

SUBMISSION FROM FILM EDINBURGH ON BEHALF OF THE SCOTTISH LOCATIONS NETWORK

Evidence to the Economy, Energy and Tourism Committee. Economic Impact of the Creative Industries.

About the Scottish Locations Network

The Scottish Locations Network (SLN) is made up of Scotland's 4 film offices (Film Edinburgh, Glasgow Film Office, Highlands Film Commission, TayScreen/FifeScreen) and 13 council-based film liaison officers. Film offices are an established and integral part of the global film and television industry; production companies consider it normal practice to liaise with national and regional film commissions when considering a particular area for film, television or commercial work. Film offices and council-based film liaison officers in Scotland are employed by or affiliated to local authorities to create sustainable economic and social growth through film production. Film offices promote and market their local area and region to filmmakers, develop filming protocols with the local authority in order to facilitate filming requests, and strive to create a film-friendly environment for filmmakers working in the region. They work closely with national and local land / property agencies such as National Trust for Scotland and Historic Scotland. They provide a link between the production and tourism agencies in order to maximise any film tourism opportunities. They also provide annual figures on the economic impact of film production in their region to the local authorities and to Creative Scotland. 2013 statistics were £30 million of economic benefit to Scotland from on-location filming. (2014 figures tbc).

Film liaison officers are council officers whose remit includes responding to filmmakers about council services and filming at council locations. They can also provide local knowledge and advice. However, resources to dedicate to providing a more pro-active service to promote and make-ready the region for filmmakers are limited.

Creative Scotland's Locations Department currently sits at the centre of the SLN providing a central administrative and organisational point for the network and leading on international marketing and promotion of Scotland as a whole. Creative Scotland's Locations Department is in a position to provide recce funds to allow filmmakers to visit Scotland and look at the locations, crew and facilities that are available.

The role of public sector agencies and the effectiveness of the support they provide

As BOP Consulting pointed out in its Film Sector Review 2012: "Fostering a reputation as a film-friendly country with a network of local, well-connected film offices is vital for success. These should be funded by, and connected to, both Creative Scotland and local authorities."

Recommendations:

- Every local authority in Scotland should have a dedicated film commission to represent it, promote it and ensure systems are in place to assist incoming / indigenous production.
- Complementary funding models to support the investment of local authorities into their film office must be explored. Like Amsterdam, Edinburgh's film office (Film Edinburgh) is now part Marketing Edinburgh which is part-financed by the private sector in the light of the economic benefit derived from proactive marketing and promotion of the city, with images on the screen being integral to this. 40% of visitors to the UK are inspired to visit locations they have seen on film/TV (VisitBritain 2012). Tourism accounts for £2.4 billion GDP and is the 7th biggest UK export. Meanwhile, the direct economic investment from film production in the UK is just over £1 billion, £800 million of which is from high-end film and TV drama using film studios. The contrasting value of location filming in Scotland is just £30 million.

How the issues that hinder the growth of creative industries can be overcome and how to capitalise on opportunities

- The lack of studio facility in Scotland is a hindrance to the growth of the film and television sector in Scotland as major productions simply cannot choose Scotland as a place to shoot for any more than a few days of essential location filming. This means that while a small number of local crew may secure work for a few days, the majority of crew will travel with the production from the studio base, and the majority of the budget will be spent elsewhere. Recent examples include *Prometheus*, *Snow White And The Huntsman*, *Cloud Atlas*, *The Dark Knight Rises*. Value of film/TV industry to the UK: over £1 billion. Value of existing on-location filming in Scotland: £30 million. See EKOS report for statistics.
- The lack of an incentive fund to attract inward productions and enable indigenous film/TV production to stay in Scotland results in local as well as international productions being drawn away from Scotland to other parts of the UK or abroad which can offer financial incentives, as well as studio facilities. While a Scottish studio will be a major asset to the nation, we are in a highly competitive international marketplace with producers seeking the most cost-effective solutions. Within the UK, Scotland benefits from the UK tax credit, but so do Northern Ireland and Cardiff, which not only have film studios but additional incentive finance to attract large-scale productions.

Game Of Thrones is a prime example of a production that was initially interested in Scotland - indeed the pilot episode was shot here at Doune Castle - but the success of the project required a film studio combined with incentive funds that Northern Ireland was able to offer in addition to the UK tax credit. The series has now been filming in Northern Ireland for 6 years. It has received an investment of £12.45 million from Northern Ireland Screen and provides a return on investment to the Northern Ireland economy of £110.7 million including crew salaries, accommodation and catering, facilities fees and location fees. Northern Ireland Screen's incentive funding model works on the basis of incoming productions being required to spend a 5:1 ratio of the total budget in Northern Ireland.

- Film friendly local authorities and cooperation of local agencies / businesses are vital to film and television production, whether this is indigenous or inward productions, and as such this is an issue that goes hand in hand with that of the studio in terms of making Scotland an attractive place in which to film. Any production thinking about basing in Scotland is interested in the whole package: studio & sound stages, incentive finance, tax credits, accessible and varied film-friendly locations and production crew and facilities.

Recommendations

- Facilitate the creation of a film studio for Scotland. This is likely to be a private sector investment, so the request is to create the conditions in which the private sector can invest in such an enterprise.
- Back this up with mobile production finance based on a percentage of investment in the local economy.
- Ensure Scotland is film-friendly everywhere by supporting the work of the existing film commissions and developing the service in local authorities without a film commission.
- Support the training and development of production crew to ensure sufficient numbers of crew are available to work on the increased amount of production created by a film studio.

How to retain in Scotland those with the necessary creative skills

To quote from the BOP Consulting Film Sector Review 2012:

- Film & TV production employs 702 people in Scotland, of which 640 (or 91%) are freelancers.
- Scotland's crew base moves across film, television and commercials work. The lack of production activity means that it is not possible to maintain a pipeline of good skills in each department, which has resulted in a depleted skills base, flattened pay rates and an ageing workforce in some departments, with young people leaving Scotland to gain experience.
- The lack of production infrastructure in Scotland – especially studio and sound stages – is particularly lamented by crew for whom the knock-on effect is lack of employment in Scotland.

Recommendations:

- Attract inward investment productions by offering mobile production incentives and a large-scale studio to facilitate high-end production. Attracting high value film & TV productions to film in Scotland would provide the opportunity for regular employment and professional development of production personnel and talent, from new entrants through to professional levels. But, as the EKOS report (March 2014) states: studio projects will bring Scottish talent back, but there are still training needs.

Examples of successful international strategies for growing these sectors

As mentioned, *Game Of Thrones* has been filming in Northern Ireland for 6 years. The series was attracted to Northern Ireland by the package of incentive finance, UK tax relief, studio facilities, crew and locations. A production of this scale and duration allows crew to settle in Northern Ireland. Indeed several Scottish crew who have moved to Northern Ireland to work on the series. It also gives confidence to international producers that the region has the skills and amenities available to service them.

Game Of Thrones attracted viewing figures of 18.6 million viewers per episode (series 4). The success of the series has had a knock-on effect on tourism in Northern Ireland, creating stand-out international recognition, connecting with new consumers and fans of the series, influencing consumers to warm to Northern Ireland, introducing a positive image of Northern Ireland to new customers, allowing the tourism agency to capitalise on international brand associations, and creating an increase in civic pride.

More information on Northern Ireland:

Screen finance: <http://www.northernirelandscreen.co.uk/sections/19/production.aspx>

Film tourism: <http://www.discovernorthernireland.com/nifilm/>