Creative Scotland – Scottish Enterprise
Creative Industries Partnership Agreement monitoring group

October 2017

Background

This report provides an update on the work undertaken in the context of the Partnership Agreement between Creative Scotland and Scottish Enterprise. The Partnership Agreement was signed in December 2015 and it was agreed with the Scottish Government to present an interim report on partnership working. Subsequent to this, the reporting will be done in the first quarter of the financial year each year to align with the normal financial year reporting systems of both organisations.

The action to establish a partnership agreement between the two organisations was a direct recommendation of the Scottish Parliament Enterprise, Energy and Tourism inquiry into the creative industries that took place in the early part of 2016.

In addition to this specific recommendation, the main areas of work undertaken during the first period of the Partnership Agreement have been in relation to other recommendations of the EET Committee as well as work undertaken to progress a Shared Plan for Scotland's Creative Industries Partnership (SCIP).

It is also worth highlighting the fact that the inquiry undertaken by the EET Committee focused exclusively on the screen and games sectors, representing a part of Scotland's wider Creative Industries. The actions that are being progressed through partnership working extend far beyond the scope of the EET Committee and are intended to benefit the full range of the Scottish Government's definition of the Creative Industries.

Following the work undertaken to develop the terms of the Partnership Agreement a set of work areas were detailed in which progress was anticipated. These were:

- Access to Support Services and Finance
- Digital
- Regional and cross-regional support
- Impact Evaluation

In parallel with the development of the Partnership Agreement, a wider process is also underway around the development of Creative Scotland's Creative Industries Strategy (launched in May 2016) and the associated Shared Action Plan for Scotland's Creative Industries Partnership (SCIP).

As SCIP is a wider group, encompassing the full geographic range of enterprise support, as well as skills, Higher Education, Further Education and Local Authority interest, it is believed that working these themes

across the wider partnership will generate more co-ordinated and significant impact.

SCIP's Shared Action Plan was approved at the quarterly SCIP meeting in November 2016 and contains a number of actions that will be progressed by the partners. These reflect the work areas of the Creative Scotland/Scottish Enterprise partnership with the further addition of a single work area entitled 'Creating the Conditions for Success'. Each of the workstreams of the Action Plan is being taken forward by a different grouping of SCIP partners, with coordination support from Creative Scotland.

In addition to establishing this expanded partnership we have also been progressing some specific areas of joint working between Creative Scotland and Scottish Enterprise. This work is detailed here in the context of the four listed work areas:

Access to Support Systems and Finance

Work around this action has taken place in a number of specific areas. Responding to the EET committee actions, there has also been much activity on the development of the specific support systems for the screen sector.

Shared Resource Facility
The Shared Resource Facility is a pilot project developed and designed in partnership with some of Scotland's leading producers and Creative Scotland/Scottish Enterprise. The project will set up a service which will provide screen content businesses in Scotland with access to specialist business support and advice, helping create conditions where screen content business in Scotland will be able to contribute significantly to an increase in productivity, commissioned projects, higher production values and significant increase in internationalisation of Scottish product and visibility of Scottish productions. Creative Scotland has awarded £250,000 towards the service, which is being matched with £250,000 from Scottish Enterprise. The facility will be delivered by a consortium of Film City Futures and the Scottish Documentary Institute. We are currently at contracting stage and we anticipate that the service will be launched by the start of the new financial year 2017/18.

Business Development Support for the Production Sector
In response to one of the recommendations in the EET Committee Report, Creative Scotland and Scottish Enterprise have worked with other public bodies and the sector to develop a map of current business support provision for the screen production sector and a web-portal is being develop to enable the sector to navigate through the different funding and support programmes, products and services on offer.

In addition, a number of other initiatives have been delivered. For example, Creative Scotland has worked with partners in the enterprise sector to deliver a forum event to build knowledge and understanding of

alternative financing and financial models for Scotland's cultural and creative organisations. This event, developed with Creative Edinburgh and Social Investment Scotland as delivery partners, has contributed to building sustainability and futureproofing for our creative communities. The Forum's objective was to address the perceived lack of knowledge and innovation of alternative financing for the creative sector in Scotland. Follow up work has been undertaken to progress specific aspects of this forum, specifically around crowdfunding and peer-to-peer lending systems.

Digital

The EET Committee made a number of specific recommendations in relation to the digital games sector in Scotland. Following the response to the Committee by the Cabinet Secretary for Culture, Tourism and External Affairs work has progressed in two areas. The first is a commitment to survey the Scottish Games Sector. In February 2016 Creative Scotland, working in partnership with Scottish Enterprise and the Scottish Games Network concluded the first survey of the digital games sector in Scotland. The process involved a simple on-line survey with 17 questions that was distributed widely through a number of networks. The questions asked were developed in response to an open meeting held in October 2015 where the questions were refined through discussion with representatives from the industry as well as public and private sector partners.

The survey was timed to launch in January 2016 and was repeated to try and gain an effective picture of the shifts in the landscape of this dynamic sector. The first survey received a total of 150 respondents who identified themselves as companies (63), sole traders (39) and students (48). The responses helped us to develop the dialogue around the position of the sector and what needs to be done to support its future development. A full report has been generated and a blog on the results has been shared via the Creative Scotland website.

A second survey was launched in June 2016 and this generated a significantly smaller response perhaps indicating a lack of appetite to be surveyed in this way. In response to this we met with partners to discuss the best way to maintain effective intelligence on the sector and specifically engaged the Independent Games Developers Association (IGDA) – the organisation that was cited by most respondents to the first survey as being representative of their interests. This work has continued through 2017, including support for the FuturePlay festival as part of the August Edinburgh Festivals and the Arcadia event in Dundee in September, and we expect to see results from this work with the sector during the final months of this year.

In addition to this survey work, a report on digital innovation in the creative industries was commissioned. This work, led by Scottish Enterprise, was intended to provide an overview on development routes

for creative businesses. This report provided an initial look at this area and draws on examples of recent and current practice to elaborate some of the ways in which digital technology is facilitating creative collaboration. The study did not seek to appraise this work, nor to establish its impacts or value. Rather it sought to provide a narrative account and suggest ways in which Scottish Enterprise and Creative Scotland might seek to enhance these activities.

This work has been continued through the joint working being undertaken on the Edinburgh Festivals Digital Task Group. The Thundering Hooves 2.0 report undertaken for Festival Edinburgh identified that digital innovation is a priority and that the festivals are well placed to create both innovative content and a powerful digital brand identity. It also highlighted that digital should be the next big area of growth in content distribution and audience development. A dedicated Digital Task Group has now been established to oversee and facilitate this area of activity over a period of 12-18 months and includes staff from Scottish Enterprise and Creative Scotland as well as those from the Edinburgh Festivals and University of Edinburgh.

The role of the group is to:

- Provide strategic direction to setting out a route map of prioritised activities to establish Edinburgh as a global "Centre of Excellence for Festival Technology".
- Champion the strategic issues in digital both with the Festivals Forum and externally.
- Provoke and challenge current thinking.
- Promote the role of digital both with and beyond the Festivals community
- Act as an influence in support of partners developing and delivering key digital components of the Thundering Hooves strategy.
- Facilitate clear and effective communications between partners ensuring:
  - Clarity of roles and responsibilities
  - Co-ordination and collaboration across activities
  - Identification and addressing of any gaps in delivery

The group brings together key figures drawn from the private and public sectors; and it aims to drive cross sectoral and industry-wide collaboration centred on addressing the "digital ways and means" theme of the Thundering Hooves Strategy. The Digital Task Group is chaired by David Smith, Senior Director, Scottish Enterprise and the secretariat will be provided by Scottish Enterprise with project support from Creative Scotland.

Regional and cross-regional support

Initial work undertaken in early 2016, supported by Creative Scotland and delivered in partnership with SLAED and VOCAL, has indicated that many

local authorities are significantly under-developed and under-resourced in their ability to support the development of creative industries. Very few have specific strategies for supporting the development of the sector and this position has been presented back to SCIP as a challenge to be incorporated into the SCIP Shared Plan.

The work is also now being undertaken in the context of the on-going review of the Enterprise and Skills support system in Scotland. As we are at the beginning of the implementation of phase 2 of this work we have yet to see what impact this will have on the regional and cross-regional support environment, but despite this we have progressed a number of actions including determining a named key contact for SCIP in every Business Gateway delivery area and also to be working towards appropriate place agreements and recognition of regional strategies and local mechanisms that are in place to support the Creative Industries across Scotland.

Impact Evaluation

There has been much debate about exactly what comprises the Creative Industries in Scotland and consequently how we account for its activities and successes. Many in the sector are aware that differing methods for assessing the sector exist in UK and Scotland and that this produces different narratives about their success.

The wider partnership of SCIP has agreed to address this issue and to undertake work to identify gaps in the existing knowledge base and consider if and how to address them.

This work will initially involve addressing issues of comparability with data from the rest of the UK (as highlighted by the UK Government Scottish Affairs Committee Inquiry into the Creative Industries). We will then consider how to best report various types of expenditure and how to measure economic impact return on public money invested. This work will also be set in the context of a clear narrative about the broader impacts of the Creative Industries within the context of the Scottish Government's ambitions for inclusive economic growth. Finally, SCIP is committed to use this process to establish clear development goals.

Screen Unit

Since the Partnership Agreement was signed, a major development has taken place around the new Screen Unit at Creative Scotland. This Screen Unit is being developed as a multi-lateral project with input from many partners, but, like the SCIP Shared Plan, it has overtaken many of the original actions of the Partnership Agreement.

The current position regarding the partnership working that is supporting the delivery of the Screen Unit is:

Creative Scotland and partner agencies including Scottish Enterprise, Skills Development Scotland, Scottish Funding Council, and Highlands and

Islands Enterprise have worked together with Scottish Government to reach a consensus on the best way to create a new Screen Unit with a sector-wide remit. Initially work was taken forward through the Screen Unit Delivery Group. The second phase of this work is now underway with a short-life project to develop an agreed proposal for how the Screen Unit ambition will best be delivered. The project has been designed to enable momentum and pace towards delivery.

Creative Scotland's Chief Executive, Janet Archer has agreed to take on the role of Senior Responsible Owner of the project. As SRO, Janet has taken on the role of chairing the Sponsor Board made up of senior representatives from across the partner agencies.

In late autumn Janet, as Screen Unit Project SRO, will present to the Cabinet Secretary for Tourism, Culture and External Affairs, a collaborative blueprint for a Screen Unit which commands the support and commitment of all partners. This will include:

- an agreed inter-agency proposal, or options, for the vision and long-term strategy for the screen sector
- agreed roles and accountabilities across the partner agencies
- one common agreed economic assessment and baseline report
- Screen Unit purpose, functions, structure and governance
- a single Screen Unit Action Plan for 2018-2023 that makes sense of how the Screen Unit sits within Creative Scotland

The work to establish the Screen Unit is being led by Rachel Gwyon (Project Director) and the Project Board comprising representatives from all of the partner agencies involved.