

Mapping Study of EU Funding of the UK Screen Sectors 2007-2017

A Report for the British Film Institute

March 2018



SQW

Foreword

From film to TV and videogames, our screen sectors are a UK and international success story. UK-made content such as *God's Own Country*, *Peaky Blinders* and *Grand Theft Auto* are loved the world over. The creative industries are the fastest growing sector of the economy, already returning £92bn in GVA and employing two million people. Their ability to deliver further jobs and growth throughout the UK has led to the inclusion of the creative industries as a priority sector in the government's industrial strategy, receiving a special 'sector deal' of industry-backed measures designed to supercharge their performance.

EU funding has played a significant role in this success. The screen sector relies on a unique blend of private and public investment in order to grow - from the BFI's investment of National Lottery funding in skills development and the production of films through the Film Fund, to the creative sector tax reliefs that have fostered the UK's reputation as a major production hub. EU investment has been a critical part of this mix.

Following the referendum vote to leave the EU, the BFI commissioned consultancy firm SQW to audit the ways in which EU funding has flowed into the UK screen industries. The following report shows that the sector has attracted more than £298m over the past decade, sourced through a range of programmes. This has funded 1,766 projects across every nation and region of the UK. Case studies demonstrate how this investment has stimulated growth, with funded projects creating jobs and commercial returns for their local economy.

Exiting the EU will alter the UK's ability to access investment. We are encouraged by government's intention to secure continued participation in valuable schemes like Creative Europe. This fund has helped to export UK content like *Paddington 2* and *A United Kingdom* to the EU - one of our major export markets - while also bringing European films including *120 Beats Per Minute* and *The Square* to UK audiences. Creative Europe funding has become increasingly important over recent years, accounting for a growing proportion of all EU funding received by the UK screen sector.

However, it is extremely unlikely that 'structural' programmes like the European Regional Development Fund will be available to us. Though the amount of funding flowing into the screen industries through these schemes has dropped in recent years, they have helped develop local infrastructure and kick-start growth for businesses throughout the UK.

Government has expressed its intention to create a new 'UK Shared Prosperity Fund' to replace structural funds and reduce inequalities across the UK post-Brexit. In order to demonstrate the value of strategic investment in the screen industries, the BFI will continue to gather evidence on the impact of EU investment in the sector. Building on the case studies presented here, we expect that this will demonstrate how EU funding has allowed the screen industries to deliver jobs and growth. The UK Shared Prosperity Fund could play a major role in providing this investment in future, allowing the sector to support government's growth agenda to the greatest possible extent.

Amanda Nevill CBE

1. Introduction

Background to Brief

1.1 The British Film Institute (BFI) commissioned SQW to undertake a short desk-based mapping exercise of EU funding received by the UK's screen sectors (film, television, video games, visual effects and animation) over the 2007-2017 period. The study sought to capture funding allocated under the EU's core cultural programmes, as well as those supporting research, economic and rural development, and educational collaboration. The main objectives for the assignment, as set out in the study brief were as follows:

- To understand the overall level of funding received in the period, broken down by source of funds
- To understand the sub-sectoral distribution (e.g. film, TV, video games), broken down by key words
- To understand the geographic spread of funding, including where there were collaborations with EU partners

1.2 The study ran over a five-week period between August and September 2017 augmented by a course of qualitative case studies undertaken in December 2017 and January 2018. The outputs of the study are this report, a presentation of findings, and a sortable spreadsheet that collates all relevant data.

Headline Findings

1.3 Since 2007, there have been **1,766 identifiable projects** that have benefitted the UK screen sectors¹ with a **total value of £298.4m**, of which:

- **£154.3m** is known to have been **received directly** by UK beneficiaries
- **£92.4m** has been received by **projects in which a UK beneficiary is either the lead or a partner**, meaning an unknown proportion of the total value will have been received by UK beneficiaries
- **£51.8m** of funding was received by European distributors **to support the release of UK films**, which indirectly benefits UK production and businesses.

1.4 Out of the £298.4m, cultural programmes have had the **highest total value** to the UK screen sectors, with **Creative Europe** and its predecessor programme, **MEDIA**, responsible for **£36m** and **£84.3m** of funding respectively.

1.5 Other funds that are notable for the size of their value are the **European Regional Development Fund (£79.6m)** and **FP7 research fund (£71.4m)**. However, since 2013, the value of ERDF and Horizon 2020 (FP7's replacement) to the UK screen sectors has fallen considerably.

¹ Of which 1,760 have directly involved a UK partner or beneficiary, with the remainder indirectly benefitting a UK beneficiary (for example, through overseas distribution of a UK film title)

- 1.6 At a project-level, the **average award value** varies significantly between funds – **Creative Europe** projects have an average value of **£72k** whereas **FP7** projects have an average value of **£3.6m**.
- 1.7 With regards to the **geographical spread** of projects and funding, **London** had the highest number of projects supported (**712**) with the largest value (**£87.8m**), but the geographic coverage was nonetheless fairly broad. Notably, **Northern Ireland** and **Wales** received large sums **during the 2007-2013** period, mostly through ERDF with **£39.6m** and **£24.4m** respectively.
- 1.8 There is **evidence of significant collaboration between the UK and EU** countries on both creative projects and research, with the data suggesting that the most important partners are France, Germany and Spain².
- 1.9 At a specific beneficiary level, we found that several beneficiaries, notably those in the film distribution and exhibition sectors, have benefitted from awards to a **large number of projects** whereas others have benefitted from a small number of large grants. Several **UK universities** – including Brunel, Swansea and Teesside – **have received large sums** for research that is expected to benefit the screen industries.

Suggestions for Further Research

- 1.10 The study team have made a number of useful and interesting findings within the assignment period, but the automated nature of data analysis means that these are relatively high level and do not provide full insights into the importance of EU funding in supporting innovation, collaboration, skills development and economic growth within the UK's screen sectors. These were complemented by a small number of 'case studies' with funding beneficiaries which provide a useful snapshot of outcomes and impacts of the funding.
- 1.11 In order to better understand the knock-on and indirect impacts of the funding, SQW recommends a programme of follow-on work to better understand and quantify the benefits which would be lost if no structures are put in place to replace the support provided directly from the EU to UK regions and partners in the 2007-2017 period. This might include:
- Compilation of programme level management information from UK based programme managers such as Creative England and Screen Yorkshire, in order to better understand the sub-sectors supported and the projects of 'ultimate beneficiaries'
 - E-surveys and further qualitative consultation with funding beneficiaries to better understand the impacts of funding on their organisation, their project and how this spills over into the wider economy through employment, knowledge and artistic transfer, technological change and funding leveraged from other public or private sources
 - Fuller examination of UK funds – such as the Regional Growth Fund and devolved funding – which are underwritten by the European Investment Fund and which may have supported the screen industries directly or indirectly

² This analysis is based on the 161 projects for which this data was available

- Full assessment of the economic impacts and contribution of EU funding on the UK screen industries, mirroring the work sponsored by the BFI and industry partners relating to the UK's screen sector tax incentives.

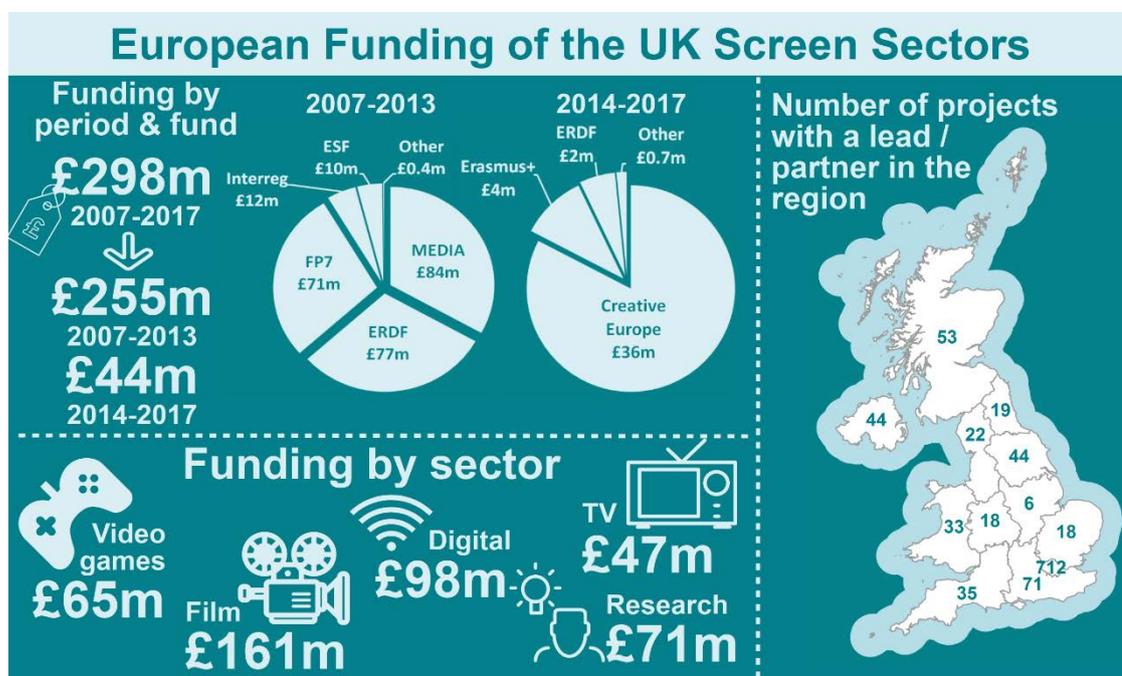
2. Headline Findings

2.1 This section summarises the overall level of funding received by UK screen-sector organisations, and consortia involving UK partners, from EU support programmes. These sums are broken down by EU support fund, geography and by sub-sector within the screen industries (as defined by relevant key words).

Overall Level of Funding

2.2 Figure 2-1 shows the overall sums, broken down by funding period, EU support programme, geographic location of beneficiaries and 'sub-sector' (as defined by key words).

Figure 2-1: Headline findings



Source: SQW analysis of EU fund databases

2.3 Since 2007, there have been **1,766 identifiable projects** that have benefitted the UK screen sectors³ with a **total value of £298.4m**, of which:

- **£154.3m** is known to have been **received directly** by UK beneficiaries
- **£92.4m** has been received by **projects in which a UK beneficiary is either the lead or a partner**, meaning an unknown proportion of the total value will have been received by UK beneficiaries
- **£51.8m** of funding was received by European distributors **to support the release of UK films**, which indirectly benefits UK production and businesses.

³ Of which 1,760 have directly involved a UK partner or beneficiary, with the remainder indirectly benefitting a UK beneficiary (for example, through overseas distribution of a UK film title)

2.4 Table 2-1 breaks down the number and value of projects by fund. It shows that the majority of projects have been funded by MEDIA, with its successor programme, Creative Europe, accounting for the second largest number of projects.

2.5 In terms of value, MEDIA is the largest fund at £84.3m, followed by ERDF, FP7 and Creative Europe. However, all of ERDF funding was direct to the UK (this comprised over half of all direct to UK type funding), whereas only 56% of MEDIA, 41% of Creative Europe and 3% of FP7 funding was direct to the UK. (the majority of funding in these categories coming to projects where the UK was a partner in a broader consortium).

Table 2-1: Total number of projects and value of funding*

Fund	Number of projects	Direct to UK (£000)	UK as lead (£000)	UK as a partner (£000)	UK as indirect beneficiary (£000)	Total (£000)
Creative Europe	496	14,866	2,815	3,812	14,518	36,011
Culture	5	£104	-	-	-	104
Erasmus+	25	-	1,273	3,195	-	4,468
ERDF	62	79,642	-	-	-	79,642
ESF	4	9,911	-	-	-	9,911
FP7	20	2,208	21,082	48,167	-	71,457
Horizon 2020	1	38	-	-	-	38
Interreg	9	-	11,015	988	-	12,003
LEADER	16	469	-	-	-	469
Lifelong Learning **	6	-	-	-	-	-
MEDIA	1,119	47,055	-	-	37,240	84,294
Youth in Action	3	9	-	26	-	£36
Total	1,766	154,303	36,185	56,189	51,757	298,434

Source: SQW analysis of EU fund databases

* '-' in this and all subsequent tables = no awards made. Values presented are rounded to the nearest thousand, and 2017 values are up to and including July.

** The level of funding was not provided in the Lifelong Learning database.

2.6 The average value of projects by fund is set out in Table 2-2 overleaf. It demonstrates significant variance in the value of individual projects between the different funds, with MEDIA and Creative Europe projects attracting average project funding of £75,000 and £73,000 respectively, compared to £3.6m for FP7 and £1.3m for ERDF. Furthermore, as figures for research and economic development funds such as FP7 and ERDF only indicate the EU funding received, rather than the total project cost, the actual value of these projects is likely to be much larger once match funding is factored in.

Table 2-2: Total number of projects and average value of project by programme 2007-2017

Fund	Number of projects	Average Award: Direct to UK (£000)	Average Award: UK as lead (£000)	Average Award: UK as a partner (£000)	Average Award: UK as indirect beneficiary (£000)	Overall Average Award (£000)
Creative Europe	496	86	188	136	51	73
Culture	5	35	-	-	-	21
Erasmus+	25	-	255	160	-	179
ERDF	62	1,285	-	-	-	1,285
ESF	4	2,478	-	-	-	2,478
FP7	20	1,104	2,635	4,817	-	3,573
Horizon 2020	1	38	-	-	-	38
Interreg	9	-	1,377	988	-	1,334
LEADER	16	29	-	-	-	29
Lifelong Learning *	6	-	-	-	-	-
MEDIA	1,119	65	-	-	94	75
Youth in Action	3	5	-	26	-	12
Total	1,766	156	1,005	936	76	169

Source: SQW analysis of EU fund databases

* The level of funding was not provided in the Lifelong Learning database.

Overall Level of Awards by Funding Period

- 2.7 Table 2-3 and Table 2-4 separate Table 2-1 into the two funding periods of 2007-2013 and 2014-2017, each representing the monies distributed under the last European Multi-Annual Financial Framework (MFF) and those distributed to date under the current MFF. Each MFF brings a degree of policy reform and reprioritisation. The discrepancy in the length of funding period leads to a clear difference in the number and value of projects between the two periods.
- 2.8 The 2007-2013 period accounts for 70% of all projects, but 85% of the value of all projects due to a higher average value of projects – £206,000 in 2007-2013 compared to £82,000 for 2014-2017. This is partly the result of a smaller number of high value projects in 2014-2017, from funds such as ERDF and Horizon 2020, but can also be attributed to a lower average award value per project received through these funds relative to the 2007-2013 period.
- 2.9 A key difference between the two funding periods is the proportion of the total value that is accounted for by MEDIA and Creative Europe – in the 2007-2013 period MEDIA accounted for roughly a third of the total value, but Creative Europe accounts for over three-quarters of the value in the 2014-2017 period. Again, this can be attributed to the smaller value of ERDF and Horizon 2020 in 2014-2017, relative to ERDF and FP7 in 2007-2013.

Table 2-3: Total number of projects and value of funding in the 2007-2013 period*

Fund	Number of projects	Direct to UK (£000)	UK as lead (£000)	UK as a partner (£000)	UK as indirect beneficiary (£000)	Total (£000)
Culture	5	104	-	-	-	104
ERDF	57	77,227	-	-	-	77,227
ESF	4	9,911	-	-	-	9,911
FP7	20	2,208	21,082	48,167	-	71,457
Interreg	8	-	10,542	988	-	11,531
LEADER	13	283	-	-	-	283
Lifelong Learning **	6	-	-	-	-	-
MEDIA	1,119	47,055	-	-	37,240	84,294
Youth in Action	3	9	-	26	-	36
Total	1,235	136,797	31,624	49,182	37,240	254,842

Source: SQW analysis of EU fund databases

* Two LEADER projects are excluded from these tables because the project year and funding period is unknown.

** The level of funding was not provided in the Lifelong Learning database.

Table 2-4: Total number of projects and value of funding in the 2014-2017 period *

Fund	Number of projects	Direct to UK (£000)	UK as lead (£000)	UK as a partner (£000)	UK as indirect beneficiary (£000)	Total (£000)
Creative Europe	496	14,866	2,815	3,812	14,518	36,011
Erasmus+	25	-	1,273	3,195	-	4,468
ERDF	5	2,416	-	-	-	2,416
Horizon 2020	1	38	-	-	-	38
Interreg	1	-	473	-	-	473
LEADER	1	174	-	-	-	174
Total	529	17,494	4,561	7,007	14,518	43,579

Source: SQW analysis of EU fund databases

* Two LEADER projects are excluded from these tables because the project year and funding period is unknown.

- 2.10 The three tables on the following pages (Table 2-5, Table 2-6, Table 2-7) show a breakdown of the number of projects, total value of funding, and the value of direct funding to a UK beneficiary, by fund and year. The tables show the overall number of projects has not varied much by year, whereas the total value of funding has been much more variable across the years, due to the variance in the level of funding received from funds such as ERDF and FP7. The number, and value, of projects supported by MEDIA and Creative Europe has remained relatively constant across the 2007-2016 period, when considered as one funding scheme, with small variances in value year-on-year.
- 2.11 Table 2-8 highlights the ‘top’ funding stream in each year in three discrete categories – **Highest Total Value, Most Projects Funded** and **Highest Average Award**. This shows the dominance of MEDIA and its successor Creative Europe in terms of the volume of UK based projects

supported, but a large degree of diversity in terms of both the highest overall annual value, and the highest average award sum – these have been drawn from a number of funding sources, and despite the lower overall value of funds such as ERDF in recent years, the scale of each award within this fund remains proportionally larger than that from more ‘screen specific’ awards. It is worth noting that the majority of funding awards within ERDF are made at programme level and likely to be subject to onward distribution to a number of beneficiaries, whilst Creative Europe and MEDIA make direct awards to the ultimate beneficiary.

Case Study – Borderlines Film Festival: Bringing Film to the People

Borderlines, a not-for-profit enterprise, is the UK’s largest successful rural film festival. Based in Herefordshire, and drawing inspiration from its surroundings the festival has run every year since 2003. The festival’s early growth and success was underpinned by support and funding from the EU LEADER and LEADER+ schemes, which provide grants to organisations supporting development within rural communities across Europe. The 2017 festival had 19,312 attendances, quadrupling the attendance from 2003.

The activities supported by LEADER included the development of new documentary films based on archival footage of the regions which provide the festival’s backdrop and ‘Borderlines in the Villages’ a series of community based events, which included outdoor screenings at a World War 2 aircraft hangar and the National Trust owned Borrington Hall.

These activities played a vital role in establishing Borderlines’ reputation for cultural creativity and community engagement and helped deepen and diversify the festival’s audience in its infancy, with many of the ‘early adopters’ drawn in by specific events remaining regular patrons to the present day.

The LEADER funding has had a strong impact on the character and focus of the festival. Archive based films remain an important part of the programme, with material drawn from local volunteers in the ‘Flicks in the Sticks’ archive project working to produce new titles and working with the regional screen agency, Media Archive for England to put on specially curated programmes.

Table 2-5: Number of projects involving UK beneficiaries by year and fund*

Fund	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
MEDIA	151	147	182	172	167	167	133	-	-	-	-	1,119
Creative Europe	-	-	-	-	-	-	-	149	136	208	3	496
ERDF	1	3	4	10	7	8	1	4	2	3	-	43
Erasmus+	-	-	-	-	-	-	-	11	5	9	-	25
FP7	-	5	2	3	1	1	5	3	-	-	-	20
LEADER	-	-	-	3	3	3	4	-	-	1	-	14
Interreg	-	1	-	-	2	5	-	-	-	-	1	9
Culture	-	-	1	1	-	1	2	-	-	-	-	5
ESF	1	1	1	-	1	-	-	-	-	-	-	4
Horizon 2020	-	-	-	-	-	-	-	-	1	-	-	1
Total	153	157	190	189	181	185	145	167	144	221	4	1,736

Source: SQW analysis of EU fund databases

* The funding/project year is unknown for all Lifelong Learning (6) and Youth in Action (3) projects, and unknown for 19 ERDF projects and 2 LEADER projects.

Table 2-6: Value of EU funding involving UK beneficiaries by year and fund*

Fund	2007 (£000)	2008 (£000)	2009 (£000)	2010 (£000)	2011 (£000)	2012 (£000)	2013 (£000)	2014 (£000)	2015 (£000)	2016 (£000)	2017 (£000)	Total (£000)
MEDIA	10,145	12,078	11,482	13,337	11,963	13,958	11,331	-	-	-	-	84,294
Creative Europe	-	-	-	-	-	-	-	14,364	9,839	11,461	346	36,011
ERDF	1,822	9,263	637	20,499	20,515	1,747	532	5,992	911	1,504	-	63,425
Erasmus+	-	-	-	-	-	-	-	2,677	410	1,381	-	4,468
FP7	-	19,682	4,678	11,765	2,919	2,992	25,159	4,262	-	-	-	71,457
LEADER	-	-	-	9	23	95	157	-	-	174	-	457
Interreg	-	2,385	-	-	2,645	6,500	-	-	-	-	473	12,003
Culture	-	-	-	35	-	37	33	-	-	-	-	104
ESF	-	46	7,292	-	2,572	-	-	-	-	-	-	9,911
Horizon 2020	-	-	-	-	-	-	-	-	38	-	-	38
Total	11,967	43,455	24,090	45,644	40,637	25,329	37,212	27,295	11,198	14,521	819	282,168

Source: SQW analysis of EU fund databases

*19 ERDF, 2 LEADER and 2 Youth in Action projects are excluded from the table because the funding/project year is unknown.

Table 2-7: Value of EU funding received directly by UK beneficiaries by year and fund*

Fund	2007 (£000)	2008 (£000)	2009 (£000)	2010 (£000)	2011 (£000)	2012 (£000)	2013 (£000)	2014 (£000)	2015 (£000)	2016 (£000)	2017 (£000)	Total (£000)
ERDF	1,822	9,263	637	20,499	20,515	1,747	532	5,992	911	1,504	-	63,425
MEDIA	5,627	6,856	6,860	7,574	6,244	7,627	6,268	-	-	-	-	47,055
Creative Europe	-	-	-	-	-	-	-	4,765	5,078	4,677	346	14,866
ESF	-	46	7,292	-	2,572	-	-	-	-	-	-	9,911
FP7	-	-	-	-	-	-	-	2,208	-	-	-	2,208
LEADER	-	-	-	9	23	95	157	-	-	174	-	457
Culture	-	-	-	35	-	37	33	-	-	-	-	104
Horizon 2020	-	-	-	-	-	-	-	-	38	-	-	38
Total	7,449	16,165	14,789	28,117	29,355	9,506	6,990	12,965	6,027	6,355	346	138,064

Source: SQW analysis of EU fund databases

* Excludes 1 Youth in Action project because the funding/project year is unknown.

Table 2-8: Top Funding Stream in Each Year

Year	Highest value	Most projects	Highest mean average award
2007	MEDIA	MEDIA	ERDF
2008	FP7	MEDIA	FP7
2009	MEDIA	MEDIA	ESF
2010	ERDF	MEDIA	FP7
2011	ERDF	MEDIA	ERDF
2012	MEDIA	MEDIA	FP7
2013	FP7	MEDIA	FP7
2014	Creative Europe	Creative Europe	ERDF
2015	Creative Europe	Creative Europe	ERDF
2016	Creative Europe	Creative Europe	ERDF
2017	Interreg (One Award)	Creative Europe	Interreg (One Award)

Source: SQW Analysis of EU Fund Databases

Case Study – Aardman Animations

The initial MEDIA funding support 11 years ago for Aardman Animations TV series *Shaun the Sheep*, encouraged the company to take a calculated risk on a small character from the Academy Award® winning Wallace and Gromit film *A Close Shave* and grow *Shaun the Sheep* into a key brand. Subsequent Creative Europe funding allowed for crucial development time and breathing space in which the opportunities and inherent humour of the character could be fully explored. This resulted in 150 episodes sold to 180 countries, all of whom continue to support the series on air. *Shaun The Sheep* has also won many awards including a BAFTA, and an International Emmy. The MEDIA support received for the series from an early stage supported Aardman’s vision that this truly was a series with European and international appeal.

Two further grants have had additional impact on the Aardman brand. €190k was awarded for the production of the spin-off *The Farmer’s Llamas* which had a 17 month production schedule employing 60 crew and aired on BBC as a Christmas special in 2015. Studio Canal also received funding for the distribution of *Shaun the Sheep the Movie* in a number of European countries. The film had a 29 month production schedule and employed 116 crew. These grants have both contributed to the growth of one of the great UK media exports. *Shaun the Sheep Movie* was nominated for an Oscar® in 2016 and Aardman is now in production on a sequel, ready for release in 2019 – further establishing the power of the brand and reaching an even wider audience.

Key investments from MEDIA allowed Aardman Animations to explore the development of new characters, new ideas and new talent, which Aardman is now exploiting in full. The support of MEDIA funding has continued to enable the company to nurture new ideas and talent. Continued access to Creative Europe funds plays an important part in ensuring retention of both IP and talent in the UK,

and is a vital resource for independent companies to access in order to achieve this.

3. Geographic Distribution of EU Funding to UK Screen Sectors

- 3.1 This section breaks down and analyses the distribution of the £298.4m received by the UK by geographic region, using postcode data to offer overall sums received within each locality and to highlight ‘clustering’ of awards by geographic region and funding stream.

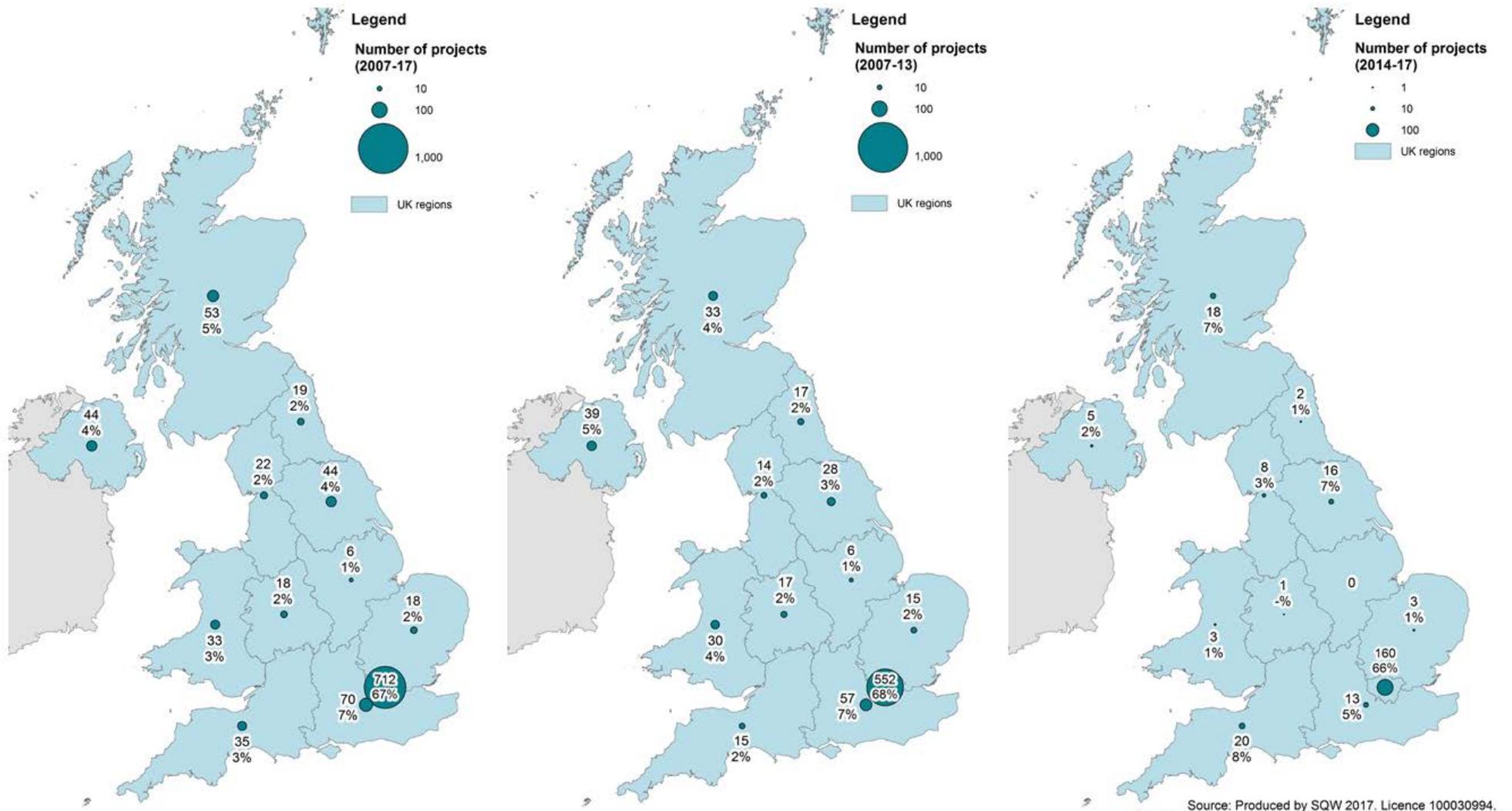
Distribution of Beneficiaries by Region

- 3.2 Figure 3-1 shows the number of projects per region. It was possible to determine the region of UK beneficiaries for only 1,062 of the 1,766 projects supported following a manual search for beneficiary headquarters where this was not provided. MEDIA and Creative Europe account for the majority of the gaps. We were unable to discern a region for 44% of all MEDIA and Creative Europe projects.
- 3.3 Of the 1,062 projects for which the region of the UK beneficiaries could be determined, the majority **involved** at least one London-based beneficiary (67%). This is significantly ahead of the South East (6.6%), which had the second highest proportion of projects with a beneficiary based in the region. The East Midlands had the lowest proportion of projects with a beneficiary based in the region, at only 0.6%.
- 3.4 London-based beneficiaries were the most common **direct** recipients for seven funds out of twelve. Most of the five funds for which London-based beneficiaries were not the most common **direct beneficiary** were the funds with a low number of projects overall – the only exception is ERDF, for which Northern Ireland accounted for half of the 62 projects.
- 3.5 Comparing the two funding periods, the proportion of projects with a London-based beneficiary is marginally smaller in 2014-2017. The South West, Yorkshire and the Humber, North West, and Scotland, account for a high proportion of the total number of projects across the 2014-2017 period, whereas Northern Ireland and Wales have a much lower number of projects.
- 3.6 Figure 3-2 shows the total value and direct value of projects involving a beneficiary in each region for the period 2007-2017. It shows that London-based beneficiaries have been **involved in** projects with a combined total value of £87.8m (37% of the funding⁴). The **percentage value** of total funding given to projects involving a London-based beneficiary is therefore lower than that for the **count of projects** which involve one or more London-based beneficiary (66%). However, given that regional information was not determinable for MEDIA and Creative Europe projects worth a total value of £57.9m, the figures for London should be treated with caution.
- 3.7 Of the 958 projects for which the region of a **direct** UK beneficiary could be determined, the majority had at least one London-based beneficiary (69%) yet London beneficiaries received just 29% of direct funding. This reflects the high value of the projects in Northern Ireland and

⁴ Based on projects where it was possible to determine the region of beneficiaries.

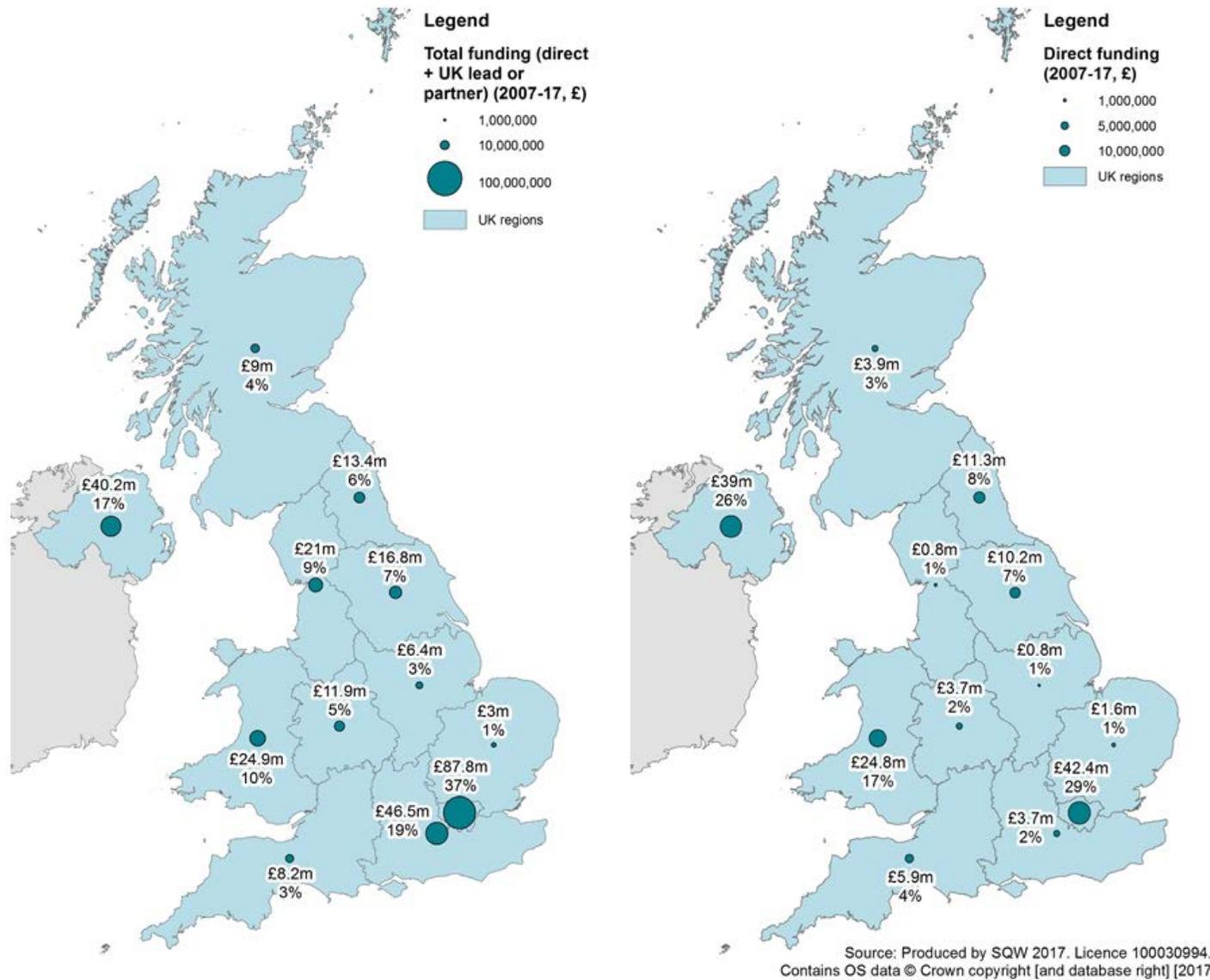
Wales, which meant that despite only accounting for 4% and 3% of projects for which funding was received directly, they account for 26% and 17% of the value of those projects respectively. Again, this reflects the lower value of MEDIA and Creative Europe projects and the higher value of ERDF projects in terms of direct to UK funding.

Figure 3-1: Number of projects by region of beneficiaries



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Figure 3-2: Value of projects by region of beneficiaries (total value involving UK beneficiary on left; value of direct to UK beneficiary on right)



Distribution of Beneficiaries by Postcode

- 3.8 Figure 3-3 presents the location of 1,082 beneficiaries across 1,052 projects for which a postcode was identifiable.⁵ Whilst this shows a high concentration of projects in London – particularly for Creative Europe and MEDIA projects – there is nonetheless a good geographic spread of projects across England and the Devolved Administrations from the other funds, although this is mostly based around core cities.

Case Study – Northern Film and Media, Saving the North East Screen Economy

Northern Film & Media (NFM) has acted as the regional screen agency for the North East since 2003. Since 2011, European Regional Development Funds – matched by contributions of local and national agencies – has been the major source of funding to support production and development of the local sector.

NFM's initial programme ran between April 2012 and September 2015, totalling £1.3m (with a £0.2m extension) this included £0.5m of ERDF. The current funding round runs from October 2015 through to September 2018 and totals £1m, of which 58% of the funding was supplied by a mix of partners including Arts Council England, Channel 4, Creative Skillset, Creative England and local authorities matched with £0.4m of ERDF.

The clearest success of the funding is measured in the volume of screen sector activity supported by NFM's production and locations team across the funding period. Location filming supported by Northern Film & Media has totalled 5,386 shoot days since 2012, contributing £56.4m of GVA to the local economy. On average, annual figures were 35% higher than the previous period. This includes support for award winning productions such as *Lady Macbeth*, BBC's *Inspector George Gently* and ITV's *Vera*.

Alongside these services, NFM have supported local talent development by offering structured mentoring on aspects of the film and TV industry. This includes 'one to many' teaching opportunities with commissioners, distributors and invited guests from outside the region; small market access awards of up to £300 to support activities such as festival attendance; and development awards of up to £5k to support 50% of the cost of engaging professional support to help refine a project.

The screen sectors remain a relatively small part of the North East economy, but NFM believe that this would have 'eroded to zero' without the support of ERDF funding to help practitioners to make things locally. Attitudes are changing, with several local authorities and city regions exploring the opportunities presented by the creative industries – including the screen sectors – to provide high skilled, high value jobs within the North East region. NFM is in active discussions to design and deliver public sector programmes for these partners based on their successful delivery of ERDF programmes.

⁵ SQW filled gaps in postcode data by searching for the headquarters of beneficiaries at the time of the project, although it was not possible to determine this information for all of the projects.

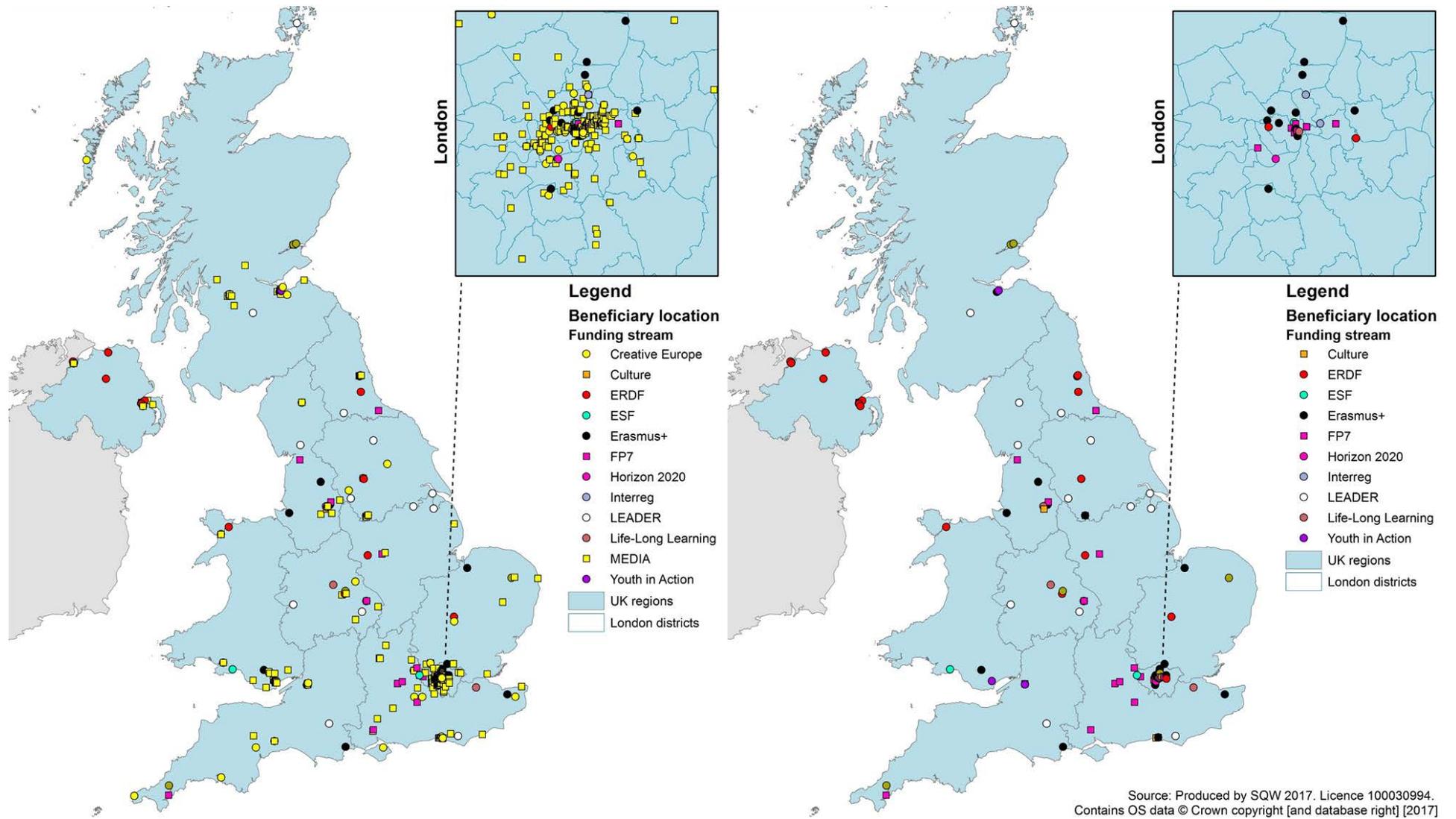
3.9 Focusing on London, the inset maps show a concentration in central London. The following list shows the boroughs with the most project beneficiaries:

- City of Westminster: 247
- Camden: 204
- Tower Hamlets: 68
- Hackney: 48
- Islington: 37
- Hammersmith and Fulham: 32
- Ealing: 12
- Kensington and Chelsea: 10

3.10 Counting each postcode once, the following boroughs have the most projects:

- City of Westminster: 84
- Camden: 47
- Islington: 19
- Hackney: 19
- Hammersmith and Fulham: 15

Figure 3-3: Project beneficiary locations by fund (with Creative Europe and MEDIA on the left; without Creative Europe and MEDIA on the right)



4. Value of International Collaboration Driven by EU Funding

- 4.1 This section highlights the overall value of monies received by international consortia involving at least one UK partner, and focussing on development of the UK screen sectors. The majority of these awards relate to co-production of screen media, but a small, significant number relate to screen sector research and skills development.
- 4.2 It was not possible to determine which countries were collaborators for 393 MEDIA (2007-13) projects and 285 Creative Europe (2014-20) MEDIA projects.
- 4.3 The projects that involved collaboration with non-EU or EU associated countries were funded by MEDIA (2007-13 and 2014-2017) (3), Culture (2007-13) (1) and FP7 (1). Many of these projects are likely to include some level of international collaboration, therefore all figures in this section should be treated as illustrative rather than conclusive.

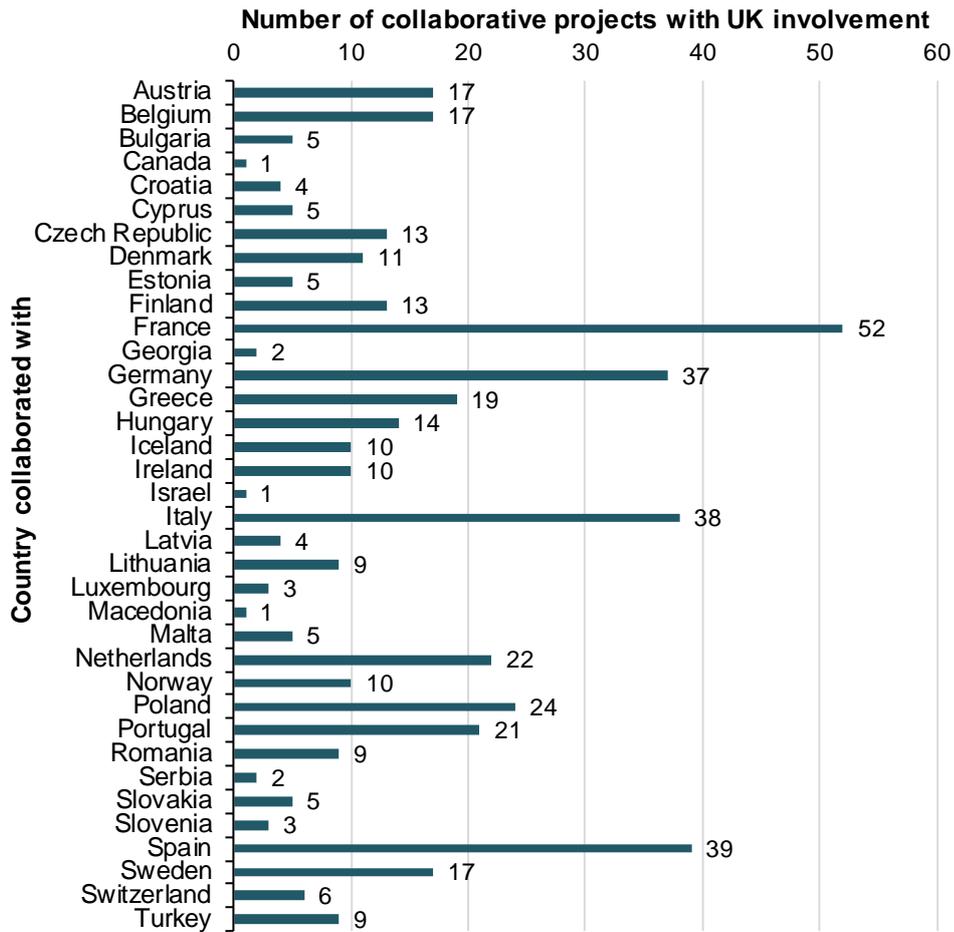
Overall Value

- 4.4 In total, 137 projects are known to have involved collaboration with at least one international beneficiary in an identifiable country – these projects have a total value of £94.1m, almost a third of the total value of all projects involving the British screen sectors. Across these 137 projects, there were 463 instances of collaboration with 36 countries.

Main Collaborator Countries

- 4.5 Where data was available, the number of collaborations by country are shown in Figure 4-1. Where a project involves collaboration with international beneficiaries in two or more countries, that project is counted once for each collaborator country.

Figure 4-1: Number of instances of collaboration with an international beneficiary by country*



Source: SQW analysis of EU fund databases
 *Where data was available

4.6 Table 4-1 presents the number and value of projects by country for the top 20 countries by total value. It shows that France, Germany, Italy and Spain are major collaborators in terms of both number and value – France has been involved in projects with a value equivalent to 61% of the total value of all projects involving international collaboration; Germany has been involved in 27% of all projects by count. Table 4-1 only reflects the small number of projects (137) for which collaboration data was available.

Table 4-1: Number and value of projects by country collaborated with (Top 20 collaborator countries)*

Country collaborated with	Number of projects	Direct to UK (£000)	UK as lead (£000)	UK as a partner (£000)	UK as indirect beneficiary (£000)	Total value (£000)
Germany	37	583	23,772	41,543	8	65,907
France	52	610	16,234	40,776	511	58,131
Italy	38	61	14,190	36,980	-	51,231
Spain	39	623	7,991	36,629	144	45,387
Switzerland	6	-	7,302	23,203	-	30,505
Greece	19	-	8,218	17,045	52	25,315
Netherlands	22	578	8,743	13,561	11	22,893
Austria	17	74	4,820	15,492	-	20,387
Belgium	17	593	5,010	12,305	-	17,909
Hungary	14	-	6,982	7,374	3	14,359
Czech Republic	13	5	2,261	9,599	-	11,865
Serbia	2	-	-	11,353	-	11,353
Portugal	21	-	6,173	4,917	132	11,222
Sweden	17	19	7,194	1,538	-	8,751
Poland	24	578	3,306	3,281	-	7,164
Luxembourg	3	578	-	6,441	-	7,019
Malta	5	-	5,609	1,215	-	6,824
Ireland	10	22	2,631	4,044	-	6,697
Turkey	9	-	4,321	258	-	4,579
Finland	13	-	-	4,011	-	4,011

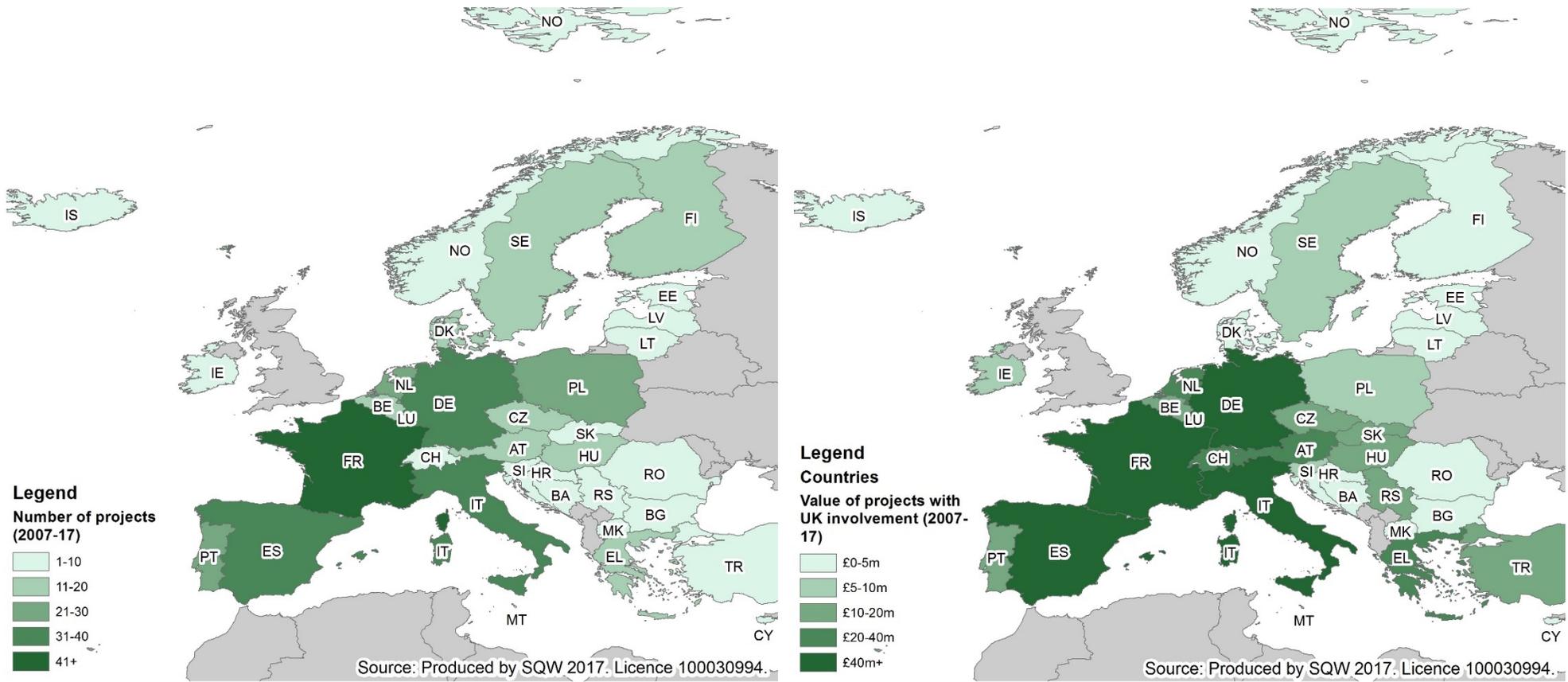
Source: SQW analysis of EU fund databases

*The rows should not be aggregated because projects are counted in each row where there was collaboration with that country.

Geographical Distribution of Collaboration

- 4.7 The geographical spread of collaboration, based on available data, with Europe across the two funding periods is shown in Figure 4-2 overleaf.

Figure 4-2: Number of collaborative projects by country of collaborator and funding period*



*4 MEDIA collaborations are not included in this map: Canada (1), Georgia (2) and Israel (1)

5. Sector and Theme Level Distribution

- 5.1 This section outlines the screen sub-sectors supported by EU funding. These returns are defined by the key words used to search EU datasets and thus are merely indicative totals – many awards included only partial or incomplete data, and others included two or more ‘key words’. As such these data points and funding values should only be used in isolation, and not summed, in order to avoid potential duplication.
- 5.2 Table 5-1 (overleaf) shows the search results of a selection of key terms that were used for this study. ‘Film’ returned the highest number of responses, equivalent to 69% of projects and 54% of total funding.
- 5.3 Although ‘research’ returned 39 projects with a total value of £54m, the value of funding received through FP7 and Horizon 2020 is arguably a better indicator of funding received by UK organisations to conduct screen sector research; this value gives 21 projects with a total value of £71.5m.

Case Study – Falmouth University, Accelerating the UK’s Games Industry

Falmouth University is situated within one of Europe’s most economically disadvantaged regions. The University and local authorities have a long track-record of working with EU partners to stimulate growth and provide opportunities for local people to take fulfilled, high-skilled jobs within the region.

The University received £2.1m from FP7 in 2014 to support research into digital games, and to help establish their reputation in this growing field of international interest. A combination of the funding support and hiring Professor Simon Colton as European Research Area Chair of Game Technology has helped establish Falmouth as a world-leading centre of excellence in this field. The University has subsequently attracted high-quality students on six new video games courses and staff to work and study in the institution, which in turn helps to support the local economy. The University now plays host to over 300 video games students, up from 48 in its first year, providing a vital skills pipeline to national industry.

The FP7 award, and clustering of knowledge and skills, has given the university and local authorities’ confidence to invest in the future, and to pilot complementary schemes.

One of these schemes is ‘Launchpad’, a 5-year programme supported by Cornwall Council and delivered by Falmouth University, supported by EU ‘Greenshoots’ funding. Launchpad builds the burgeoning cluster by offering graduates funding to start their own video games business, as well as mentoring from major sectoral players such as Sony, and an MA qualification. The University retains shares in these companies and will use any monies raised through purchase of these stakes to support legacy funding of the programme.

Launchpad aims to have supported 65 companies by its fifth year and brought over 500 ‘new’ jobs to the region.

Table 5-1: Number of projects and level of funding by search term

Search term	Number of projects	Direct to UK (£000)	UK as lead (£000)	UK as partner (£000)	UK as indirect beneficiary (£000)	Total funding involving the UK (£000)	Average funding per project (£000)
Animation	53	4,561	7,659	4,142	0	16,363	309
CGI	6	627	3,151	2,550	0	6,328	1,055
Cinema	68	14,202	3,768	18,286	0	36,256	533
Computer Games	6	5	1,590	11,857	0	13,452	2,242
Film	1,218	67,887	17,492	23,707	51,757	160,844	132
Film Distribution	6	956	0	0	0	956	159
Film Exhibition	2	0	45	45	0	90	45
Film Production	11	343	1,259	7,391	0	8,993	818
Film Promotion	108	259	0	688	63	1,010	9
FX	4	0	3,797	145	0	3,941	985
Game	86	26,123	11,814	26,811	0	64,749	753
Gaming	11	439	2,919	17,069	0	20,427	1,857
Movie	16	303	3,151	10,130	25	13,609	851
Research	39	3,364	13,922	36,733	0	54,019	1,385
Skills	53	31,136	6,348	3,037	0	40,521	765
Stop motion	3	416	0	0	0	416	139
Stop-motion	2	259	0	0	0	259	130
Television	46	38,074	5,112	3,820	0	47,006	1,022
Television Production	2	394	0	0	0	394	197
TV	120	20,808	20,771	35,520	0	77,099	642
TV Production	3	759	2,538	0	0	3,297	1,099
VFX	3	0	1,259	145	0	1,403	468
Video Game	9	1,497	2,919	0	0	4,416	491
Visual effects	3	0	3,151	145	0	3,296	1,099
VOD	25	4,862	0	1,300	0	6,162	246

Source: SQW analysis of EU fund databases

* See the methodology section paragraphs 2.19 for guidance on interpreting this table.

6. Organisation and Programme Level Impacts

- 6.1 This section identifies the UK beneficiaries which received the largest sums from EU funding streams across the 2007-2017 period. It also outlines the onward distribution of funds and the types of activities directly and indirectly supported by EU funding.

Number and value of projects

- 6.2 Several UK beneficiaries received high levels of support from EU funding, either through a large number of projects or through a small number of high value projects. Table 6-1 shows some of the top beneficiaries by number of projects. This only shows organisations that have been involved in a project either as the lead or direct recipient of funds. It therefore excludes instances where an organisation has been a partner on a project.
- 6.3 The table is dominated by film distributors and exhibitors due to the volume of projects funded by Creative Europe and MEDIA, which is designed to support the cross-border transfer of audio-visual works.

Table 6-1: Top beneficiaries by number of projects 2007-2017

Beneficiary organisations	Number of projects	Direct to UK (£000)	UK as lead (£000)	Total funding involving the UK (£000)	Average funding per project (£000)
Artificial Eye	46	2,685	-	2,685	58
Soda Pictures	32	641	-	641	20
Curzon Film World	26	1,803	-	1,803	69
Metrodome Distribution	22	1,088	-	1,088	49
Hanway Films	18	734	-	734	41
New Wave Films	18	316	-	316	18
Peccadillo Pictures	18	199	-	199	11
Power to the Pixel	13	1,540	-	1,540	118
International Documentary Festival Sheffield	13	978	-	978	75
Optimum Releasing	13	908	-	908	70
Pathé	13	496	-	496	38
Film London	10	537	1,755	2,292	229
Studiocanal	10	739	-	739	74
London Film School	10	526	-	526	53
Leeds City Council	10	302	-	302	30
Protagonist Pictures	10	35	-	35	4

Source: SQW analysis of EU funding databases

- 6.4 Table 6-2 shows the top beneficiaries by the total level of project funding. Again, this only includes organisations that have been involved in a project either as the lead or direct recipient of funds. It therefore excludes instances where an organisation has been a partner on a project.
- 6.5 In general, the table is dominated by beneficiaries who have been involved in a small number of high value projects. But, Artificial Eye⁶, Film London and Creative England make the list despite much lower levels of average funding per project due to the volume of their projects which received EU support.
- 6.6 The Northern Ireland Screen Commission were by far the largest beneficiary in terms of funding received, with £36.4m received directly. The presence of multiple universities shows the support for research into screen technologies including 3D and virtual reality, usually in collaboration with institutions in other EU Member States.

Table 6-2: Top beneficiaries by total value of projects 2007-2017

Beneficiary organisations	Number of projects	Direct to UK (£000)	UK as lead (£000)	Total funding involving the UK (£000)	Average funding per project (£000)
Northern Ireland Screen Commission	7	36,412	-	36,412	5,202
Bangor University	2	12,483	-	12,483	6,242
Northern Film and Media	6	7,512	-	7,512	1,252
Screen Yorkshire	1	7,500	-	7,500	7,500
Swansea University	1	7,292	-	7,292	7,292
The University of Surrey	3	-	7,226	7,226	2,409
The Foundry Visionmongers	2	-	5,689	5,689	2,844
Brunel University London	1	-	3,120	3,120	3,120
British Broadcasting Corporation	1	-	2,919	2,919	2,919
Artificial Eye	46	2,685	-	2,685	58
Creative Skillset	1	2,572	-	2,572	2,572
Dundee City Council	1	-	2,385	2,385	2,385
Film London	10	537	1,755	2,292	229
Teesside University	1	-	2,129	2,129	2,129
Creative England	6	2,082	40	2,122	354

Source: SQW analysis of EU fund database

⁶ Since 2006, Artificial Eye has been part of Curzon Film World, itself a major beneficiary of EU funding.

Supported Activities

6.7 Follow up interviews with a sample of beneficiaries demonstrated a diverse range of activities were supported and underpinned by EU funding. These activities include:

- Artistic exchange
- Business acceleration
- Business management and access to finance skills
- Development funding
- Distribution funding
- Production funding
- Seed funding
- Slate funding
- Support for building of industry networks and mentorship
- Support for screen related training and skills

6.8 It should be noted that the sample of beneficiaries interviewed did not include recipients of funding under the EU's pedagogical programmes (Youth in Action, Erasmus +) and thus no feedback was obtained on outcomes or programme design in these fields.

Programme Design

6.9 The core observation from the interviews is that the majority of funds were subject to some degree of onward distribution to support a particular method of screen industry funding or business support. The method, design and target of programmes was diverse, from the aims of Creative Europe to support distribution of screen productions within the EU, to Creative England's programmes to support upskilling and business growth amongst screen SMEs in Hertfordshire and the North West.

6.10 Monitoring of Key Performance Indicators and Outputs were integral to most of the funding schemes. For Creative England and Screen Yorkshire, onward funding was tightly bound to the provision of jobs and company level growth within a given region, with obligations to return funding if these conditions were not met. Similarly, several beneficiaries noted stringent recoupment conditions were attached to their funding, to ensure engagement on a commercial footing and to maximise the economic opportunity of both the projects supported, and the overall funds in perpetuity.

Outreach

6.11 All programme managers' activities involved an element of outreach. For some beneficiaries, notably Creative Europe desks in England and Scotland, this was the core of their purpose – to raise awareness of the level and types of support they provide. For other consultees this was a more marginal element of their undertaking, but was important to ensure a constant

flow of applicants and awardees. In some instances, this outreach included engagement to encourage location of an enterprise or production within a specific geographic area.

Reported Outcomes

- 6.12 A full evaluation of the economic and social impacts of EU funding on the UK's screen sectors was outside the scope of the brief. Several consultees, including Screen Yorkshire and Creative Europe, have undertaken or are undertaking their own internal impact evaluations as a condition of funding awards⁷.
- 6.13 The Yorkshire Content Fund Evaluation (undertaken in 2015) estimated that the Fund's £15m investment had unlocked £153m of economic activity, leading to a £45m GVA contribution and approximately 500 FTE jobs (8000-9000 work days).

Case Study – Yorkshire Content Fund: Building a Northern Screen Powerhouse

The Yorkshire Content Fund was delivered by Screen Yorkshire (SY) between 2012 and 2016, spending a total of £14.2m European Regional Development Fund monies to support 37 film and high-end television productions across the region. The Fund leveraged a further £143m of funding into the region from other private and public sources, supporting approximately 500 jobs within its lifetime.

Research undertaken by SY showed 4,900 jobs in the region in 2015 (an increase of 88% from 2009, versus 32% nationally in the same period) and turnover of £424m (an increase of 247% from 2009, versus 118% nationally in the same period). Within this period, the existence of the Yorkshire Content Fund was the only thing differentiating the region from the rest of the UK so there is a strong case for attribution.

The impacts of the Fund extend beyond direct economic impacts. The success of Fund-backed projects such as *Peaky Blinders* and *Jonathan Strange and Mr Norrell* gave Screen Yorkshire strong foundations on which to initiate the development and marketing of a new studio facility at the former RAF base at Church Fenton. This studio – and the local skills base supported by Fund back production - has attracted productions without the need for funding support, including three series of the internationally successful ITV/Mammoth Screen production *Victoria*.

The Fund also 'recouped' monies over and above its initial outlay thanks to the success of its investments, which were made on commercial terms and backed successful projects such as the *Dad's Army* and Channel 4's *Red Riding*. The Department for Communities & Local Government agreed that Screen Yorkshire could roll these recouped monies into a 'Legacy Fund' which continues to support local production and leverage inward investment.

The Yorkshire region is home to the UK's fastest growing screen cluster, and has ambitious plans to capitalise on this growth trajectory. The Yorkshire Content Fund

⁷ The Interim Evaluation of Creative Europe is ongoing

provided the foundations upon which the cluster will continue to expand and succeed.

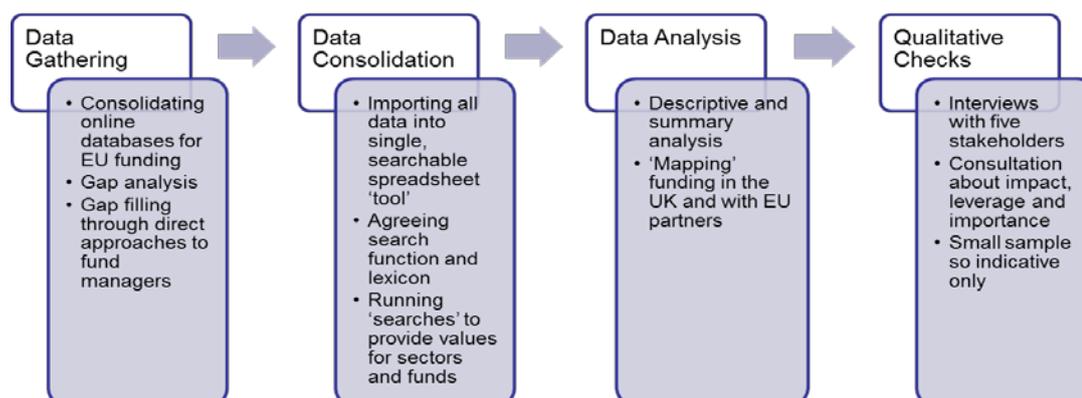
6.14 All consultees reported positive outcomes stemming from the support provided by EU funding. These included:

- Support for business scale ups
- Support for inward investment (both production and enterprise)
- Support for project development
- Skills, training and business management impacts on firm level productivity
- Leveraging other sources of funding (both public and private)
- Underwriting of infrastructure investment
- Employment outcomes
- Providing a basis for stakeholder engagement and advocacy
- Raising the profile of industry within a geographic region
- Tourism impacts through support of certain high-profile production
- Cross-border collaboration (including co-production).

7. Methodology

- 7.1 This section outlines the methodology used by the team to gather the EU datasets, and interrogate these for relevant awards and detail. Most of this approach was automated, with an element of quality control to ensure that only fully compatible awards were captured. The approach taken by the study team is summarised in Figure 7-1.
- 7.2 The study covers all funding to the UK screen sectors between 2007 and 2017. Owing to changes to the priorities, distribution and nomenclature of EU funding programmes following agreement of a new multi-annual EU budget in 2014 the majority of programmes run either in the periods 2007-2013 or 2014-2017 (in practice these will run through to 2020). Several funds – including the European Regional Development Fund – span the entire period from 2007 to 2017. Each programme from the 2007-2013 period has an equivalent in the 2014-2017 period (for example FP7 and Horizon 2020). These equivalencies are noted throughout the report.

Figure 7-1: Approach taken by the study team



A Note on the Data

- 7.3 This report outlines the European funds within which there were relevant screen sector project recipients. SQW's search also covered the following funds, which did not contain any relevant projects: COSME; Entrepreneurship and Innovation Programme (EIP); Erasmus Mundus; Europe for Citizens; Industrialised Countries Instrument Education Cooperation Programme (ICI ECP) and LIFE.
- 7.4 The analysis focusses on funding received directly from EU institutions. It does not include any programmes supported by the UK Government's Regional Growth Fund or match-funding provided by Local Enterprise Partnerships, much of which is underwritten by the European Investment Fund. Although a small number of UK filmmakers benefitted from co-productions funded by Eurimages, this is not included – Eurimages is a Council of Europe, not an EU fund.

- 7.5 Whilst the study team is confident that we have achieved the most comprehensive coverage possible, the findings are not absolute. Databases for several funds were either not up-to-date or failed to provide complete detail on the scope of awards. In other instances, it has not been possible to determine whether the databases were comprehensive, in which case it should not be assumed that they are. Where no data was available, the study team took reasonable steps to obtain this data from the relevant authorities. In some instances - such as the results for LEADER – this was successful.
- 7.6 Aside from this general caveat regarding coverage, there are some specific gaps in coverage where no data was available following reasonable steps to acquire it:
- ESF for 2014-2020 in Northern Ireland
 - ERDF and ESF for 2007-2013 in Scotland was only available for Lowlands and Uplands.

Data Gathering

- 7.7 The Data Gathering stage consisted of finding the most comprehensive online databases of projects that have received EU funds. Whilst the majority of these are held at EU level, 'localised' distribution models mean that several are owned either by the UK Government, Devolved Administrations or Local Authorities. At this point, some gaps were identified which it was not possible to fill – as highlighted in the previous section. One gap that it was possible to fill was LEADER, which was achieved through direct contact with Local Action Groups and, consequently, the Rural Payments Agency, who provided lists of relevant projects based on the agreed list of key words.

Data Consolidation

- 7.8 At the Data Consolidation stage, the study team reconciled issues stemming from a lack of uniformity between databases. The databases varied significantly in the quality and granularity of the information they contained – some sources were highly detailed and therefore easily searchable and sortable, whereas others were patchy in their coverage and/or had minimal granularity on individual projects. In all cases, the data was manipulated to provide conformity and as much granularity as possible, in order to permit analysis and the production of a sortable spreadsheet that is functional and insightful across the various funds.
- 7.9 The key issues faced by the study team at this stage, along with the resulting guidance and caveats for interpreting the analysis in this report, are explored below.

Identifying relevant projects

- 7.10 The process of searching for relevant projects involved a degree of automation, with projects initially sifted based on whether they contained any of the agreed key word search terms within the project name, project lead or project description (where these were available). All projects provided by the Creative Europe UK Desk were included, as these had been sifted by the UK Desk team.
- 7.11 Given the automated approach to data gathering other than Creative Europe, some relevant projects could have been excluded at the outset because, despite being relevant, they did not

contain any of the search terms. Following an initial search which gave a long starting list of projects, as discussed in more detail in the 'Data Analysis' section below, the study team sense checked the remaining projects manually to determine relevance. This stage included an online search of 'marginal' projects (e.g. those with digital elements but no reference to screen technologies) and a judgement as to whether these projects sat within the confines of the client brief.

- 7.12 These checks usually related to projects where the data was of poor quality. For example, where projects did not have full descriptions and the project name contained no clear of relevance to the client brief.

Currency

- 7.13 The majority of databases presented the value of the funding in euros rather than pounds sterling. Where this was the case, the value was converted to pounds sterling using the average exchange rate for the project year, or project start year. The values presented in this report should therefore be considered as non-inflation-rated estimates, rather than precise figures.

Categorisation of funding

- 7.14 Due to the varied approaches that sources took in attributing the value of funds granted – either at a project-level or beneficiary-level – and the varied roles of UK organisations within project teams – as either the sole beneficiary, lead, or partner – it was necessary to split the value of funds into four categories which are used throughout this report:
- **Direct to UK:** where the level of funding received directly by a UK beneficiary is known
 - **UK as lead:** where the overall project-level funding is known and a UK-based organisation is the lead, but where apportionment of funding between partners is not known
 - **UK as a partner:** where the overall project-level funding is known and a UK-based organisation is a partner, but where apportionment of funding between partners is not known
 - **UK as indirect beneficiary:** where funds are not received directly by a UK organisation but are likely to benefit a UK organisation e.g. where a foreign distributor has received funding to distribute a UK film.
- 7.15 The 'value' of funding presented in the databases also varied between 'funding paid', 'funding approved' and 'maximum funding approved', with some sources unclear as to which of these is presented. As there was a lack of clarity, even within databases, we chose to present the figures as category ambivalent, therefore, the actual level of funding received by projects and/or beneficiaries may be lower than the levels presented.

Data Analysis

- 7.16 The study team enriched and filled in any data gaps by sourcing additional information – such as the locations of beneficiaries – to achieve as comprehensive a picture as possible. This was achieved through online searches of, say, organisational headquarters and a process of ‘cleaning’ the data through sense checking the relevance of project data returned through the automated process. For example, the ‘digital’ key word highlighted a large number of project entries with no direct impact on the screen industries, these were checked for relevance to the client brief.
- 7.17 Once a comprehensive dataset had been compiled it was analysed in order to fulfil the specifications of the client brief. These include provision of overall compound figures from each fund, total funding for each UK region and, as far as possible, for each industry sector.
- 7.18 UK region was determined using postcode data, which was used to demonstrate clustering of awards and regional spread of funding. Where this data was not available the study team undertook an internet search to determine the geographic location of the recipient. Where more than one location was found, the postcode for the organisation’s headquarters was used. Geographic location could only be discerned for 1,062 of the 1,766 awards found during the data gathering stage of the process, therefore the findings for this section are not representative of the total awards sum.
- 7.19 The data analysis for industry sectors proved most problematic – a combination of incomplete data and the automation within the process means there is double counting where a word appears both on its own and as part of a compound phrase (e.g. ‘film’ and ‘film exhibition’) while the lack of full information on projects at EU level, or on the onward distribution of funding by programme managers, makes providing accurate estimates for the values for narrower sub-sectors (such as ‘film exhibition’ or ‘High-End TV’) difficult.
- 7.20 Where the word ‘average’ is used within this report, this equates to the mean average.

Quality Assurance

- 7.21 The figures presented therefore present a best estimate for each sector based on the information available during the course of analysis – cross-referencing this with programme management information from major onward distributors (such as Screen Yorkshire or Creative England) will provide a more granular and enlightening level of sectoral analysis.
- 7.22 After data compilation and initial data analysis, five semi-structured qualitative interviews with beneficiaries were carried out to quality assure the figures and to get a sense of the usage of the funding. The interviews followed a standard topic guide as they were designed to interrogate value and onward distribution processes and to understand the types of activities supported by the funding as well as whether the partner was an intermediary or ‘ultimate beneficiary’. The interviews were not designed to identify funding outcomes, as this was outside the scope of the brief.
- 7.23 There is scope for further data checking and qualitative analysis of the datasets – including through tools such as a beneficiary e-survey, seeking better management data from programme delivery organisations or fuller economic impact assessment of the funding unlocked and employment supported, but this falls beyond the scope of this assignment.

Specific Methodological Guidance by Chapter Topic

Distribution of EU Funding to UK Screen Sectors

- 7.24 This section presents a breakdown of project beneficiaries by region and postcode. Some databases contained locational information, whereas other did not – where no address information was known the study team used the organisation’s headquarters at the time of the project provided this was locatable. Where no headquarters could be located, the project was not included within the regional analysis.
- 7.25 Regional analysis was carried out at project level, looking to see which project had beneficiaries in the nations and regions. As such, projects are counted once per region in which a beneficiary is located regardless of the number of beneficiaries from a specific project in one region. So, if there are two beneficiaries in London, for example, this only counts as one data point, whereas if a project has a beneficiary in London as well as in the South East, this would be counted as two data points.
- 7.26 Where a project has beneficiaries in two or more UK regions it is counted in both of those regions once, regardless of how many beneficiaries are located in each of those regions. Regional figures should be used in isolation but not totalled in order to avoid instances of double counting.

Value of International Collaboration

- 7.27 This section presents a breakdown of collaboration with organisations in other countries. Similar to UK regional collaborations, where a project consisted of collaboration with multiple countries, it will be counted once for each different country regardless of the number of collaborators within that country.
- 7.28 The country of origin for project partners and collaborators was available for almost all funds. The notable exception is MEDIA and Creative Europe, for which 634 projects which concerned grants to European distributors to support the release of UK films did not indicate either the distributor’s name nor the country of release.

Sector and Theme Level Distribution

- 7.29 This section presents the results from the search terms. These are indicative as the process is highly automated and therefore the quality of the results is reliant on the quality of the data. For example, the ‘TV’ search term would return a result for a non-relevant project if it contained the word ‘outvoted’; it would also miss a project that contained ‘television’ but no instance of ‘TV.’ To combat this, the study team agreed a comprehensive list of abbreviations and alternative terms, and manually checked the relevance of all results.
- 7.30 Due to the limitations of this method, key word totals should not be summed as this will lead to double counting. For example, ‘Film’ and ‘Film production’ would both pick up projects that contains the term ‘film’.

Firm and Programme Level Impacts

- 7.31 The process of identifying beneficiaries that are involved in multiple projects required considerable manual work. This is because the beneficiary names could not be matched when they were not identical – for example ‘Aardman’ and ‘Aardman Animations’ would not be recognised as the same beneficiary – so manual matching of recurring beneficiaries was required.

Annex A: Glossary of European Funds

Table A-1: Glossary of Funds

Fund	Period	Description
Creative Europe	2007-2017	Creative Europe provides support to the cultural and creative sectors. It contains the Culture and MEDIA sub-programmes, acting as the successor to these two funding sources which had previously been separate programmes.
Culture	2007-2013 2014-2017	Now part of Creative Europe, Culture supports activities within the cultural sector such as those involving promoting cross-border cooperation, platforms, networking, and literary translation.
Erasmus+	2014-2017	Erasmus+ provides funding in the fields of education, training, youth and sport. It supports the development of people and the sharing of knowledge across organisations and countries, and is most widely known for supporting student exchange activities.
European Regional Development Fund (ERDF)	2007-2013 2014-2017	ERDF supports economic growth and job creation through investing to correct economic imbalances between regions and by focusing on sectors in which the UK has a competitive advantage. The funds are distributed at a regional level and are co-financed, so European funding is matched by additional funding.
European Social Fund (ESF)	2007-2013 2014-2017	ESF is focused on training, access to employment and social inclusion. The funds are distributed at a regional level and are co-financed so will be matched by additional funding.
FP7	2007-2013	FP7 funded research and innovation, including the development of technology, in order to support European competitiveness and jobs. Many projects were undertaken by a pan-European consortium of organisations.
Horizon 2020	2014-2017	Horizon 2020 is the successor to FP7 and has a similar focus, activities and method of distributing funds.
Interreg	2007-2013 2014-2017	Interreg provides funding to support cross-border, transnational and interregional cooperation in joint actions and policy exchanges. It focusses on research and innovation, low-carbon and the environment and SMEs.
LEADER	2007-2013 2014-2017	LEADER supports rural development projects. Funds are distributed locally by Local Action Groups, of which there are around 100 in the UK.
Lifelong Learning	2007-2013	Lifelong Learning was the predecessor to Erasmus+ and delivered similar activities.
MEDIA	2007-2013 2014-2017	Now part of Creative Europe, MEDIA supports the audiovisual sector such as through activities that promote the development, distribution, or access to audiovisual works.
Youth in Action	2007-2013	Youth in Action concerned active citizenship, solidarity, tolerance, and the involvement of young people in shaping the future of the European Union.

Annex B: Acknowledgements

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