20 June 2017

Dear Joan,

Thank you for your letter on the 12th of May regarding the Committee’s discussion of the Screen Sector Leadership Group’s recommendations contained in their report of January 2017.

Members of the Committee ask:
- how the Scottish Government plans to ensure that the dedicated Screen Unit achieves the SSLG’s key recommendations?
- how it plans to encourage optimal partnership working between Creative Scotland and Scottish Enterprise?
- what measures may have been taken to encourage Scottish Enterprise to invest in the screen sector?
- for an update on the proposed Pentlands film studio.

I welcome the opportunity to update the committee on this important work.

Screen Unit

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 to combine expertise from our creative and enterprise partners and oversee support, prioritising input from the industry itself.

Through the Screen Unit Delivery Group, my officials have been working with the key agencies in the creative sector - Creative Scotland, Scottish Enterprise, Skills Development Scotland, the Scottish Funding Council and Highlands and Islands Enterprise - to create a Screen Unit with a sector-wide remit, based within Creative Scotland this year.

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

St Andrew’s House, Regent Road, Edinburgh  EH1 3DG
www.scotland.gov.uk
Creative Scotland has agreed to take on the role of Senior Responsible Owner of the project. To bring high-level input they 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 their 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.

I look forward to the outcome of the project and to it paving the way for early establishment of an effective Screen Unit.

Screen sector investment by Scottish Enterprise

Scottish Enterprise supports business and economic development across the range of economic activity including the screen sector. Investment has been made in recent years via direct company growth, regional selective assistance, procurement, through the Scottish Investment Bank and by match-funding national initiatives. Scottish Enterprise will report to you separately in its response to your recent letter.

Scottish Enterprise does not currently operate investment quotas targeted at specific sectors however the development of appropriate economic targets for the screen sector in Scotland by the dedicated screen unit is within the remit of the Screen Unit Project. As Cabinet Secretary for Culture, Tourism and External Affairs I will expect to see details of this when the final project proposal is presented to me later this year.

On behalf of the Film Studio Delivery Group, Scottish Enterprise (with Creative Scotland and the Scottish Government) has welcomed and continues to welcome private sector state-aid compliant proposals to establish or enhance studio infrastructure in Scotland. Scottish Enterprise officials have been working actively to support the owners of Wardpark in developing plans for that studio and in advising other prospective studio owners interested in Scotland. I receive regular briefing from Scottish Enterprise about the progress of these private sector initiatives.
Pentlands film studio proposal

Scottish Ministers are minded to grant planning permission in principle for a proposed mixed use film studio complex at Damhead, subject to the satisfactory conclusion of a planning obligation. However as the planning process is not fully completed, I hope committee members will understand that it is not appropriate to make any further comment at this time. The reasons for Ministers proposing to grant planning permission in principle are set out in the Government’s letter dated 3 April 2017 which is publicly available.

Kind regards

Fiona Hyslop

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