

To: Peter Duthie, Head of The Events Industry Advisory Group,

Cc'd are relevant parties or those MSPs who have expressed an interest:

Neil Gray, Minister for Culture

Mark Russell, MSP for Mid Scotland and Fife

Humza Yousaf, MSP for Glasgow Pollok

Claire Baker, MSP for Mid Scotland and Fife

Murdo Fraser, MSP for Mid Scotland and Fife

Dean Lockhart, MSP for Mid Scotland and Fife

Pam Duncan-Glancy, MSP for Glasgow

Dr. Sandesh Gulhane, MSP for Glasgow

Patrick Harvie, MSP for Glasgow

Susan McColl, CHE: Creative Industries, Screen and Media Policy

Robbie Clyde, Head of EventScotland

Malcolm Roughead, Chief Executive of Visit Scotland

Torquil Macleod, Event Industry Development Manager, Event Scotland

Nadia Cesari, Events Manager, Event Scotland

Iain Munro, Chief Executive, Creative Scotland

Isabel Davis, Executive Director, Creative Scotland

Ian Stevenson, Director of Finance, Creative Scotland

Clive Gillman, Director of Creative Industries, Creative Scotland

Alan Morrison, Head of Music, Creative Scotland

Jamie Houston, Music Officer, Creative Scotland

16/02/22

Dear Peter,

We are writing as a coalition of Scottish Independent Music Festivals who are incredibly worried about the lack of funding support for our sector going into our next summer season, particularly compared with the support granted to similar events in England.

Firstly, we feel it is important to outline what we mean by an Independent Music Festival. Independent Music Festivals are Music Festivals that are not funded or part owned by a larger corporation such as Live Nation, AEG or Kilimanjaro Live. Examples from across Scotland include:

- Doune The Rabbit Hole, Stirlingshire
- Eden Festival, Dumfries & Galloway
- Kelburn Garden Party, North Ayrshire

- Knockengoroch, Dumfries & Galloway
- Party at the Park & Party at the Palace, Perth & Falkirk
- MugStock, Perthshire
- Solas Festival, Perthshire
- FLY Open Air, Edinburgh & West Lothian
- Butefest, Argyll & Bute
- Tiree Music Festival, Highlands & Islands
- Skye Live, Highlands & Islands
- HebCelt, Highlands & Islands

And there are many more besides these.

Whilst each event has their own personality, and preferred musical genres, they each provide live entertainment, predominantly by lesser known, independent Scottish Artists, across multiple stages, and many allow audiences the opportunity to stay overnight on site either as campers, glampers or in live in vehicles. Between just the events in the above non-exhaustive list, opportunities will be provided to thousands of Scottish Artists, who economically have been among the hardest hit by the pandemic. It is well known that these smaller events grow out of their communities and provide much stronger economic impact to their local (often deprived) rural regions than larger corporate events through their faithful use of local businesses across their vast supply chain incorporating everything from food and drink production, to fencing, toilet, and technical production companies.

Why do we need Scottish Independent Music Festivals?

- To promote Local Scottish Culture.
- To elevate high quality Scottish Talent across a variety of art forms.
- To support Scottish Artists with opportunities to perform and showcase their work.
- To provide job opportunities to Scottish Event and Arts Management Professionals.
- To provide opportunities to Scottish Event Supply Chain Companies from Audio and Lighting Providers to Catering Companies and their Food and Drink Producers.
- To provide audiences with the opportunity to enjoy culture and experience Scotland's great outdoors in one package.

The incidental economic benefits of all of the above are enormous. Independent Music Festivals are a multiplier for local economic activity. **Assuming a very low estimate of a total capacity of Scotland's Independent Music Festivals at 300,000** we estimate the total economic impact of the sector using data collected from a number of our event's Economic Impact Assessments of **a value at over £50m to Scotland**, with half of that benefiting each festival's local (often rural) area and **more than £14m of that total going directly to Scottish artists** who have been significantly impacted by the pandemic. We would stress that this is a conservative estimate based on the economic impact reports of just a few of our events with a 15% margin for error deducted - **the actual figures are likely far higher.**

Whilst these events clearly contribute towards the development goals of each local authority, it is notable that no events of this kind are organised by the public sector. Instead private individuals, small companies, community interest companies and charities assume the risks

associated with protecting and sustaining this fragile sector.

The various announced packages of support we have seen over the past two years, including additional funding for the events sector announced recently, have been broadly welcomed by Scottish Independent Music Festivals, but still leave many gaps to be filled. The SERF fund that was designed to support events adapting their plans for the Covid Environment in 2021 **has not been replaced for 2022**, despite many of the same operational impacts being anticipated across the industry while most events couldn't actually trade last year. Three weeks ago, we met with Robbie Clyde, head of EventScotland, and we were disappointed to learn of EventScotland's decision to **restrict the opportunity to apply** for a share of the new funding **to events which had to cancel in December or January directly due to the new temporary restrictions**, despite the restrictions having huge implications across the wider industry, including our Summer events.

Many Festivals also applied to the "Scotland on Tour" fund, however, in response were told that the objective of the fund was to *"create new individual concerts across Scotland and priority is being given to artists, promoters and venues who are applying to be part of that process. While we do hope to work with festivals too, this will be dependent on available funds thereafter"*. Active Events, who administered the fund, apologised, saying *"we are excited by the ideas we have received from festivals and we really hope to be in a position to explore them further"*.

This leaves Scottish Independent Music Festivals in the position of being able to apply for up to only £25,000 from EventScotland as part of their National Events Fund designed to grow events with additional activity (not the day-to-day costs of our organisation or anything that would sustain an event's normal operations or act as recovery funding post-pandemic) and up to £100,000 from Creative Scotland's Open Project Fund, which is designed exclusively to support the same kind of additional activity. Needless to say, neither of these funds is guaranteed, both being extremely competitive, and neither fund represents the resilience and recovery support the Scottish Independent Music Festival sector needs. Furthermore, these funds combined represent a very small total of Scottish Independent Music Festival's event budgets - as low as 5% - where **Scottish Independent Music Festivals have a budget deficit of a minimum of 25% going into 2022** due to the unsupported costs our organisations have faced over the past 2 years, the lack of opportunity to trade and increased costs of hosting these events, largely due to Covid mitigations and, of course, the impacts of Brexit. Importantly, it is worth highlighting again that the aforementioned funding pots would require us to spend the additional % of our budgets applied for from those funding pots on top of our current budgets in order for us to be eligible for them. The fact these are the only funds available to Scottish Independent Music Festivals is of significant concern to all businesses operating in our industry, including those in the wider supply chain as well as artists and self employed contractors who will lose significant opportunities should there be a collapse in the Scottish Independent Music Festival sector.

We have recently been comparing the ways in which our sector has been supported in Scotland and England, and how these differ. This is most clearly demonstrated by comparing the support Scottish and English Independent Music Festivals have received via Creative Scotland's Cultural Organisations and Venues Recovery Fund and England's Cultural Recovery Fund in the table below:

English Festivals	TOTAL (Operated 2021)	Capacity	TOTAL (Rescheduled)	Capacity	Scottish Festivals	TOTAL (Rescheduled)	Capacity
End of The Road	£236,959	10000			Doune the Rabbit Hole	£90,396	10000
Lindisfarne Festival	£181,700	5000			Knockengoroch	£57,654	3000
Deer Shed Festival			£358,298	10000	HebCelt	£30,000	5000
Y Not Festival			£760,000	15000	Tiree Music Festival	£68,000	2000
Solfest Ltd	£175,000	3000			Skye Live	£50,000	2000
We Out Here Festival	£203,316	10000			FLY Events (Multiple Events)*	£100,000 (£18,666)*	75,000 (14,000)*
MADE Festival			£622,897	20000	Kelburn Garden Party (Multiple Events)	£115,000	8000
Camp Wildfire	£388,568	2000			Party at the Palace/Park	£15,000	16000
Lost Village Festival	£248,093	18000					
Noisily Festival			£223,066	5000			
Truck Festival			£197,637	10000			
Strawberries and Creem	£225,000	12000					
Average	£236,948		£432,380		Average	£31,545	
Total Combined Capacities:		60000		60000	Total Combined Capacities:		60000
Average Funding/Attendee (Operated)	£28	Average Funding/Attendee (Rescheduled)	£36			Funding/Attendee (Rescheduled)	£7

*Parenthesised Figures used in calculations of averages as FLY Events received £100k from COVRF to cover 75000 unique Ticket Sales across club shows and festivals. Festivals comprised 14k capacity of these sales so we've pro-rated the total to reflect this.

As you can see, from the selected comparable events, the **Average Funding Per Event Attendee is £36 per English attendee for a rescheduled festival compared to £7 per Scottish attendee**. Even events that were able to trade in England in 2021 received an average £28 per attendee from the equivalent fund, four times **more** than the Scottish average for similar events that were **unable** to trade. **Please remember that these figures exclude Scottish events which were not funded at all through this fund**, of which there are a considerable number, some of whom are signatories of this letter. We are aware that there were other Scottish funds events could apply for, such as the EISF and SERF, however, similar funds would have been available to events in the rUK and these funds available to Scottish Independent Music Festivals are dwarfed by the amounts received by English Independent Music Festival recipients of the CRF solely.

We have highlighted 2 events just south of the border, namely Solfest, Cumbria (3000 planned capacity in 2020, £175,000 received) and Lindisfarne Festival, Northumberland (5000 planned capacity in 2020, £181,700 received) via England's Culture Recovery Fund. Notably, these are both smaller capacity (and therefore smaller economic impact events)

than many of our own Scottish Independent Music Festivals. They are just 100 and 70 miles, respectively, away from our major Scottish population centres, and they were actually able to trade last summer while Scottish Festivals were not. They sold out their festivals on increased capacities almost certainly **helped by a mass exodus of Scottish customers who used the proceeds of refunded Scottish festival tickets to attend these English festivals instead**, enabling them to grow dramatically (in the case of Solfest from a 3000 capacity event in 2019 to a 10,000 capacity event in 2021). Furthermore, they currently have the opportunity to apply to a 3rd round of funding; a privilege not shared by Scottish Independent Music Festivals.

As demonstrated on the above table, other events elsewhere in England of a similar size and scope to events in Scotland have received considerably more recovery funding than Scottish Independent Music Festivals, especially where they were rescheduled in 2021, as all our Scottish events were. Furthermore **English events are able to apply for more funds to support their recovery in 2022 which is not tied to “additionality”** in the same way as the (already insufficient) funding sources available in Scotland. This competitive advantage afforded to events similar to ours in England by way of simply supporting their recovery during the pandemic is of grave concern. **We will certainly at least see Scottish Independent Music Festivals falling severely behind those in the rest of the UK if this disparity is not urgently addressed.** We have already seen festivals (who are signatories of this letter) unable to compete with event budgets just south of the border where exclusivity clauses afforded by Northern English Independent Festivals have prevented artists from being able to perform at Scottish Events in 2022, simply because the Scottish events have not had the budgets to compete for the same exclusive contracts with the artists in question due to their post-pandemic position - **this is restricting access to cultural activity for Scottish citizens.**

We do not doubt the Scottish Government's commitment to supporting the music sector and do not wish to appear ungrateful for the funds offered and the funds available, but we feel there is a genuine misunderstanding of the very particular needs of the Scottish Independent Music Festival sector within Scottish funding agencies which, by contrast, is more fully understood in England. In our meeting with Robbie Clyde, head of EventScotland, he conceded that **Independent Music Festivals have historically fallen between the gap of Event and Culture funding in Scotland** - with neither funding bodies really taking the needs of our sector into their sphere of responsibility and therefore their sphere of understanding. Just yesterday we had another meeting with Jamie Houston, Music Officer, Creative Scotland, who queried the relevance of most music festival's applications to Creative Scotland's Open Project Fund and suggested Event Scotland was a more appropriate funder for the events sector, despite the legibility of festivals applying and the undoubted cultural impact Scottish Independent Music Festivals have. He cited caution to festivals applying for large sums from the Open Project Fund due to overwhelming demand from other sectors such as theatre and dance with strong applications for funding from the same limited pot. **This approach needs to change urgently if we are not to lose our independent festivals, and therefore lose provision of our cultural activity in this sector to English events.**

Prior to the Covid-19 Pandemic the sector was already fragile, having most notably lost both Wickerman and Electric Fields Festivals in recent years with RockNess falling some years

ago due to financial problems despite having been partly taken over by the AEG corporation - examples which should highlight the difficulty operators in the sector face in Scotland **prior** to Covid. We feel that as a country we must strive to support our independent cultural events much better going forward to avoid losing similar names from the calendar in future.

The urgency with which our sector now needs emergency support for 2022 events cannot be understated. Planning is already well underway for the festival season in 2022 and our events are already losing important opportunities to secure essential staff, artists and equipment (the costs of which have increased considerably due to the effects of both Covid-19 related mitigations, and Brexit). Due to the combined impact of the last two years on our organisations' financial reserves and a lack of audience confidence in returning to events, ***we now lack the cashflow which providers of event services require immediately in order to secure them for the summer season.*** This is a problem which our competitors in England do not have as they have been sufficiently supported for their specific needs and many of them were able to trade last year with their audiences now confident that 2022 will present another thriving summer for English festivals - a feeling Scottish audiences worryingly share about English summer events. ***We are therefore losing these opportunities directly to English businesses*** having already lost a number of our customers to those same businesses in 2021.

In order to avoid a collapse in the Scottish sector in 2022 we urgently need funding support to bring us to a position of parity with English Independent Music Festivals. ***We hope that the EIAG is able to make this case directly to the Scottish Government as a matter of urgency*** and we would be happy to meet with you to discuss our needs more fully in the coming days.

Yours Sincerely,

Jamie Murray, Doune the Rabbit Hole Festival
Alan Govan, Mugstock Festival
Hannah Gould, Eden Festival
Michael Pellegrotti, Skye Live Festival
John Richardson, Party at the Palace & Party at the Park Festivals
Daniel Gillespie, Tiree Music Festival
David Boyle, Kelburn Garden Party
Katch Holmes, Knockengorroch Festival
Graham MacCallum, HebCelt Festival
Tom Ketley, FLY Events
Hazel Mulholland, Bute Fest