Thank you Ken and Jonny and good morning everyone.

I’d like to start by saying how honoured I feel to be invited to speak on the opening day of the Edinburgh International Film Festival.

Creative Scotland is delighted to be one of the major funders of this festival, as well as of the Centre for Moving Image, and I wish this year’s festival every success.

I want to congratulate Chris, Ken and their team on what is another inspiring programme of film from around the world.

I’m looking forward to seeing tonight’s opening film, Gerard Johnson’s thriller Hyena, as well as a host of other premieres, special screenings and events over the next 12 days before the closing film, Simon Helberg and Jocelyn Towne’s ‘We’ll never have Paris’.

I’m particularly pleased - in the year of Scotland’s first Youth Arts Strategy, Time to Shine - to see the introduction of the Festival’s Teen Spirit strand – programmed by teenagers – and I know this strand is already sparking interest and ideas.

Film is an important part of Time to Shine’s Youth Hub activities taking place across Scotland.

It’s very important to me, and to everyone at Creative Scotland, that film is able to flourish in and from Scotland and that the conditions are established here to enable film to compete on the international stage.

I’ve been asked this morning to share our perspective on film in Scotland, what we do to support film and our ambitions for the future.

Some of you may be more familiar with Creative Scotland than others, nevertheless, I want to quickly touch on what the organisation is set up to do.

We are the public body responsible for supporting Scotland’s arts, screen and creative industries across all parts of Scotland on behalf of everyone who lives, works or visits here.

We do this in four ways:
Firstly, we are, of course, a public funding body.

We have an annual budget of around £90m.

We get this money from the Scottish Government and from the National Lottery and, this year, we will distribute around £85m of funding through a combination of three funding routes - regular funding, open project funding and more strategic targeted funding.

Much of our film funding sits in the targeted route as development and production funding.

We have protected it in this way with a ring-fenced budget because our single investments in film are almost always significantly larger than most of the single awards that go to other art forms.

It is however not the only money which goes to film. I’ll come onto this in a moment.

A second role for Creative Scotland is to be an advocate for Scotland’s arts, film and creative sectors – promoting their excellence at home and abroad.

Thirdly, we are a development body, working in partnership with others to create the best conditions possible for artists, filmmakers and creative people to do their work in terms of talent development, skills development and education.

A fourth role we have is one of influence.

It’s important that we work with Government, partners and the public to increase appreciation of the value of arts, film and creative industry – and by this I mean the social and intrinsic value as well as the economic value.

But, most importantly for today – we are the public body, charged by the Scottish Government, to lead on policy and funding for film.

To succeed in this, it is essential that we work effectively in partnership with many different people, from individual filmmakers and producers to other public agencies and of course governments.

I’d like to talk a bit more about how we currently support film and why positive partnerships and collaboration between Creative Scotland and the industry are so vital to future success.
Creative Scotland’s support for film covers a number of categories.

- Funding for development, production and talent development
- Regular funding for organisations. As many of you know we have recently opened for application for 2015-18 regular funding. We know there are a growing number of film-based organisations applying for this funding this July.
- Funding for film presentation, festivals and audience development
- The Locations Service, promoting Scotland and its film crews internationally as an extraordinary place to make film and TV.

**On development and production:**

Support comes from a film and TV fund of £4m and we have recently provided funding for a range of films such as the long awaited film adaptation of Lewis Grassic Gibbon’s classic Sunset Song *(which has just completed shooting)*; David Mackenzie’s latest film Starred Up; Paul Wright’s For Those in Peril; Stuart Murdoch’s God Help the Girl; and Eric Steel’s beautiful Kiss the Water.

There is also Sunshine on Leith, Filth and Robert Carlyle’s Legend of Barney Thomson, which is currently shooting.

In response to recent discussions with sector groups, many of whom are represented here today, and reflecting on feedback from the Film Sector Review; we have made some changes to our funding for film production.

We have raised the cap for our investment in feature film production from £300,000 to £500,000; we have reduced the minimum co-funding required for *Flexible Multi Project Development* from 25% to 10%; and the cap for documentaries has been raised to £90,000 from £80,000.

All of which, we hope, will make it easier to get films made.

**Is £4m enough to support film production in Scotland?**

**No, it’s not.**

We, like everyone else in the film industry in Scotland would like to see more funding available. *I will talk about what we are doing to help make this happen in a moment.*

In the meantime, however, we have ensured that this £4m fund is protected in this year’s budget.
We are also in partnership with the BFI on two major initiatives in film education and talent development.

- We have provided £250,000 to support the development of new and emerging film talent in Scotland, in partnership with the BFI’s UK wide Net.Work initiative.
- We have also provided an additional £500,000 for a nationwide programme of moving image education among 5-19 year olds.

We support **film presentation and audience development** through funding film festivals across Scotland (*like this one here in Edinburgh*); through funding initiatives such as the work of Regional Screen Scotland (*which operates the fantastic Screen Machine, taking film to remoter communities in the Highlands and Islands*); and through our overall support for cinema infrastructure.

We are also a core supporter of organisations such as the Centre for the Moving Image (*which run the Filmhouse and this Festival*) and the Glasgow Film Theatre.

These organisations are key drivers for film and film culture and, between them they receive regular funding support from us of almost £1m a year.

Many of the multi-arts centres that we support also include a significant film element in their programming.

Obvious examples of this include Eden Court in Inverness and the DCA in Dundee, both of which have beautiful, small cinemas and eclectic film programmes.

Film also happens in places like Taigh Chearsabhagh on North Uist and Mareel in Shetland, two examples of where our funding brings more people to film across all parts of Scotland.

Alongside production, film presentation and audience development, sits our responsibility as the **national Film Locations service**.

We don’t do this on our own, however.

We work in partnership with many others, including the regional film offices and local authorities, and through our combined efforts we have attracted major film productions to Scotland in recent years including Skyfall, Cloud Atlas, World War Z and, of course, the TV production Outlander.

Under the banner of **Film in Scotland**, the Locations team also promotes Scotland at major international film markets such as Cannes,
Toronto and Berlin. We also take the opportunity at these industry events to advocate for Scottish films and the Scottish film industry.

So, taking all of this together and including the people resource that we have in the film team; **Creative Scotland’s direct support for film approaches £8m annually**.

This represents almost 10% of our available budget, which is, I believe, significant for an organisation that has a remit to support many different specialisms.

Our overall remit includes theatre, literature, writing and publishing, music, visual art, architecture, craft, computer games, design, fashion and textiles; photography, software and electronic publishing, and cultural education.

We also need to remember that Creative Scotland is only one part of Scotland’s cultural ecology.

In everything we do, we work in partnership with people and organisations to deliver...whether that be working with a film producer, the BFI, the British Film Commission, a festival director, a Local Authority, groups like Independent Producers Scotland and Screen Facilities Scotland, Enterprise agencies or our partners in Government.

Our job is to **unlock potential and embrace ambition**.

The unlocking potential bit includes unlocking new resources.

We cannot fulfill our collective ambition for film in Scotland on our own, nor should we expect to.

Our aim is to help build a prosperous and sustainable film industry, as an enabler, a partner and a collaborator.

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So, that’s what we do at the moment, but now I want to talk about the future.

The title of this summit is The Future of the Scottish Film Sector, Post Referendum.

Before I talk about Creative Scotland’s ambition for film, I would like to clarify how we are positioned in relation to the Referendum.

As you may know, as a public body, Creative Scotland is politically impartial.
We work with the Government and will continue to work with the Government of the day, regardless of its political make-up, to advise, lead and advocate on behalf of the arts, screen and creative industries in Scotland.

As you may also know, culture in Scotland is already devolved and, as such, is the responsibility of the Scottish Government.

Because of this, we do not expect any significant change to our funding or operational arrangements as a result of the Referendum, whatever the outcome.

That has been made clear in Chapter 9 of the Scottish Government’s White Paper.

What I can say is that, in my experience as someone who has worked in arts and culture all my life, across the UK and internationally - the Scottish Government’s commitment to arts and culture in Scotland is strong and enduring, both in terms of funding and in terms of policy.

It’s great to work with a Cabinet Secretary who is so supportive of film. I know she is very much looking forward to speaking at the Edinburgh International Film Festival next week.

However, we must also recognise that, financially, times remain challenging within the public sector. The Scottish budget alone is being cut by close to 11% between 2011 and 2016.

With this in mind, we need to find innovative ways of sourcing and using public funding in all aspects of public life, including the arts, screen and creative industries.

We need to, collectively, welcome this commitment and work in partnership with Government to ensure the health of the arts, screen and creative industries – including film – continues to thrive and to grow.

Earlier this year, we published the Film Sector Review that we commissioned in 2013 and was conducted on our behalf by BOP Whetstone Consulting, involving a range of partners and representatives from the Scottish film industry.

The review laid out a whole range of recommendations and aspirations for film and I want to list a few of them now:

- Film in and from Scotland should be celebrated domestically and
renowned internationally.

• Screen focus within Creative Scotland should be better defined.

• Diverse audiences across Scotland should enjoy film choice at the cinema, on the move and at home.

• Audiences should have a deeper engagement with Scottish film and stronger links between communities and Scottish filmmakers.

• More Scottish films should be made with multiple sources of funding.

• There should be more inward investment production in both film and television and more enterprise support.

• Broadcasters must play an integral part in the film sector.

• Digital technology and distribution will allow better access to filmmaking and viewing.

• Festivals across Scotland become key dates on the national and international film calendar.

• The curriculum for excellence has film/screen at its heart and higher education provision provides pathways into film careers.

And...

• Skills are developed in the film sector and provision of those skills is coordinated.

It’s hard to disagree with any of that and I would say three things in response:

• **One:** A lot of this work is happening already, as I have said, and that work will continue.

• **Two:** There are gaps and we can definitely do more.

• **Three:** Everyone with an interest in film in Scotland needs to work together and to get involved. Or these things won’t happen.

I believe we are on a positive trajectory with film in Scotland.

For the first time, we have appointed a dedicated Director for Film and Media at Creative Scotland who will build on the work that Caroline Parkinson has been doing in her role as Director of Creative Development. I am delighted that we have recently welcomed Natalie
Usher to the organisation.

Natalie is a highly experienced media professional and internationally respected entertainment lawyer with a strong history of working with Scottish producers.

After just weeks in post she is already bringing focus and leadership to the work of our film team and I know she will be pivotal in strengthening the way we support film and work with the industry in the future.

With this focus, Creative Scotland will become more of a driver and an advocate for the film sector than we have, perhaps, been in the first three years of our existence.

Natalie’s first task is to take the Film Sector Review and the feedback and ideas that we have gathered from our dialogue with people working in film – including many of you in the room today – and turn this into a cohesive, action led strategy for film in Scotland.

In the lead up to publishing this we have also published a companion piece to our strategic plan on film. This is now online for you to read.

Be assured, we are listening to the views of the industry and our partners in preparing this strategy and we will set out our vision for the future and how we intend to achieve our ambitions.

In other words, spell out what we are going to do and when we are going to do it – *in addition to what we do already, of course.*

The film strategy will be published, in draft form on our website, at the end of this month for open consultation.

**Funding will continue to be an issue and I won’t pretend that it won’t.**

We have a limited pot.

At £90m, it’s a significant amount of public money, but it has limits and we need to ensure that we support the broadest range of work across the arts, screen and creative industries.

To increase funding for film from this pot would mean decreasing funding for other art forms – for theatre, for visual art, for literature or another area of creativity.

**We cannot and will not get into a situation where we are trading off one art form against another.**

So, we need to put our efforts into finding different and new sources of
funding for film and to working with other partners in Scotland to achieve this.

One of the routes could be through European funding.

Creative Scotland is working closely with Scottish Government and Scottish Enterprise on identifying potential funding models.

I’ll be candid with you this is challenging work. The European Commission has concluded that the 2014-2020 round of funding will be managed around three themes of economic growth, job creation and sustainability.

There are no guarantees with this route, but, together with our partners, we are making every effort to find a way forward and get this right for Scotland.

We hope to have a better idea of timelines in the next few months.

Another area of development, that you are all only to aware of, is the proposed major film studio for Scotland.

Of course, there are already smaller TV studio facilities across Scotland (I recently visited the impressive studio at Sabhal mor Ostaig on Skye, for example – where the Gaelic TV drama Bannan is being produced) but we hear, loud and clear, the desire from the film sector for a major facility in the central belt.

And, we must remember that a lot of work last year, from both the industry and the public sector, went into bringing Outlander to Scotland and creating the 140,000 square foot production facility at Cumbernauld where many of our industry colleagues have been working.

As you know, following a feasibility study, a studio development brief was issued by Scottish Enterprise with a deadline for submissions by May 2nd. Submissions are currently being considered against the criteria set out in the brief, in line with EU regulations on state aid.

I am not able to go into more detail as it is a commercially confidential process, would however we anticipate that decisions on the way forward will be reached soon.

Creative Scotland has put £1m aside for a film studio development and I know the Government is committed to the development of a studio and is also encouraging inward investment for film and TV production.

So to conclude, what can you expect to see from us in the future?

• As the lead body for film in Scotland, we will continue our ongoing
work to support film as part of our remit.

- This will continue to be backed by a significant and stable proportion of our available budget.

- We have appointed new leadership for film at Creative Scotland – Natalie Usher - and this will bring new focus and drive behind our efforts.

- We will work to find and grow new funding sources for film to build on those we have in place already.

- We will help progress the establishment of a major film studio for Scotland, working in partnership with Scottish Enterprise and the Government.

It’s an exciting time for film in Scotland.

The ingredients for success are falling into place.

And I, as chief executive of Creative Scotland, will work to ensure that this success is delivered, built upon and that the conditions are created for film to thrive in this country.

Working in partnership with you all.

To conclude, a few words from a personal perspective, if I may.

Many of you will know my primary arts experience is not, first and foremost, embedded in film.

Nevertheless, film has always been very important part of my life and a formative part of my cultural education.

I’ve had a long history of working with film in my role as a dance producer and theatre director, often working with filmmakers in different ways to collaborate on performance pieces as well as producing short films for broadcast.

This combination of personal and professional interest means I am very interested in interrogating how we value film as both a social and cultural asset as well as an economic one.

The money side is sometimes easier to explain.

Film production is an important industry for Scotland which, according to
our recently published review of the film sector, contributes £118.4m GVA (2010) and 2,692 jobs to the Scottish economy. Across the UK the film industry was worth £4.6bn in 2011.

The industry has "grown significantly" in the last 20 years and the number of UK films has grown from an average of 43 in the 1980s to 136 in the 2000s.

The economy was worth about £1.5 trillion in 2011, with UK film accounting for 0.3% of GDP last year.

Social and cultural worth is sometimes harder to describe but equally important. As part of developing our recently published 10-year strategic plan we asked for quotes from practitioners working in the industry.

Paul Wright, Scottish filmmaker said, very eloquently:

‘For me the arts and creativity are essential in today’s society because they not only allow us the chance to explore different people, places and stories both locally and globally they also allows us the chance to explore and express what it means to be alive.’

Films are cultural artifacts; they reflect cultures and shape and change them. They make us think about ourselves in ways we don’t in the course of our day-to-day lives. They connect us with powerful transformative experiences that feed us as human beings. They capture moments in time, recording history, reminding us of who we are and who we might be.

We must never forget how important this is.

The social capital we build up through filmmaking changes our lives and the world we live in. It empowers future generations to be themselves and to confidently create their future, socially, culturally and economically.

Film is an important force in this.

Thank you for listening.

ENDS