Economy, Energy and Tourism Committee

The economic impact of the film, TV and video games industries
# Contents

<table>
<thead>
<tr>
<th>Key recommendations</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>4</td>
</tr>
<tr>
<td>The economic contribution of the arts and creative industries</td>
<td>4</td>
</tr>
<tr>
<td>Growth of the sector</td>
<td>4</td>
</tr>
<tr>
<td>The Scottish Government’s ambition for the creative industries</td>
<td>5</td>
</tr>
</tbody>
</table>

## The film industry | 7

- The economic contribution of the film industry | 7
- A film and TV studio | 7
  - Background | 7
  - Consideration of proposals | 8
  - Film and TV industry requirements | 9
  - Funding a film and TV studio | 9
  - Complying with state aid rules | 9
  - Public and private funding | 10
- Funding | 11
  - Financing the film industry | 11
  - Financing emerging producers | 11
  - Tax incentives and the European Regional Development Fund (ERDF) | 12
  - New Scottish Government funding | 12
- Public sector support | 14
  - Working collaboratively | 14
  - Providing effective support | 15
- Skills and training | 17

## The TV industry | 19

- The economic contribution of the TV industry | 19
- Public sector support | 19
  - Leadership and direction | 20
  - Clarity on the roles of the public bodies | 20
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial support</td>
<td>21</td>
</tr>
<tr>
<td>Other sources of funding</td>
<td>22</td>
</tr>
<tr>
<td>Creative Europe</td>
<td>22</td>
</tr>
<tr>
<td>Growing the TV sector</td>
<td>23</td>
</tr>
<tr>
<td>The role of the public service broadcasters (PSBs)</td>
<td>24</td>
</tr>
<tr>
<td>Quotas for production and spend</td>
<td>24</td>
</tr>
<tr>
<td>The ‘lift and shift’ policy</td>
<td>24</td>
</tr>
<tr>
<td>Getting Scottish ideas commissioned</td>
<td>26</td>
</tr>
<tr>
<td>Skills and training</td>
<td>27</td>
</tr>
<tr>
<td>BBC Charter renewal</td>
<td>28</td>
</tr>
<tr>
<td><strong>The video games industry</strong></td>
<td>29</td>
</tr>
<tr>
<td>The economic contribution of the video games industry</td>
<td>29</td>
</tr>
<tr>
<td>Public sector support</td>
<td>30</td>
</tr>
<tr>
<td>The need for a sector review</td>
<td>31</td>
</tr>
<tr>
<td>Creating a sustainable industry</td>
<td>31</td>
</tr>
<tr>
<td>A National Strategy</td>
<td>32</td>
</tr>
<tr>
<td>Mentoring and business support</td>
<td>33</td>
</tr>
<tr>
<td>The value of experimentation</td>
<td>34</td>
</tr>
<tr>
<td>Attracting and retaining talented people</td>
<td>35</td>
</tr>
<tr>
<td>Supporting the sector</td>
<td>36</td>
</tr>
<tr>
<td>Accessing public sector support</td>
<td>36</td>
</tr>
<tr>
<td>Promoting the industry internationally</td>
<td>37</td>
</tr>
<tr>
<td>Industry engagement</td>
<td>37</td>
</tr>
<tr>
<td>A National Digital Network</td>
<td>39</td>
</tr>
<tr>
<td>Financial support</td>
<td>39</td>
</tr>
<tr>
<td>Wider digital media opportunities</td>
<td>40</td>
</tr>
<tr>
<td><strong>Annexe A</strong></td>
<td>45</td>
</tr>
<tr>
<td>Extracts from the minutes of the Economy, Energy and Tourism Committee and associated written and supplementary evidence</td>
<td>45</td>
</tr>
<tr>
<td><strong>Annexe B</strong></td>
<td>50</td>
</tr>
<tr>
<td>List of other written evidence</td>
<td>50</td>
</tr>
</tbody>
</table>
Economy, Energy and Tourism Committee

The remit of the Committee is to consider and report on the Scottish economy, enterprise, energy, tourism, renewables and other matters falling within the responsibility of the Cabinet Secretary for Finance, Constitution and Economy (apart from those covered by the remit of the Infrastructure and Capital Investment Committee), and matters relating to cities.

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Key recommendations

The film industry

1. The Committee urges Scottish Enterprise and the Scottish Government to reach a decision on the current private sector proposal for the development of a film and TV studio as soon as possible. However, given the urgent need for a studio, should the new proposal be unsuccessful, the Committee recommends that the Scottish Government evaluates as a matter of urgency what further support or incentives it could provide to stimulate interest and investment from the private sector. (paragraph 40)

2. The Committee understands that the Scottish Government cannot fully fund a film and TV studio but asks it to consider the help that it, and its agencies, can provide to ensure that the necessary infrastructure is in place to maximise the economic, cultural and heritage benefits for the indigenous film industry of a studio once developed. (paragraph 41)

3. The separate and distinct remits of Scottish Enterprise and Creative Scotland are acting as a barrier to working cohesively to effectively support the film industry. The Committee recommends that the Scottish Government provides direction to Scottish Enterprise and Creative Scotland to work in partnership in order to support the economic and cultural needs of the film industry, and reviews their performance annually against a specific performance indicator. (paragraph 76)

4. The Committee recommends that a film industry leadership group be established to facilitate engagement with the film industry and to enable the public bodies to understand better and respond to the industry’s needs. (paragraph 87)

The animation industry

5. The Committee recommends that Creative Scotland undertakes a review of the animation industry, to gain an understanding of the support it requires to grow, and includes representatives from the industry in the membership of the Digital Media Leadership Group, and any film industry leadership group, once established. (paragraph 93)
The TV industry

6. The Committee is concerned that despite Creative Scotland’s recently published 10-year strategic plan for the arts and screen industries there appears to be a lack of strategy for supporting and growing the TV sector. The Committee recommends that Creative Scotland works with the industry to develop a clear financial and business strategy to grow Scotland’s independent TV sector. (paragraph 117)

7. The Ofcom quotas for greater production and spend in Scotland by the public service broadcasters represent a huge opportunity to increase the skills and expertise within Scotland’s independent TV industry, but this will only be realised if commissioners abandon their reliance on ‘lift and shift’ in favour of investing in production by independent TV companies with a permanent base in Scotland. The Committee calls upon the BBC and Channel 4 to adopt this new approach to commissioning by the end of 2016. (paragraph 145)

8. The Committee welcomes the work that the Scottish Government is undertaking with the public service broadcasters and STV to create a sustainable Scottish TV industry and recommends that this should include an emphasis on encouraging broadcasters to increase the number of commissioners based in Scotland and engaging effectively with the industry. The Committee asks the Scottish Government to provide an update on progress by December 2015. (paragraph 146)

The video games industry

9. The Committee recommends that Creative Scotland leads co-ordination of the industry, academia and public bodies to establish a national strategy which will deliver a sustainable Scottish video games industry. Given the dynamic nature of the sector this should be done as a matter of priority, and regularly updated in collaboration with the video games industry. (paragraph 183)

10. The Committee recommends that Creative Scotland should lead in working with the video games industry to identify skills gaps, promote job opportunities to young people, and link education courses more closely with the industry. The Committee recognises that the key policy instruments for retaining talent in Scotland, like immigration, remain reserved and calls on the Scottish and UK Governments to work together on policies that would allow the Scottish video games industry to attract and retain world-class talent. (paragraph 205)
11. To realise the creative and economic opportunities of using digital media the Committee recommends that Creative Scotland commission research into digital media innovation which encourages enhanced collaborative working across the creative industries sector. (paragraph 244)
Introduction

1. The creative industries sector is one of seven sectors of the economy that the Scottish Government has identified as offering particular growth potential. This report sets out the Economy, Energy and Tourism Committee’s findings on the economic impact of the film, TV and video games industries.

2. The Committee would like to thank all of those individuals and organisations who submitted written evidence and provided oral evidence during this inquiry, as well as those who attended the video games showcase event. Your views have helped to shape the conclusions and recommendations within this report.

The economic contribution of the arts and creative industries

3. In 2012, Creative Scotland and Scottish Enterprise commissioned a report into the economic contribution of the arts and creative industries. It found that the direct, indirect and induced impacts of the arts and creative industries in Scotland amounted to almost 130,000 jobs, £6.3 billion gross value added (GVA) and £12.48 billion in turnover.

4. The report established a list of 16 creative industries which are active in Scotland. For its inquiry, the Committee agreed to focus on three: the film and TV industries and the video games sector. It considered the economic impact of these industries and how best to support them to ensure sustainable growth.

5. The report found that, in 2010, the film and video sector employed 3,500 people and contributed £120 million GVA and £120 million adjusted GVA to the economy; the radio and TV sector employed 3,500 people and contributed £50 million GVA and £400 million adjusted GVA; and the computer games sector employed only 200 people and contributed less than £10 million to the economy. This is disputed by the video games industry.

Growth of the sector

6. In August 2014, the Scottish Government Office of the Chief Economic Adviser published a Growth Sector Briefing on the Creative Industries. It found that, in 2012, the creative industries supported more than 65,000 jobs and had a turnover of £5.5 billion.

7. The briefing quoted the GDP data for July 2014, which showed that output in the creative industries growth sector had increased by 0.5% in the most recent quarter and by 5.2% in year-on-year terms. It reported that the recent trend in the creative industries was in the same direction as that for the economy as a whole (Total GVA), where output increased by 1.0% in the most recent quarter and by 2.6% in year on year terms.
8. It also reported that, in March 2013, there were 12,890 registered enterprises operating in the creative industries growth sector, representing 8.1% of all registered businesses operating in Scotland. The sector is characterised by small businesses.

The Scottish Government’s ambition for the creative industries

9. The Creative Industries Framework Agreement was published by the Scottish Government on 5 February 2009. It outlines the complementary roles and responsibilities of Creative Scotland, Scottish Enterprise, Highlands and Islands Enterprise and Scottish local government in supporting the creative industries sector. It also outlines the Scottish Government’s role in providing leadership and direction. It describes the Scottish Government’s ambition for the sector as follows—

“...the arts and the creative industries are supported and celebrated and their economic contribution fully captured.”

10. The creative industries sector falls under the responsibility of two Scottish Ministers. The Cabinet Secretary for Culture, Europe and External Affairs is responsible for supporting the creative industries sector and the Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy is responsible for its economic development and growth.

11. In April 2014, Creative Scotland published its 10-year strategic plan, Unlocking Potential Embracing Ambition a shared plan for the arts, screen and creative industries 2014-2024. The plan also outlines Creative Scotland’s ambitions, associated priorities and measures of success for the next three years.

12. The Scottish Creative Industries Partnership (SCIP) was established in 2009 by the Scottish Government. Its remit is to deliver effective support to the creative industries by overseeing the strategic priorities across the public sector agencies to ensure they are aligned, to avoid duplication of effort, and to maximise benefits to the industry. It is chaired by Creative Scotland.

13. In its written submission to the inquiry, Creative Skillset, which is the industry skills body for the creative industries, describes an—

“...apparent lack of communication between the participants of SCIP (Scottish creative industries programme) which means there is ongoing duplication, missed opportunities and a lack of overall strategy and vision for the creative sectors, both culturally and commercially.”

14. As outlined in the framework agreement there are a number of public sector bodies providing support to the creative industries sector. A key strand of the
Committee’s inquiry was to consider the type of public support provided, its effectiveness and any improvements which could be made.
The film industry

The economic contribution of the film industry

15. Creative Scotland’s Review of the Film Sector in Scotland,\(^7\) published in January 2014, estimated that film production employment was just over 700 people, of whom 62 were full-time employees, with the remainder being freelance. It estimated film production turnover at £32 million in 2012.

A film and TV studio

Background

16. The evidence received by the Committee suggests that the lack of large-scale studio space is detrimental to Scotland’s ability to attract big budget productions, other than location shooting, and therefore the most pressing industry requirement is for a film and TV studio based in Scotland.

17. The Scottish Government, its agencies and the film and TV industries are in agreement that a film and TV studio is the number one priority for growing the sector. Given this unanimous view, the Committee investigated how a studio could be developed.

18. We found that this is an issue which those in the film and TV industries have long been discussing, with some putting the timeframe at over 40 years. There is clear frustration on a lack of progress to date. More recently the Scottish Government has been pursuing options for developing a studio.

19. A studio would increase revenue for the film and TV industries. In its written submission, Film Edinburgh highlighted the loss of revenue from not having a film
studio and relying instead on providing a location service, saying that: “major productions simply cannot choose Scotland as a place to shoot for any more than a few days of essential location filming” and that, out of the value of the film industry to the UK of £1 billion, location filming in Scotland provides only £30 million.\(^8\)

20. Given the clear desire from everyone involved in the creative industries to build a film and TV studio in Scotland, the Committee investigated why this has not yet been achieved.

21. In May 2013, the Scottish Government established a Film Studio Delivery Group, to actively pursue proposals for a new film and TV studio in Scotland. The members are the Scottish Government, Scottish Enterprise, Creative Scotland and Scottish Development International.

22. The Scottish Government ring-fenced £1 million towards the cost of a studio and, in October 2013, announced a £2 million loan fund for studio development. The Film Studio Delivery Group issued a call for applications for private sector investment in a studio but, as no suitable proposal was received, the loan fund was not accessed and is therefore still available.

23. The **Delivery Options for Production Space for Film and TV**, commissioned by Scottish Enterprise, found that there is a clear opportunity for a Scottish film and TV studio. It recommended that the private sector be invited to submit development briefs for a studio facility and, in March 2014, a development brief was published on the Public Contracts Scotland website inviting proposals.

**Consideration of proposals**

24. During the course of the inquiry there were some developments on the consideration of the private sector proposals received.

25. On 28 January 2015, David Smith updated the Committee on the work of the Film Studio Delivery Group, saying that it was currently analysing five proposals and was in confidential negotiations with partners. He added that the Group hoped to make a recommendation to the Scottish Enterprise board “in the relatively near future”.\(^9\)

26. On 4 February, Fiona Hyslop told the Committee that none of the five proposals had been suitable and that Scottish Enterprise was now considering a new private sector proposal for a film and TV studio, which exceeded the development brief. Ms Hyslop gave a commitment that, once a decision had been made, the Committee would be informed. She also committed to work with the film industry to deliver the content and production for any successful studio proposal.\(^10\)

27. Janet Archer added that, whilst developing a film and TV studio is a complex task a solution was close, saying—
“We ended the last discussion that we had all agreeing that we are closer than ever to finding a solution. We are determined to find a way through the matter.”

28. In response to the question of whether the Scottish Government will deliver a film and TV studio, Ms Hyslop answered “Yes. I am determined that we will”.

Film and TV industry requirements

29. Whilst a studio is a key requirement to building a sustainable film and TV industry, it will not address all of the needs of those industries. A studio would provide the opportunity to bring more film and TV work to Scotland, but the Committee heard that the Scottish Government should plan for future success by ensuring that the necessary infrastructure is in place to support a studio.

30. Iain Smith asked that any studio proposal include expansion potential with associated space for offices, workshops and parking, whilst Arabella Page Croft asked that it be based in a city and include a hub that independent Scottish producers could use.

Funding a film and TV studio

31. Our inquiry found that the issue of how a studio could be funded, whether by public and/or private finance, and the requirement for the Scottish Government to comply with European Commission (EC) state aid rules, were key obstacles.

Complying with state aid rules

32. State aid is support provided by public bodies which the European Commission could consider to have the potential to distort competition and trade between member states, and is therefore incompatible with the European Treaties. The General Block Exemption Regulation (Commission Regulation (EU) No 651/2014) sets out the conditions under which certain categories of aid can be considered compatible with the internal market.

33. Fiona Hyslop outlined to the Committee her understanding of the EC state aid rules and the ways in which they prohibit the Scottish Government from providing 100% funding for developing a film and TV studio in Scotland.

34. In accordance with article 53 of the general block exemption regulation, aid could be provided if at least 80% of either the time or the space capacity was used for culture and heritage conservation reasons. However, this would not cover commercial purposes. Whilst article 54 of the regulation provides for aid schemes for audio-visual works, aid for film studio infrastructure is not eligible.

35. Ms Hyslop added that it was also not possible for the Scottish Government to invest on the grounds of market failure, as—
“Given that there are other opportunities for private sector investment, we would be breaching state-aid rules. We could not provide evidence of market failure, because it is clear that there is a market there.”

36. Asked why the Welsh and Northern Ireland governments were able to invest in large film studios, Ms Hyslop explained that this had been possible due to the availability of state assets that could be converted, and that unfortunately this was not the case for Scotland.

Public and private funding

37. The Cabinet Secretary expressed her determination to develop a studio, but made clear that this will be dependent on private investment. The options are either a co-funding arrangement between the public and private sector, or for a private investor to develop a studio. For the private sector, any development would need to be commercially viable and this might mean that the use of the studio will go to the highest bidder, which may prevent Scottish film production companies from using it.

38. Fiona Hyslop told the Committee that she wanted to see inward investment for a studio which could be used for large productions, but also supported the smaller scale indigenous film industry.

39. The Committee appreciates the Scottish Government’s commitment and efforts to develop a film and TV studio. We were disappointed to learn that the five proposals under consideration were all unsuccessful and hope that the new proposal will meet with success.

40. The Committee urges Scottish Enterprise and the Scottish Government to reach a decision on the current private sector proposal for the development of a film and TV studio as soon as possible. However, given the urgent need for a studio, should the new proposal be unsuccessful, the Committee recommends that the Scottish Government evaluates as a matter of urgency what further support or incentives it could provide to stimulate interest and investment from the private sector.

41. The Committee understands that the Scottish Government cannot fully fund a film and TV studio but asks it to consider the help that it, and its agencies, can provide to ensure that the necessary infrastructure is in place to maximise the economic, cultural and heritage benefits for the indigenous film industry of a studio once developed.
Funding

Financing the film industry

42. The Committee heard that the Scottish film industry is lagging behind its UK and international competitors in terms of funding. The impact of this is a reduction in the number of films being produced in Scotland and, subsequently, fewer employment opportunities. To address this, witnesses recommended that the public bodies target their funding and provide incentives to encourage private sector investment to stimulate film production.

43. Iain Smith told the Committee that, in economic terms, Scotland was not competing for its proper share of the UK film market, saying that: “Twenty years ago, Scotland was the biggest production cluster outside of the south-east of England. Now it is probably fourth of fifth”. He explained that, whilst tax credits were helpful, strategic intervention could make all the difference to bringing in private investment.

44. Bob Last agreed, adding that the issue was not necessarily how much money was spent, but how it was spent.

45. Ms Hyslop told the Committee that, despite restricted budgets, she had managed to protect Creative Scotland’s cultural funding overall. She outlined that investment in the film industry had increased from £3 million to £8 million and investment in screen from £16 million to £24 million (this figure includes the recent announcement of £3 million additional funding).

46. There are success stories - such as location filming - but, as Janet Archer explained, as Creative Scotland receives applications for twice the available funds, it has to be absolutely sure that the impact of any public investment would result in net gain.

47. Natalie Usher added that, to compete with Northern Ireland and Wales, Scotland would need to be able to offer an additional award of funding to encourage producers to film here.

48. One alternative source of funding is the British Film Institute (BFI). However, according to Iain Smith, Scottish film producers are not taking full advantage of this. John Archer added that it was reasonable to expect the BFI to be held accountable for the amount it spends in Scotland.

Financing emerging producers

49. There was some confusion about the amount of funding available for emerging producers. There is a perception that funding from Creative Scotland ranges from £10,000 for short films and then jumps to up to £1 million for low-budget feature films, with nothing in between.
50. Fiona Hyslop acknowledged the need for film companies to scale up very quickly and clarified that the funding on offer reflects this, saying that: “Creative Scotland has recently increased its maximum production funding for any one film from £300,000 to £500,000”. The Cabinet Secretary added that anything above that would be a larger investment and, as such, would involve support from other agencies.  

**Tax incentives and the European Regional Development Fund (ERDF)**

51. UK tax incentives have helped the UK film industry to compete internationally, and the evidence suggests that for every £1 spent there is £12 benefit in terms of gross domestic product. The Committee heard that UK tax incentives, such as the Film Tax Relief, which was introduced in 2007, and the Animation Tax Relief, which was introduced in 2013, had increased the competitiveness of the market.

52. Creative Scotland’s Film strategy for 2014-17 found that, according to the BFI’s statistical yearbook for 2014, the principal sources of public funding for UK film in 2012-13 were the film production tax relief (57%), the National Lottery (18%) and grant-in-aid (8%) from the Department for Culture, Media & Sport (DCMS).

53. Ken Hay explained that the ability of Northern Ireland and Wales to access European Regional Development Funds (ERDF) had helped those countries to incentivise film production.

54. To illustrate the difference in available finance, Arabella Page Croft provided the Committee with a comparison of the funds provided by public finance and ERDF for production in Scotland to other areas in the UK, saying that—

> “In Scotland we have £3.5 million for production development. Yorkshire has £15 million and Wales has £30 million …Northern Ireland has nearly £11 million. Northern Ireland Screen can invest up to £800,000 into productions. Creative Scotland can invest up to £500,000, but it only has £3.5 million for the whole year.”

55. In its written submission, the Scottish Government indicated that the extension of tax incentives for mobile production from film into TV had created a surge of interest and stated its intention to continue to lobby the UK Government for further tax incentives for the creative industries.

56. The Committee welcomes the recent UK budget announcement that tax relief to encourage film production in the UK will increase to 25 per cent for all qualifying core expenditure, for all eligible film productions.

**New Scottish Government funding**

57. During the course of the Committee’s inquiry the Scottish Government announced two new funds: one aimed at supporting Scottish film, animation and high-end TV productions; the other aimed at supporting skills development in the screen sector.
58. The first is a £2 million tax credit loan fund to provide a loan facility to qualifying productions in Scotland to fund UK film, animation and high-end TV. Ms Hyslop explained that the intention of the Fund is to help production cash flow to ensure that UK Government tax credits for the film industry can be maximised.\(^{30}\)

59. Mr Swinney added that the use of this financial transaction mechanism was to address the issue of film producers accessing funds to enable them to increase the size and scope of their projects. He told the Committee that this addressed a: “particular problem with increasing the scale and significance of film projects that could be undertaken in Scotland because of access to external investment finance”.\(^{31}\)

60. In supplementary evidence, Mr Swinney clarified that the loan fund differed from other loans in the marketplace as it “will offer a rate that is more favourable to producers than loans already available” and that it “will provide a single point of access to finance and will provide the full loan amount upfront”.\(^{32}\) The purpose is to address the issue of film companies having to find funding from multiple lenders.

61. The second fund is a £1 million Screen Sector Skills Fund to provide training and skills development opportunities for people already involved in the sector and young people considering a career in screen.

62. Both funds will be administered by Creative Scotland and will run on a pilot basis over the financial year 2015-16, operational from April 2015. Details on the criteria for the loan fund are expected to be issued by Creative Scotland in March 2015.

63. Skills Development Scotland will play an advisory role for the Screen Sector Skills Fund, to ensure that it is aligned to its Skills Investment Plan for the creative industries, which is expected to be published in spring 2015.

64. The Committee recommends that Creative Scotland considers how it can target its funding to stimulate private sector investment and works with the film industry to ensure it is aware of the different sources of funding available and how to access them.

65. To compete successfully with the rest of the UK it is essential that Scotland’s film, animation and TV industries are able to fully capitalise on the UK film and TV tax incentives to increase independent film production and investment in these industries. The Committee therefore encourages Creative Scotland to ensure that companies are fully aware of these tax incentives and their benefits.
66. The Committee welcomes the announcement of additional funds to assist the TV, film and animation sectors and recommends that the Scottish Government co-ordinates the agencies involved in administering these funds, to ensure that they are easily accessible and have a transparent, simple application process with quick decision making.

67. The Committee recommends that the Scottish Government reviews the impact of these funds on growing the TV, film and animation industries after the one-year pilots have been concluded, with a view to extension.

Public sector support

Working collaboratively

68. Creative Scotland is the lead agency providing public sector support to the film industry. It was established in 2010 and inherited the functions of Scottish Screen and the Scottish Arts Council. In October 2014, Creative Scotland published its four-year strategy for the film industry: *Creative Scotland on screen: film strategy 2014-17.* Scottish Enterprise provides development business support to the sector.

69. The Committee investigated how the public bodies co-ordinate their support to balance the cultural and commercial needs of the film industry, given Scottish Enterprise’s economic development focus and Creative Scotland’s focus on arts and screen.

70. Evidence from the film industry highlighted a number of on-going concerns about the separate and distinct remits of the public bodies and their ability to co-ordinate support. This had resulted in a perception that there was a lack of leadership and a loss of confidence in the ability of Scottish Enterprise and Creative Scotland to support the sector effectively.

71. Iain Smith, of the British Film Commission, told the Committee that Creative Scotland was “not systemically set up to deal with the configuration of the business” and that Scottish Enterprise lacked the expertise to understand the film industry, whilst Ken Hay of the Centre for Moving Image said that the remits of the public bodies “simply conflict” and could not be reconciled, and that, as a result, they worked in isolation.

72. Bob Last, an independent producer, stated that, in his view, the agencies “have been set up to fail”. He explained that he had been a member of the group tasked with setting up Creative Scotland and that the decision to exclude an explicit leadership role from its remit now needed to be rectified.

73. According to Iain Smith, the impression in the UK is that Scotland is closed for business. He felt that co-ordination and leadership was required to “maximise the
opportunity on both the creative-cultural side and the commercial-economic side”.  

74. In response to questions about these concerns, Janet Archer told the Committee that Creative Scotland had not been set up in a way that enabled it to engage with other public bodies, but that it had recently undergone a reorganisation exercise to address this. She explained that the appointment of directors for specific sectors, including film, would help to focus support, saying—

“That gives us a much better locus to negotiate and generate the relationships that we need across the public and private sectors.”

75. In response to concerns about a lack of collaboration and leadership to support the film industry’s cultural and economic ambitions, Fiona Hyslop acknowledged that there was room for improvement, saying that—

“How Scottish Enterprise and Creative Scotland, which are the key players, can bridge the tension between creative talent and business opportunity. That has always been and will always be an issue, and I acknowledge that we need to get better at dealing with it.”

76. The separate and distinct remits of Scottish Enterprise and Creative Scotland are acting as a barrier to working cohesively to effectively support the film industry. The Committee recommends that the Scottish Government provides direction to Scottish Enterprise and Creative Scotland to work in partnership in order to support the economic and cultural needs of the film industry, and reviews their performance annually against a specific performance indicator.

Providing effective support

77. There were a number of proposals from witnesses, and in the written evidence, on the ways in which the public sector could more effectively support the film industry. One proposal was for Creative Scotland to receive more funding and to have its remit changed to enable it to fully support the sector, whilst another was for a dedicated film task force or a screen agency to be established.

78. Iain Smith asked for a “specialised department in Creative Scotland to fully support both film and TV or a separate agency”.

79. Bob Last recommended that Scottish Enterprise fund Creative Scotland, to enable it to deal with both the enterprise and cultural elements of the film industry. John Archer agreed with this proposal, asking that Scottish Enterprise be instructed to give Creative Scotland £1 million a year for the film industry to spend on film production in Scotland. He added that a film task force was a priority.
80. The creation of a task force was endorsed by Arabella Page Croft, of Black Camel Pictures, who asked that the film sector be removed from the Scottish Enterprise remit as—

> “Nothing has happened for our sector—no intervention has been made to address the systemic market failure.”

81. In a written submission from Titanic Gap, Rick Hill recommended creating a dedicated Scottish Screen agency, to provide the film industry with an organisation that is: “...aligned to their needs, has adequate funding, and quick decision making processes.”

82. John Archer, of Hopscotch Films and Independent Producers Scotland, asked that the Scottish Government set screen policy, informed by the producers and agencies as, in his view, Creative Scotland and Scottish Enterprise “cannot work together”.

83. In response to these proposals, Fiona Hyslop told the Committee that, instead of creating a separate agency, her preference was to enable the staff within Creative Scotland to fully support the film sector.

84. Fiona Hyslop also told the Committee of the importance of all public agencies responding to industry needs and stressed that the film industry must take a lead in articulating its requirements.

85. The Digital Media Leadership Group, with a remit which includes identifying the digital media opportunities across the creative industries sector, is the key route for the creative industries to engage with the public bodies. The Committee was therefore surprised to learn that the film industry is not represented on the Group and believes that this is a serious omission.

86. The film industry must have confidence that Creative Scotland, as the lead public sector agency, understands the industry’s needs and can fully support its growth. The Committee recommends that the film industry is included in the membership of the Digital Media Leadership Group, to examine the digital media opportunities for the sector and to identify collaborative projects across the creative industries.

87. The Committee recommends that a film industry leadership group be established to facilitate engagement with the film industry and to enable the public bodies to understand better and respond to the industry’s needs.
Skills and training

88. Training opportunities which improve skills and provide invaluable work experience are essential elements to creating a sustainable film industry. Witnesses told the Committee of the benefits of practical work experience. Ken Hay recommended the reintroduction of a training scheme to provide practical work experience on live film and TV productions. Iain Smith agreed, stressing the importance of providing training for specific jobs and up-skilling people, as well as on-the-ground provision of skills and training, which is informed by the industry.

89. The Committee heard that investment in the film industry that enables people to sustain their lives and livelihoods is essential to retaining talented people. Janet Archer told the Committee that the solutions to creating a sustainable film industry included a mixture of providing funding, talent development and the development of a studio.

90. Fiona Hyslop acknowledged that the public sector needs to scale up its provision to meet the needs of the film industry, saying that—

> “We have great, talented, skilled people in the film sector and we want to support them. It is a frustration, but that is not because the market is not there or because we are not capable of delivering—we are, and we just need to scale up what we are doing. We are perfectly conscious that that is the requirement and that is what we have to do.”
The animation industry

Supporting the animation industry

91. In its Film Strategy 2014-17 Creative Scotland commits to sourcing increased funding for production for documentary-making and animation and to prioritising funding for the development and production of high-quality feature films, documentaries and animation from Scottish-based talent.

92. In written evidence, Cameron Fraser, of Ko Lik Films Ltd, states that Creative Scotland and Scottish Enterprise do not have a specific strategy for growing the animation industry. Mr Fraser said that a lack of understanding of the industry’s needs, and a lack of financial investment to date, has led to the decline of the industry. He asked that additional financial and marketing support be provided. Currently the animation industry does not meet the criteria to be included in Creative Scotland’s “Market Leaders” initiative to receive support to attend international market events. The public bodies could also provide more support to access funding from the BFI, broadcasters and other European-based agencies.53

93. The Committee recommends that Creative Scotland undertakes a review of the animation industry, to gain an understanding of the support it requires to grow, and includes representatives from the industry in the membership of the Digital Media Leadership Group, and any film industry leadership group, once established.

94. The Committee recommends that Creative Scotland reviews its criteria for the Market Leaders Scotland Initiative with a view to including the animation industry.
The TV industry

The economic contribution of the TV industry

95. The TV industry in Scotland is a combination of public service broadcasters and independent television production companies. The 2012 Economic Contribution Study report\textsuperscript{54} into the economic contribution of the arts and creative industries found that the direct, indirect and induced impacts of the radio and TV industries provided 3,500 direct employment jobs, £50 million GVA and £400 million adjusted gross value added (including induced and indirect effects).

96. The Market Assessment of the Broadcast and Television Production Sector in Scotland 2011/12 report,\textsuperscript{55} commissioned by Scottish Enterprise and published in 2013, found that most of the current commercial activity and opportunity in television currently lies in television production. It found that there were over 1,700 people employed in TV production in Scotland (of which almost 500 were freelance) and 70\% of those people were employed by the public service broadcasters, with a total estimated value of £119 million.

Public sector support

97. Creative Scotland’s support for screen, which includes the film and TV sector, is currently in the region of £9 million annually, from an overall budget of £93 million. This is an allocation of approximately 10\% of its budget.

98. The main method of financial and business support from the enterprise agencies for the TV production industry is through the account management system. Scottish Enterprise currently account manages 16 television companies. The TV industry is represented on the Digital Media Industry Leadership Group by STV Group plc, Channel 4, TVI, Tern Interactive and Raise the Roof Productions.
99. The Committee heard that the separate and distinct remits of Scottish Enterprise and Creative Scotland, with one focussing on supporting growth companies and the other on cultural activities, inhibited them from working collaboratively to support the TV sector.

Leadership and direction

100. A key theme in the evidence was a concern over a lack of leadership from Creative Scotland and Scottish Enterprise and, in turn, a lack of focus on, and a strategy for, the independent TV sector. Witnesses suggested that this could be resolved in part by the public bodies providing clarity on their respective roles in supporting the TV sector.

101. Jane Muirhead, of Producers Alliance for Cinema and Television (PACT), told the Committee that the independent television sector feels that “ownership” of it falls between Creative Scotland and Scottish Enterprise. Alan Clements, of STV, said that having two quangos responsible for the TV sector meant there was a lack of focus and leadership. He felt that this inhibited the Cabinet Secretary for Culture, Europe and External Affairs from taking direct action.

102. Ian MacKenzie agreed, telling the Committee that Channel 4 is looking for “greater clarity on where television fits for Creative Scotland, and whether it fits” and Ewan Angus, of BBC Scotland, asked for clarity on the criteria for individual investment for television projects.

Clarity on the roles of the public bodies

103. The different remits of Creative Scotland and Scottish Enterprise have led to confusion in the sector about the roles and responsibilities of each. Those from the TV sector requested clarity around the remits of both public bodies in specific areas.

104. In relation to Creative Scotland, Alan Clements said its focus on culture meant that it did not look at the industrial aspects and their importance, particularly in relation to TV production. Ian MacKenzie said that Channel 4 would welcome Creative Scotland having a specific focus on the support available for new and emerging companies.

105. With regards to Scottish Enterprise, Jane Muirhead stressed that although Scottish Enterprise wanted to get its support right, the range of products that it has on offer “… are not fit for purpose for our industry”.

106. Caledonia TV, in its written submission, asked the Scottish Government to provide Scottish Enterprise with a clear direction to address the TV industry’s specific needs, as the: “Existing models or business finance from SE need to be better shaped to aid the independent TV production sector”.
107. An alternative suggestion from Alan Clements was to create an agency, similar to Northern Ireland Screen, with a remit for the TV industry, which was accountable to the Scottish Parliament and the Scottish Government.\textsuperscript{64}

108. In response to these concerns, John Swinney clarified that Creative Scotland has the lead role in supporting the creative industries, with the other agencies having a supporting role, and that Scottish Enterprise has the business development remit. He added that he was aware it was a challenge for organisations to work cohesively, but was not aware of any contradictions in remits.\textsuperscript{65}

109. There is clearly some confusion in the TV industry about the individual and shared roles and responsibilities of Creative Scotland and Scottish Enterprise in supporting the sector. The Committee recommends that both agencies work with the industry to clarify their respective and complementary roles and the support available to the TV sector.

**Financial support**

110. The Committee heard evidence that the enterprise agencies’ focus on funding growth companies through the account management system means that they are constrained in funding independent TV production companies which do not meet the criteria. At present there seems to be little flexibility available to Scottish Enterprise in applying this criteria. This is not the case for Highlands and Islands Enterprise (HIE), which has a degree of flexibility due to its dual economic and community development remit. This enables it to support the creative industries from a commercial, cultural and community viewpoint.

111. An example is HIE’s support to the small independent TV company *Move on Up* to film and produce the children’s TV series *Katie Morag* on the islands of Lewis and Coll. In her written evidence, Lindy Cameron, of Move On Up, outlined her ambition to film the first series entirely in the Highlands region, to retain the economic benefit for local communities and to employ and train local people. She persuaded HIE to fund 5% of the budget to film the first series, admitting that this was despite it being “a most unusual request for them and didn’t automatically fit into any of the ‘round holes’”.\textsuperscript{66}

112. Charlotte Wright told the Committee that HIE takes into consideration the nature of the business and its economic impact on communities when making account management decisions, saying that: “As a result, we have to be flexible in the way that we provide such support”.\textsuperscript{67}

113. The Committee was interested in the level of funding provided to indigenous TV companies by Scottish Enterprise. In a supplementary submission, Scottish Enterprise confirmed that, of the £333,775 that has been paid to television production companies in regional selective assistance grants since 2008, just over two thirds or £225,000 was provided to indigenous companies.\textsuperscript{68}
114. Some witnesses told the Committee that they felt that Creative Scotland neglects the TV industry in terms of funding, as it provides lottery funding to film, and very little to the TV sector.

115. In response to criticisms over lack of funding for the sector, Janet Archer acknowledged that, whilst Creative Scotland has responsibility for the TV sector, it does not have the funding to fully support it. Natalie Usher explained that, due to limited resources, Creative Scotland had prioritised funding for film over TV production and limited its TV funding to helping a producer with their first series, saying that—

> “With our £4 million film and TV broadcast fund we have decided to focus on film, as Janet Archer said, but we have invested in independent production alongside broadcasters. For example, we have put money into the “Katie Morag” production, “Stonemouth” and the Gaelic drama “Bannan”, and we have invested in a number of other first series.”

116. The Committee welcomed the recent UK budget announcement which lowered the minimum UK expenditure required to qualify for the high-end television tax relief from 25 per cent to 10 per cent, and the new children’s television tax incentive, which is to be introduced from April 2015.

117. The Committee is concerned that despite Creative Scotland’s recently published 10-year strategic plan for the arts and screen industries there appears to be a lack of strategy for supporting and growing the TV sector. The Committee recommends that Creative Scotland works with the industry to develop a clear financial and business strategy to grow Scotland’s independent TV sector.

### Other sources of funding

#### Creative Europe

118. The Committee heard that the TV sector is now a more diverse marketplace, with people consuming more content on more platforms than previously, and that the industry needs to adapt. The future of TV production is expected to include more co-produced and co-funded pieces to enable broadcasters to offer the widest possible choice.

119. **Creative Europe** is the European Commission’s new programme to support the cultural, creative and audio visual sectors. From 2014-2020, €1.46 billion is available to support European projects, with the potential to travel, to reach new audiences and to encourage skill sharing and development. It supports the delivery of transnational co-operation projects across any art form for a maximum duration of four years.
120. Fiona Hyslop told the Committee that she is keen to look at accessing Creative Europe funding to maximise the opportunities provided by co-production with other countries. This includes co-productions with American and Scandinavian countries, as well as using the cultural agreements with France and Ireland. The Cabinet Secretary explained that—

“...I am active in that area and I have asked officials to look closely at possibilities and opportunities that we can pursue under the new 2014 to 2020 creative Europe fund, particularly for digital media and film.”

121. In its written submission, CONNECTfilm suggested that Creative Europe provided valuable development and production finance for the film, TV and games industries. However, it said that the Fund was hard to access due to Scotland being defined as part of the UK, meaning that Scotland did not achieve the necessary number of points given for projects from countries with a low audiovisual production capacity. CONNECTfilm asked Creative Scotland to lobby for a re-definition of Scotland as “an autonomous region with a devolved parliament which has responsibility for cultural affairs”.

122. The Committee welcomes the work that the Scottish Government is undertaking to access funding from Creative Europe for co-productions with other countries and the funding opportunities that this could provide for the TV, film and video games industries. The Committee urges the Scottish Government to pursue actively improved access to Creative Europe funding for audiovisual production.

**Growing the TV sector**

123. In the 2009 report ‘Growing the Television Broadcast and Production Sector in Scotland’ one of Scottish Enterprise’s targets was to: “Increase the scale of independent production companies, increasing the number of independent production companies with a turnover of £10m with a substantive base in Scotland from 1 to 6 by 2013”.

124. In supplementary evidence, Scottish Enterprise indicated that, in 2014, there were two TV production companies in Scotland with a turnover of £10 million: IWC Media at £13.2 million and STV Productions at £14.2 million. The submission also included details of two companies with a turnover of less than £10 million: Raise the Roof Production at £6.9m; and Tern Television at £5.1 million.

125. The Committee investigated why the target to increase the number of independent TV production companies had not been met at a time when the public service broadcasters had increased their spend and investment in Scottish based TV productions.
The role of the public service broadcasters (PSBs)

Quotas for production and spend

126. Public service broadcasting refers to TV programmes broadcast for the public benefit rather than for purely commercial purposes. These programmes include local news coverage, arts programmes and religious broadcasts.

127. Ofcom has a responsibility for setting quotas for original production on the main terrestrial channels (BBC One, BBC Two, Channel 3, Channel 4 and Channel 5), designated as public service broadcasters (PSBs) under the terms of the Communications Act 2003. This includes setting out-of-London production quotas for the PSBs and quotas for the commissioning by the PSBs and other channels of programmes sourced from independent TV producers.

128. In its written evidence, BBC Scotland indicated that its spend for 2013 was 10.9% of the total eligible BBC network spend, a significant increase on the 7.6% figure recorded in 2012, and in excess of its target of 8.6% of total network spend by 2016.

129. Channel 4, in its written submission, indicated that 3.8% of its total network spend in 2013 originated in Scotland and that this investment had been maintained in 2014. It has committed to a new quota of 9% of spend and network hours from outside of England by 2020, which it will be working towards from 2015 onwards.

130. Whilst welcoming the increased investment and number of programmes made in Scotland, Fiona Hyslop cautioned that there is expected to be a reduction in BBC spend from over £100 million to £86 million from 2017.

The ‘lift and shift’ policy

131. The Committee heard that whilst the Ofcom quotas were being met by the PSBs, the methods used to achieve them were having a negative impact on the TV industry in Scotland.

132. Ofcom reports on the hours and value of programmes made out of London. To qualify as an out-of-London production, network programmes must meet at least two of the following three criteria that relate to the location, spend and crew:

   a) the production company must have a substantive business and production base in the UK outside the M25;

   b) at least 70% of the production budget (excluding the cost of on-screen talent, and certain pre-production costs) must be spent in the UK outside the M25; and

   c) at least 50% of the production staff (i.e. not on-screen talent) by cost must have their usual place of employment in the UK outside the M25.
133. To meet the out-of-London quota, the PSBs have adopted what is commonly referred to as a ‘lift and shift’ policy. This is when TV production companies move to Scotland temporarily to meet the quota and leave once a production has finished. The Committee heard that this policy provided little employment opportunity for the local TV industry and impacted on the ability to create a sustainable independent TV industry in Scotland.

134. Ewan Angus, Head of Commissioning for BBC Scotland, explained that the BBC had adopted this policy as a short-term mechanism to accelerate investment in pursuit of its production targets and that whilst it had some benefits, other approaches were now required, telling the Committee—

“We now need to ensure that the companies that are based in Scotland are winning entirely new business and are drawing from the local population and talent base.”

135. Jane Muirhead agreed, adding that building a sustainable Scottish TV industry was key, and that lift and shift “frustrates the whole idea of building sustainable businesses, because the IP [intellectual property] and the revenue remain outwith Scotland”.79

136. Drew McFarlane of Equity explained that moving a production to a national or regional area and moving all the actors there too impacted on local actors gaining valuable employment and experience.80

137. Creative Scotland confirmed that it was aware of PSBs adopting a lift and shift policy and told the Committee that it was working with the BBC Trust and within the Broadcast and TV Working Group81 to address this issue.

138. Fiona Hyslop told the Committee that the ‘lift and shift’ policy of the PSBs remains a concern, in particular whether the increase in regional commissions is reaching Scottish independent TV companies to the extent that it should. The Cabinet Secretary emphasised that the broadcasters also have a role as commissioners and that it is important that independent television producers are able to compete.82
Getting Scottish ideas commissioned

139. One reason given for the decision by PSBs to lift TV productions from London and base them temporarily in Scotland is that, despite Ofcom’s intention to stimulate out-of-London productions, the majority of TV commissioners remain based in London.

140. Witnesses told the Committee of the difficulties they had experienced in gaining access to commissioners in order to pitch their ideas. This included a lack of response to phone calls, e-mails and requests for meetings. There was agreement from witnesses that having more commissioners based in Scotland was necessary to grow the industry here. This would ensure a focus on Scottish programmes and also improve access and relationships.

141. Ian MacKenzie said forming good relationships with the commissioners was key, adding that—

“The ability of the production companies to sell the source ideas is key. A lot of that is about building the relationship with the commissioner, just as it would be in any other genre.”

142. In his evidence, Alan Clements emphasised the importance of getting Scottish ideas back on network television, particularly high-end drama. He considered that, to achieve this, the industry needed commissioners based in Scotland focusing on increasing Scotland-based production.

143. Ewan Angus added that Scottish-based commissioners were important, and agreed that a high-end drama would help the industry, saying that—

“A significant increase in higher-end drama from Scotland is certainly a shared aspiration. In particular, we need at least one long-running, returnable series.”

144. The Cabinet Secretary told the Committee that the growth of the independent TV sector was reliant on the decisions of broadcasting commissioners and, as such, they needed to make programmes which would help to support production and all those working within Scotland’s TV industry. Ms Hyslop said that she was looking for broadcasters to provide long-term sustainability, training and investment—

“Part of what I want to do next in making progress on the area is to work with the BBC and STV to encourage more sustainability. They cannot just take the cream of the talent that is available for their own purposes; they must invest back into the industry.”
145. The Ofcom quotas for greater production and spend in Scotland by the public service broadcasters represent a huge opportunity to increase the skills and expertise within Scotland’s independent TV industry, but this will only be realised if commissioners abandon their reliance on ‘lift and shift’ in favour of investing in production by independent TV companies with a permanent base in Scotland. The Committee calls upon the BBC and Channel 4 to adopt this new approach to commissioning by the end of 2016.

146. The Committee welcomes the work that the Scottish Government is undertaking with the public service broadcasters and STV to create a sustainable Scottish TV industry and recommends that this should include an emphasis on encouraging broadcasters to increase the number of commissioners based in Scotland and engaging effectively with the industry. The Committee asks the Scottish Government to provide an update on progress by December 2015.

Skills and training

147. Providing those in the industry with the opportunities to learn their trade is a key component to creating a sustainable TV industry. The increased PSBs quotas and an end to the lift and shift policy, as well as access to Scottish commissioners, would all help to increase the number of opportunities for those in the TV industry to improve their skills and gain experience.

148. The PSBs provided some detail on the training that they provide. Ewan Angus told the Committee about BBC Scotland and Creative Scotland’s co-funded Creative Skillset drama training programme, which aims to equip people to work on high-end dramas in Scotland in the years to come. Ian MacKenzie described how Channel 4 had used its memorandum of understanding with Creative Scotland to invest specifically in an emergent director and that this was something they hoped to replicate.87

149. Creative Skillset highlighted skills gaps and shortages across the sector particularly in camera and photography skills, as well as in visual special effects, post-production and editing.88

150. Skills Development Scotland has a key role to play in articulating the future skills needs of the TV industry. It is due to publish its Skills Investment Plan in Spring 2015 for the creative industries, which will focus on identifying the skills needed to support the growth of the sector.
BBC Charter renewal

151. The BBC is established by Royal Charter, which sets out how it is constituted, its purposes, and the respective roles of the BBC Trust and the Executive Board. The current Royal Charter expires on 31 December 2016, and the next BBC Charter review is due to commence after the UK 2015 General Election.

152. The proposed consultative role that the Scottish Government and Scottish Parliament will have in the review of the Royal Charter and the on-going scrutiny of the BBC is outlined in the Scotland in the United Kingdom: An enduring settlement document.

153. This includes a duty for the BBC to lay its annual report and accounts before the Scottish Parliament and also a formal consultative role for the Scottish Government and the Scottish Parliament in setting the strategic priorities for Ofcom with respect to its activities in Scotland.

154. Fiona Hyslop explained that the upcoming renewal of the BBC Charter provided an opportunity to address the issue of supporting Scotland’s indigenous TV sector and asked for cross-party support to move quickly after the UK general election to push for “a requirement to support the industry in Scotland—particularly in independent production”.

155. The Committee supports the call from the Scottish Government for the BBC to increase support for independent TV production based in Scotland. We recommend that when scrutinising future BBC accounts and reports, the relevant Scottish Parliament committee should assess not only whether the BBC has met its production and spend quotas, but also the impact of its policies on Scotland’s indigenous TV industry.
The video games industry

The economic contribution of the video games industry

156. The video games industry is one of Scotland’s success stories, with the industry being responsible for developing two of the most internationally successful games in 2014: Minecraft and Grand Theft Auto V. It is recognised internationally for innovative game development and also for its ground-breaking university courses.

157. The Committee was interested in understanding the size of the sector and its economic contribution. We found that, aside from the success of two major companies, Rockstar North and 4j studios, there is little accurate data available on the current state of the video games sector and its impact on jobs and the economy. Two agencies recently tried to quantify the percentage of the UK’s games companies located in Scotland. They came to different conclusions, with NESTA\(^91\) putting it at 5% and TIGA\(^92\) putting the figure at 11.4%.

158. The report commissioned by Creative Scotland and Scottish Enterprise in 2012 found that, in 2010, the games industry employed 200 people but did not contribute significantly to the Scottish economy. These figures were widely disputed by the evidence received from those in the sector.

159. One of the main reasons given for the lack of accurate data available is the use of UK standard industrial classification (SIC) codes to capture the data, which do not reflect the industry’s diversity.

160. In her written submission, Helen Mullen, of the University of Glasgow, said that this explained the underestimation of the sector—

> “This highlighted that the current statistics on the UK industry substantially underestimate its size, with only one third of the companies that were identified being captured by SIC code.”\(^93\)

161. Brian Baglow of the Scottish Games Network told the Committee that there is currently no official number for video games companies, saying—
“The SIC code is the normal route that people use, but there is a tremendous variety of companies out there and the diversity is increasing daily.”

Public sector support

162. The enterprise agencies provide business support to companies through the account management delivery model. Companies are eligible for account management by Scottish Enterprise if they have the potential to achieve £1 million additional sales growth over three years, or if they are identified as important to the economy or in identified priority sectors. Scottish Enterprise currently account manages 22 games companies and Highlands and Islands Enterprise account manages 10 businesses working in film, TV and video games.

163. Creative Scotland is the national body that supports the development of arts, screen and creative industries across all parts of Scotland. In its written submission it describes its role in supporting the video games industry as “…the main route to support for innovation and content development (out with the academic context)”, whilst acknowledging that, “This support is limited because of available resources”.

164. The video games sector has changed dramatically. It started in the 1990s with a few small companies that grew to become large companies which dominated the sector. Now the majority of the sector is comprised of small or micro businesses. This reflects the changing market for games as a result of people playing them on their phones and other mobile devices. Witnesses told the Committee that this means that the majority of the sector does not fit the account management criteria and therefore does not receive business support. The Committee heard that the industry is still evolving and that the public sector support needs to reflect that.

165. Chris van der Kuyl, of 4j studios, explained that the increase in the number of small studios producing games is because a “new market for games has appeared as a result of phones and similar devices that did not exist seven or eight years ago”.

166. When asked how Creative Scotland supported the video games sector, Janet Archer acknowledged that it could do more, telling the Committee—

“What we need to understand the games industry in Scotland better, and we need to work with the games industry to make the routes to market clearer and easier for developers to navigate.”

167. The Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy, John Swinney, explained that, whilst the Scottish Government instructs its enterprise agencies to focus on supporting growth companies, businesses in the creative industries must also be able to access support.
168. The lack of accurate data has made it impossible for the Committee to determine the economic impact of the video games industry. The Committee recommends that the Scottish Government commission an analysis of the economic impact, including direct and indirect employment, generated by the video games industry to assist it in identifying its growth potential.

The need for a sector review

169. Since its establishment in 2010, Creative Scotland has commissioned sector reviews of some of the areas within its remit. These are seen as instrumental in the development of its forthcoming Creative Industry Strategy. Witnesses told the Committee that there has not been a sector review of the video games industry and that this should be undertaken to understand its current and future needs.

170. Brian McDonald of Glasgow Caledonian University and Dr Daniel Livingstone of Glasgow School of Art, in their written submission, said that a review could help find Scottish solutions, develop future talent and help SMEs, whilst Helen Mullen, of the University of Glasgow, said any review could provide a timely and insightful assessment of firms’ needs and key issues.

171. On the issue of whether Creative Scotland intended to review the sector, Ms Archer stated that there were currently no plans for a review and that responsibility for the sector would fall to the new Director of Creative Industries once in post.

172. David Smith of Scottish Enterprise added that it was important that the public sector understood the industry’s needs, saying, “…it is vitally important that our work is informed by the views and needs of the industry.”

173. The Committee considers that public sector support for the video games sector must be based on a clear understanding of its needs. We therefore recommend that Creative Scotland’s incoming Director of Creative Industries leads a review of the video games sector to understand the financial and business support it requires as a matter of priority.

Creating a sustainable industry

174. Much of the early success of the video games sector seems to be attributable to the collaborative approach taken by games developers, academia and Scottish Enterprise in the 1990s. This helped foster a shared understanding of this new industry and the support required for it to grow.
175. It is an industry full of creative talent, expertise and innovation, with an enviable international reputation for its products and academic courses. Whilst it includes a couple of very successful companies, a high number of companies fail to succeed.

176. The Committee considered ways in which to capitalise on the sector’s many attributes to create a sustainable industry.

A National Strategy

177. An approach suggested by a number of witnesses was to create a national strategy for the industry. In written evidence, Colin Anderson, Managing Director of Denki, said the need for a strategy was the primary issue for the sector, stating that—

“The primary issue affecting the Digital Media sector in Scotland at the moment is the lack of a commonly held vision and clearly defined long-term strategy that all government agencies, departments, investors, businesses, etc., can use as the basis for aligning their endeavours.”

178. Those who provided oral evidence were in agreement that the industry would benefit from a long-term strategy and were clear about what it should contain. They asked for a strategy to be: agreed upon and implemented quickly in collaboration with the industry; owned and driven by the industry; flexible enough to adapt to the industry’s changing nature; and focussed on building an ecosystem to create a sustainable industry.

179. Colin MacDonald of Channel 4 told the Committee that whilst it was important for the strategy to be industry driven, the public sector should help to implement it, saying it should be “shepherded by someone to ensure that what came out of the process could be implemented.”

180. Chris van der Kuyl recommended that Scottish Enterprise should take the lead in facilitating agreement of a national strategy, in a similar way to the collaborative approach taken in the 1990s. Whilst acknowledging that the industry had grown, he thought this was possible, as it “is still small enough for us to be able to get the key players and the supporting agencies together in a room to come up with a coherent view of how we can develop a strategy”.

181. He recommended that Scottish Enterprise be restructured to support those with the relevant expertise to assist the sector, saying it has—

“…a core of individuals who really understand and know the sector and are capable of leadership and the facilitation of leadership … if they were modestly supported, I am sure that we could find the right structure to put round them to help us to nail the strategy down”.

182. The Committee agrees that a national strategy must be owned and driven by the video games industry and that it is important that the public bodies support that
process. Although Scottish Enterprise provides financial support, Creative Scotland, as the lead agency for the creative industries should co-ordinate that support.

183. The Committee recommends that Creative Scotland leads co-ordination of the industry, academia and public bodies to establish a national strategy which will deliver a sustainable Scottish video games industry. Given the dynamic nature of the sector this should be done as a matter of priority, and regularly updated in collaboration with the video games industry.

Mentoring and business support

184. The Committee believes that the video games industry in Scotland is full of talent, enthusiasm and ingenuity. It is a fast-paced industry quite unlike any other, which provides high quality job opportunities. We heard that, for the industry to thrive, it needed to be able to attract and retain talented people by creating sustainable and successful businesses.

185. We were told that although there is no shortage of creativity in the video games sector, to be sustainable, those in the industry need to learn the necessary business skills. Games developers naturally focus their energies on creating a product and can neglect the skills needed to ensure their business is successful.

186. Colin MacDonald highlighted the importance of companies planning for the long-term, saying that—

“We need to make our companies more entrepreneurial. They need to focus less on putting their heads down to create the next interesting thing and on getting the payroll in for the next month, and more on saying, “Never mind the payroll for next month—how do we make millions and billions?”.”  

187. John Swinney acknowledged that those who have creative skills may not necessarily have the skills to run a successful business, stating that—

“The key thing is that we ensure that the correct and appropriate advice is available to individuals to support them in their journey. We must also ensure that the right collaborations are put together, because the way through the issue might well be collaboration between people who are adept at running businesses and people who are adept at developing computer games—who might be two very different types of individual.”

188. A suggested approach was the use of business-to-business mentoring to help new companies to understand the importance of these skills and develop them. The Committee heard that the sector could access support from a number of
organisations that teach business skills, such as Entrepreneurial Scotland and the Saltire Foundation, and that this service does not need to be sector specific.

189. There is also the ‘Starter for 6’ programme run by the Cultural Enterprise Office within Creative Scotland, which provides funding and mentoring support for new businesses in the creative industries sector.

190. Witnesses told the Committee about the wealth of experience in Scotland and that there is a willingness to help others in the industry to succeed if a mentoring scheme could be established and formalised.

191. The Cabinet Secretary for Culture, Europe and External Affairs, Fiona Hyslop, said that industry specialists were best placed to provide mentoring, but that the public sector had a role in co-ordinating support. The Cabinet Secretary indicated that the Digital Media Leadership Group could assist as it can deal with requests to support mentoring. We believe that this will be a worthwhile initiative.

The value of experimentation

192. The Committee heard that it was invaluable for developers to be able to experiment and innovate in a risk-free environment. Witnesses outlined the benefits of the Prototype Fund, which provided grants of up to £25,000 for small companies to develop games or interactive digital content, and the Dare to be Digital video game development competition, which were both provided by Abertay University.

193. The Prototype Fund’s value, according to Colin MacDonald, was the practical experience it provided. Describing it as a low cost way to experiment, he said: “Teams learned essential skills that they could use to build companies, take into new ventures or even take to other employers”. He added that Channel 4 commissions one game every year from the Dare to be Digital process.

194. Paul Durrant, of Abertay University, agreed that the “real world” experience that the Prototype Fund provided was invaluable, adding that: “They might just get a single title out that does not do anything, but that means that they can take a huge amount of additional experience to an interview with a larger company, and they will probably get hired because they will be able to talk through that story”.

195. However, the funding for the Abertay Prototype Fund, previously provided by the European Regional Development Fund and the Department for Business, Innovation and Skills, has now come to an end. The evidence would suggest that this is a significant loss to the industry. The Committee therefore welcomes the recent UK budget announcement of a fund of £4 million over four years to help video games companies and developers turn their ideas into products.

196. A number of submissions stressed the importance of enabling developers to experiment and work with others to create digital content. There was a suggestion from Ludometrics for a National Company for Play, which would focus on
generating ideas and play methods that might become commercially successful.\textsuperscript{114} Another suggestion, from Brian McDonald and Dr Daniel Livingstone, was to set up game development hubs in areas where the industry was well represented.\textsuperscript{115}

197. The idea of creative hubs as a way to enable companies to experiment and work together was supported by witnesses, with Chris van der Kuyl saying that including people who could ‘peer mentor’ in the creative hubs would create an incubator structure around new businesses.\textsuperscript{116}

**Attracting and retaining talented people**

198. The games industry is really a digital media industry and, as such, comprises a diverse range of skills and jobs, including marketing, publishing, data analysis, computing, business and finance skills. This means that there are various routes into the industry and the Committee was interested in how this was communicated to young people. The evidence received suggests that more could be done to encourage young people to consider a career in the digital media sector.

199. In its written submission, the International Game Developers Association (IGDA), suggested incorporating arts into the STEM subjects studied in schools, saying that: “Promotion of career opportunities in Science, Technology, Engineering, Arts and Maths (STEAM) in schools ... is essential to the continued growth and maturation of the games industry”.\textsuperscript{117}

200. Paul Durrant said that more courses should be linked to industry professionals, telling the Committee that: “We need to do more to open up the whole sector ... to schools so that people see real-world projects in action”.\textsuperscript{118} He added that the accreditation of relevant courses and a high level of industry engagement were important and both needed to be preserved.\textsuperscript{119}

201. Chris van der Kuyl highlighted that courses such as media studies and core video production could teach people transferable skills, but added that investment in future talent was a concern. He told the Committee that—

> “The challenge for us today is that the universities are facing an ever-tightening belt ... If we do not spend the vast majority of our interventions and time as an ecosystem worrying about the talent supply, we will not have an industry.”\textsuperscript{120}

202. Brian Baglow agreed, saying that it was important that colleges received the same support as universities and had the same strong ties with industry.\textsuperscript{121}

203. Due to the nature of the digital media industry, graduates can work anywhere and therefore, according to Dr Daniel Livingstone and Brian McDonald, retaining graduates is key to the industry’s future success—
“Immediately after graduation is also a point where individuals are at their most mobile, so keeping talent in Scotland at this point could have a large impact on retaining talent.”  

204. Chris van der Kuyl asked for government action to ensure that the immigration policy enables the industry to attract and retain talented people, saying that: “We must be able to get people with high-quality talent and high-quality skills instantly, when we need them”.  

205. The Committee recommends that Creative Scotland should lead in working with the video games industry to identify skills gaps, promote job opportunities to young people, and link education courses more closely with the industry. The Committee recognises that the key policy instruments for retaining talent in Scotland, like immigration, remain reserved and calls on the Scottish and UK Governments to work together on policies that would allow the Scottish video games industry to attract and retain world-class talent.

Supporting the sector

Accessing public sector support

206. The Committee heard that there is an abundance of public sector support for the video games industry. However, the industry’s lack of awareness of the type of support available meant that that support was not always accessed by those who required it. The evidence suggests that better co-ordination and signposting of the public sector support available would help the industry access it.

207. Brian Baglow told the Committee that trying to navigate what was provided was an issue and called for greater “visibility and transparency that will allow the people who need it to find information”.  

208. A key issue for those accessing support was whether the public bodies have the relevant expertise. Witnesses had a range of views on the effectiveness of the support provided by the public bodies. They described the Business Gateway service as too generic, Creative Scotland as lacking the necessary expertise and Scottish Enterprise as having expertise, but that it is not available in a visible way.

209. Colin MacDonald told the Committee that, whilst the advice from Business Gateway seemed “too generic”, within Scottish Enterprise there were “digital media experts who understand the sector”.  

210. In relation to Creative Scotland, Brian Baglow said that it did not have the necessary expertise, as it did not have a legacy of working with the games industry, and that: “ …it does not have any in-house experience with interactive media or any real focus on that”.


211. This view was shared by Ludometrics, who suggested in their written submission that Creative Scotland should focus on supporting the growing number of small or boutique companies by creating a specific team, and asked that it: “build a specific games team in order to properly support the Boutique sector”.127

212. The Committee recommends that Creative Scotland leads a review of the public sector support currently available to the video games industry with a view to rationalisation in order to make access easier and quicker for companies regardless of size and stage of development.

Promoting the industry internationally

213. The Committee heard about the excellent international reputation of Scotland’s video games sector and the importance of being represented and promoted at international events as part of ‘Brand Scotland’.

214. There are many potential opportunities in new and emerging international markets but, due to the rapidly changing nature of the industry, supporting companies to seize these opportunities was a challenge for Scottish Development International.

215. In response to a question on the level of marketing support being provided to the video games sector, David Smith said that Scottish Enterprise had put additional support into internationalisation and taking games companies to international events, in particular helping early stage companies to develop their ideas and marketing plans to take their products to market.128

216. Chris van der Kuyl explained that support to move into emerging markets for mobile and smartphone games was essential, adding that—

“...That is where cultural specialists in an organisation such as SDI could really help us, because very few people in the games industry will have the right networks into those emerging markets.”129

217. The Committee recommends that Scottish Development International consults with the video games industry to determine how best to support it to move into new and emerging international markets.

Industry engagement

218. A key route for the industry to let public sector partners know the type of support it needs is through its membership of the Digital Media Industry Leadership Group. The Scottish Enterprise website lists the names of the leadership groups but does not provide any other information.

219. The Committee requested information on the current membership and understands that it includes the TV and games sector, academia and some public
bodies, but does not include the film industry. The games industry is represented
on the group by the University of Abertay, TAG Games and NESTA. The Group
meets quarterly and, in 2010, published its Digital Inspiration strategy.

220. Paul Durrant said that the group is developing and refreshing its current strategy.
The Committee understands that this work is expected to be completed in the next
few months.

221. John Swinney told the Committee that the Digital Media Industry Leadership
Group was the right route for the video games industry to let the public sector
know its requirements, stating that—

“The more clarity there is about the industry’s aspirations, the more we can
focus public sector support on delivering on them.”

222. However, within the industry there seems to be a lack of awareness of the
leadership group and its work. In a joint written submission from six video games
companies, they state that: “none of us are currently aware of the organisation or
the strategy that has previously been articulated by this industry leadership group
or its work to develop and refresh this”.

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Paul Durrant, Brian Baglow, Colin MacDonald and Chris van der Kuyl
providing evidence to the Economy, Energy and Tourism Committee
223. The Committee notes the comments in evidence about the video games industry’s lack of awareness of the work of the Digital Media Industry Leadership Group. As this is the preferred method for the public bodies to engage with the industry we recommend that Scottish Enterprise promotes more effectively information on the work of the Group, its membership, and details of how the wider industry can participate.

A National Digital Network

224. Some of the evidence received recommended that a separate agency be created to focus on tackling the challenges facing the video games sector.

225. Colin Anderson of Denki suggested in written evidence that a National Digital Network be created, as: “No one organisation or group of organisations … is suited to tackling it”. 132

226. In a joint written submission, six video games companies asked that an independent network be established to: “…create the diverse and sustainable ecosystem the sector requires for its long-term growth” and that this “is a critical next step in ensuring Scotland’s digital future”. 133 They suggested that the network could help to inform a long-term strategy.

227. TIGA, in its written submission, said that a national network could provide an important step to ensuring as many people as possible benefit to the fullest extent from what interactive media has to offer.134

228. In 2010, the Scottish Digital Network Panel was asked by the Scottish Government to make recommendations on how a Scottish Digital Network could be established and funded. The Panel’s main focus was on the issue of broadcasting. In supplementary evidence to the Committee, Creative Scotland indicated that, as the digital landscape has changed since the Panel reported in 2011, it may be time to revisit the opportunities that a Scottish Digital Network could offer producers across the arts, screen and creative industries. We support such a review.

Financial support

229. As the banking sector provides little financial support, the industry has begun to access alternative methods of finance, through crowd source funding and business angels.

230. The UK Government provides funding opportunities through its enterprise investment scheme and through the recently introduced UK video games tax relief, which provides tax relief of up to 25% on production costs for video games companies. Chis van der Kuyl explained that these were beginning to make an impact, telling the Committee that—
“The enterprise investment scheme allows individual business angels to invest, tax efficiently, in such companies, and they do that. Games tax relief for the bigger organisations is starting to make a difference as big inward investors look to get involved.”

231. However, we were told that a lack of awareness of the funding available, or how to access it, is impacting on the number of companies being funded.

232. In its written submission, Ludometrics suggested that the games tax relief had not stimulated private investment due to a lack of visibility of what is available, as well as investors having a lack of appetite for these deals.

233. Colin MacDonald told the Committee that those who were entrepreneurial would find available funding, but that better signposting would also help, saying—

“I think that we need to open up to everyone else the sources that are available. Some of that involves signposting, but mostly it is about instilling that spirit in our new creators and new teams who are coming through.”

234. John Swinney informed the Committee that the Scottish Government had been in discussion with the UK Government about using the tax system to incentivise the development of parts of the video games sector, saying that—

“We have been pursuing the UK Government to put in place the mechanisms that would enable the computer games industry in Scotland to thrive much more.”

235. In order to improve access to the various sources of financial support, the Committee recommends that the enterprise agencies liaise with the video games industry to establish more effective methods of communicating the finance options available.

Wider digital media opportunities

236. There are exciting opportunities for the use of digital media across the creative industries, in particular, collaborative projects between the video games sector and the film and TV industries. The Committee heard about some of the innovative work that is already taking place in the use of digital media in the health, education and tourism sectors, as well as in film and TV.

237. Chris van der Kuyl expressed the view that **Minecraft** is the single biggest educational tool in the world at the moment, whilst Brian Baglow described how Guerrilla Tea Games in Dundee and Chunk in Glasgow were collaborating with Cancer Research UK, using real-world clinical data to speed up research into finding a cure for cancer.
In his written submission, Colin Anderson of Denki outlined his hope that interactive media will make an impact in other areas such as the arts, humanities, health, education, research and politics.\footnote{140}

Colin MacDonald told the Committee that there are almost no limits to digital media use, saying that: “there is almost no industry that is not taking something from games—there is now the gamification industry”.\footnote{141}

There is a sense from some in the industry that these successful collaborations do not receive much media interest. Codeplay, in its written submission, said that the work that the video games sector has undertaken to cross technology boundaries is often overlooked.\footnote{142}

In response to questions on the use of digital media, Fiona Hyslop stressed the importance of supporting digital media synergies and not viewing the gaming, digital, film and television industries as silos. The Cabinet Secretary outlined some of the collaborative work currently being undertaken by Channel 4 to develop interactive and offshoot gaming opportunities from some of its television productions.\footnote{143}

Janet Archer explained that Creative Scotland was well placed to understand and take advantage of digital media opportunities due to the nature of its remit, telling the Committee that—

“There is an opportunity for Scotland to take a lead role because the fact that we have an agency that sits across arts, screen and creative industries means that we are able to understand the multilayered essence that might lead to future opportunities in respect of digital innovation, in a very powerful way. We have been talking about how we might apply ourselves to doing some really thorough research on that.”\footnote{144}

The Committee shares the video games industry’s frustration that such successful, innovative and collaborative work receives very little recognition and hopes that this inquiry will help this work to be more widely promoted and celebrated.
244. To realise the creative and economic opportunities of using digital media the Committee recommends that Creative Scotland commission research into digital media innovation which encourages enhanced collaborative working across the creative industries sector.

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1 Creative Scotland and Scottish Enterprise’s commissioned report into the economic contribution of the arts and creative industries.
5 Creative Scotland’s, Unlocking Potential Embracing Ambition a shared plan for the arts, screen and creative industries 2014-2024.
6 Creative Skillset. Written submission, January 2015, page 3.
7 Creative Scotland’s Review of the Film Sector in Scotland.
8 Film Edinburgh, written submission, page 2, January 2015.
10 EET Committee, Official Report, Col 18, 4 February 2015.
12 EET Committee, Official Report, Col 17, 4 February 2015.
15 EET Committee, Official Report, Col 18, 4 February 2015.
16 EET Committee, Official Report, Col 18, 4 February 2015.
17 EET Committee, Official Report, Col 18, 4 February 2015.
18 EET Committee, Official Report, Col 6, 4 February 2015.
26 Creative Scotland’s Film strategy for 2014-17.
29 Scottish Government, written submission, page 6, January 2015.
30 EET Committee, Official Report, Col 3, 4 February 2015.
31 EET Committee, Official Report, Col 1, 4 February 2015.
33 Creative Scotland’s Creative Scotland on screen: film strategy 2014-17.
44 Titanic Gap. written submission, page 1, January 2015.
46 EET Committee, Official Report, Col 20, 4 February 2015.

Economy, Energy and Tourism Committee

48 Digital Media Leadership Group membership: STV Group plc, Creative Scotland, DigistasLBi, Channel 4, HIE, John O’Rourke, Independent member, Scottish Enterprise, TVI, University of Abertay, TAG Games, Gray’s School of Art, The List, Tern Interactive, NESTA, Raise the Roof Productions, Canongate Books, Blippoto, Digimania, Disney research and the Scottish Government.

53 Cameron Fraser, Ko Lik Films Ltd, written submission, page 2 and supplementary submission, page 2 January and February 2015.
54 The 2012 *Economic Contribution Study report* into the economic contribution of the arts and creative industries.
63 Caledonia TV, *written submission*, Page 2, January 2015.
66 Lindy Cameron, Move On Up, written submission, page 3, January 2015.
68 Scottish Enterprise, *supplementary written submission*, page 1, February 2015.
73 Scottish Enterprise’s, *Growing the Television Broadcast and Production Sector in Scotland* report.
74 Scottish Enterprise, *supplementary written submission*, page 1, February 2015.
75 BBC Scotland, *written submission*, page 2, January 2015.
76 Channel 4, *written submission*, page 1, January 2015.
81 The TV Working Group, led by Creative Scotland, brings together broadcasters, production companies, economic development bodies, skills agencies and the further and higher education sector.
89 *Scotland in the United Kingdom: An enduring settlement*.
93 Helen Mullen, University of Glasgow. Written submission, January 2015, page 4.
96 Scottish Enterprise, *written submission*, page 3.
97 Highlands and Islands Enterprise, *written submission*, page 4.
98 Creative Scotland, written submission, page 5.
Annexe A

Extracts from the minutes of the Economy, Energy and Tourism Committee and associated written and supplementary evidence

28th Meeting, 2014 (Session 4) Wednesday 19 November 2014
2. Creative Industries: The Committee took evidence, in roundtable format, from—
Fiona Logue, CEO and Director, Craft Scotland;
Professor Georgina Follett, Deputy Principal for Knowledge Exchange, University of Dundee;
Gillian Berrie, Film Producer and Co-Founder of Sigma Films, Sigma Films;
Dr David Archibald, Lecturer in Theatre, Film and Television Studies, Glasgow University;
Professor Gregor White, Professor in Applied Creativity / Director, School of Arts, Media and Computer Games, Abertay University;
Brian Baglow, Founder of the Scottish Games Network, Scottish Games Network.

Written Evidence
Brian Baglow, Scottish Games Network
Professor Georgina Follett, University of Dundee
Dr David Archibald

29th Meeting, 2014 (Session 4) Wednesday 3 December 2014
3. Decision on taking business in private: The Committee agreed to take item 7 in private.
7. Creative Industries Inquiry: The Committee agreed its approach to the inquiry.

1st Meeting, 2015 (Session 4) Wednesday 14 January 2015
3. Economic Impact of the Creative Industries: The Committee took evidence from—
Brian Baglow, Director, Scottish Games Network;
Colin MacDonald, Games Commissioner, Channel 4;
Chris van der Kuyl, Chairman, 4j Studios;
Paul Durrant, Director of Business Development, Abertay University.
Written Evidence

Caroline Parkinson
Codeplay
Creative Scotland
Interface
Ludometrics
Nesta
Professor MacPherson, Edinburgh Napier University
Professor White, Abertay University
Scottish Enterprise
TIGA
UKIE (The Association for UK Interactive Entertainment)

2nd Meeting, 2015 (Session 4) Wednesday 21 January 2015

1. Economic Impact of the Creative Industries (in private): The Committee agreed to a request to submit written evidence anonymously.

2. Decision on taking business in private: The Committee agreed to take item 4 in private.

3. Economic Impact of the Creative Industries: The Committee took evidence from—
   Ewan Angus, Head of Commissioning, BBC Scotland;
   Alan Clements, Director of Content, STV;
   Ian MacKenzie, Development Manager, Channel 4;
   Drew McFarlane, National Organiser for Scotland and Northern Ireland, Equity;
   Jane Muirhead, National Director, Scotland, PACT;
   Ken Hay, Chief Executive, Centre for the Moving Image (CMI);
   John Archer, Producer, Hopscotch Films & Chair of Independent Producers Scotland;
   Arabella Page Croft, Producer, Black Camel Pictures;
   Bob Last, Independent Producer;
   Iain Smith, Producer, and Chair, British Film Commission.

4. Review of evidence heard (in private): The Committee reviewed the evidence heard at today's meeting.

Written Evidence

Alan de Pellette
Annie Griffin
Ben Owens
Black Camel
Caledonia TV
Cameron Fraser, Ko Lik Films Ltd
Channel 4
CONNECTfilm Ltd
Creative Scotland
Creative Skillset
David Taylor
Doug Aubrey
Dr Belle Doyle
Dr Lisa Kelly & Dr Katherine Champion
Dr Inge Ejbye Sørensen
Highlands and Islands Enterprise
Independent Producers Scotland
JUMPCUT
La Belle Productions
Lindy Cameron, Move on Up
Margaret Scott
Marie Schmidt Olesen, New Danish Screen
Matchlight
MG ALBA
Musicians' Union
Pact
Scottish Documentary Institute
Scottish Enterprise
Scottish Government
Scottish Locations Network
Screen Facilities Scotland
Skills Development Scotland
STV
TayScreen
Tern Television
Tiernan Kelly, Film City Glasgow
Timelock Media
TRC Media
True Film and TV Ltd
3rd Meeting, 2015 (Session 4) Wednesday 28 January 2015
1. Economic Impact of the Creative Industries - witness expenses: The Committee delegated to the Convener responsibility for arranging for the SPCB to pay, under Rule 12.4.3, any expenses of witnesses in the inquiry.
2. Economic Impact of the Creative Industries: The Committee agreed to take item 4 in private. The Committee also agreed to review the evidence heard at future meetings and draft reports in private.
3. Economic Impact of the Creative Industries: The Committee took evidence from—
   Janet Archer, Chief Executive, and Natalie Usher, Director of Film and Media, Creative Scotland;
   David Smith, Director of Creative Industries, Scottish Enterprise;
   Charlotte Wright, Director of Business and Sector Development, Highlands and Islands Enterprise.
4. Economic Impact of the Creative Industries: The Committee reviewed evidence heard at this meeting.

Written Evidence
- Creative Scotland
- Highlands and Islands Enterprise
- Scottish Enterprise
- Scottish Government

4th Meeting, 2015 (Session 4) Wednesday 4 February 2015
1. Economic Impact of the Creative Industries: The Committee took evidence from—
   Fiona Hyslop, Cabinet Secretary for Culture, Europe and External Affairs, John Swinney, Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy, Stephanie Cymber, Senior Policy Officer, Creative Industries, and Michelle Campbell, Team Leader, Media and Creative Industries, Scottish Government.
6. Review of evidence heard (in private): The Committee reviewed the evidence heard at this meeting.

Written Evidence
- Scottish Government

8th Meeting, 2015 (Session 4) Wednesday 11 March 2015
9th Meeting, 2015 (Session 4) Wednesday 18 March 2015
3. Economic Impact of the Creative Industries (in private): The Committee considered its draft report.

10th Meeting, 2015 (Session 4) Wednesday 25 March 2015
4. Economic Impact of the Creative Industries (in private): The Committee considered its draft report. Various changes were agreed to, and the report was agreed for publication.
Annexe B

List of other written evidence

- Anonymous (47 KB pdf)
- BBC Scotland (142 KB pdf)
- Brian McDonald and Dr David Livingstone (70KB pdf)
- Charles Czerkawski, Guerilla Tea (9 KB pdf)
- Colin Anderson, Denki (21 KB pdf)
- Dr Daniel Livingstone and Brian McDonald (21KB pdf)
- Entrepreneurial Scotland (9KB pdf)
- IGDA Scotland (65KB pdf)
- Joint submission from members of the games industry (41 KB pdf)
- Steve Cartwright, Henderson Loggie (20 KB pdf)

Supplementary written evidence

- Creative Scotland - Supplementary Submission (16 KB pdf)
- Creative Scotland - Supplementary Submission 2 (22 KB pdf)
- Creative Scotland - Supplementary Submission 3 (14 KB pdf)
- Creative Scotland - Supplementary Submission 4 (45 KB pdf)
- Independent Producers Scotland - Supplementary Submission (347 KB pdf)
- Independent Producers Scotland - Supplementary Submission 2 (331 KB pdf)
- Independent Producers Scotland - Supplementary Submission 3 (122 KB pdf)
- Independent Producers Scotland - Supplementary Submission 4 (8 KB pdf)
- Ko Lik Films Ltd - Supplementary Submission (30 KB pdf)
- Scottish Enterprise Supplementary Submission (19 KB pdf)
- Scottish Government - Supplementary Submission (16 KB pdf)
- Titanic Gap - Supplementary Submission (12KB pdf)