

SCOTTISH SCREEN'S RESPONSE TO THE DCMS REQUEST FOR INFORMATION ABOUT NATIONAL LOTTERY AWARDS

October 2005

Scottish Screen took over the distribution of Lottery Funds from the Scottish Arts Council on 1st April 2000. All figures are calculated from this date.

Assessment of past performance and future potential:

An overview of Lottery Distribution by Scottish Screen since April 2000

LOTTERY DISTRIBUTION	Share of Lottery Proceeds	Lottery Recouped	Lottery Awards/ Commitments	Partnership Funding
	£000s	£000s	£000s	£000s
April 2000 - March 2001	£5,335	£9	£2,592	£10,137
April 2001 - March 2002	£3,201	£40	£4,384	£9,781
April 2002 - March 2003	£2,662	£335	£4,437	£24,546
April 2003 - March 2004	£2,512	£850	£3,067	£32,145
April 2004 - March 2005	£2,622	£702	£4,829	£19,435
Share of Investment Returns to date	£805	N/A	N/A	N/A
TOTALS	£17,137	£1,936	£19,309	£96,044

Lottery awards/commitments levels are in excess of our share of Lottery proceeds and recoupment due to our policy of forward committal of funds.

Section 1 – Achievements with Scottish Screen’s share of Lottery Funding

Scottish Screen has to date supported projects that produce specific results with lasting benefits. The questions asked during the decision making process of funding allocation is ‘Can this project be realised without Lottery Funding? Will Lottery Funding make a difference?’

Scottish Screen distributes Lottery Funds within the Screen Industries sector in Scotland to enable the following:

To: support the development and production of feature films, feature documentaries, short films and new media projects in Scotland to develop talent and create sustainable growth in the screen industries of Scotland:

BREAKDOWN OF LOTTERY DISTRIBUTION	April 2000 - March 2005 (inc. estimates for 2004/05) TOTAL	No. of Projects Supported	No. of Projects that went into Production	Conversion Ratio
	£000s			
Script and Project Development	2,640	186	9	5%
Feature Production	12,240	60	38	63%
Short Film Production	1,186	49	49	100%
Short Film Schemes	1,725	107	96	90%
Supplementary Distribution & Exploitation	548	18	16	89%
	206	7	5	71%
TOTALS	£18,545	427	213	50%

Company Development figures are excluded from the table due to the nature of the funding deliverables.

Specific examples of projects successfully supported by Scottish Screen that demonstrate the effective implementation of the DCMS Policy Directions are:

CASE STUDIES OF LOTTERY FUNDED PROJECTS	INTERNAL POLICY DIRECTIONS	EXAMPLES/OUTCOMES
Script and Project Development	Helping ensure an adequate supply of skills and new talent	<p>The production of Lottery developed projects such as <i>Late Night Shopping, Morvern Callar, The Magdalene Sisters, American Cousins, The Last Great Wilderness, The Boy David, Sweet Sixteen, Touch the Sound, Skaagerrak, One Last Chance, Dear Frankie</i> and <i>Yasmin</i></p> <p>Our development funding aims to support and develop directors, producers and writers. A key part of this is the development of new talent and the enabling of existing and emerging film makers to realise their potential.</p>
Feature Production	Encouraging the production of quality British Films and raising their profile in the marketplace	<p>YOUNG ADAM Budget £4million Gross Revenue to date £1,421,322 SS Award £500k SS recouped to date £18,750</p> <p><i>Awards</i> BAFTA (Scotland) Tilda Swinton and Ewan McGregor for both Best Actor and Best Actress in a Scottish film, David Mackenzie for Best Director EIFF Best Scottish Film Best New British Feature ALFS Award British Newcomer of the Year – David McKenzie</p> <hr/> <p>MAGDALENE SISTERS Budget £2.5million Gross Revenue to date: £2,116,321 SS Award £690k SS recouped to date £515,764</p> <p><i>Awards</i> BIFA – best ensemble cast EU Media Prize – Peter Mullen ALFS Award – British Director of the Year LA IFP/West Film Festival – Audience</p>

		<p>Award for Best Narrative Feature Venice Film Festival – Golden Lion – Peter Mullan Toronto Int’l Film Festival – Discovery Award – Peter Mullen Newport Int’l Film Festival – Jury Award – Best Feature</p> <hr/> <p><i>AE FOND KISS</i> Budget: £3,065,000 Gross Revenue to date: £404,850 SS Award £500k SS recouped to date £40,084</p> <p><i>Awards</i> Berlin Int’l Film Festival – Prize of Ecumenical Jury & Prize of the Guild of German Art House Cinemas – Ken Loach Cesar Awards France – Best EU Film – Ken Loach IFTA Awards – Best Actress ALFTS Award – Best Actress (tied) Valladolid Intl’ Film Festival – Ken Loach</p> <hr/> <p><i>RIVERS & TIDES</i> (Feature Doc) Budget: £378,000 Gross revenue to date £109,600 SS Award £119k (£99k of above represents initial funding from SAC as Lottery distributors for sector pre April 2000) SS Recouped to date £42,141</p> <p><i>Awards</i> German Awards German Camera Award Best Documentary Film Outstanding Individual Achievement Cinematographer Best Documentary US Awards SFFCC – Best documentary Film SDFCS – Best documentary Film San Francisco Intl’ Film Festival - Golden Gate Award- Film & Video the Arts</p>
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CASE STUDIES OF LOTTERY FUNDED PROJECTS	INTERNAL POLICY DIRECTIONS	EXAMPLES/OUTCOMES
Feature Film Schemes	Encourage private equity that demonstrates market support into film in order to catalyse the emergence of commercially sustainable structures	<p>The creation of <i>Fast Forward Features</i> - An initiative to produce 3 feature films over a period of 3 years with budgets of approximately £1.2m. Co-funded by SS, the BBC and Content Films</p> <p>The production of <i>New Found Films</i> in 2003 and 2005. 4 feature films with budgets of approximately £300K each co-funded by SMG.</p>
Short Film Production	<p>a) Encourage private equity that demonstrates market support into film in order to catalyse the emergence of commercially sustainable structures</p> <p>b) Encouraging the production of quality British Films and raising their profile in the marketplace</p>	<p><i>Hidden Gifts</i> dir. Nick Higgins (24 mins)</p> <p>a) This was an “independent” documentary made outwith the short film schemes. The lottery award of £12,719 was instrumental in allowing this project to go into production. It was also used to confirm existing interest in the film and to lever further finance, notably the pre-sale from Grampian TV. The finance for this film was as follows: Scottish Screen National Lottery Fund: £12,719 Partnership funding: £15,139</p> <p>b) This insightful and moving creative-documentary explores the mystery of art and mental illness through the story of Angus McPhee from South Uist who wove clothes from grass. The film has proved very popular with both Scottish, UK and International audiences and has been programmed at several international film festivals. It will also be broadcast in several European territories as the various pre-sales suggest. In addition it was one of 3 nominations for the prestigious Royal Television Society Awards for Best Regional Documentary 2005. It also won Best Documentary at the Britspotting Festival in Berlin 2005</p>

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Short Film Schemes.	The need to promote knowledge and appreciation of film by children and young people	<p><i>Tartan Smalls</i> – co-financed with CBBC Scotland. 3 x 9 minute films for broadcast and theatrical release for children and young people aged between 6 and 11 years.</p> <p>This scheme is now in its 5th year having been initiated as a partnership with CBBC Scotland. 12 films have been completed to date with the three 2005 films premiered at the Discovery Childrens Festival in Dundee at the end of September 2005.</p> <p>Many of the films have proved very popular with childrens’ festivals and <i>The Choir</i> directed by Angela M. Murray has been the recipient of many awards.</p> <p>The concept of the scheme is to commission high quality, cinematic productions with strong and original narratives. The aim is to bring new filmmaking talent into the area of childrens’ film and TV in order to bring cinematic shorts to this important audience thereby increasing their engagement with cinema.</p> <p>The films have been given key Christmas and New Year transmissions by CBBC who view them as key to improving the quality and originality of their output.</p> <p>In 2004 the three films received their theatrical premiere at the Discovery Festival for Children in Dundee and were extremely well received.</p>

CASE STUDIES OF LOTTERY FUNDED PROJECTS	INTERNAL POLICY DIRECTIONS	EXAMPLES/OUTCOMES
New Media Schemes	Ensuring the industry takes full advantage of digital technologies	<i>Archive Live</i> was created to enable new media practitioners bring our moving image heritage to new audiences through interactivity. Productions are permanently accessible online and digitised material stored for easy access.
Company Development Schemes	Developing a Sustainable film industry	<i>Tern Television</i> , a Glasgow based production company received a Company Development award in 2003 of £70,000. They have used this award in an effective, planned and strategic manner, growing brand recognition, and enabling them, while keeping their core business progressing, to move into the high value area of drama development.

Section 2 – Access to our Lottery Funding from all parts of the UK: the promotion of equitable distribution through part of the UK

Scottish Screen was formed as a Non Departmental Public Body to develop a sustainable screen industry in Scotland and to support Scotland's film culture - to distribute National Lottery funds for expenditure on screen development, production and industry in Scotland.

Lottery Funds are distributed to production companies outside Scotland if there is significant benefit to Scottish film makers beyond their Scottish residency. We recognise that to enhance the development of the industry within Scotland, gaining experience and knowledge within the wider UK and international industry is vital. To further this we encourage and where possible instigate the development of international co-productions.

April 2000 – March 2004	Residency of Production Company
Distribution of Lottery Funds (%)	
67	Scotland
33	Rest of UK

Section 3 – Lottery Funding creating leverage for additional funding

Since April 2000 all projects supported by Scottish Screen with Lottery Funds have received partnership funding of £96.082m.

An example of each category (except Development and Supplementary Funding) of Lottery Funded support is tabled below.

BREAKDOWN OF LOTTERY DISTRIBUTION/PARTNERSHIP FUNDING	Case Studies April 2000-March 2005	Lottery Funding Awarded	Lottery Funding - %age of Budget	P'ship Funding Sources	P'ship Funding %age of Budget	TOTAL BUDGET
		£000s	%	£000s	%	£000s
Feature Production	<i>Magdalene Sisters</i>	690	27%	1,850	73%	2,540
Feature Film Schemes	<i>New Found Films</i>	150	50%	150	50%	300
Short Film Production	<i>Hidden Gifts</i>	13	46%	15	54%	28
Short Film Schemes	<i>New Found Lands</i>	75	23%	245	77%	320
New Media Schemes	<i>Archive Live</i>	25	100%	0	0%	25
Company Development	<i>Tern Television</i>	58	83%	12	17%	70
Distribution & Exploitation	<i>American Cousins</i>	25	50%	25	50%	50
TOTALS		£1,036	31%	£2,297	69%	£3,333

Section 4 – Evidence of social and economic impacts of our Lottery Funding

SOCIAL IMPACT

- **Scottish Identity:** Productions such as *American Cousins*, *Ae Fond Kiss* and the planned *Nina's Heavenly Delights* present a picture of a multi-racial/multi-cultural Scotland.
- **Scottish Culture:** Support financially the development of adaptations of important Scottish literature such as *The Cone Gatherers*, *Sunset Song*, *The Master Of Ballantrae*, *Morvern Callar*, *Young Adam* and for original screenplays such as *Magdalene Sisters*.
- **Regeneration:** Filming in less obvious places like Inverclyde (*Dear Frankie*, *Sweet Sixteen*)
Production offices being based in Govan, for example (Film City Govan, The Pearce Institute)
- **Greater Awareness of Scotland as a Production Location:** Successful shoots on incoming international productions such as *The Jacket* and *Man To Man* serve to increase the awareness and demonstrate the reality that Scotland can service large scale feature production, that Scotland has a talented crew base and most of the facilities required for a successful production. Co-productions with other countries such as *Wilbur Wants To Kill Himself* and *Hidden Gifts* also contribute to the promotion of Scotland as a centre of excellence for film production.

ECONOMIC IMPACT

- **Increase in the Level of Production in Scotland:** Over the last few years Scotland has seen a steady increase in the number of filming enquiries it has received. Not all of these result in completed productions, but increasing numbers do: the number of feature films shot in Scotland has almost doubled while estimated production spend from film, tv and other sectors has largely increased year on year since the figures were first collected from approx £6 million in 1998 to £25.5 million in 2004.
- **Increase in Employment for Scotland-Based Cast & Crew:** While some incoming productions bring cast and crew members into Scotland, it makes sound economic sense to cast and crew locally and thereby avoid the cost of accommodation and travel. Increasing numbers of crew are receiving international standard experience on these incoming productions and are thereby able to work all over the world (Trish Biggar Costume Designer on *Star Wars* for example) and this in turn adds to Scotland's reputation as a film-making centre. Film Bang, the independently produced production guide for Scotland, lists most of the crew, facilities and production companies available locally and it has grown from the slim volume that it was at its outset in the mid 1970s to be the substantial guide that it is today. Recent estimates suggest that freelance film-work translates into the equivalent of roughly 1000 full-time jobs.

- **Enhanced Tourism:** Tourism initiatives based on film and tv are increasing: the recent popularity of Scotland as a destination for Bollywood film-makers prompted the British Tourist Authority to produce a “Bollywood Movie Map” so that visiting fans could see the various locations with their own eyes. Visit Scotland has worked hard to market Badenoch & Strathspey as “Monarch of the Glen Country” on the back of the successful BBC tv series. The Jacobite Steam Train does good business in train tours based on the Harry Potter films and even less scenic productions have their devotees with enthusiasts seeking out every last location from *Trainspotting* for example.

Section 5 – Lessons learned as a Lottery Distributor

The key lessons learnt are as follows:

- The fundamental requirement for transparency and consistency in approach in the distribution of Lottery funds and the need to review our activities and processes to ensure they continue to meet the needs of the sectors we are supporting as they evolve.
- Recognising this fact, we undertook to comprehensively review our Lottery systems and after lengthy consultation with our stakeholders in the Scottish production community we implemented in March of this year a new expeditious and more transparent Lottery Funding application and decision making process.
- While the new processes are streamlined and rigorous, they are also simplified to ensure that the decision making process is transparent to all. Recognising the timescales which operate within our sector, in implementing the new system we also increased the frequency of project selection meetings from every 3 months to every 6 weeks, thereby reducing the application process timeline and allowing well developed projects to progress in line with their timescales, and not be delayed by our selection calendar.
- Although we have only recently launched the new system we are already reviewing it for effectiveness and indeed part of the new system implementation was to adopt a principle of continual assessment and refinement.
- We have worked closely with other Lottery distributors including the SAC and UKFC. We recognise both the need and the opportunity to work ever more closely with other Lottery distributors in achieving mutual goals.

Section 6 – Potential additional achievements with further future Lottery funding

- To ensure that Lottery funds have the maximum level of impact within our areas of responsibility.
- To reprioritise our investment in film and TV to areas such as training, education and exhibition while still maintaining our support of production and development, thus addressing ‘gaps’ identified in key areas within our sector where no current support mechanisms are in place.
- Streamline Scottish Screen’s Lottery Distribution activities to enable greater focus on sustaining business
- Creation of enhanced access to art and culture through technology based networks.
- Research & development of digital content
- Further development of companies operating in Television, New Media, gaming environments
- Enhanced access to specialised film through support of regional film theatres benefiting from the Digital Screen Network
- Regulating Internal and External Policies

<http://www.lottery2009.culture.gov.uk>