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Matthews B (Barry)

From: mike@mikekidd.co.uk
Sent: 30 March 2007 12:52
To: Cultural Bill Consultation
Cc: Dagg AL (Anne)
Subject: Scotland's Screen Industries Summit Group (SISG) Response to Draft Culture Bill

For the attention of Barry Matthews

Dear Barry,

I am pleased to attach a response to the Draft Culture Bill on behalf of Scotland's Screen Industries Summit Group (SISG).

SISG is happy for the response to be made available to the public and for the Scottish Executive to contact me again in relation to this response.

I have also submitted the specific responses to questions 5, 6 and 7 included in the attachment in a return using the Executive's online response form. However, this attached version also includes an introduction and an Annex which contains further background information on SISG. So I would request that the attached is used as our official response.

I assume you do not require a separate hard copy?

Regards,

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SISG Response to the Draft Culture (Scotland) Bill Consultation

SISG is a cross-industry group which seeks to increase the network presence and international growth of Scotland's screen industries. A brief description of the group's origins and activities is included in the Annex.

SISG welcomes the opportunity to comment on the Draft Culture (Scotland) Bill. Our main interest is in the proposals for Creative Scotland and we are therefore focusing our response on questions 5, 6 and 7 raised in Annex B of the Executive's consultation document. All cross references in our response are to paragraphs in the consultation document.

Consultation Question 5: Do you agree that there should be a single national cultural development body?

SISG's main concern is that the unprecedented opportunities and challenges facing Scotland's screen industries are adequately addressed by Creative Scotland and other relevant public sector organisations.

Scotland's screen industries have consistently outperformed all other regions of the UK outside of London with 9.3% of UK sales (£1.2bn per year) and employment of 8,000. This output includes worldwide hits like *Grand Theft Auto* (cumulative sales of $2 billion), *Balamory* (15 million weekly viewers across Europe) and *Taggart* (sold to and seen in 77 countries). In addition to this there are UK hits like *Location, Location, Location*, *Rebus* and *Red Road.*

In spite of this, Scotland still only achieves 5% of total UK screen industry spend, 3.6% of UK network television production and 2% of the total UK screen industries' Gross Value Added. And although Scotland produces internationally recognised and competitive business, creative and technical talent, there is a constant drain of that talent south of the border and overseas.

Scotland has the second highest number of cinema admissions per capita in the UK (after London), adding up to more than 15m admissions, with more than 500,000 admissions in specialist venues. However, if you live outside of a major urban area, you will be severely limited in your access.

And Scotland has a unique and distinctive international awareness and presence, yet attracts significantly less than its fair share of inward investment for screen activity. For example, less than 2% of the UK's total spend on feature film is in Scotland.

A raft of regulatory and public policy reviews, developments, consultations and changes have presented the screen industries with a parallel raft of opportunities in growing and developing the sector. This includes the Scottish Curriculum Review, Scottish Enterprise Review, the Scottish Cultural Commission, BBC Charter Review, BBC WOCC, various

Ofcom regulatory changes and recommendations, Film Tax Credit and Cultural Test for British Film Implementation, EU Policy (e.g. Audio Visual Media Services Directive, Content Online Consultation and Media Literacy Consultation), the Skillset-led and industry approved sector skills agreement and Scottish Screen's fresh approach to leading the development of the screen industries sector in Scotland.

The means of production, distribution and consumption are being revolutionised through digital technologies. This is reducing the cost of entry for both producers and consumers and demanding new business models and new skill sets to reflect and exploit these cultural and commercial opportunities. Furthermore, 'screen' is no longer limited to film or television for most people. Scotland's screen industries (including film, television, video, interactive, web, animation and computer games) must be at the forefront, seizing these opportunities.

Scotland has a unique opportunity to rapidly and significantly develop its screen industries – economically and culturally, benefiting individuals, audiences and businesses across the country. This could see for example, network television production from Scotland more than doubling, employment in the sector increasing by 50%, increased opportunities to consume a broader range of product and 'screen' being more clearly prioritised within economic, cultural and educational strategies, environments, policies and interventions.

Indeed, there is an immediate need to focus energy, activity and resource on seizing this opportunity ahead of the establishment of Creative Scotland.

SISG has no objection in principle to the establishment of a single national cultural development body, but is concerned that the distinctive cultural <u>and</u> economic development needs of Scotland's screen industries are sufficiently recognised, prioritised and resourced.

Consultation Question 6: Do you agree with the remit proposed for Creative Scotland? Has it the right powers and functions?

We note that Creative Scotland will have an economic development role for the creative industries (paragraph 3.6) and that consideration is being given to what extent business advice and support to these industries should be provided in future by the Enterprise Networks and/or by Creative Scotland, with Ministers expecting to reach a view on this in 2007 (paragraph 3.7).

SISG believes that the structure of business support for the creative industries – and specifically for the screen industries – will be hugely influential on the scale and organisational culture of Creative Scotland and on the nature of its relationships with the industries and enterprise agencies. Resolution of this issue is an urgent priority.

The proposed structure should clarify organisational responsibilities, for example we would expect that Scottish Enterprise would have a role to play in major inward

investment strategies (especially in the major digital industries as screen industries diversify and digitise) and in promoting innovation. There is also a need to define the relationship which Creative Scotland should have with UK-wide organisations with at least a partial implicit or explicit 'cultural' remit, for example the bfi, British Council, NESTA, Ofcom and Public Service Broadcasters (including the BBC and Channel 4). It is important to ensure that Scotland is treated equitably, not least in terms of budgetary allocations from these UK-wide organisations.

We would also stress that it is essential that any operational economic development role for Creative Scotland should be conditional upon the allocation of sufficient financial and human resource.

In paragraph 3.6, the consultation document describes the creative industries as those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property, including such activities as design, music, publishing, literature, craft, designer fashion, film, computer and gaming software and television and radio.

SISG appreciates that this list of activities is not intended to be comprehensive, but would like clarification that advertising is also regarded as a creative industry, consistent with the definition used by the Executive's own statistics, the Department of Culture, Media and Sport and SISG.

Consultation Question 7: Do you agree that Creative Scotland should work in concert with the Scottish Executive to implement national cultural policy?

The draft legislation in Annex A of the consultation document makes it clear that Creative Scotland should work in concert with the Executive and also sets out the extensive powers of Ministers, including the appointment and removal of members (including the Chair), approval of the appointment of the Chief Executive and rigorous financial management and reporting responsibilities. We do not understand why there is an additional proposal (paragraph 3.11) for a power for Ministers to give directions to Creative Scotland which they must follow. The reason stated is that it is to ensure that Ministers and Creative Scotland pursue a consistent strategy. If so, should this power not be applied to all NDPBs in Scotland? And why appoint a Board in the first place? Nor are we reassured by the undoubtedly sincere statements that Ministers will not use such powers to intervene in decisions that are essentially about artistic judgement. Legislation is presumably intended to outlive specific Ministers or Administrations.

SISG would like clarification of the specific circumstances under which the power for Ministers to give directions could be used.

Annex

SISG (Scotland's Screen Industries Summit Group)

SISG was formed at the request of the industries at the Screen Industries Summit for Scotland in Glasgow in 2003. It seeks to increase network and international presence and growth in production across all areas of the screen industries in Scotland. Industries represented are television, feature film, animation, advertising and interactive leisure software/computer games. The current terms of reference of the group are:

- developing high level policy and strategy to further the interests of the Scottish screen industries as a whole where such policy and strategy is addressed more effectively by the group than by any subset of its member organisations;

- representing and lobbying for the high level interests of the Scottish screen industries to all interested parties, such as consumers, government (including Edinburgh, Westminster and Brussels), educational and training institutions and regulators, where this can be achieved more effectively by the group than by any subset of its member organisations; and

- supporting appropriate research to ensure important issues are addressed and that such research is not duplicated.

The group's current short/medium term objectives are that:

- Scotland's share of television network production should increase; we support an increase in the share of network production from the 'three nations' of Scotland, Wales and Northern Ireland to 17%, broadly in line with population;
- Scotland's network commissioning power should be increased significantly;
- in the event that Ofcom and the Government decides to create a new public service publisher (PSP), then the PSP should be located in Scotland;
- significant strengthening of the presence of Channels 4 and 5 in Scotland should take place; and that
- recording and recognition of R & D within the industries should be improved.

The composition of SISG, which encompasses the broadcasters, the independent production sector and other public organisations and private companies, means that it represents the screen industries at the very highest level in Scotland.

Current members are: BBC Scotland, BT Scotland, Channel 4, Dave Wightman (Edgies), Gaelic Media Service, Glasgow Film Office, Highlands & Islands Enterprise, Alan Clements (IWC Media), Jeff Meek (McCabes), Allan MacDonald (MnE Television), Pact, Scottish Enterprise, Scottish Executive, Scottish Screen, Skillset Scotland & N. Ireland, Andrew McLennan (Slam Games), SMG Television, The Research Centre (TRC) and Ian McAteer (the Union Advertising Agency).