

International Culture Strategy

Partial Business and Regulatory Impact Assessment

March 2024

Partial Business and Regulatory Impact Assessment: International Culture Strategy

Title of Proposal - International Culture Strategy

Purpose and intended effect of the International Culture Strategy

Background:

This partial BRIA has been prepared to accompany the International Culture Strategy for Scotland.

The Scottish Government has supported a range of interventions focused on the international activity of the culture and creative sector and A Culture Strategy for Scotland, considers the importance of international activity. However, a detailed and developed policy rationale for why the Scottish Government supports international cultural engagement and consideration of the instruments it has that can support the development of this activity has not been in place until now.

International engagement is an essential element of business models in the sector. Cultural exchange and collaboration supports learning, development and innovation. Access to new markets and development of new audiences can support the economic interests of the sector and its financial sustainability. This Strategy looks to make international activity a key element of the sector's long term development.

Recent concurrent challenges have had a significant impact on the sector and its international activity. The pandemic has clearly took a significant toll on our cultural and creative sector, and their international connections, as has the rising cost of living and the damage done by no longer being part of the EU. This Strategy looks to address these challenges and mitigate their impacts where possible.

The Strategy will build on Scotland's existing strengths and assets while considering where there is potential for development, opportunities for greater coordination of activity, and practical measures to address barriers to international cultural engagement.

The International Culture Strategy sits under the umbrella of [A Culture Strategy for Scotland](#) which was published in 2020. It will work alongside existing national and sector specific strategies which are already in place across Scotland including those aimed specifically at Scotland's museums and galleries; historic environment; public libraries; creative industries, film, arts and youth arts.

The [Scottish Connections Framework](#) was published in April 2023. It sets out a cohesive and cross-cutting approach to diaspora engagement and outlines the importance of culture and language in achieving the framework's ambitions.

[Scotland's International Strategy](#) was published in January 2024 and sets out our approach to international engagement and delivery to the end of the current parliamentary term. This Strategy outlines the role of cultural cooperation in delivering on key soft power objectives to improve Scotland's reputation and influence, and develop positive relationships to deliver on our ambition to be a good global citizen.

On 2 February 2024, the Scottish Government published the latest in the [Building a New Scotland series – Culture in an Independent Scotland](#). The 'Building a New Scotland' series of papers sets out a range of proposals for an independent Scotland. It is designed to give people the information they need to make an informed choice about their future and to stimulate debate over what that future should be. This paper specifically sets out proposals for the culture and creative sector in an independent Scotland. Fundamentally, it sets out the importance of Scotland's culture and creative sector to Scottish society and the economy, and how they will be vitally important in an independent Scotland.

As the International Culture Strategy will develop a detailed theory of change, we will connect with wider work put forward in the [Culture Strategy Action Plan](#), published in December 2023, to improve the data landscape relating to the culture and creative sector.

The above policy overview shows that although cultural and international policy does overlap at different points there is no definitive strategic policy approach for Scottish Government on international cultural activity. This presents a gap in framing a strategic direction for the Scottish Government in its support for international cultural activity. This absence can result in a lack of clarity on the Scottish Government's position as well as a lack of coherence to the various channels of support available to the culture and creative sector to explore and pursue international cultural opportunities and activities.

Objective:

To outline Scottish Government's policy rationale for international cultural activity.

To provide greater strategic coherence to Scottish Government support for international cultural activity in order to maximise the cultural and economic potential of the sector's international engagement, recognising that such activity has wider impacts on Scotland's international connections and reputation.

The International Culture Strategy's vision is: for the Scottish culture and creative sector to be globally connected with the means and opportunities to achieve its international ambitions and potential, and contribute to Scotland's cultural, social, economic and environmental wellbeing through its international work.

Rationale for Government intervention

A commitment to publish this Strategy was made in the 2023-24 Programme for Government.

International cultural engagement is important to the culture and creative sector and its ability to develop cutting edge work, its financial sustainability and its reputation.

Scottish Government and the wider public sector has supported international cultural engagement in a number of ways to date. As noted above, there has not been a specific strategic rationale aiming to provide coherence to this support and set out the importance of this activity to the culture and creative sector and Scotland more widely.

The [National Performance Framework](#) outcomes were central in developing the outcomes for this Strategy. Particularly National Performance Framework outcomes for: Culture, International, Economy, Fair Work, Environment and Human Rights.

Consultation

Within Government

From early 2022, scoping discussions took place with a wide range of directorates and agencies, including; External Affairs, Trade, International Education, Major Events and the breadth of culture policy interests were engaged to ensure that a range of policy interests were reflected in the Strategy's development. This ensured the International Culture Strategy connected to the wider strategic environment within Scottish Government.

The input of public bodies and directorates supported the development of the principles of the policy proposals by ensuring that we had a full understanding of the interests in international cultural activity throughout policy areas; that these policy areas had a better understanding of culture policy interests; international cultural activity and its impact; that we were aware of key policies that had an impact on international cultural activity, and where we could use them to support international cultural activity; and that we could begin to build broad consensus for our proposals across relevant interests.

An informal short-life International Culture Strategy project group was set up in January 2024, and members included colleagues from across the culture division and representatives from External Affairs. The project group's purpose was to define and consolidate the Strategy's outcomes and allocate designated time for colleagues to discuss and input into draft iterations of the Strategy.

Public Consultation

A series of roundtables were held in late May 2022 that were attended by around 50 individuals and considered the high-level principles behind two pieces of work: a refresh of the Culture Strategy Action Plan and the development of an International Culture Strategy. A range of public bodies including enterprise agencies and Creative Scotland were involved.

In attendance were a wide cross-section of the culture and creative sector including: sectoral representative bodies; national performing companies; national collections; and culture, heritage and other relevant public bodies. These organisation's input helped to form initial ideas and shape the broad direction of the Strategy.

On 2 February 2023, the Scottish Government launched a 14-week public consultation, in the form of an online survey, to gather views on the creative and cultural sector's needs, aspirations and motivations in terms of international activity, in order to shape the content of the Strategy.

The public survey posed questions around the type of international activity organisations undertook or wished to undertake and the impact of that activity on the organisation. It also posed questions about key thematic areas that may be central to the Strategy's development including economic impact.

Social Researchers in the Scottish Government carried out detailed thematic analysis on the 77 survey responses received, from both organisations and individuals. This analytical report was published on 18 December 2023 and can be found here: [International culture strategy: consultation analysis - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/international-culture-strategy-consultation-analysis/pages/1-introduction.aspx).

Feedback gathered during the public consultation has informed the Strategy and this Business and Regulatory Impact Assessment.

Business consultation

The approach for engagement has consisted of:

- (1) Encouraging businesses to respond to the written consultation via targeted communications.
- (2) Roundtables and email correspondence with selected representative organisations and associations.

Through the roundtables held in late May 2022 a variety of organisations, agencies and public bodies were provided with an opportunity to raise any concerns they had in relation to the proposed approach.

From the public consultation survey held in 2023 there were 77 responses, from a range of individuals and organisations/companies with an interest in the International Culture

Strategy. In terms of the types of organisations who responded there was a mixture of 10 public bodies (including local authorities), 6 national cultural organisations, 13 sector representative organisations, 5 key sectoral organisations, and 27 other organisations including charities, arts organisations and universities.

The majority were based in Scotland, 13 were from the rest of the UK and 2 were based outside of the UK. Of the organisations that identified their size (59 in total), the majority (25) were from organisations that have fewer than 10 employees/members. Sixteen respondents identified as having over 250 employees, 11 identified as having more than 10 but fewer than 50 and 7 identified as having more than 50 but fewer than 250.

Respondents cited the main barriers to developing international activities were financial, with COVID-19, Brexit, rising costs, and the cost of living crisis compounding challenges for an already pressured sector. Lack of funding and underinvestment were commonly highlighted.

Feedback gathered during the public consultation has informed the Strategy and this Business and Regulatory Impact Assessment. These concerns and challenges were taken into account in development of the International Culture Strategy and assisted in framing the types of actions to include within the Strategy.

Post-publication of the International Culture Strategy the Scottish Government will work with delivery partners to develop a detailed outcomes framework to inform the theory of change. This will explain how existing and upcoming work, including actions in this Strategy and any further actions developed with delivery partners, are contributing towards achieving the Strategy's outcomes.

An accompanying monitoring and evaluation plan will be produced to support progress towards the Strategy's vision and provide accountability.

This partial BRIA will then be updated alongside the Strategy's detailed outcome framework and monitoring and evaluation plan.

Options

There were three options considered:

Option 1: Do nothing.

This option would retain the status quo. International culture would be represented in existing policy documents as outlined in the 'background' section. This would maintain the policy gap for no strategic direction for the Scottish Government to support the culture and creative sector in pursuing international cultural opportunities and activity.

Not to publish a strategy would risk limiting the impact that a more coherent, strategic approach to international cultural engagement could have on the sector's long term development, resilience and recovery. It would further limit the secondary impacts the development of such activity could have on Scotland's broader international relationships

and reputation. Stakeholder engagement to date has indicated that there is a strong desire to engage with this work and that it can ultimately have a significant impact across all intended outcomes.

Option 2: Develop a Strategy for Cultural Diplomacy.

This option would see a Strategy developed to support Scotland's approach to cultural diplomacy.

Although cultural diplomacy can be an important aspect of international cultural engagement, from discussions with stakeholders it is not the sole or primary purpose or motivation for how and why cultural organisations and creative practitioners wish to pursue international opportunities. This approach would not address the policy gap in its entirety and would also not be led by the ambitions of the culture and creative sector. This could impact the success of the Strategy as it would not align with the sector's main motivations for pursuing international cultural engagement.

Through a series of roundtables held in May 2022 attendees expressed a range of views in regards to the term 'cultural diplomacy' which tended to be either of a negative or neutral tone with some attendees suggesting this was an old-fashioned term which indicated particular power dynamics that may belong to an earlier era. Others suggested that it may indicate too narrow a focus and miss certain important aspects such as the impact of inbound cultural activity. It may be a top-down or one-way approach.

Option 3: Develop an International Culture Strategy.

This option would see the development of an International Culture Strategy which would have at its heart the cultural and business interests of the sector and would recognise that by effectively supporting international cultural activity, further impacts on Scotland's wider international connections can be achieved.

This Strategy would build on Scotland's existing strengths and assets while considering where there is potential for development, opportunities for greater coordination of activity, and practical measures to address barriers to international cultural engagement.

A Strategy which would set out a vision for developing international cultural activity by Scottish artists and organisations, underpinned by a set of ambitions and actions developed with stakeholders across the sector and which integrates the wider impacts of such activity. This would allow for meaningful alignment of agenda and priorities across the sector which would apply and support the current and future development of culture.

Sectors and groups affected

The Strategy will primarily impact the cultural and creative sector, including:

- Cultural National Public Bodies
- Third Sector Organisations
- Creative industries
- Individual professional artists/creators/producers/practitioners

Secondary impacts would be on Scotland's wider international relationships, including Scottish Government's overseas hubs.

Benefits

Option 1: Do nothing.

The effect on the sectors outlined would be opportunity cost. While they may continue along paths currently being taken, there would not be any major change in the structures that support international cultural engagement and many positive impacts would be missed.

Option 2: Develop a Strategy for Cultural Diplomacy.

This approach would place international cultural engagement as a means to support and further soft power ambitions as the primary purpose of the Strategy. Benefits would be reputational and diplomatic, but not aligning the Strategy with the sector's primary goals could limit beneficial impact.

Option 3: Develop an International Culture Strategy for Scotland.

This approach would provide an overarching strategic framework for supporting the culture and creative sector to work internationally. The primary focus of this work would be the needs and interests of Scotland's cultural and creative organisations and professionals in terms of their international engagement. This approach recognises that secondary impacts on reputation and wider international connections can be achieved through it, but by focussing on the needs of the sector first and foremost it will be far more beneficial for businesses from the sector. It will allow for wider issues to be explored, such as how to address environmental impacts of international activity.

Costs

Option 1: Do nothing.

In the short term, the cost is neutral. However, there is an opportunity cost in that the opportunities to achieve greater impacts through the creation of a strategy would be

diminished. This would not be in alignment with the Scottish Government's aspirations to have a flourishing culture and creative sector, or its broader aspiration for all of Scotland to flourish, through increasing sustainable economic growth.

Option 2: Develop a Strategy for Cultural Diplomacy.

This strategic approach would have considered costs at each stage of development. The Strategy would have to consider how to measure a return on investment in a cultural diplomatic context. The Strategy would have to consider how not to impose any additional burdens or duties on the cultural organisations or consider providing additional funds to cultural organisations or public bodies to support the Strategy in pursuing and achieving any cultural diplomacy ambitions as its core focus. Driving forward this Strategy, that may not be in alignment with the sector's approach or considered a priority by them, may incur additional resources or officials required to make the Strategy work in this context. A cost could be a strained relationship between the Scottish Government and the culture and creative sector.

Option 3: Publish an International Culture Strategy

The Scottish Government currently supports international cultural activity through various funding programmes and in the short term costs are unlikely to be greater than funding currently spent supporting such activity. Decisions to direct additional spending to the implementation of the Strategy will be subject to the usual public sector investment appraisal.

The Strategy is high level and will not affect business operations. The Strategy does not impose any additional burdens or duties on the sector and rather will seek to support its desired development.

The Strategy will take into account the current financial context especially the Scottish Government's announcement on the increasing funding to the culture and creative sector by £15.8m next financial year to £196.6m. This is the first step on the route to investing at least £100m more annually in culture and the arts by the financial year 2028/29. In 2025/2026 we aim to provide an additional £25m to the culture sector. Through this increased investment we want to drive up opportunities for participation in creative pursuits, support the production of new works, and ensure that Scotland's cultural output has platforms at home and abroad. To support the delivery of this Strategy and secure resource where necessary we will fully engage with processes around the allocation of this additional funding.

Scottish Firms Impact Test

Engagement with businesses and the third sector, through the public consultation survey

and May 2022 roundtables, has shaped the recommendations outlined in the International Culture Strategy and the subsequent development of outcomes and actions that underpin the Strategy.

The re-engagement of the culture and creative sector in the development of a detailed outcomes framework will seek additional views regarding the impact that the Strategy's actions may have on businesses and the third sector. Any specific issues that emerge from respondents in business and the third sector will be followed up in more detail.

Competition Assessment

- Will the measure directly or indirectly limit the number or range of suppliers? No.
- Will the measure limit the ability of suppliers to compete? No.
- Will the measure limit suppliers' incentives to compete vigorously? No.
- Will the measure limit the choices and information available to consumers? No.

Consumer Assessment

- Does the policy affect the quality, availability or price of any goods or services in a market? No.
- Does the policy affect the essential services market, such as energy or water? No.
- Does the policy involve storage or increased use of consumer data? No.
- Does the policy increase opportunities for unscrupulous suppliers to target consumers? No.
- Does the policy impact the information available to consumers on either goods or services, or their rights in relation to these? No.
- Does the policy affect routes for consumers to seek advice or raise complaints on consumer issues? No.

Test run of business forms

No new forms will be introduced.

Digital Impact Test

- Does the measure take account of changing digital technologies and markets? Yes.
- Will the measure be applicable in a digital/online context? Yes.
- Is there a possibility the measures could be circumvented by digital / online transactions? No.

- Alternatively will the measure only be applicable in a digital context and therefore may have an adverse impact on traditional or offline businesses? No.
- If the measure can be applied in an offline and online environment will this in itself have any adverse impact on incumbent operators? No.

Legal Aid Impact Test

As no new criminal penalties are being introduced by the Strategy, it is not anticipated that there will be any effect on individuals' rights of access to justice through availability of legal aid or on possible expenditure from the legal aid fund.

Enforcement, sanctions and monitoring

As this Strategy is an advisory document, with no associated legislation or regulations, there will be no enforcement or sanctions.

Implementation and delivery plan

Post-publication of the International Culture Strategy, the immediate next step is work in collaboration with the Strategy's delivery partners to develop an implementation plan and a detailed outcomes framework to inform the theory of change. This will explain how existing and upcoming work, including actions in this Strategy and any further actions developed with delivery partners, are contributing towards achieving the Strategy's outcomes.

An accompanying monitoring and evaluation plan will be produced to support progress towards the Strategy's vision and provide accountability and measurement over the six-year implementation period of the Strategy.

Post-implementation review

The actions outlined throughout the Strategy will have various timescales, but as a whole this Strategy will apply to 2024-30 with periodic review. This timescale will allow for the development, delivery and evaluation of the range of proposed outcomes and evaluation of the impact of the Strategy on intended outcomes.

Summary and recommendation

Option 3 is the recommended option – develop an International Culture Strategy.

Summary costs and benefits table

Option	Total benefit per annum: - economic, environmental, social	Total cost per annum: - economic, environmental, social
1	No benefit to not doing anything. Existing benefits of various support for international activity would continue as long as those instruments remained in place.	No additional economic, environmental, social, policy and administrative costs per annum on top of those already incurred by policy and delivery. Opportunity cost of not supporting the sector's international ambitions and associated impacts.
2	Primary focus on diplomatic relationships would require framework for measuring return on investment in those terms.	Costs would need to be established. Possible reputational costs. Strategy could be self-defeating in that sectoral engagement would be needed to support its aims, yet approach that did not align with its interests could distance sector from it.
3	<p>Approach aims to support the long term development of the sector through enhancement of its ability to work internationally.</p> <p>Enhanced international engagement supports the diversity of Scotland's domestic culture scene.</p> <p>Environmental benefits through consideration of how to minimise environmental impacts of international engagement.</p> <p>Secondary benefits to Scotland's wider international reputation and relationships.</p>	<p>Costs to businesses will be neutral as the Strategy is advisory and will not place any new burdens onto them.</p> <p>Costs will be considered in relation to the allocation of additional funding for culture in alignment with the actions outlined in the Strategy.</p> <p>Better use of funding resources will offer long term stability, allow greater flexibility and support risk taking, innovation and experimentation, including supporting the emerging, not yet established, artists and organisations, and creative industries and technologies that support culture.</p>

Declaration and publication

I have read the Business and Regulatory Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options. I am satisfied that business impact has been assessed with the support of businesses in Scotland.

Signed: *Angus Robertson*

Date: 15 March 2024

Minister's name: Mr Angus Robertson

Minister's title: Cabinet Secretary for Constitution, External Affairs and Culture

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