CULTURE, TOURISM, EUROPE AND EXTERNAL AFFAIRS COMMITTEE

AGENDA

8th Meeting, 2020 (Session 5)

Thursday 5 March 2020

The Committee will meet at 8.30 am in the Robert Burns Room (CR1).

1. Declaration of interests: Rachael Hamilton and Gordon Lindhurst will be invited to declare any relevant interests.

2. Screen Scotland: The Committee will take evidence from—

   Eric Coulter, Director, Surefire Television Productions Ltd;
   
   Bob Last, Film Producer;
   
   Barbara Orton, Producer, True TV and Film;
   
   Arabella Page-Croft, Producer and Co-Founder, Black Camel Pictures.

3. Article 50 inquiry: Withdrawal Agreement and Negotiation of the Future Relationship: The Committee will take evidence from—

   The Rt Hon Alister Jack, Secretary of State for Scotland;
   
   Gillian McGregor CBE, Director, and Nick Leake, Deputy Director, Policy, Office of the Secretary of State for Scotland.

4. Consideration of evidence (in private): The Committee will consider the evidence heard earlier in the meeting.

Stephen Herbert
Clerk to the Culture, Tourism, Europe and External Affairs Committee
Room T3.40
The Scottish Parliament
Edinburgh
Tel: 0131 348 5234
Email: stephen.herbert@parliament.scot
The papers for this meeting are as follows—

**Agenda item 2**

Note by the Clerk  
CTEEA/S5/20/8/1

SPiCe Briefing  
CTEEA/S5/20/8/2

PRIVATE PAPER  
CTEEA/S5/20/8/3 (P)

**Agenda item 4**

Note by the Clerk  
CTEEA/S5/20/8/4

PRIVATE PAPER  
CTEEA/S5/20/8/5 (P)
Introduction

The evidence session with stakeholders from the screen sector is intended to provide an opportunity to discuss the performance of Screen Scotland in the context of the recommendations made in the Committee’s report on screen, published in June 2018.

Screen Scotland

Launched in August 2018, Scotland’s dedicated screen unit (Screen Scotland) provides support to all aspects of the screen industry. Sitting within Creative Scotland, Screen Scotland is a partnership between Creative Scotland, Scottish Enterprise, Highlands and Islands Enterprise, Skills Development Scotland, and the Scottish Funding Council. The agency is supported with funding from both the Scottish Government and the National Lottery.

Screen Scotland was established in response to recommendations made by the Economy, Energy and Tourism Committee (EETC) in Session 4. The EETC found that the separate and distinct remits of Scottish Enterprise and Creative Scotland were acting as a barrier to working cohesively to support the industry effectively.

The EETC recommended that the Scottish Government provide direction to Scottish Enterprise and Creative Scotland to work in partnership in order to support the economic and cultural needs of the film industry. In response, the 2016 SNP manifesto, committed to the creation of a new dedicated unit for film and tv, based within Creative Scotland, to streamline public sector support for the screen sector.

Initial proposals for the Screen Unit were published by Creative Scotland in December 2017. According to the proposal document:

“The new Screen Unit combines expertise from creative, skills and enterprise partners to deliver our ambitious vision for cultural, social and economic development of the sector. Our shared strategy will increase production and inward investment, and boost audience, company and skills development.”

To coincide with the proposed establishment of the Screen Unit at the end of the 2017/18 financial year, this Committee undertook a wide-ranging inquiry to examine the Screen sector in Scotland. Broadly, the Committee’s inquiry sought to ascertain if the Screen Unit could deliver on the promise of a “step up” in support for the industry and drew heavily from recommendations made by the Screen Sector Leadership Group (a group established in 2016 to facilitate engagement with the screen industry).
A link to the Committee’s interim report and final report are provided below.

Interim report:


Final report:


The Committee last heard from Screen Scotland on 2 May 2019. The Official Report from that meeting can be viewed below:


Following the meeting, the Committee wrote to Creative Scotland asking for additional information on a number of matters. The Committee’s letter and Creative Scotland’s response can be viewed below:

Committee letter to Screen Scotland, 15 May 2019:

https://www.parliament.scot/S5_European/General%20Documents/CTEEA_2019.05.15_ConvToCreativeScotland.pdf

Creative Scotland’s response, 14 June 2019:


Supporting Information

Creative Scotland provided a written submission to the Committee which is provided in Annexe A of this Cover Note. A SPICe paper providing context to the evidence session is also provided in the Committee papers.

Mark Johnson
Assistant Clerk
Culture, Tourism, Europe and External Affairs Committee
2 March 2020
Written Submission from Creative Scotland

Dear Convener

Screen Scotland Update

Ahead of our evidence session on 12 March please find below an overview of the progress that is currently being made by Screen Scotland.

Introduction

Screen Scotland continues to deliver on its remit to be the dedicated partner for screen in Scotland, working with Creative Scotland's partner agencies - Scottish Enterprise, Highlands and Islands Enterprise, Skills Development Scotland and the Scottish Funding Council to deliver enhanced support to companies and practitioners across all elements of film and TV and to foster sustainable growth within the Scottish screen sector.

Key recent milestones include:

- Screen Scotland has implemented an organisational capacity-building and restructuring process to strengthen expertise and increase the resources that are offered to the sector. A new Director of Screen, David Smith, was appointed on 4th November, 2019, and four further roles have been appointed in February, 2020 - the team's Executive Officer, an EDI Officer and both the Head of Audience Development and the Head of Business and Market Development. Throughout 2020 further roles to be recruited include Heads of Scripted and Unscripted, Head of Production and a Skills Officer.
- Content delivery and skills development have commenced through Screen Scotland's strategic partnership with the BBC, with a trio of new comedies from BBC Scotland showcasing new and established comic talent aired on BBC One Scotland in 2020. A further strategic partnership with Channel 4 is being developed with the active engagement of C4's senior management.
- We are in the final stages of negotiations with a preferred operator to run the Studio in Leith. We anticipate making a public announcement of the operator in March 2020.
- The Cinema Equipment Fund was launched in March 2019 as an intervention into Scotland's exhibition sector to increase access and enhance audience experience. The fund has supported twenty-two local cinemas and theatres across Scotland to increase access to cinema for audiences and support resilience for independent film exhibitors.
Progress to date:

Strengthening our expertise

Isabel Davis (previously Head of International for the BFI) joined Screen Scotland as its first Executive Director in 2018. Since joining Ms. Davis has initiated an ambitious plan to restructure the team within Screen Scotland to promote expertise, foster specialisation and to meet the clear expectations of industry in the delivery of our strategic aims under Screen Scotland's Business Plan.

A new Director of Screen, David Smith, was recruited by Ms. Davis and took up his role in November 2019. Mr. Smith joined Screen Scotland after eleven years managing a respected independent production company in Glasgow. He had also spent almost four years as Scotland's representative on the board of the UK-wide producer's trade association, PACT where he led much of the debate that informed Ofcom's revision of its rules for Nations and Regions production and initiated the campaign which ultimately led to Channel 4 locating a "Hub" in Glasgow. Mr. Smith has brought television industry experience into Screen Scotland's endeavours and support structures.

A new Head of Audience Development, Sambrooke Scott has been appointed and will join the Screen Scotland team in April from Film Hub Scotland (part of the BFI's Film Audience Network set up to increase and broaden audiences and to enhance opportunities for audiences across the UK). A specialist in Equalities, Diversity and Inclusion, Alison Smith, has also been appointed and will join the team in February 2020. Interviews for the Head of Business and Market Development took place in late February and the position is currently under offer. Subject to contract, the successful applicant is expected to take up this role in April.

Across 2020, we will be restructuring the role of Screen Officers to be more specifically focused on either "scripted" and "unscripted" genres and this will develop capacity in both. Heads of Scripted and Unscripted will be recruited to lead this work in response to stakeholder needs. A Head of Production will then join the Screen Scotland executive, alongside the existing Head of Screen Commission and Head of Film Education. Support roles will be recruited under both the Heads of Business and Market Development and the Head of Audience Development and a new Skills Development Officer will join the Screen Scotland team in 2020.

Overall headcount within Screen Scotland will increase to 32 across 2020, growing to become a well-resourced, expert-led, specialist screen development body, augmented by the expertise and specialist advice available through its partner agencies and fully supported by the corporate resources and expertise at Creative Scotland.

Partnership & Governance

The partners in Screen Scotland regularly come together operationally and via the governance structures established on Screen Scotland's formation.
The Screen Committee has brought together representatives of Skills Development Scotland, Scottish Funding Council, Screen Scotland and the enterprise agencies - Scottish Enterprise and Highlands and Islands Enterprise - alongside members of the Creative Scotland board with direct screen sector experience.

Initially the Screen Committee met monthly, then bimonthly, and now, as procedures and the executive team within Scottish Team are in place, quarterly. The committee enables the sharing of experience in supporting company growth and reconciling industry demand with the supply of skills development, training and education opportunities.

The Screen Committee is supported by the Partnership Delivery Group, chaired by the Director of Screen which, in turn, has established working groups focused on Business Development and Skills Development. South of Scotland Enterprise and Scottish Development International attended the February Partnership Delivery Group.

**Screen Scotland Business Plan:**

**Development and Production**

As part of Screen Scotland's strategic aim to foster sustainable growth across the sector we have supported a number of film and high-end television productions that were either filmed in Scotland or were delivered by Scottish companies to the global market in 2019/20.

These ambitious projects have delivered positive economic impacts across Scotland and provided opportunities for Scotland's talented crew base in their home nation. Total production spend in 2018/19 is estimated at £67m, which is an decline on the 2017/18 estimate of £95m. Production spend by Scotland-based production companies increased across the same period from an estimated £16.8m in 2017/18 to £23.8m in 2018/19.

Notable productions that filmed in Scotland in 2018/19 and 2019/20 include 1917, Fast and Furious 9, Deadwater Fell, Bond 25 (aka No Time to Die), The Crown (Season 4) and HBO's acclaimed drama Succession along with Netflix commissioned projects including Eurovision and The Princess Switch 2. Others currently in production will be announced in due course while Our Ladies, adapted from Alan Warner's cult novel The Sopranos, will open in cinemas across the UK on 24th April.

Screen Scotland has awarded £5,069,014 to 73 projects from 2018-2020 through the Film Development and Production Fund (development and production funding for screen projects by filmmakers based in Scotland). In addition to the projects referred to above this included drama projects originating from within Scotland’s creative community with awards to Red Dust Road, a first-time feature written by Scots Makar Jackie Kay produced by Young Films and The Man on the Beach, a fiction feature produced by Marie Schmidt Olesen and written by David Griffith as well as a strong slate of television dramas from a range of production companies - Guilt, The Cry, The

---

1 2017/18 was an exceptional year, with high budget features such as T2 (Trainspotting 2), Outlaw King and The Avengers: Infinity War all shooting within that period.
Victim, Susan Hill's The Small Hand and Elizabeth is Missing. These have all attracted audiences and acclaim in Scotland and abroad.

**Business Support**

Screen Scotland has also made significant interventions to support unscripted/factual producers based in Scotland. As a result, Scotland-based producers and production companies such as Synchronicity, Hungry Bear North and STV Productions are behind many of the dramas listed above. Each of these production companies have secured support for their creative and business vision through Screen Scotland's funds targeted towards growing the scale and sustainability of the Scottish production sector.

Since its launch in 2018 the Broadcast Content Fund (which offers development and production funding for broadcast projects by eligible Scottish production companies) has awarded £5,953,761 to 52 projects that supported the growth and development of screen sector companies across Scotland. As a television focused intervention, uniquely targeted towards developing television projects and production companies from Scotland, the Broadcast Content Fund has been made possible by the financial support of the Scottish Government.

The Broadcast Content Fund requires applicants to either comply with Ofcom’s updated criteria for classification as "Scottish" or to be in a "meaningful" co-production with a Scottish company on the project in question. As a business development tool, the Broadcast Content Fund enables Screen Scotland to work with qualifying production companies based in Scotland to develop their capacity to deliver a slate of new ideas designed to meet the expressed needs of commissioning broadcasters.

Individual projects developed with the support of the Broadcast Content Fund include: acclaimed BBC prime time drama series, Guilt from Happy Tramp North, Mara Media’s blue-chip natural history series Stormborn for the Smithsonian Channel and BBC Scotland, and Firecrest Film's Night at the Museum, soon to debut on the BBC and filmed partially within Edinburgh's National Museum.

Slate funding via the Broadcast Content Fund has contributed to the strategic development of thirteen screen companies across Scotland including Glasgow's Blazing Griffin, Gaelic specialists Caledonian TV, Red Sky Productions and Two Rivers Media, among others. This support enables production companies based in Scotland to expand their focus beyond existing genres and commissioning relationships and target growth in new markets within the UK and beyond.

The pilot business development programme FOCUS has been extended to run until October 2020 pending the arrival of Screen Scotland's Head of Business Development (anticipated April 2020). FOCUS was launched by Scottish Enterprise and Creative Scotland prior to the establishment of Screen Scotland as a pilot project, establishing a highly specialist support service for film and television businesses. An initial cohort of 20 companies received support, four companies subsequently secured Screen Scotland Broadcast Content Funding.
Scottish Enterprise continues to work directly with screen sector companies to develop capacity, with information and opportunities discussed with the Screen Scotland partners via the Partnership Delivery Group. Examples of recent support include Axis Studios, head-quartered in Glasgow, who were recently supported by Scottish Enterprise to develop a new platform that drastically reduces the amount of time taken to create Virtual Reality content. The proof of concept was a new Virtual Reality short film, The Bond, which Axis launched last year. Scottish Enterprise has also recently supported Serious Facilities, a key post-production facility in Glasgow to expand with the support from Royal Scottish Academy. Serious are also now creating the first Netflix approved post-production Facility in Scotland.

Scottish Enterprise and Screen Scotland, together with Glasgow City Council have worked together to support the establishment of Two Rivers Media, a start-up television production company created by industry veteran Alan Clements. Having, three times, built and led the biggest production companies in Scotland - Wark Clements, IWC Media and STV Productions - Mr. Clements had the desire to create a new company of scale, headquarterd in Scotland, to serve the UK networks and international markets. Two Rivers aim is to grow revenue to beyond Screen Scotland's strategic goal of £10m pa. In the first 12 months on they have grown to a company of 14 permanent staff (as well as over 20 freelancers) with a projected £1.6m turnover to December 2019.

Financial Readiness support from Scottish Enterprise was key in securing a £3m private investment deal for Two Rivers from Canadian media company Kew Media, Noble Grossart and the Channel 4 Growth Fund. Scottish Enterprise and Glasgow City Council then worked together to support Two Rivers location within the city's new innovation district, alongside the location for the new CH4 Hub. Screen Scotland then worked with Two Rivers to provide slate development support for its editorial ambitions via the Broadcast Content Fund, as well as production funding for the nascent independent's first drama, The Small Hand.

In tandem Highlands and Islands Enterprise and Screen Scotland support both the Celtic Media Festival and XpoNorth events and working with the Canada Media Fund both bodies have devised and delivered a Canada-Scotland co-development incentive fund for innovation in television and digital. This £200,000 fund - £100k from Canada Media Fund and £50k each from Highlands and Islands Enterprise and Scottish Screen was launched at XpoNorth 2019 and will see the four successful applicants, one of whom is based in the Highlands, secure funding for the further development of their ambitious trans-Atlantic projects.

In addition, Creative Scotland, Scottish Enterprise, Highlands & Islands Enterprise, other partners and Business Gateway are collaborating to 'onboard' the business support products and services provided by Screen Scotland partners for the screen industry on FindBusinessSupport.gov.scot. The new service which is currently in beta phase aims to help Scottish businesses find the right public sector information, advice and support at the right time.
Strategic Partnerships - Broadcaster MOUs

Screen sector company development runs in parallel with Screen Scotland’s work with the BBC under our joint MOU. This strategic partnership has been initiated to foster the market for Scottish content and to grow and develop the key skills necessary to ensure the delivery of network television content from Scotland.

Skills

Under the BBC/Screen Scotland MOU Scottish producers have secured additional places on industry training body Screen Skills’ prestigious Series Producer Course, designed to develop the next generation of creative leaders in television from across the UK. New initiatives are currently under development with the BBC to grow and further develop talent in a range of genres and practical skills, focused on sector-identified gaps in provision - with programmes designed to foster script writing and script editing skills as well as high-end factual editors all currently in development.

Content Delivery

Content delivered through the BBC/Screen Scotland MOU includes a trio of new comedies from BBC Scotland, showcasing new and established comic talent which aired on BBC One Scotland early in 2020. These 30-minute comedies offered development opportunities for both writing and acting talent based in Scotland. Four new short form drama pilots - Joytown, Float, Pancake and Dash - have also been commissioned by BBC Scotland in partnership with Screen Scotland to develop and deliver formats for digital platforms, bringing more drama to audiences and working with new talent.

Via our Memorandum of Understanding partnership with the BBC we will continue to strengthen the range of content being commissioned from Scotland and to increase representation opportunities for Scottish talent in front of and behind the camera.

Discussions with C4 to secure a MOU are advancing positively with key areas of strategic alignment identified and a road map to signature agreed.

Talent

In late 2019, as part of its overall review of talent development, Screen Scotland is seeking a new partner for the delivery of a film talent development programme for new and emerging talent from across Scotland, as a successor to the Scottish Film Talent Network. The call for a new delivery partner closed on 24th February, with a range of potential providers putting forward proposals on how this vital work might be advanced over the next two years.

The new film talent development partner will provide an accessible and purpose-built programme of support for new and emerging film producers, writers and directors from across the whole of Scotland. There will be an emphasis on elevating the quality and diversity of participants' work, their commercial acuity and creative ambition. The development and production of scripted short-form filmmaking will be supported by this programme as will the development of live action and animated first features. A key part of this will be the development of the next wave of Scottish producers,
preparing them for financing, managing and delivering scripted feature films of high quality. The programme partner will work with Screen Scotland and other partners on this activity and will be expected to actively look for and encourage new talent from currently under-represented groups across Scotland.

Skills and Equalities, Diversity & Inclusion (EDI)

In support of Screen Scotland's commitments to widen access and promote diversity, inclusion and equalities across the Scottish screen sector we continue to support a range of interventions and programmes aligned with sector requirements.

Across 2018-20 Screen Scotland has provided aggregate support for skills and talent development programmes of £4,017,933. Funded projects are delivered by a wide range of partners at various levels of practice with "first step" and "next step" opportunities across genres.

Two complementary broadcast/production focused interventions designed to improve access and targeted towards new entrants to the sector from diverse backgrounds are PACT's Indie Diversity Training Scheme and (broadcast and digital training provider) TRC's RAD initiative. PACT's Indie Diversity Training Scheme provides each participant with a six-month, full-time, paid (Scottish Living Wage) entry-level work placement with one of ten independent TV production companies in Scotland. Additional training and mentoring takes place alongside the work-based activity for eight new entrants, all of whom come from diverse backgrounds (BAME, disability-related, and socio-economic).

Overlapping with the PACT project and adding additional opportunities, the RAD initiative, was developed by Glasgow based training and development body TRC to similarly address the lack of diversity in broadcasting and independent television in Scotland. In 2019 the RAD programme employed eight trainee TV researchers from diverse backgrounds, within eight independent Scottish production companies, for ten months each. The trainees were employed full time, paid the living wage and their salaries were equally funded by their host companies and the RAD programme. The trainees were supported by monthly training sessions delivered by TRC. Seven of the eight trainees have gone on to secure subsequent employment within the Scottish screen sector (often with their placement provider).

The PACT and TRC projects share a common purpose but at this stage in the sector's development - and in response to clear demand from the sector for help in the delivery of diversity aims and obligations - both are necessary and both share resources with TRC providing elements of the PACT project. Screen Scotland is currently working with TRC to expand the RAD programme in 2020 and with PACT to deliver its complementary opportunity for diverse new entrants.

The Outlander Training Programme, Screen NETS, BECTU Vision' Drama Training programmes and TRC's main programme provide opportunities both for new entrants and professional development for the existing workforce, while Film Access Scotland and its member organisations across Scotland (including GMAC in Glasgow) support creative learning provision targeted at disadvantaged groups, helping to broaden the pool of potential new entrants.
Last year's iteration of the Screen Scotland supported Outlander Training Programme which saw nineteen trainees working across Season 5 of the Sony/Starz drama series while a further forty-six individuals secured work experience; twenty-two participants went on to secure "daily" work with the project while nine were offered contracted positions. Recruitment for the 2020 Outlander Training Programme will conclude in March ahead of the commencement on production of Season 6 of Outlander in Cumbernauld. Traineeships are initially being offered in costuming, plastering, painting, production design and locations.

Support under Screen Scotland's funding programmes (the Production Growth Fund, the Film Development & Production Fund and the Broadcast Content Fund) is now connected directly to the delivery of training and development opportunities. Entry-level traineeships have, as a result, been provided across high-end TV dramas and feature film productions funded by Screen Scotland including: Guilt (BBC), Elizabeth is Missing (BBC), Succession (HBO) and Outlander (Starz). 1917, directed and produced by Academy Award-winner Sam Mendes (Skyfa/1, American Beauty) and co-written by Scottish writer Krysty Wilson-Cairns (Penny Dreadful) and Mendes, shot on location at Govan Docks in Glasgow with support from Screen Scotland. A training/access requirement was part of our funding agreement and the production employed three trainees during their Scottish shoot in both the Set Decoration and Sound departments.

Skills Development Scotland supports take-up of Foundation and Modern Apprenticeships by screen employers and supports the introduction of Graduate apprentices by some broadcasters.

Skills Development Scotland (SOS) launched the screen skills industry research it co-commissioned with Screen Scotland at the Edinburgh Film Festival in 2019. SOS then engaged directly with industry on Foundation Apprenticeship delivery with twenty businesses attending a seminar at BBC Scotland, promoting awareness of industry in-demand skills and refreshing the screen content on the national careers portal - My World of Work.

Film Education

Through the Film Education Partnership Fund (increases access to film education provision in communities across Scotland) Screen Scotland has made 30 awards totalling £1,483,214 from 2018 - 2020, across half the local authorities in Scotland, from the Western Isles and Argyll & Bute to Clackmannanshire and Midlothian. These specifically support strategic partnerships to develop film education expertise sustainably in a variety of settings and contexts, especially schools and media access organisations which target diverse and disadvantaged young people. This is achieved primarily through teacher professional development, with local authorities and schools working in partnership with cinemas, film access organisations, experienced film education practitioners and other sources of expertise.

In Glasgow, for example, Glasgow Film Theatre is working with Glasgow's Improvement Challenge, while in East Lothian, Queen Margaret University is supporting five probationer teachers to trial and evaluate moving image education in
their practice. Film School Forres in Moray involves the wider community in creative film learning.

Screen Scotland continues to partner with The British Film Institute with annual support for the BFI Film Academy for 16-19 year olds, which takes place in several areas across Scotland; and continues to support Film Access Scotland's Youth Film Festival, which provides a platform for youth-made work and is curated, led and managed by young people from across Scotland.

**Audiences**

Cinema Equipment Fund (increases access to cinema and encouraging resilience for film exhibitors based in Scotland) launched on 6 March 2019 and Screen Scotland is currently considering applications for its third and final round of support. To date, twenty-two cinemas and theatres across Scotland have been supported.

Through this fund Macrobert Arts Centre in Stirling will have an additional screen, the new Cumbernauld Theatre will include a cinema, touring operators INDY and Driftwood will take cinema to remote rural communities, and Inverkip and Menzieshill will be home to new community cinemas. In addition, we have supported key cultural cinemas and independent cinemas to replace and upgrade their equipment, improving the customer experience and strengthening the resilience of these venues for the future.

At the final deadline on 28 January 2020, we received 42 further applications, more than the previous two rounds combined, and (subject to assessments) we will have supported the development of Scotland's exhibition sector with a total of £1.6m by 31 March 2020.

**Filming in Scotland**

Ten successful awards totaling £2,895,500 were made through the Production Growth Fund (offers support to large scale productions to film in Scotland) that has helped to grow the Scottish screen sector through use of crew, locations and facilities. The availability of awards has helped secure of high-end TV and feature film productions for Scotland as well as providing excellent career development opportunities for Scottish based crew. Through the Partnership Growth Fund, Screen Scotland has developed strong relationships with US studios, platforms and production companies that are expected to draw further future productions to film in Scotland too. Projects supported included HBO's award-winning Succession, 1917 an as yet unannounced feature film for Netflix.

A Screen Scotland Locations website has been set up to provide a platform to promote locations and properties across Scotland to locations managers attached to potential film and TV productions. This is now live as a beta site and is being promoted to targeted production companies. The committee can view the site here:

We will continue to develop and refine the site in the coming months using feedback from target organisations.

Inward production spend by film and television productions in 2017/18 totalled £78.2m (332 productions) while in 2018/19 the spend was £45m (328 productions).

**Studio and Build Space**

Screen Scotland has been progressing the establishment of a studio in Leith, a development of critical importance for the screen sector in order to deliver an enhanced film studio infrastructure for Scotland.

Having published a tender seeking an operator to run the studio we are anticipating making the public announcement of the operator on in March 2020. This is a major step forward in Scotland's ability to take advantage of the global boom in high-end TV and film production. The operator will work with Screen Scotland to bring the studio facility to life and create an internationally competitive production facility. In the meantime, we have been continuing to familiarise large scale production clients with the building.

In addition, we are working with the sector and with Scottish Enterprise to identify further sites around Scotland that have the potential for studio or infrastructural development, providing specialist advice and consultancy support as appropriate.

**Advocacy and Influence**

In 2020 Ofcom will conduct its review of public service television in the United Kingdom as well as the current DCMS consultation on Licence Fee decriminalisation. With the UK's PSB system providing a strong foundation for the screen sector across the UK we will be working with the Scottish producers to develop a response to these initiatives.

Screen Scotland’s website - [www.screen.scot](http://www.screen.scot) - was launched on 21 August 2018. It provides a dedicated portal for anyone looking to work in screen in Scotland with information on how to film in Scotland, film and television funding opportunities, education and screen sector jobs regularly updated. Since launch, the website has hosted over 176,000 users, and received over 370,920 page views. As part of our stakeholder engagement we also have a very active digital communications presence and programme which is engaging on Instagram (1640 followers) and Twitter (4287 followers).

**Digital Transformation, Data Sharing & Data Hub**

As part of Creative Scotland's digital transformation programme online applications will be become possible within 2020/21 while work to deliver a Data Hub for the screen sector is well underway. We are currently at the scoping and development stage for a screen Data Hub, working with a team at University of Edinburgh (EPCC) to collate and map existing data in response to our consultation findings. We held a successful consultation workshop with twenty-five representatives in the sector at the CCA in Glasgow in December, and further public workshops are scheduled for late February
and early March. The outputs of these workshops will inform the development of the project and the sector's data priorities. The Hub itself is scheduled for delivery in 2020/21.

Collaborative working and screen business support provision by Screen Scotland partners is being enhanced through a new Data Sharing Scheme led by Scottish Enterprise with the Director of Screen and Creative Scotland's Digital Transformation team. The Scheme is due to be in place by Summer 2020.

I hope this provides the Committee with an overview of the significant progress being made by Screen Scotland however please do let me know if you need more information and of course we will be happy to further discuss progress at the evidence session on the 12 March.

David Smith
Director of Screen
Screen Scotland
INTRODUCTION

This briefing provides context to the Committee’s evidence session with stakeholders from the screen sector at the meeting on 5 March 2020. The Committee will also take evidence from Screen Scotland at the meeting on 12 March 2020. These evidence sessions are intended to provide a means of following up on the Committee Inquiry on the screen sector in Scotland earlier in this session of Parliament which resulted in the 2018 report, Making Scotland a Screen Leader. The Committee also took evidence from Creative Scotland on this topic on 2 May 2019.

This briefing considers some of the issues identified in the Committee’s report and subsequent work and correspondence on the screen sector. The briefing is in four parts: organisation and structure; industry engagement and support; budget and funding; and infrastructure.

Creative Scotland provided a submission to the Committee in advance of this meeting which is included in the Annexe to the Cover Note.

WITNESS BIOGRAPHIES

Barbara Orton, Producer, True TV and Film
Barbara is a BAFTA award winning producer/director, and founder of True TV & Film – a small international production company based in Glasgow, Scotland and specializing in ambitious documentary and factual film projects on compelling arts, politics, human interest subjects – local and global.

Arabella Page-Croft, Producer and Co-Founder Black Camel Pictures
Arabella is Producer and Co-Founder, Black Camel Pictures. Black Camel Pictures is a BAFTA award-winning film and television drama company.

Eric Coulter, Director, Surefire Television Productions
Eric Coulter was the former head of drama at Scottish Television and he has been the force behind television shows such as: Taggart, Shetland, River City, Rebus, Our Girl and the Bodyguard.

Bob Last, Freelance Producer
Bob Last is a producer with an extensive track record in film production, digital animation and the music industry. He has been chairman for the Centre of the Moving Image, the parent company of the Filmhouse Cinema complex and the Edinburgh International Film Festival (EIFF) and the Chair of Cultural Enterprise Office.
ORGANISATION AND STRUCTURE

A key recommendation of the Committee’s report was that Screen Scotland be a stand-alone agency. The Scottish Government was not persuaded by this recommendation and in its response to the Committee’s report, argued that such an approach would be costly in terms of time and resources compared to the Government’s preferred partnership approach.

The response to the Committee’s report from Creative Scotland (September 2018) explained that additional members of Creative Scotland’s board had been recruited with screen and television experience. The number of staff working on screen had increased with plans for more. The response from creative Scotland also outlined how the governance structure would work at Screen Scotland – there would be a Screen Committee including “Creative Scotland Board members, representatives of the partner agencies, independent industry advisers and the Scottish Government”. The response also highlighted that new Memorandum of Understandings (MoUs) would be in place with partner agencies.

The MoU, which includes sections for each or the partner agencies, was published in September 2018. This MoU recognises “the lead role of Creative Scotland in the governance and delivery of Screen Scotland with support and governance oversight from Skills Development Scotland, Scottish Funding Council, Highlands and Islands Enterprise, Scottish Enterprise, and that this enables partners to best provide their specific leadership roles.” The MoU commits each of the partner agencies to “collaborate with Creative Scotland and its partner agencies on the delivery of Screen Scotland and to play a full part in its governance and work to fulfil its shared strategy.” In addition, each of the partner agencies have more specific roles set out in the MoU.

The MoU stated that the partnership would prepare a business plan and jointly report to the Scottish Government annually. To support this it said “partners will establish a common methodology to measure the ‘triple bottom line’ success of the impact of public services in enabling cultural, social and economic development.” The partnership also agreed two specific outcomes:

“Our partnership aims to drive company scale and sector growth and help the sector achieve 100% increase in production spend by 2022-23, and increase Scottish company growth to boost the number from 2 to 6 reaching the UK top 50 (turnover ≥ £10m).”

Creative Scotland’s written submission to the Committee, of 27 February 2020, reported that total spend on production reduced from £95m in 2017/18 to £67m in 2018/19. It also noted that production spend by Scotland-based production companies increased from £16.8m in 2017/18 to £23.5m in 2018/19. Creative Scotland presented this as a positive impact of its work and noted that 2017/18 was an exceptional year with a number of high-budget feature films shooting within that period.

An additional MoU was agreed between Screen Scotland and the BBC in February 2019. This MoU is intended to help “build a sustainable television industry in Scotland
and to improve the on-air representation and portrayal of Scotland and its people.” The MoU was signed by Lord Tony Hall, Director-General of the BBC and Iain Munro (then Acting) Chief Executive, Creative Scotland. Creative Scotland’s recent submission indicated that the MOU with the BBC was supporting the development of skills and new content in Scotland.

Screen Scotland’s business plan for 2019/20 was published in April 2019. It noted an intention to develop a memorandum of understanding with Channel 4. Isabel Davis, Chief Executive of Screen Scotland, told the Committee in May 2019 that work was also underway to strengthen relationships with other broadcast partners, such as STV.¹

In terms of accountability and funding, the business plan said:

“Delivery of this Business Plan is led by Creative Scotland, and jointly owned and delivered by the Screen Scotland partners .... Unless otherwise stated, all references to activities by Screen Scotland in this Business Plan are delivered by Creative Scotland. Funding comes from the Scottish Government grant-in-aid and the National Lottery through Creative Scotland.”

The Business Plan identified three “interlocking aims”:

- nurture Scottish talent (above and below the line) and enable inclusive progression
- extend the range and quality of Scottish film and television and its local and global reach
- achieve production growth and economic success across the film and TV sectors.

The Business Plan outlined the following objectives:

- Boosting production by increasing funding and support to grow the number, quality and diversity of film and television productions from Scotland
- Creating specialist business development provision for screen businesses ensuring that advice and support is appropriate and easy to access
- Developing Scotland’s screen talent and promoting Scotland’s talent in domestic and international markets
- Improving employment opportunities in the sector through increased and co-ordinated opportunities for work-based learning, training and development
- Improving and expanding the provision of film and moving image education in every context, increasing its reach, depth and inclusivity

¹ OR 2 May 2019, col 21
• Developing audiences in Scotland by increasing access to a wide range of film and television, and raising the profile of high-quality Scottish film and television among audiences in Scotland, the UK and internationally

• Developing Scotland’s reputation as a destination for domestic and international productions and co-productions and developing international markets

• Growing and improving Scotland’s screen infrastructure including studio facilities.

Each of these objectives are accompanied by targets and KPIs, which are included in Annexe E.

INDUSTRY ENGAGEMENT AND SUPPORT

In the previous session of Parliament, the Economy, Energy and Tourism Committee of the Scottish Parliament published a report into the economic impact of the film, TV and video games industries on 31st March 2015. That Committee stated:

“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.”

This led to the formation of the establishment of the Screen Sector Leadership Group which reported to the CTEER Committee in 2017. This report fed into the Committee’s 2018 report. Two of the priorities identified by the SSLG were:

• Increased investment in talent development, skills and training

• Increased and appropriate business development support for screen businesses

The Committee’s 2018 report observed that there must be a significant role for the industry within Screen Scotland. While the Committee welcomed the continued involvement of the Screen Sector Leadership Group, it also recommended that a formal mechanism or plan be established to ensure Screen Scotland engages with all aspects of the industry. In May 2019, Isabel Davis, Chief Executive of Screen Scotland, said that the industry had been heavily involved in the development of the business plan.²

Skills and Training

In June 2019, Skills Development Scotland published research into skills in Scotland’s screen sector. The research was commissioned as there was a “lack of comprehensive evidence relating to skills in Scotland’s screen sector”. This research was carried out in 2018 and found that across sectors of the industry, there were difficulties in recruiting in some roles.

² OR 2 May 2019, col 20
“Recruitment difficulties were more likely to be reported in relation to the freelance crew than the permanently employed workforce. Employers offered reasons for these recruitment difficulties including: freelance crew leaving Scotland for work elsewhere; candidates lacking sufficient experience; and difficulties in attracting a diverse range of candidates.”

Particular roles which were difficult to fill were listed (p6). Skills gaps were identified in the following areas: “marketing and promoting, business and entrepreneurship, project management, internationalisation/export promotion and technical skills for production and broadcasting (in TV only). Editing was commonly noted as a specific skills gap.” Most employers provided training. In relation to the education for jobs in the industry, the SDS report stated:

“The education system has a key role to play in supplying talent to the industry but must match the pace of rapid change in the industry. Industry views on appropriateness of provision were mixed and there was recognition that employers needed to do more with education providers.”

The SDS report made four broad strategic areas for skills development in Scotland’s screen industry which should be addressed: strategic leadership and coordination; increasing entry to the industry; diversity; and upskilling the workforce.

The business plan was published a month before the SDS report. However, some of the themes are nonetheless covered in the business plan, particularly on diversity; each action has an equality, diversity and inclusion indicator. It also stated that:

“Skills Development Scotland is working with SFC, tertiary education and the industry to develop work-based learning and frameworks in priority demand areas and deliver foundation and modern apprenticeships.”

The SDS report recommended that the industry play a key role in the strategic leadership of skills development. The Business Plan stated:

“We will convene externally-facing advisory and working groups to support our work, initially in the areas of business support, skills, and animation. Our partner, the Scottish Funding Council, will support the Creative Media Network, ensuring engagement with further and higher education sectors.”

In a letter to the Committee in June 2019, Creative Scotland stated that a draft of a skills strategy should be complete by the end of 2019 and:

“A Skills Working Group, comprising the five Screen Scotland agency partners and Scottish Government, has been convened to oversee the development of our skills strategy.”

The written submission from Creative Scotland to the Committee, of 28 February 2020, highlighted work Screen Scotland is undertaking to further develop skills in the industry. The submission indicated that it had recently tendered for a partner organisation to “provide an accessible and purpose built programme of support for new and emerging film producers, writers and directors from across the whole of Scotland”.

5
Business Development and Support

Before the establishment of Screen Scotland, Scottish Enterprise and Business Gateway had been responsible for providing business support to the Screen industry. The Committee’s report expressed “serious concerns about the role Scottish Enterprise has played in supporting the industry to date.” (p74)

According to the Screen Scotland Business Plan, the Screen Scotland partnership is focused on driving company scale and sector growth to ensure that by 2022/23 they achieve 100% increase in production spend (from a baseline of £69.4m in 2016/17 as identified in the 2017 Collaborative Proposal) and increase Scottish company growth to boost the number from 2 to 6 reaching the UK top 50 with a turnover greater or equal to £10m.

The MoU between stakeholders now shows that the responsibility for business support is split between Creative Scotland, Scottish Enterprise and Highlands and Islands Enterprise. Extracts from the MoU on the roles for each organisation in relation to business development and support are reproduced in Annexe A. Looking at these extracts, it is not clear where different responsibilities lie. In its letter to the Committee in June 2019, Creative Scotland noted that it had commissioned EKOS Ltd to undertake a Scoping Study which would “establish the joint working delivery approach to provision of screen business support between relevant Screen Scotland Partner Agencies”. This work would be focused on the “user journey” and include agreement on “a business analysis triage process and data sharing approach”. In addition, Creative Scotland told the Committee that it had established a Business Development Support Working Group which would oversee the scoping study. This group comprised of representatives from: the five Screen Scotland agency partners; Scottish Government; Business Gateway; and the South of Scotland Enterprise agency.

A 2-year pilot scheme, FOCUS, was established in 2018 to provide subsidised access to specialist business development services for 20 screen businesses. The purpose of the pilot was to support companies which were not large enough to have business support capabilities in-house. In December 2019, it was announced that this project would continue to June 2020 and an additional project “a new Bootcamp for emerging businesses” would take place in January 2020 to “equip new screen companies with the skills and contacts they need to thrive as a new production company”

An output from the scoping study was expected in 2019. The report from EKOS is not visible on Screen Scotland’s website. However, the December 2019 announcement of the extension of FOCUS said:

“According to a recent report by EKOS the pilot has had a significant impact on the twenty participating companies, contributing to an increase of approximately nineteen full time equivalent roles, and £1.5m in additional turnover. Over a hundred more companies have also benefitted from free workshops, events, and briefings, and four additional companies are currently receiving business mentoring through a FOCUS partnership with MG ALBA.”

It is not clear if the EKOS report in the quote above is a report on the scoping study or a separate piece of work on FOCUS.
Audience

The Committee’s 2018 report recommended that there be “an overarching strategy for the distribution, exhibition and audience development sectors.”

Screen Scotland’s 2019/20 Business Plan identifies three areas of delivery:

- “Infrastructure: Strengthening the film exhibition sector and addressing known gaps in cinema provision, through a programme of research, and capital and project support.

- “Audience Choice and Engagement: Encouraging diversity of programming across Scotland, so that audiences have better access to, and awareness, of specialised film, including Scottish film.

- “Talent: Films by Scotland-based talent have the best chance of engaging their audiences, and exhibitors in Scotland play a full role in connecting audiences with filmmaking talent and opportunities. There are increased opportunities for talent development within the exhibition sector.”

BUDGET AND FUNDING

Funding for Screen Scotland is not a separate line within the Scottish Budget. The Cabinet Secretary’s letter in response to the Committee pre-budget scrutiny work stated:

“The 2020-21 budget provides Creative Scotland with a further £10 million of additional screen investment. This comprises £8.5 million of revenue grant and £1.5 million of Financial Transactions.”

Neither the Scottish Government’s budget documents or the Cabinet Secretary’s letter provide a total figure for funding for Screen Scotland. As there has not been a large jump in Creative Scotland’s budget, it appears that the Cabinet Secretary is referring to another year’s additional funding to a prior baseline, rather than £10m additional to the budget for 19/20.

The Scottish Government’s 2017-18 programme for government committed to the creation of Screen Scotland (then “Screen Unit”) and to “increase public funding for our film and screen sector to £20 million a year”. The Scottish Government’s 2018-19 budget (level four spreadsheet) referred to this commitment in the context of a substantial increase in the “Other Arts” budget line of Creative Scotland, which also includes ring-fenced monies which Creative Scotland administers (e.g. the Youth Music Initiative). The level 4 spreadsheets for the 2019-20 and 2020-21 budgets have explained that the “Other Arts” budget line included funding for “maintaining increased investment in screen”.

The SSLG’s 2017 report to the Committee reported that Creative Scotland’s contribution to screen in 2015-16 had been around £11m. The most recent annual accounts of Creative Scotland (2018-19) indicate that Creative Scotland received £9 million in grant-in-aid for Screen Scotland activities and, in addition, Screen Scotland
activities funded from National Lottery totalled £6.3 million. It is not clear how the £11m identified by the SSLG for 2015-16 was arrived at and the degree to which the equivalent funding in 2018-19 would be badged under Screen Scotland. Nor is it clear from the 2018-19 accounts what proportion of Creative Scotland’s staff and other operating costs could be apportioned to Screen Scotland.

Funding streams administered by Screen Scotland

Screen Scotland’s website identifies nine funds which it administers:

**Film Development and Production Fund:** The Film Development and Production Fund exists to offer development and production funding for feature length films and documentaries being made by filmmakers based in Scotland.

**Broadcast Content Fund:** The Broadcast Content Fund aims to help the sustainable growth of Scotland’s broadcast production sector, encouraging the development of new projects, the scaling up of already successful activities and the production of commissioned programmes.

According to Screen Scotland’s written submission from May 2019 there has been strong demand for the fund, spending its full budget for the financial year. The supported projects represent a variety of genres, including TV factual formats, which is the genre that needs to develop in Scotland if we are to achieve the growth needed.

**Project Growth Fund:** The Production Growth Fund aims to help grow Scotland’s screen production sector, creating employment opportunities for Scottish crews, encouraging the use of production facilities, providing significant opportunities for the professional development of producers based in Scotland, and delivering a direct and significant economic benefit to Scotland. According to Screen Scotland’s written submission the fund has attracted companies not only to film in Scotland but to increase the spend on Scotland based crew, above the line talent and facilities.

**Film Festivals Fund:** The Film Festivals Fund aims to increase the range and diversity of films available to audiences in Scotland. Projects supported through this fund should help to promote cinemagoing and cinemas in Scotland, and to raise the profile of film, especially specialised film.

**Distribution and Exhibition Fund:** The Distribution and Exhibition Fund aims to support wider distribution of completed Scottish films across Scotland and internationally, and especially to increase access to Scottish films for as wide and diverse an audience as possible within Scotland.

**Market and Festival Attendance Fund:** The Market and Festival Attendance Fund aims to support attendance at international film, TV and screen festivals

---

3 [https://www.creativescotland.com/__data/assets/pdf_file/0010/77671/CS-Accounts-1819-Print-Version.pdf](https://www.creativescotland.com/__data/assets/pdf_file/0010/77671/CS-Accounts-1819-Print-Version.pdf) (p10) and
and markets for screenwriters, directors and producers based in Scotland, in order to enable them to meet potential partners, access global markets and promote their completed projects.

**Film Education and Partnership Fund**: This fund will support partnerships and collaborative programmes of work with the potential to achieve these outcomes.

**Professional Development Fund**: support for individuals working in film and television to access training, mentoring and other professional development activity, nationally and internationally.

**Cinema Equipment**: The Cinema Equipment Fund is for cinemas and venues to upgrade or install cinema screening equipment and aims to increase access to cinema and encourage resilience for film exhibitors based in Scotland.

There does not seem to be reporting or evaluation on all of these individual funds publicly available currently. The strands of activities and associated expenditure are reported in Creative Scotland’s most recent annual accounts and these are included in Annexe B. It is not always clear how the funds above match to the reported spend on activities.

In May 2019, Isabel Davis, Chief Executive of Screen Scotland, told the Committee:

“...the film development and production fund is £4 million a year, the broadcast content fund is £3 million a year and the production growth fund is £2 million a year. We have some flexibility to move lottery funding across years.” (col 29)

Ms Davis and Iain Munro, Chief executive of Creative Scotland, indicated that total funding for each fund would be published. Creative Scotland’s recent submission provided data on the total spend on a number of funds, dated 2018-2020 but not broken down by financial year. The table below summarises the information provided in the submission. Please note, where it was not clear which funding the quoted figures related to the table quotes the words used in Creative Scotland’s submission. Not all the funds listed above are mentioned in the submission – nor is it clear whether all of the figures quoted are separate awards.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total Awards</th>
<th>Number of projects/awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Film Development and Production Fund</td>
<td>£5,069,014</td>
<td>73</td>
</tr>
<tr>
<td>Broadcast Content Fund</td>
<td>£5,953,761</td>
<td>52</td>
</tr>
<tr>
<td>Film Education Partnership Fund</td>
<td>£1,483,214</td>
<td>30</td>
</tr>
<tr>
<td>Cinema Equipment Fund (established Mar 19)</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>Support for “the development of Scotland’s exhibition sector” by 31 March 2020⁴</td>
<td>£1,600,000</td>
<td>-</td>
</tr>
<tr>
<td>Production Growth Fund</td>
<td>£295,500</td>
<td>10</td>
</tr>
<tr>
<td>&quot;Aggregate support for skills and talent development programmes&quot;</td>
<td>£4,017,933</td>
<td>-</td>
</tr>
<tr>
<td>&quot;XpoNorth&quot;</td>
<td>£50,000</td>
<td>-</td>
</tr>
</tbody>
</table>

For reference, Annexe C includes a summary of the funding criteria used for two of the larger funds, the Production Growth Fund and Film Development and Production Fund. A complete list of all the funds, their purpose and the amounts stakeholders can apply for is provided in Annexe D.

Data, Monitoring and Evaluation

The Committee’s report noted that without reliable data on spend, it will be impossible for the Screen Unit to demonstrate return on public investment. The Committee’s report also stressed the need for a dedicated data hub to be established as a means of monitoring progress but also setting the strategic direction and a basis for allocating resources to specific areas e.g. training for specific professions etc.

Screen Scotland’s business plan addressed the need for data, monitoring and evaluation. It highlighted three parts to developing its capacity to monitor and evaluate its work:

- Identifying the current data available;
- Develop indicators of effectiveness and explore how best to present the information.
- Dissemination of data.

According to the business plan, Screen Scotland expected to have undertaken much of the work of the first two bullets and to have “a schedule in place for the publication of data on Scottish screen”.

The business plan also noted that separate work would be undertaken for the area covered by Highlands and Islands Enterprise.

INFRASSTRUCTURE

The Committee’s report described an urgent need for studio space to be created in Scotland. The Committee heard that this limits the economic and cultural benefits of production companies choosing to film in Scotland.

The need for additional studio space in Scotland has been a long-standing issue. In 2013, the Scottish Government established the Film Studio Delivery Group, which

⁴ The submission could be read that this money is through the Cinema Equipment Fund, or that it may be that the Cinema Equipment Fund is part of the reported £1.6m.
began as a partnership between the Scottish Government and its agencies, Scottish Enterprise and Creative Scotland. In a letter to the Committee in June 2019, Creative Scotland indicated that the Film Studio Delivery Group had been re-established.

“A Film Studio Delivery Group has been established which comprises representatives of Screen Scotland, Creative Scotland, Scottish Enterprise, Highlands and Islands Enterprise and Scottish Government. The group is responsible for developing the strategic direction of work to enable a range of studio infrastructure in Scotland. It will deliver a strategy that seeks to enable the availability of an appropriate range of studio infrastructure in Scotland to suit productions of all sizes and ambitions. This work is underway and performance indicators are in development.”

The Committee was told that it is important to have a variety of spaces and the capacity to support and train a range of professionals in the screen industry.

The Committee reported on the views of stakeholders who were critical about the efforts of the Scottish Government and its agencies in taking forward plans and delivering additional studio space in Scotland. One of the main issues that the Scottish Government has identified as a barrier to progressing plans for additional studio space is state aid rules. The Committee concluded:

“The Committee believe that failure of the Film Studio Delivery Group, which was set up in 2013, demonstrates the weakness of the “multi agency” approach which underpins the Screen Unit and supports the case for a stand-alone agency.”

And:

“Although the Committee understands the challenges presented by State Aid rules, we consider it unacceptable that while other areas of the UK have developed enhanced studio infrastructure in line with State Aid rules, Scotland has continued to fall behind. While others have approached the demand for studio space imaginatively, Scotland has been overly cautious and nothing has been delivered at the initiative of any of the public sector bodies or agencies involved.”

When the Committee heard from Creative Scotland and Screen Scotland in May 2019, it had appeared that plans for a new studio in Leith docks were close to being delivered. Screen Scotland said:

“We launched the tender process in November [2018]. We were keen to be able to announce an operator by the end of April. We are not quite in that position yet. … We still hope that the facility can be operational by the end of this year. We will come back to you as soon as we can. We have not set a date, but I certainly hope that we will be in a position to come back with more news on that by the summer.”

Creative Scotland’s written submission to the Committee, of 28 February 2020, stated—
“Having published a tender seeking an operator to run the studio [in Leith] we are anticipating making a public announcement of the operator in March 2020. This is a major step forward in Scotland’s ability to take advantage of the global boom in high-end TV and film production.”

Creative Scotland’s letter in June 2019 noted that it is maintaining a list of Film and TV Studio and Build-space in Scotland. This document includes a wide variety of sizes and types of studios, including the Pelamis Building in Leith. The total area of studio space available indicated by the list could be estimated to be around 52,000 square metres. For comparison, Pinewood Studios in London has around 24 stages totalling 47,000 square metres.\(^5\) The written submission from Creative Scotland to the Committee, of 28 February 2020, stated:

“We are working with the sector and with Scottish Enterprise to identify further sites around Scotland that have the potential for studio or infrastructural development, providing specialist advice and consultancy support as appropriate.”

Ned Sharratt
SPICe Research
February 2020

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.

The Scottish Parliament, Edinburgh, EH99 1SP www.parliament.scot

\(^5\) https://www.pinewoodgroup.com/studios/pinewood-studios/stages-facilities/stages
Excerpts from Memorandum of Understanding between Screen Scotland Partners relating to Business Development and Support

Highlands and Islands Enterprise

We will provide support for emerging and established creative entrepreneurs to build dynamic, innovative, sustainable and competitive (DISC) screen businesses across the region through bespoke specialist screen support, ranging from advice or mentoring, access to finance, or support developing new products and business models, or identifying and accessing new markets. Levels of support will be predicated on ambition, commercial opportunity, importance to regional infrastructure or value to locality.

Scottish Enterprise

SE will support companies in the screen sector through a range of initiatives such as supporting companies with growth ambitions and working alongside partner agencies and the public sector broadcasters to ensure Scotland develops the number of screen companies of scale identified in this MOU.

In line with the ambition to boost the number of production companies with a turnover greater than £10m, we will focus support on companies identified as having ‘high growth potential’. Companies not meeting the high growth criteria will have access to SE’s online services and products, and partnerships with a range of organisations.

We will collaborate with partners and others including Business Gateway, Local Authorities and the Scottish Chambers Network to ensure streamlined and joined up business support, help businesses develop leadership skills, for example by delivering a dedicated business development programme through Screen Scotland, and helping screen companies to flourish and contribute to Scotland’s economic success.

Companies in the screen sector will be eligible for all of our services which include:

- Business Development and advice
- Developing products and services
- Funding and grants
- Exports and International markets • Improving productivity and skills.

Creative Scotland

Creating specialist business development provision for screen businesses ensuring that advice and support is appropriate and easy to access.
## 2018/19 Reported Funding for Activities

<table>
<thead>
<tr>
<th>Screen Scotland Strand</th>
<th>Grant-in-aid spend in 2018/19 £'000</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadcast Content Fund</td>
<td>3,012</td>
<td>The Broadcast Content Fund promotes the sustainable growth of Scotland’s broadcast production sector, encouraging the development of new projects, the scaling up of already successful activities and the production of commissioned programmes</td>
</tr>
<tr>
<td>Production Growth Fund</td>
<td>1,575</td>
<td>The Production Growth Fund aims to help grow Scotland’s screen production sector, creating employment opportunities for Scottish crews, encouraging the use of production facilities, providing significant opportunities for the professional development of producers based in Scotland, and delivering a direct and significant economic benefit to Scotland. The Funding helps in attracting large scale productions into the country, and maximising screen spend in Scotland.</td>
</tr>
<tr>
<td>Screen Commission</td>
<td>579</td>
<td>The Screen Commission department provide the locations service, represent Screen Scotland at international markets and industry events and work with production companies to provide crews, talent and facilities in Scotland.</td>
</tr>
<tr>
<td>Film Education</td>
<td>786</td>
<td>The film education programme provides funding for improving and expanding the provision of film and moving image education in every context, increasing its reach, depth and inclusivity.</td>
</tr>
<tr>
<td>Talent</td>
<td>111</td>
<td>The talent programmes seek to develop Scotland’s screen talent and promoting Scotland’s talent in domestic and international markets.</td>
</tr>
<tr>
<td>Audiences</td>
<td>545</td>
<td>Developing audiences in Scotland by increasing access to a wide range of high-quality film and television and raising the profile of Scottish film and television among audiences in Scotland, the UK and internationally.</td>
</tr>
<tr>
<td>Skills</td>
<td>572</td>
<td>The skills programmes provide funding for Improving employment opportunities in the sector through increased and co-ordinated opportunities for work-based learning, training and development.</td>
</tr>
<tr>
<td>Screen Scotland Strand</td>
<td>National spend in 2018/19</td>
<td>Details</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Film Development &amp; Production</td>
<td>3,686 £'000</td>
<td>This fund supports the development and production funding for feature length films and documentaries made by filmmakers based in Scotland.</td>
</tr>
<tr>
<td>Production Growth Fund</td>
<td>730</td>
<td>The Production Growth Fund inward investment will support producers based within and outside Scotland to make live-action and animated features, and live-action and animated high-end television drama series where they secure major production and, or post-production expenditure within Scotland, employing cast and crew based in Scotland, and, or using Scotland-based production facilities companies.</td>
</tr>
<tr>
<td>Talent Development</td>
<td>630</td>
<td>2018/19 was the 4th year of the Scottish Film Talent Network project, which received funding of £483,000 of which £200,000 was provided from the British Film Institute. The Network has three partners: the Centre for the Moving Image (CMI), Digi Cult and Hopscotch Films and has been awarded the contract by Creative Scotland to deliver the Scottish element of the BFI NET.WORK. The Bellrock Screenwriting Workshops funds 6 screenwriters for the opportunity to work with a team of established industry mentors to develop original screenplays over the course of three 5-day residential workshops (£140,000).</td>
</tr>
<tr>
<td>Audience Development</td>
<td>500</td>
<td>Funding of £500,000 was provided to Regional Screen Scotland to address the gaps in screen provision in Scotland by ensuring that communities can share great screen experiences.</td>
</tr>
</tbody>
</table>

ANNEXE C

Summary of Production Growth Fund and Film Development and Production Fund

Below is a summary of two of the larger funds administered by Screen Scotland, which includes information on who can apply, and the criteria used.

Production Growth Fund

https://www.screen.scot/funding-and-support/screen-scotland-funding/production-funding

Purpose

The Production Growth Fund aims to help grow Scotland’s screen production sector, creating employment opportunities for Scottish crews, encouraging the use of production facilities, providing significant opportunities for the professional development of producers based in Scotland, and delivering a direct and significant economic benefit to Scotland. It seeks to do this by attracting large scale productions into the country, and maximising spend in Scotland. The Fund has a budget of £2m for the period 2018/19 and is available to qualifying productions in the form of a non-recoupable grant.

What will it fund?

It will fund live-action and animated features, and live-action and animated high-end television drama series that demonstrate the ability to create employment opportunities for crew, that utilise production facilities companies based in Scotland, provide co-production opportunities for producers based in Scotland and that deliver a direct and significant economic benefit to the screen production sector in Scotland. You can apply for a grant towards the production costs of a project that will be shot and/or post-produced wholly or partially in Scotland.

Who can apply?

Producers based within and outside Scotland can apply if they are able to demonstrate that by accessing the Production Growth Fund they will secure major production and/or post-production expenditure within Scotland, employing cast and crew based in Scotland, and/or using Scotland-based production facilities companies, thereby significantly increasing the economic benefit to Scotland. If you are a producer based outside Scotland, the attachment of a Co-Producer based in Scotland could enhance the overall benefits for Scotland, which taken together with a significant spend to funding ratio will strengthen your application. Applications for the support of projects that aim to maximise training opportunities for crew based in Scotland are encouraged and welcome.
How much can you apply for?

Awards are likely to range from £200,000 up to a maximum of £500,000. • The ratio of the Estimated Scottish Spend to the level of funding requested should be a minimum of 8:1.

Further guidance

• Your project must be in an advanced stage of development and financing and you should be aiming to commence budgeted prep within 12 weeks of a decision being made.
• Awards will be in the form of a non-recoupable grant.
• You will be required to supply a full production budget, production schedule, post production schedule and finance plan along with your application.
• You will be required to provide a fully detailed breakdown of your Estimated Scottish Spend
• We will require customary security and/or takeover arrangements to be put in place (for example, a bond) to ensure completion and delivery of the project in accordance with the script, budget and schedule.
• We will require approval over all key elements of the production, including the finance plan, the terms and conditions of all finance, and the budget and schedule.
• A contribution of £7,500 towards Creative Scotland’s legal costs must be budgeted for on all projects supported by the Production Growth Fund.
• Priority will be given to projects that provide significant opportunities for producers, production staff, craft and technical trainees based in Scotland.
• Disability Access Materials must be budgeted for within the production budget, regardless of whether a UK distributor is attached at the point of application. This should include the creation of a subtitle file for the hearing impaired (to include dialogue and sound effects of the Film suitable for use for captioning/subtitling purposes); and an audio description track for the visually impaired in an appropriate format for use in theatrical distribution. These should be supplied in the proprietary format for Dolby Screentalk and DTS CSS discs.
• You will be required to ensure that any agreement for the distribution of your film in the UK provides for distribution of softsubtitling and audio description materials in cinemas and on any DVD release of the film.

Film Development and Production Fund

https://www.screen.scot/funding-and-support/screen-scotland-funding/development-funding

Purpose

Through our film development and production fund, we want to balance projects that have a strong cultural impact with those that have strong economic potential. We will prioritise the development and production of projects by filmmakers based in Scotland, as well projects which reflect or promote Scottish culture, creativity and diversity. We will also prioritise projects which offer significant opportunities to people currently under-represented in the sector. Additionally we will fund the production of projects in
Scotland from international producers, but only when working with writing and directing talent based in Scotland.

What will the fund support?

There are two routes in the Film Development and Production Fund. These are:

1. Single Project Development Funding:  Support towards the initial development costs of a single feature film project.

2. Film Production Funding:  Support towards the production costs for a film project.

What are the key criteria that we use to assess a film development or production project?

The decision on which applications will be funded will be based on an assessment of how far a project meets the following key criteria:

- The project demonstrates the ability to be a high-quality work that promotes Scotland’s creativity and can attract a national and international audience; and
- The project provides significant opportunities for the creative and professional development of established and emerging writers, directors, producers and craft and technical talent based in Scotland; and
- The project demonstrates the ability to be successful creatively and reach its audience, and will make a positive contribution to the Scottish economy.
Funding & Support

Below is a list of the funds provided by Screen Scotland with a brief summary of what they do, and the amounts involved.

Film Development and Production Fund

Development and production funding for screen projects by filmmakers based in Scotland.

Single Project Development Funding in the range of £3,000-£50,000.

Production Funding is likely to be made in the range of £100,000-£500,000. If appropriate, Screen Scotland may accept an application for a higher amount, where the project demonstrates exceptional benefits for the film sector in Scotland, as well as strongly meeting all our funding criteria to the highest level.

Broadcast Content Fund

Development and production funding for broadcast projects by eligible Scottish production companies.

The Fund has an allocation of £3m for the period 2018/19 and will prioritise projects which have the potential to generate lasting benefits to build companies of scale, reflect or promote Scottish culture, creativity and diversity, as well as projects which offer significant opportunities to people currently under-represented in the screen sector.

Screen Scotland would normally expect Broadcast Content Development Funding awards to be in the range of £10,000-£50,000 for the development of a single project and up to £100,000 for the development of a slate of projects. Where a development budget for an individual project requires more than the maximum award of £50,000 then production companies will be awarded funding for an initial stage of development and can then reapply for additional funding where they can demonstrate that the initial development phase has enabled them to obtain broadcaster interest and/or committed co-funding from a broadcaster or other third party.

Production Growth Fund

Funding for large scale productions to film in Scotland, utilising crew, locations and facilities based here.

The Fund has a budget of £2m for the period 2018/19 and is available to qualifying productions in the form of a non-recoupable grant.

Awards are likely to range from £200,000 up to a maximum of £500,000. The ratio of the Estimated Scottish Spend to the level of funding requested should be a minimum of 8:1.
Film Festival Fund

Funding to support film festivals and other projects which help bring diverse film programmes to audiences across Scotland.

Awards are likely to be in the range of £5,000 - £70,000, per year of activity, depending on the scale and reach of your festival. Festivals with a strong track record can apply for support for up to two years’ activity (ie a maximum of £140,000 for a two year programme).

Applications must include at least 10% partnership funding and all applications will be strengthened by higher levels of cash or in-kind match funding from other partners or the organisation applying. Only in exceptional circumstances will we consider funding up to 90% of a project budget.

Distribution and Exhibition Fund

Funding to help Scottish films reach wider audiences across Scotland, the UK and internationally.

Awards are likely to be in the range of £5,000 - £15,000.

Market and Festival Attendance Fund

Funding to help screenwriters, producers and directors attend key festivals and film markets.

Applicants can apply for one of the following set amounts of support:

- £500
- £750
- £1,000
- £1,500 (maximum).

Awards will vary depending on the location of festival or market and the estimated cost of accreditation and attendance.

Expenditure should only cover the following:

- Registration at the Market or Festival
- Economy travel • Accommodation
- Subsistence of up to a maximum of £30 per day
- Reasonable ground transportation costs
- Reasonable promotional materials, specific to the project, activity and market or festival up to a maximum of £250
- Childcare costs, if required.
Film Education Partnership Fund

Funding to increase access to film education provision in communities across Scotland.

The fund has a total available budget of £300,000. Awards are likely to be in the range of £5,000 - £15,000 per year for Pilot Developments. Awards are likely to be in the range of £5,000 - £70,000 per year of activities for a full Partnership Programme, depending on the scale and reach of the project. You can apply for support for up to two years (ie a maximum of £140,000 for a two year programme).

Professional Development Fund

Support for individuals working in film and television to access training, mentoring and other professional development activity, nationally and internationally.

You can apply to this fund for any amount between £250 and £5,000.

Expenditure should only cover the following:
- Registration / course / activity fee
- Economy travel
- Accommodation
- Subsistence of up to a maximum of £30 per day
- Access costs.

Cinema Equipment Fund

The Cinema Equipment Fund aims to increase access to cinema and encourage resilience for film exhibitors based in Scotland.

For community venues, we anticipate awards of up to £25,000. For venues running DCI-compliant equipment, we anticipate awards being up to £100,000 to allow for installations in multiple auditoriums. The total allocation for this fund is £1.6m, until the end of March 2020.
Screen Scotland Business Plan – 2019/20

The Screen Scotland Business Plan sets out the organisation’s delivery activities for the 2019/20 period. These activities include:

- Development and Production
- Business Support
- Talent
- Skills
- Film Education
- Audiences
- Filming in Scotland
- Studio and Build Space

The Business Plan includes actions and Key Performance Indicators which have been summarised below. We understand from Screen Scotland’s last appearance before the Committee that they also use a suite of internal measures which will enable them to monitor and evaluate their performance but these have not been shared with the Committee.

Development and Production

Target

Increase the range and number of Scottish screen titles or projects produced annually for domestic markets. Increase the range and number of Scottish screen titles or projects produced annually for international markets. These feed into achieving the Collaborative Proposal (2017) target of a 100% increase in production spend by 2022/23 (from a baseline of £69.4m in 2016/17). This will include developing the methodology to identify production spend in film and television.

Key Performance Indicator

Total production spend by companies based in Scotland.

Business Support

Target

Identifying up to 40-50 companies and readying them to access the full range of enterprise agencies business support.

This target feeds into the Collaborative Proposal (2017) target to increase Scottish company growth to boost the number from 2 to 6 in the UK top 50, with a turnover at least greater or equal to £10m by 2022/23.

Key Performance Indicators

Start-up and closure of screen companies (including Special Purpose Vehicles) receiving business support.
Number of Scotland-based screen companies supported by partner agencies in the UK top 50.

**Talent**

**Targets**

Scotland-based talent recognised internationally and nationally. Increased number of Scotland-based television executive producers, development producers and series producers and writers and directors.

**Key Performance Indicators**

Number of films by Scotland-based talent achieving national and international distribution. Number of television programmes from Scotland-based talent commissioned and broadcast.

**Skills**

**Targets**

Grow the number of skilled crews and increase the depth and readiness of crews to support productions in Scotland. Grow the skills base in other sectors of the value chain, including exhibition, distribution and audience development. Improving the diversity and learner/student progression rates into the Scottish screen workforce, of graduates from screen-related college and university courses.

**Key Performance Indicator**

Number of participants completing screen skills qualifications, training and professional development programmes supported by Screen Scotland and partner agencies.

**Film Education**

**Targets**

Increasing the number of partnerships of providers and primary and statutory education mainstream institutions delivering quality film education projects and qualifications. Improving the availability of career-long professional learning opportunities for teachers. Increasing the number and diversity of school pupils engaging in film education activities.

**Key Performance Indicator**

Number of teachers, film education practitioners and young people participating in funded film education partnerships.
Audiences

Targets

Increase access to cinema across Scotland. Increasing range of films and television content available to audiences in Scotland. Increasing admissions and diversity of audiences for specialised films including new Scottish films, and films from Scotland’s screen heritage. Increasing resilience of exhibition sector through new investment in infrastructure.

Key Performance Indicator

Number of cinema and film festival admissions in Scotland.

Filming in Scotland

Targets

To deliver a quality film locations service for Scotland. To launch a refreshed locations website in 2019/20. To develop a meaningful approach to capture film and television inward production spend. These targets feed into achieving the Collaborative Proposal (2017) target of a 100% increase in production spend by 2022/23 (from a reported baseline of £69.4m in 2016/17).

Key Performance Indicators

Inward production spend by film and television productions.

Number of film and television productions filming in Scotland.

Studio and Build Space

Target

Launch a tender for a private partner to let, refurbish and operate a new studio facility in Scotland. This target contributes to achieving the Collaborative Proposal (2017) target of 100% increase in production spend by 2022/23 (from a reported baseline of £69.4m in 2016/17).

Key Performance Indicator

New studio facility refurbished and open by April 2020.
Culture, Tourism, Europe and External Affairs Committee

8th Meeting, 2020 (Session 5) Thursday 5 March

Article 50 – Withdrawal Agreement and the Negotiation of the Future Relationship

Note by the Clerk

Background

The Committee has previously taken evidence this year on the Northern Ireland protocol and the negotiation of the future relationship between the European Union and the United Kingdom. The Committee also took evidence from the Scottish Government’s Cabinet Secretary for the Constitution, Europe and External Affairs, Michael Russell MSP. Full details of the Committee’s scrutiny of the Article 50 process can be accessed at—


Evidence session

This evidence session will consider the UK Government’s current position in relation to the Withdrawal Agreement and the future relationship negotiations. The Committee will take evidence from—

• Rt Hon Alister Jack MP, Secretary of State for Scotland;

• Gillian McGregor CBE, Director, Office of the Secretary of State for Scotland; and

• Nick Leake, Deputy Director, Policy, Office of the Secretary of State for Scotland.

Stephen Herbert
Clerk
Culture, Tourism, Europe and External Affairs Committee
2 March 2020