Introduction

"The Advisory Committee for Scotland advises Ofcom about the interests and opinions, in relation to communications matters, of persons living in Scotland."¹

The Advisory Committee for Scotland welcomes this call for evidence by the CTEERC. In no sense does ACS represent the views of Ofcom. However, it draws on the collective knowledge and expertise of the Advisory Committee for Scotland, informed by discussion at our meetings, the agendas and minutes of which are available on the Ofcom website.

Context

In the context of this Call for Evidence, it is important to state that the ACS’s expertise lies in the area of TV, rather than Film.

As well as now being the regulator for the BBC, Ofcom also regulates the other three Public Service Broadcasters (ITV (STV in Scotland), Channel 4 & Channel 5). Significantly for the whole sector, the BBC’s new Public Purposes specifically recognise the BBC’s role in the UK Nations and in their respective creative economies:

Public Purpose 4: To reflect, represent and serve the diverse communities of all of the United Kingdom’s nations and regions and, in doing so, support the creative economy across the United Kingdom²

This Public Purpose is defined further in the Charter, including:

“In commissioning and delivering output the BBC should invest in the creative economies of each of the nations and contribute to their development.”³

This requirement has been reflected in Ofcom’s new Operating Licence for the BBC published in October this year, which requires the BBC to move towards spending the same per head on content in Scotland, Wales and Northern Ireland as it does in England.⁴ This recognition, both by the BBC and by Ofcom, of the importance of the role of the BBC in stimulating and supporting the creative economy in Scotland is welcomed by the ACS and further underlines the importance and relevance of the Screen Sector Leadership Group’s report and commendations.

¹ [www.ofcom.org.uk/about/how-ofcom-is-run/committees/scotland](http://www.ofcom.org.uk/about/how-ofcom-is-run/committees/scotland)
² [http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/2016/charter.pdf](http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/2016/charter.pdf)
³ ibid.
The ACS has responded to those sections and questions from the Call for Evidence where it feels it has distinctive views it can contribute usefully to the debate, as below.

1. Leadership, Strategy and Support

*How can the industry successfully implement the recommendations outlined in the Screen Sector Leadership Group report?*

*What is your view of the current leadership of the screen sector through Creative Scotland and other supporting bodies?*

*How can we ensure that the Screen Unit has the remit and responsibility for providing the strategic vision and leadership across the sector? What changes to the current arrangements are necessary to achieve this?*

*Do you consider the support provided by Scottish Enterprise to be adequate? How might they or other bodies work to provide appropriate support for the industry?*

1.1 One of the reasons that the NI production sector has grown so significantly in recent years is the role of Northern Ireland Screen as the focal point in relation to all aspects of production. NIS has a budget, it has power to make decisions and all stakeholders are clear about its role and function. Despite SSLG highlighting the fragmentation of the Scottish sector with its lack of coordinated strategy and leadership, this has not changed.

It is the opinion of the ACS that the Screen Unit would be much more effective if it was established as a separate business unit within Creative Scotland, with its own Executive Director, budget, remit and KPIs. That remit should give equal weight to growing and sustaining the entire Scottish Film and TV sector, not just Film. The current set-up allows for a detrimental lack of accountability.

The ACS believes that neither Creative Scotland nor Scottish Enterprise have the requisite skills and experience in both TV & Film Production to offer the inspired leadership and advocacy required for the sector to reach its full potential. A structure like the one described would allow CS and SE to focus on their own strategic objectives in a tight funding environment.

*What are your views on the availability of funding and support for all content development?*

*How can we nurture and maintain funding for production companies?*

1.2 In a global market, it is even more important that funding is available for Development costs. The difference that a successful new format or repeat commission makes to the sustainability and growth of a production company is exponential. An example of this is Glasgow based Firecrest Films which, with original seed funding from Channel 4’s Alpha Fund in 2012, and further investment in January 2017 from the C4 Indie Growth Fund, now employs 40 people.

For sustainability both in economic terms and in terms of developing and retaining talent, Scotland needs more medium sized companies with a turnover of £5 - £25
million. In order to achieve this, support should be prioritised to helping existing Scottish companies grow their base.

What are your views on the state of commissioning for Scottish content?

1.3 Commissions arise from direct relationships between key production staff and commissioners. This is where trust is built. The BBC has increased the number of its Commissioners based in Scotland. This is welcomed by ACS. However this is not the only effective model: Channel 4’s Nations & Regions team have placed a high priority in mentoring smaller Scottish Independent Production companies, including arranging Commissioner visits to production company offices to meet with staff. There could equally be a role here for Screen Unit staff.

How might Brexit impact the Scottish screen industry?

1.4 The Creative Industries Federation published its Brexit report in October 2016. This highlighted a number of areas of risk which are equally applicable to Scotland’s TV & Film industry and included:

- Intellectual property rights including copyright
- Impact of the Digital Single Market
- The loss of EU funding streams for co-productions
- Possible new visa and work permit requirements resulting in additional costs for UK production companies

How do you view the role of broadcasters in supporting the sector?

1.5 As above in relation to the BBC and Channel 4.

The ACS is watching with interest the development of “Local TV” in Scotland into what is now STV2 and specifically whether the partnership with educational establishments across Scotland will impact the development of skills and employment opportunities in the industry:

‘STV2 will be delivered in partnership with further education colleges and universities from across the country, including Glasgow Caledonian University in Glasgow and Edinburgh Napier University in Edinburgh, Robert Gordon University and North East Scotland College in Aberdeen, the University of the West of Scotland (UWS) in Ayr, and Abertay University and Dundee and Angus College in Dundee. The team will work with students on a range of offerings, including placements, internships, training and guest lecturing.’

How might the newly proposed BBC channel help support the industry in Scotland?

1.6 The ACS welcomes this investment of £30 million in BBC Scotland, recognising that any expansion like this increases opportunities across the piece. However the ACS notes that only £19 million is new money, with the other £11 million coming from BBC 2 Scotland’s existing budget. What makes the BBC such a critical player in the ecology of the UKTV landscape is its ability to make high quality programmes which

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6 [www.stvplc.tv/blog/2017/04/stv-announces-launch-date-for-new-channel-stv2](http://www.stvplc.tv/blog/2017/04/stv-announces-launch-date-for-new-channel-stv2)
appeal not just to UK viewers, but also to all-important international markets. BBC budgets must be sufficient to guarantee distinctive, quality content which set a benchmark for the industry.

2. Talent Development, Skills and Training

2.1 As we have already indicated in Section 1, the critical factor is ensuring sustainability and growth in the sector, so that the workforce has a greater chance of being able to progress without having to leave Scotland for promotion. Without the commissions in the first place, Scotland is going to continue to lag behind the other UK Nations.