

Received
4/7/17.

Cabinet Secretary for Culture, Tourism and
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Fiona Hyslop MSP



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Your ref:
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Dear Richard

CREATIVE SCOTLAND: GUIDANCE LETTER 2017-18

I am writing to thank you for your commitment and that of your board in delivering against the significant challenges you have faced since I last wrote in June 2015, and to set out the priorities I want to set for Creative Scotland (CS) in the delivery of your functions in the coming year. You will know how difficult the fiscal environment is. I am pleased that after I made the strongest case about the need to continue to invest in and support our cultural sector, grant-in-aid has been broadly protected.

I know that your Management Team have already been considering the Programme for Government (PfG) and how it can be reflected in your corporate and business plans. I thought it would be helpful to confirm the expectations I have for CS in the coming year.

Programme For Government

You will have seen the Scottish Government Programme for Government (PfG) published in Autumn last year. The PfG is an ambitious programme, which will come about only through hard work, determination, attention to detail, and a belief in what we can achieve together. It rests on the foundation of a resilient economy and the four strategic pillars of investment in people and infrastructure, innovation, inclusive growth and international engagement. Creative Scotland clearly has an impact to make in all of these areas, much of which is already reflected in your 10 year corporate plan. I expect CS to articulate clearly in your Annual Plan how it can make



appropriate contribution to these priorities in addition to the specific topics addressed below.

Enterprise and Skills Review

The Enterprise and Skills Review, announced by the First Minister in May 2016, is a key part of our aim to boost productivity, equality, wellbeing and sustainability. Phase 1 of the review included decisions focused on ensuring coherence and a simpler, more flexible and cost-effective system of national and local support. I know that CS has already contributed to this work. You will want to reflect on the full set of decisions from both the Phase 1 and Phase 2 reviews to consider how CS can play its part in delivering a successful wider outcome in collaboration with key partner agencies

Economy

The Scottish Government's purpose is to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish through increasing sustainable economic growth. Clearly the work that you do in support of the Creative Industries, including support for the Cultural Enterprise Office and support for Screen, will be your primary contribution for our ambitions to grow the Scottish economy.

You have already entered into a Partnership Agreement with Scottish Enterprise and committed to meeting quarterly to discuss progress and agree joint actions. Additionally, you will publish an annual report in which I expect to see demonstrable improvements in the working relationship of the two organisations and accompanying improvements in outcomes.

Your leadership of public sector partners through the chairing of SCIP is another important role, and I look forward to seeing the implementation of the newly developed SCIP Plan in support of the Creative Industries. It will also be important that SCIP reflects on the feedback of the recently established Creative Industries Advisory Group. You are due to refresh your strategy for the Creative Industries this year, alongside your strategies for the Arts and Screen. Early sight of these by my officials will be welcome.

Screen Unit

The 2016 Programme for Government contains the key undertaking to increase support for the screen sector through the establishment of a dedicated Screen Unit to combine expertise from our creative and enterprise partners and oversee support, prioritising input from the industry itself.

Through the Screen Unit Delivery Group, my officials have been working with Creative Scotland staff and the key agencies in the creative sector - Scottish Enterprise, Skills Development Scotland, the Scottish Funding Council and Highlands and Islands Enterprise - to create a Screen Unit with a sector-wide remit, based within Creative Scotland this year.

This work is now entering a new phase with inter-agency agreement to a short-life project to develop a joint proposal for how the Screen Unit ambition might best be delivered.

Creative Scotland is playing a key leadership role in developing the Screen Unit proposals, and Ministers look for that to be done in full partnership and collaboration with the four enterprise and skills agencies and with Scottish Government in order to drive common purpose and ensure the project is delivered with momentum and pace. The partners have agreed a Project Initiation Document that sets out how they will take forward the detailed work over coming months, and their first Project Board has already met.

This approach should enable CS to present to Ministers, in late autumn, a collaborative blueprint for a Screen Unit which commands the support and commitment of partner agencies. The project deliverables include:

- an agreed inter-agency proposal, or options, for the sector vision and long-term strategy
- agencies' agreed roles and accountabilities
- one common agreed economic baseline assessment report
- Screen Unit purpose, functions, configuration and governance
- a single Screen Unit Action Plan with associated impact targets and streamlined collaborative partner contributions over the period to 2022-2023.

It is vital that this project is completed to time with energy and commitment so it can pave the way for early establishment of an effective Screen Unit.

Partnership Working

I am aware that Creative Scotland works positively with a range of organisations across Scotland and the wider UK but I would like to see Creative Scotland work further to deliver genuine benefits for the people of Scotland. In the wake of the recent announcements on additional BBC investment in Scotland and the recent report of the Screen Sector Leadership Group, I expect to see a strategic approach across the relevant public bodies. For each of the agreements that you enter into, I expect to see a clear purpose and stated outcomes. I received these on your film education work in partnership with the Scottish Library and Information Council and the Scottish Film Talent Network and expect to see that approach taken consistently.

Community Empowerment & Public Service Reform

Strong, resilient and supportive communities are fundamental to our vision of 'One Scotland' where people from all of Scotland's diverse communities have the opportunity to flourish. Cohesive communities are anchored in equality of opportunity, respect for human rights, social justice and inclusive, sustainable economic growth. We are pushing the boundaries of community empowerment and community-led innovation to support approaches that directly tackle inequality as well as promote inclusive growth. We are determined to see a Scotland where community-led action is celebrated and community ownership is both desirable and viable. The Community Empowerment Act is a first step on this journey, making it

easier for local people to develop their own economies and environments by taking control of their lives.

Creative Scotland can play its part in this, particularly through its programme of place partnerships but also in ensuring that you and those you support engage regularly with Scotland's communities to ensure they can make the most of their own local cultural resources.

Cultural engagement can also play an important role in the health prevention and community empowerment agendas and in so doing deliver an important contribution to public service reform which is underpinning radical and inspiring change across our public sector to tackle poverty and inequality. I would welcome the Board's conclusions on how Creative Scotland is taking forward these priorities.

Educational Attainment

Creative Scotland already makes a significant contribution in Creative Learning and Youth Arts through your own partnerships and support to organisations and individuals, and through the Youth Music Initiative and Cashback for Creativity funds that you administer on our behalf. Creative Scotland is well placed to tell us whether best use of these funds is being made, and whether any of the underpinning policies could be looked at again, which will be even more important in light of the reduced YMI resources, and the commitment to refreshing the YMI. I hope that your next round of Cashback projects build on the successes of phase three.

I was pleased that Creative Scotland were able to fund an extension of the Time To Shine programme last year, and I look forward to hearing how you plan to strategically support and develop youth arts in future, including the national partnership working involved in the last phase of Time To Shine. The framework for your Corporate Parenting role was exemplary and I would like to hear of your other plans to support our work to raise educational attainment.

Themed Years

Creative Scotland should continue to contribute, in all of its work, to support of the themed years programme. The contribution to the Year of Innovation, Architecture and Design was welcomed, and a similar contribution to the Year of History, Heritage and Archaeology is expected, with greater input to the Year of Young People, both to the policy and delivery of what should be another successful year in 2018. The next round of themed years has just been announced and Creative Scotland will want to consider how best to support the 2020 Year of Coasts and Waters..., and in particular the Year of Scotland's Stories in 2022 which will be a showcase of our literature, film and oral storytelling traditions.

Culture Strategy

My officials are in the process of developing the Culture Strategy for Scotland. The strategy is being co-produced with the cultural sector, and I expect Creative Scotland to play a full part in that work to ensure that your strategic work, expertise and networks can contribute fully to its development and delivery.

International Strategy

Scotland's Place in Europe sets out the Scottish Government's position following the result of the EU referendum. While the UK Government's position has not yet been clarified following the recent UK election, the challenges posed by the EU referendum result are unprecedented and will impact on our people, businesses and investors and our collective ability to tackle complex, interdependent domestic and international challenges. Our public bodies must take account of the implications on their strategic planning and delivery of services. I understand that your International Strategy is continuing to be drafted and that it is supportive of the Government's aims. I would be grateful if you can ensure that it focuses on those countries that the Government has identified as priority within the Programme for Government (US, Canada, Japan, India and Pakistan), to ensure alignment with our work and those of our other bodies. I expect Creative Scotland to play a part in the One Scotland approach to international engagement and fully utilise our Innovation and Investment Hubs in London, Dublin, and Brussels.

Corporate Expectations

I am pleased that Creative Scotland officials continue to attend the NDPB forum where key messages about corporate activity and Scottish Government expectations are outlined. Where appropriate, officials will take forward the implementation of such activity with yourselves, such as any agreements about the approval of expenditure or responses to legislation on areas such as Climate Change or support for Social Enterprises. One area to which I expect Creative Scotland to respond is the Social Impact pledge, where bodies are being asked to commit to doing at least three things that you do not do at the moment in order to improve your body's social impact.

CONCLUSION

In conclusion, I expect that this guidance can be used in carrying forward your business planning for 2017-18. I recognise that the European referendum vote last June will bring significant challenges for our sector and public agencies in 2017-18 but I am confident that Creative Scotland will rise to meet those challenges. This Government very much values the important work that Creative Scotland supports in helping to deliver the Government's Purpose. I look forward to that support continuing as the Board drives forward its important work in meeting our priorities to create a prosperous nation with more jobs, fair work and a dynamic sustainable and inclusive economy, as well as your ongoing support for our arts, screen and creative industries that do so much to enrich the lives of everyone who lives in and visits Scotland.

I look forward to reviewing your Annual Plan for 2017-18 in due course and I would also be very happy to continue our dialogue with you, your Board and your senior management team to discuss our priorities moving forward.

Kind regards
Fiona Hyslop

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