

NEW BFI RESEARCH MAPS SPEND OF £298.4 MILLION IN EU FUNDING FOR THE UK'S SCREEN INDUSTRIES FROM 2007-2017

LONDON – Monday 26 March 2018. A new report published by the BFI today, **Mapping Study of EU Funding of the UK Screen Sectors, 2007-2017**, shows how European funding has supported UK screen projects across the UK's nations and regions, enabling the screen sector and the economy to grow, attract investment, and generate jobs. The report includes case studies detailing how key UK regions have benefitted from sustained structural funding, including Yorkshire which saw an 88% increase in employment in the screen industries on the back of its development supported by European funding.

The research, commissioned by the BFI and undertaken by consultancy SQW, shows that since 2007 **£298.4 million of European funding** has been awarded to 1,766 screen sector projects directly benefiting businesses in the UK. The breakdown of this investment shows £154.3 million has gone directly to UK-based organisations, £92.4 million to projects in which the UK is involved or is the lead partner, and £51.8 million to European distributors in releasing UK films and therefore also indirectly benefitting UK businesses.

Amanda Nevill, CEO of the BFI said, "The UK's creative industries are consistently leading the charge across the UK contributing a massive £92 billion in GVA to the UK and employing two million people. The strength of the sector has led to the inclusion of the creative industries in the Government's industrial strategy, with a special sector deal designed to supercharge performance. The £298.4 million of cultural and structural funding from Europe detailed in this report has been really important in catalysing business ambition and economic growth. Exiting the EU will alter the UK's ability to access this investment and so other opportunities for the sector to find investment such as the UK Shared Prosperity Fund needs to be carefully considered for the sector to sustain UK-wide growth."

The research also shows the cultural funding programme **Creative Europe** and its predecessor **MEDIA**, delivered the highest total value to the UK screen sectors, awarding £36 million and £84.3 million respectively, £120.3 million in total. Becoming increasingly important over the years, Creative Europe accounted for over 75% of the total funding from Europe between 2014 and 2017, up from 33% between 2007 and 2014

Other streams of European funding have also played a significant role in developing vital infrastructure outside London, enabling creative businesses to develop across the UK and generate spend and employment locally.

The **European Regional Development Fund (ERDF)**, which aims to redress economic and social imbalances between regions of the EU, has invested £79.6 million directly into the UK's screen industries. Research and innovation fund **Horizon 2020** (and its predecessor **FP7**) have invested £71.5 million. These two funding streams – ERDF and Horizon 2020/FP7 – provided a higher proportion of total European funding to the UK from 2007-2013 and a decline in more recent years following a change in ERDF funding criteria.

A breakdown of funding by sector shows film projects have received the most funding with £161 million, followed by digital with £98 million, research with £71 million, video games with £55 million and television with £47 million.

In looking at 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 has been wide and notably Northern Ireland and Wales received more than £60 million, mostly through the ERDF with £39.6 million and £24.4 million respectively. Separately, Northern Ireland Screen Commission was the largest beneficiary of project funded from 2007-2017 with £36.4 million. The South West, Yorkshire and Humber, the North West and Scotland account for a high proportion of the projects funded.

Several UK universities – including Brunel, Swansea and Teesside – have received large awards for research that is expected to benefit the screen industries.

The research also provides evidence of significant collaboration between the UK and EU countries on both creative projects and research with 161 projects known to have at least one international partner and totalling £98.2 million in EU funding awarded. The most important partners are shown to be France, Germany, Italy and Spain.

How European funding has supported some of the UK's regions and screen sector businesses

- The **Yorkshire Content Fund (YCF)**, delivered by Screen Yorkshire (SY), benefited from £14.2 million of ERDF investment between 2012 and 2016 to support 37 film and high-end television productions across in the region. The Fund leveraged a further £143 million from other private and public sources, supporting more than 500 jobs and helping to develop the UK's fastest growing screen cluster. Research shows an increase of 88% in employment since 2009 with

4,900 jobs in 2015 and an increase of 247% in turnover to £424 million over the same period. The success of Fund-backed projects such as *Peaky Blinders* and *Jonathan Strange and Mr Norrell* has given Screen Yorkshire strong foundations on which to initiate the development and marketing of a new studio at Church Fenton which has attracted further production including three series of the internationally successful ITV/Mammoth Screen production *Victoria*. With the YCF having 'recouped' above its initial outlay on projects such as the feature film *Dad's Army* and Channel 4's *Red Riding*, the Department for Communities & Local Government has agreed that Screen Yorkshire could roll the recouped money into a Legacy Fund to continue support for local production and leverage inward investment.

- **Northern Film & Media (NFM)** has acted as the regional screen agency for the North East since 2003. Since 2011, ERDF support, matched by contributions of local and national agencies, has been the major source of funding to support production and development of the local sector. The volume of location filming supported by NFM for award-winning productions such as *Lady Macbeth*, BBC's *Inspector George Gently* and ITV's *Vera* has totalled 5,386 shoot days since 2012, contributing £56.4 million of GVA to the local economy. The current funding round runs from October 2015 to September 2018 and totals £1 million, of which 58% of the funding was supplied by a mix of partners including Arts Council England, Channel4, Creative Skillset, Creative England and local authorities matched with £0.4 million ERDF support. The screen sectors remain a relatively small part of the North East economy, but NFM believes that this would have eroded to zero without the support of ERDF funding to help practitioners make things locally. NFM is in active discussions to design and deliver public sector programmes for partners based on the successful delivery of ERDF programmes.
- **Falmouth University** lies within one of Europe's most economically disadvantaged regions but is recognised to be a world-leading centre for digital games development. The University received £2.1 million from FP7 in 2014 to support research into digital games and now plays host to 300 video games students, up from 48 in 2014, providing a vital skills pipeline to local and national industry. The clustering of knowledge and skills has led the university and local authorities to invest in the future and to pilot complementary schemes. The five-year *Launchpad* programme is supported by Cornwall Council and EU 'Greenshoots' funding. Graduates can receive funding to start their own video games business with the university retaining shares in these companies and using money raised for 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.
- MEDIA/Creative Europe funding, initially 11 years ago, for the TV series *Shaun the Sheep* enabled Bristol-based animation studio **Aardman Animations** to take a calculated risk

on a small character from the Academy Award® winning *A Close Shave* and grow Shaun the Sheep into a key brand. With 150 episodes sold to 180 countries, all of whom continue to support the series on air, and many awards including a BAFTA and an International Emmy, the MEDIA funding received for the series supported Aardman's vision that this truly was a series with European and international appeal.

Further grants have supported 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 2015 Christmas special. 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. 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. 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.

European funding of the UK Screen Sectors, 2007-2017 with the full breakdown showing EU funding received by the UK under the EU's core cultural programmes as well as those supporting research, economic and rural development and educational collaboration can be downloaded <http://www.bfi.org.uk/sites/bfi.org.uk/files/downloads/bfi-mapping-study-eu-funding-uk-screen-sectors-2007-2017.pdf>

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About the BFI

The BFI is the lead body for film in the UK with the ambition to create a flourishing film environment in which innovation, opportunity and creativity can thrive by:

- Connecting audiences to the widest choice of UK and World cinema

- Preserving and restoring the most significant film collection in the world for today and future generations
- Championing emerging and world class filmmakers in the UK - investing in creative, distinctive and entertaining work
- Promoting UK film and talent to the world
- Growing the next generation of film makers and audiences

The BFI is a Government arm's-length body and distributor of Lottery funds for film. The BFI serves a public role which covers the cultural, creative and economic aspects of film in the UK. It delivers this role:

- As the UK-wide organisation for film, a charity core funded by Government
- By providing Lottery and Government funds for film across the UK
- By working with partners to advance the position of film in the UK

Founded in 1933, the BFI is a registered charity governed by Royal Charter.

The BFI Board of Governors is chaired by Josh Berger CBE.