Creative Industries in the South of Scotland

Report for SOUTH of SCOTLAND ENTERPRISE

Final Report | July 2022

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Contents

Executive Summary

In late 2021, EKOS were commissioned by South of Scotland Enterprise (SOSE) to undertake a detailed analysis of the creative industries sector in the South of Scotland region. This executive summary provides an overview of the key findings of the research.

Strategic and Policy Landscape

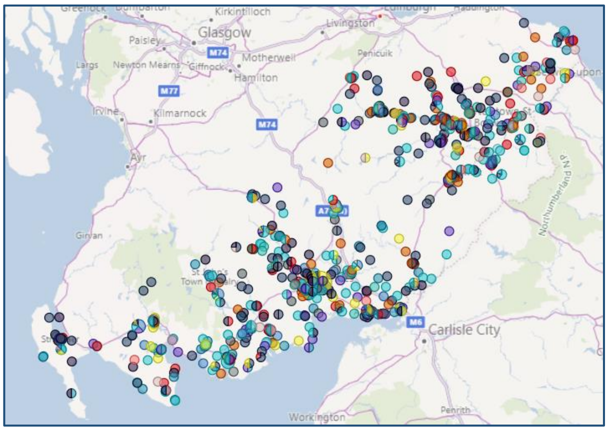
There is a wide body of research relating to the creative industries in Scotland, which has long been recognised as a key growth sector of the economy. National policy remains highly supportive of the creative sector, including within the recent National Strategy for Economic Transformation, (2022), which sets out Scotland's economic priorities for the next ten years. As well as this, the Culture Strategy for Scotland (2020) is a key document. It takes a broad view of culture and its role in society, setting out a range of priorities around the three themes of strengthening culture, transforming through culture, and empowering through culture. There is a strong emphasis on fair work and on inclusiveness and diversity in the cultural workforce. The just transition to net zero is also a key national priority and intersects with every part of the economy, including the creative sector. Community engagement and empowerment are a key part of Scotland's just transition plans, in which the creative sector has a clear role to play.

At a regional level, the South of Scotland Regional Economic Strategy includes culture and creativity as one of its six key themes, aiming to position culture and creative industries at the heart of the region's economy. In particular, it highlights the important role of culture and creative industries in supporting the visitor economy, as well as its social and economic value and role in community development.

The Creative Industries in the South of Scotland

The creative industries in Scotland are defined according to 16 sub-sectors, with statistics on the sector published each year. The most recent iteration of the Growth Sector Statistics, drawn from ONS data, was published in March 2022, and shows the creative industries contributed £68.7m to the South of Scotland economy in 2019. The sector accounted for 2,140 jobs in 2020 (2.3% of the Scottish sector total) and 485 businesses.

Although providing a comparable source of data that can be used to track performance across different years and between different regions, it is well understood that this data underestimates the extent of the creative industries, where a large proportion of the workforce are known to be self-employed or freelance, and therefore not captured in standard measures of sectoral employment.



Mapping of Creative Enterprises (Source: SOSE)

SOSE have recently undertaken a mapping exercise of all creative enterprises within the region. The findings of this showed 1,549 enterprises, taking in 4,640 people and turnover of around £161m each year. Enterprises have also been mapped (see above). While this clusters of activity within and around the main towns, it also illustrates the dispersed and rural nature of the sector, with enterprises spread right across the region.

The supporting infrastructure for the creative industries in the South of Scotland is relatively well developed, albeit with some differences between the two local authority areas. The creative and cultural sector is an important part of the region's identity and visitor offer, and recent interventions and investment have recognised this, supporting a strong calendar of events across the region and activity in both established and emerging priority areas, whether place development, skills or community empowerment.

Primary Research

Two surveys were distributed in early 2022, aimed at freelancers and sole traders (with 84 responses) and creative businesses and organisations (with 78 responses). These were promoted through various regional and local networks and organisations, with a mix of telephone interviews and online survey responses.

Profile

Freelancer respondents mainly worked in visual art (43%), crafts (38%) and design (32%). Around two-thirds of respondents identified that they work in more than one subsector of the creative industries, reflecting the diverse, portfolio careers that creative practitioners frequently pursue, particularly in rural areas. Over half of freelancers (58%) said that creative work is their primary source of income. 30% said they had started working as a freelancer in the sector in the last four years, while the remainder (70%) had five or more years experience.

Similarly, the largest number of responding businesses identified as being in the visual art (24%), design (22%), crafts (20%) and heritage (20%) sub-sectors. The majority (82%) said that they work in more than one subsector of the creative industries. Most were long established, with two-thirds (66%) being formed at least ten years ago and just 5% within the last year – an interesting finding in itself.

Opportunities and Challenges

Survey respondents were asked, through a series of different questions, for their views on the main opportunities for the creative sector in the region, and the challenges facing them directly as well as the wider sector. There was a strong crossover between the issues raised by freelancers and businesses/organisations.

	Freelancers and sole traders	Businesses and organisations
Opportunities and strengths	- Culture and the creative industries are an important part of the region's visitor economy offer - Strong reputation for creative industries, particularly certain sub-sectors (e.g. textiles) - Festival and events - Supports a sense of community	- Important part of the visitor economy offer - Generates economic benefits and creates jobs - Supports community cohesion and quality of life - Emphasis on local products/services in response to climate emergency
Challenges and weaknesses	- Low incomes and insecure work - Access to funding opportunities - Access to opportunities to sell and promote their creative work - Transport and access issues in rural areas - Feeling of isolation	- Lost income and work from COVID-19 - Rising costs - Lower consumer spending - Access to customers/market - Access to finance

Future Needs

Most organisations (67%) and freelancers (58%) felt they would definitely or be likely to require ongoing business advice/support over the next three to five years. Businesses most commonly identified a need for financial support (particularly in response to rising costs) and networking opportunities. These were also highlighted by freelancers, alongside access to collaboration space and support with marketing.

Future Opportunities and Priorities

The research has highlighted a number of areas where the South of Scotland has a distinct opportunity to grow and support activity within its creative sector.

Creative placemaking & supporting a regional identity A growing area of expertise in D&G	**Net Zero: decarbonising the creative industries**	**Net Zero: community engagement and empowerment**
Attracting funding and investment by making the most of regional strengths	**Cultural tourism and events** Building on an existing regional strength	**Growing collaboration across the South** Sharing learning and best practice
Attracting film and TV productions Making the most of the South's locations and recent growth in the sector	**The arts in health and wellbeing** Diversifying arts funding and supporting positive health outocme	**Prioritising Fair Work**

1 Introduction

This report sets out the findings of research, commissioned by South of Scotland Enterprise (SOSE), to undertake a detailed analysis of the creative industries sector in the South of Scotland region.

SOSE launched in April 2020, with a remit for economic and community development in Dumfries and Galloway and Scottish Borders. The agency was set up by the Scottish Government in recognition of the unique circumstances of the South of Scotland, with its aims and scope of activities set out in the South of Scotland Enterprise Act 2019[1]. As a precursor to SOSE, the South of Scotland Economic Partnership (SoSEP) was established in 2018.

The overall aim of the current project is to provide insight and knowledge that will help to further develop SOSE's understanding of the creative and cultural industries sector in the South of Scotland. This will:

- inform support strategies and activities for 2022-23 and beyond;
- provide a detailed understanding of the sub-sectors operating in the South and identify areas for focused support;
- address COVID-19 recovery by gaining a better understanding of what is required for the sector to rebuild; and
- help to understand the role of the creative and cultural sector in SOSE's ambitions to help the region in the transition to a net zero economy.

In 2012, EKOS were commissioned to undertake a similar study for the South of Scotland Creative Enterprise Initiative. This has subsequently formed the main measure of the scale and make-up of the creative industries sector in the South of Scotland. However, with the estimates provided by this study now ten years old, it has been recognised over the last few years that there is a need to refresh baseline data for the sector. This is therefore a key outcome for this study.

[1] Legislation.gov.uk, South of Scotland Enterprise Act 2019

1.1 Study Objectives

The specific study objectives were to:

- review existing current research that includes the South of Scotland;
- map current creative and cultural industries landscape across the South (who, what, where);
- map freelancer activity across the South;
- develop a creative ecosystem map – detail with heatmaps to show current sub-sector activity within the South;
- review recent interventions to determine what has been supported, by whom and why;
- assess the long-term financial sustainability of creative and cultural businesses, identifying examples of successful, financially sustainable creative and cultural organisations in Scotland;
- consider international models of significance/interest/relevance to the South of Scotland; and
- consider the role that the creative and cultural industries can play in a just transition to net zero.

1.2 Setting the Scene

The Creative Industries

It is well established that the creative industries make an important contribution to Scotland's economy, society and culture, and this has been reflected in national policy and strategic ambitions for some time.

Since the first efforts were made to economically define the creative industries in the late 1990s, precise definitions of the sector have varied[2]. Over the last decade, however, Scotland's creative industries sector has been classified as 16 sub-sectors and consecutive national economic strategies have identified it as a key sector. Broadly speaking, the Scottish Government considers the sector to be comprised of "industries that have their origin in individual creativity, imagination, and curiosity and are where creative motivation provides the basis for living, working or studying.

[2] British Council, Measuring the Creative Economy

By producing new insights, products, services, and experiences, they have the capacity to generate cultural, social and economic value." [3]

The 16 sub-sectors are: visual arts; performing arts; cultural education; crafts and antiques; fashion and textiles; photography; music; writing and publishing; advertising; libraries and archives; architecture; design; film and video; TV and radio; software and electronic publishing; and computer games.

There is a strong crossover between the 16 sub-sectors and other areas of the economy that play an important role in supporting cultural activity, including education, retail, tourism, festivals and events, heritage, and visitor attractions – which points to one of the challenges of fully capturing the sector. Where appropriate we have expanded our framing within this report, particularly in view of the Regional Economic Strategy's inclusion of both heritage and the visitor economy in its Creative and Cultural Excellence theme (see **Section 2.1.2**). Where the term 'creative industries' is used in this report, we are referring to the 16 sub-sectors, while 'creative and cultural sector' should be taken as a broader definition of the sector.

The South of Scotland

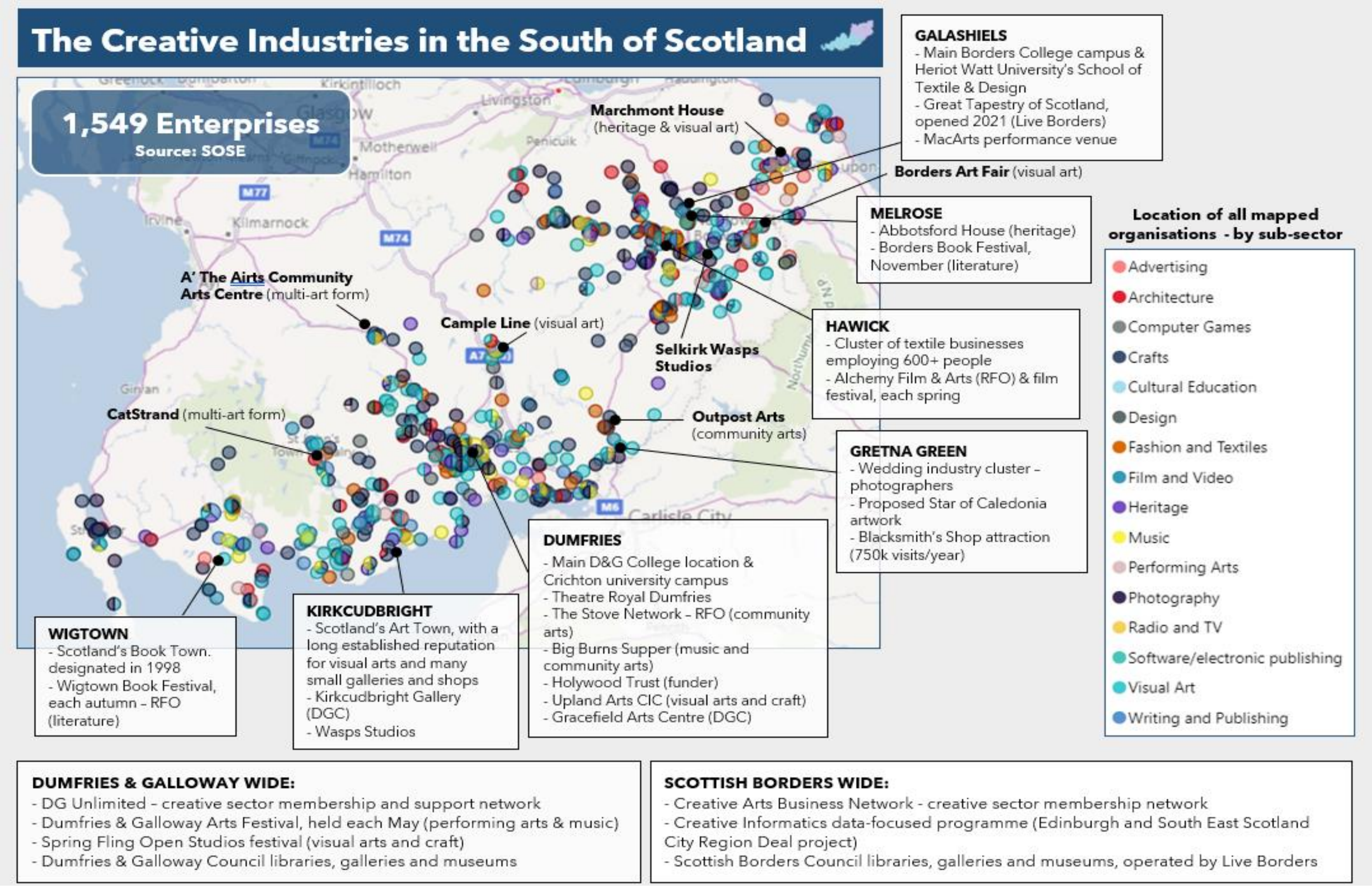
The South of Scotland is one of Scotland's most distinct and striking regions, with recognised potential and strong foundations in a number of important areas. As SOSE have set out, it is a region brimming with great businesses, diverse communities, and a vibrant culture, home to around 260,000 people across its 11,000 square kilometres. There are also well recognised challenges in the region, including lower than average productivity and pay, an ageing and declining population, and infrastructure and transport constraints.

The creative and cultural sector in the South of Scotland takes in a wide range of different businesses, organisations and individuals.

Figure 1.1, overleaf, introduces some of the key locations and clusters of creative activity in the South of Scotland, as well as the location of all creative enterprises that have been mapped by SOSE. The regional policy environment, as well as recent interventions in the sector, is explored in greater detail in **Chapter 2**.

[3] Scottish Government, Creative Industries Policy Statement (2019)

Figure 1.1: The Creative and Cultural Sector in the South of Scotland



RFO indicates part of Creative Scotland's Regular Funded Organisation network (2018-21).
Enterprise mapping by SOSE. Graphic by EKOS.

2 Existing Research

Summary

There is a wide body of research relating to the creative industries in Scotland, which has long been recognised as a key growth sector of the economy. National policy remains highly supportive of the creative sector, including the recent National Strategy for Economic Transformation (2022).

At a regional level, the South of Scotland Regional Economic Strategy includes culture and creativity as one of its six key themes, aiming to position culture and creative industries at the heart of the region's economy. In particular, it highlights the importance of the creative industries to the region's visitor economy, as well as the sector's role in supporting community cohesion and a sense of identity.

The creative industries are Scotland are defined according to 16 sub-sectors, with statistics on the sector published each year. The most recent iteration of the Growth Sector Statistics, drawn from ONS data, was published in March 2022, and shows the creative industries contributed £68.7m to the South of Scotland economy in 2019. The sector accounted for 2,140 jobs in 2020 (2.3% of the Scottish sector total) and 485 businesses.

Although providing a comparable source of data that can be used to track performance across different years and between different regions, it is well understood that this data underestimates the extent of the creative industries, where a large proportion of the workforce are known to be self-employed or freelance, and therefore not captured in standard measures of sectoral employment.

Consequently, SOSE have recently undertaken a mapping exercise of all creative enterprises within the region. The findings of this showed 1,549 enterprises, taking in 4,640 people and turnover of around £161m each year.

The supporting infrastructure for the creative industries in the South of Scotland is relatively well developed, albeit with some differences between the two local authority areas. The creative and cultural sector is an important part of the region's identity and visitor offer, and recent interventions and investment have recognised this. In particular, there is a strong calendar of events across the region. There are also clear clusters of economic activity, with a strong visual arts scene in Dumfries and Galloway and large textile employers in Scottish Borders (to highlight just two). The community arts sector is also growing in stature, crossing over with other important areas such as placemaking and health and wellbeing.

2.1 Strategy and Policy Review

There is a considerable body of research relating to the creative sector in Scotland and elsewhere, including recent studies examining the effects of the COVID-19 pandemic on the sector. This section of the report provides an overview of relevant research, as well as the strategy and policy framework for the creative and cultural sector. We have sought to bring out how this relates to the rural areas, and in particular the South of Scotland, as it will be crucial to position future interventions within this context.

Figure 2.1 provides a high level overview of the relationship between key strategies and stakeholders influencing the creative industries sector in the South of Scotland. Each strategy, alongside other relevant policies, is explained in more detail in **Sections 2.1.1 and 2.1.2**.

Figure 2.1: Strategic Overview

Graphic: EKOS

2.1.1 National Policy

The creative industries have long been recognised as a key growth sector for Scotland. This was reinforced in the Scottish Government's 2019 **Policy Statement on the Creative Industries**[4], which set out a series of priorities around business support, innovation, internationalisation, skills

[4] Scottish Government, Policy Statement on the Creative Industries (2019)

and inclusiveness. The skills context is defined by the **Creative Industries Skills Investment Plan**[5], published by Skills Development Scotland in 2015, which identifies a range of priority actions to improve diversity in the workforce, develop the talent and skills pipeline and career pathways, support the shift to digital, and develop business and leadership skills across the sector. More recently, a new skills strategy for the screen sector has been developing through Screen Scotland and SDS which again defines more detailed priorities for skills in the screen industries.

In early 2020, following an extensive consultation, the Scottish Government launched a **Culture Strategy for Scotland**[6]. Taking a broad view of culture and its role in modern society, the strategy sets out a range of priorities around three themes of strengthening culture, transforming through culture and empowering through culture. There is a strong emphasis on fair work and on inclusiveness and diversity in the cultural workforce. The strategy recognises the often difficult working conditions for many in the sector (low paid and insecure work) and pledges action to promote and apply Fair Work principles across the arts and cultural industries.

In relation to meeting Scotland's net zero targets, the Culture Strategy highlights the sector's potential to galvanise climate action and influence behaviour change, through supporting communication and engagement with people and communities, noting that much culture and heritage work is already local and place-based. The strategy also highlights the important role for the heritage sector in the journey to net zero, and the opportunities and challenges of historic buildings.

Scotland's **National Performance Framework** – which is used nationally to inform policy making and to measure progress across all areas of the economy and society – includes culture as one of its 11 national outcomes. The vision presented is for a "a vibrant, modern country with a strong tradition of investment in the arts and creativity. We have world renowned festivals, music and film industries and a rich seam of storytelling and visual art which stretches back hundreds of years. In this Outcome we honour, celebrate and support our creative talent in all its wonderful diversity."

The specific measures used to assess the progress of this outcome are cultural attendance; cultural participation; creative industries GVA; and creative industries employment.

As the pandemic hit, the policy conversation quickly moved towards pandemic resilience and about what the recovery will look like. Again, the creative industries are recognised as having an important role to play. The report of the **Scottish Government's Advisory Group on Economic**

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[5] Skills Development Scotland, Skills Investment Plan for Scotland's Creative Industries Sector (2015)
[6]Scottish Government, A Culture Strategy for Scotland (2020)

Recovery[7], recognises both the disproportionate impact on parts of the sector as a result of the pandemic and also the critical role that the creative sector can play in economic recovery. It calls for prioritisation of the sector post-Covid and action to support its recovery through investment in areas such as physical infrastructure and skills.

In 2022, the Scottish Government published a new economic strategy, the **National Strategy for Economic Transformation**[8], setting out priorities for Scotland's economy over the next ten years. This highlights the creative industries, alongside major events and tourism, as a key sector. The strategy also notes the importance of creative skills within a changing employment landscape, and highlights that the creative sector is well placed to 'reap the benefits of a just transition' to a low/zero carbon economy, particularly through its well established international reputation and expertise. Making the most of this opportunity will, however, require 'a combination of early action and investment'.

This has superseded Scotland's previous economic strategy, published in 2015[9]. This identified six key growth sectors where Scotland has a distinct comparative advantage: food and drink (including agriculture and fisheries); creative industries (including digital); sustainable tourism; energy (including renewables); financial and business Services; life sciences. Data tracking the performance of the six key sectors has been published annually and has been a key measure for the performance of the creative industries[10] - see **Section 2.3** for a summary of this data. However, this publication is set to be reviewed in light of the new economic strategy, which identifies 14 'current and future key industries': renewables; hydrogen; high value manufacturing; space; circular economy; blue economy; sustainable farming and forestry, nature restoration, eco-tourism; financial services and fintech; industrial biotechnology; photonics and quantum technologies; digital technology; life sciences; food and drink innovation; and creative industries, major events and tourism.

Overall, the national policy context remains highly supportive of the creative sector. In addition to long standing recognition of the growth potential of the sector, policy direction also emphasises the important role of the creative industries in supporting post-COVID economic and social recovery, particularly in relation to wellbeing, and the journey to net zero.

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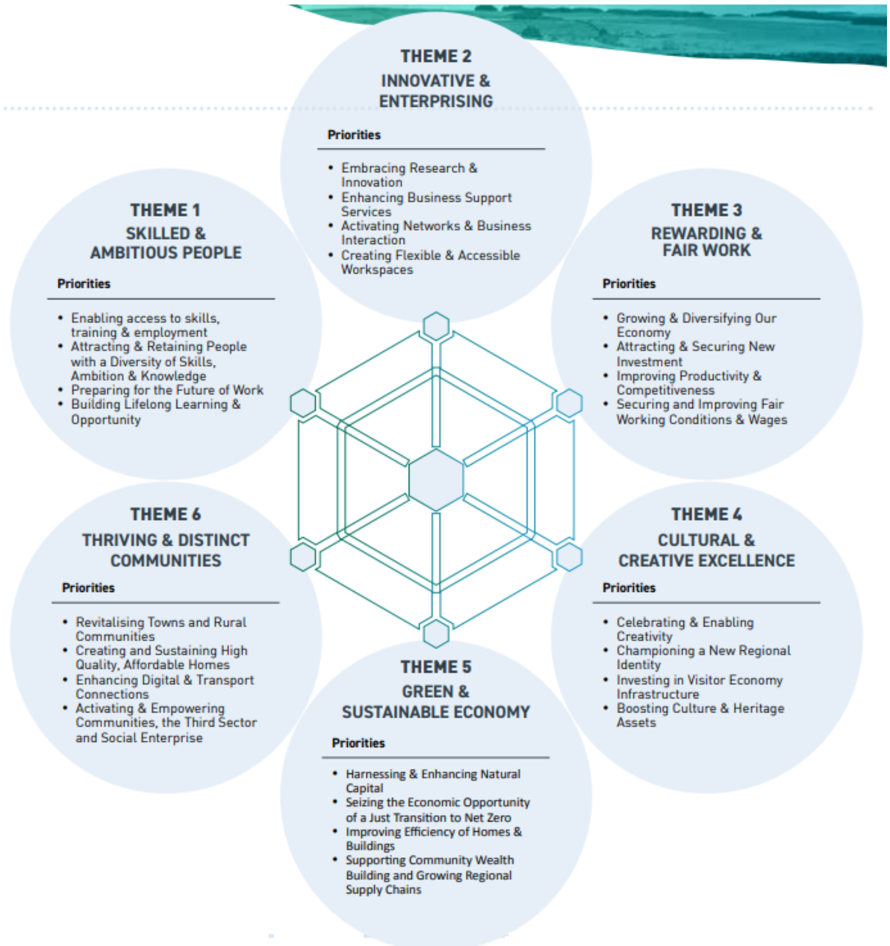
[7] Scottish Government, Towards a Robust, Resilient Wellbeing Economy for Scotland: Report of the Advisory Group on Economic Recovery (2020)
[8] Scottish Government, Scotland's National Strategy for Economic Transformation (2022)
[9] Scottish Government, Scotland's Economic Strategy (2015)
[10] Scottish Government, Growth Sector Statistics

2.1.2 Regional Policy

The **South of Scotland Regional Economic Strategy** (RES) was published in September 2021, with a ten year timeframe. Produced by the South of Scotland Regional Economic Partnership (which includes SOSE and other partners, including both local authorities), it targets a significant shift in the region's economic performance, its outward profile, and the way in which wealth is created by and shared amongst people. The RES was developed following an extensive period of engagement and will deliver against six themes, including: Skilled and Ambitious People; Innovative and Enterprising; Rewarding and Fair Work; Cultural and Creative Excellence; Green and Sustainable Economy; and Thriving and Distinct Communities – see **Figure 2.2**. The strategic themes are, for the most part, sector agnostic. It is therefore significant that culture and creativity has been included as one of the six key themes, with the aim of positioning 'culture and creative industries at the heart of the region's economy'. There are four priorities within this theme:

Figure 2.2: South of Scotland Regional Economic Strategy Themes



- Creating & Enabling Creativity: for social and economic value, community cohesion, and to support the region's tourism offer;
- Championing a New Regional Identity: supporting a strong regional identity that attracts investment, drives tourism, and encourages people to live, work, visit and learn in the South;
- Investing in Visitor Economy Infrastructure: building on tourism potential, with investment in attractions, facilities and infrastructure, including in outdoor and adventure tourism;

- Boosting Culture & Heritage Assets: recognising the distinct heritage of the South and its cultural draw, working to meet challenges of underutilised assets, non-productive buildings and a lack of rural diversification.

South of Scotland Economic Partnership (SoSEP) was established in 2018 as a precursor to SOSE. In 2019, theme groups were established to explore its future work and potential priorities for action in eight key sectors, including the creative and cultural industries. The **Creative & Cultural Industries Theme Group** was comprised of representatives from:

- the two local authority leisure and culture providers: Live Borders, which is an arms-lengths organisation of Scottish Borders Council, and Dumfries & Galloway Council;
- regional membership networks for creative freelancers and businesses: the Creative Arts Business Network in the Scottish Borders and DG Unlimited in Dumfries and Galloway;
- the Southern Uplands Partnership, a rural environment and community development charity in the South of Scotland;
- the Stove Network, an arts and community project based in Dumfries;
- Scottish Enterprise, the national economic development agency (many of its functions in the South of Scotland have now been supplanted by SOSE);
- Creative Scotland, the development body for the arts and creative industries in Scotland; and
- Skills Development Scotland, the national skills agency for Scotland.

. The group reported on its findings in April 2020, when SOSE was established, which included:

- SOSE should undertake a more detailed study of the sector (including heritage), with an updated assessment of its size and sub-sectors, and resulting business support needs, as part of the development of its operating plan – this has now been taken forward as part of this study;
- There is useful learning from work that Highlands and Islands Enterprise (HIE) have undertaken to support the creative sector, with similarities in terms of its rural economy and geography, rich culture and heritage, and strong community assets. The examples of XPONorth (both as an annual event and programme of support) and supporting hub/network organisations such as Fèisean nan Gaidheal were highlighted as good practice, alongside a need to ensure interventions in the sector are 'rural-proofed';
- Examine ways to measure social value and impact to ensure the full value of the sector is recognised, and suitable metrics to assess the performance of the sector; and
- Consider retaining the theme group to support future work in the sector.

The final recommendation for retaining the theme group has not happened, likely due the disruption caused by the pandemic and the shift in priorities this necessitated, although it could perhaps be reconvened in future.

The **Borderlands Inclusive Growth Deal** is a joint agreement[11] between the Scottish and UK Governments and the five local authorities which straddle the border between Scotland and England. Similar to other Growth Deals, it aims to establish a collaborative regional partnership which will deliver a long-term, strategic approach to improving the regional economy. After several years in development, the agreement was formally signed off in March 2021. Of £350m central government funding, £150m has been allocated to the two Scottish council areas. There are four main themes of: enabling infrastructure; improving places; supporting business, innovation and skills; and encouraging green growth. Of note, the multi-million pound 'Star of Caledonia', a proposed major public artwork in Gretna, is intended to act as a catalyst for regeneration and drive tourism and cultural growth. Several projects also have a role to play in supporting the creative industries in the region, particularly through upgrades to enabling infrastructure such as business space, digital connectivity, and transport links.

At a local authority level, Scottish Borders Council published the **Borders Cultural Strategy**[12] in 2014, intended to cover a five year period. Among its proposals was to establish a Borders Cultural Forum to drive forward and coordinate local activity – this met through 2016 and there has been ad hoc activity since, as well as an active Facebook group. Since early 2021, several Cultural Forum meetings have been held, acting as a platform for ideas sharing and discussion and featuring guest speakers, and a new website has been set up. The local context has changed considerably since the time of the strategy, with an ALEO – Live Borders – taking on responsibility for council-owned cultural services and venues in 2016. In terms of supporting creative business and cultural network development, the **Creative Arts & Business Network** (CABN) has been on the go since a pilot in 2009-10 and has led activity in this area. Originally falling with Scottish Borders Council's Cultural Services, it transferred to Live Borders on its initiation in 2016. **Live Borders** current strategy (2018-2023) includes ambitions to improve their own income and sustainability and expand participation in sports and culture.[13] In relation to the CIs, the strategy presents the organisation's role as supporting community outreach through its library and archive service; offering learning opportunities through its museums and galleries' and supporting creative communities through providing entertainment, professional support and creative outlets.

[11] Borderlands Inclusive Growth Deal agreement (2021)
[12] Scottish Borders Council, Cultural Strategy (2014)
[13] Live Borders, Strategy 2018-2023 (2018)

CABN has received support from Creative Scotland since 2010, and was granted a three-year funding package in 2018. However, the future of the service has recently been under review by Live Borders and a decision has been made to remove the staff resource from CABN. This potentially opens up a gap within the Borders for the kind of specialist support for creative businesses that CABN has offered, as well as the network and communications it has facilitated.

A new **Dumfries & Galloway Cultural Strategy** was published in 2022. The development of the strategy was led by Dumfries and Galloway Council, with support from a project team that included DG Unlimited. Work on the strategy commenced in 2018, although its completion was significantly delayed due to the COVID-19 pandemic. Wide engagement was undertaken in support of the strategy, both pre-pandemic and more recently. Taking a broad interpretation of culture, including heritage, it presents the following vision: *"By 2030 Dumfries and Galloway's distinctive creativity, culture and heritage will have an international profile and be renowned for its contribution to the region's economy and quality of life."*

The strategy presents the current state of the sector in D&G in positive terms – that it currently "punches above its weight" – and aims to further "consolidate, extend, broaden and deepen" its impact. It highlights many successful cultural organisations and initiatives within the region, noting that the region's cultural infrastructure is "less about buildings and physical resources and more about partnerships, volunteers, innovative creative communities and regeneration driven initiatives". Key strengths are noted as this grassroots activity, recent creative placemaking projects, the role of creativity and culture in supporting local identity, and successful major events.

Opportunities are identified to develop a great role for cultural activity in supporting wellbeing (such as through social prescribing); to further develop the region's tourism potential; to be actively involved in a just transition to net zero; and to promote the sector as a viable career path, highlighting the importance of fair work principles.

A new group, the Dumfries and Galloway Partnership for Culture, will be set up to take the strategy forward. In doing so, three main enablers are identified:

- Capacity: supporting the sector to grow and be resilient, including through partnership working with SOSE; promoting fair work; facilitating the professional workforce to develop their practice and business skills (core funding and business support); working with education providers to increase the prominence of culture/creativity;
- Connectivity: recognising the geographical challenges of D&G, the strategy states that the sector needs to be better connected across the region to make best use of resources, and better connected to communities and audiences. Improved connections with other sectors – tourism, education, health and social care – will also support work on shared outcomes;

- Communication: there is a need to improve communications to support more effective planning and policy making – this is felt to be a critical factor for the future of the sector. New partnerships, such as joint marketing initiatives, will help to stimulate the sector and make a difference to D&G. The importance of making the sector accessible is also highlighted.

Supporting the delivery of cultural and sporting events and festivals has been a strategic priority for Dumfries and Galloway Council for well over a decade, with the council having published consecutive iterations of its **Major Festivals and Events Strategy** since 2005. The most recent version of this (2018-2021) has the principal aim of developing and sustaining Dumfries and Galloway as "an internationally renowned rural events destination that continuously attracts new visitors to the region", with major events defined as those attracting 1,000 or more people and with a net budget of more than £30,000[14]. Of the seven signature events, four fall firmly within the cultural bracket:

- Big Burns Supper: an annual festival, held in Dumfries each January. Alongside this, the organisers – a charitable co-operative – also run a year-round community arts programme and other events;
- Dumfries & Galloway Arts Festival: the largest rural performing arts festival in Scotland, with a ten day event each May, first established in 1979. The festival takes place in venues across Dumfries and Galloway, covering theatre, music, dance, comedy and spoken word;
- Spring Fling: visual art and craft open studios event held each June, running across Dumfries and Galloway and attracting around 12,000 visitors in 2019; and
- Wigtown Book Festival: founded in 1999, the ten day festival is held each autumn and is established as of the UK's premier literary events.

The others are the Scottish Rally (motorsport), Tour of Britain (road cycling), and World Championship Ice Hockey. The strategy states that they would be unlikely to go ahead without some form of public subsidy. In developing a strategic framework for these events, the council have recognised their importance in economic, social and cultural terms.

Within Dumfries and Galloway, it is also important to highlight the role of **DG Unlimited**, a charitable membership organisation for the creative practitioners based in or with links to the area. The organisation was founded in 2012, following the demise of the Dumfries and Galloway Arts Association. Currently with around 550 members (DGU is free to join), it has two key functions: to *enable* the creative sector and to *influence* policy and decision making related to arts and culture.

[14] Dumfries & Galloway Council, Major Festivals & Events Strategy 2018-2021 (2018)

The organisation has a small staff team, receiving funding from the local authority, The Holywood Trust, and Creative Scotland. DGU's current strategic plan was published in 2017, setting out a series of priorities and actions to promote and support the area's vibrant creative community[15].

2.1.3 Meeting Net Zero

Supporting the transition to a net zero economy and society is also a central theme of the RES, highlighting the need to seize on the economic opportunities associated with the journey. Over the last year, both Dumfries and Galloway Council[16] and Scottish Borders Council[17] have published **Climate Change Route Maps** for their respective areas to become carbon neutral and meet Scotland's statutory 2045 targets. Key objectives in each plan relate to decarbonising and reducing waste in different (carbon intensive) areas of the economy, such as transport, land use, buildings and energy. While neither plan, nor Scotland's national Climate Change Plan, refer specifically to the creative and cultural sector, all highlight the need for community engagement and empowerment throughout this transition, in particular in encouraging individual and collective behaviour change:

"Public buy-in and behaviour change is key to climate action. CCC research estimates that more than 60% of emissions reductions to meet net zero will need to come from societal change. The 2019 Scottish Household Survey figures indicated that 68% of the Scottish public believe that climate change is an immediate and urgent problem; a steady increase since first inclusion in 2013. In our most recent research, reaching out to a representative sample of 1,000 people in October 2020, we found that this figure had further increased to 79%. This concern will need to be transformed into societal action if we are to achieve our goal to end Scotland's contribution to climate change in a generation." **Scottish Government Climate Change Plan (2020)**

Various projects to both explore the role of the creative industries in tackling climate change and reduce the environmental impact of the sector have also been undertaken in Scotland over the last few years. These are presented as a case study in **Chapter 4**.

[15] DG Unlimited, Distil: Strategy Plan 2017-2021 (2017)
[16] Dumfries & Galloway Council, Route Map for Carbon Neutral in Dumfries and Galloway (2021)
[17] Scottish Borders Council, Our Climate Change Route Map (2021)

2.2 Existing Evidence and Research

2.2.1 South of Scotland

There is a considerable body of research relating to the creative sector in Scotland and elsewhere in the UK, reflecting its economic and social importance and status as one of Scotland's key sectors[18]. Much of this has been overseen by the main agencies responsible for the development of the sector, namely Creative Scotland and Skills Development Scotland. More recently, there is an extensive literature examining the effects of the COVID-19 pandemic on the sector. This section provides a summary of key research relating to the sector in the South of Scotland.

Creative Sector in the South of Scotland (2012)

In 2012, EKOS were commissioned by South of Scotland Creative Enterprise Initiative, a partnership between the two local authorities, to provide a comprehensive baseline of intelligence about the creative sector in the South of Scotland. This has subsequently formed the main measure of the sector and has continued to be referenced since. The research found that the creative sector in the South of was estimated to generate revenue of almost £60m per annum, employing 1,337 FTEs. This equated to an estimated GVA of £37-£39m per annum[19]. This preceded the development of the Scottish Government's Growth Sector Statistics, which in fact provide a considerably higher estimate of GVA – see **Section 2.3.1**.

The study identified regional strengths in visual arts and crafts, the creative services sector (advertising, architecture and design), festivals and events and the links between culture and tourism, community engagement and the voluntary sector, and its use for film locations. It also noted challenges with thin labour markets and skills gaps, fragmentation and rural isolation.

DG Unlimited Survey (2019)

DG Unlimited undertook a survey of its members in 2019, with 92 responses. Of these, just over half (55%) described their CI activity at their main source of income and responses were primarily from those mid-career or with 20+ years' practice. The most common issue raised by members

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[18] Scotland's Economic Strategy (2015) identified six key growth sectors where Scotland has a distinct comparative advantage: food and drink (including agriculture and fisheries); creative industries (including digital); sustainable tourism; energy (including renewables); financial and business Services; life sciences. Data tracking the performance of the key sectors is published annually. These will be reviewed in light of the new economic strategy, published in 2022.

[19] EKOS Ltd, Creative Sector in the South of Scotland (2012)

related to finance and income – such as the arts being undervalued and difficulties with making a living. A smaller proportion raised issues related to skills development. There was a strong level of satisfaction with DGU and its role.

Creative Informatics: Mapping

Creative Informatics is a research programme focused on the creative industries and tech sectors, based in Edinburgh and with a remit for the South East Scotland City Region Deal area, which includes Scottish Borders. More detail on the programme is covered in **Section 2.4**.

Among the various research projects undertaken through the programme has been a mapping exercise, which sought to map out and visualise the creative industries presence across Edinburgh and six neighbouring local authorities. As the researchers noted: "by making a visual mapping available to the public, the intention was to promote a collective understanding of the character and composition of the creative and economic landscape in our region. In particular, the Creative Informatics researchers were interested in gaining a deeper understanding of the nature of the freelance and self-employed workforce, a group that is a more prominent in the creative industries than in other economic sectors."[20]

The maps were produced according to both the UK Government's nine-sector definition of the sector, and the 16 Scottish categories referred to elsewhere in this report. It was recognised that many of those within the sector, particularly freelancers and those not registered with Companies House, are likely to fall through gaps in publicly available data. These businesses were invited to complete a short form and add themselves to the map.

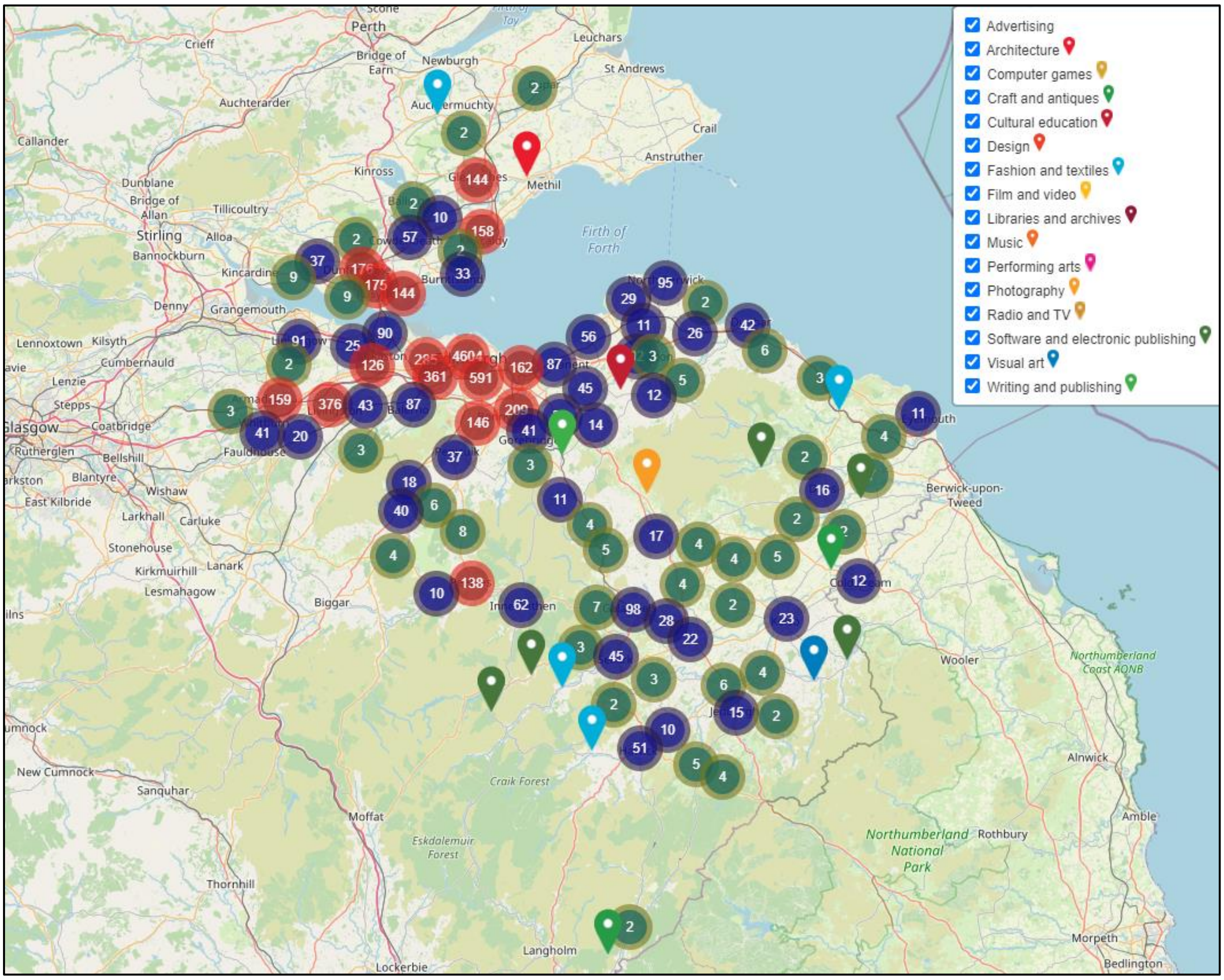
While the maps offer a useful flavour of creative activity across the region, there are likely some inconsistencies, including duplicate entries, companies which have provided inaccurate information in their Companies House filing, and company registrations that have minimal or no trading activity. Some of these issues were highlighted in a blog post by one of the project researchers.[21]

The map that was produced from the research can be viewed online and a screenshot is shown below – **Figure 2.3**.

[20] Creative Informatics, Mapping Freelancers in the Creative Industries, Progress Update (2021)

[21] Bruce Ryan, Creative industries in south-east Scotland – mapped (2021)

Figure 2.3: Creative Informatics Mapping of Creative Businesses



Source: Creative Informatics. Map data © OpenStreetMap contributors, CC-BY-SA. Developed by Bruce Ryan for the Creative Informatics project. Copyright, disclaimers and acknowledgements

Regional Skills Assessment (March 2022)

Regional Skills Assessments (RSAs) are published regularly by Skills Development Scotland, and draw on a range of datasets to provide a robust evidence base to support partners in strategic skills investment planning. The most recent RSA for the South of Scotland was published in March 2022[22].

The RSA highlights the importance of the textiles sector to the South of Scotland, noting that Manufacturing of Wearing Apparel is ten times as concentrated as the Scottish average, and manufacture of textiles is three times as concentrated.

[22] Skills Development Scotland, RSA for the South of Scotland (2022)

Overall, employment in the South of Scotland declined over the decade to 2019, by around 11,000 jobs (-8.7%), compared to 5.9% growth observed across Scotland. This included the Arts, Entertainment and Recreation sector, which declined by 1,000 jobs. The largest falls were seen in retail (-5,000) and manufacturing (-1,800).

Over the next few years, the RSA provides an estimate that employment will grow, as jobs lost during the pandemic are replaced. The largest requirement is forecast to be in wholesale and retail, health and social care, agriculture, forestry and fishing, and accommodation and food services, and mostly comprised of replacement demand (replacing those who have left the workforce), rather than new jobs. Over the longer term (to 2031), a slight decrease in employment is forecast across the South of Scotland, with an average annual decline of -0.1%. It is important to caveat that these estimates are based on projecting past trends into the future.

2.2.2 Scotland

Impact of Covid-19 on the Creative Workforce (2021)

In 2021, Skills Development Scotland commissioned research into the impact of the pandemic on the creative workforce in Scotland. The research, undertaken by EKOS, sought to identify new and emerging skills needs and implications for the skills system in Scotland as the sector looked towards recovery. This included a major survey exercise with around 900 responses from across Scotland.

The research confirmed that the pandemic has had a severe impact on the CI workforce, with government support schemes critical in allowing workers (and employers) to stay afloat. Nonetheless, the precarious and insecure nature of freelance creative careers was harshly exposed by the pandemic. The impact was also uneven – some sectors, such as digital, were fairly resilient, and this was reflected in much lower rates of workers being furloughed or obtaining self-employment support grants. This reflected working practices in the sector, with many digital sector employees able to switch to home-working, as well as an upsurge in demand for some digital services. Those relying on face to face contact, such as music, performing arts, cultural education and venues/facilities, were much more severely impacted. Across the CIs as a whole, a substantial proportion of the workforce (25%) had taken on work outside of the sector as a result of the pandemic.

The extent to which the pandemic has created demand for new kinds of skills was unclear. It was evident that it had driven many to look for more secure employment, including outside of the creative industries. A considerable proportion of respondents (44%) said that they already have plans to change career or are considering doing so. Of these, 37% said their new career would still be within the CIs. The sectors most vulnerable to losing workers were cultural education, photography, music and the performing arts. These results should be caveated with the timing of the survey, during the winter lockdown of early 2021, with a total shutdown of all venues and before most of the population had been vaccinated.

Among those looking to stay in the sector, there was demand for skills that can support diversification, particularly into digital working. There was also demand for refresher skills in areas in which people are already working, particularly around different technical areas (very much reflecting the sub-sector in which they worked).

The research presented some data for the South of Scotland (a sample of around 30), which was compared to other areas of the country. This included:

- a higher rate of those working across more than one sub-sector of the CIs in the South of Scotland (39%) and Highlands and Islands (36%), than those in the Central Belt (29%);
- flexible online learning was more popular in rural areas of Scotland than more urban areas – this option was favoured by 67% in the Highlands and Islands and 64% in the South of Scotland, compared to 53% in the Central Belt; and
- 42% of respondents in the South of Scotland were already planning to (10%) or considering (32%) retraining/pursuing a different career as a result of the pandemic – a similar proportion to other areas of Scotland.

Mapping of Arts and Health Provision (2021)

In December 2021, Creative Scotland published a report – undertaken by consultants Rocket Science – looking at the scale and scope of the current involvement of professional artists in the area of health and wellbeing[23]. This is a recognised as an area of growing importance, and the study looked at ways in which Creative Scotland can support this activity.

The study cites research showing the benefits of including arts activities in healthcare, helping to tackle health inequalities, improve health outcomes, and offer value for money, with an estimated social return on investment of between £4 and £11 for every £1 invested in arts on prescription (e.g. reducing GP visits). There has been a growing interest in this approach over recent years, in both cultural and health policy. Scotland's Culture Strategy (2020) includes a proposal to establish

[23] Rocket Science, Creative Scotland – Mapping of Arts and Health Provision (2021)

an Arts, Culture, Health and Wellbeing Scotland Network to share best practice and be a collective voice for this emerging sector.

The report recommended that Creative Scotland take a more proactive role in developing links between the arts and healthcare, including through funding, advocacy, skills development and impact/evaluation support.

Mapping Creative Hubs in Scotland (2020)

In 2020, the British Council commissioned research to look at the locations and scope of 'creative hubs' in Scotland.[24] A creative hub is 'a physical or virtual place that brings enterprising people together who work in the creative and cultural industries', and these are recognised as one of the key ways in which the sector works. This has been a focus of British Council research for some time, with a 'Creative HubKit' published in 2015[25], offering advice and inspiration for establishing a creative hub.

The research identified around 130 hubs operating in Scotland, each of which was invited to contribute to the research. This included studios, arts centres, and networks or organisations. In the South of Scotland, the following locations or organisations are listed: The Stove and Upland in Dumfries, Heart of Hawick and The Mill in Hawick, and The Old School in Thornhill (which is in development). Clearly, this list could be extended to cover many more organisations, although the reports notes that not all 'creative hubs' would necessarily define themselves as such (particularly those operating in the tech/digital space).

The report draws general conclusions that hubs often provide a valuable space for collaboration, that there are benefits from hubs sharing experiences with one another, that some hubs are strong advocates for their region and take a leadership role in the sector, and that they can play an important role in skills development. Evidence of the impact of hubs is limited (although anecdotally they play a highly positive role), in part due to their very varied nature and also capacity constraints on evaluation activity.

2.3 Data Review

[24] British Council, Mapping Creative Hubs in Scotland (2020)
[25] British Council, Creative HubKit (2015)

This section presents a summary of the current position of the creative industries in the South of Scotland, considering economic performance, key organisations, and higher and further education activity.

2.3.1 Growth Sector Statistics

The Scottish Government publish data each year tracking the performance of the six key sectors identified in Scotland's Economic Strategy (2015), drawn from Office for National Statistics (ONS) data. This provides the main measure of performance of the creative industries in Scotland, providing comparable data at both national and local authority geographies, albeit with the following challenges:

- a large proportion of the workforce within the sector are known to be self-employed or freelance, and therefore not captured in standard measures of sectoral employment, which do not include self-employed individuals whose income falls below the VAT threshold of £85,000[26]. While more expansive data is held by HMRC, this is not published or available for research; and
- challenges with categorising the sector using Standard Industrial Classification (SIC) codes. The Scottish Government defines the creative industries using 16 sub-sectors and around 50 SIC codes, on a 'best fit' basis – listed in **Appendix A**. This includes computer consultancy and software development – large and growing areas of the economy, although it is likely the case that not all businesses within these categories are undertaking creative work.

The most recent iteration of the Growth Sector Statistics was published in March 2022, and shows the creative industries contributed £68.7m to the South of Scotland economy in 2019. The sector also accounted for 2,140 jobs in 2020 (2.3% of the Scottish sector total) and 485 businesses - see **Table 2.1**.

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[26] nesta Creative Industries Policy & Evidence Centre, Plugging the Data Gap: Freelance Workers in the Creative Industries (2021)

Table 2.1: Creative Industries Scale and Structure

	Employment (2020)	Business Base (2021)	Total Turnover (2019)	GVA at basic prices (£millions) (2019)	GVA per head (2019)
Dumfries & Galloway	1,000	195	£43.9m	£23.3m	£41,250
Scottish Borders	1,140	290	£87.2m	£45.0m	£37,295
South of Scotland	**2,140**	**485**	**£131.1m**	**£68.7m**	**-**
Scotland	87,000	14,515	£8,910.4m	£4,626.7m	£56,012
SoS % of Scotland	2.5%	3.3%	1.5%	1.5%	-

Source: Scottish Growth Sector Statistics. Data is for VAT/PAYE registered employers only.

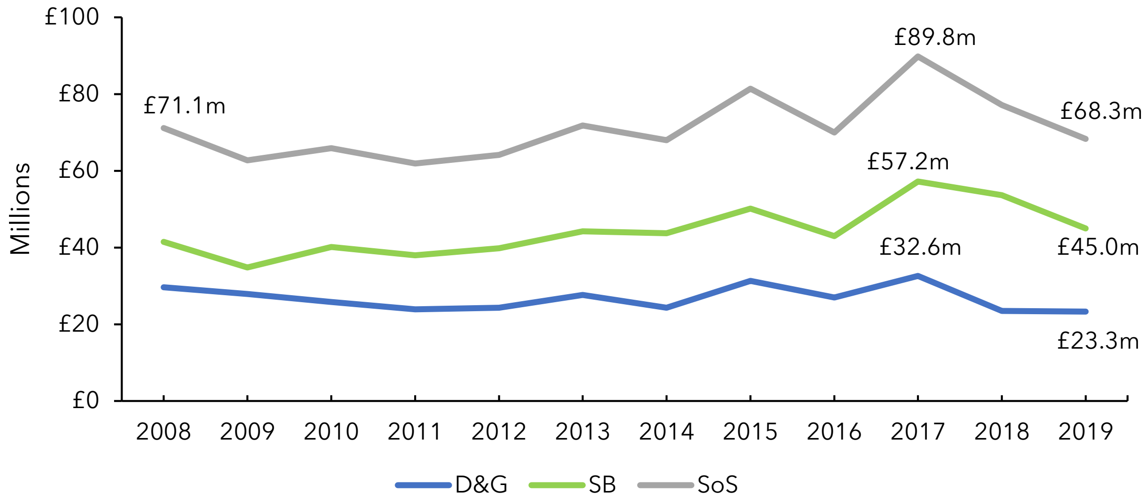
Gross Value Added (GVA) is a key indicator of the state of the whole economy and gives a picture of the state of economic activity from the supply side perspective[27]. It measures the contribution to the economy of each individual producer, industry or sector in Scotland and is used in the estimation of GDP. GVA is the difference between the value of goods and services produced and the cost of raw materials and other inputs, which are used up in production.

Putting the GVA figures into context, the creative industries sector accounted for 2% of GVA in the South of Scotland compared to 4.7% at national level. While the South of Scotland creative industries sector represents 2.3% of all creative sector employment across Scotland and 3.3% of all businesses, it accounts for just 1.6% and 1.7% of turnover and GVA, respectively. This is, in part, due to lower productivity (GVA per head) within the South of Scotland creative sector.

GVA by year for the creative industries is shown in **Figure 2.4** and total turnover in **Figure 2.5**. In each instance there was relatively steady growth in the five years to 2015, and a more uneven picture since, with GVA peaking in 2017 then declining.

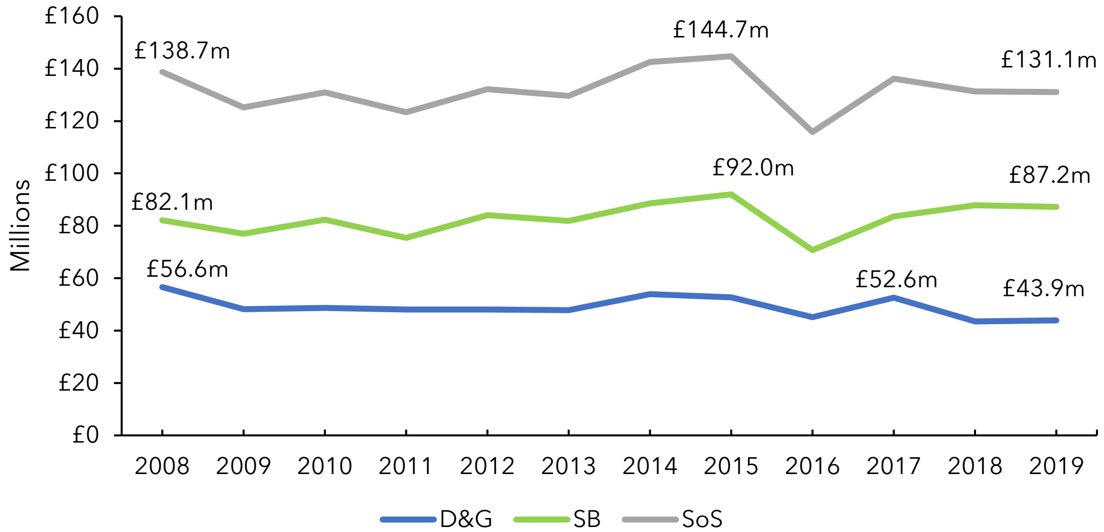
[27] Scottish Parliament, A Guide to GVA in Scotland (2018)

Figure 2.4: Creative Industries GVA



Source: Scottish Growth Sector Statistics

Figure 2.5: Creative Industries Turnover



Source: Scottish Growth Sector Statistics

A closer look at employment trends across the 16 creative industries sub-sectors[28] (**Table 2.2,** overleaf) shows an overall increase in employment of 13% from 2015 to 2020. Although the below data has been compiled by EKOS from the relevant SIC codes, the totals presented are similar to those in the Scottish Government Growth Sector Statistics (any small differences are likely due to rounding).

Table 2.2: South of Scotland Creative Employment

	Dumfries & Galloway			Scottish Borders			South of Scotland		
Sub-sector	**2015**	**2020**	**%Change**	**2015**	**2020**	**%Change**	**2015**	**2020**	**%Change**
Advertising	20	15	-25%	55	30	-45%	75	45	-40%
Architecture	200	100	-50%	50	75	50%	250	175	-30%
Visual art	28	26	-7%	17	36	109%	45	61	37%
Crafts and Antiques	15	0	-100%	42	22	-48%	57	22	-62%
Fashion and textiles	41	107	159%	322	251	-22%	363	358	-1%
Design	28	66	141%	28	54	95%	55	120	118%
Performing arts	15	25	67%	35	20	-43%	50	45	-10%
Music	0	0	-	20	10	-50%	20	10	-50%
Photography	0	0	-	10	0	-100%	10	0	-100%
Film and video	35	35	0%	10	100	900%	45	135	200%
Computer Games	0	0	-	0	0	-	0	0	-
Radio and TV	0	10	-	10	10	0%	10	20	100%
Writing and Publishing	163	105	-36%	128	90	-30%	291	194	-33%
Libraries and archives	200	300	50%	50	150	200%	250	450	80%
Software/electronic publishing	120	175	46%	215	270	26%	335	445	33%
Cultural education	0	0	-	0	20	-	0	20	-
Total	**864**	**963**	**12%**	**991**	**1,137**	**15%**	**1,855**	**2,100**	**13%**

Source: ONS/NOMIS. Data is for VAT/PAYE registered employers only.

As noted, the above offers a 'best fit' estimate of the size of the creative sector. As SIC codes do not always correspond directly to the 16 sub-sectors, some SIC data is apportioned across sub-sectors – for example, 70% of 'artistic creation' employment is included in Visual Art, and the remaining 30% within Books and Press. With other SIC codes, particularly in manufacturing, some employment is excluded entirely from the creative industries definition, with much of the employment in these sub-sectors assessed as being unlikely to be 'creative'. This is particularly the case in the Fashion and Textiles sub-sector, where only 20% to 25% of clothing and textiles manufacturing jobs are included within the definition. Given the importance of this sectors to the

[28] As defined in Scotland's Growth Sector Statistics

South of Scotland, the actual count of employment in these sectors since 2015 is noted below – see **Table 2.3**. More than 70% of this employment is within Scottish Borders.

Table 2.3: Textiles Manufacturing Employment (Actual Figures)

	South of Scotland	Scotland	% total in South of Scotland
2015	1,625	7,500	22%
2016	1,700	10,000	17%
2017	1,375	7,750	18%
2018	1,425	7,250	20%
2019	1,450	8,750	17%
2020	1,525	7,250	21%

Source: ONS/NOMIS. Data is for SIC codes 13: Manufacture of textiles & 14: Manufacture of wearing apparel.

The pandemic hit many parts of the creative sector hard, particularly the performing arts and live events, which are still struggling to recover. Other sub-sectors, such as design and digital industries adapted well to remote working and suffered less market disruption. Screen production ceased for a time but returned to work in late summer 2020 under Covid safe conditions agreed with government. These trends are broadly reflected in the most recent employment data, which show job losses in many parts of the sector in the South of Scotland during the pandemic.

As shown, the largest sub-sectors by employment are software and electronic, software/electronic publishing, and fashion and textiles, although it should be noted that these data do not capture freelance employment.

Also of note is the varying performance of sub-sectors. For example, within Dumfries and Galloway, the fashion and textiles sector grew by 159% adding 66 jobs, while the architecture sub-sector lost 100 jobs contracting by 50%. In Scottish Borders the film and video sub-sector experience the most rapid growth, expanding 9-fold.

In terms of the creative sector business base **(Table 2.4**), the number of businesses has remained relatively stable, with 21 fewer creative businesses operating in 2020 than in 2015 for an overall decline of 4% across the South of Scotland.

Table 2.4: South of Scotland Creative Businesses

	Dumfries & Galloway			Scottish Borders			South of Scotland		
Sub-sector	**2015**	**2020**	**%Change**	**2015**	**2020**	**%Change**	**2015**	**2020**	**%Change**
Advertising	10	10	0%	25	15	-40%	35	25	-29%
Architecture	15	15	0%	20	25	25%	35	40	14%
Visual art	15	7	-53%	16	16	0%	31	23	-26%
Crafts and Antiques	12	15	30%	17	12	-30%	28	27	-5%
Fashion and textiles	6	7	21%	15	15	0.0%	21	22	6%
Design	21	35	65%	24	29	21%	45	64	42%
Performing arts	5	10	100%	20	15	-25%	25	25	0%
Music	0	0	-	5	0	-100%	5	0	-100%
Photography	5	0	-100%	10	15	50%	15	15	0%
Film and video	5	5	0%	5	0	-100%	10	5	-50%
Computer Games	0	0	-	0	0	-	0	0	-
Radio and TV	0	0	-	0	0	-	0	0	-
Writing and Publishing	30	18	-39%	30	35	17%	59	53	-11%
Libraries and archives	0	0	-	0	0	-	0	0	-
Software/electronic publishing	55	50	-9%	115	110	-4%	170	160	-6%
Cultural education	0	0	-	0	0	-	0	0	-
Total	**178**	**172**	**-3%**	**300**	**285**	**-5%**	**479**	**458**	**-4%**

Source: ONS/NOMIS. Data is for VAT/PAYE registered businesses only.

The design sub-sector experienced the most growth, adding 19 businesses (42% growth) while the software/electronic publishing sector is the largest in terms of businesses counts (160) despite a 6% decline.

2.3.2 SOSE Estimates

Over recent months, SOSE's Creative and Cultural Strategy team have been developing a database of creative enterprises in the South of Scotland, recognising the limitations of existing data. The aggregated data from this is shown in **Table 2.5**. Comparing this with the Growth Sector Statistics, and the ONS data from it is derived, shows:

- the total estimated turnover from creative enterprises is higher in the SOSE estimate, at £161.5m, compared to £131m in the Growth Sector Statistics. This reflects that the SOSE data taking in a larger number of enterprises, including sole traders, most of which are missed from the Growth Sector data;

- the SOSE data captures a large number of sole trader photographers (170) and visual artists (237) who are mostly missing from existing published data, as very few meet the criteria for VAT registration;
- the SOSE data gives a much higher total employment figure, particularly from the inclusion of freelancers - beyond just those who are registered for VAT- in sectors such as music, visual art and writing and publishing, as well as a wider definition of the heritage sector (the Growth Sector data only captures libraries and archives employment);
- the SOSE data captures a much higher proportion of fashion and textiles employment, which is cut down in the Growth Sector data; and
- software/electronic publishing employment is lower than the Growth Sector figures derived from ONS data, likely due to a more rigorous testing of what qualifies as a 'creative' business.

Table 2.5: Sector Employment and Businesses – SOSE Estimates

Sub-sector	Enterprises	People	Turnover	Sole Traders	Other businesses	D&G	SB
Advertising	39	52	£1,287,545	21	18	16	23
Architecture	89	230	£10,273,876	28	61	37	52
Computer Games	5	8	£114,064	0	5	4	1
Crafts	179	207	£3,210,548	157	8	102	77
Cultural Education	10	13	£82,114	7	2	6	4
Design	52	92	£5,220,094	43	9	35	17
Fashion and Textiles	103	1249	£77,795,587	63	40	38	65
Film and Video	84	172	£2,482,890	38	45	52	32
Heritage	109	913	£28,244,131	5	91	68	41
Music	123	400	£3,872,615	80	42	87	36
Performing Arts	72	133	£3,225,576	41	30	49	23
Photography	189	225	£4,872,628	170	19	114	75
Radio and TV	10	83	£320,405	3	6	7	3
Software/electronic publishing	67	168	£8,307,569	39	36	35	32
Visual Art	287	414	£4,541,752	237	47	193	94
Writing and publishing	131	281	£7,663,512	74	57	87	44
Total	**1,549**	**4,640**	**£161,514,906**	**1,006**	**516**	**930**	**619**

Source: SOSE

2.3.3 Regularly Funded Organisations

Creative Scotland's Regular Funding provide three-year funding support to a range and breadth of organisations that make a vital contribution to the current health and future development of the arts, screen and creative industries in Scotland. The current funding round (2018-21) consists of 121 organisations, of which 19 were new to the network.

There are three RFOs in the South of Scotland, presented in **Table 2.6**.

Table 2.6: South of Scotland RFOs

Organisation	Local Authority	Artform	Funding 2015-18	Funding 2018-21
Alchemy Film and Arts	Scottish Borders	Screen	-	£348,462
Stove Network Limited	Dumfries & Galloway	Multi	£150,000	£300,000
Wigtown Festival Company	Dumfries & Galloway	Literature	£208,500	£258,000
Total Regular Funding Awarded - 3 years (£)			**£358,500**	**£906,462**

In the most recent funding cycle, South of Scotland RFOs received just over £900,000 in funding, with the largest single amount to Alchemy Film and Arts based in Hawick. The Stove Network and Wigtown Festival Company, who were also supported in the previous funding cycle, saw their funding increased by 100% and 24%, respectively. The Stove Network estimate this amounts to around 20% of their total running costs, offering an important level of ongoing stability.

A new framework for regular funding is in the process of being implemented, with the 2018-21 cohort continuing to receive funding to at least March 2024 in the meantime[29].

2.3.4 Education

Dumfries is home the Crichton Estate where three universities have a presence: University of the West of Scotland (UWS), University of Glasgow and Scotland's Rural College.

The Dumfries campus of the University of Glasgow is home to the School of Interdisciplinary Studies, offering an array of undergraduate and postgraduate courses. Research within the School has a focus on the south west of Scotland, including the rural economy and community development. A Masters course is offered in Tourism, Heritage and Development.

[29] Creative Scotland, Refreshed Strategy and Funding Framework (2022 update)

The main creative industry aligned courses from UWS are based at the university's Ayr campus. At Dumfries, a Computing Science BSc is available.

Heriot-Watt University also have a presence in Galashiels, providing courses from the university's School of Textiles and Design and the School of Management and Languages. This includes undergraduate and postgraduate provision in fashion, textiles, communication design, and interior design. The campus is built around an historic mill and includes specialised studios, sewing workspaces, labs, and a weave shed. The university has 665 Design Studies students in academic year 2020/21, the vast majority (590, 89%) of which were doing an undergraduate degree[30]. Although this is not broken down by campus, this relates to the courses solely offered in Galashiels.

The two further education providers in the South of Scotland are Borders College and Dumfries and Galloway College. Each college offer a range of creative-related courses. Enrolment is summarised in **Table 2.7**, below.

Table 2.7: Further Education Student Enrolments in Creative-related Courses (Borders College (BC) and Dumfries and Galloway College (D&GC), 2019/20)

Subject classification	BC	D&GC	Total
Art Studies	43	75	118
Art Techniques/Practical Art	5	5	10
Built Environment	6	0	6
Communication Skills	0	46	46
Computer Science	41	22	63
Fashion/Textiles/Clothing (craft)	6	0	6
Information and Communication Technology (general)	0	10	10
Marketing/Public Relations	126	169	295
Moving Image / Photography / Media Production	0	34	34
Using Software	16	59	75
Writing (authorship)	0	17	17
Total	**243**	**437**	**680**

Source: Scottish Funding Council Infact Database. Zero students indicates a course is not offered at the college.

Marketing/public relations has the greatest enrolment amongst all subjects. Art studies, computer science and using software are also well represented. Notable gaps in provision include music (performance/playing, studies and technology/production), theatre and dramatic arts, and communication/media where there is zero enrolment.

[30] HESA, Data and analysis

Dumfries House, part of the Princes Foundation and based in Cumnock in East Ayrshire, also offers a range of skills programmes to those in the local area looking to gain employment in the textiles industry. Programmes range from one day workshops which encourage young people to develop an awareness of the industry, to in-depth training programmes producing garments for the luxury fashion market. Although outside of the South of Scotland region, Dumfries House is close to the boundary with Dumfries and Galloway and villages in Upper Nithsdale, the location of around 150 textiles manufacturing jobs in 2020.

2.3.5 Visitor Numbers

While not all visitor attractions release visitor data, the Association of Leading Visitor Attractions releases statistics for its member sites each year – **Table 2.8**. This is largely comprised of sites which are part of larger, national organisations, such as the National Trust for Scotland (NTS) and Historic Environment Scotland (HES). It includes sites with paid entry, as well as free attractions, with numbers then typically taken from a footfall counter.

Table 2.8: Visitor Numbers (where data is available)

Site	2019	2021*	Charge /free	In/ outdoor	Operator
Threave Garden	120,840	81,981	Paid (free to members)	Outdoor	NTS
St Abb's Head	-	58,862	Free	Outdoor	NTS
Grey Mare's Tail	-	43,478	Free	Outdoor	NTS
Dawyck Botanic Garden	37,051	33,943	Paid (free to members)	Outdoor	Royal Botanic Garden of Edinburgh
Logan Botanic Garden	28,761	31,789	Paid (free to members)	Outdoor	Royal Botanic Garden of Edinburgh
Melrose Abbey	61,325	17,924	Paid (free to members)	Mix	HES
Jedburgh Abbey	29,484	10,080	Paid (free to members)	Mix	HES
WWT Caerlaverock	16,105	7,931	Paid (free to members)	Outdoor	Wildfowl & Wetlands Trust
Dryburgh Abbey	-	6,492	Paid (free to members)	Mix	HES
Broughton House & Garden	18,917	3,950	Paid (free to members)	Mix	NTS
Caerlaverock Castle	16,105	3,239	Paid (free to members)	Mix	HES
Dundrennan Abbey	-	2,069	Paid (free to members)	Mix	HES

*Most attractions had a full or partial closure for parts of 2021 due to COVID-19 restrictions.

Source: Association of Leading Visitor Attractions

Some data is also released by VisitScotland, most recently for 2019[31]. This also provides data for:

- the Gretna Green Blacksmith's Shop:772,000 visits in 2019;
- Mary Queen of Scot's Visitor Centre, Jedburgh: 34,300 visits in 2019;
- Jedburgh Castle Jail and Museum 26,714 visits in 2019;
- Devil's Porridge Museum in Eastriggs: 20,000 visits in 2019.

2.4 Recent Interventions

[31] VisitScotland factsheets (2019): Dumfries & Galloway and Scottish Borders

As set out in **Section 2.1**, policy, financial support and wider creative and business development support for the creative industries and wider cultural activity is spread across various bodies. At a national level, much of this comes within the remit of Creative Scotland. In the skills and education system, there are roles for Skills Development Scotland, representative and membership bodies for specific sectors, the Scottish Funding Council and individual colleges and universities. The economic development agencies - Scottish Enterprise, Highlands and Islands Enterprise and SOSE – also play a role, particularly focused on the creative industries (and subsectors with greater economic impact).

At a more local level, all councils have statutory commitments for supporting some elements of culture, such as libraries, and – through Business Gateway – offer business start-up and support services to all sectors. Research for this study shows that nearly half of creative freelancers based in the South of Scotland have accessed support from Business Gateway in the last three years (**Section 3.2.5**).

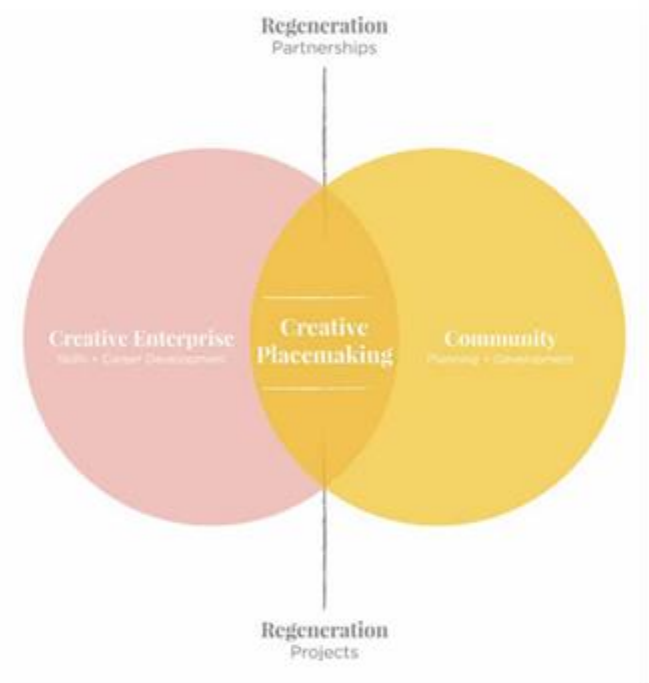
Beyond this, the scope of council involvement in supporting culture and the creative industries varies widely across the country. In the South of Scotland, both councils have taken a fairly hands-on role in supporting creative businesses, utilising different pockets of funding that have been available over the last 10-15 years, including European funds. This has also included support for CABN and DG Unlimited.

This section sets out recent interventions and investment in the creative industries and culture in the South of Scotland, alongside any evidence of impact and success.

Over the last two years, interventions have been strongly concentrated on supporting resilience and recovery from the COVID-19 pandemic. Much of the focus and resources of public sector agencies has been focused on this immediate response over this time. This has been a challenging time for the creative and cultural sector, with virtually all organisations facing at least some period of closure and many – particularly in sub-sectors dependent on access to in-person audiences – finding their activities severely restricted.

Creative Placemaking

Over the last few years, the concept of creative placemaking has come to the fore in the South of Scotland. An umbrella term for grassroots, community-led placemaking activity with an innovative and creative edge, the leading example can be seen in the work of The Stove Network to rejuvenate Dumfries town centre. However, it extends well beyond The Stove, and other examples have been highlighted in Kirkcudbright (Development Trust and work to rejuvenate the high street), Langholm (Outpost Arts), Annan (harbour regeneration) and Sanquhar (Arts Festival), among others. An example of how this continues to be developed is through the Culture Collective project being taken forward just now across Dumfries and Galloway.



Graphic from The Stove Network Embers report

While bringing together community groups, businesses and public bodies, creative placemaking has typically been led by creative and cultural practitioners. In 2020, SOSEP provided funding to The Stove Network to research and produce a report setting out their learning, carried out alongside the Carnegie Trust.[32]

Some of the key attributes of creative placemaking in Dumfries and Galloway were described as its ability to take risks and embrace creativity, its focus on and understanding of place, consideration of wider community issues (not just financial), relationships and collaboration, and its stressing of the importance of local identities and developing local enterprise and capacity. This included, for example, giving people the space to test new ideas that can then grow into new enterprises. The report also acknowledges the difficulties of capturing this in economic terms, with many of the benefits intangible or developing over a long period. Across all the examples highlighted, making the most of local assets – particularly around cultural heritage – has been an important tangent, from Stranraer Oyster Festival to Sanquhar knitting.

[32] The Stove Network, Embers: Creative Placemaking for the South of Scotland (2020)

The report sets out a proposal for further development of Creative Placemaking in the South of Scotland, recommending dedicated resources and funding to grow this approach over the course of three years. Some of these ideas are now being taken forward through the Culture Collective project What We Do Now (detailed elsewhere).

Creative Informatics

Creative Informatics is one of nine programmes in the Creative Clusters Programme across the UK, managed by the Arts and Humanities Research Council. Set up in 2020, it is a partnership between four organisations (the University of Edinburgh, Edinburgh Napier University, Codebase and Creative Edinburgh). Together, they are delivering an ambitious research and development programme aiming to bring together Edinburgh's creative industries and tech sector. While it is based in the city, the programme's remit extends to the Edinburgh and South East Scotland City Region Deal area, which includes Scottish Borders[33].

Creative Informatics has made funding available across different project strands, with a focus on working with data. These are open for applications from those working and studying in the creative industries. The Creative Bridge programme, run by Codebase, has also provided a free course for creatives, aiming to 'demystify the tech world' and share the building blocks of digital product development over 10 weeks (for 3 hours a week). 220 learners will be supported over the lifetime of the project[34].

Creative Informatics has taken in a range of activity in the South of Scotland to date:

- An online event hosted from Marchmont House, looking at how data and technology are being used to drive innovation in the Border's creative industries;
- Partnering with Marchmont House to offer a residential placement in 2021, as part of the programme's Resident Entrepreneurs funding stream, aimed at individuals or small teams that would like to develop a new product or service using data or data-driven technology. The successful project focused on text data visualisation;
- One of five researchers working on the Creative Informatics programme is a freelance artist based in the Scottish Borders;
- Mapping of creative businesses – see **Section 2.2.1**; and
- South of Scotland Enterprise have been awarded Challenge Project funding to look at developing a platform or mechanism for measuring and reporting the wellbeing impact of

[33] Creative Informatics, About
[34] Creative Informatics, Creative Bridge project

culture and creativity, in line with the culture and creative excellence strand of the Regional Economic Strategy.

Capital Projects

Scottish Borders

Scottish Borders Council current capital investment plan (2022-23) specifies two recent interventions:

- The opening of a new **Jim Clark museum** in Duns in 2019, following £1.6m investment from the council and other funding sources. The museum provides a home for memorabilia and cars associated with the world champion racing driver. The museum has been awarded five stars by VisitScotland is seen as a great success by the council – around 13,000 visitors were recorded in its first six months of opening, just prior to the pandemic.
- The **Great Tapestry of Scotland** is a new purpose built exhibition and visitor experience which opened in Galashiels in August 2021, totally £7.1m. The tapestry itself is made up of 160 panels, telling the history of Scotland from 8500 BCE to present. Having been handstitched by people from across Scotland and first exhibited in 2013, it now resides permanently in the new Galashiels venue, which has been awarded five stars by VisitScotland. The visitor centre is anticipated to generate £1m each year for the local economy, with just under 8,000 entrance tickets sold between late August and early December 2021. It is hoped that having this leading attraction in the centre of Galashiels will attract and encourage creative enterprises to start-up and locate in the town.

The strategy states that the council will work to build on the success of the above projects and work with Live Borders to develop other tourist attractions.

Dumfries & Galloway

Dumfries & Galloway Council's most recent capital investment strategies do not detail any specific council investment in capital projects related to culture. A number of projects have been taken forward over the last few years, however, and have received local authority support. This includes:

- Creativity lies at the heart of the Midsteeple Quarter project to rejuvenate Dumfries town centre, and working with artists and makers has been a factor throughout, from using creative engagement methods, use of 'meanwhile space' for exhibits and cultural participation, and planned exhibition and workshop space in the completed project.

Kickstarted by The Stove Network, the project is led by Dumfries High Street Ltd, a community benefit society. Funding has been derived from various sources, including Scottish Government funds and the local authority, with upwards of £3m raised to date.

- Kirkcudbright Gallery, a council run venue, underwent a complete redevelopment (totalling £3.1m) and reopened in 2018. The project business case anticipated the project would bring benefits of £750,000 a year to the local economy. The venue hosts a permanent exhibition of local art as well as touring and temporary exhibitions – in 2021-22, this included the high profile Galloway Hoard of Viking-age gold objects, that was discovered in 2014.
- Moat Brae House and Garden, Scotland's National Centre for Children's Literature and Storytelling, opened in Dumfries in mid-2019, having raised £9m from various sources (including Scottish Government and council funding). Believed to be the inspiration for Peter Pan – having been visited by J M Barrie in his youth – the house was rescued by the Peter Pan Moat Brae Trust in 2012 and reopened as a visitor attraction. It attracted 26,000 visitors before closing when the COVID-19 pandemic hit in March 2020. In 2022 the organisation had to scale back some of its operations and reduce its staffing as a result of the financial impact of the pandemic[35].

Dumfries & Galloway Events

As noted in **Section 2.1.2**, supporting the delivery of cultural and sporting events and festivals has been a strategic priority for Dumfries and Galloway Council for well over a decade.

Photo by Big Burns Supper

The council's signature events funding delivers a substantial return on investment – evaluation of the 2015-2018 strategy showed that £23 was safeguarded or returned for the regional economy for every £1 of spending. An interim evaluation of the 2018-2021 strategy showed that it had delivered £16m of net additional economic value at its mid-point, so was on its way to meeting a target of

[35] Dumfries and Galloway Standard (27/1/2022)

£30m (before the disruption of COVID-19). Overall council investment in 2021-2022 for delivering the strategy was £365,000, of which £120,000 was allocated to the four cultural signature events[36].

Alongside support for signature events, the council have introduced a Community Events Fund to support and stimulate community festivals and events, with a particular focus on supporting wellbeing – applicants could apply for up to £3,000. In support of this, a detailed Community Events Toolkit was published in 2021, setting out guidance on how to secure funding, organise and market an event, secure the necessary licenses, etc[37].

This will build on the success of the Day of the Region, an area wide annual celebration of rural community life, that ran between 2010 and 2020. Funded through the European LEADER rural development programme, it provided grants for free events and activities across different communities, with an emphasis on supporting and growing the capacity of third sector and community groups. This included festivals or fetes, music and arts events, sport, and local history – while clearly much of this is would fall under the culture definition, it has been more about supporting the voluntary sector than the creative industries. An evaluation report (2020) found the model to be successful in encouraging people to volunteer, that it had helped strengthen communities, supported civic pride, and that local groups did not need a lot of money to successfully deliver projects. The social value return on investment was determined to be £3.84 per £1 of investment[38].

Dumfries and Galloway hosts a range of other events that, although not classified as signature events in the strategy, also play an important role in the area's thriving festivals sector. This includes the Eden Festival and Knockengorroch Festival.

Culture Collective

The Culture Collective is a £5.9m pilot programme, coordinated by Creative Scotland, that aims to support creative practitioners, organisations and communities to work together "to help shape the future of local cultural life". Developed in response to COVID-19, 26 projects have been funded across Scotland, with an emphasis on encouraging participation in culture as well as creating professional opportunities for freelancers. Projects have been encouraged to explore and test new models of engagement and

[36] Dumfries & Galloway Council, Major Festivals and Events Action Plan for 2021-22 (2021)
[37] Dumfries & Galloway Council, Community Events Toolkit (2021)
[38] Dumfries & Galloway LEADER, Day of the Region Evaluation (2020)

participation and to learn from each other and share their practice along the way. Two awards were made in the South of Scotland, with The Stove Network awarded £296,476 and Alchemy Film & Arts awarded £145,000, with grants announced in February 2021 and set to run until the end of 2022. The two projects are outlined below.

The Stove: What We Do Now

What We Do Now (WWDN) is a collaborative project working with artists, communities and organisations across Dumfries & Galloway. Based around the idea of creative placemaking, it aims to inspire new imaginative possibilities for five towns in Dumfries and Galloway, supporting artists to explore bold new ideas with communities and partners to celebrate the voices often unheard in the region. Running for one year, WWDN aims to eave together a creative vision of the region. The project has five themes connected to each town and led by a local organisation:

- Connection & Possibility (Sanquhar – A'The Airts)
- Identity & Vision (Stranraer – Stranraer Millennium Centre)
- Movement & Play (Castle Douglas – Castle Douglas Development Forum)
- Belonging & Pride (Northwest Dumfries – LIFT)
- Ownership & Voice (Langholm – Outpost Arts)

WWDN is supported by a regional partners group (DG Arts Festival, Wigtown Book Festival and Upland) and a strategic partners group (SOSE, Dumfries & Galloway Council, Third Sector D&G and SDS), all of whom have supported the development of WWDN and will support the progress of ideas/projects as they emerge.

Alchemy Film & Arts: The Teviot, The Flag, and the Rich Rich Soil

The Teviot, the Flag and the Rich, Rich Soil is a programme of artist residencies, film commissions, film making workshops, traineeships, discussion events and community engagement exploring the borders, boundaries and lines of Hawick and the Scottish Borders. The £145,000 project is focusing on the region's cultural identities in relation to land, water, industry, territory, place and environment.

DG Unlimited Programmes

DG Unlimited offer a year-round and Dumfries and Galloway wide programme of support, with activities split across three main strands:

- Growing Leaders – focused on developing creative leaders, with a programme based around personal and creative development, leadership skills and mentoring. A new cohort is taken on each year. This strand also included a quarterly forum to discuss professional development, and a series of professional development webinars.
- Growing Ambitions –focused on building capacity and artistic ambition, with learning and webinars available around growing a business. This has also included two funding streams: the inaugural Bright Sparks Fund, which distributed three awards to established creative practitioners in 2019-20, supporting them to raise their ambitions and create new work. The Innovate Create Cultivate fund provides grants of up to £750 to develop new skills or work – the latest funding round closed in February 2022.
- Growing Visibility: increasing awareness of the sectors and its impact, including through media and outreach activity, while also providing paid work to local creatives. Examples include the There Is A Place promotional film[39], released in 2021, the Voices Unlimited podcast which interviewed local creatives, and a biennial conference.

Creatives Unlimited is funded by Creative Scotland, Dumfries and Galloway Council and The Holywood Trust.

UK Government COVID-19 Grants

Coronavirus Job Retention Scheme

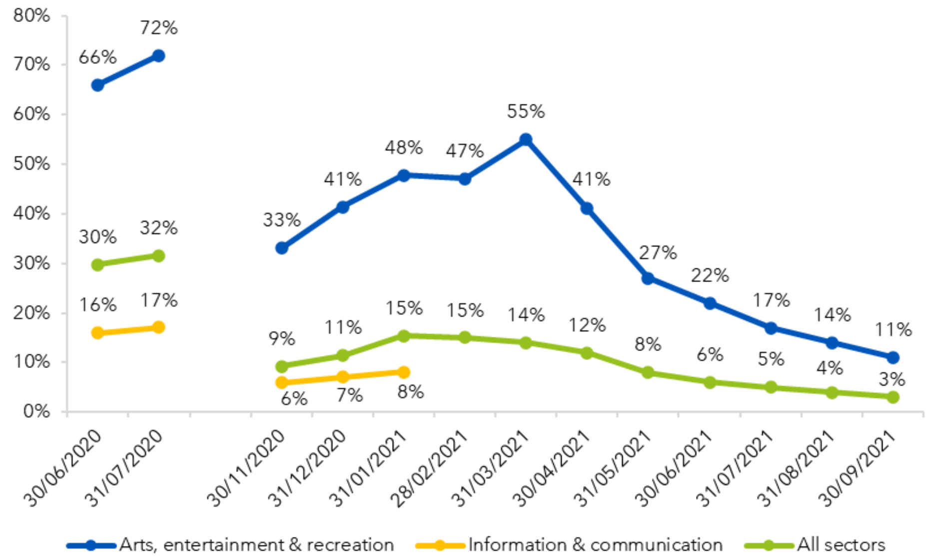
The UK Government announced the Coronavirus Job Retention Scheme, or 'furlough' scheme, on 20 March 2020, backdated to the start of the month. This provided grants to employers to retain and continue to pay staff through the pandemic ('furloughing' employees) while they were not working. Initially designed to run for three months, it was extended several times and came to an end on 30 September 2021. There were several changes to the format of the scheme over this time[40], reflecting a fluctuating infection rate and associated lockdown restrictions. Furlough data for Scotland are available from May 2020 onwards and sector data available from June (with some gaps).

[39] https://www.youtube.com/watch?v=G1s-_d-2mq8
[40] House of Commons, Research Briefing: CJRS (1/102021).

Figure 2.6 shows the proportion of eligible employment that was furloughed in Scotland for sectors relevant to this research. The arts, entertainment and recreation sector has, alongside accommodation and food services, been among the most affected sectors of the economy. This takes in much of the creative industries, including performing arts, arts venues, artistic creation, libraries and museums, as well as historical sites, zoos, gambling and betting, sports clubs and venues, and amusement/theme parks. In July 2020, 45,500 (72%) people were furloughed in this sector in Scotland, falling to 5,200 (11%) by September 2021.

The information and communication sector includes publishing (books, media and software), film, TV and music recording, broadcasting, telecoms, computer programming and data/web processing and hosting. The furlough rate in this sector was much lower, reflecting that many media and digital sector employees were able to continue working from home, and the full resumption of screen sector activities by late summer 2020. At its height, 12,700 (17%) were furloughed in this sector in July 2020.

Figure 2.6: Proportion of Eligible Employment Furloughed – Scotland

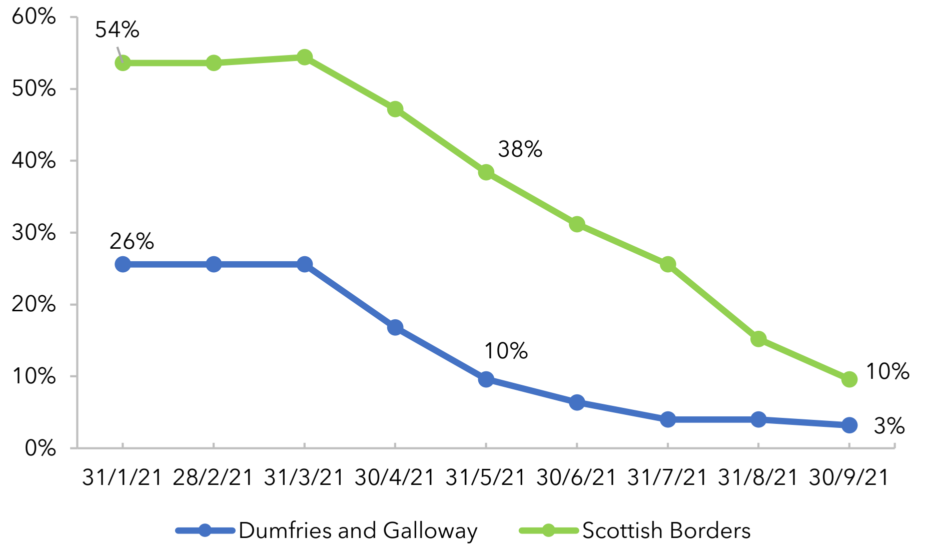


No monthly data published for August – October 2020. Source: HMRC.

The Scotland figures are similar to the UK-wide data. More detailed local authority breakdowns were published during 2021, allowing some insight into how the creative sector was impacted in the South of Scotland – see **Figure 2.7** and **2.8**. While we have included the information and communication figures, by this point it had been merged with other sectors, making it less useful for assessing the location of creative employment.

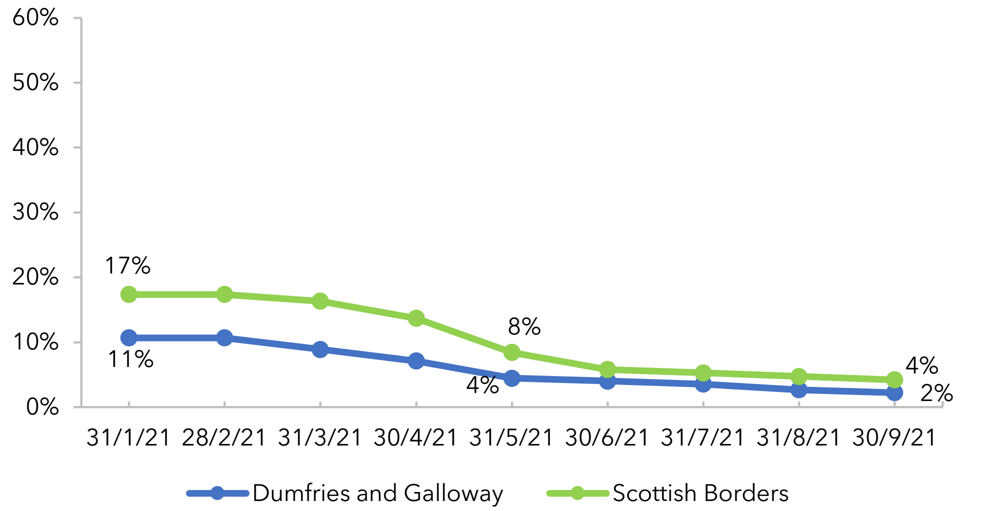
The data shows that the proportion of the arts, entertainment & recreation was substantially higher in Scottish Borders than in Dumfries and Galloway. One likely explanation is the differing delivery arrangements for local authority sport, leisure and culture. Dumfries and Galloway Council did not furlough staff, but the scheme was used by Live Borders, an arms-length organisation.

Figure 2.7: Proportion of Employment Furloughed – Arts, entertainment & recreation



N=1,250 (D&G) and 1,250 (Scottish Borders). Source: EKOS calculations based on HMRC data

Figure 2.8: Proportion of Employment Furloughed – Information and communication, Finance and insurance, Real estate



N=2,250 (D&G) and 1,900 (Scottish Borders). Source: EKOS calculations based on HMRC data

Self-Employment Income Support Scheme

The UK Government announced the Self-Employment Income Support Scheme (SEISS) in late March 2020. Over five funding rounds, this provided taxable grants of up to 80% of average monthly trading profit, covering three-month periods (£7,500 max.), based on previous tax returns. To be eligible, individuals were required to have earned at least 50% of their income through self-employment on past tax returns. A key difference between the CJRS and SEISS is that self-employed individuals have been allowed to continue working while they receive support, although they were required to state that they have lost income. Like the CJRS, the SEISS evolved over the course of the pandemic, with a number of changes to its scope over time. It then closed at the end of September 2021.

Sector data has only been published at Scotland level – **Table 2.9**. This shows £66.5m was awarded to self-employed individuals within the two CI-linked sectors over the five funding rounds. The take-up rate of the grant roughly halved between the first and final grant round, from 77% in the arts, entertainment and recreation sector and 63% in information and communication.

Table 2.9: SEISS Claims Across 5 Funding Rounds - Scotland

Sector description	Total number of claims	Total value of claims	Proportion of total claims	Proportion of total value
Arts, entertainment and recreation	21,400	£50,100,000	3.4%	2.9%
Information and communication	5,300	£16,400,000	0.8%	1.0%
All sectors	628,000 (175,000 individuals)	£1,710,000,000	100%	100%

Source: HMRC

In total, 12,200 individuals across all sectors of the economy claimed at least one payment through SEISS in the South of Scotland, 73% of those eligible/ If we make an assumption that the same proportion are self-employed with the two creative industries sectors in the South of Scotland as the Scotland average, this works out at around 420 people claiming in the arts, entertainment and recreation sector and 100 claiming in the information and communication sector – **Table 2.10**.

Table 2.10: SEISS Claims by Sector – South of Scotland (estimates)

				Arts, entertainment & recreation		Information and communication	
	Individuals claiming grants	Total claims	Total value	Individuals claiming (estimate)	Value (estimate)	Individuals claiming (estimate)	Value (estimate)
D&G	6,800	21,800	£60.7m	230	£2.1m	60	£0.6m
Scottish Borders	5,400	18,200	£50.4m	180	£1.7m	50	£0.5m
South of Scotland	12,200	40,000	£111.1m	420	£3.8m	100	£1.1m

Source: EKOS calculations based on HMRC data. Estimates have been rounded to avoid spurious accuracy.

Various business grant and loan schemes were also provided, although data for these has typically not been broken down by geography and/or sector.

Creative Scotland COVID-19 Grants

In response to the economic challenges faced by the creative sector during the pandemic, Creative Scotland established a series of funds designed to target various groups operating within the creative industries including freelancers, creative sector organisations and businesses and performance venues (e.g. theatres, nightclubs, pubs). 351 grants totalling £2.67m in value were awarded in support of the creative sector. **Table 2.11** summarises Creative Scotland's COVID-19 grant activity within the South of Scotland region.

Table 2.11: Creative Scotland COVID-19 Emergency Funding (to June 2021)

	Value			Number of Grants Awarded		
	D&G	**SB**	**SoS**	**D&G**	**SB**	**SoS**
Performing Arts Venue Relief Fund	£304,930	£306,393	£611,323	5	6	11
Culture Organisations and Venues Recovery	£377,767	£68,088	£445,855	14	3	17
Culture Collective	£296,476	£145,000	£441,476	1	1	2
Grassroots Music Fund	£58,508	£57,500	£116,008	3	2	5
Independent Cinema Recovery and Resilience Fund	£147,855	£331,779	£479,634	6	2	8
Screen Hardship Fund	£27,500	£40,000	£67,500	15	19	34
Hardship Fund for Creative Freelancers	£189,420	£194,770	£384,190	102	107	209
Bridging Bursaries	£65,220	£61,555	£126,775	34	31	65
Total	**£1,467,676**	**£1,205,085**	**£2,672,761**	**180**	**171**	**351**

Source: Creative Scotland. Excludes the COVID-19 Cancellation Fund for Creative Freelancers, announced late December 2021.

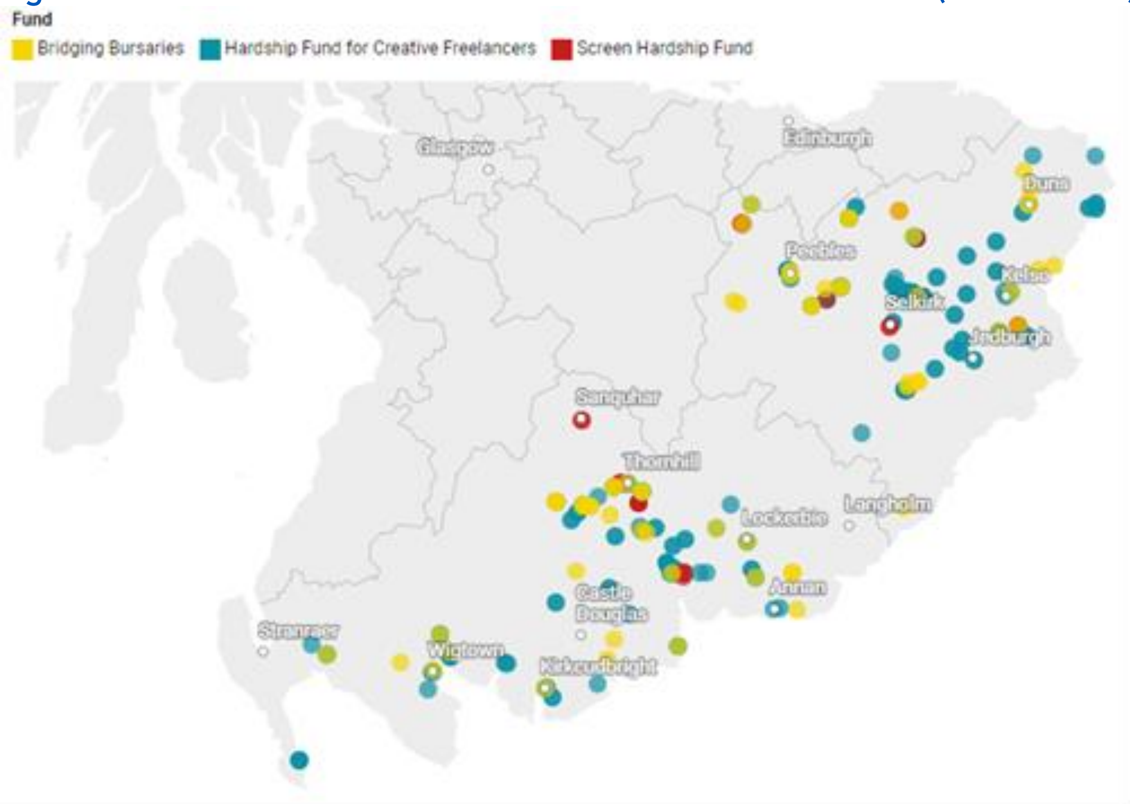
The Screen Hardship Fund, Hardship Fund for Creative Freelancers and Bridging Bursaries were funds specifically targeting creative sector freelancers. These were designed to fill a gap for those not covered by the furlough or SEISS scheme – applicants were ineligible if already in receipt of either fund (in reality, however, there was no way of checking this). The Creative Scotland data is of great value in estimating the number of active freelancers in the creative industries within the region and identifies those who are unlikely to have been captured in other datasets.

Considering that an individual could apply to multiple funds and may have received multiple grants from a single fund, closer examination of the data removing duplicate applicants shows that 124 freelancers in Dumfries and Galloway and 117 freelancers in Scottish Borders (241 in South of Scotland) applied for Creative Scotland COVID-19 emergency funding.

An evaluation of Creative Scotland grants over this period is ongoing at the time of writing – once complete, it will be added to the Creative Scotland research portal.

Looking at the geographical distribution of awards, the largest concentrations are in Dumfries and Galashiels – **Figure 2.9**, over. What is also apparent is a clustering in the rural area around Moniaive. A similar picture was reflected with organisations which received grants – **Figure 2.10**.

Figure 2.9: Creative Scotland COVID-19 Fund Awards to Freelancers (to June 2021)



Total: 308 awards to 241 individuals. Source: Creative Scotland. Made with Datawrapper

Figure 2.10: Creative Scotland COVID-19 Fund Awards to Organisations (to June 2021)

Total: 44 awards to 28 organisations. Source: Creative Scotland. Made with Datawrapper

SOSE Grants

In advance of the establishment of South of Scotland Enterprise, the South of Scotland Economic Partnership (SOSEP) was established to respond to the economic needs of the region. Beginning in 2019, SOSEP awarded funding to a range of projects including some within the creative sector, **Table 2.12**.

Table 2.12: SOSEP Grants to the Creative Sector

	D&G	SB	SoS
Count	3	5	8
Value	£107,000	£1,264,102	£1,371,102

Source: SOSE

In total SoSEP awarded 8 grants to the creative sector valued at just below £1.4m. The largest grants were directed towards two cultural heritage attractions and supporting skills development in the textiles sector.

With the establishment of SOSE in April 2020 grants to support the creative sector continued. **Table 2.13** below summarises funding activity through to September 2021. Grants have been both to support investment in skills, innovation and infrastructure, and to support COVID-19 resilience and recovery, including the Pivotal Enterprise Resilience Fund.

Table 2.13: SoSE Grants to the Creative Sector

	D&G	SB	SoS
Count	35	35	70
Value	£740,055	£2,015,360	£2,755,415

Source: SOSE

During this time, SOSE has made 70 grants to the creative sector with a total value of nearly £2.8m. It is important to note that much of this funding was in response to the pandemic, and it is unlikely that this level of funding would otherwise have been available.

Although each local authority received 35 grants, Scottish Borders received a significantly larger sum. This is because many of the largest grants were to textile businesses based in the Scottish Borders – of 11 grants of £100,000 or more, 8 were to the textiles sector. The others were to cultural heritage/visitor attractions. This reflects their strategic importance and role as large employers.

3 Primary Research

Summary

Survey work was undertaken in early 2022 with both freelancers and businesses working in the creative sector in the South of Scotland, with 162 responses across the two cohorts. These were carried out through a mix of online surveys and phone interviews. Respondents were spread across the region, reflecting the large and rural geography of the South of Scotland.

Most had also been established in the creative sector for some time – 70% of freelancers and 80% of businesses had been operating in the sector for at least five years.

Around two-thirds of freelancers and more than 80% of businesses identified that they work in more than one subsector of the creative industries, illustrating the diverse and varied nature of creative businesses and careers, particularly in rural areas. Visual arts, crafts, and design were well represented across both cohorts, alongside film and video and photography in the case of freelancers.

Survey respondents were asked, through a series of different questions, for their views on the main opportunities for the creative sector in the region, and the challenges facing them directly as well as the wider sector. There was a strong crossover between the issues raised by freelancers and businesses/organisations.

Particular opportunities and strengths were identified as a strong visitor economy, in which the creative sector has an important role to play, a strong regional reputation for creative industries expertise, and the community and social benefits that the sector creates. Challenges and weaknesses were felt to be low incomes and work insecurity, transport and access issues in rural areas, rising costs and low consumer spending, and access to customers and markets.

The vast majority of freelancers (92%) and businesses (99%) agreed that Fair Work principles are an important priority for the creative and cultural sector.

Most organisations (67%) and freelancers (58%) felt they would definitely or be likely to require ongoing business advice/support over the next three to five years. Businesses most commonly identified a need for financial support (particularly in response to rising costs) and networking opportunities. These were also highlighted by freelancers, alongside access to collaboration space and support with marketing.

A series of consultations were also undertaken with both regional and national stakeholders, particularly organisations concerned with supporting the development of the creative and cultural sector. There was broad recognition of the important role of the creative industries sector to the South of Scotland, in social, cultural and economic terms. Challenges were felt to exist around precarious work; talent loss; issues with transport; underdevelopment of the digital and tech side of the creative industries; and ongoing issues with the financial sustainability of organisations. There were felt to be particular opportunities for the sector around creative placemaking (building on good foundations); the focus on net zero; growing network organisations; and developing closer links between the visitor economy and culture.

3.1 Introduction

Two surveys were distributed between early February and early March 2022. These were promoted through various regional and local networks and organisations, with emails sent to the mailing lists held by both DG Unlimited and CABN. The research was also promoted through coverage in the local media and across social media. The two surveys were aimed at:

- Freelancers and sole traders: an online survey obtained a total of 84 responses; and
- Creative businesses and organisations: surveys were obtained through a mixture of targeted phone calls, resulting in 45 completions, and an online survey, with a further 33 responses, giving a total of 78 responses.

The response rate to the surveys was lower than originally anticipated. We believe there are a number of reasons underlying this. The sector has been asked to participate in a range of consultation and research exercises over the last few years, some of it appearing similar on the surface. This has included:

- evaluations of various COVID-19 grants and support programmes;
- consultation and survey work to inform the new Dumfries and Galloway Cultural Strategy;
- a survey of CABN members, which overlapped with this fieldwork;
- individual project consultations and evaluations; and
- extensive in-person and online consultation around the set-up and delivery of SOSEP and SOSE.

On top of this, we were unable to access a single, up to date database of contacts for creative businesses and freelancers in the region, which made direct approaches to potential respondents more difficult. While some business contacts were obtained through a purchased database, the freelancer survey relied on circulation and promotion by organisations and networks in the region, several of which have recently completed survey or consultation work of their own.

Nonetheless, the responses offer a good geographical and sectoral spread, and we believe provide a robust and representative sample of the sector as a whole. The survey evidence is therefore useful in determining the current profile and views of the creative sector, with in depth responses provided and useful ideas for the further development. In future, similar consultation will benefit from more face to face contact, such as through focus groups.

3.2 Freelancers and Sole Traders

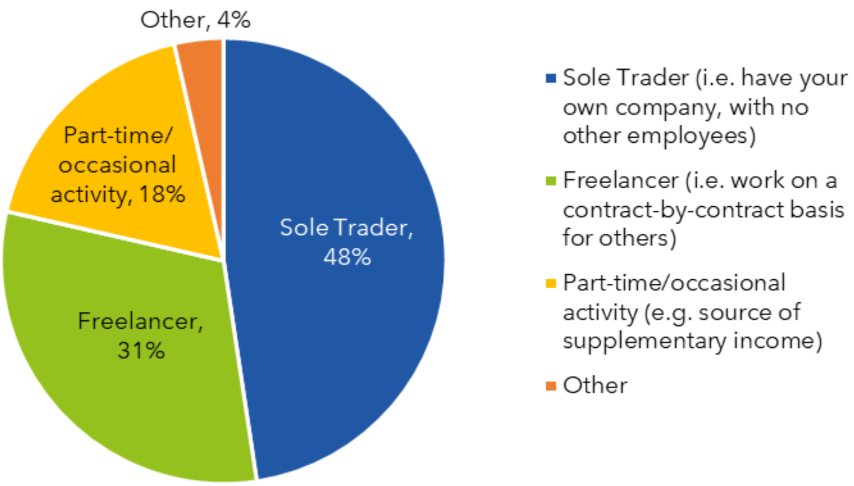
An online survey targeted at freelancers and sole traders working within the creative and cultural sector of the South of Scotland was promoted and distributed through various channels in February and March 2022.

Online survey respondents were asked whether they were responding as a freelancer, sole trader, business or an organisation. This directed the respondents to the relevant survey (i.e. if an organisation, they were directed to organisation survey) which left a total of **84 respondents**.

3.2.1 Profile

Almost half of respondents identified as sole traders (48%) and just under one third (31%) as freelancers – **Figure 3.1**.

Figure 3.1: Type of Respondent



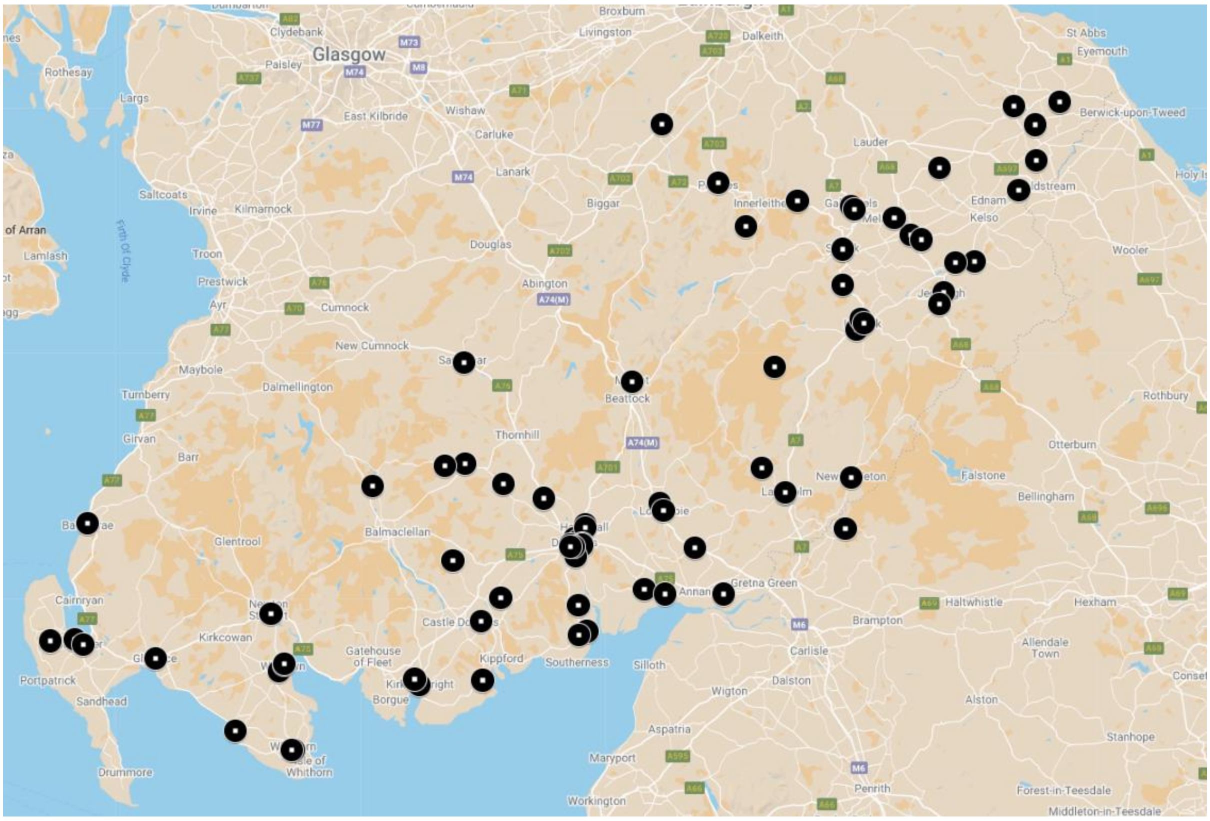
'Other' responses could not be reclassified into one of the categories.

N=84

Location

Respondents were asked to provide their postcode and in which settlement they were based, shown in **Figure 3.2**. The most common place for respondents to be based was in Dumfries (15), with all other locations having between one and three respondents. Respondents were therefore very spread out, reflecting the large and rural geography of the South of Scotland, with no real concentrations other than Dumfries. Almost two-thirds of respondents (63%) live in rural areas with 27% based in a remote rural area, **Table 3.1**.

Figure 3.2: Map of Respondents Postcodes



N=81. Map: Google Maps

Table 3.1: Respondents by Scottish Government Urban Rural Classification, 6-fold

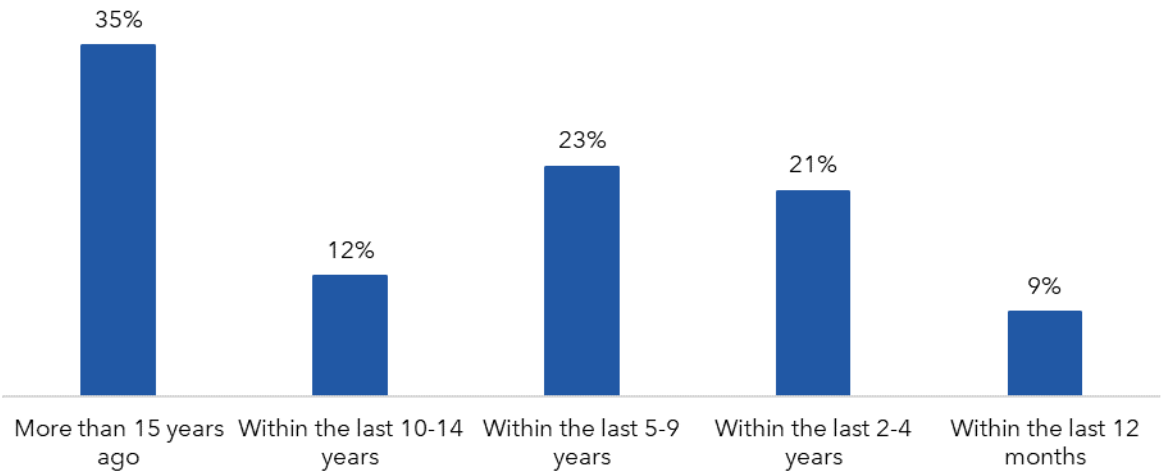
Classification	Description	% of respondents
1 Large Urban Areas	Settlements of 125,000 people and over.	0%
2 Other Urban Areas	Settlements of 10,000 to 124,999 people	23%
3 Accessible Small Towns	Settlements of 3,000 to 9,999 people, and within a 30 minute drive time of a Settlement of 10,000 or more.	11%
4 Remote Small Towns	Settlements of 3,000 to 9,999 people, and with a drive time of over 30 minutes to a Settlement of 10,000 or more.	2%
5 Accessible Rural Areas	Areas with a population of less than 3,000 people, and within a 30 minute drive time of a Settlement of 10,000 or more.	36%
6 Remote Rural Areas	Areas with a population of less than 3,000 people, and with a drive time of over 30 minutes to a Settlement of 10,000 or more	27%

N=81. Source: Scottish Government

Length of time working in creative sector

Respondents were mixed in terms of how long they had spent working as a freelancer or sole trader – almost half had worked in the sector for over 10 years (47%), **Figure 3.3**.

Figure 3.3: When did you start working as a freelancer or become self-employed in the creative sector?



N=82

Creative Industries Subsector

Respondents were asked to specify their main subsector as well as any other subsectors they work in, **Table 3.2**. Whilst there was a reasonable spread of subsectors, respondents mainly work in visual art (43%), crafts (38%) and design (32%). Around two-thirds of respondents identified that they work in more than one subsector of the creative industries, reflecting the diverse, portfolio careers that creative practitioners frequently pursue, particularly in rural areas. This confirms recent research which showed that those based in rural areas are more likely to work across different sub-sectors than those based in more urban areas[41]. Common crossovers included visual arts and crafts, and festivals and cultural education (including community arts).

Of the 11 respondents within the performing arts (18%), only two were performers. The remainder were involved in performing arts in various ways, most commonly as a director (3), producer (3), or facilitator (3)[42].

[41] EKOS for Skills Development Scotland, Impact of Covid-19 on the Creative Workforce (2021)

[42] Other non-performing roles in the subsector included technical support (1), dance teacher (1), playwright (1), storyteller (1), costume and set (1), AV installation (1) and fundraiser (1).

Table 3.2: Respondents by Subsectors

Subsector	% working in subsector	% main subsector
Visual art	43%	24%
Crafts	38%	18%
Design	32%	10%
Writing and publishing	27%	4%
Cultural education	24%	9%
Festival or event	22%	0%
Performing arts	18%	6%
Film and video	17%	2%
Photography	16%	6%
Music	12%	6%
Other	12%	10%
Advertising	11%	1%
Heritage	9%	1%
Fashion and textiles	6%	2%
Architecture	5%	0%
Software/electronic publishing	4%	0%
Radio and TV	2%	0%
Computer games	0%	0%

Other included storyteller (2), inter and multi-disciplinary work (2), placemaking (2), art tuition (1), creative action research (1), and consultancy and project management work (1).

N=82

3.2.2 Growth and Opportunities

For most respondents (58%), creative work is their primary source of income. The remainder of respondents (42%) were asked to specify their main source of income. This was most frequently from a retirement pension or partner's wage (10), followed by charity and third sector (4), health and social care (3), public sector (2), education (2) and business and administrative support (2). Over half of freelancers and sole traders (54%) anticipate that their income will grow over the next two years, **Table 3.3**.

Table 3.3: Expected Change in Income Over Next Two Years

Expected change in income	%	Main reasons
Grow strongly	6%	• Several respondents will be able to spend more time on freelancer and sole trader work. Some respondents referred to spending more time on the business/work in terms of strategic thinking (e.g. diversification etc.) (9) • Recent growth in income and opportunities for further growth of own work and wider market (8) with some mentioning project opportunities that are in the pipeline • COVID recovery so some anticipate more opportunities with relaxation of restrictions and reopening (6) • Some will become more established as freelancers and sole traders within the region's creative sector over the next few years (5)
Grow	48%	
Stay the same	25%	• Expect to undertake the same amount of work – a couple of respondents stated that this was in line with balanced and sustainable approach to workload while other suggestion was that already working at upper limit • Continued unpredictability of COVID-19 impact, particularly on creative sector which is more vulnerable, so expected income to roughly stay the same
Decline	5%	• Only two respondents specified reasons which were that they had lost an income stream and hadn't replaced it (1) and impact of crises such as COVID-19, Brexit and war (presumably reference to Russian invasion of Ukraine)
Decline significantly	4%	
Don't know	13%	• Several factors make anticipating income unpredictable: creative sector in general ("not much financial security"); crises such as COVID-19, Brexit, economic which have a disproportionate impact on sector; funding (e.g. supply services to third sector who are dependent on unpredictable funding; or main income source which is used to support freelance work may change which threatens work)

N=84

In both 2019 and 2021, almost three-quarters of freelance and sole trader respondents (70%) earned below £10,000 per year on average. This is an acute illustration of the low paid and precarious nature of freelance employment in the sector, **Table 3.4**.

Table 3.4: Approximate Annual Income from Creative Freelance Work

	2019 (n=73)	2021 (n=71)	% pt change
£0	10%	7%	-3%
<£1k	18%	15%	-2%
£1k - £4,999	21%	21%	1%
£5k - £9,999	22%	27%	5%
£10k - £19,999	18%	15%	-2%
£20k - £29,999	4%	6%	2%
£30k - £39,999	3%	1%	-1%
£40k - £49,999	3%	4%	1%
£50k - £74,999	3%	1%	-1%
£75k+	0%	1%	1%

Note: 2021 figures includes any COVID-19 grant support accessed.

For respondents who had provided income for both years, a comparison between the two years was made. Over two-thirds of respondents (69%) reported that their income had increased or stayed the same compared to pre-COVID-19 levels. The remainder (31%) recorded a decrease in income over the same period.

On average across respondents, over half of freelance and sole trader income (55%) is generated within the South of Scotland, whether in their local settlement (24%) or in the wider region (31%) , **Table 3.5**.

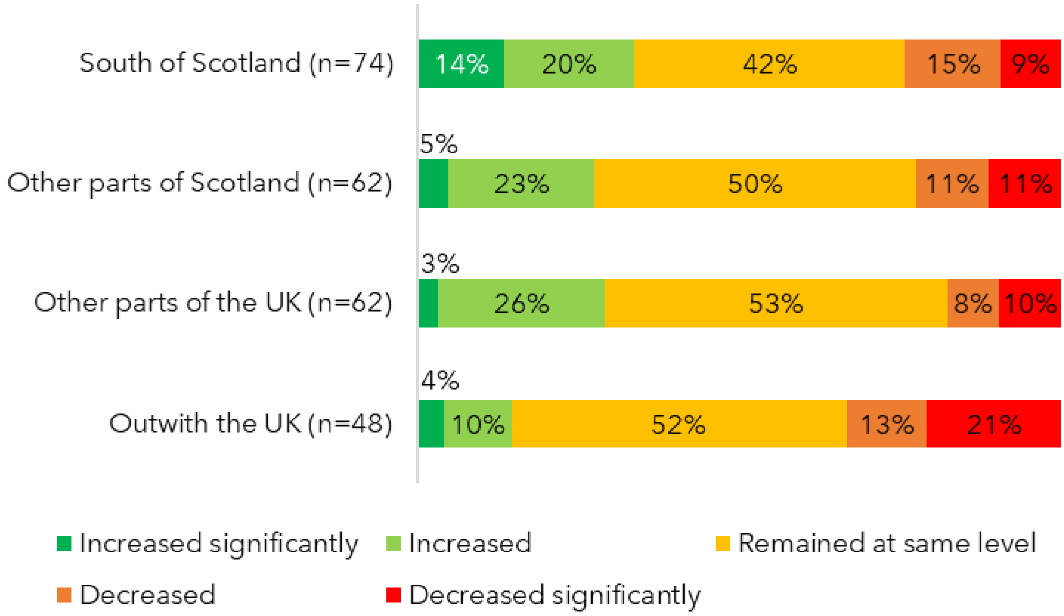
Table 3.5: Average source of income from creative work by location

	% of respondents
My local town/village/settlement	24%
The rest of the South of Scotland	31%
Other parts of Scotland	17%
Other parts of the UK	23%
Outside of the UK	5%
Total	100%

N=73

The distribution of creative work has stayed relatively stable with slightly higher increases of work from within the region and other parts of UK, **Figure 3.4**. Although only small changes, this likely reflects the simultaneous shift to both local/home-based working during periods of lockdown, as well as a move towards online/digital delivery during which has opened up wider market opportunities.

Figure 3.4: How has the distribution of your creative work changed in each of the areas in the last three years (since 2019)?



The ambition to access opportunities beyond the South of Scotland is evident with 86% of respondents stating that it is important or very important to the future development of their work/practice, **Table 3.6**.

Table 3.6: How important is accessing opportunities beyond the South of Scotland (i.e. rest of Scotland, UK and international) for the future development of your work/practice?

	% of respondents
Very important	49%
Important	38%
Minor importance	11%
Not important at all	3%

N=80

Respondents were asked where their 'competitors', or practitioners producing similar work, are based. Fewer than one-third (31%) identified their competitors as being located within the South of Scotland, either locally or region-wide, **Table 3.7**.

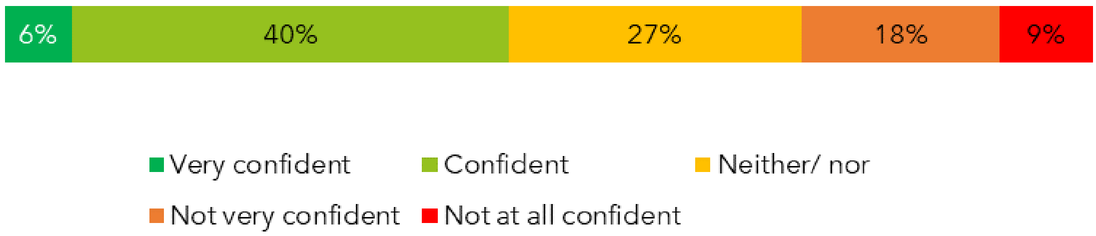
Table 3.7: Average proportion of 'competitors' or practitioners producing or providing similar work/services by area

	% of respondents
My local town/village/settlement	11%
The rest of the South of Scotland	20%
Other parts of Scotland	32%
Other parts of the UK	29%
Outside of the UK	7%
Total	**100%**

N=54

Confidence amongst creative freelancers and sole traders about the future of the sector in the South of Scotland was mixed, with just under half confident to some extent (46%), **Figure 3.5**.

Figure 3.5: Overall, how confident do you feel in the future of the creative and cultural sector in the South of Scotland?



N=82

Main challenges

Respondents were asked to specify the main challenges that they face working as a freelancer or sole trader in the creative sector. The three biggest challenges relate to low income/pay/job security; lack of selling opportunities or lack of awareness of how to access them; and access to funding.

Low income and financial insecurity were the most common challenges as respondents noted that their creative practice, and the sector generally, is reliant on low paid work. Work is often acquired on an inconsistent and unpredictable basis (e.g. "lots of short-term projects") which makes maintaining a sustainable income more difficult. Some respondents referenced how their creative work and the sector is undervalued which has created a disconnect between freelancer and clients/customers regarding costs of delivering expected work – "*Public have low expectations of what they should pay for your work*" which results from a "*lack of understanding of work that goes into a product*" and cost of production.

Another challenge was a perceived lack of opportunities to sell and promote their creative work within the South of Scotland or at least a lack of understanding of how to access these opportunities. For some respondents, the lack of footfall and tourists within South of Scotland limited their opportunities to grow income and their work.

Access to funding and grant support was identified as a challenge by one-fifth of respondents. Where specified, this was to develop their work (e.g. buying more equipment) and to support more project work. A few respondents also noted that "*funding needs to be easier to access by artists and freelancers*".

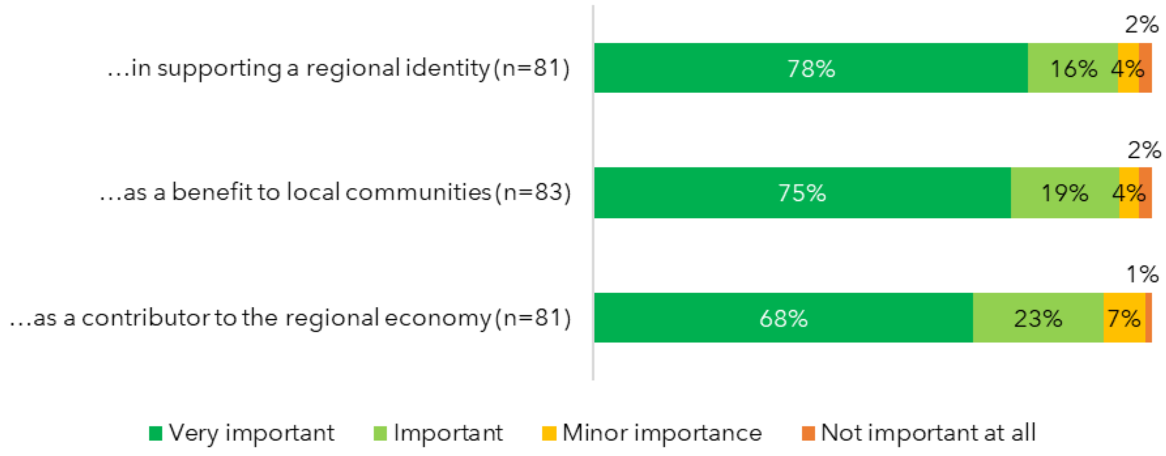
Other challenges raised to a lesser extent included:

- Marketing to raise visibility and awareness of their work;
- More networking opportunities required as sector is a lonely place to work for freelancers and sole traders – "Working in isolation - I've been working on my own since setting up my business (a few years before COVID-19) which has worked well but at this point I feel very aware of a lack of support / stimulation";
- Limited time available to further develop creative work as well as trying to strike a work/life balance;
- Competition – from other regions ("can import at low cost"), sectors (retail), hobbyists;
- Availability of affordable premises/space which can be used to work collaboratively with others in sector;
- Support - general business advice and IT/digital skills;
- Inflation and rising costs which has and will increase costs of materials and product/services; and
- Difficulties of working in South of Scotland as a remote and rural region – infrastructure connectivity (transport, broadband).

3.2.3 Wider Views on the Creative Sector

Respondents were asked to rate the importance of the creative sector to South of Scotland in supporting a regional identity, as a benefit to local communities and as a contributor to the regional economy, **Figure 3.6.** They were also asked to provide reasons for their ratings.

Figure 3.6: How important do you think the creative sector is to the South of Scotland…?



Don't knows removed (from total sample of 85)

Importance in Supporting a Regional Identity

Almost all respondents (94%) stated that the creative sector is important to the South of Scotland in supporting a regional identity with over three-quarters rating it as very important, **Figure 3.6**.

In general, feedback from respondents identified that the South of Scotland has a relatively strong and distinct regional identity compared to other regions of Scotland. The creative sector has an important role as it promotes and showcases the rich heritage and traditions of the region, particularly as a region of 'makers' and in creative practices such as textiles. Although one respondent highlighted that "*there is also the unexpected, the new and contemporary work which happens in the region - so the idea that the regional identity is always backward looking and drawing on history and tradition is not always the case. New identities and narratives are being shaped through work produced and presented by the creative sector*."

In this way, some respondents noted how our identities are forged and expressed through culture ("identity is culture") and that this is true of South of Scotland – a vibrant, strong creative sector will contribute and showcase the regional identity of the South of Scotland. Few respondents noted that this was already evident through creative place making e.g. Creative Scotland Creative Place Awards for Creetown, Moniaive and Wigtown.

This strong regional identity contributes to South of Scotland being perceived as an attractive place for creatives to live and work – some respondents noted this as the reason why they moved to the region allied to the creative environment of the rural landscape. Also as a visitor destination for tourists, some respondents noted parts of the creative sector in South of Scotland are internationally recognised, particularly textiles and Wigtown Book Festival, and that more should be done to promote its strong regional identity. It was also felt that the creative sector broadens the regional identity beyond sport and history.

"The region is the reason many artists settle here - the light, the landscape etc. Local artists and their work are intertwined with this place and its identity"

"Scottish Borders has an international reputation for producing high quality textiles - we need to focus on reshoring our textile manufacturing back to Scotland - to reconnect with our 'making' heritage"

"Our identity is in what we make and product culturally. The South of Scotland is known for our history and sports culture, but the arts are equally important"

Importance to Local Communities

Similarly, 94% of respondents reported that the creative sector is important as a benefit to local communities within the region, **Figure 3.6**. Respondents detailed how the creative sector, especially in more participatory subsectors like music, brings people and communities together and supports community engagement, empowerment and development.

For example, respondents noted that the creative sector is effective at encouraging people, especially those who are marginalised, to engage in social and community activities. This is particularly important in a remote and rural region with high levels of social isolation and in the context of COVID-19 pandemic which has exacerbated social isolation. This engagement with creative and cultural sector brings physical and mental health benefits which was identified by many respondents as a main reason that they had recorded a high rating.

Another common theme identified in the feedback was that a strong creative sector in the region is important to retaining benefits locally for communities. This allows local communities to access the same opportunities in the creative sector as elsewhere and removes need to travel to larger cities ("Not having to go to Edinburgh to access the arts").

Other reasons that respondents rated the creative sector as important or very important to local communities included:

- Education, particularly for young people;
- Creative sector enhances the vibrancy of the region making it an attractive place to live, work and visit; and
- Employment and income streams for local communities.

"The Arts touches the lives of every one of us each and every day and provides a positive effect on the mental health and well-being to all who interact with creative opportunity, whether that be an artist, audience member, venue owner, patron"

"It's so important for our cultural history, storytelling, mental health, community and socially"

"It is vital for creative people to be threaded through local communities. With the prevalence of poor mental health, we can offer ways for people to see things anew, to reflect and find meaning in their lives and gain a greater sense of place"

"Huge underdeveloped potential in supporting creative and digital skills development at a community level to empower communities to tell their own stories and create their own digital footprint"

Importance to Regional Economy

The vast majority of respondents (91%) felt that the creative sector is important to the regional economy, **Figure 3.6**. The most common reason raised by respondents was that the creative sector attracts tourists to the South of Scotland who spend money both in the sector directly and in local businesses within communities. For example, festivals and events are big pulls to attract visitors.

Another key reason amongst some respondents was that the creative sector already makes a significant contribution to the regional economy especially prior to COVID-19 pandemic. These respondents highlighted the ability of the sector to bring money into the region. Feedback was more mixed on relative contribution compared to other sectors – some referenced previous EKOS research that creative sector contributed more than forestry and fishing whereas a few felt that other sectors such as agriculture and food were the main contributors with other sectors making a small contribution by comparison.

Raised to a lesser extent, several respondents highlighted that the creative sector is important for employment at a regional level. There was also reference to the highly skilled and talented workforce of the South of Scotland's creative sector. Retaining this workforce can be crucial to the vitality of the regional economy particularly in context of many young people migrating to larger cities.

"The arts provides an ideal opportunity for artistic tourism and making Scotland a destination location for top-level entertainment. Creative events flow down to so many people in communities providing work opportunities, not just the artists themselves."

"South of Scotland is a tourist destination and the creative sector is a key part of the pull to this area"

"The creative and cultural sectors have the potential to continue to create jobs, bring visitors to the region, enrich the lives of the residents, give business to other businesses and services in the region."

"Scottish Borders has an international reputation for producing high quality textiles - we need to focus on reshoring our textile manufacturing back to Scotland, to promote our own wealth creation"

"Creatives are driving a number of annual festivals, events and activity that are key to a tourism destination and the local economy."

"The creative sector seems to be the most vibrant part of the regional economy, supports a lot of practitioners, has significant spend by audiences and moves a lot of money around the economy"

"Our region draws visitors specifically because of its creatives"

Transition to Net Zero

Respondents were asked what opportunities and challenges the transition to net zero present for their creative work. Some respondents noted that their creative work already had minimal environmental impact while others had just begun the process of making their creative work as sustainable as possible and were strongly committed to doing so.

One of the key opportunities of the net zero transition identified by respondents is to adapt and transition to new sustainable products, services, processes, technology, and methods. This will encourage new ways of working which is likely to lead to a greater shift to online with the potential to open up new partnerships and collaborations. For example, some respondents noted that they had already begun a shift to more digital ways of working as a result of COVID-19 pandemic which has reduced their carbon footprint.

Another key opportunity was that the creative sector can be at the forefront of change, communicating the importance of net zero transition to wider audience and inspiring change within them. In this way, the sector can take a leadership role in an educational sense to the wider public through both the nature and focus of the work and the limited environmental impact of the work itself.

Other common opportunities identified to a lesser extent by respondents included:

- Greater interest in handmade, small-scale and local products rather than cheap mass-produced imports. which could lead to increased work and selling opportunities in the region; and
- Cheaper, more accessible and better public transport links, particularly within the South of Scotland.

"My main medium is words, whether I embroider them on hats or gather them into stories and poems, and I think we'll only be able to reach net zero and reduce our impact on nature by using words in creative ways to rewrite the narrative about our place in the world"

"Opportunities are available for us to promote and educate the public on the importance of the transition to net zero through our creative work, and working sustainably will allow the creative sector to thrive in the years to come"

"I work with waste textiles in my work and a local thriving textile industry provides me with my raw materials"

"Digital media can be produced in a low carbon manner. Working from home reduces my carbon footprint because I am doing the minimum of driving and do not require power for heat and light in commercial premises. We made a feature film during COVID!"

"The opportunities are huge to transform our practices to carbon neutrality and there's a long way to go. In the Borders we have more possibilities to make it happen because of our rural locations"

In terms of challenges, the costs associated with transitioning to new sustainable and alternative products and processes etc was highlighted as the main challenge with the net zero transition. This may also impact the availability of local and affordable materials, produce and manufacturing if there is the expected shift from cheap imports to local options. Also a few respondents noted the disproportionate impact on smaller companies to meet these costs and their limited capacity to evidence their own environmental impact.

The lack of adequate public transport options within the region was also highlighted as a major challenge as well as the infrastructure required to support a just transition to net zero and new ways of working e.g. electric vehicles, broadband.

"A tick box approach to 'net zero' attainment in terms of accessing support or procurement opportunities may prove restrictive to small and micro businesses who have a comparatively small carbon footprint but who might lack the capacity to evidence low impact"

"The biggest challenge will be to convince politicians, institutions and funders that the creative sector is a crucial tool to help people transition to net zero through offering meaning, solace, inspiration and by describing what's going on in ways that get through to the public when official pamphlets don't"

"Being able to afford greener alternatives e.g. an electric van. Greener alternative e.g. recycled business cards are more expensive"

"Funding and practicalities of making this happen. Carbon Neutral is worth it but is expensive for independent artists and freelancers"

"The sector needs support and guidance on how it can and must change how it currently does things so that we can reduce our carbon footprint. It feels like we are at the starting blocks with this when we should actually be further down the line"

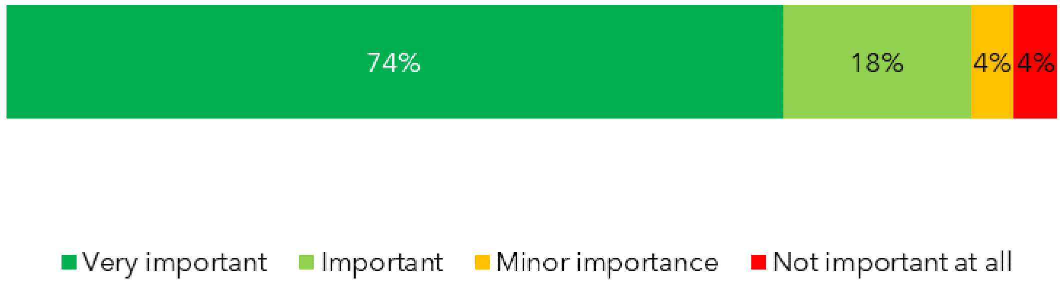
Fair Work

The vision of the Fair Work framework is that "by 2025, people in Scotland will have a world-leading working life where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and for society" with five key dimensions:

- Effective voice
- Opportunity
- Security
- Fulfilment
- Respect

The vast majority of respondents (92%) rated these Fair Work principles as important or very important as a priority for the creative and cultural sector, **Figure 3.7**.

Figure 3.7: How important do you think Fair Work principles should be as a priority for the creative and cultural sector?



N=73. Don't knows removed (7 responses)

In general, feedback was strongly supportive of an initiative that improves working conditions and pay to ensure that everyone has access to fair work. Many noted that the sector is relatively low paid and undervalued with reference to work being valued in terms of coverage/exposure (i.e. for free) rather than pay. It was thought that Fair Work principles may help to address this.

Prioritising Fair Work also brings benefits to freelancers and sole traders, the sector and society. Some include:

- Increased pay, job satisfaction, work/life balance and wellbeing of workforce. This can also lead to increased productivity;
- Encourages inclusiveness to increase engagement and participation amongst under-represented groups, such as people with a disability, and those most at risk of discrimination, such as women; and
- More opportunities for everyone in the sector which empowers and fulfils workers.

It should be noted that a few respondents mentioned that Fair Work is perhaps less relevant for freelancers and sole traders. A couple of respondents were also sceptical of the impact of a set of top-down government guidelines.

"Anything that values individuals and their potential contribution to the region is a good thing. People need to feel supported and empowered to contribute"

"Lots of relatives are poorly paid and offered 'exposure' in return for working for free"

"It's commonplace for creatives to have to work for free to gain exposure or experience, or to work for low wages or in unfair conditions. The fair work principles should be a priority to allow people to work happily and safely in the industry, and fair working practices will attract more people to the industry as a whole which will benefit the entire creative and cultural sector"

"There is still a culture of expecting creatives to work for free or for unrealistic and 'token' amounts. For example, I was offered a commission to make a short film for a local community group and offered £1,000 for it. And they even admitted that they would have to pay over £5,000 to a central belt company but because they 'know me' couldn't I do it for less? We all need to take a stand and demand we are paid the correct level for the work we do. There are artists unions, BECTU and BFI for film, and they are clear about pay rates, as are Creative Scotland and Screen Scotland, and yet we are still seeing commissions from leading D&G organisations offering far less than they should be. E.g. The correct day rate for a Creative Producer is £300, not £150, or even £50! Fair work must surely mean that we have better working conditions and are paid properly as freelancers. There is also a tendency for cultural organisations not to employ their staff but take them on as freelancers. This removes employments protections public agency workers have as standard."

"To build a culture where a creative job is just as valid as those in other sectors. 'You're a dance teacher. Is that your only job? Can you make a living from that? So it pays does it?'"

Issues Affecting Performance and Growth of Sector

Respondents were asked to identify the three most important issues affecting the performance and growth of the creative sector in the South of Scotland as well as any ideas for how these issues could be addressed. **Table 3.8** presents the most common issues with suggestions provided by respondents.

Table 3.8: Most important issues affecting the performance and growth of the creative sector in the South of Scotland and ideas for how these can be addressed

Issue	Ideas for how can be addressed
There is a lack of funding for freelancers and sole traders in the creative sector	• More funding, particularly targeted at start-ups and middling companies • Increased provision of longer-term funding as currently it is mostly granted on a project-to-project basis • Better distribution of government funding
As a remote and rural region, the South of Scotland lacks adequate infrastructure to support the sector e.g. connectivity (transport, digital), housing	• Investment in quality transport links (e.g. public transport), quality affordable housing, town centre improvements which link up communities and the sector across the region as well as create more selling opportunities

Issue	Ideas for how can be addressed
There is a lack of local and regional facilities, venues and premises to accommodate the creative sector. This acts as a barrier to collaboration within the sector.	• Repurposing or upgrade of the many existing and unused buildings (e.g. mills) into affordable spaces. • Creative hubs in localities throughout region. • More markets (e.g. crafts). • More performance venues for small-scale theatre
There are limited retail and tourism opportunities in the South of Scotland	• Town centre improvements • Develop a network and awareness of opportunities to sell and promote work throughout region
Freelancers and sole traders require support and guidance	• More targeted support and training opportunities particularly for women, start-ups. • Greater business support e.g. administration, tax issues
Freelancers and sole traders in the South of Scotland can often work in isolation	• More collaboration supported by provision of collaborative spaces and networking opportunities
Limited awareness and visibility of activity within the creative sector in the region	• Mapping exercise of creative sector in South of Scotland • National marketing campaign • Distinct product branding for the region
Limited understanding of the work and costs for freelancers and sole traders within the creative sector	• Increased advocacy across sectors and education across the board of what to expect when engaging the sector (e.g. correct day rates)
Involving and promoting the creative sector as a career pathway for young people	• More opportunities targeted at involving younger people in sector • Greater integration and alignment of creative sector to curriculum and qualifications (e.g. currently no local provision to achieve performing art qualifications)

3.2.4 Impact of COVID-19

In the context of the COVID-19 pandemic, more than half of the respondents (56%) have adapted or changed their operations or delivery to suit changing circumstances, **Table 3.9**. The majority of these respondents reported that they moved their work to more online in terms of selling opportunities and promotion by increasing social media coverage. Few respondents noted that this shift has opened up new markets to their work.

A further fifth temporarily stopped operating as a result of the COVID-19 pandemic, with a few respondents noting the impact of exhibitions and in-person events being cancelled.

Table 3.9: How has COVID-19 affected your professional creative work?

	% of respondents
Adapted/changed operations or delivery to suit changing circumstances	56%

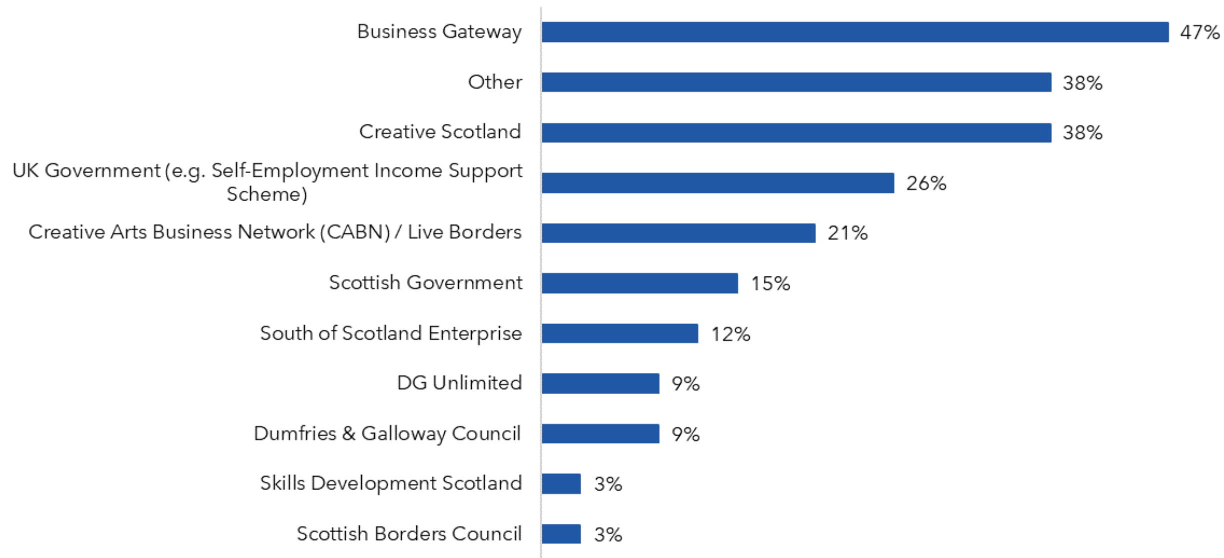
Temporarily stopped operating	21%
Operated as normal throughout	19%
Other	7%

Multiple responses were possible.
Other included permanently stopped operating, limited development as was just starting up, and started up after being made redundant during COVID-19.
N=84

3.2.5 Support

Two out of five respondents (40%) accessed some form of business advice or financial support for their professional creative work in the last three years. Of these respondents, the most common source to access support from was Business Gateway (47%) and Creative Scotland (38%), **Figure 3.8**.

Figure 3.8: Where did you access support from?



N=34
Multiple responses were possible.
Other included QEST Scholarship, Women's Enterprise Scotland, Growbiz, Scottish Artists Union, Drawing Projects UK, Hamburg Council (Germany), Borders College free small business courses, Upland CIC, small grant giver for Scottish stories, Fresh Voice Award at Wigtown Poetry Prize 2020, EMD UK / Arts Safety Management / Dance School Safeguarding Services, and Society of Scottish Artists.

Most respondents (58%) reported a need for support over the next three to five years, **Table 3.10**.

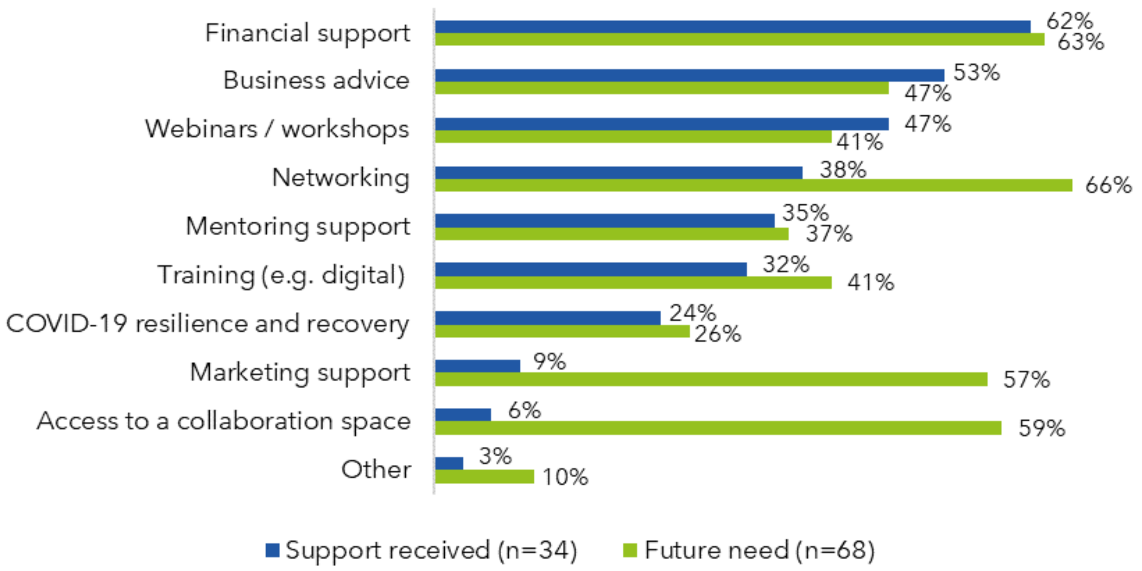
Table 3.10: Do you think you will need support over the next three to five years?

	% of respondents
Yes – definitely	30%
Yes – most likely	28%
Not sure / don't know	29%
Not likely	7%
No	6%

N=83

Figure 3.9 shows the type of support that respondents have received over the last three years (if applicable) and the areas they have identified they could benefit from further support in. The most common types of support needed are for networking (66%) and financial support (63%) followed by access to a collaboration space (59%) and marketing support (57%)**.** Respondents were asked what financial support would be needed for and this included: mainly for research and development of their work/practice; to progress a project; to purchase new equipment; for start-up costs; marketing; premises; and skills training.

Figure 3.9: Types of Support – Received in Last 3 Years and Future Need



Multiple responses were possible.

Respondent who ticked other could not remember. Future need – other included CPD, website development and diversity training.

Respondents were asked what could be done, including by the public sector, to support recovery and resilience in the creative and cultural sector in the South of Scotland.

Key themes included:

- Tailored and bespoke sectoral support;
- Greater strategic cohesion; and
- Increasing the availability of quality, affordable and subsidised premises

Tailored and bespoke sectoral support

Similar to above, most respondents reiterated the need for tailored support most commonly referring to networking, mentoring, marketing, promotions, events, start-up support, funding applications, and accessing opportunities within the region, UK and exporting internationally.

Greater strategic cohesion

Another key area was that there should be greater strategic cohesion to support the sector. For example, a joined-up approach between the workforce, organisations and services, which is informed by greater and continued engagement with freelancers and sole traders, was viewed as critical to strengthening the sector throughout the region. Some respondents also highlighted the importance of having politicians on board to champion the sector, communicating its value to the economy to help secure further investment and attention. A common thread throughout the feedback was that it would be important to embed the sector within mainstream strategic decision-making processes as well as engaging with other sectors (such as health and social care).

Premises support

As raised throughout the survey, increasing the availability of quality, affordable and subsidised premises was highlighted as a potential area for action. This covered a range of collaborative studio spaces, as well as creative hubs throughout the region, and development of larger venues.

Other suggestions

Some noted the value of CABN's services and that its future should be safeguarded with different delivery models explored. A couple of respondents also noted the potential to develop a nationally significant arts centre in the South of Scotland, with specific reference to developing Gracefield Arts Centre into a regional asset.

"Dedicated help with finding sources of funding and assistance with applications. Raising funds is a specific time consuming and unpaid task. Having someone to turn to with an idea who could suggest the best avenue and then help with writing the application would be immensely encouraging. We are artists and creative thinkers, not report writers. It takes immense amounts of time to fill in the forms with all the boxes to tick and when the rejection arrives (more often than not) it is utterly demoralising"

"There need to be voices at decision making levels who can ensure that the creative sector is an integral part of development plans rather than an afterthought bolted on at the end if a bit of spare cash becomes available. An integrated approach ultimately turns out to be cheaper and has a positive effect in other sectors"

"I think we need to create collaborative creative spaces that are multi-use and multi-functional. I know this would take a lot of commitment and investment, but I feel with the right people in place there could be hubs across the South that not only support, inspire and encourage the arts but also the communities they are in. The arts should be accessible to everyone regardless of any barriers"

"Better equipped and accessible community venues locally for performance, workshops and gallery space"

"Communications, and support and advocacy from those organisations and people who have power in our area, such as Live Borders and Scottish Borders Council"

"Start to include arts in everyday decision making and consultation processes. Expand on the idea of embedding them in non-artistic organisations. SOSE should have several artists in residence for example"

Final Comments

Asked to provide any final comments, most respondents welcomed the opportunity to participate in the survey. Comments were wide-ranging and largely reflected their responses provided earlier in the survey. For example, many respondents noted the vibrancy and strength of the sector and how it contributes to regional identity, tourism and the economy. Others agreed but felt that more could be done to further develop the sector.

To this end, some respondents were enthusiastic that SOSE were focusing on the creative and cultural sector and hoped that they could champion the sector. Some respondents commented on the lack of diversity and inclusivity within the sector stating that it was too elitist ("pale, male and stale") with too much emphasis on particular subsectors.

3.3 Businesses and Organisations

An online and telephone survey targeted at businesses and organisations working within the creative and cultural sector of the South of Scotland was conducted in February and March 2022. The online survey was promoted and distributed through various channels, and direct contact made by phone/email where contact details were available.

Online survey respondents were asked whether they were responding as: a private limited company; not-for-profit, voluntary or charitable organisation; unincorporated association; partnership; public limited company; or other. This directed the respondents to the relevant survey (i.e. if an organisation, they were directed to organisation survey and filtered out any freelancer or sole trader respondents) which left a total of **74 respondents**. The breakdown by each method is shown in **Table 3.11**.

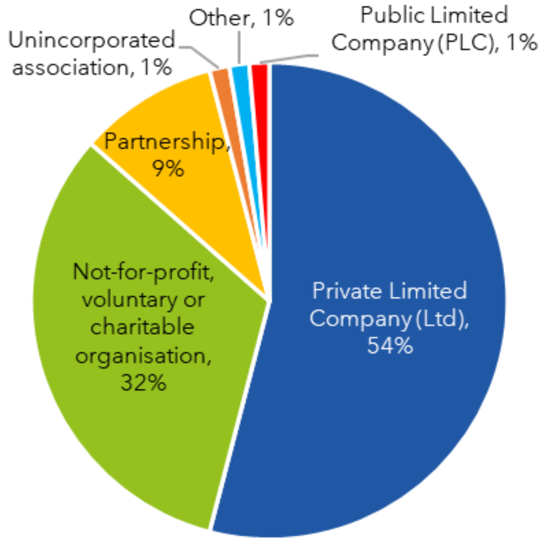
Table 3.11: Respondents by survey

	No. of respondents	% of respondents
Telephone Survey	45	61%
Online Survey	29	39%
Total	**74**	**100%**

3.3.1 Profile

More than half of respondents responded on behalf of a private limited company (54%) and just under one third (32%) on behalf of a not-for-profit, voluntary or charitable organisation, **Figure 3.10**.

Figure 3.10: Type of Respondent



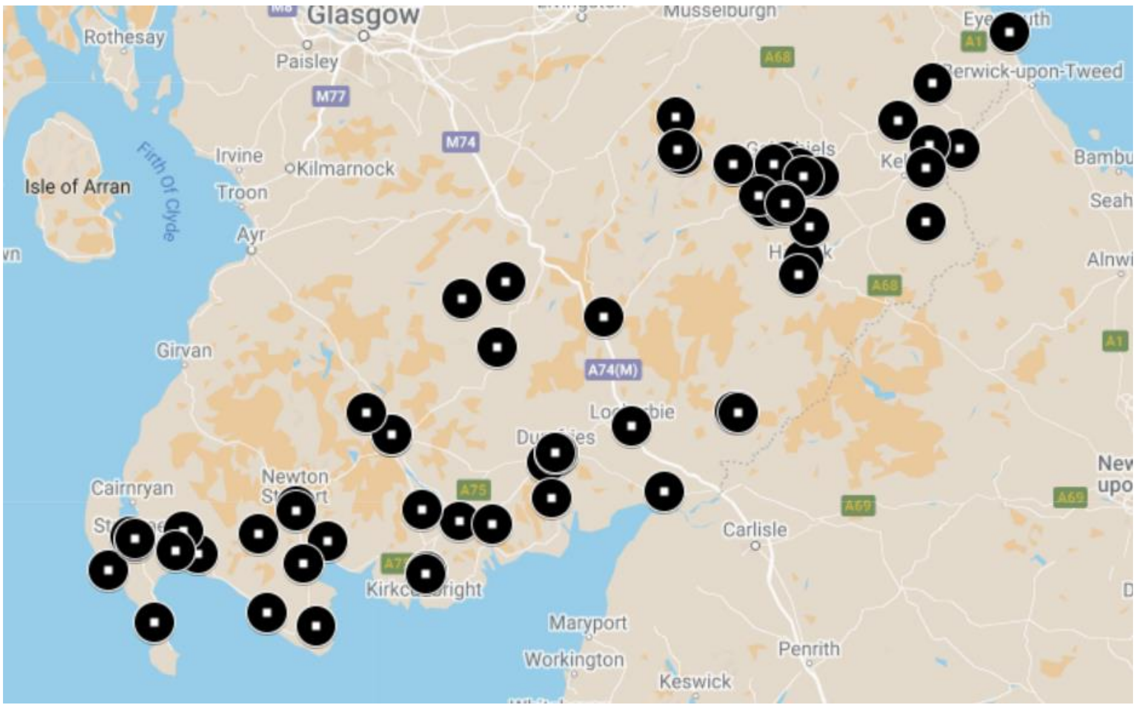
'Other' responses was an approved formal grouping within a UK organisation

N=74

Location

Respondents were asked to provide their postcode and in which settlement they were based, shown in **Figure 3.11**. There was a reasonable spread of respondents throughout the region with the most common places to be based including Newton Stewart (8), Dumfries (6), Stranraer (6), Galashiels and Selkirk (5 each).

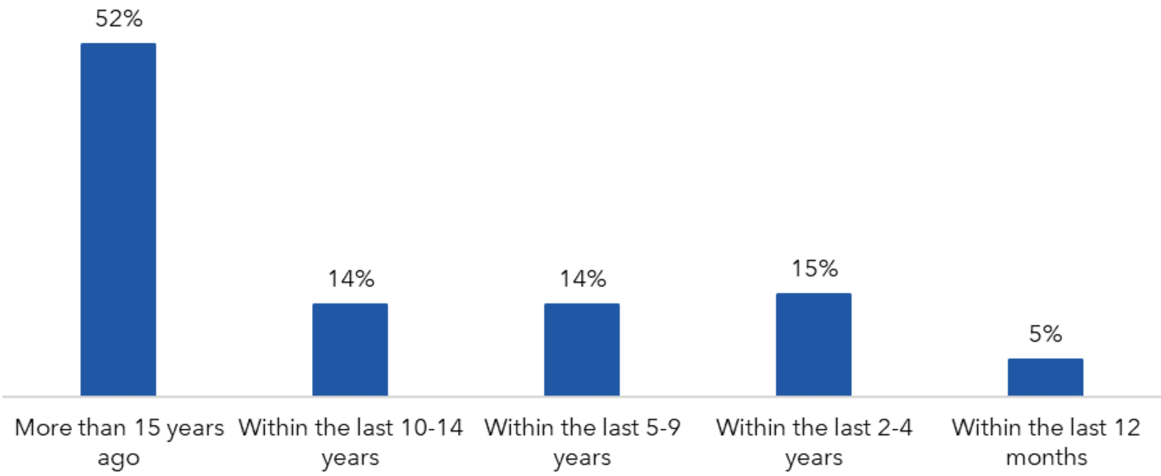
Figure 3.11: Map of Respondents Postcodes



N=72. Map: Google Maps

Businesses and organisations who responded to the survey tended to have been established for some time, with two-thirds (66%) having operated for at least 10 years, **Figure 3.12**.

Figure 3.12: When was your business/organisation established?



N=73

Creative Industries Subsector

Respondents were asked to specify the main subsector of their business and organisation as well as any other subsectors they operate in, **Table 3.12**. There was a relatively even spread with just under one quarter of respondents operating in visual art (24%), and similar proportions in design (22%), crafts (20%) and heritage (20%). The vast majority of businesses and organisations (82%) identified that they work in more than one subsector of the creative industries, reflecting the diverse nature of creative businesses and organisations, particularly in rural areas[43]. Common crossovers included crafts, design and visual art.

[43] EKOS for Skills Development Scotland, Impact of Covid-19 on the Creative Workforce (2021)

Table 3.12: Respondents by Subsectors

Subsector	% operating in subsector	% main subsector
Visual art	24%	12%
Design	22%	7%
Crafts	20%	5%
Heritage	20%	8%
Other	20%	15%
Festival or event	18%	8%
Music	16%	9%
Fashion and textiles	12%	9%
Film and video	11%	4%
Performing arts	11%	5%
Writing and publishing	11%	5%
Cultural education	9%	3%
Photography	9%	7%
Radio and TV	4%	0%
Software/electronic publishing	4%	1%
Advertising	3%	0%
Architecture	1%	1%
Computer games	0%	0%

'Other' included multi- and cross-disciplinary (5), antiques (2), tourism (1), agriculture (1), IT development (1), technical support (1), marketing and event management (1), training (1), programming and curation (1).
N=74

Employment

At time of survey (February/March 2022), 85% of business and organisation respondents employed at least one employee with a total employee count of 383 people, **Table 3.13**. Despite a slight decrease in the proportion of businesses and organisations who have employees between 2019 and current levels, the total employee count amongst respondents grew slightly by 36 people, equivalent of 10%. This has largely been driven by greater use of part-time employment (+13%) compared to pre-COVID-19 levels.

Of respondents who provided data for both years, over half (52%) reported that employment had stayed the same with the remainder either increasing employment (28%) or decreasing employment (20%) compared to pre-COVID levels. Both sets of these respondents cited the impact of the pandemic when asked to explain change in employment.

Table 3.13: Employment of Respondent Businesses and Organisations by FT/PT

	2019 (n=71)	Current (n=73)	Change
% with employees	**89%**	**85%**	**-4%**
% with FT employees	75%	68%	-7%
% with PT employees	44%	56%	+13%
No. of employees - total	**347**	**383**	**36**
No. of FT employees	224	231	7
No. of PT employees	123	152	29
Average no. of employees - total	**4.9**	**5.2**	**+0.3**
Average no. of FT employees	3.2	3.2	0
Average no. of PT employees	1.7	2.1	+0.4

Looking at the type of employment/workers, roughly one-third of respondents use freelance contracts (34%) and unpaid volunteers (31%) – a further 8% reported use of paid internships and apprenticeships, **Table 3.14**. Given the nature of businesses and organisations in the sector who responded to the survey, it is unsurprising that there is a larger total of unpaid volunteers with businesses and organisations typically using an average of almost 29 per year.

Table 3.14: Other Employment by Type

	% of respondents	Total no.	Average no.
Freelance contracts (n=20)	34%	116.5*	5.8*
Volunteers (unpaid) (n=21)	31%	602	28.7
Paid interns or apprenticeships (n=5)	8%	11	2.2

*removed outlier of 300 freelance contracts per year.

Income

More than half of businesses or organisations reported that their annual income was below £50,000 in both 2019 and 2021 (55% and 59% respectively) indicative of the smaller businesses and organisations comprising the creative sector, **Table 3.15**.

For respondents who had provided income for both years, a comparison between the two years was made. Two-thirds of respondents (66%) reported that their income had increased or stayed the same compared to pre-COVID-19 levels.

The remainder (33%) recorded a decrease in income over the same period with most citing impact of COVID-19 pandemic on activity of their business/ organisation. To an even greater degree than employment, respondents cited the impact of the pandemic when asked to explain change in income.

Table 3.15: Approximate Annual Income of Business or Organisation

	2019 (n=60)	2021 (n=56)	% change
£0	13%	9%	-4%
£1k - £49k	42%	50%	8%
£50k - £99k	15%	21%	6%
£100k - £249k	17%	5%	-11%
£250k - £499k	7%	7%	0%
£500k - £999k	5%	5%	0%
£1m - £2.49m	2%	2%	0%
£2.5m - £4.99m	0%	0%	0%
£5m+	0%	0%	0%

Note: 2021 figures include any COVID-19 grant support accessed.

3.3.2 Growth and Opportunities

Respondents were asked to describe the current state of their main creative subsector and to explain their reasons why they felt this way. Feedback was mixed as 34% of respondents reported a degree of growth within their subsector, 35% static and one-quarter (24%) reporting that their subsector was currently in decline, **Table 3.16**.

Table 3.16: How would you describe the current state of the main creative subsector in which you operate?

<table>
<tr><th>Current state of subsector</th><th>%</th><th>Main reasons</th></tr>
<tr><td>Growing strongly</td><td>8%</td><td rowspan="2">Greater demand for products, services and activities highlighting early signs of COVID-19 recovery. As such, a few respondents mentioned that this was increase from a low base
Greater investment and funding into subsector
Relatively large proportion of respondents reporting growth in subsectors including: design, particularly fashion and textiles; and film production.</td></tr>
<tr><td>Growing</td><td>26%</td></tr>
<tr><td>Static</td><td>35%</td><td>Continued unpredictability of COVID-19 impact, particularly on creative industries (and subsector) which is more vulnerable. Some comments referenced that recovery has been patchy and not fully reopened combined with a hesitancy amongst customers to engage again
Limited support and investment for creative industries with a few respondents noted ineligibility of those in sector for some funding
People have less money to spend on what is deemed as a 'luxury sector' and this will worsen with cost of living crisis
Raised to much lesser extent, there is a backlog of work and stock which need addressed before any growth</td></tr>
</table>

Current state of subsector	%	Main reasons
Declining	23%	• Long-term lack of public sector funding and support for creative industries • Changing patterns of consumer behaviour • Lost income and work which has still not recovered to pre-COVID-19 levels. Any recovery would likely take several years. • Most music respondents reported that subsector was currently declining with wide-ranging feedback including changing consumer behaviour, increased costs (manufacturing), and lost income forcing people out of sector
Declining significantly	1%	
Don't know	7%	• Continued unpredictability of COVID-19 impact, particularly on creative industries (and subsector) which is more vulnerable

N=74

On average across respondents, over half of the activity (participation, attendance or sales) of businesses and organisation occurs within the South of Scotland (57%), whether in their local settlement (33%) or in the wider region (24%), **Table 3.17**.

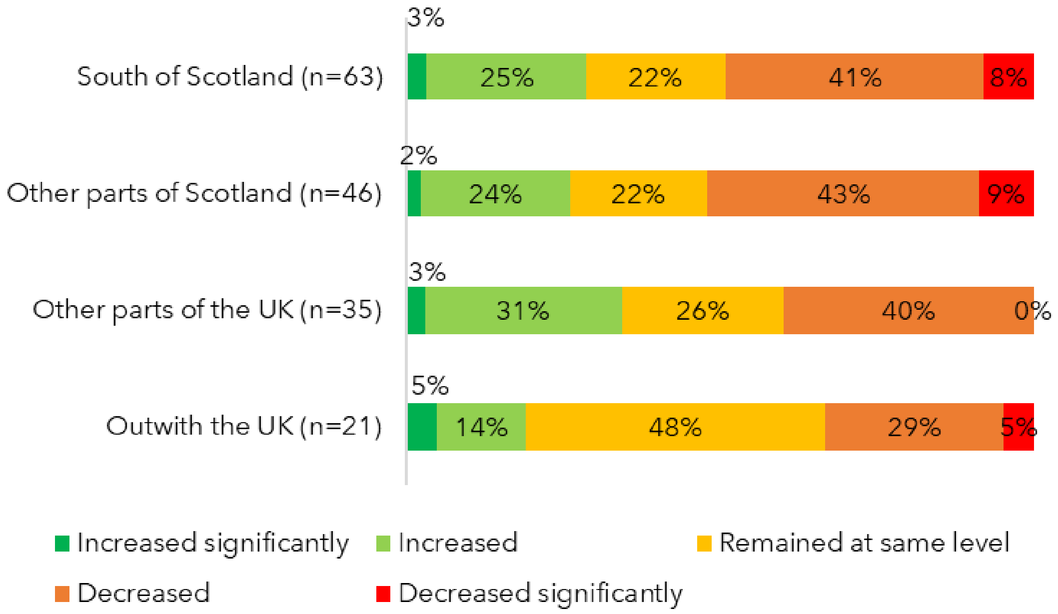
Table 3.17: Average proportion of activity (participation, attendance or sales) by location

	% of respondents
My local town/village/settlement	33%
The rest of the South of Scotland	24%
Other parts of Scotland	16%
Other parts of the UK	19%
Outside of the UK	8%
Total	**100%**

N=74

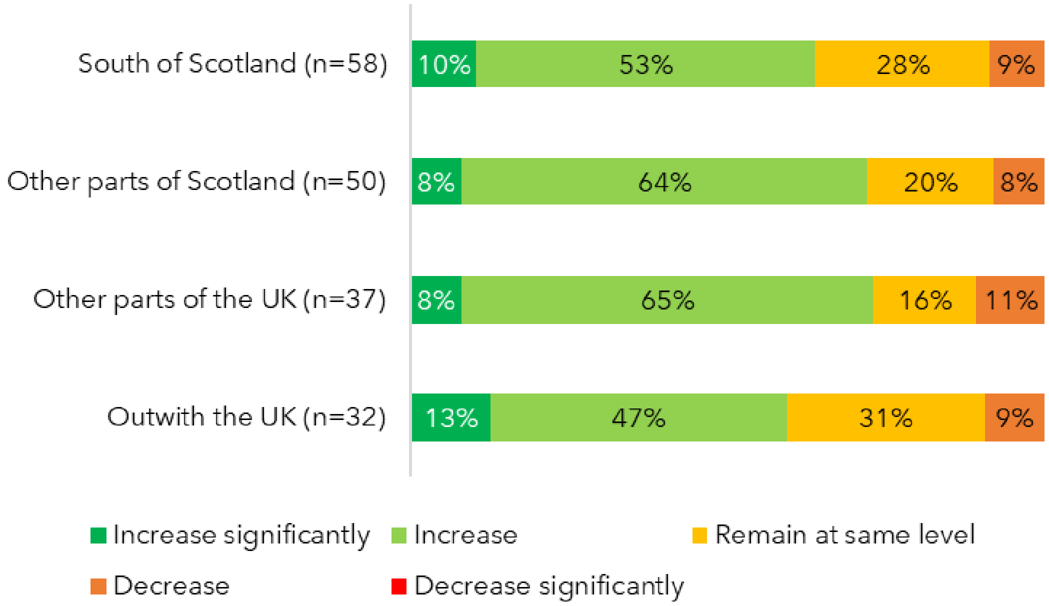
The distribution of turnover appears to have shifted slightly with almost half of respondents reported a decline in turnover in both the region and Scotland (49% and 52% respectively) – this was typically from telephone survey respondents who reported decline across all areas, **Figure 3.13**. Looking to the future, the majority of respondents anticipate growth across all areas likely due to recovery from COVID-19 pandemic, **Figure 3.14**.

Figure 3.13: How has the distribution of turnover changed in each of the areas in the last three years (since 2019)?



Don't knows removed (8;7;11;6)

Figure 3.14: How do you expect the distribution of turnover in each of the areas to change in the next two years (to 2023-24)?



Don't knows removed (14;14;26;31)

The ambition to access opportunities beyond the South of Scotland is evident with 92% of respondents stating that it is important or very important to the future development of their work/practice, **Table 3.18**.

Table 3.18: How important is accessing opportunities beyond the South of Scotland (i.e. rest of Scotland, UK and international) for the future development of your business/ organisation?

	% of respondents
Very important	74%
Important	18%
Minor importance	4%
Not important at all	4%

N=72. Don't knows removed (2)

Respondents were asked where their 'competitors', or practitioners producing similar work, are based. One-third (34%) identified their competitors as being located within the South of Scotland, **Table 3.19**.

Table 3.19: Average proportion of 'competitors' or practitioners producing or providing similar work/services by area

	% of respondents
South of Scotland	34%
Other parts of Scotland	28%
Other parts of the UK	24%
Outside of the UK	14%
Total	**100%**

N=60

Confidence amongst creative business and organisations about the future of the sector in the South of Scotland was relatively mixed, with half confident to some extent (50%), **Figure 3.15**.

Figure 3.15: Overall, how confident do you feel in the future of the creative and cultural sector in the South of Scotland?

N=70. Don't knows removed (4)

The context of a general rise in living and trading costs and the COVID-19 pandemic is reflected in the challenges identified by most respondents which they expect to face over the next two to three years, **Table 3.20**. Most respondents highlighted increased costs, COVID-19, access to customers/markets/audience and access to finance as the main barriers. The challenges of operating in a remote and rural region were also evident with 70% of respondents reporting physical geographic barriers as a challenge to their business or organisation.

Table 3.20: Do you think any of the following challenges or barriers will apply to your organisation over the next 2-3 years?

	% of respondents	Major challenge	Some challenge	Not a barrier
Increased costs (n=72)	89%	72%	19%	8%
COVID-19 (n=71)	86%	65%	25%	10%
Access to customers/markets/audience (n=70)	78%	46%	37%	17%
Access to finance (n=69)	76%	45%	36%	19%
Physical geographic barriers (i.e. travel costs) (n=71)	70%	42%	31%	27%
Lack of scale in the business (i.e. to realise future opportunities) (n=66)	69%	21%	56%	23%
Access to business advice/support (n=69)	64%	12%	57%	32%
Networking opportunities (n=69)	57%	25%	36%	39%
Digital infrastructure (n=69)	57%	7%	54%	39%
Meeting Net Zero requirements (n=67)	55%	16%	45%	39%
Availability of creative/skilled talent (n=73)	54%	21%	34%	45%
Recruiting and retaining staff (n=69)	50%	26%	28%	46%
Intellectual property management (n=64)	43%	8%	42%	50%
Access to exhibition or performance space (n=56)	38%	27%	23%	50%
Access to suitable training opportunities (n=69)	35%	10%	28%	62%
Property and premises (availability, suitability, cost) (n=60)	34%	17%	25%	58%
Access to facilities & equipment (e.g. workshops, rehearsal space etc) (n=53)	31%	19%	25%	57%
Other (n=7)	9%	100%	0%	0%

'Other' included customers not having the money to spend (2), Brexit, climate uncertainty, lack of understanding about merged companies.

Main challenges

Respondents were asked to specify the main challenges that they face as a business or organisation in the creative sector. This mostly related to financial challenge either of increasing costs and/or securing funding. In terms of increasing costs, this covered many areas including rising costs for operating, energy and fuel, building maintenance, materials (with increased difficulties to source some materials). There was also a concern that the cost of living crisis will negatively impact on customers and audiences who will have less money to spend in a perceived 'luxury' sector.

Access to funding and grant support was identified as a challenge by many respondents. Feedback highlighted that there had been a reduction of available funding for the sector both in terms of the number of funding opportunities and the level of available funding. It was felt that the sector is disproportionately impacted by funding reductions compared to other sectors and this fed into wider view that the sector is generally undervalued. Some respondents noted that the lack of funding was preventing their ability to grow as a business or organisation and take on additional staff.

Various aspects of audience and customers were raised as a challenge for businesses and organisations. This mainly related to ability to attract, maintain and develop an audience and customers in the backdrop of declining numbers with respondents citing the impact of the COVID-19 pandemic (closures of local venues and facilities), cost of living crisis (less money to spend), and decline of high streets (less footfall) – it was anticipated that these challenges will continue over next few years. For example, even as COVID-19 restrictions begin to ease, a few respondents noted that there was still customer hesitancy and a lack of confidence to engage with the creative sector. In the context of these crises, the uncertainty of the future was a challenge for several respondents and increases unpredictability and insecurity for their business or organisation.

Other challenges included: marketing to raise visibility and awareness of their work; and availability and recruitment of skilled workers as well as limited volunteer capacity to draw upon.

"Lack of comparison venues, and with many creative programmes in Dumfries & Galloway being delivered free/subsidised, participants are not used to having to pay for creative experiences, nor pay a price which will allow us to pay the creatives appropriately and make enough money to sustain the organisation."

"Raising funds to be able to employ, even part-time, the specialist staff required to BE ABLE to grow the business."

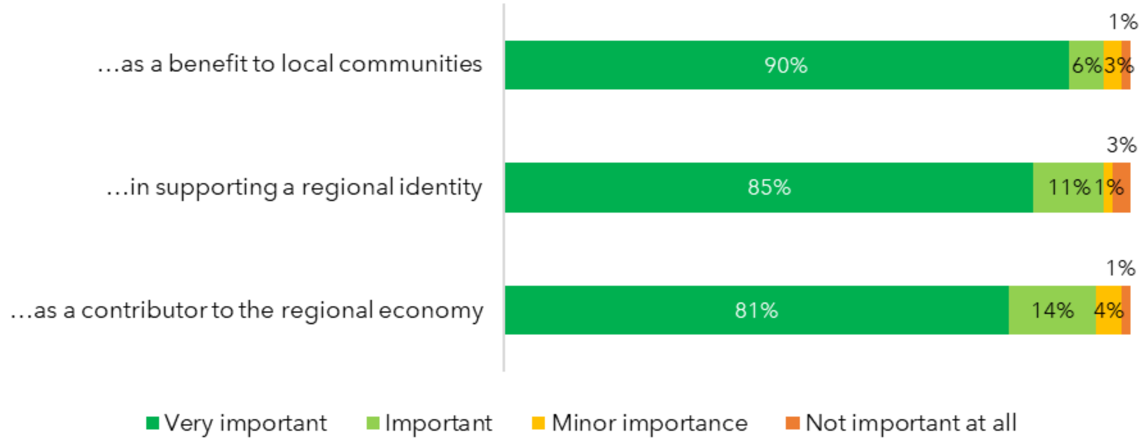
"Spending a lot of time on individual funding applications for small amounts of money, very time-consuming. Potentially things will get easier as lockdown eases and more long-term funding opportunities are developed."

"Cost of postage now, it's gone up over 50% and more businesses are relying on internet sales."

3.3.3 Wider Views on the Creative Sector

Respondents were asked to rate the importance of the creative sector to South of Scotland in supporting a regional identity, as a benefit to local communities and as a contributor to the regional economy, **Figure 3.16.** They were also asked to provide reasons for their ratings as summarised under the subheadings below.

Figure 3.16: How important do you think the creative sector is to the South of Scotland…?



Don't knows removed (1 in each instance)

Importance to Local Communities

Almost all respondents (96%) stated that the creative sector is important as a benefit to local communities within the region with 90% rating it as very important, **Figure 3.16**.

The most common point raised was that creative industries play a pivotal role in the tourism offer of the South of Scotland. By making the region an attractive place to visit, the creative sector benefits local communities by providing jobs and employment opportunities and encouraging visitors to spend time and money in the area. This related to a wider point that creative sector retains employment, spend and young people within the local area by providing local services, products and opportunities – some of which are unique and not offered elsewhere. Some respondents noted that the challenging context of the rural setting which underlines the importance of retaining benefits in the local area.

Several respondents felt that the creative sector was important as it made local communities more attractive places to live and work (i.e. increasing quality of life). This was both in terms of products and services itself and, more broadly, as a vehicle for community regeneration which increases social cohesion and resilience in communities across the region.

Other points raised to a much lesser extent included: the sector increases the inclusiveness of local communities by widening access in terms of participation (e.g. across all ages, people from deprived background) to experience cultural events and activity and widens employment opportunities; and engagement with creative and cultural sector brings physical and mental health benefits particularly in a remote and rural region with high levels of social isolation.

"Creative experiences provide an outlet for wellbeing and mindfulness and help reduce social isolation of living in rural communities. The more diverse the cultural offer, the better the place is to live and visit."

"Artists are often embedded in the specific communities in which they live, interacting with community groups and individuals. Community and participatory arts are particularly strong in the region, and there are many examples of art that is an important part of initiatives for community renewal."

"Communities gain civic pride and confidence from its history and its own storytellers and artists. It is crucial in creating regeneration and prosperity."

Importance in Supporting a Regional Identity

Similarly, 96% of respondents reported that the creative sector is important to the South of Scotland in supporting a regional identity, **Figure 3.16**.

Feedback from most respondents highlighted how the creative sector has an important role as it promotes and showcases the rich heritage and traditions of the region through its unique products, services and character. Here, there was specific reference to the contribution of book towns and art galleries to the regional identity. In turn, promotion of this identity through the creative industries makes the South of Scotland an attractive destination, particularly for tourists. Few respondents also highlighted that the having a strong regional identity that is supported by the sector increases the visibility of the region and attracts investment.

Some respondents stated that the regional identity is not only promoted by the sector but the creative industries helps to shape the identity itself. This creates different identities across different places that can still support a broader regional identity. There was also reference to the importance of the regional identity as part of the Scottish culture and identity.

Several respondents stated that more could be done to promote and build on the regional identity. A couple of respondents noted that they struggled to think of the regional identity of the South of Scotland when asked.

> "Artists both reflect and shape social and cultural identities (in the plural). They give voice to regional concerns whilst also contributing to the regions' self image and to the way it is seen both by the rest of Scotland, the UK and internationally. Arts and culture are in integral part of the discourses of cultural renewal, tourism and economic growth."
>
> "Creativity is part of all aspects of our identities. There is not one single 'regional identity', but multiple identities within each person and place."
>
> "It's the creative sector that makes Dumfries and Galloway what it is today"

Importance to Regional Economy

The vast majority of respondents (95%) felt that the creative sector is important to the regional economy, **Figure 3.16**. Feedback overwhelmingly referenced that the creative sector already makes a significant contribution to the regional economy in a number of ways including: generating income and revenue; attracting tourists to spend time and money in the region; as a growth sector; wider contribution of services across sectors (e.g. design and communication).

Several respondents also noted that the creative sector is important for employment at a regional level both in terms of its scale and as it provides a highly skilled and talented workforce. This helps to attracts inward migration of workers who view the South of Scotland as an attractive place to work.

For a few respondents, more could still be done to increase awareness of the creative sector's contribution to the regional economy as well as greater promotion and marketing of the sector especially the "hidden gems". There was also the view that this could be helped by joining up different parts of the sector as it is spread out across the region.

> "Artists generate a very good return on investment, and the cultural sector is one of the largest and fastest-growing. Now that single-industry employment is rare, the arts offer a model of dispersed and adaptable economic activity."

> "We were supported by the government with funding. This enabled us to buy machinery and due to this we have helped other companies by providing their packaging that their suppliers were unable to do. We probably saved a few businesses throughout the pandemic by being able to provide a service that the larger organisations were not able to as they were focused on their larger customers."

A Just Transition to Net Zero

Respondents were asked what opportunities and challenges the transition to net zero present for their business or organisation and the wider creative sector – under half provided a response to this question.

One of the key opportunities of the net zero transition identified by respondents is to adapt and transition to new sustainable products, services, processes, technology, and methods. This will encourage new ways of working which is likely to lead to a greater shift to online with the potential for greater efficiency and wider reach. For example, some respondents noted that they had already begun a shift to more digital ways of working as a result of COVID-19 pandemic which has reduced their carbon footprint.

Equally, several respondents stated that their business and organisation was already operating in a sustainable way and is well-placed to benefit from the wider transition – a couple of these respondents noted how their service already contributes to the circular economy. Potential benefits would include increased demand (as products are already sustainable e.g. fashion and therefore increasingly attractive) and more work opportunities ("new green business emerging that require professional creative service support"). There would also be the opportunity to further invest in their equipment and facilities (e.g. solar panels, electric vehicle charging points, net zero buildings).

Similar to the freelance and sole trader feedback, another key opportunity was that the creative sector can be at the forefront of change, communicating the importance of net zero transition to wider audience and inspiring change within them. In this way, the sector can take a leadership role in an educational sense to the wider public through both the nature and focus of the work and the limited environmental impact of the work itself ("green champions").

Other opportunities raised by a few respondents included: a shift to local products and services rather than cheaper imports from overseas competitors; and chance to rethink and improve rural connectivity within the South of Scotland to provide infrastructure which connects communities and businesses thus strengthening the sector.

"This represents an enormous opportunity for creative practitioners, whose values largely align with net zero objectives. It will stimulate new ways of working - new materials, new priorities, new practices - and open up new areas of content and subject matter. It could become an area where the arts and culture take a leading role, making new partnerships and imagining new ways of living."

"There is a significant opportunity to make a positive impact on carbon emissions by bringing high quality professional artists and companies to the area, thereby reducing the need for local audiences to travel (usually by car) to find the cultural provision they are looking for."

"We can supply products with a smaller carbon footprint than those being imported from Asia/Eastern Europe. Although our products are more expensive, the quality and sustainability is far higher. As customers begin to learn and care more about the impact their purchases have on the planet, they are more likely to buy from a brand who is eco-friendly. I'm sure we'll see some growth because of this."

In the context of rising costs and increasing financial pressure on businesses and organisations, the financial cost to transition to net zero was the major challenge identified by most respondents. Feedback related these costs to high price of energy, new technology (e.g. electric cars) and required change of systems – some organisations noted that maintenance of their building was already costly and it would be extremely challenging to make these buildings net zero in the absence of financial support.

As still in relatively early stage, feedback also highlighted the various logistical and practical challenges with transition to net zero. For example, again, they pointed to the challenges of maintaining an old building and that it would be extremely difficult to adapt the building to meet standards – *"the building is over a hundred years old and is very expensive to maintain and impossible to get it to net zero."*

Another logistical challenge is the lack of infrastructure required to support the transition to net zero within the South of Scotland (e.g. electric vehicle charging points etc). It was also highlighted that there is limited availability of local sustainable materials therefore it would be challenging to source some materials for their business or organisation.

Given the rural and remoteness of the South of Scotland, some respondents felt that a degree of travel, particularly by private car, will always be necessary and could not see how this could be avoided.

> "We attract young players of musical instruments from across the region. They have to physically get together regularly. This involves a lot of travelling."

> "It could become another box ticking exercise i.e. another certification scheme (with associated costs) with the potential to be used as a barrier to support/contract opportunities."

> "We are, as a society, still working out what net zero actually means and how it might be achieved. What does a net zero performance look like, for example? How is it to be managed in non-urban regions, where travel is necessary for participation? There will also be economic implications for artists as we transition between different ways of working."

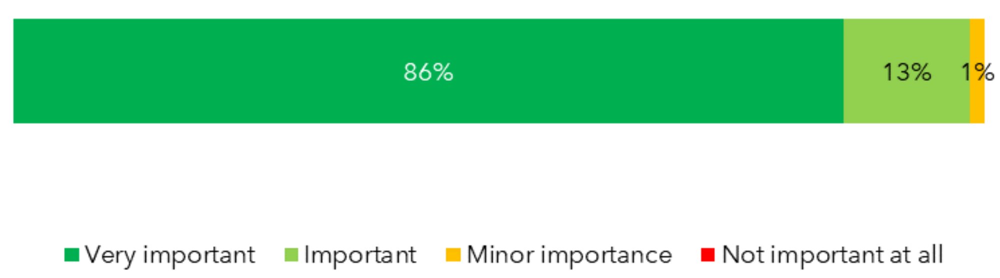
Fair Work

The vision of the Fair Work framework is that "by 2025, people in Scotland will have a world-leading working life where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and for society" with five key dimensions:

- Effective voice
- Opportunity
- Security
- Fulfilment
- Respect

Almost all respondents (99%) rated these Fair Work principles as important or very important as a priority for the creative and cultural sector, **Figure 3.17**.

Figure 3.17: How important do you think Fair Work principles should be as a priority for the creative and cultural sector?



N=69. Don't knows removed (4)

In general, feedback was strongly supportive of an initiative that improves working conditions and pay to ensure that everyone has access to fair work. The most common view was that Fair Work principles are important and necessary across all sectors, workplaces and roles therefore it is vital that these standards are also upheld in the creative industries.

Many respondents felt that the principles are important as they encourage inclusiveness to ensure everyone is treated the same in terms of equality of pay, having a voice, and widening access particularly amongst under-represented groups such as people with a disability and/or illness. Some respondents also felt that in a broader sense adopting the Fair Work principles are another way for the sector to have a voice and gain recognition. Another view was that paying Living Wage would close the pay gap within the sector between rural areas and the higher-paying Central Belt and urban areas.

A minor view expressed by a couple of respondents was that they were sceptical about how the principles may play out in reality within the rural context of South of Scotland.

"I think Fair Work is important for every sector in Dumfries and Galloway. There are some very archaic practices still go on in regard to recruitment and management of staff particularly in the creative sector and there needs to be a level playing field/more transparency. Many creative organisations are trust led, and trustees need to understand their responsibilities towards employees, freelancers and volunteers and employees need to be allowed to have a voice."

"It is for employers to actively protect the workers they employ in the interests of social justice and sustainability."

"Everyone should have the opportunity to be heard and fulfil their aspirations. Whether it is a realistic and deliverable vision needs to be seen. Such aspirations in our remote setting with a small population may prove unrealistic."

Issues Affecting Performance and Growth of Sector

Respondents were asked to identify the three most important issues affecting the performance and growth of the creative sector in the South of Scotland as well as any ideas for how these issues could be addressed. **Table 3.21** presents the most common issues with suggestions provided by respondents.

Table 3.21: Most important issues affecting the performance and growth of the creative sector in the South of Scotland and ideas for how these can be addressed

Issue	Ideas for how can be addressed
Rising costs (e.g. overheads, energy, materials) are placing pressure on businesses and organisations. These costs are often passed onto customer/audience who are increasingly having less money to spend.	• Financial support (e.g. subsidies, grants, reduction in rates and VAT) to ensure survival of businesses and organisations and for affordability of customers who cost is often passed onto. • Encouragement to source, buy and trade with local businesses rather than overseas • Greater support as there is a disproportionate impact of rising fuel costs on smaller organisations who must heat old and/or larger buildings • Some were unsure how the cost of living crisis could be addressed
There is a lack of funding and support for businesses and organisations in the creative sector. Also, eligibility criteria for existing funding typically excludes a reasonable proportion of sector (e.g. must have premises).	• More funding, particularly targeted at smaller businesses/orgs, creative businesses, performing arts. Couple of expressed view that successful companies should be supported not just struggling ones • Funding should be more evenly distributed across businesses and organisations to support greater number of beneficiaries • More information and guidance on how and where to source funding • Support should be tailored to creative sector • More collaboration supported by provision of collaborative spaces and networking opportunities
In context of COVID-19 pandemic and cost of living crisis, there is reduced demand for product, service or events offered by business or organisation	• Greater promotion and marketing enabled by financial support to encourage people and increase confidence to get back out and start doing things again. • Similar as above, financial support which ensures affordability for customers/audience to maintain and develop demand.
As a remote and rural region, the South of Scotland lacks adequate infrastructure to support the sector e.g. connectivity (transport, digital)	• Investment in quality transport links (e.g. public transport) and increased provision of services (e.g. more regular and evening buses) to link up communities and the sector across the region (particularly to develop cultural and creative offer in most remote areas rather than concentrated in main towns)

Issue	Ideas for how can be addressed
Limited awareness and visibility of activity within the creative sector in the region	• Funding and support for marketing and promotion of business/organisation and sector • Wider marketing of the region's creative sector across all platforms (e.g. social media) and to rest of UK
There is a lack of local and regional facilities, venues and premises to accommodate the creative sector. This acts as a barrier to collaboration within the sector.	• Repurposing or upgrade of the many existing and unused buildings into affordable spaces • Creative hubs in localities throughout region (e.g. both studio and office space suitable for all subsectors) • Development of a dedicated arts centre
There is a limited availability of qualified and skilled staff	• More training opportunities and programmes • More promotion and incentives to attract seasonal staff • More opportunities targeted at involving younger people in sector (apprenticeships)

3.3.4 Impact of COVID-19

Over the course of the COVID-19 pandemic, almost two-thirds of respondents (62%) temporarily stopped operating with a further 30% adapting or changing their operations or delivery to suit changing circumstances, **Table 3.22**. Of those who adapted, the majority reported that they moved their work to more online (couple with reduced hours) or delivered festivals/events/content digitally. Few respondents noted that they had diversified or created a new product.

Only 6% operated as normal throughout the pandemic.

Table 3.22: How has COVID-19 affected your professional creative work?

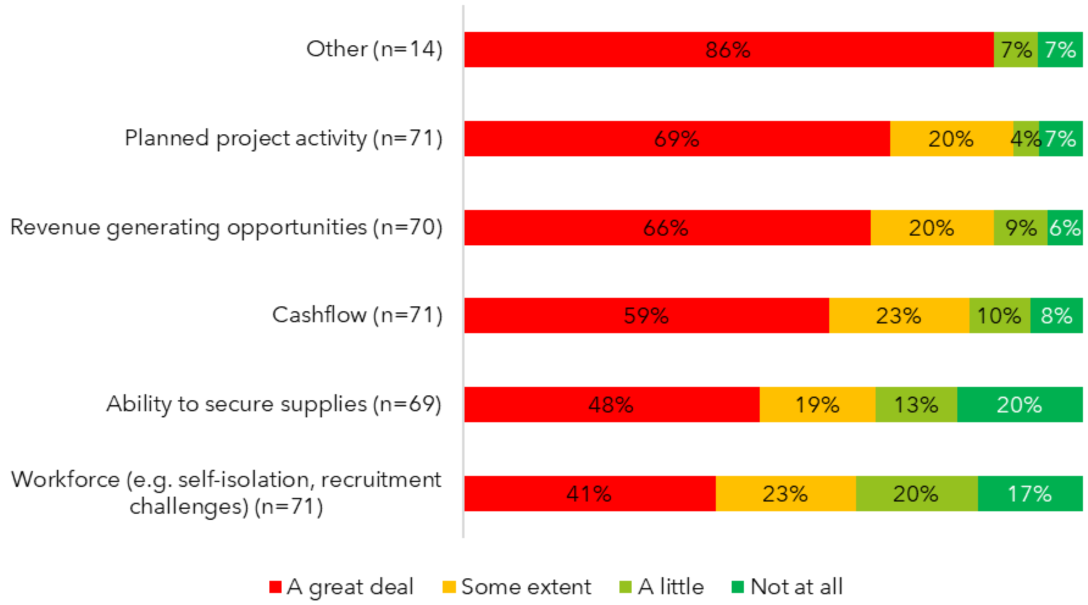
	% of respondents
Temporarily stopped operating	62%
Adapted/changed operations or delivery to suit changing circumstances	30%
Operated as normal throughout	6%
Other	4%

N=69

Multiple responses were possible.
'Other' included grant funding has ceased therefore unsure of future; and reduced scope of capital programme.

Most respondents reported that the COVID-19 pandemic has significantly impacted planned project activity (69%) as well as revenue generating opportunities (66%) and cashflow (59%) with local closures and having to temporarily stop operating, **Figure 3.18**.

Figure 3.18: To what extent, has COVID-19 impacted on the following aspects of your operations?



'Other' included reduced service and activity (e.g. loss of face-to-face engagement), community lost its hub, loss of large contract, increased costs, negative impact on mental health of staff, and a couple of respondents noted that they had benefitted as they remained open whilst competitors had closed.

Over the medium/long term, most businesses and organisations are hopeful with 83% of respondents anticipating future growth or a return to pre-COVID-19 levels, **Table 3.23**.

Table 3.23: Thinking about the medium/long term, how do you see the future for your business/organisation?

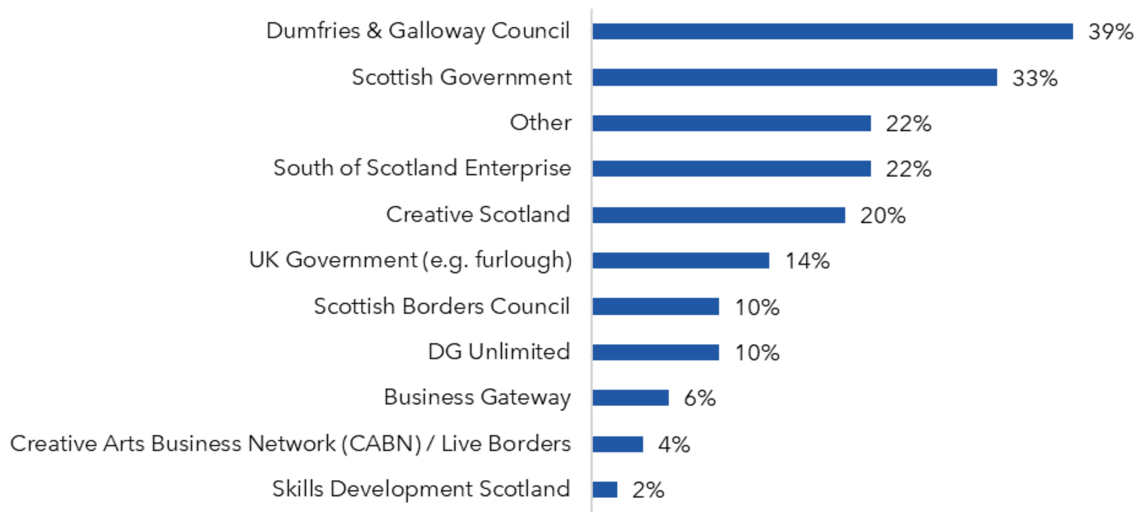
	% of respondents
Future growth	47%
Back to normal	36%
Reduced activity – but viable	12%
Operate in short-term only	3%
Don't think it can continue	3%

N=73

3.3.5 Support

Two-thirds of respondents (67%) accessed some form of business advice or financial support for their business or organisation in the last three years. Of these respondents, the most common source of support was a local authority (49% combined) and the Scottish Government (33%), **Figure 3.19**.

Figure 3.19: Where did you access support from?



N=49

Multiple responses were possible.

'Other' included Other included National Lottery, VisitScotland, People's Postcode Trust, Holywood Trust, Film Hub Scotland, Regional Screen Scotland, Film Access Scotland, Museums Galleries Scotland, Historic Environment Scotland, private charitable trusts, third sector, and Seagull Scheme.

Two-thirds of respondents reported a need for support over the next three to five years, **Table 3.24**.

Table 3.24: Do you think you will need support over the next three to five years?

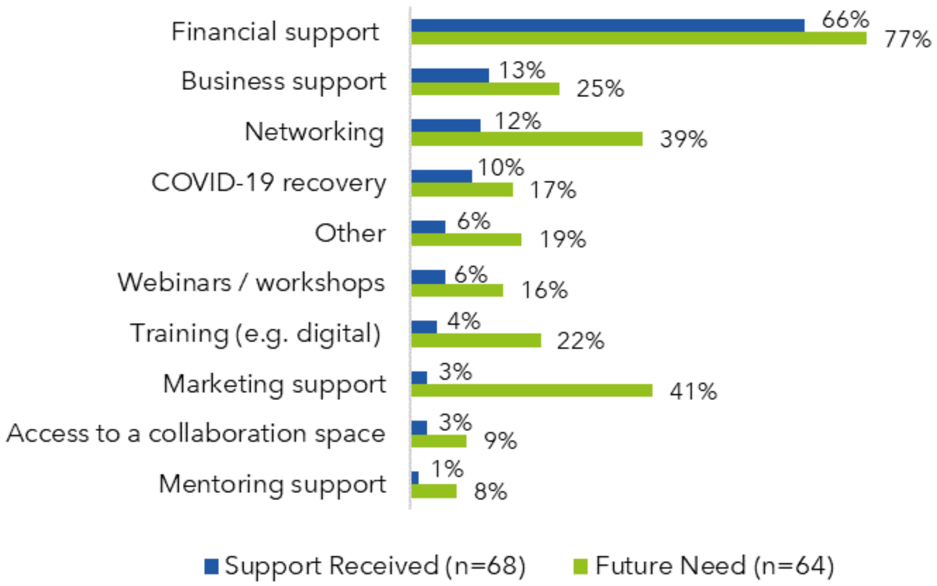
	% of respondents
Yes – definitely	41%
Yes – most likely	26%
Not sure / don't know	23%
Not likely	7%
No	4%

N=74

Figure 3.20 shows the type of support that respondents have received over the last three years (if applicable) and the areas they have identified they could benefit from further support in. The most common type of support needed is financial support (77%) followed by marketing support (41%) and networking (39%).

Respondents were asked what financial support would be needed for and this included: development of a project, events, productions, capital investment, premises, building improvement; sustainability and survival of business or organisation (i.e. to meet rising costs including overheads to manage affordability of fees passed onto customer); marketing and promotion; growth of business or organisation; subsidise salaries for staff and apprenticeships which would help to grow business or organisation; and to purchase new equipment.

Figure 3.20: Types of Support – Received in Last 3 Years and Future Need



Multiple responses were possible.

Support received - 'Other' included installation of electric car chargers and other respondent could not remember. Future need – other included apprenticeships, relocation, improvement of digital infrastructure, building maintenance, meeting net zero requirements, and recruitment of staff and couple of respondents were unsure.

Respondents were asked what could be done, including by the public sector, to support recovery and resilience in the creative and cultural sector in the South of Scotland. Similar to above, most respondents reiterated the need for financial support particularly in context of increasing costs on multiple fronts. Other suggestions for funding to support recovery and resilience included that successful businesses and organisations should be identified and supported "beyond the usual suspects"; longer-term funding would help improve the resilience of the sector rather than project-based funding which is typically the case; and greater funding for community organisations.

Another action identified by respondents was strengthening the support on offer to businesses and organisations within the sector. One of the main suggestions was to have support that is tailored to the sector informed by a nuanced understanding of the key opportunities and challenges as well as practical support to help businesses and organisations – a couple of respondents suggested that a 'one-stop shop' may be useful in this regard.

Other suggestions included to widen access and/or increase awareness to business support (couple of respondents unaware what support was available); support with exporting and innovation; venue support; and recruitment support. Couple of respondents noted the value and impact of CABN's services and that its future should be safeguarded with financial backing.

Marketing and promotion was another area identified by respondents which could support the recovery and resilience of the sector in the region. Some respondents felt that more could be done to increase awareness of the creative and cultural offer in the South of Scotland – having a single brand to promote the region was raised by an individual respondent as a potentially effective action.

A final point raised to a lesser extent was that a coordinated and joined up approach across organisations, businesses, public and private sector would enable more connections within the sector to provide services to each other. It was felt that this would also help the sector to have a greater voice and more influence in decision-making.

"The recognition that there needs to be additional support for small independent companies like ourselves who have not received Cultural Recovery grants. We cannot create and sustain our company if we cannot afford to pay ourselves."

"There is not enough advertisement on the Scottish Borders and what it has to offer."

"Financial backing for organisations like CABN as they provided a lot of support to individuals like me based in the south of Scotland. Supporting these organisations filters through to the creative sectors in the borders. Educating councils on how important it is to support the creative sectors. To have a one stop organisation for the creative sector to plug into would be a great source of support."

"Embracing the creative sector and bringing us all together so we can work together to provide the best services, activities and products in the country."

"Targeted funding support, looking at the long term outcome of any support and the impact it will have to the area."

Final Comments

Asked to provide any final comments, some respondents appreciated the opportunity to participate in the survey and were grateful that their voice and opinion was being heard. Few respondents felt that the creative sector and the South of Scotland generally had been neglected over recent years so welcomed this piece of SOSE research.

Comments were wide-ranging with respondents mostly reiterating previous points provided earlier in the survey such as the geographical challenges of a remote and rural region. There was reference to their experience of business and organisation support in the region with mixed feedback. Here, some praised the impact of public sector support they had received from SOSE and/or two local authorities with others highlighting the challenges, stating that business start-ups lacked support.

3.4 Consultation Feedback

In addition to the main primary research with creative businesses and practitioners in the South of Scotland, the study also gathered views from a range of stakeholders at regional and national levels, particularly organisations concerned with supporting the development of the creative and cultural sector. This section provides a summary of the findings from these discussions.

The sector and its contribution to the South of Scotland

There was broad recognition of the important role of the creative industries sector to the South of Scotland, in social, cultural and economic terms. That this is now recognised in the new Regional Economy Strategy, guiding the work of SOSE and investment in the region, was both welcomed and felt to be significant. Several consultees mentioned the Creative Sector in the South of Scotland study (2012), which provided a baseline economic measure of the sector, and how they have used this to justify and encourage support for the sector. It was felt that it would be beneficial to have more up to date figures to draw on.

Key aspects of the sector's contribution that were highlighted included:

- There is a high number of artists and makers across the region, with particular strengths in visual art and crafts and many small galleries and shops. The creative sector is diverse and, generally, dispersed – this is not a weakness per se, but does present challenges with e.g. audience development for the performing arts and music;
- There are some clear clusters of activity, such as the high concentration of videographers and photographers that service Gretna's thriving wedding industry (there were 3,400 weddings in the town in 2019, 13% of the Scottish total), visual arts in Kirkcudbright ('the artist's town'), bookshops in Wigtown, and textiles manufacturing in the Scottish Borders;
- Festivals are an important economic driver for the creative industries, and an important means by which the sector makes an economic contribution, particularly in Dumfries and Galloway, where it has been a priority for the local authority for some time. This includes in music, literature and cultural heritage;
- Heritage and cultural tourism are a key draw for visitors, with well established museums, galleries and visitor attractions, including recent openings in Kirkcudbright and Galashiels;
- The textiles sector in the Scottish Borders, concentrated in Galashiels and Hawick, is a hub of high value manufacturing and a clear regional strength;
- The social contribution of the sector is felt to be strong and growing. Examples highlighted included strong links between the arts sector and local communities, health and wellbeing activity that has seen arts organisations receive pockets of NHS funding (with proposals for

a Creative Wellbeing Network across Dumfries & Galloway), and the growing emphasis on creative placemaking as a driver of regeneration. While the latter has been concentrated in Dumfries and Galloway (with The Stove Network playing a leading role), there are proposals to extend the model outwards, with a locally rooted but South of Scotland-wide Place Making Network;

- Alongside annual festivals, music venues are essential for supporting a vibrant music scene, particularly original acts, although are relatively few and far between across the region. MacArts in Galashiels are taking a proactive role in trying to get the South of Scotland on the map and are tied in with national networks such as the Music Venues Trust. Dumfries town is identified as having a growing music scene although there is strong competition from areas in Northern England such as Carlisle;
- There is an important role for organisations and events that bring together and provide opportunities for the sector or specific sub-sectors – whether commercial or opportunities for networking and skills development. This includes DG Unlimited and CABN, although there was evidence of concern about the uncertain future facing the latter. There are various other organisations doing important work in supporting specific groups of people across the region – whether the Borders Art Fair (fine art), Borders Book Festival (literature), Absolute Classics (classical music) or Wigtown Book Festival (literature). Building a sense of community is felt to be very important, recognising that artists and creatives are spread out across a large geography, and helps contribute to a regional identity.

Areas of opportunity

Reflecting the diverse nature of the creative sector, a wide range of different opportunities were identified to help the creative sector to grow and flourish in the South of Scotland. This included:

- Opportunities to attract film and TV productions, with a diverse and impressive range of filming locations in the South of Scotland, and good accessibility. The current model in Scottish Borders, which goes through Film Edinburgh, is felt to be efficient, but there is likely an opportunity to grow activity in Dumfries and Galloway, particularly with the current strength of the film and high-end TV sector in the UK, with various high profile productions in Scotland over recent years. But there may also be an opportunity to tap into a lower budget end of the film industry, with one recent example in Dumfries and Galloway highlighted. Local support and input was an important component of this, with opportunities provided for young people and local creatives;
- The textiles sector in the Scottish Borders is a concentration of high value activity and a key regional opportunity. However, it was felt that more work is still needed to bring the sector together and to develop more sustainable long term models;

- Creative placemaking is an area in which the South of Scotland is increasingly being recognised at a national level for its expertise and experience. The Stove Network are keen to facilitate and encourage its wider adoption;
- The health and wellbeing agenda is a key national priority, not least as we emerge from the pandemic. Artists and creatives can play an important role in facilitating activities that have relatively few barriers to engagement, encouraging participation in and from the wider community and with positive mental and physical health outcomes. This also represents an opportunity to diversify funding for arts organisations;
- There is a great deal of activity happening across different tangents of the creative and cultural sector in the South of Scotland. Several consultees believed there is a strong case for trying to tie this together more effectively on a regional level, particularly in encouraging enterprise and business growth, alongside place promotion. This would require someone – perhaps SOSE, as a region-wide agency – to take a leading role. The XPONorth programme in the Highlands and Islands was mentioned a number of times and felt to be an effective model for this kind of activity;
- The South of Scotland has a vibrant visual arts sector, comprised almost entirely of individual sole traders and freelancers. Both one-off and regular events, such as the Borders Art Fair and Spring Fling, are important in cultivating the idea of a regional sector and encouraging networking among artists and creatives, alongside the direct economic benefits from sales;
- Cultural tourism is considered a significant opportunity but one that requires more focussed development and promotion. Dumfries and Galloway is probably further ahead in this respect than Scottish Borders by virtue of the success of festivals such as Spring Fling, Wigtown Book Festival and the Big Burns Supper, alongside well established, medium-sized music festivals.

Challenges

The creative sector faces many of the challenges that affect the regional economy generally, including the poor transport infrastructure and patchy digital coverage. However, consultees also identified issues more specific to the creative sector:

- the sector is generally considered precarious. Even well-established organisations still operate on narrow margins and with uncertain funding horizons. Freelancers often struggle to make sufficient income from creative practice;
- talent loss is an issue, particularly young talent who may leave the region to access wider choice in HE and FE courses or work opportunities in the creative sector elsewhere.

Borders College was reported as offering more creative industries related courses now but the broader offer was felt to be limited;

- some consultees felt that while Dumfries and Galloway has successfully positioned itself as a place for artists to live and work, with a supporting infrastructure to match this aspiration, the Scottish Borders has lagged behind on this;
- many freelancers in the sector are dependent on numerous bits and pieces of work to earn a liveable income – this has been dubbed 'cultural crofting'. This was supported by the research with freelancers;
- the music festivals sector across Scotland has experienced consolidation over last few years and there has been a move away from camping festivals to more urban events (with fewer logistical and infrastructure constraints). Pre-pandemic, the South of Scotland lost both the Wickerman Festival (2001-2015) and Electric Fields (2014-2018), although the Eden Festival and Knockengorroch World Ceilidh are both planned for 2022;
- there are longstanding challenges with transport within the large, rural geography of the South of Scotland. Similarly, poor digital connectivity was raised by several consultees, although Ofcom data shows this has drastically improved across Scotland over the last few years, for both mobile and broadband, and this trend will continue. This may be particularly important on the back of the pandemic demonstrating the potential for remote working and anecdotal reports of people relocating to areas in the South of Scotland for quality of life reasons. Supporting this kind of remote working requires effective connectivity and should be a priority for the region;
- the digital tech end of the creative industries was felt to be under developed and lacking connectivity and visibility across the South of Scotland although why this should be the case is not entirely clear. While this was identified as a challenge it was also felt to be a useful area of future opportunity if the sector can be brought together. The new Scotland 5G Centre at the Crichton in Dumfries could provide some focus for this;
- some consultees also reported challenges with accessing funding and the sustainability of arts organisations, with many reliant on project funding from different charitable and public organisations. Indeed, there are relatively few organisations in the region in receipt of Creative Scotland's regular funding, and of those that do many have only recently become part of that network;
- effective skills provision is also a challenge particularly with the large number of freelancers/ sole traders; and
- there was a reported lack of workspace and studio space, particular in the Scottish Borders but also in Dumfries and Galloway (although the latter does have more of this provision).

Future needs and priorities for the sector

When asked about the future needs of the sector, two issues consistently emerged – support to connect the sector together and stronger business support. Interestingly, these are both areas of focus for CABN, which is being discontinued. There was also a consistent view that the contribution that the sector makes is under recognised, even if its inclusion in the recent RES was well received. Other comments included:

- building on the strong foundations being developed in creative placemaking and creative wellbeing activity;
- marketing the region more effectively for film and TV productions;
- sharing best practice around net zero and decarbonising;
- encouraging an arts/design element in public sector capital projects (health, education, infrastructure) and ensure this is not value-engineered out;
- supporting business development within the creative sector, with a key role for network organisations; and
- developing closer links between the region's cultural offer and visitor economy.

Net zero is obviously a key priority for SOSE, but few of the consultees had concrete suggestions as to how the creative sector could best contribute. Certainly there was a view that the sector could help to communicate low carbon principles, but also that there was a need for the creative sector to put its own house in order in this respect too. Issues here for the South of Scotland also relate to the public transport infrastructure across the region, which remains under developed. One recent initiative to address this, covering the events sector, is the Biosphere and Wider Dumfries and Galloway Events and the Environment Charter, a set of good practice principles that event organisers can sign up to[44].

The role of the arts in public sector projects is perhaps also an interesting approach, aligning to Community Wealth Building principles, a model that is gaining support more widely as a mechanism for local economic development.

Finally the connection into tourism is fundamental and one that connects also to heritage, food and drink and even sport (e.g. events such as the Melrose Sevens). There are opportunities here both to promote the creative sector, and to enhance the creative sector's contribution to the visitor economy, even if other aspects such as heritage may also be in need of investment.

[44] The Biosphere and Wider Dumfries and Galloway Events and the Environment Charter

Financial Sustainability

Consultees were asked if they could identify organisations within the region's creative sector that have achieved some financial sustainability. Few were able to do so, not least as a result of the timing of the study on the back of the worst of the pandemic and lockdown periods. Indeed, many commented that even those that might be considered ahead of the pack in this respect – for example The Stove, Upland or Alchemy - were still highly dependent on competitive and limited sources of public and charitable funding and remain, to some degree, financially precarious. This is even more so following COVID, which has forced so many into survival mode. Finally, sustainability seems more of a goal than a reality for many creative organisations at the moment.

Borders Book Festival, which began in 2004 and is held each year in Melrose, presents an interesting model with a high level of private sponsorship and patronage. There are tiered levels of membership ranging from £30 to £1,500 per year and large corporate sponsors.

Although not from the region, Wasps has a presence and has evolved a model that is broadly sustainable, albeit using public funding for capital projects to redevelop buildings as artists' workspaces and then renting these at affordable dates. Occupancy levels are high across most Wasps facilities, and the organisation is also used to exploiting its spaces in other commercial ways (e.g. art fairs and food and drink events).

Policy Drivers

As well as considering how to better support the creative sector, consultees also commented on ways in which the creative sector might better contribute to the delivery of wider policy priorities. Here health and wellbeing and community development (including education) were frequently mentioned. The notion of the wellbeing economy is one that is gathering momentum and the creative sector would have an important role to play. Similarly, the contribution that cultural participation can play to individual and community health is now well established, even if the funding models are still evolving. Finally, as noted above, the creative sector in the region already has strong community roots and organisations such as The Stove are seeking to develop this further through the creative placemaking work. This is again an area in which many thought there was further potential to expand the role and contribution of the region's creative sector.

4 Case Studies

4.1 Highlands and Islands

When asked about other regions with similar characteristics that might offer useful lessons for the South of Scotland, many consultees pointed to the Highlands and Islands (H&I). The H&I is of course a largely rural area with some remote and fragile communities, and also has a long history of engagement with the creative industries.

Although the sector is larger in the H&I than in the South of Scotland, there are some structural similarities. The creative industries in the H&I are complex and diverse, ranging from voluntary, community based arts activity to commercially successful businesses working in different sectors of the creative economy. In common with the pattern typically observed in rural creative economies (including South of Scotland) the sector is characterised by fluid networks of individual practitioners, freelance workers and micro-businesses often operating across more than one creative discipline. Although there are obvious concentrations of activity in centres like Inverness, the sector is buoyant throughout the region, with small clusters in places like Shetland, Skye and the Western Isles, often strongly linked into the local cultural scene e.g. Gaelic heritage within Innse Gall.

Highlands and Islands Enterprise (HIE) has long recognised this structure and has sought to develop interventions that can help address the inevitable issues of fragmentation that it creates. This has been achieved both by adopting a flexible approach to business support and by helping to establish and develop **collaborative networks** within the sector.

In the past, this approach has significantly raised the profile of the creative sector in the region, most visibly in areas like music and screen production. The network model is based on two basic assumptions:

- networks of very small businesses and sole traders can create greater scale and economic impact through collaboration, enabling higher levels of business activity and internationalisation; and
- the delivery of business support via the network model enables HIE to achieve greater reach into the sector than would otherwise be possible within the resources available to the organisation, not least as the majority of businesses in the sector would not meet the criteria for account management support.

An early evaluation of HIE's support to the sector[45] found that both of these assumptions held good, and that the network model was delivering strong value for money in economic development terms.

The early work of GoNorth (now XPONorth) working alongside the Trade Networks has also been instrumental in helping to build the reputation of the creative industries in the area and XPONorth has grown to become a key event in the national and international calendar.

More recently the support model evolved, and the main changes included:

- proactively identifying and targeting companies with the greatest commercial opportunity – recognising that a small proportion of businesses have a disproportionate influence on overall sectoral growth;
- internationalisation and opportunities for exporting;
- supply chain development; and
- digital economy.

A subsequent evaluation[46] found again that the networks model was delivering effective support, with a growing focus now on digital opportunities.

It is important to note an often held misperception of HIE's support for the creative sector. It is not, as many have argued, a result of HIE's wider social remit, but is in fact delivered through the mainstream economic development services within HIE and is focussed on commercial businesses and the achievement of economic goals and outputs. It is also not support for arts and culture, although some parts of these sectors may benefit.

There may well be useful lessons here for the South of Scotland. Fragmentation is a challenge common to both regions, and both have sector profiles with some similarities. Thus the network approach should be one that offers potential for the South of Scotland and indeed has been pursued to some degree via projects like CABN and DG Unlimited. However, the approach in H&I is differentiated both by the scale of resource made available and the consistent focus on commercial growth opportunities.

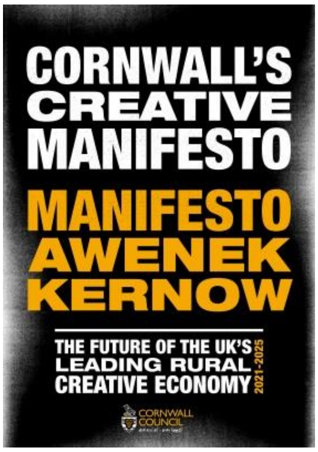
Secondly, the emphasis on digital opportunities is also important and one that should feature strongly in the thinking about the South of Scotland.

Finally, the role of the XPONorth event has also been central in raising the profile and reputation of the regions' creative sector. The South of Scotland has a strong festivals and events scene but

[45] EKOS Ltd for HIE, Evaluation of HIE's Support to the Creative Industries (2013)
[46] EKOS Ltd for HIE, Evaluation of the CI Trade Networks (2018)

these are mainly public and celebratory rather than industry focussed. The role of a central industry event as a focal point for the creative sector in the region is worth considering.

4.2 Cornwall



Cornwall, in the south west of England, has a population around twice that of the South of Scotland. Like the South of Scotland, the population is spread across a relatively large rural area, with many medium sized towns and villages, but no single settlement larger than Dumfries. Like the Borderlands region, Cornwall was also longlisted for UK City of Culture 2025.

Cornwall Council have set out an ambition to make the county the "UK's leading rural creative economy". Key aspects of this include:

- the area's well established creative ecology, with a large base of creative freelancers and practitioners;
- well established infrastructure, including museums, venues, professional and community organisations, active higher education partners (Falmouth University is a specialist university for the creative industries), and a bespoke creative business support programme (see below);
- a distinctive regional identity and history, giving the area "a competitive edge in a global market";
- a unique Culture Memorandum of Understanding[47] between Cornwall Council and key national cultural funding organisations, setting out a strategic commitment to working together to fund and provide support to the sector; and
- a strong visitor economy offer.

Cornwall Council's Creative Manifesto[48], published in 2020, sets out four main ambitions for further development of the sector:

- communities – with a focus on place-making (particularly related to Cornish identity/culture), cultural programming across villages and towns, participation, and major events (such as attracting a major prize ceremony e.g. Turner Prize);

[47] Arts Council England, Historic MoU signed in Cornwall (2019)
[48] Cornwall Council, Creative Manifesto (2020)

- evolving how support is offered – growing evidence on what works, supporting sub-sector networks and hubs, and focusing on key growth sub-sectors (digital, screen, advertising and marketing);
- talent – encouraging talent retention and attraction, with a focus on education (development of a Cornish Cultural Curriculum) and work opportunities and removing barriers to entry; and
- inclusivity and sustainability – boosting participation from all demographics, and meeting environmental objectives, with a partnership approach key.

Creative Kernow, a charitable trust which receives a mix of public and grant support, provides a range of different programmes and initiatives to support the sector. This includes programmes focused on boosting engagement and participation (such as FEAST Cornwall, where artists can apply for funding for community-focused work) and business support/growth programmes:

- Cornwall 365, a cultural tourism network, provides a promotional platform and printed guide as well as networking events and skills development activity;
- Screen Cornwall, the regional film office, promotes and provides advice to those looking to film in the county, as well as skills development programmes; and
- Cultivator, a business development programme, offers one-to-one consultations with specialist advisors, funding opportunities, employment bursaries, skills workshops, and networking events. Phase 1 was funded with European Structural Investment Funding from 2016-2019, and Phase 2 has launched more recently. The programme is open to creative businesses registered with HMRC.

Developing the digital sector has also been a priority, as one of Cornwall Trade and Investment's key sectors.

4.3 Net Zero Initiatives

In 2019, the Scottish Parliament enacted legislation committing Scotland to net zero emissions of all greenhouse gases by 2045, with a 75% reduction by 2030. This followed the Scottish Government's declaration of a climate emergency earlier the same year, in line with many countries around the world. This clear recognition of the climate crisis has led to all sectors of the economy and society considering how they can work towards lowering emissions, including the creative and cultural sector. Below, we have highlighted a number of recent initiatives in Scotland that have explored the contribution of the cultural sector to combatting climate change, which could be explored further in the South of Scotland.

The Circular Economy

The circular economy seeks to extend the life of resources and assets, cut waste, and emphasises reuse and recycling, minimising our impact on the environment. This is opposed to a 'linear' economic model, where resources are disposed of once used. Effective product design is at the heart of a successful circular economy, with a focus on reducing waste, reusing materials, allowing repairs, and enabling disassembly and recycling at the end of a product's usable life. This has a very direct relevance to several creative sub-sectors, particularly textiles and fashion, crafts and product design. It has arguably been a feature of the wider cultural sector for many years, from reuse of sets and props in the performing arts, to libraries, which have their ethos in shared resources.

Some examples of different initiatives embracing the circular economy within the creative sector in Scotland are below.

Ostrero is an arts organisation based in Edinburgh, set up in 2016, which works to raise awareness of the circular economy through creative practice, consultancy and education. Ostrero's activities include offering circular economy design workshops for schools across Scotland, involving hands-on activities that reuse resources and consider how design can cut waste.

REsolve: a Creative Approach to the Circular Economy was an exhibition held at Kirkcaldy Galleries in the first half of 2022, organised by the Fife Contemporary arts organisation. The exhibition showcased and encouraged new perspectives on resources and waste, featuring a range of artists and makers doing innovative work around sustainability. This included furniture made from spent grain used in whisky production and knitwear made from waste wool.

Circular Arts Network provides a platform for artists and makers in Scotland to redistribute spare or surplus resources and materials, saving on waste. It then allows others to obtain materials at an affordable rate, or for free. Listing categories include furniture, materials, equipment, transport (e.g. sharing journeys), skills and equipment. The site was launched in 2020 and is run by the Sculpture Placement Group and the Scottish Contemporary Art Network. At present, Glasgow and Edinburgh have the highest number of registered users – key to the success of the platform will be raising awareness and ensuring it is used widely. The site, alongside other examples, is highlighted in a report by Circular Communities Scotland, a network of organisations supporting the circular economy, that was published in 2021[49].

Sustainability in Textiles Manufacturing

Over the last few years there has been growing awareness and scrutiny of the role of the global fashion and clothing industry in terms of the harm it does to the environment. The United Nations have highlighted that the sector generates around 20% of the world's waste water, is responsible for 24% of insecticide use, and accounts for 10% of global carbon emissions[50]. Globally, the average consumer purchases 60% more clothing than 15 years ago, yet keeps items for only half as long, and as much as 85% of clothing then ends up in landfill. Reducing the impact of the sector has therefore become an important global priority, with an emphasis on sustainable manufacturing, the durability of clothing, reducing waste, and using producers and materials that are closer to their point of sale/use. This presents a real opportunity for the South of Scotland, with its established, high-end textile sector, and a leading centre of academic research and expertise at Heriot-Watt University's Galashiels campus. It is an area of focus for Zero Waste Scotland, while the Sustainable Fashion Scotland network – bringing together many independent smaller producers – has also been established to raise awareness of opportunities and drive forward action.

Creative Carbon Scotland

Creative Carbon Scotland was established in 2011 and works with the creative and cultural sector to embed environmental sustainability in their activities. It provides a wide range of online resources, including carbon management tools, knowledge and advice, case studies, and a database of suppliers providing sustainability-related services. In 2013 and 2015, Creative Carbon Scotland helped organise the Environmental Arts Festival Scotland in Dumfries and Galloway, alongside Crichton Carbon Centre. Both festivals took in events, workshops, talks, and temporary art installations, with the 2013 event spread across the region, and the 2015 festival based at one location in Upper Nithsdale.

[49] Circular Communities Scotland, Creative Industries in Scotland Embracing a Circular Economy (2021)
[50] UN Environment Programme, UN Alliance For Sustainable Fashion addresses damage of 'fast fashion' (2019)

5 Conclusions

This chapter brings together the main findings of the report and sets out some issues and opportunities that may be worth further consideration by SOSE and its regional and national partners.

The Sector and its Impact

Ten years ago, EKOS produced an assessment of the creative industries in the South of Scotland that concluded the sector is "diverse and somewhat fragmented", bearing characteristics typical of rural creative economies, with many small businesses and sole traders which, while operating under the radar of official economic data, cumulatively had a substantial economic, social and cultural contribution. A decade on, this very much remains the case, although much else has changed, from the rapid pace of digitalisation to the funding and strategic environment and clear recognition of the climate emergency.

Scottish Government data shows the sector employs more than 2,000 people across just under 500 businesses, and in 2019 has annual turnover of £130m and GVA of nearly £69m. On top of this, there are hundreds of freelancers and self-employed people working in the creative industries in the South of Scotland, across a diverse range of sub-sectors (reflected in new data which has been drawn up by SOSE, showing 4,600 people working in the sector).

Creative Scotland data shows 241 individuals in the South of Scotland accessed freelancer hardship grants from the agency during the COVID-19 pandemic. Survey work for this report showed the visual art, crafts and design sectors are particularly important in terms of where freelancers are working, and around two-thirds identified that they work across more than one sub-sector of the creative industries. This reflects the portfolio nature of freelance employment in the sector, which – evidence shows – is particularly common in rural areas. Volunteers (both formal and informal) are also a crucial part of the sector – the sector would struggle to survive, let alone thrive, without the voluntary input and support of thousands of volunteers from across the south.

Supporting cultural and business infrastructure, networks and events are relatively well developed. Dumfries and Galloway in particular has a reputation as a location for artists to live and work, and area-wide events such as Spring Fling Open Studios and the D&G Rural Arts Festival are important in supporting this, as well as the DG Unlimited network. Transport and digital infrastructure remain key challenges in enabling the region to reach its full potential. In the Scottish Borders, there were concerns about the future of the Creative Arts Business Network, and what the implication of reduced resources for the network would be the for the sector.

Future Opportunities

The research has identified a number of areas which are worth further consideration and action by SOSE and regional and national partners:

- Driving forward a just transition to net zero is a key priority for Scotland, and this is reflected in the priorities of the enterprise agencies, including SOSE. As noted in the National Strategy for Economic Transformation, the creative industry sector has an important role to play in aiding the transition. There is a particular role for the sector around communication and engagement, helping ensure that no one is left behind by the society-wide transition we need to see over the next two decades. While the structural factors behind most carbon emissions – how we heat our buildings, move around and generate electricity – are broadly sector agnostic and need to tackled at the whole economy level, there is still a need to drive forward the decarbonisation of the creative sector, with a strong role for manufacturing (including textiles, a sector which represent a substantial proportion of global emissions) and events and festivals. There are positive examples of work in this area in Scotland, including in the South, that can be built on.
- The health and wellbeing agenda is a key national priority. There is an important role for artists and creatives in facilitating activities that have relatively few barriers to engagement. This can encourage participation in and from the wider community and with positive mental and physical health outcomes. Recent joint work with the NHS in this area, including proposals for a Creative Wellbeing Network in Dumfries and Galloway, can form a foundation for future activity.
- Culture and heritage have a vital role to play in the forming of local identities and outsider perceptions of an area or region. The championing of a new regional (South of Scotland) identity is a priority of the recent Regional Economic Strategy, which highlights how this can help attract investment, drive tourism, and encourage people to live, work, visit and learn in the South. Clearly, the region's artists and creatives have an important role to play here. Indeed, over the last few years Dumfries and Galloway has – in efforts led by The Stove Network, but embracing a much wider range of local organisations – emerged as a leader in 'creative placemaking'. Learning from the Culture Collective project will be useful in determining the future direction of this, with implications for across the South of Scotland.
- Both businesses and freelancers strongly agreed that the fair work principles are an important priority for the sector. Indeed, low incomes and a lack of job security were identified as one of the key challenges facing freelancers in the sector. Tackling these

structural issues within the creative industries is now a firm priority of sector strategies and policy, and will require ongoing efforts from a range of stakeholders to properly address.

- Events and activities in the South are largely siloed in either Dumfries and Galloway or Scottish Borders. This can be seen in some of the larger festivals in the region, which adopt a local authority-wide focus. It also reflects the sheer size of the region. Nonetheless, in order to support a more coherent regional identity and enhance opportunities across the region, opportunities for collaboration across the region should be looked into. For example, creative organisations in Dumfries and Galloway are keen to share learning from their creative placemaking activity with similar organisations in the Scottish Borders. Some suggested the South of Scotland could benefit from a creative sector support model similar to HIE's 'XPONorth', forging closer links between creative practitioners and businesses across the South.
- Funding is and will remain a challenge across the creative sector, with strong competition for public funding. Attracting large scale private funding is possible – Borders Book Festival presents an interesting hybrid model – but, again, there is a very strong competition, and it can be hard to regional attractions and festivals to compete with national institutions, which typically have dedicated fundraising resource. Playing to regional strengths – both those which are well established and emerging – will be important in making the region stand out and attract investment.

Appendix A: Creative Industries Growth Sector Definition

Sub-Sector	SIC 2007
1. Advertising	SIC 73.11: Advertising agencies
	SIC 73.12: Media representation
2. Architecture	SIC 71.11: Architectural activities
3. Visual art	SIC 90.03: Artistic creation (70%)
	SIC 47.78/1: Retail sale in commercial art galleries
4. Crafts and Antiques	SIC 31.09: Manufacture of other furniture
	SIC 16.29: Manufacture of other wood products (30%)
	SIC 32.12 Manufacture of jewellery and related products
	SIC 32.13: Manufacture of imitation jewellery and related articles
	SIC 23.41 Manufacture of ceramic household and ornamental articles (35%)
	SIC 23.49 Manufacture of other ceramic products (35%)
	SIC 23.13 Manufacture of hollow glass (15%)
	SIC 23.19 Manufacture of other glass (15%)
	SIC 47.79/1: Retail sale of antiques and antique books
	SIC 95.24: Repair of furniture and home furnishings
5. Fashion and textiles	SIC 13: Manufacture of textiles (25%)
	SIC 14: Manufacture of wearing apparel (20%)
	SIC 15: Manufacture of leather and related products (20%)
	SIC 74.1: Specialised design activities (25%)
6. Design	SIC 71.12/1: Engineering design activities for industrial process and production
	SIC 74.1: Specialised design activities (75%)
7. Performing arts	SIC 90.01: Performing arts
	SIC 90.02: Support activities to performing arts
	SIC 90.04: Operation of arts facilities
	SIC 78.10/1: Motion picture, television and other theatrical casting
8. Music	SIC 59.2: Sound recording and music publishing activities
	SIC 18.20/1: Reproduction of sound recording
	SIC 32.2: Manufacture of musical instruments
9. Photography	SIC 74.20/1: Portrait photographic activities
	SIC 74.20/2: Other specialist photography (not including portrait photography)
	SIC 74.20/9: Other photographic activities (not including portrait and other specialist photography and film processing) n.e.c.
10. Film and video	SIC 18.20/2: Reproduction of video recording
	SIC 59.11/1: Motion picture production activities

	SIC 59.11/2: Video production activities
	SIC 59.12: Motion picture, video and television programme post-production activities (25%)
	SIC 59.13/1: Motion picture distribution activities
	SIC 59.13/2: Video distribution activities
	SIC 59.14: Motion picture projection activities
11. Computer Games	SIC 58.21: Publishing of computer games
	SIC 62.01/1: Ready-made interactive leisure and entertainment software development
12. Radio and TV	SIC 59.11/3: Television programme production activities
	SIC 59.13/3: Television programme distribution activities
	SIC 59.12: Motion picture, video and television programme post-production activities (75%)
	SIC 60.1: Radio broadcasting
	SIC 60.2: Television programming and broadcasting activities
13. Writing and Publishing	SIC 90.03: Artistic creation (30%)
	SIC 58.11: Book publishing
	SIC 58.13: Publishing of newspapers
	SIC 58.14: Publishing of journals and periodicals
	SIC 58.19: Other publishing activities
	SIC 18.11: Printing of newspapers
	SIC 18.129: Other printing (not labels)
	SIC 18.13: Pre press and media services
	SIC 63.91: News agency activities
14. Libraries and archives	SIC 91.01: Libraries and archive activities
15. Software/electronic publishing	SIC 58.29 Other software publishing
	SIC 62.01/2: Business and domestic software development
	SIC 62.02: Computer consultancy activities
16. Cultural education	SIC 85.52: Cultural Education

Appendix B: Consultees

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