

# **Policy Statement for the Creative Industries**

**October 2019**

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This statement sets out the Scottish Government's priorities in relation to the creative industries in Scotland. It articulates our vision for the sector and highlights a number of areas that we consider important for its development, and which we continue to work towards.

The purpose of the statement is to provide clarity and focus around our work for the sector and help align priorities with those of our partners, creative businesses and other stakeholders.

Rather than a final statement, it should be considered an on-going conversation which allows us to seek common ground, work more strategically, and adapt our priorities to achieve the best outcomes for the sector.

## The Creative Industries in Scotland

The creative industries are industries that have their origin in individual creativity, imagination, and curiosity and are where creative motivation provides the basis for living, working or studying.

By producing new insights, products, services, and experiences, they have the capacity to generate cultural, social and economic value.

The Scottish Government's definition of the sector includes visual and performing arts, cultural education, crafts, textiles, fashion, photography, music, writing and publishing, advertising, libraries, archives, antiques, architecture, design, film and video, TV and radio, software and electronic publishing, and computer games.

### **Economic, social and cultural contribution**

The creative industries make an important contribution economically, socially and culturally to Scotland and internationally. It is one of the fastest growing sectors in Scotland, with its contribution to the economy (GVA) having grown 62% between 2008 and 2017.

The creative industries are estimated to support around £9 billion of activity within the wider Scottish economy and contribute around £5.5 billion to Scottish GDP (in basic prices). This represents about 4% of total Scottish GDP.

Being one of Scottish Government's seven<sup>1</sup> growth sectors, it is a sector where we have many strengths, including a strong international reach and impact. The skills and business models of the sector are varied and are judged by many experts to be of increasing importance: combining technical and creative skills, collaborative working across and beyond the sector, entrepreneurialism, social enterprise, and revenue generation.<sup>2</sup>

With an increasing understanding of the role of creativity in health and wellbeing, creative businesses also play an important role in building resilient communities and social transformations.

### **Strengths of the creative industries**

The creative sector in Scotland draws on a range of assets such as our rich and varied culture, exemplary creative education, the natural environment, our heritage and entrepreneurial and creative people.

A strong identity, authenticity, tradition, distinct languages such as Gaelic and Scots, and a spirit of innovation contribute to their success. Taking advantage of Scotland's scale and strong connections, successful creative businesses are innovative, resourceful, agile, and open.

This is demonstrated, for example, among our International Festivals in Edinburgh; the games cluster in Dundee; the design, architecture, music, textiles and film and television sectors in Glasgow; the textiles sector in the South of Scotland; and the craft, music and textiles sectors in the Highlands and Islands, and the digital tech sector across the whole of the country.

Scotland also has three cities in the UNESCO creative cities network: Edinburgh City of Literature, Dundee City of Design, and Glasgow City of Music, and the Outer Hebrides has been designated World Craft City status.

### **Public sector support for the creative industries**

The Scottish Government and our public sector partners support the sector by advocating, championing, investing, and brokering relationships within the sector and with wider industry.

We want to ensure that public sector support is used in a strategic way, achieving the best long term outcomes, and that creative businesses have the right advice, networks and opportunities to realise their full potential.

## **Our Vision**

Our vision is that the creative industries will play a key role in Scotland having a creative future. In order to achieve this vision, we will work towards a Scotland that is open for business for the creative industries – where forward thinking and sustainable business models and ambitious, innovative and pioneering initiatives and ideas are nurtured and developed.

We will work towards Scotland being a creative international leader and where business, the public sector and wider society understand and celebrate our creative industries. This includes creative industries playing a key role in economic, social, cultural, technological and environmental transformations.

We aim to create the conditions for creative industries to grow sustainably and with resilience, recognising non-linear growth patterns and the triple bottom line of economic, social and cultural value. Creative businesses should be drivers of economic growth and should be encouraged to be experimental, dynamic, bold and confident.

We will work towards an environment where there is recognition of tangible and intangible creative and artistic skills, where creativity is evident throughout, and embedded within, Scotland's education and skills system, and where the sector is considered to provide a rewarding career.

## **Our Priorities**

### **Developing and retaining skills**

Creative process, critical thinking, entrepreneurship and business skills are fundamental in a successful industry. Imagination, artistic skills, and design thinking and doing should be nurtured and promoted.

This starts from children and young people's engagement in art, design, languages, music, problem solving and creative subjects at school, and the value and process of creativity embedded in all subjects. It should continue through Further and Higher Education and experience of work-based learning, in apprenticeships (including Foundation, Modern and Graduate apprenticeships), and lifelong learning.

By working with our public sector partners, our schools, colleges and universities, training providers, businesses and industries, and the wider sector, we will support and develop creative education and work-based learning to ensure everyone is able to develop their creative potential. This involves equipping with the right skills those who are motivated to realise their aspiration to have a career in the creative industries.

This includes the promotion of art, design and creativity at all stages of education and learning and creating clear career pathways that enable people to succeed. Acknowledging that creative careers can take many forms, we need to ensure that

students are well prepared for a career within their chosen sector. A focus on entrepreneurship and business development skills, linking graduates with industry, and ensuring that learning provision and apprenticeships meet future demand within the creative industries are important parts of this. This also includes ensuring retention of traditional craft and music skills and promoting these within a modern and digital context, and internationally.

We also need to acknowledge the importance of attracting and retaining international talent, including considering measures to mitigate the impact of the UK's decision to leave the European Union, and keep Scotland at the cutting edge of innovation. In 2018, there were 9,000 EU Nationals employed in creative industries, which is 6.5 per cent of all EU Nationals in employment and 7.2 per cent of all employment in the sector.<sup>3</sup>

By providing the right conditions for innovation and businesses to flourish, we need to ensure talent in Scotland is attracted, retained, nurtured and celebrated. This includes support of development of international research and business networks that underpin business investment, growth and export.

### **Developing business support**

While there is currently a range of support structures available, we need to ensure this offer is clear, accessible, based on expertise and focused on need. Building on findings from the Enterprise and Skills Review, we need to ensure that the right type of support is available at the right time for the creative industries, including expertise specific to different parts of the sector.

Working with business and industry, sector development organisations, and our public sector partners, we will work to find ways that the enterprise support system can engage better with the sector and offer services or support that meets the real needs of creative businesses. The support system should be business focused and allow flexibility between the agencies, recognising the realities of the business base and the needs of the sector in different areas of Scotland.

We will work with partners to create the right conditions for peer-to-peer support and creative networks, collaborations and partnerships, and we will encourage partnerships with businesses, industries and organisations outwith the sector to ensure other sectors benefit from our creative professionals.

In a rapidly changing business environment, with explorations of new markets and new technologies, businesses are often best placed to share experiences, coach, and support other businesses and academia, as well as seek support from other professional services. This can include advice and support on making the most of opportunities available and how to navigate the triple bottom line of economic, social and cultural value. Recognising the variety of different drivers and ambitions, it can also include advice and support on how to position the business at a particular point on the spectrum from culturally driven activity to commercial activity.

## **Promoting international profile**

Creative industries are well placed to showcase and promote Scotland abroad, for example through screen, music, fashion and textiles, design, architecture, digital technologies, games, visual and performing arts.

Our international hubs in Dublin, London, Berlin, Brussels, Toronto and Paris provide opportunities for boosting their international profile and growing collaborative activity to help increase exports and attract investment to Scotland. Working with Scottish Development International (SDI) and the wider business support system, we aim to ensure export, trade and investment advice and support is accessible and relevant to all scales and types of creative businesses. Access to international industries allows collaboration and co-production, keeps creative businesses engaged with international trends and consumer patterns and allows businesses to benchmark their own skills and products.

While the creative industries come from a position of strength, we need to consider the implications of the UK's decision to leave the European Union, in particular for the availability of talent, opportunities for trade and investment, and maintaining existing and supporting new creative networks.

We will continue to make the case to the UK Government for a continued close relationship with European countries and to ensure the vital contribution of EU nationals is maintained in this sector. With enhanced presence of SDI in Europe and the rest of the world, we will seize and instigate opportunities to strengthen these links, as well as links with the wider international market.

## **Promoting innovation**

Research suggests that the creative industries tend to be more entrepreneurial and more innovative than the wider economy.<sup>4</sup> For many creative businesses, everything they do could be considered research and development. Data driven innovation such as virtual and augmented reality, AI, informatics, and rapid prototyping will become even more important in the future and we are therefore keen to promote and support digital innovation.

Innovation is not only about technology and core analogue skills such as drawing, writing, making and performance skills remain essential. The amalgamation of such skills with tech and digital is important to drive innovation and we will aim to create environments where such interconnections can flourish.

Creative industries play a key role in the introduction of new products, new processes and services, and new ways of telling stories. They innovate in form, material, and design, maximising the benefits for industry and wider society. They can also innovate in new and varied business models and new ways of working, leading the way in adapting to societal changes.

We will work to strengthen links and collaborations between academia and industry, and to support clusters of innovative businesses, for example through the Civtech

model, Interface and the Arts and Humanities Research Council (AHRC) creative clusters and in industry-led partnerships.

Creative industries have a valuable role to play in innovating for the wider economy across many sectors, especially in terms of use of data and design. We will work to ensure productive connections across sectors, with creative industries adding value in terms of creativity, artistic and economic value, agility and innovation.

### **Encouraging inclusiveness**

One of the strengths of the creative industries lies in the broad range of perspectives represented by the sector. Diversity brings quality and there is a need for fresh and challenging voices and mind-sets that break the mould. However, evidence suggests that there is still a lack of diversity across gender, disability, sexuality, age and socio-economic background in the workforce.<sup>5</sup>

Working with our partners, universities and colleges, cultural and indigenous language organisations, broadcasters, and the advertising industry we aim to increase equality, inclusion and diversity across the creative industries and ensure the sector is a driver for social change.

We want to increase opportunities to broaden the backgrounds of those working in the sector and ensure talent is nurtured from a diverse range of perspectives. This includes ensuring that diversity outcomes are central to and embedded within activity, promoting more visible role models and promoting greater diversity among employees, senior teams and on boards. Initiatives such as Skills Development Scotland's Academy and Youth Board, as well as Creative Scotland's National Youth Arts Advisory Group are designed to bring new, diverse talent directly into strategy development and decision-making.

### **Strengthening importance of place**

Creative businesses are often embedded in a network in a particular area and thrive as a result of the connections, collaborations and sharing of resources.<sup>6</sup> Creative businesses often draw on distinct place-based identities in the products or services they provide, making the most of local culture, history and local distinctiveness. Building on connections to neighbourhoods, communities or regions adds to the attractiveness and competitiveness of businesses.

Working with our partners we encourage the development and strengthening of creative clusters, local collaborations, social enterprise and cross-sectorial networks and eco-systems. We support place building through City Region and Regional Growth Deals and Creative Scotland's Place Partnerships. We have also provided extra funding to libraries to create vibrant new collaborative workspaces around the country.

The increasing global trend towards working across creative sectors, with businesses increasingly dealing in 'content' and story-telling rather than a single

product, means complementary skills and knowledge should be encouraged regardless of sector, and a focus on place facilitates such connections being made.

Connections to 'place' is one of the strengths of the sector, but it can also be a challenge in rural and remote areas. Scotland's geography presents specific challenges and opportunities, which highlight the need to focus on improving digital and physical connectivity. Working with Highlands and Islands Enterprise (HIE) and the South of Scotland Enterprise (SOSE), we will encourage and facilitate partnerships across remote areas that have common interests or goals.

## **Focus on design**

Design and design thinking are important in all industries, including the creative industries. This is evident in diverse creative areas such as computer games, craft, advertising and fashion and textiles as well as other sectors such as manufacturing, construction and food and drink.

Design is the application of the professional creative process – across all media and every dimension – to identify and positively transform issues and opportunities to create economic and cultural value. Design is key to problem solving – to understand the world and how to innovate and change it for the better.

Design is a growing sector – between 2008 and 2017 the contribution of design to the economy (GVA) in Scotland grew by 107%. Design has an important role to play in transforming public services and adding value to other industries. It has the potential to increase the performance of products, services and processes, maximise resources, reduce waste and inefficiencies and improve sustainability and circular economics, thereby contributing to business competitiveness and also building brand recognition and successful, resilient places. Creative skills, such as those used in design, are also less likely to be replaced by automation and artificial intelligence and could therefore be considered more future-proof.<sup>7</sup>

Given the importance of design for the creative industries, the wider economy and for society as a whole, design and design thinking should be at the heart of policy making, policy delivery, and the wider economic agenda.

We will promote the value of design, the use of design thinking, and help build design capability across sectors. This is about promoting the use of good design in wider industry and the public sector and increasing awareness and demand in support of the creative sector.



## **Strengthening screen**

Screen industries (including film, video on demand and TV) have an important cultural impact and influence along with their economic contribution. They express our imagination, display our talent and tell the stories of our country and its communities. In doing so, they have a connecting effect that bring families and communities together and can greatly influence how Scotland is regarded in the UK and internationally.

The economic potential of screen is particularly great now given global demand for content is booming. Screen also has the scaling-up effect of investment which can create jobs and encourage high spend on facilities and hospitality, including an influx of tourism. This is often in parts of Scotland where economic spend is most needed.

For instance, our Production Growth Fund has already generated significant economic spend with the first £3.7m allocated resulting in an estimated £60m spend in the Scottish economy.<sup>8</sup> MG Alba's commissioning introduces circa £9.3m in to the sector<sup>9</sup>, while audiences of the hit TV series Outlander have driven up visitor numbers to many historic sites in Scotland.

We will work to make more of this potential in every way: culturally by developing our writers, directors and other talent, and economically by seeking to establish a stronger foothold in the global content market and to win, and build on, increased broadcaster spend in UK nations and regions. By putting in place the environment in which production can flourish - supporting training and skills development, facilities and infrastructure, and incentivising more production, both local and international - we will also seek to ensure greater production activity becomes the foundation of a lasting, sustainable industry.

With our new dedicated screen unit, Screen Scotland, launched in 2018, we will support film and TV-makers and screen companies in Scotland to develop and grow, to own more of their IP, create and fulfil more of their own projects and build better networks so they can greatly increase sales nationally and internationally, reaching audiences worldwide.

## **Acknowledgements**

This statement has been developed with input from [the Creative Industries Advisory Group](#) and builds on the work of our partners:

[Creative Scotland Creative Industries Strategy](#)  
[Skills Investment Plan for Scotland's Creative Industries Sector](#)  
[Highlands and Islands Enterprise Creative Industries Strategy](#)

## Notes

1. Six of which are set out in Scotland's Economic Strategy 2015 and are defined using Standard Industrial Classification (SIC) 2007 codes. The seventh is Higher and Further Education Sector.
2. Independent Review of the Creative Industries, Sir Peter Bazalgette, September 2017,  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/649980/Independent\\_Review\\_of\\_the\\_Creative\\_Industries.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/649980/Independent_Review_of_the_Creative_Industries.pdf).
3. Annual Population Survey, January 2018 to December 2018.
4. Creative Industries and Innovation (2018) - Reports for Scottish Funding Council by EKOS.
5. Creative Industries Federation (2017) Creative Diversity -The state of diversity in the UK's creative industries, and what we can do about it.
6. Independent Review of the Creative Industries, Sir Peter Bazalgette, September 2017,  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/649980/Independent\\_Review\\_of\\_the\\_Creative\\_Industries.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/649980/Independent_Review_of_the_Creative_Industries.pdf)
7. Creativity Vs Robots, Nesta, 2015 <https://www.nesta.org.uk/report/creativity-vs-robots/>.
8. Figures from Creative Scotland.
9. Figures from MG Alba.



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