.

By successfully distributing work throughout Scotland, tied to education and outreach support, we will also secure enhanced access and participation for future generations of Scotland's young people.

Our key CFO's who would input into this area would be Assembly Direct, who are one of the drivers of the newly-initiated Scottish Jazz Federation and play an important role in promoting jazz throughout Scotland. Assembly might benefit from direct access to the key promoters' pot, if introduced. EMS, whilst going through a difficult time at the moment, are ideally placed to develop chamber music to new audiences, work with key promoters and play an integral role in the chamber music forum, already suggested. Feis Rois and Feisan nan Gaidheal have exemplary records, to date, in developing traditional music and the Gaelic language and culture to new audiences, both through education/YMI projects and in promoting the Feis movement throughout Scotland. Proiseact nan Ealan also plays an important role here. Making Music Scotland (MMS) are part of the larger UK MM organisation and can develop young musicians' careers and work with music societies and clubs to develop new audiences and programme exciting repertoire. Theatre Cryptic, who use music with drama in innovative ways are always seeking to develop new audiences, as are the festival CFO's. We encourage all our artists to seek and develop new audience opportunities.

**Large CFO/National Companies:** The three large CFO's within our department currently are the RSNO, SCO and Scottish Opera. We also engage with Scottish Ballet with regard to their orchestral and live music provision. I would add the Scottish Ensemble within this "national" remit as well, rather than include them in the small groups and ensembles, which they have outgrown. All these organisations are striving to reach new audiences and all the major CFO's have dedicated staff whose remit covers development and outreach programmes. Scottish Opera's activities are centred round the orchestra and education work, some of which engages with YMI. The RSNO are currently reshaping their development department and are recruiting a new team, which will include an education animator and a new management

structure for education and development, which is where most of the large CFO's place this activity.

As referred to above under Small Groups & Ensembles regarding the potential for "back office provision sharing" I wish to comment here on recent meetings with the Glasgow City Council regarding more effective mechanisms to support the "national" companies that are based in the city. The RSNO, Scottish Opera, Scottish Ballet, Scottish Ensemble and BBC Scottish Symphony Orchestra (BBC SSO) all are based in Glasgow and the city supports them all financially. The BBC SSO are benefiting from the GAIT/City Halls development which will be their home from January 2006. There has to be a better way of one of our major local authorities supporting these companies, other than financially. It is clear from those meetings that the money given to the CFO's does not relate to numbers of performances, or education work, it is simply a budgetary amount that goes before their (Glasgow's) finance committee annually. As Glasgow is Scotland's largest authority (of 32), it is appropriate that it should play a leading role here.

The city (Glasgow) could actually provide far more than back office provision to these companies. Glasgow has a large public works department and property portfolio, so commonality of service provision could quite easily be realised. We have also met with ACE and we agreed that if we could bring these companies together in Scotland where there is an agreed commonality of service provision, the same could be done in England with the Royal Opera House, Coliseum/ENO and National Theatre. We would then be leading on a pan UK front, with support from the DCMS, Westminster and the Scottish Executive. This would certainly strengthen our case significantly.

We have included in our optimum scenario budget strap lines covering what the music department's three large CFO's require to maintain current product delivery levels (Scottish Opera will change from "dark" to "active" in 2006/07). This breaks down (to remove accepted deficit levels) to £1M for Scottish Opera, £500K for the RSNO and £150K for the SCO. We are also suggesting an additional £50K for the Scottish Ensemble in return for 2/3 additional mini-tours. Under optimum, we may also wish to look at the possibilities of a shared orchestral resource for Scottish Opera and Scottish Ballet. This is further expanded under the standstill scenario.

**Contemporary Music Sector:** This applies to the development of the artist and the need for organisational support for this critically important sector. More infrastructural support is required at grass-roots level to ensure that aspiring musicians who wish to work within the rock/pop arena can learn how to survive in an area particularly prone to short-term exploitation for financial gain rather than long-term investment. The Cross Party Parliamentary Sub-Committee on Contemporary Music convened by Pauline McNeill MSP, has highlighted some of the gaps that we can address and has just launched its Music Manifesto at the Scottish Parliament (9 November 2005).

**Cross Arts Form Scenarios:** It is too early for me in my current tenure to present a scenario for the cross artform CFO's, but we would wish a level of input to the arts/community centre type venues where music plays a key role and where our increased touring/promotion commitment would make a significant difference, especially to the programming element. These would include An Lanntair in Stornoway, An Tobar on Mull, the CCA in Glasgow, the Eden Court in Inverness, the Lemon Tree in Aberdeen, Lyth Arts Centre in Sutherland and the MacRobert Centre

in Stirling. Festivals included the EIF and Fringe and the Highland Festival. Organisations with a key music remit include DGAA (Burnsong), Hi-Arts in Inverness and the Shetland Arts Trust who are partners with us on the forthcoming Folk Alliance Showcase in Austin TX in February 2006, as well as at Womex this October (2005). Proiseact nan Ealan is featured in our CFO section (standstill & reduced), as is Theatre Cryptic.

- **Research:** The last major piece of research into the economic worth of the music industry in Scotland and the potential impact on its constituency was *Mapping the Music Industry in Scotland* (2003). Together with the Scottish Executive, we also commissioned a feasibility study into the need for a Scottish Music Industry Association (SMIA/2005). Following on from the previous paragraph, these reports highlighted the need for proper support across all genres at the entry level for young musicians. We would also carry out research into why audiences seem to be declining in the classical and chamber music sectors.
  
- **Key partnerships:** In the context of reaching new audiences and creating new channels for future development, we are concerned where programming and repertoire do not make effective use of the artist and/or their product. A good case would be to bring about better programming of venues to co-ordinate with professional tour management. We also need to work more closely with local authorities and the venues they own and/or manage. Examples of good/best practice are the Glasgow Royal Concert Hall managed by Glasgow Cultural Enterprises, who will also be taking over the management and programming of the new Gait/City Halls/Fruitmarket complex in January 2006. This ensures that three spaces do not compete with each other but can be exploited in a complimentary and commercially sound manner. We would also cite the newly opened Perth Concert Hall/Horsecross development that also includes Perth Theatre. Again all spaces are centrally managed using a model of programming by sharing genres between two respected practitioners on a retained basis. These are models that should be examined throughout Scotland to the benefit of artist and audience alike.
  
- **Capital Projects:** We might wish to consider a key national music archive facility for music/musicians in Scotland and/or an expansion of Scottish Music Centre (SMC) activity.

➤ **Policy Development Areas**

**Equalities:** DDA compliance has already been referred to under 1.1 but the large CFO organisations already engage with differing communities. This is particularly evident in education and outreach programmes where by working with independent facilitators new audiences are being engaged with across different cultures. Equal opportunity is a mantra of this department and its importance is understood and consistently applied.

**International:** The large CFO's find international exposure difficult. Scottish Opera's last overseas trip was in June 2001. The RSNO's most recent tour was to Sweden earlier this year. The RSNO plans a one day concert in Paris to launch their new Music Director, Stephane Deneve in his home city later this year and plan a Far East

tour in 2008/09. The SCO in comparison tours abroad regularly. As a fee paying rather than contracted ensemble, their costs are reasonably finite, whether at home and/or abroad, whereas the RSNO must cover salary and large ensemble touring is expensive. Scottish Arts Council funding is primarily for work in Scotland so historically, large CFO's like the RSNO have had to source all additional funding for foreign tours externally. We need to look at the income generated from international exposure and the positive effect this has on an organisation's morale and more importantly on its standard of performance. The Cross Border touring arrangement between the UK arts councils, currently only available (for UK touring) to opera and ballet, could extend to orchestras with immediate returns possible. The Scottish Ensemble also tours abroad occasionally, but an enhanced touring budget could benefit them and comparable ensembles.

**Traditional:** Touring throughout Scotland, the UK, Europe, North America/Canada, Australia and beyond is a feature of our successful traditional musicians. Tune Up has also assisted in collaborations between Irish and Scots Gaelic bands (Ciar & Altan) and recent success at Womex is already producing results for the participating showcase artists. Michael McGoldrick's agent Lisa Whytock of Active Events, who utilised the Scottish Arts Council trade stand facility at Womex, has already confirmed seven bookings arising directly from that showcase. This not only underlines why we prioritise events like Womex, but provides the evidence we need to demonstrate that this activity must expand and be part of future strategy. Showcase Scotland is another key priority for our artists to gain exposure and access potential international exploitation due to the presence of so many of the world's major promoters and festival organisers at the event. Many Womex delegates, particularly from Europe, who visited our stand have now confirmed their attendance at Showcase Scotland in 2006. We wish to extend this "best practice" scenario to other departmental genres.

**Creative Industries:** It is often argued that music dominates the creative industry sector. Certainly it is the dominant industry alongside media with which it interacts at every level. The music industry is continuously in the top five industries for UK economic return next to IT and financial services/banking, etc. We want all our organisations and individuals, whether being considered under optimum, standstill or reduced scenarios to fully embrace the fact that they are part of a global market and to aspire to operate from that premise. It was evident during the feasibility study for a possible Scottish Music Industry Association (SMIA) that the larger CFO organisations working in the "western classical" sector do not consider themselves part of the wider entertainment industry. Greater awareness of their place within that global market, perhaps through closer liaison with commercial promoters, should be encouraged. That is a "given" for this department.

#### ➤ **Physical infrastructure**

A new feasibility study on mid-scale venues in Edinburgh is due and we await the results with interest. The RSAMD has recently sold assets and wish to open a new facility adjacent to the Theatre Royal in Glasgow. The project, entitled *Perfect*, is also considering the RSNO as partners in a facility that would provide rehearsal and practice facilities for both organisations. The RSNO needs to consider vacating the RSNO Centre/Henry Wood Hall, where it is currently based, as the building is now no longer suitable for their needs and requires serious investment. The RSAMD is also talking to Scottish Opera about their use of the new building, while discussions have

also taken place with Glasgow City Council to ensure that there is no potential threat to the new City Halls complex, which will have a state of the art interactive education facility and also house the SMC, one of our departmental CFO's.

There is another proposed commercial development in Glasgow at Speirs Wharf, which may offer facilities to other practitioners in the sector. This could also be expanded to include local communities involved in music-related projects.

➤ **Summary of Audiences Aim (Optimum)**

- It is essential to provide sufficient funding to the large CFO's under an optimum scenario. The optimum additional would be £1,650,000 for the three companies. If Scottish Opera returns to a sustainable programme of 8-12 productions annually, their shortfall would be £1M. The RSNO sustain a constant deficit level of £500K, the SCO £150K. If we add the Scottish Ensemble to this group, an additional £50K would be required. However, the recently announced changes on National Insurance payments for freelance workers will bankrupt all four organisations if retrospectively introduced. We await a decision from the Treasury on their interpretation following lobbying from the sector led by the ABO. We are part of that process with ACE.
- Increased funding for the contemporary music sector is needed for effective signposting, advice, advocacy and training. We need to better engage with the sector and continue to lead on developing working long-term partnerships with the enterprise agencies. We need to work closely with the FE Atrium and New Deal for Musicians.
- Introduce a £200K pot for small groups and ensembles to ensure that whole sector is better resourced and managed. We will introduce a chamber music forum, following the success of similar forums for traditional music and for jazz.
- Bring about a fundamental change in the way the local authorities support the larger CFO's and other organisations funded by the Scottish Arts Council using the model currently under discussion with the City of Glasgow Council regarding proposals for more strategic support for Scottish Opera, Scottish Ballet and the RSNO.
- Better support for key promoters and touring leading to an additional FTE member of staff for the department-see summary under 1.1.
- SMIA: Take the positive recommendations from the report and continue to engage with the sector in the hope that such an organisation could be established in the future with support from the industry and from the Scottish Executive.
- Seek to establish a better infrastructure for touring and international development for the larger CFO's in line with recommendations and priorities set under 1.1. Seek to collaborate with the other UK arts councils on wider cross-border touring access.
- Continue to prioritise and expand strategically international trade-fair and showcase opportunities such as Womex as already outlined under 1.1.

- Ensure that venues are prioritised on the basis of their importance geographically and in terms of access and capacity. Edinburgh's Queen's Hall needs special support as already outlined.

### 1.3 Aim – Education and Lifelong learning (optimum)

#### ➤ Organisational infrastructure

Key CFO's in the education/access infrastructure are Feis Rois and Feisan nan Gaidheal, who deliver exemplary programmes promoting Gaelic language and culture through the medium of music. They work with local authorities, Feis Rois providing a programme of work for traditional musicians in schools throughout Scotland in partnership with YMI. Feisan nan Gaidheal is now delivering tuition in schools for Highland Council. The National Youth Orchestras of Scotland (NYOS) and the National Youth Choir of Scotland (NYCoS) are also key. We would also include the NYPBOS (National Youth Pipe Band of Scotland) and Tommy Smith's Youth Jazz Ensemble which are all project funded currently. The NYOS "stable" includes NYJOS (National Youth Jazz Orchestra of Scotland), the Children's Orchestra, Camerata Scotland (Chamber Orchestra) and NYOS Futures which concentrates on contemporary music.

NYCoS has helped drive the YMI programme working closely with local authorities across Scotland to introduce singing-led initiatives within the YMI which is now seen as critical to the music education sector.

**Youth Music Initiative (YMI):** This is one of the most significant investments ever made in the sector in the UK, let alone in Scotland. Additional funding for the development of youth music provision was set at an initial level of £17.5M for three years (2003-2006), A further commitment by the Scottish Executive (and hopefully consolidation into budget) of £10M per annum for two more years to 2007/08 is evidence of the success of this initiative.

The Scottish Executive announced that a central objective of this funding, the majority of which was earmarked for local authority instrumental instruction services, was to achieve their declared main target, namely that *"by 2006, all schoolchildren should have had access to one year's free music tuition by the time they reach Primary 6."* This applied to both instrumental and/or singing tuition. Having assessed all Local Authority proposals for use of YMI funds, we are confident that this central target will be met by the end of the academic year 2005/06. The review of provision in formal and informal sectors has been carried out and the strategy document and development plan will be published in 2006.

The Scottish Executive set other broad parameters for the new initiative, as follows:

- Local Authorities should have broadly proportionate access to the additional funding available for music tuition in schools but that they must bring forward plans to demonstrate improvement for their music services both within and outwith schools.
- The Scottish Executive wished these new resources to be used to address the barriers to participation as outlined in the report.
- A national strategy for provision should be developed to include the Scottish Executive targets and to guide other work in the field of youth music.

- There should be no separate youth music agency as recommended in the report but the Scottish Arts Council should develop the strategic plans for youth music provision and act as a conduit for the allocated funding.

The Scottish Arts Council should use the balance of the money (that not earmarked for local authorities) for grant aid to strategically significant regional and national organisations and projects in the informal sector and to cover the overhead cost of researching and administering all of the above. The YMI manager has provided scenarios for optimum, standstill and reduced scenarios, which reflect the scenarios suggested for all other music department funding.

In our optimum strategy, we would recommend making evidenced representation to the Scottish Executive that all the current Scottish youth music making organisations should be funded from one YMI sourced pot of £1M. This would require the Scottish Arts Council to justify to the Scottish Executive an increase from £10m to £11m per year for the year 2007/08 and in the then subsequent years. This would alleviate pressure on all other funding and would not require additional Scottish Arts Council specific funding. This would require evidence based negotiation with the Scottish Executive to secure the additional funding.

We would remove NYOS, NYCoS and possibly Feisean nan Gaidheal from the CFO budget. The £1M fund would cover the current extended funding to NYOS, NYCoS and also to Feis Rois from YMI and service other non-CFO organisations which have more recently been funded from the YMI. Other organisations would include NYPBOS, National Youth Music Theatre, The National Brass Band Association and Tommy Smith's Youth Jazz Orchestra. It could also include other "national groups" currently managed through the Scottish Amateur Music Association (SAMA). Criteria to access this new fund would encourage all national youth music-making organisations to engage in a more collaborative approach to make best use of resources, professional leaders and professional development opportunities and to underpin a "national infrastructure" offering stability and long-term development for all young people who aspire to be successful. This optimum scenario would develop collaborative, long-term benefit for future generations of young people in Scotland.

**The Overall planned allocation of the £ 10m for 06/07 looks like this:**

National Organisations	£ 500,000.00
Scottish Arts Council Overhead	£ 200,000.00
Formula Funding Allocation	£ 8,012,820.00
Informal Sector	£1,287,180.00
<b>Total Allocation</b>	<b>£10,000,000.00</b>

**The Optimum Scenario allocation of the £ 11m for 06/07 would look like this:**

National Organisations already funded from YMI	£ 500,000.00
Additional add in from CFO's and other national youth organisations	£500,000.00
SCOTTISH ARTS COUNCIL Overhead	£ 200,000.00
Formula Funding Allocation	£ 8,012,820.00
<b>Informal Sector</b>	<b>£1,787,180.00</b>
<b>Total Allocation</b>	<b>£11,000,000.00</b>

Clearly there would also be much more scope for further development of the Informal sector if this was the case. This would then be able to fund more of the 'gaps' in provision and fund CPD opportunities.

➤ **Key Partnerships:** We work very closely with all 32 local authorities, especially since the introduction of YMI. The Atrium of FE Colleges is another key partnership and with the RSAMD we access the HE sector. As an external industry assessor for SQA, Ian Smith chaired validation panels for the introduction for the first time of HNC/HND qualifications in Music, Music Business and Sound Production. These qualifications have been validated on a national basis, meaning that only those institutions that can meet the necessary criteria can award them. This will, we hope, reduce the huge wastage factor amongst young people who have accessed courses with "music" in the title to discover to their cost, that they are totally unprepared to survive in our industry. This must stop and we applaud the SQA for properly consulting with the industry in this regard, thus ensuring that courses are designed for purpose and outcomes. Our key CFO's have already been mentioned and we must encourage dialogue and effective partnerships, to ensure that access and participation is fully available to all.

➤ **Policy development areas**

**Equalities:** Access to all education-related activity is critically important for all our young people. YMI has ensured that the formal and informal sectors engage closely to ensure that social inclusion is again a reality and not an aspiration.

**Traditional:** Mention has already been made of the two exemplary Gaelic organisations. Proiseact nan Ealan works from its Stornoway base to promote Gaelic culture and engages closely with the Irish Gaelic communities.

➤ **Physical infrastructure:** Covered through YMI (informal and formal) and engagement with the local authorities and CFO's.

➤ **Summary of Education and Learning (Optimum Scenario):**

The optimum scenario would give the opportunity for all youth music making organisations with a national infrastructural remit to receive funding from a core fund which does not rely on additional funding from the YMI. It would need negotiation with the Executive to re-allocate moneys from the YMI fund specifically to core fund those youth music organisations that we jointly agree have a national remit. We would also need to guarantee secure futures to those organisations that are removed from CFO status. There would, however, be positive outcomes for this proposal as follows:

- Funding of organisations could be allocated from a central budget of £1.000.000 with inflationary allowances that would give long term stability over set timescales.
- There would be no further strain on the YMI budget which currently limits other opportunities for the 'real' informal sector.
- All organisations would have core funded status
- All organisations would see this as a prestigious endorsement.
- All organisations would need to meet set criteria for the fund.
- There would be an opportunity to set improvement targets across the sector.
- Each organisation would only be required to complete one application.
- There would be an increase in the ability to monitor and evaluate work giving parity across the sector.

- There would be opportunity to correct the imbalance between those who are currently core funded and those who are not.
- Criteria for these organisations could be defined and linked to key infrastructural targets and the National Youth Music Strategy and Development Plan.
- There would be a greater representation of styles and genre.
- Funding currently allocated to these organisations could be redistributed to the benefit of pre-school work and CPD.

#### 1.4 Optimum – Budget totals

Bring totals forward from detailed budgets on template – appendix 2. Please also refer to “Budget assumptions” section in Guidance paper.

Total budgets by Aim	2005-06 Actual *	2006/07 + 15% (exc cfos)	2007/08 Estimates (optimum)	2008/09 Estimates (optimum)
Artists	2,516,083	2,869,604	3,147,025	5,173,300
Audiences				
Learning	10,580,554	10,482,322	13,210,602	12,554,602
<b>Total funding budgets</b>	<b>13,096,637</b>	<b>13,351,926</b>	<b>16,357,627</b>	<b>17,727,902</b>
Operational budgets				

#### 1.5 Summary of Optimum Scenario

We wish to completely revise the allocation of funds in an optimum scenario to be able to concentrate on creativity/new work, touring, international promotion and showcasing, better partnerships with our key promoters and better support for the traditional and contemporary music sectors. We wish to continue to create effective genre driven “umbrella” representative groups/forums, embracing chamber music alongside the already established mechanisms for traditional music and jazz. We also wish to re-prioritise and create a new pot for small groups and ensembles. We would also wish to add 1FTE member of staff in the department to concentrate on touring, promotion, showcasing, key promoters and the contemporary music sector.

The large CFO’s need an uplift in funding to merely maintain current levels of activity however, there is a consequent impact on other artists. We wish to see a much more strategic policy embraced by local authorities towards organisations with a real “national” remit and the scenario outlined in Glasgow would be an excellent start, if introduced and create a working model for COSLA/VOCAL and individual authorities across Scotland.

We made clear at the outset that the priority for the music department is the artist, their product, then the distribution of that product. Whilst strategic vision is critically important, together with accountability for the use of public funding, we must ensure that the organisations we support, whether through the CFO structure or on a project basis clearly demonstrate that they embrace our priorities. Accountability must be reflected in governance and in the same high quality of management skill that we expect to be demonstrated by the musicians who benefit from working with promoters, programmers, venue operators, organisations, festivals in their performance and/or education related activities. We want the very best for the people of Scotland and they deserve no less.



**Scottish Arts Council  
Strategic Review  
A framework for development**

**Music department  
Standstill Scenario**

**Introductory Note:** See Optimum

**Music Department Priorities** (See Optimum for detailed narrative):

- **New Work/Composers/Creativity**
- **Touring**
- **International Promotion & Showcasing**
- **Key Promoters:**
- **Continuing Professional Development (CPD)**
- **Groups & Ensembles**
- **Youth Music Initiative (YMI)**
- **Core Funded Organisation (CFO) Review**
- **National Companies/Orchestral Review**

## **2. Standstill Scenario**

It is important to state here that the optimum strategy is the priority for the music department and both standstill and reduced are both informed and influenced by that scenario.

### **2.1 Aim – support for artists (standstill)**

#### **➤ The Individual artist (See Introduction under Optimum 1.1)**

**New Work/Composers Creativity:** Under standstill we would have little room to prioritise this area other than to re-allocate funds. We would still want to introduce the ability for artists to self-commission as we see this as an important function. The large CFO's should be barred from making commission applications as this should come out of their core budgets. Under a standstill budget we have retained funds for both labels and individuals to apply for Creative Development/Recording, although sums are reduced. Labels now also apply to lottery in order to align with individual applications.

**CPD:** Maintained at current levels of £60K, which is wholly inadequate, but priority must be given to the artist and their ability to create and perform. We may still be able to utilise YMI funding, but assisting artists to attend international showcases and events would be abandoned in favour of directly training-related work. This would, however, give us time to concentrate on HR practice, especially across the larger CFO organisations, which is universally poor. The loser is almost always the artist rather than the engager/employer.

- **Organisational infrastructure:** We would attempt to maintain current levels of support to maintain essential partnerships.

**International Promotion & Showcasing:** This is a critically important area for the department that receives very little in available funding. We prioritise this area alongside touring and key promoters in our optimum scenario, but we still need to engage closely with the British Council and with the Enterprise Agencies to ensure that we can maintain an albeit reduced presence at South By South West (SXSW), and Womex. These are the two showcase/tradefair opportunities that we must maintain for the contemporary, world and acoustic sectors. Showcase Scotland at Celtic Connections would be maintained as a priority under standstill and the two international events may have to be sacrificed to ensure that our artists gain continuing exposure in their home territory. In prioritising under standstill, however, we have increased the current allocation of £13k, which is derisory, to £38K. This will allow us to keep funding levels constant for Go-Events in the Highlands & Islands and the continuation of Showcase Scotland at the current level of £30K.

**Touring:** In this scenario we are able to retain Tune Up at a reduced level of £170K, but would have to self-manage and the budget would have to include that administration function. This would inevitably mean fewer tours, currently 13, which would decrease to 9/10.

- **Key partnerships**

**Key Promoters:** As in the optimum scenario, this follows on from both previous sections under organisational infrastructure and under standstill, we can still develop and slightly expand our current levels of support. We aim to move an additional £160K to key promoters/touring from a mix of other funding streams, including the traditional arts (40K), sector development (£13K), concerts/festivals (£12K), creative development (£5K), outreach (£55K), education (£30K), and research (£5K). This would make a total of £325K for 06-07 which demonstrates our commitment to this priority, even under standstill.

- **Policy development areas**

**International:** As stated above, we should be able to maintain some presence at SXSW and Womex, but will concentrate resources on Showcase Scotland.

#### ***Equalities (See Optimum 1.1)***

**Traditional:** Traditional music remains a priority area for the music department. When the report into traditional music was commissioned in 1999, it was recognised how patchy provision was up and down the country. In acknowledging this fact and in order to give a clear commitment to the sector, certain organisations were recommended to become CFO's. There are currently four CFO's which prioritise traditional music. Three of these are predominantly about education and outreach, (Feisean nan Gaidheal, Feis Rois and ALP Scots Music Group), and offer increased opportunities to learn and fully access traditional music.

In addition to the CFO's there are a number of other organisations who receive regular funding for education and outreach projects. It is important that they not only continue to receive support, but are also encouraged to link into local funding such as YMI wherever appropriate. The fourth CFO is the Traditional Music and Song Association of Scotland (TMSA), who offer advice and information on traditional music, as well as acting on behalf of their branch membership. It should be recognised that supporting the traditional music sector in this way has been fundamental to building up roots across the country as well as the development of stronger relationships with key players in the sector, resulting in a stronger and more effective resource base. Under standstill we will have to re-allocate funding to ensure that support goes to performers and is maintained to organisations referred to above. We have re-allocated £75K to voted funds for Feisean nan Gaidheal which under current funding was from lottery. This is a move towards consolidating this sum within Feisean nan Gaidheal's core funding. We wish to maintain support for Distil, where we are partnered by the Performing Rights Society Foundation (PRSF) and must also maintain support for Showcase Scotland. The traditional music forum will continue to receive infrastructural support.

### ***Creative Industries (See Optimum 1.1)***

#### ➤ **Physical infrastructure (See Optimum 1.1)**

#### ➤ **Summary of Aim to Support Artists (Standstill Scenario)**

- Maintain current levels of funding for creativity/new work.
- Maintain current levels of support for CPD initiatives and training.
- Increase support for key promoters from £165K to £325K (+£160K)
- Re-align funding for Feisean nan Gaidheal by moving £75K from lottery to voted funds
- Increase showcase/promotion fund from £13K to £38K (+ £25K)

## **2.2 Aim – Audiences (Standstill)**

#### ➤ **Organisational infrastructure (See 1.2 Introduction)**

**Groups & Ensembles:** As outlined in the Optimum Scenario, a small number of groups and ensembles have been funded from the New Work fund, leaving little opportunity for other New Work/Creative projects to be supported. In this Standstill Scenario we have managed to create a new fund of £40K entitled Groups and Ensembles, in addition to New Work funds (£50K). As a means to support the mainly chamber groups applying for support, we will be setting up a chamber music forum in 2006-07 on exactly the same premise as those already successfully formed for jazz and for traditional music. This will allow us in partnership with the sector, to determine its particular needs, including exploring possible shared resources (e.g. administration) and areas of skill development such as business and marketing.

**Touring & Key Promoters:** As already intimated, we are putting an additional £160K into our key promoter's fund. The funding of Tune Up fund would reduce and would have to self-fund any necessary administration, so the numbers of tours receiving funding would also reduce as a result. We may receive assistance from Arts Council

England (ACE) and in particular from Mark Monument, the ACE North-East Officer and from Dave Cross, CEO of Generator, an organisation based in Newcastle which specialises in promoting work and education-related activities in the contemporary music sector. We met together at Womex and are working on a joint plan to tour bands/artists between Scotland and the north of England, which will be possible with matched funding from ACE and Generator.

**Large CFO's/National Companies:** The three large CFO's within our department currently are the Royal Scottish National Orchestra (RSNO), Scottish Chamber Orchestra (SCO) and Scottish Opera. We also have a relationship with Scottish Ballet, which on a production necessity basis and only on demand utilises an orchestral resource, the Scottish Ballet Orchestra, who are employed on a first-call freelance basis working to a contract of engagement. The SCO players are also employed on a first-call freelance basis whereas both the RSNO and Orchestra of Scottish Opera (OSO) are fully contracted with all the associated benefits. The RSNO players work to a 25 hour playing and 40 hour on-call week whilst the OSO players are contracted for an 8 session week (session = 3 hours). I would add the Scottish Ensemble within this "national" remit rather than include them in the small groups and ensembles, which they have outgrown. All these organisations are striving to reach new audiences and all the major CFO's have dedicated staff whose remit covers development and outreach programmes. Scottish Opera are now in their "dark" period regarding main-scale productions, so their activities are centred round the orchestra and education work, some of which engages with YMI. The RSNO is currently reshaping their development department and are recruiting a new team, including an education animateur and a new management structure for education and development, which is where most of the large CFO's place this activity.

Under our optimum and standstill scenarios, we outline plans for more "back office" collaboration/partnership between the small groups and ensembles sector. This is even more crucial when applied to the larger CFO's and in particular within a standstill and/or reduced scenario, when we are unable to deficit fund, without increased product delivery, which under the latter scenario would be impossible. The City of Glasgow is, at least, prepared to consider better resource-based support for the three national/large CFO's based in their city. In recent meetings with Glasgow City Council we discussed how best to support the "national" companies and other major ensembles based there. The RSNO, Scottish Opera, Scottish Ballet, Scottish Ensemble and BBC Scottish Symphony Orchestra (BBC SSO) all have bases in Glasgow and the city supports them all financially. The BBC SSO is benefiting from the Gait/City Halls development which will be their home from January 2006. There has to be a better way of one of our major local authorities supporting these companies, other than financially. It is clear from those meetings that the money given to the CFO's does not relate to numbers of performances, or education work, it is simply a budgetary amount that goes before their (Glasgow's) finance committee annually. The city could actually provide far more than back office provision to these companies and in doing so make the level of investment recommended by the Cultural Commission and adhere more closely to VOCAL/COSLA led ambitions for the local authorities to have a truly national remit.

Glasgow has a significantly large public works department and property portfolio, so commonality of service provision could quite easily be realised. I have also met with ACE and we agreed that if we could bring these companies together in Scotland

where there is an agreed commonality of service provision, the same could be done in England with the Royal Opera House, Coliseum/ENO and National Theatre. We would then be leading on a pan UK front, with support from the DCMS and Scottish Executive. This would certainly strengthen our case significantly and would be even more important that we secure such a partnership in a standstill scenario.

**Orchestral Review:** This narrative appears for the first time, as we did not consider mention of a possible review of orchestral provision in Scotland as appropriate to an optimum scenario. It is, however, certainly appropriate in standstill and in reduced scenarios. The three national companies within our CFO budget allocation (RSNO, SCO and Scottish Opera) are the subject of separate scenarios for the “big six” which also includes Scottish Ballet, the Edinburgh International Festival (EIF) and the National Theatre of Scotland (NTS). The music department obviously takes a close interest in Scottish Ballet, liaising closely with our colleagues in the Dance department, but consider Scottish Ballet only as their needs for orchestral provision impact on the wider situation regarding orchestral provision in Scotland. Into that scenario would also come the BBC SSO together with the Scottish Ensemble, who are in our CFO budget.

If we accept that Scottish Opera will return to their former days of (artistic) glory without the attendant financial and management traumas, then their orchestra is key to a return to 8/10 main scale productions per annum. Unfortunately, that ideal scenario is still a distant reality and the decision to dispose of its chorus, whether temporarily or not, whether (in the future) freelance and/or contracted, has removed from the OSO its USP, i.e.: the services within the house team of a professional chorus. The OSO must now compete in an already saturated market place for at least the next 6 months, returning to a limited season of 4/5 productions in 2006/07. The optimum “given” is that we leave well alone, as the respective chairs and Chief Executive’s of the large CFO’s are now entering into dialogue on a regular basis, which is encouraging, but there is still a slight air of foreboding emanating from this department. Even in an optimum scenario there is possibly one orchestra too many in Scotland, but the first steps to addressing that effectively would be to combine one orchestral resource for opera and ballet.

The McIntosh committee (of which Ian Smith was a member), sought to bring the two companies (Scottish Opera/Scottish Ballet) closer together and indeed the appointments of Peter Winckles, then Christopher Barron were made across both companies. The reason the enterprise did not work was primarily that Scottish Opera did not want it. Richard Armstrong’s vision was for a Vienna Philharmonic/State Opera House scenario which was, in fact the more realistically and realisable vision of Alexander Gibson and Peter Hemmings when the then SNO played for Scottish Opera, before they created their own orchestra. This arrangement worked very well, with the nation’s symphony orchestra performing for the nation’s opera company at the highest artistic level. The BBC SSO and SCO also performed with Scottish Opera, so the orchestral accompaniment was wide, diverse, but always of the highest standard as indeed it is today with the OSO.

It is possible to imagine replicating that scenario today. We would simply cite the success of the RSNO and SCO at the recent EIF (2005). Imagine Sir Charles Mackerras and the SCO in the pit for Mozart and Beethoven (see his 80<sup>th</sup> Birthday Fidelio line-up at the Usher Hall 6/10/05), imagine the new RSNO Music Director

Stephane Denevre, already highly regarded as an opera conductor, with the RSNO in the pit doing Pelleas et Melisande, then add the Scottish Ensemble in the pit doing Purcell. We also have the BBC SSO with Volkov to consider too. Would the public be cheated or would the product suffer? The answer is emphatically, no. The quality would be seriously enhanced and never diminished to the benefit of the Scottish taxpayer, who provide the largest part of these aforementioned organisation's funding and that includes the BBC SSO, although the funding mechanism is differently routed.

We have a template from the McIntosh committee that would provide one orchestral provision for opera and ballet and we need to revisit that scenario under standstill. Scottish Opera programmed their last full season (2004/05) with a minimal requirement for the chorus, almost as if the company had decided two years ago that the chorus could go. The most exciting scenario for Scottish, UK and international audiences is the one outlined above, but the company has probably suffered enough. In the circumstances we now find ourselves in, it would have been better to have negotiated to keep a core performing ensemble, including a possibly reduced orchestra and chorus. This would have enabled Scottish Opera to be able to continue to exploit the market place, rather than to struggle to survive in it.

If there is a finite amount (£7.5M) currently to provide the highest quality of opera for the people of Scotland, then another consideration is to put that provision out to tender. The orchestral provision is straightforward, the chorus could be recruited and retained on a contract of engagement (freelance), technical provision could come from any of the current theatre-based companies and the management function again would be a mix of contracted and freelance, so you get the very best out of your available resources. Building for a secure future is then a realistic and achievable aim and can be properly costed and implemented.

In 1993/94 an attempt was made to merge the Orchestra of Scottish Opera with the BBC SSO. When that was abandoned, the next merger attempt was opera with ballet, first seeking to merge the orchestral resource under McIntosh. It seems ironic that we are now, at last, starting to have better working practice established between the national companies, which we wholeheartedly welcome and support, and a real opportunity to look at the commonality of service provision with at least one major local authority as a partner. In our optimum scenario we would wish to retain the current orchestral profile in Scotland, but look again at the orchestral provision for opera and ballet. The BBC SSO and RSNO compete directly, but one is already achieving high artistic excellence under Volkov (BBC SSO) and the other will improve under Denevre, but their 2005/06 programme will not fill halls (no fault of the current CEO). The SCO and Scottish Ensemble provide a complimentary provision in the smaller/chamber orchestra sector with a high international profile. If BBC Corporate thinking changes again following the charter review, then "one orchestra too many" is also within their planned scenarios, but the BBC SSO seem to be safe, at the moment as London and Manchester appear more vulnerable.

Whatever happens, the management of the national companies and the role that orchestras play is an issue that we must address. To fail to do so would not serve the best interests of the public. If the national companies move within the direct remit of the Scottish Executive, as has been suggested, the criterion for "national" must be established and funding ring-fenced and guaranteed inflation-proof for at least the life of each parliament. The companies would be subject to the political vote and that is

why the necessary ring-fencing and hopefully, consolidation of funding into core budget must precede any final agreement. This would inevitably lead to an essential change in the way these companies are administered. At the moment, the overall total funding amounts for the "big six" are £20,529,708 this year (2005/06) and £20,957,828 in 2006/07. The three music companies alone in our department account for £12,192,248 (2005/06) and £12,508,027 in 2006/07. This is serious investment on any scale and can only be maintained if the returns are financial alongside the given highest artistic standards. We must play a key role in any debate on this subject.

**Proposed Changes to National Insurance (NI):** We must also factor in the potential 12% increase in NI payments about to be levied on all organisations we support, due to changes in NI policy regarding the collection of Class 1 NI contributions factored in at source for all employers/engagers of freelance musicians. This does not apply to contracted employees but to all extras/deputies and to all members of, for example the SCO and Scottish Ensemble. If the Treasury demand payment from 1998/99, when the changes were introduced (due to lobbying from Equity to allow "resting" actors to be able to apply for job seeker's allowance), the SCO and Scottish Ensemble would be bankrupt and both the RSNO and Scottish Opera would incur further deficit levels that could not be met by us. Scottish Ballet is also affected. We are liaising with ACE and Association of British Orchestras (ABO) colleagues and expect the Treasury to, at worst, retrospectively seek payment for 2005/06 and introduce the new payments in 2006/07. All potential employers/engagers who employ artists across all art forms which fall under the description "entertainment" would be liable, with potentially disastrous effects for the sector, at a time of growth, for the music industry. The UK orchestral scene would simply be decimated. The RSNO, Scottish Opera, Scottish Ballet, SCO and Scottish Ensemble are already writing in the additional cost to their budgets from 2006/07. Ian Smith and the Head of Music at ACE, Hilary Boulding have met and agreed that the additional expenditure cannot be found within existing ACE/Scottish Arts Council budgets. The Scottish Executive have been made aware of the situation and are being regularly briefed by us.

**CFO Status Under Standstill:** Budgets for our 20 CFO's are agreed for 2006/07, but all have now applied for their next three year schedule of funding and are to be judged Essential, Important or Partial under standstill and reduced.

**Adult Learning Project (ALP) Scots Music Group:** There have been staffing issues which have caused problems for the administration of ALP. This has meant that they have not managed to fully complete their application for core funding. Current funding for 2005/06 is £47,380 and for 2006/07 £48,607. In 2004/05, ALP received a core grant of £46K, an additional £10k in project funding and an additional £5K from local authorities, making a total of £61K. Earned income for 2004/05 was £54,739, a deficit of £6,261 against funding. Recommend removal from core to project.

**Assembly Direct Ltd:** Assembly Direct are the major recipient of money for jazz performance and development. They run major programmes in Edinburgh and small promotions in Glasgow. They promote the Edinburgh, Dundee and Islay Jazz Festivals. Assembly Direct have recently moved their Edinburgh-based promotional activities from Henry's Jazz Cellar to a new venue in the Grassmarket; The Lot. We have also been discussing with CEO Roger Spence and our colleague, Iain Munro from Capital a project to develop the Roxy venue into a dedicated

performance/education/research space for Scottish jazz and to house Assembly Direct. It would now appear that this project is in jeopardy as the owner wishes to dispose of the facility and Assembly Direct do not have the necessary capital to purchase the Roxy, if the proposed lease arrangement under consideration is withdrawn. Assembly Direct mix commercial with public funding criteria as a promoter must, but in an optimum scenario for the future, we might consider them better located in the key promoters' pot. Assembly will receive £194,186 this year, 2005/06 and in 2006/07 are allocated £199,215. In 2004/05, their combined revenue stream was £188,530 core with an additional £60,700 from lottery funds, plus local authority project funding of £8K totalling £257,230. Revenue/earned income in 2004/05 was £182,072, representing a deficit of £75,158 against funding.

**Capella Nova:** Cappella Nova could move into the small groups and ensembles pot under optimum and we would be looking at them critically as a continuing CFO. Their core grant is currently £36,050 rising to £36,984 in 2006/07. In 2004/05 they received £35K from us, but earned £52,638, a surplus against funding of £17,638.

**Enterprise Music Scotland (EMS):** Despite a recent financial crisis due to an unexpectedly enforced administrative change, the members of the board have completely rescheduled activities and demonstrated an extremely positive attitude in getting the organisation back on track, which is commendable. We have agreed a revised funding arrangement for the current year and given assurances regarding funding for 2006/07, provided certain administrative changes are put in place. EMS co-ordinates the work of the small voluntary classical music promoters, clubs and societies throughout Scotland from its base in Aberdeen. The current funding allocation stands at £213,210 with an allocation of £218,732 for 2006/07. In 2004/05 EMS received £207K Scottish Arts Council funding and £1,240 from local authorities, totalling £208,240. EMS earned £10,775, a shortfall against funding of £197,465.

**Feis Rois:** An excellent organisation which has successfully moved Gaelic based music education into another dimension. Significantly increased attendances at the junior, teenage/youth and adult residential feisean events in 2004 have been maintained in 2005. Their programme of work with traditional musicians in schools has introduced traditional music to children who have not experienced it before. Rita Hunter (Manager) now inputs to the traditional music forum and their exciting Harvest concert programme resulted at performances at the 2004 Celtic Connections Festival with repeat appearances this year for many of the youngsters that took part. Feis Rois. The grant allocated for this year is £49,124 with £50,396 for next year. In 2004/05 Feis Rois received £47,693 in core and £135K in project funding, totalling £182,693. Their earned income for 2004/05 was £274,874, a surplus against funding of £92,181.

**Feisean nan Gaidheal:** An identical commendation to Feis Rois as Arthur Cormack (CEO), has built an organisation that not only promotes the Gaelic language and culture, but like Feis Rois delivers feisean events that also cover drama and dance alongside music. Through the YMI initiative Feisean nan Gaidheal now delivers tuition for Highland Council in schools throughout their area. They have also run a theatre education project with lottery funding. We could consider moving part and/or all of the organisation into the YMI pot under our optimum. Their grant for this year is £92,700 and for 2006/07 £95,101. In 2004/05 Feisean nan Gaidheal received a core grant of £90K with £100K from lottery, £67,312 from local authorities and a further £18K in

project funding totalling £275,312. Their earned income for 2004/05 was £416,312, a surplus of £141K against funding.

**Glasgow International Jazz Festival (GIJF):** This is another CFO that we are looking at critically. The GIJF has often failed to deliver the artistic potential it might achieve and board composition has also been a problem, but they are now taking steps to strengthen the board and are participating in an Arts & Business training day. GIJF has enjoyed continuing support from Glasgow City Council and has developed George Square as a venue opportunity along the lines of the Spiegel Tent used during the Edinburgh Fringe. Core Scottish Arts Council revenue for the current year is £25,750 and £26,417 is allocated for 2006/07. In 2004/05, their core grant was £25K with £113K from Glasgow and £20K of project funding, totalling £158,700. Their income for the 2004 event was £239,161, a surplus of £19,539 against funding.

**Making Music Scotland (MMS):** MMS deals with the amateur music making sector and covers 175 societies with around 11,000 members. There is little or no income stream for their work, but they do fulfil an important role in assisting career pathways for young musicians, including conductors. They are part of the well respected UK-wide Making Music organisation. Their 2005/06 grant is £66,950 and for 2006/07 £68,684. In 2004/05 MMS received £65K core funding with £13K from lottery and £4K project, totalling £82K. They earned £1,071, a shortfall of £80,929, but their activities are not essentially commercially exploitable.

**National Youth Choir of Scotland (NYCoS):** Both NYCoS and NYOS could move into a dedicated YMI pot to be even more secure in their funding requirements, but both are essential organisations and work across public and private sectors as well as interacting with both formal and informal education providers/facilitators. NYCoS is probably the most important beneficiary from YMI as singing teaching in schools was almost non-existent before the YMI moneys came on stream. NYCoS, led by Iain Mills, himself an ex director of education (East Dunbartonshire) with the enigmatic Chris Bell as Music Director. They have introduced programmes of singing and learning in schools throughout Scotland and worked closely with most of the 32 local authorities. Their funding levels are modest for the return we get and for 2005/06 are £25,750 and for 2006/07 £26,417. In 2004/05 they received £25K in core, £96,579 in project and £17,950 from local authorities totalling £139,529. NYCoS earned in 2004/05 a total of £628,317, a surplus against funding of £488,858, which is highly commendable.

**NYOS/National Youth Orchestras of Scotland:** As already stated in the previous paragraph, NYOS fulfils a crucially important role in education across the age range from their Children's Orchestra, through the National Youth Jazz Orchestra of Scotland, Camerata Scotland which contains many of the musicians who are already making their mark at the start of their respective careers and lastly NYOS Futures which concentrates on the contemporary music repertoire under the tutelage of Gary Walker. Their director, Richard Chester has been a founder member of the YMI reference group as has Iain Mills. We value their experience, vision and judgement. The core grant to NYOS for this year is £123,600 and for 2006/07 is set at £126,801. In 2004/05 NYOS received £120K in core, £10,888 in lottery and £36,670 from local authorities, a total of £167,558. They earned in that year £670,636, a surplus against funding of £503,078. I am confident that to consider raising the core funding of

NYCoS and NYOS would produce sustained income in return, particularly for NYCoS at this stage.

**Paragon Ensemble:** Paragon is another organisation under critical scrutiny, mainly due to difficulties with governance and the appointment of a Chairperson for the board. However, the artistic potential of the organisation still remains high. Paragon have now been given a six month window (from 1 November) to ensure artistic development is sustained and a reasonable programme of activities returns. In 2004/05 Paragon received £100K revenue, £1K in project, £17,500 from lottery and £21K from local authorities, totalling £139,500. They earned £38,678, a deficit against funding of £100,822.

**Proiseact nan Ealan (PnE):** PnE is the third CFO supported organisation that promotes the Gaelic language and culture. Its real function is as a development agency, which similarly to Feisan nan Gaidheal also promotes theatre, festivals, recordings, is involved in television/media work and runs training courses. Malcolm McLean and his team based in Stornoway, is well-known in his tireless promotion of the culture of the Gaels world-wide and there are close links with Irish Gaelic culture too, much to the benefit of both countries. The Book of the Celts initiative was launched in 2004 and Malcolm is also advising the Northern Ireland cultural agency (DCal) on their potential appearance at the 2007 Smithsonian Folklife event following the success of Scotland at the 2003 event. In 2005/06 PnE will receive £144,200 in core and are allocated £147,935 for 2006/07. In 2004/05 they received £140K core funding, £330K from lottery, £15K project and £13,500 from local authorities, totalling £498,500. PnE earned £700,687 representing a surplus against funding of £202,187, which is consistent with the other Gaelic promoters.

**Royal Scottish National Orchestra (RSNO):** The RSNO currently represents somewhat of a contradiction in terms as artistically, they are beginning to significantly turn a corner with the appointments of a new CEO (Simon Woods) and a new Music Director/Principal Conductor (Stephane Deneve). Following too many years of artistic decline under Alexander Lazarev, we are now confident that the significant financial investments made in this organisation will begin to produce results. Their deficit is being maintained at a constant level of £500K annually and recently they informed us that their pension scheme is seriously under-funded. The fundamental core level of funding needs to rise by £500K, as recommended in optimum, to enable the RSNO to maintain its programme of activities throughout Scotland and to seek such limited international exposure that has been available to them.

The RSNO has a strong Chair in Tom Thomson and a reasonably effective board. Simon Woods has already produced a proposed new management structure, bringing in a healthy mix of contracted and freelance staffing proposals. With the RSNO Chair, he has also created a development fund committee who hope to make serious inroads into raising capital for the orchestra. This is an encouraging development as, if successful, this organisation will be seriously able to match funding from the public sector. The RSNO is also in discussion with the RSAMD on a potential new shared resource for rehearsal and education use. If there is direct intervention from the Executive, as is being suggested, then the criteria for what is a national company and how they should be funded is key to the success of any such proposal being implemented. In 2005/06 the RSNO will receive £2,877,231 in core grant and in 2006/07, £2,951,751. In 2004/05, the RSNO received £3,057,613 from the Scottish

Arts Council (revenue/lottery/project) and £281,320 from local authorities, totalling £3,338,933. In 2004/05, the RSNO earned £2,639,662, a deficit on funding of £699,331.

**Scottish Chamber Orchestra (SCO):** SCO is in a far more secure financial position than the RSNO, largely due to the fact that Donald Macdonald has maintained a strong and effective board as Chair over a sustained period. The orchestra employs its players on a freelance first-call contract of engagement. 2005/06 has been a good year for the SCO with increased activity on their annual summer Highland residence and a significant presence at the EIF, with concert performances of opera with Charles Mackerras, accompanying Scottish Ballet at the Playhouse Theatre and their own Firework Concert. The SCO have consistently performed at the highest level and have a quality world-wide reputation, rightly earned from regularly performing throughout the UK and overseas. The SCO's education and development work has long been a model for others to follow. They will partner the BBC SSO in the new GAIT/City Halls development (Glasgow) from January 2006. The SCO's use of the Queens Hall is now under review, as serious investment is needed to maintain what is home to their Edinburgh-based concerts and the majority of their general rehearsals. A fundamental SCO core under-funding is suggested at £150K under optimum. For 2005/06, their core funding allocation is £1,618,075 and for 2006/07 is £1,689,983. In 2004/05 the SCO received £1,790,792 from the Scottish Arts Council (revenue/project) and £94,401 from local authorities totalling £1,885,193. In 2004/05, the SCO earned £1,596,290, a deficit on funding of £288,903.

**Scottish Ensemble:** The Scottish Ensemble has evolved into one of our best ensembles, performing across many genres, outwith their classical music base, thus showing flexibility of approach whilst always maintaining the highest standards of delivery. A recent change in Artistic Director has only enhanced their programme content and delivery and the Scottish Ensemble should be considered as a national organisation/company rather than be considered amongst the small ensembles. Their national and international reputation is growing and an increase of their core grant by £50K would produce two more mini-series of 5/6 concerts each, across Scotland. They have a strong board and a tight group of 11 core players who are of the highest standard and are all committed to the ensemble's work. It is inappropriate to consider the Scottish Ensemble alongside comparable organisations and that is why we must move them into a "national" scenario. We would also want to exploit them more internationally. Their core grant in 2005/06 is £159,001 and for 2006/07 £163,119. In 2004/05 the Scottish Ensemble received £154,370 in core, £117,250 in lottery and £19,104 from local authorities, totalling £290,724. They earned in 2004/05 £241,468, a deficit against funding of £49,258.

**Scottish Music Centre (SMC):** When SMC, or SMIC (Scottish Music Information Centre) as it was then, moved into core funding, the aspiration was that the organisation could become a real hub for information exchange in Scotland and develop its work as a repository for Scottish music, both historical and contemporary (new work) across other genres from the contemporary classical base it had long established. A new fee-paying membership system was introduced to assist in the creation and sustaining of a commercially-based income stream component. Closer working relationships were established with TMSA and New Music in Scotland (NEMIS) to bring traditional and contemporary popular music styles into the SMC fold. Not all went to plan, but with the forthcoming move to the new Gait/City Halls complex

in January 2006 and with the appointment of a new General Manager (Gill Maxwell), we are confident that SMC will indeed turn itself into the essential hub for Scottish music that we originally intended. We have already suggested that the SMC's constituent family might grow with EMS-related activities, but are confident that with a new shop-front and enhance on-line sales opportunity and more visionary management, the SMC, with our support can further evolve as a partner. We are already engaging with them on promotional activities, alongside the established agencies (SE/SDI/STI). This is a prime function for their future development. The SMC core grant for 2005/06 is £92,023 and for 2006/07 is £129,707. Their total funding allocation in 2004/05 was £122,750 core, £50K project and £89,706 lottery, totalling £253,456. Their earnings were £58,108, a deficit against funding of £195,348, but their key functions are information-based.

**Scottish Opera:** On the completion of their 2005/06 season and performances of John Adams' Klinghoffer at the EIF, Scottish Opera is essentially "dark" for six months regarding main scale opera. Their chorus has gone as have much of their administration and technical provision. The only department of the company still intact is the orchestra. SO have recently announced the appointment of a new General Manager, Alex Reedijk, following the departure of Chris Barron are now searching for a new Music Director following the expiry of Richard Armstrong's contract in June 2005. The company maintains it is on track to repay the £4.5M drawn down from this year's funding in advance and hopes to produce a limited programme of 4/5 operas next season 2006/07. Their ability to add a fifth production rests on the Executive approving the use of an under-spend on the contingency funding. There was also a significant under-spend on their redundancy allocation from the Executive. It will now be left to the OSO to attempt to utilise an 8 session per-week contract as fully as it is able and to that end concert giving activity across Scotland is being increased. Sadly the orchestra's USP, a professional chorus, is no longer a factor, so they must compete in an already crowded market place with the RSNO, SCO, BBC SSO and for certain key periods in the year (Christmas/New Year), the Raymond Gubbay Organisation. The work of the Scottish Arts Council/Scottish Executive monitoring committee will continue, co-ordinated from the music department. We will continue consulting with them to ensure that the transition of the company stays on track.

In the optimum scenario, we would argue that Scottish Opera must prove they are worthy of our continuing support and that the people of Scotland are receiving the highest quality opera across the broadest possible geographical front. There is still a case for looking at joint orchestral provision for opera and ballet, but in a stand-still and/or reduced scenario, even what we have now is insufficient to meet the demands of their original funding brief.

Ian Smith, Scottish Arts Council Head of Music met with ACE on 6 October 2005 to ensure that Scottish Opera returns to sustained activities in England as Scottish Ballet are now successfully doing. The funding allocation for Scottish Opera for 2005/06 is £7,696,942 and for 2006/07, £7,896,293. In 2004/05, they received £8,371,917 in revenue, £6,792,000 in project/contingency, £40K in lottery and £93,672 totalling £15,297,589. Scottish Opera earned £2,363,387, a deficit of £12,934,202.

**St Magnus Festival:** This event proves that with effective partnerships and high profile patronage (Peter Maxwell-Davies), the remoter island communities of Scotland can equally input to the rich artistic heritage that Scotland enjoys. The Hebridean

Celtic Festival is another excellent example. Seen by the greater UK industry as a key event, particularly within the western classical sector, it is becoming an Orkadian “T in the Park” event on the UK circuit. Not only are our own artists and ensembles to the fore, but residencies from London and Manchester-based orchestras has enhanced the programme and the event’s growing international profile. New commissions from Maxwell-Davies abound and all the island communities are involved, not just the mainland Kirkwall-centred activity. Partly as a result of the success of the festival, the Wrigley sisters, world-renowned folk musicians have re-invested in their Orkney home with a new music school and retail business facility. On a recent visit (24/9/05), I was encouraged by the programme proposals for the 2006 event. This festival would undoubtedly benefit from an enhanced touring fund, as would more of our musicians/artists. The event would not happen without our support and partnership. Their funding allocation for 2005/06 is £92,023 and for 2006/07 £94,406. In 2004/05 St Magnus received £89,925 core funding, £5K project and £57,746 from the local authority totalling £152,671. In 2004/05, the St Magnus Festival earned £187,057 which represented a surplus against funding of £34,386.

**Theatre Cryptic:** One of the companies that suffered artistically and financially from the collapse of the Queen Margaret College Gatehouse (Theatre) showcase opportunity at the 2005 EIF, Theatre Cryptic are known for their innovative juxtaposition of music with drama. Their international profile is significant and they are, like the Scottish Ensemble, one company that could exploit such activities that an enhanced budget could support. We are unsure in the music department how Theatre Cryptic sits for future provision, but in an optimum scenario we would see them retaining CFO status with music and drama input. Their funding allocation for 2005/06 is £154,500 and for 2006/07 £158,502. In 2004/05 Theatre Cryptic received £150K core, £2,799 lottery and £27K local authority moneys totalling £179,799. They earned £79,098 in 2004/05, a deficit on funding of £100,701.

**Traditional Music and Song Association of Scotland (TMSA):** TMSA promotes and co-ordinates traditional music-related activities, including local festivals, throughout Scotland through its twelve branches. It plays an active role in Celtic Connections and plays a part in the traditional music forum and in the traditional music tutor training network. They organisation the annual tour of the finalists of the Young Traditional Musician of the Year Awards and more recently they organise McEwan’s Sessions in pubs up and down the country. In 2005/06 TMSA is allocated £31,930 in core funding and in 2006/07, £32,757. In 2004/05 TMSA received £31K core, £44K project, £5L lottery and a modest £547 from local authorities, totalling £80,547. TMSA earned in 2004/05 £47,963, a deficit against funding of £32,854.

**Contemporary Music Sector: (See Optimum 1.2)**

**Cross Art Form Scenarios: (See Optimum 1.2)**

**Research: (See Optimum 1.2)**

➤ **Policy Development Areas**

**Equalities: (See Optimum 1.2)**

**International:** The large contracted CFO's find international exposure difficult. Scottish Opera's last overseas trip was to Portugal in June 2001 with James MacMillan's *Ines de Castro*. The RSNO's most recent tour was with Alexander Lazarev to Sweden earlier this year. They are planning a one day concert in Paris to launch their new Music Director, Stephane Deneve in his home city later this year and are planning a Far East tour in 2008/09. The SCO in comparison tours abroad regularly, as does the Scottish Ensemble. Under standstill, there is no way the larger CFO's could tap into any fund for international promotion. We would only be able to concentrate on smaller groups and individuals.

The Cross Border touring arrangement between the UK arts councils, currently only available (for UK touring) to opera and ballet, could extend to orchestras with immediate returns possible and the levels of funding would remain static, but the Scottish Arts Council contribution has just been raised for 2006/07. During Scottish Opera's "dark" period, Welsh National Opera (WNO) are performing in Edinburgh, Opera North in Aberdeen and Glyndbourne Touring Opera in Glasgow as part of the cross-border touring arrangement. We would want Scottish Opera to be able to fully exploit this benefit when back to producing mainscale work in 2006/07.

**Traditional:** Touring throughout Scotland, the UK, Europe, North America/Canada, Australia and beyond is a feature of our successful traditional musicians. Tune Up has also assisted in collaborations between Irish and Scots Gaelic bands (Ciar & Altan) and recent success at Womex is already producing results for the participating showcase artists. Events such as Womex and SXSW would suffer and potentially disappear under standstill and certainly under reduced. We would only be able to concentrate on Showcase Scotland and Tune Up.

**Creative Industries: (See Optimum 1.2).**

- **Physical infrastructure: (See Optimum 1.2).** All projects (referred to in optimum) under standstill would be subject to a reduction in the capital lottery fund, so the ability to support would obviously diminish dependent on a sustained demand for funding.
  
- **Summary of Audiences Aim (Standstill)**
  - Set up a chamber music forum.
  - Set up an orchestral review.
  - Monitor CFO activity.

### 2.3 Aim – Education and Lifelong Learning (Standstill)

- **Organisational infrastructure (See Optimum 1.3)**

We are keen to find annual funding for the work of the Drake Music Project and have allocated a sum within lottery Key Education and Outreach. The organisation gives opportunities for adults and children with disabilities to access music making, often with the use of music or other specialist technology. Recently it has extended work to the West of Scotland, and has completed a major piece of research through YMI.

**Youth Music Initiative (YMI):** In 2002, a national audit of youth music provision in Scotland was commissioned by Youth Music (UK) (originally known as the National Foundation for Youth Music), the Musicians' Union (MU) and the Scottish Arts Council; three independent organisations with complementary interests in the sector. Their intention was to gain a comprehensive picture of provision, identifying gaps and developmental needs and thus providing a sound basis on which to develop future policy and activity. As a then co-commissioner of the audit report entitled "What's Going On?" I feel a particular degree of ownership in what is proving to be one of the most significant investments ever made in the sector in the UK, let alone in Scotland. The publication of the report led directly to the announcement in February 2003 by the First Minister of additional funding to support the development of youth music provision at an initial level of £17.5M for three years (2003-2006), The further commitment by the Scottish Executive (and hopefully consolidation into budget) of £10M per annum for two more years to 2007/08 is further evidence of the success of this initiative. The "What's Going On" report made three recommendations: a review of instrumental & singing provision throughout Scotland, a strategy for youth music provision in Scotland and the setting up of an agency to administer the initiative. The Executive did not wish to set up a separate agency to administer the new resource with the result that the funding was allocated to the Scottish Arts Council for distribution under what is now known as the Youth Music Initiative (YMI). Martin Jones was appointed as Youth Music Manager on a two-year secondment from Clackmannanshire District Council in 2004.

The Scottish Executive announced that a central objective of this funding, the majority of which was earmarked for local authority instrumental instruction services, was to achieve their declared main target, namely that *"by 2006, all schoolchildren should have had access to one year's free music tuition by the time they reach Primary 6."* This applied to both instrumental and/or singing tuition. Having assessed all Local Authority proposals for use of YMI funds, we are confident that this central target will be met by the end of December 2006. The review of provision in formal and informal sectors has been carried out and we are launching the strategy document in January 2006, with a restructured development plan to be published in April 2006.

The Scottish Executive set other broad parameters for the new initiative, as follows:

- Local Authorities should have broadly proportionate access to the additional funding available for music tuition in schools but that they must bring forward plans to demonstrate improvement for their music services both within and out with schools.
- The Scottish Executive wished these new resources to be used to address the barriers to participation as outlined in the report.
- A national strategy for provision should be developed to include the Scottish Executive targets and to guide other work in the field of youth music.
- There should be no separate youth music agency as recommended in the report but the Scottish Arts Council should develop the strategic plans for youth music provision and act as a conduit for the allocated funding.

The Scottish Arts Council should use the balance of the money (that not earmarked for local authorities) for grant aid to strategically significant regional and national organisations and projects in the informal sector and to cover the overhead cost of researching and administering all of the above. The Youth Music Manager has provided scenarios for optimum, standstill and reduced scenarios, which reflect the scenarios



To further extend the impact and reach of this already national scheme (operated by Fèis Rois) which provides entry level introduction and initial participation in traditional music. Increase to take into account the funding required for delivery, training and infrastructure.

**Youth Music (UK)**

**£ 98,000**

Funding covers the Officer Post, funding advice and programme delivery as detailed in the operational review and funding scheme information.

**Recommended additions to the National Infrastructure from 2005/06**

**Scottish Brass Band Association**

**£ 35,000**

The above organisation has made application to fund a development officer post to increase access to participation for young people under the age of 25. They have provided significant evidence to support this request which is for £ 75,000 over 2 years. The YMM is satisfied that with 2,400 members, the SBBA is a key stakeholder in the future of Youth Music provision and lifelong learning in Scotland.

**National Youth Music Theatre UK – Scottish Dev. 39,000**

The above organisation has made application to fund a programme of auditions at four venues, two Studios and one relatively simple production at a single venue each year plus the costs of employing a full time Administrator and their office overheads. They have provided significant evidence, some from research previously funded by the Scottish Arts Council, to support this request. The total cost who be in the region of £ 39,000 each year. The YMI team is satisfied that with the increase in Youth Music Theatre provision at local and regional level, some of which is funded through YMI Formula and Strategic funding, this is an optimum time to develop Youth Music Theatre at a National level. *'Please Look at Me Now'* was attended by Martin Jones and another Music Officer. The production of this new work was excellent. There was clear excitement and enjoyment emanating from all those taking part which was reflected in the enthusiastic, high quality performance. The musical numbers were outstanding and the diction clear. It is suggested that the two organisations above be awarded funding.

**The Overall allocation from the £ 10m (YMI) for 06/07 would look like this:**

National Organisations already funded	£ 458,000
New Organisations	£ 74,000
Scottish Arts Council Overhead	£ 200,000
Formula Funding Allocation	£ 8,012,820
Informal Sector	£1,255,180
<b>Total Allocation</b>	<b>£8,744,820.00</b>

Clearly there would be more scope for **further** development of the Informal sector if this were the case.

## 2.4 Standstill - budget totals

Total budgets by Aim	2005-06 Actual *	2006/07 based on 2005/06 levels <sup>1</sup>	2007/08 Estimates (based on 2006/07 levels)	2008/09 Estimates (based on 2007/08 levels)
Artists	2,516,083	2,662,976	2,680,971	2,680,971
Audiences				
Learning	10,580,554	10,477,322	10,459,327	10,459,327
<b>Total funding budgets</b>	<b>13,096,637</b>	<b>13,140,298</b>	<b>13,140,298</b>	<b>13,140,298</b>
Operational budgets				

## 2.5 Summary of Standstill Scenario

The standstill scenario will require the department to re-allocate funding for our CFO's and prioritise which must remain and which should be considered out of that mechanism, as per the dialogue, supported by the necessary financial information. We will still be able to utilise the same priorities as for our optimum, but will not have the flexibility built into that scenario. The large CFO's remain an issue for this department, whether managed separately or not. We will maintain funding for creativity and new work and maintain current levels of funding for CPD and training. We will increase support for promoters, in line with our stated priorities and retain Feisan nan Gaidheal at current levels. We will also increase the promotion/showcase fund. We will still initiate a chamber music forum and undertake a review of orchestral provision in Scotland alongside an ongoing CFO review as already intimated. Some of our organisations will survive standstill, many will not. We will need to ensure that the prioritisation process is fair and accountable.

**Ian Smith: Head of Music**  
**11 November 2005**

<sup>1</sup> CFO levels already committed. Voted at 2005/06 levels

**Scottish Arts Council  
Strategic Review  
A framework for development**

**Music department  
Reduced Scenario**

**Introductory Note:** For the reduced scenario, the introductory note is brief and simply outlines the priorities of the Music Department, which will be difficult, if not impossible to meet under a 15% cut in funding. The tenets of the 2002 Scottish Arts Council Music Strategy still apply:

- Serve audiences across the country with a broad range of quality live musical experiences.
- Support artists in all genres to enable them to create, perform and sustain income.
- Develop and sustain a professional support infrastructure for music in Scotland.
- Support educational opportunities in music, particularly through YMI.
- Create a range of opportunities for participation in music-making at all levels serving all abilities.
- Support opportunities for music to play a full role in the social and economic life of the nation.

**Strategic Approach:** Under a reduced scenario, we would still wish to;

- Support opportunities for more activity (promotion, touring, recording etc)
- Give musicians more opportunities to create, perform and sustain income.
- Provide greater access for audiences to the “full menu” of music available from Scotland and around the world, thus enhancing their experience.

**Music Department Priorities (see Optimum/Standstill for fuller narrative):**

- **New Work/Composers/Creativity**
- **Touring**
- **International Promotion & Showcasing**
- **Key Promoters**
- **Continuing Professional Development (CPD)**
- **Groups & Ensembles**
- **YMI**
- **Core Funded Organisation (CFO) Review**
- **National Companies/Orchestral Review**

### 3. Reduced Scenario

It is important to state here that the optimum strategy is the priority for the music department and both standstill and reduced are both informed and influenced by that scenario.

#### 3.1 Aim – Support for Artists (Reduced)

- **The Individual artist:** The artist/creator/musician/educator is at the heart of all we do. The work that they create and/or perform, whether conceived by Craig Armstrong, Bach, Beethoven, James MacMillan, Mozart, Peter Maxwell Davies or Fran Healey is of equal importance to the creation of new work across all genres of music. Alongside the product and its creation/performance is the distribution, to ensure that product reaches the widest constituency at home and abroad. This will, of course include broadcast, digital downloads, recorded product and education related initiatives.

**New Work/Composers Creativity:** Under reduced, we would have little room to prioritise this area other than to re-allocate funds. Self-commissioning will remain impossible and all CFO's would be barred from making commission applications as this will have come out of their core budgets. The recording fund would be static (from standstill) at £30K. Creative development would be cut by £10K to £80K. Commissioning would reduce by £10K to £80K. Distil (£15K) and Key Education Outreach (£25K) which assists Drake and SAMA would move to voted funds. New Work would remain static at £50K. The Education Outreach facility in open funds would be retained at £35K.

**CPD:** Priority must be given to the artist and their ability to create and perform. We may still be able to utilise YMI (Youth Music Initiative) funding, but all assistance to artists to attend showcases/conferences would cease. We would still wish to address poor HR practice, especially across the larger CFO organisations. The CPD fund would remain static at £60K.

- **Organisational infrastructure**

**International Promotion & Showcasing:** Would be severely curtailed.

**Touring:** We would cut the touring allocation by £70K to £100K. The future of Tune Up would be in doubt. See narrative under 3.2.

- **Key partnerships**

**Key Promoters:** See narrative under 3.2.

- **Policy development areas**

**International:** All international promotion would cease and we could only commit to Showcase Scotland at Celtic Connections.

**Equalities:** We continue to encourage our CFO's, venues and promoters to be aware of and comply with new DDA legislation. We also encourage awareness of the Social Model of Disability which is endorsed by the Scottish Arts Council. We are currently supporting two organisations – The Drake Music Project in Scotland and Sounds of Progress – through organisational development, in order to increase their capacity and ability to provide access and music training to both children and adults with disabilities. This funding would be in serious jeopardy as would current support for Sangeet Mala, Ocean and the Indian Music & Dance Collective.

We have seen excellent examples of artists embracing and developing close working relationships with other culture, none more so than the work done by the eminent Scottish composer, Eddie McGuire, when creating a collaborative work with Scottish-based Chinese musicians resulting in a new ballet performed at the Tramway during this year's (2005) Celtic Connections as part of Eddie's successful Creative Scotland Award, funded by the Scottish Arts Council. These initiatives would be minimal and/or cease.

**Traditional:** Traditional music remains a priority area for the music department. When the report into traditional music was commissioned in 1999, it was recognised how patchy provision was up and down the country. In acknowledging this fact and in order to give a clear commitment to the sector, certain organisations were recommended to become CFOs. There are currently four CFOs which prioritise traditional music. Three of these are predominantly about education and outreach, (Feisean nan Gaidheal, Feis Rois and ALP Scots Music Group), and offer increased opportunities to learn and fully access traditional music. In addition to the CFOs there are a number of other organisations who receive regular funding for education and outreach projects. It is important that they not only continue to receive support, but are also encouraged to link into local funding such as YMI wherever appropriate.

The fourth CFO is the Traditional Music and Song Association of Scotland (TMSA), who offer advice and information on traditional music, as well as acting on behalf of their branch membership. It should be recognised that supporting the traditional music sector in this way has been fundamental to building up roots across the country as well as the development of stronger relationships with key players in the sector, resulting in a stronger and more effective resource base. Under standstill we will have to re-allocate funding to ensure that support goes to performers and is maintained to organisations referred to above. A 15% cut would severely curtail the work of Feisean nan Gaidheal and Feis Rois, but they would continue. ALP and TMSA would close, unless TMSA was consolidated into the Scottish Music Centre (SMC).

**Creative Industries:** It would be easy to describe the majority of Scotland's musicians/creators as creative industries as they work primarily in a freelance capacity. This means that the need to survive and sustain income is absolutely key and more attention should be given here by both FE and HE sectors. It is useless in our industry having a piece of paper qualification, if you are unable to exploit your own creativity and performance, not forgetting the many musicians who choose to work in the education sector, often embracing both contracted and freelance work. With less funding available the size of the freelance pool would diminish, with many musicians moving away from Scotland, to our detriment.

- **Physical infrastructure:** Essentially with regard to an artist, the infrastructural requirements pertain most frequently to the quality of venue, facilities, back-line and technical provision and how much is provided within contract and what arrangements need to be put in place and paid for by the artist and/or promoter. To promote an artist, a venue is essential together with the CD/downloadable “calling card”. There is a regular touring circuit of venues throughout Scotland, but in the more geographically remote areas, venue support is often a problem. When HI-Arts was first set up in Inverness with funding from the Scottish Arts Council, one early suggestion was to create a network of venues (community halls, schools, etc) throughout the Highlands & Islands that could benefit from infrastructural support. What was suggested then was basic PA and some form of acoustic assistance—often fitting curtains along the dark wall. This was never properly developed, but there are organisations that try to co-ordinate activity such as Promoter’s Arts Network (PAN), run from Skye by Duncan McInnes with Scottish Arts Council support. Another organisation supported by us is North East Arts Touring (NEAT) run from Aberdeen by Sandy Maxwell. Both organisations act as umbrella facilities to help promoters tour in these regions. Enterprise Music Scotland (EMS) is another organisation which is also a CFO, which could tie-in with promoters when co-ordinating tours with their member music societies throughout Scotland. PAN and NEAT would struggle with reduced funding and EMS would also be consolidated into SMC activity.

➤ **Summary of Aim to Support Artists (Reduced Scenario)**

- Attempt to consolidate TMSA and EMS into the SMC.
- Maintain support for CPD initiatives and training at a reduced level.
- Maintain key promoters/venue support by re-allocating funds wherever possible.

### 3.2 Aim – Audiences (Reduced)

- **Organisational infrastructure:** Much of what has already been written will impact on audience. The key priority for this department is the artist, their product and its distribution to the widest possible constituency, both at home and abroad. Every artist who wishes to go beyond the necessity of simply sustaining income and achieve success at the highest level will always seek to develop new audiences. They will also wish to engage in access and participation activity which is centred around their respective skill-set and will never cease in expanding their creative input to that process. We will concentrate in this section on those organisations and groups who concentrate on developing new audience and are always seeking new ways with which to engage with the many potential consumers of their product.

**Groups & Ensembles:** We would still wish to set up a chamber music forum under reduced, on exactly the same premise as those already successfully formed for jazz and for traditional music. Most of the ensembles we support utilise part-time administrative assistance and it would initially be advantageous to the sector to utilise a shared back office partnership, wherever appropriate. That principle has already been welcomed in early conversions with the Edinburgh Quartet, Dunedin Consort and Hebrides Ensemble and this, together with the forum still remains an achievable priority under standstill. The sharing of resource bases is critical under reduced.

**Touring & Key Promoters:** The Tune Up and/or Touring fund would reduce further to £100K as in 3.1 and have to self-fund any necessary administration, with an inevitable diminution on the number of tours. We may receive assistance from Arts Council England (ACE) and in particular from Mark Monument, the ACE North-East Officer and from Dave Cross, CEO of Generator, an organisation based in Newcastle which specialises in promoting work and education-related activities in the contemporary music sector. We met together at Womex and are working on a joint plan to tour bands/artists between Scotland and the north of England, which will be possible with matched funding from ACE and Generator. Key Promoters support would be maintained, albeit at a slightly reduced level (£13,500) at £336,500. Open Funds for Festivals/Concert support would stay static at £70K.

**Large CFO's/National Companies:** The three large CFO's within our department currently are the Royal Scottish National Orchestra (RSNO), the Scottish Chamber Orchestra (SCO) and Scottish Opera. We also have a relationship with Scottish Ballet, which on a production necessity basis and only on demand utilises an orchestral resource, the Scottish Ballet Orchestra, who are employed on a first-call freelance basis working to a contract of engagement. The SCO players are also employed on a first-call freelance basis whereas both the RSNO and Orchestra of Scottish Opera (OSO) are fully contracted with all the associated benefits.

The RSNO players work to a 25 hour playing and 40 hour on-call week whilst the OSO players are contracted for an 8 session week (session = 3 hours). I would add the Scottish Ensemble within this "national" remit rather than include them in the small groups and ensembles, which they have outgrown. All these organisations are striving to reach new audiences and all the major CFO's have dedicated staff whose remit covers development and outreach programmes. Scottish Opera are now in their "dark" period regarding main-scale productions, so their activities are centred round the orchestra and education work, some of which engages with YMI. The RSNO are currently reshaping their development department and are recruiting a new team, including an education amateur and a new management structure for education and development, which is where most of the large CFO's place this activity.

Under our optimum and standstill scenarios, we outline plans for more "back office" collaboration/partnership between the small groups and ensembles sector. This is even more critical when applied to the larger CFO's and in particular within a reduced and/or standstill scenario, when we are unable to deficit fund, without increased product delivery, which under the latter scenario would be impossible. The City of Glasgow is, at least, prepared to consider better resource-based support for the three national/large CFO's based in their city. In recent meetings with Glasgow City Council we discussed how best to support the "national" companies and other major ensembles based there. The RSNO, Scottish Opera, Scottish Ballet, Scottish Ensemble and BBCSSO all have bases in Glasgow and the city supports them all financially. This includes the BBC Scottish Symphony Orchestra (BBC SSO) who are benefiting from the Gait/City Halls development which will be their home from January 2006. There has to be a better way of one of our major local authorities supporting these companies, other than financially. It is clear from those meetings that the money given to the CFO's does not relate to numbers of performances, or education work, it is simply a budgetary amount that goes before their (Glasgow's) finance committee annually.

Glasgow could actually provide far more than back office provision to these companies and in doing so make the level of investment recommended by the Cultural Commission and adhere more closely to VOCAL/COSLA led ambitions for the local authorities to have a truly national remit. Glasgow also has a significantly large public works department and property portfolio, so commonality of service provision could quite easily be realised. I have also met with ACE and we agreed that if we could bring these companies together in Scotland where there is an agreed commonality of service provision, the same could be done in England with the Royal Opera House, Coliseum/ENO and National Theatre. We would then be leading on a pan UK front, with support from the DCMS and Scottish Executive. This would certainly strengthen our case significantly and would be even more important that we secure such a partnership in a standstill scenario. In a **reduced** scenario, the above narrative may be of passing interest, as the RSNO, SCO and Scottish Opera would cease to trade on a 15% cut, even overall on CFO's.

**Orchestral Review:** This narrative appears only in standstill and **reduced**, as we did not consider mention of a possible review of orchestral provision in Scotland as appropriate to an optimum scenario. It is, however, certainly appropriate in standstill and in **reduced** scenarios. The three national companies within our CFO budget allocation (RSNO, SCO, Scottish Opera) are the subject of separate scenarios for the "big six" which also includes Scottish Ballet, the Edinburgh International Festival (EIF) and the National Theatre of Scotland (NTS). The music department obviously takes a close interest in Scottish Ballet, liaising closely with our colleagues in the Dance department, but consider Scottish Ballet only as their needs for orchestral provision impact on the wider situation regarding orchestral provision in Scotland. Into that scenario would also come the BBC SSO together with the Scottish Ensemble, who are in our CFO budget.

If we accept that Scottish Opera will return to their former days of (artistic) glory without the attendant financial and management traumas, then their orchestra is key to a return to 8/10 main scale productions per annum. Unfortunately, that ideal scenario is still a distant reality and the decision to dispose of its chorus, whether temporarily or not, whether (in the future) freelance and/or contracted, has removed from the OSO its USP, i.e.: the services within the house team of a professional chorus. The OSO must now compete in an already saturated market place for at least the next 6 months, returning to a limited season of 4/5 productions in 2006/07. The optimum "given" is that we leave well alone, after all the respective chairs and Chief Executive's of the large CFO's are now entering into dialogue on a regular basis, which is encouraging, but there is still a slight air of foreboding emanating from this department. Even in an optimum scenario there is possibly one orchestra too many in Scotland, but the first steps to addressing that effectively would be to combine one orchestral resource for opera and ballet.

The McIntosh committee (of which Ian Smith was a member), sought to bring the two companies (Scottish Opera/Scottish Ballet) closer together and indeed the appointments of Peter Winckles, then Christopher Barron were made across both companies. The reason the enterprise did not work was primarily that Scottish Opera did not want it.

Richard Armstrong's (exSO/MD) vision was for a Vienna Philharmonic/State Opera House scenario which was, in fact the more realistically realisable vision of Alexander Gibson and Peter Hemmings when the then SNO played for Scottish Opera, before they created their own orchestra. This arrangement worked very well, with the nation's symphony orchestra performing for the nation's opera company at the highest artistic level. The BBC SSO and SCO also performed with Scottish Opera, so the orchestral accompaniment was wise, diverse, but always of the highest standard as indeed it is today with the OSO. It is possible to imagine replicating that scenario today. We would simply cite the success of the RSNO and SCO at the recent EIF (2005). Imagine Sir Charles Mackerras and the SCO in the pit for Mozart and Beethoven (see his 80<sup>th</sup> Birthday Fidelio line-up at the Usher Hall 6/10/05), imagine the new RSNO Music Director Stephane Denevire, already highly regarded as an opera conductor, with the RSNO in the pit doing Pelleas et Melisande, then add the Scottish Ensemble in the pit doing Purcell. We always have the BBC SSO with Volkov to consider too. Would the public be cheated or would the product suffer? The answer is emphatically, no. The quality would be seriously enhanced and never diminished to the benefit of the Scottish taxpayer who provide the largest part of these aforementioned organisation's funding and that includes the BBC SSO, although the funding mechanism is differently routed.

We have a template from the McIntosh committee that would provide one orchestral provision for opera and ballet and we need to revisit that scenario under standstill and reduced. Scottish Opera programmed their last full season (2004/05) with a minimal requirement for the chorus, almost as if the company had decided two years ago that they could go. The most exciting scenario for Scottish, UK and international audiences is the one outlined above, but the company has probably suffered enough. In the circumstances we now find ourselves in, it would have been better to have negotiated to keep a core performing ensemble, including a possibly reduced orchestra and chorus. This would have enabled Scottish Opera to be able to continue to exploit the market place, rather than to struggle to survive in it.

If there is a finite amount (£7.5M) currently to provide the highest quality of opera for the people of Scotland, then another consideration is to put that provision out to tender. The orchestral provision is straightforward, the chorus could be recruited and retained on a contract of engagement (freelance), technical provision could come from any of the current theatre-based companies and the management function again would be a mix of contracted and freelance, so you get the very best out of your available resources. Building for a secure future is then a realistic and achievable aim and can be properly costed and implemented.

In 1993/94 an attempt was made to merge the Orchestra of Scottish Opera with the BBC SSO. When that was abandoned, the next merger attempt was opera with ballet, first seeking to merge the orchestral resource under McIntosh. It seems ironic that we are now, at last, starting to have better working practice established between the national companies, which we wholeheartedly welcome and support, and a real opportunity to look at the commonality of service provision with at least one major local authority as a partner. In our optimum scenario we would wish to retain the current orchestral profile in Scotland, but look again at the orchestral provision for opera and ballet.

The BBC SSO and RSNO compete directly, but one is already achieving high artistic excellence under Volkov (BBC SSO) and the other will improve under Denevire, but their 2005/06 programme will not fill halls (no fault of the current CEO). The SCO and Scottish Ensemble provide a complimentary provision in the smaller/chamber orchestra sector with high international profile. If BBC Corporate thinking changes again following the charter review, then "one orchestra too many" is also within their planned scenarios, but the BBC SSO seem to be safe, at the moment as London and Manchester appear more vulnerable. Whatever happens, the management of the national companies and the role that orchestras play is an issue that we must address. To fail to do so would not serve the best interests of the public.

If the national companies move within the direct remit of the Scottish Executive, as has been suggested, the criterion for "national" must be established and funding ring-fenced and guaranteed inflation-proof for at least the life of each parliament. The companies would be subject to the political vote and that is why the necessary ring-fencing and hopefully, consolidation of funding into core budget must precede any final agreement. This would inevitably lead to an essential change in the way these companies are administered. At the moment, the overall total funding amounts for the "big six" are £20,529,708 this year (2005/06) and £20,957,828 in 2006/07. The three music companies alone in our department account for £12,192,248 (2005/06) and £12,508,027 in 2006/07. This is serious investment on any scale and can only be maintained if the returns are financial alongside the given highest artistic standards. We would want to play a key role in any debate on this subject.

**Orchestra Merger (Reduced Scenario):** As clearly intimated in the preceding text, the current situation regarding orchestral provision in Scotland cannot continue, even under an optimum scenario. In a reduced scenario, Scottish Opera could only survive if utilising orchestral provision from external sources. This would require further Executive funding to pay for a redundancy package for the members of the Orchestra of Scottish Opera. The remaining orchestral resource (RSNO, SCO, BBC SSO & Scottish Ensemble) would also have to provide that resource for Scottish Ballet. It is likely that the RSNO would not survive and a merger with the BBC SSO would be essential. The remaining chamber ensembles would also merge (SCO & Scottish Ensemble) so that Scotland was left with one symphonic orchestral resource serving opera, ballet, broadcasting and symphonic performance/touring remit and one chamber resource, which would also absorb the current activities of ensembles such as Paragon and the Hebrides Ensemble. If we add the NI scenario outlined in standstill, it is not difficult to see that the entire face of orchestral provision in Scotland would change very rapidly, with a huge loss of employment and an equally significant loss of resource at the highest standard levels for the people of Scotland.

**CFO Status Under Standstill:** Budgets for our 20 CFO's are agreed for 2006/07, but all have now applied for their next three year schedule of funding and are to be judged Essential, Important or Partial under standstill and reduced. See standstill for a fuller narrative.

**Adult Learning Project Scots Music Group (ALP):** Would move from CFO to traditional arts/education outreach fund.

**Assembly Direct Ltd:** Assembly Direct would be able to continue trading, but would not be able to sustain current deficit levels and would have to return to promotion in Edinburgh and little activity around Scotland. 5% cut on funding for 2007/08 to £189,254.

**Capella Nova:** Would move out of core to small groups & ensembles.

**Enterprise Music Scotland (EMS):** Would be maintained but with a 5% cut for 2007/08 to £203,045.

**Feis Rois:** An exemplary and essential organisation which we would maintain, but no increase for 2007/08. Funding remained from standstill at £50,396.

**Feisan nan Gaidheal:** An identical commendation to Feis Rois and we would maintain at a static level from standstill at £170,101 consolidating from lottery.

**Glasgow International Jazz Festival (GIJF):** We would move from core to key promoters fund.

**Making Music Scotland (MMS):** Would be maintained but with a 5% cut for 2007/08 to £65,250.

**National Youth Choir of Scotland (NYCoS):** Both NYCoS and NYOS activities must be maintained and we may need more support from YMI to achieve that. Funding for 2007/08 static at £26,417.

**National Youth Orchestras of Scotland (NYOS):** As for NYCoS, we will maintain NYOS activity and need increased financial input from YMI. Funding for 2007/08 static at £126,801.

**Paragon Ensemble:** Paragon is cut by £30,668 under standstill and would remain static for 2007/08 at £75,000.

**Proiseact nan Ealan (PnE):** PnE is the third CFO supported organisation that promotes the Gaelic language and culture. It's real function is as a development agency, which similarly to Feisan nan Gaidheal also promotes theatre, festivals, recordings, is involved in television/media work and runs training courses. We would maintain funding at a reduced level (5%) for 2007/08. Funding would be £140,538.

**Royal Scottish National Orchestra (RSNO):** The RSNO could not even be re-allocated funding under a reduced scenario and would have to seek a merger with the BBC SSO.

**Scottish Chamber Orchestra (SCO):** The SCO would need to consider merged activities, but may survive a reduced scenario, but at what cost to their product.

**Scottish Ensemble:** The Scottish Ensemble would also need merged activities and may also survive, but for 2007/08 we would maintain funding at £163,119.

**Scottish Music Centre (SMC):** One of the few organisations that might expand its brief under reduced and provide a facilitative service from its new base at the City Halls. Funding for 2007/08 would reduce by 5% to £129,707.

**Scottish Opera:** Would not survive other than by the Executive funding orchestral redundancies and either utilising outside orchestral provision, or by closing the company and putting the provision of opera in Scotland out to tender.

**St Magnus Festival:** We would only maintain funding at a reduced level (5%) giving them £89,686 for 2007/08.

**Theatre Cryptic:** Would be cut by £28,000 under standstill and be static for 2007/08 at £130,000.

**Traditional Music and Song Association of Scotland (TMSA):** Would be maintained at a 5% cut for 2007/08 giving £31,119.

**Contemporary Music Sector:** The Scottish Arts Council has been criticised for its lack of support for this sector. We are addressing this as a matter of priority, but sadly that support would diminish and/or cease under reduced.

- **Research:** The last major piece of research into the economic worth of the music industry in Scotland and its potential impact on its constituency was commissioned by Scottish Enterprise in 2003 and carried out by Professor Simon Frith (Stirling University), Martin Cloonan (Glasgow University) and John Williamson (Strathclyde University). The report, entitled *Mapping the Music Industry in Scotland* is available. Together with the Scottish Executive, we also commissioned a feasibility study into the need for a Scottish Music Industry Association (SMIA/2005), which was carried out by Brian McLaren of EKOS and Gavin Robertson of Rightsrouter and is also available. These reports highlight the need for proper support across all genres at the entry level for young musicians, sadly impossible to prioritise under reduced.

- **Policy Development Areas**

**Equalities:** DDA compliancy has already been referred to under optimum and standstill, but we hope any the large CFO organisations left continue to make efforts to engage with every level of the communities they serve, if indeed they survive at all.

**International:** On hold under reduced.

**Traditional:** Showcase Scotland and a reduced Tune Up would be the only activities.

**Creative Industries:** It could and often is argued that music as an art form and as an industry dominates the creative industry sector. Certainly it is the dominant industry alongside media with which it interacts at every level. Music is the most popular subject at FE level across the UK and this underlines the importance of this sector. The music industry is permanently in the top five industries for UK economic return next to IT and financial services/banking, etc. We want all our organisations and

individuals, whether being considered under optimum, standstill or reduced scenarios to fully embrace the fact that they are part of a global market and to aspire to operate from that premise. It was particularly evident during the feasibility study for a possible Scottish Music Industry Association (SMIA) that the larger CFO organisations all working in the “western classical” sector do not consider themselves as part of the wider entertainment industry. They stand alone here and that thought process must change, enlightenment introduced and the reality of the whole market place, not just the sector within which they primarily operate, must loom large. The commercial promoters have no such problem and perhaps closer engagement with that valuable sector should be encouraged. This assumes more critical importance under the **reduced** scenario, but many of these organisations will simply cease to trade.

- **Physical infrastructure:** We have referred to new facilities in Glasgow (City Halls) and Perth (Concert Hall). The RSAMD has recently realised capital assets and wish to open a new facility adjacent to the Theatre Royal in Glasgow. The project entitled *Perfect* is also considering the RSNO as partners in a facility that would provide rehearsal and practise facilities for both organisations. The RSNO needs to consider vacating the RSNO Centre/Henry Wood Hall which is where it is currently based, but under reduced may cease to trade as the RSNO and re-emerge as an orchestra with a clear broadcasting function. The RSAMD is also talking to Scottish Opera about their use of the new building and discussions have also taken place with Glasgow City Council to ensure that there is no potential threat to the new City Halls complex, which will have a state of the art interactive education facility and also house the Scottish Music Centre, one of our departmental CFO's. There is another proposed development in Glasgow at Speirs Wharf, where one of the leading figures in the commercial popular music sector, Dougie Souness of No Half Measures Management is working on a new build project supported by GDA/Steve Insch, to house his organisation which also includes a touring company. NHM may be able to offer facilities to other practitioners in the sector. This could also be expanded to include local communities involved in music-related projects. All these projects under standstill would be subject to a reduction in the capital lottery fund, so the ability to support would obviously diminish dependent on a sustained demand for funding.

#### ➤ **Summary of Audiences Aim (Standstill)**

- We have moved certain CFO's into other funding streams and applied a 5% cut to others as outlined in the narrative to move moneys and make necessary savings.
- Set up a chamber music forum.
- Set up an orchestral and CFO review with shared facilities at the SMC.

### **3.3 Aim – Education and Lifelong Learning (Standstill)**

#### ➤ **Organisational infrastructure**

Key CFO's in the education/access infrastructure are Feis Rois and Feisan nan Gaidheal, who deliver exemplary programmes promoting Gaelic language and culture through the medium of music. They work with local authorities, Feis Rois providing a programme of work for traditional musicians in schools throughout Scotland in partnership with YMI. Feisan nan Gaidheal are now delivering tuition in schools for

H&I Council and have recently run a theatre education project with support from lottery. The two national youth organisations are of key importance in this sector. I refer, of course, to NYOS and NYCoS. We would also include the National Youth Pipe Band of Scotland (NYPBOS) and Tommy Smith's Youth Jazz Ensemble which are all project funded currently. Returning to NYOS and NYCoS, their activity has been enhanced by YMI. The NYOS "stable" includes National Youth Jazz Orchestra of Scotland (NYJOS), the Children's Orchestra, Camarata Scotland (Chamber Orchestra) and NYOS Futures which concentrates on contemporary music under the tutelage of ex NYOS member and now RSNO Associate Conductor, Gary Walker.

NYCoS has helped drive the YMI programme working closely with local authorities across Scotland to introduce singing-led initiatives that compliment the recommendations of the "What's Going On?" report that led to the creation of the YMI programme and the additional funding stream, now seen so critical to the music education sector. All CFO's have an education function and all the large CFO's have dedicated departments. Under reduced we fully expect this activity to largely cease, as survival will be the key.

**Youth Music Initiative (YMI):** In 2002, a national audit of youth music provision in Scotland was commissioned by Youth Music (UK) (originally known as the National Foundation for Youth Music), the Musicians' Union (MU) and the Scottish Arts Council; three independent organisations with complementary interests in the sector. Their intention was to gain a comprehensive picture of provision, identifying gaps and developmental needs and thus providing a sound basis on which to develop future policy and activity. As a then co-commissioner of the audit report entitled "What's Going On?" I feel a particular degree of ownership in what is proving to be one of the most significant investments ever made in the sector in the UK, let alone in Scotland. The publication of the report led directly to the announcement in February 2003 by the First Minister of additional funding to support the development of youth music provision at an initial level of £17.5M for three years (2003-2006), The further commitment by the Scottish Executive (and hopefully consolidation into budget) of £10M per annum for two more years to 2008 is further evidence of the success of this initiative. The report made three recommendations: a review of instrumental & singing provision throughout Scotland, a strategy for youth music provision in Scotland and the setting up of an agency to administer the initiative. The Executive did not wish to set up a separate agency to administer the new resource with the result that the funding was allocated to the Scottish Arts Council for distribution under what is now known as the Youth Music Initiative (YMI). Martin Jones was appointed as Youth Music Manager on a two-year secondment from Clackmannanshire Council in 2004.

The Scottish Executive announced that a central objective of this funding, the majority of which was earmarked for local authority instrumental instruction services, was to achieve their declared main target, namely that *"by 2006, all schoolchildren should have had access to one year's free music tuition by the time they reach Primary 6."* This applied to both instrumental and/or singing tuition. Having assessed all Local Authority proposals for use of YMI funds, we are confident that this central target will be met by the end of December 2006. The review of provision in formal and informal sectors has been carried out and we are launching the strategy document in January 2006, with a restructured development plan to be published in April 2006.

The Scottish Executive set other broad parameters for the new initiative, as follows:

- Local Authorities should have broadly proportionate access to the additional funding available for music tuition in schools but that they must bring forward plans to demonstrate improvement for their music services both within and out with schools.
- The Scottish Executive wished these new resources to be used to address the barriers to participation as outlined in the report.
- A national strategy for provision should be developed to include the Scottish Executive targets and to guide other work in the field of youth music.
- There should be no separate youth music agency as recommended in the report but the Scottish Arts Council should develop the strategic plans for youth music provision and act as a conduit for the allocated funding.

The Scottish Arts Council should use the balance of the money (that not earmarked for local authorities) for grant aid to strategically significant regional and national organisations and projects in the informal sector and to cover the overhead cost of researching and administering all of the above. The YMI manager has provided scenarios for optimum, standstill and reduced scenarios, which reflect the scenarios suggested for all other music department funding. Should there be a reduced scenario, the two national organisations which currently receive core Scottish Arts Council funding; NYOS and NYCoS, would continue to receive funding through both core funding and the YMI. For the financial Years 2006/07 and 2007/08 the National Youth Orchestra of Scotland and the National Youth Choirs of Scotland, which currently receive £123, 000 and £25,000 respectively in core grant, would need to continue receive this funding with the addition of inflationary rises. Beyond this funding, there would still be a need for further allocation of funds from the YMI as has been the case during 2005/2006. This additional YMI funding should in future be linked to targets.

#### Strengths:

- Funding currently allocated plus an inflationary amount give the organisation stability for a set timescale.
- There would be no further strain on the YMI budget for the informal sector.
- The organisations see core funded status as and this would remain.
- The organisations would be reluctant to give up Core funded status as they see this as prestigious endorsement.

#### Weaknesses:

- Organisations will still be required to double the amount of paperwork required for funding applications.
- The national youth music organisations would not be included in the overall YMI picture with regards the level of future funding required.
- There would continue to be an imbalance between those who are core funded and those who are not.

The effect of reduced scenario on the funding for youth music organisations with a national remit, years 2006/07 and 2007/08. would require increased funding from YMI and give parity of security for all other youth music organisations delivering nationally and introduce new organisations as they are identified. This ambition is seriously impaired

under reduced, even with YMI support. Should there be a need to reduce the funding of the two national organisations which currently receive core Scottish Arts Council funding; NYOS and NYCoS, there would be an identified need for the overall funding to be continued through funding from the Youth Music Initiative budget. For the financial Years 2006/07 and 2007/08 the NYOS and NYCoS, which currently receive £123,000 and £25,000 respectively in core grant, would need to receive this funding with the addition of inflationary rises. This further funding would need to be linked to targets.

Strengths:

- Funding currently in place, plus an inflationary amount can be guaranteed until at least April 2008.
- There will be a major reduction in the amount of paperwork required for the organisations.
- There would be a clearer overall picture with regards the level of future funding required for youth music provision as a whole.
- all national remit youth music organisations would be within one coherent infrastructure funded from one source.

Weaknesses:

- The organisations would be reluctant to give up Core Funded status.
- There would be calls from the 'informal sector' that this is an inappropriate use of the funds.
- This would eat into the available funding earmarked for building the capacity of the informal sector.

Alternative situation if they remain core funded:

- There will be no guarantee that the funding available beyond that already contracted will remain at the current level.
- There will be no guarantee of inflationary rises
- There would be the likelihood of a substantial percentage cut in funding.

**The effect of reduced scenario on the funding for youth music organisations with a national remit. Years 2006/07 and 2007/08:** By taking on board the core funded organisations we would also need to increase funding and have parity of security for all other youth music organisations delivering nationally and introduce new organisations as they are identified.

**Estimates would be as follows:**

<b>National Youth Orchestra of Scotland</b>	<b>£ 200,000 for 06/07</b>
	<b>£ 204,500 for 07/08</b>

This includes a substantial increase with a target which would be aimed at the establishment of regional infrastructure work.

<b>National Youth Choirs of Scotland</b>	<b>£ 140,000 for 06/07</b>
	<b>£ 143,500 for 07/08</b>

This offers considerable more stability for both organisations and they would not lose Core Funding status. There will be greater emphasis on infrastructural support

**National Youth Pipe Band** £ 100,000  
**Traditional Music in Schools (Feis Rois)** £ 75,000

To further extend the impact and reach of this already national scheme (operated by Fèis Rois) which provides entry level introduction and initial participation in traditional music. Increase to take into account the funding required for delivery, training and infrastructure.

**Youth Music (UK)** £ 98,000

Funding covers the Officer post, funding advice and programme delivery as detailed in the operational review and funding scheme information.

**Recommended additions to the National Infrastructure from 2005/06**

**Scottish Brass Band Association** £ 35,000

The above organisation has made application to fund a development officer post to increase access to participation for young people under the age of 25. They have provided significant evidence to support this request which is for £ 75,000 over 2 years. The YMM is satisfied that with 2,400 members, the SBBA is a key stakeholder in the future of Youth Music provision and lifelong learning in Scotland.

**National Youth Music Theatre UK – Scottish Dev. 39,000**

The above organisation has made application to fund a programme of auditions at four venues, two Studios and one relatively simple production at a single venue each year plus the costs of employing a full time Administrator and their office overheads. They have provided significant evidence, some from research previously funded by the Scottish Arts Council, to support this request. The total cost who be in the region of £ 39,000 each year. The YMI team is satisfied that with the increase in Youth Music Theatre provision at local and regional level, some of which is funded through YMI Formula and Strategic funding. It is suggested that the two organisations above be awarded funding.

**The Overall allocation (YMI) from the £ 10m for 06/07 would look like this:**

National Organisations already funded	£ 613,000
New Organisations	£ 74,000
Scottish Arts Council Overhead	£ 200,000
Formula Funding Allocation	£ 8,012,820
Informal Sector	£1100180
Total Allocation	£10,000,000.00

Clearly there would be less scope for further development of the Informal sector if this were the case – although this would only be to the tune of around £ 155k.

### 3.4 Reduced - budget totals

Total budgets by Aim	2005-06 Actual *	2006/07 based on 2005/06 levels <sup>2</sup>	2007/08 Estimates (based on 2006/07 levels)	2008/09 Estimates (based on 2007/08 levels)
Artists	2,516,083	2,596,083	2,494,956	2,494,956
Audiences				
Learning	10,580,554	10,500,554	10,433,715	10,433,715
<b>Total funding budgets</b>	<b>13,096,637</b>	<b>13,966,637</b>	<b>12,928,671</b>	<b>12,928,671</b>
Operational budgets				

### 3.5 Summary of Reduced Scenario

Whilst accepting that the request for a reduced scenario is informed by a known 25% reduction in lottery funding next year, it is incredibly difficult to deal with a 15% cut when taking into account the mix of funding the music department has to deal with. The large CFO's would cease to operate at current levels of activity, even Scottish Opera. We have concentrated in the dialogue for reduced and standstill on orchestral provision and a review of current CFO status. Whilst YMI is a given until 2007/08, it must be consolidated into the Executive's budget at £10M per annum, or under optimum increase to £11M in 2008/09. We still wish to prioritise the artist, their product and its distribution, but under the reduced scenario, painful choices will be made that will harm the infrastructure that is the music industry in Scotland, with potentially dire and serious effect.

**Ian Smith: Head of Music**  
**11 November 2005**

<sup>2</sup> CFO levels already committed. Voted at 2005/06 levels