Dear Convener

**Re: Screen Sector Leadership Report**

Thank you for your letter dated 12 May 2017 following up on the evidence session of the Scottish Parliament’s Culture, Tourism, Europe and External Relations Committee which took place on the 20 March 2017 and discussed the Screen Sector Leadership Group Report.

I welcome the opportunity to respond to the questions you have posed as follows:

1. **How are the proposals for the enhanced Screen Unit progressing in line with the recommendations of the Screen Sector Leadership Group Report?**

   The Scottish Government undertook, in its 2016 Programme for Government, to increase support for the screen sector through the establishment of a dedicated Screen Unit within Creative Scotland, to combine expertise from its creative and enterprise partners and oversee support, prioritising input from the industry itself.

   Through the Screen Unit Delivery Group, whose members are Scottish Government, Creative Scotland, Scottish Enterprise, Skills Development Scotland, the Scottish Funding Council and Highlands and Islands Enterprise, we have been working to create a Screen Unit with a sector-wide remit, based within Creative Scotland this year.

   The project is now entering a new phase with inter-agency agreement in relation to a short-life project to develop a joint proposal for how the Screen Unit ambition might best be delivered.

   Creative Scotland has agreed to take on the role of Senior Responsible Owner of the project. To bring high-level input, we plan to establish a Sponsor Board of senior representatives of the other agencies involved in order to drive common purpose and ensure the project is delivered with momentum and pace. The partners have agreed a...

...
Project Initiation Document that sets out how they will take forward the detailed work over coming months, and the first officers’ Project Board has already met.

This approach should equip Creative Scotland to present to Ministers, in late autumn, a collaborative blueprint for a Screen Unit which commands the support and commitment of partner agencies. The project deliverables include:

- an agreed inter-agency proposal, or options, for the sector vision and long-term strategy
- agencies’ agreed roles and accountabilities
- one common agreed economic baseline assessment report
- Screen Unit purpose, functions, configuration and governance
- a single Screen Unit Action Plan with associated impact targets and streamlined collaborative partner contributions over the period to 2022-2023.

2. What efforts are being made by Creative Scotland to foster a more productive relationship with Scottish Enterprise to ensure that sufficient support in being given to the independent production sector?

Creative Scotland’s Film Strategy, published in 2014, made a commitment to ‘work with Scottish Government and the enterprise agencies, in particular Scottish Enterprise and Highlands and Islands Enterprise, to foster a better understanding and awareness of the challenges facing screen-related businesses in terms of growth, sustainability and stability.’ The ambition envisaged by the Strategy is to generate the conditions necessary to position the sector at the heart of Scotland’s economic and cultural life.

This Strategy was developed following a Creative Scotland-commissioned Film Sector Review which was published in January 2014 undertaken by BOP Consulting in partnership with Whetstone Group and Jonathan Olsberg. A draft of the Strategy was published for consultation and a core theme of the consultation responses was that Creative Scotland’s Film Strategy must support the whole film value chain from education and skills development, through film development and production, to audience development and exhibition.

Specific projects delivered with Scottish Enterprise include:

A comprehensive mapping exercise of the Business Development Support landscape, following which a partnership agreement was reached between public sector agencies to build a portal dedicated to the screen industries. This portal will be the first time a sector within the Creative Industries has had a single site to go to investigate and access available products and services from multiple public sector agencies. This site will feature support products available from each agency that we would like screen sector companies to use to greater effect.

We have agreed a partnership project that will invest jointly invest £500,000 into screen sector specific business support over the next two years. Currently most production businesses are not of the scale where certain support functions can be afforded in-house, impacting on their ability to increase output and remain sustainable. The project is envisaged as a pilot that will demonstrate the effectiveness of dedicated support in helping screen production companies grow and provide evidence for further investment in the sector.

\...
We believe aligned and effective partnership working between the agencies and the sector, as discussed at the evidence session, is essential for the screen sectors are to thrive in Scotland. As such we welcome Scottish Enterprise’s and other partner agencies’ commitment to being part of both the Project and Sponsor Boards for the new Screen Unit.

Each agency should play to its strength in support of the independent production sector and the wider screen sector, taking the lead where appropriate. Achieving this successfully will require strong alignment across both policy and delivery, set against clearly defined resources and a shared set of agreed outcomes.

We work in partnership in many ways to support the screen sector, through groups such as Scottish Creative Industries Partnership, the Film Studio Delivery Group, the Broadcast and TV Working Group, the Digital Media Industry Leadership Group and the Screen Unit Delivery Group. We also act as the secretariat for the Screen Sector Leadership Group.

Both recent industry dialogue and our film strategy consultation process has called for explicit acknowledgement that ‘the film sector in the UK depends on public funds for developing cultural film and economic incentives to support commercial filmmaking.’ We acknowledge this, and as such want to be clear that the new Screen Unit will need dedicated resources to add to the funds currently available from Scotland’s public sector if it is to be successful. This is particularly important in the context of the current trend of reducing National Lottery income. The overall win is that the return on investment will be significant, as recognised by many world nations now seriously investing in screen.

3. What is Creative Scotland’s reaction to the Pentlands Studios development proposals and how does it think this development will contribute to the sector more generally?

We would be very pleased to see this studio facility realised. We have publicly expressed our support for the proposals, subject to planning consent, and have conveyed our support for the proposal to Scottish Government through the Film Studio Delivery Group and spoken publicly in support at events. Once realised, the development will provide a welcome boost to Scotland’s screen infrastructure, generating increased opportunity to accommodate large scale national and international productions, provide significant opportunity for skills development and lead to increased growth for the screen sector as a whole.

We look forward to continued engagement with the Committee as matters progress. Please get in touch should you require any further information.

Yours sincerely

Janet Archer
Chief Executive
Creative Scotland