

British film, high-end television programmes, animation television programmes, children's television programmes and video games certification January-June (H1) 2017

BFI Research and Statistics Unit

03 August 2017

1. Key Points

Feature Film

- A total of 130 films received final certification under the cultural test in the first half of (H1) 2017, with a UK spend of £1.2 billion and a total budget of £1.7 billion. Six co-productions were certified in this period, with a UK spend of £13.2 million and a total budget of £33 million.
- In the last 12 months, July 2016-June 2017, 259 films received final certification, with a UK spend of £1.54 billion and total budget of £2.22 billion. Of these 249 were cultural test films, with a UK spend of £1.52 billion and total budget of £2.14 billion; 10 films were co-productions, with a UK spend of £26 million and total budget of £82 million

High-end television programmes

- In H1 2017, 40 high-end television programmes received final certification under the cultural test, with a UK spend of £259 million and a total budget of £320 million. No co-productions received final certification in this time.
- In the rolling year, July 2016-June 2017, 78 high-end television programmes received final certification under the cultural test. Total UK spend and total budget was £681 million and £848 million respectively. No co-productions received final certification in this period.

Animation television programmes

- A total of 19 animation programmes received final certification under the cultural test in H1 2017, with a UK spend of £16 million and a total budget of £19 million.
- In July 2016-June 2017, 40 animation programmes received final certification under the cultural test. These had a UK spend of £43 million and total budget of £55 million.

Children's television programmes

- In H1 2017, a total of 36 children's television programmes were certified under the cultural test, with a UK spend of £19.2 million and a total budget of £19.4 million.
- In the last 12 months, 50 programmes have received certification under the cultural test, with a UK spend of £28 million and a total budget of £29 million. No programmes have received certifications as a co-production since the relief came into place.

Video games

- In H1 2017, 114 video games were certified under the cultural test, with an EEA/UK spend of £84 million and a total budget of £103 million.
- In the rolling year July 2016-June 2017, 213 video games have received final certification, with an EEA/UK spend of £187 million and total budget of £215 million.

Table 1 Final certifications for film, high-end television programmes, animation television programmes children’s television programmes and video games H1 2017

	Film	High-end television	Animation television programmes	Children’s television programmes	Video games
Cultural test (number)	130	40	19	36	114
Co-production (number)	6	-	c	-	N/A*
UK spend £m	1,241	258.8 [†]	15.6 [†]	19.2	84.0
Total budget £m	1.699	319.8 [†]	18.77 [†]	19.4	102.9
UK spend as % of budget	73.1	80.9 [†]	83.4 [†]	99.0	81.6

Source: BFI

‘Total Budget’ in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-productions it is the sum of investments made by all participating countries in the film.

‘c’ Data are suppressed for disclosure reasons

[†] Data for cultural test UK spend and budget only, because co-production data has been suppressed for disclosure reasons.

*There are no video-games co-productions as the legislation only covers certification under the cultural test.

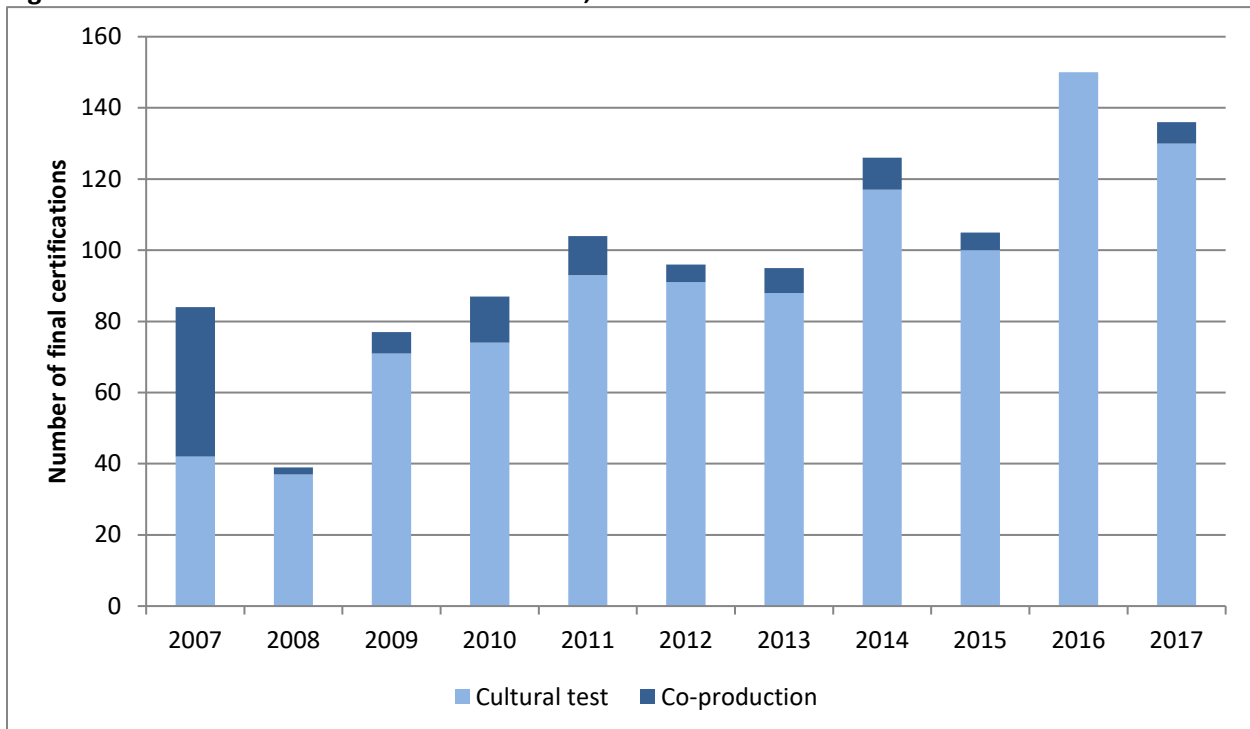
2. Feature film certification

2.1 Certification - numbers of applications and values¹

2.1.1 Final certifications

A total of 136 films received final certification in the first half (H1) of 2017, down from 153 in H1 2016 (Figure 1). The total UK spend and budget of these films was £1.24 billion and £1.7 billion respectively (Figure 2), the highest of any H1 period. UK spend as a percentage of budget was at 73%. In H1 2017, 130 films were certified under the cultural test, with a UK spend of £1.23 billion and budget of £1.67 billion. There were six films in the period with final certification as co-productions with a UK spend and budget of £13 million and £33 million respectively. Co-production applications have remained low following the changes in tax relief in 2007 and since 2012 there have been less than 10 co-productions awarded certification in the first half of any year².

Figure 1 Number of films with final certification, H1 2007 to H1 2017



Source: BFI

Number of co-productions for H1 2008 is less than the disclosure control threshold of five, the value is included because it has been in the public domain since 2010, following the guidance of the UK Statistics Authority Code of Practice for Official Statistics.

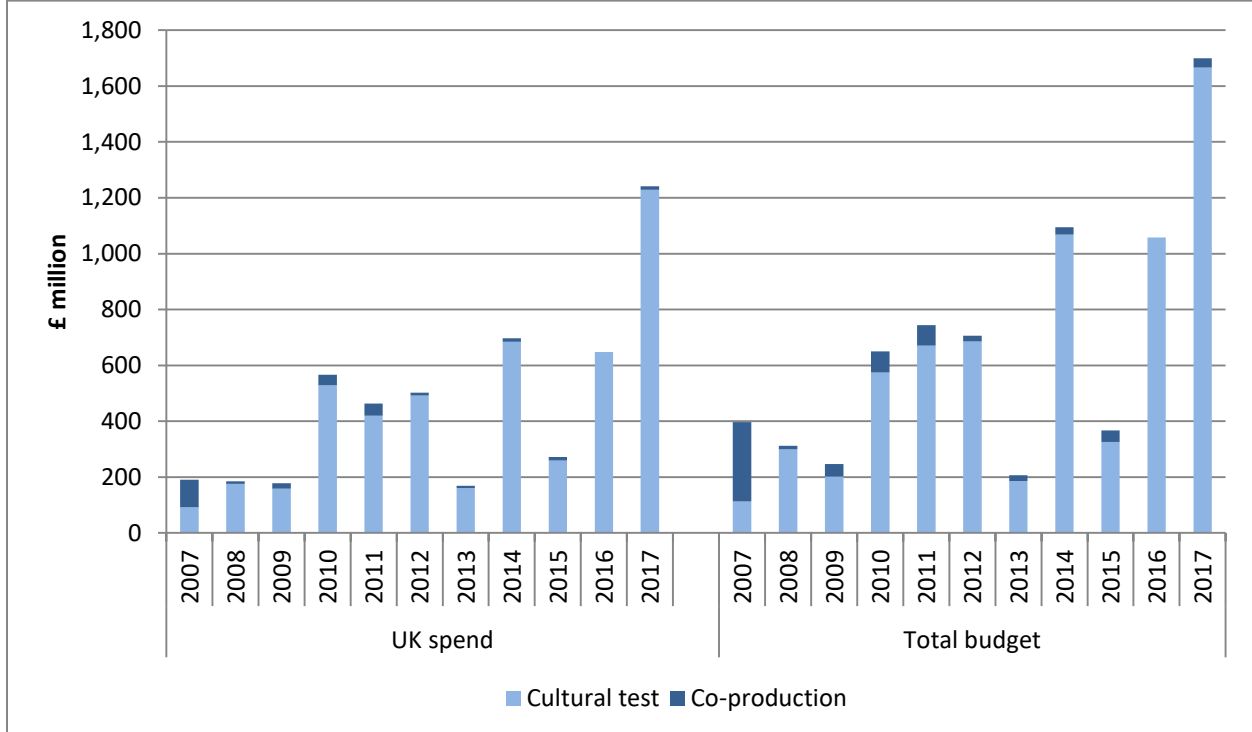
2016 shows number of cultural test films only because the number of co-productions is below the disclosure control threshold and has been suppressed.

See Appendix A for supporting data

¹ For explanation of how certification statistics differ from production in the UK statistics, please see the Notes section.

² The fall in the number of co-productions may be due to appeal of the cultural test tax relief process. Data on film production show that there are a number of projects that behave as co-productions, but either do not apply for tax relief as official co-productions or apply for tax relief through the cultural test. For production data see *Film and other screen sectors production in the UK H1 2017* available at <http://www.bfi.org.uk/education-research/film-industry-statistics-research/official-statistics-release-calendar>.

Figure 2 UK spend and total budget of films with final certification, H1 2007 to H1 2017



UK spend and total budget for co-productions for H1 2008 is included, even though the number of co-production is below the disclosure control threshold, because these data have been in the public domain since 2010, following the guidance of the UK Statistics Authority Code of Practice for Official Statistics.

2016 shows number of cultural test films only because the number of co-productions is below the disclosure control threshold and therefore UK spend and total budget has been suppressed.

'Total Budget' the sum of production activity in the UK and production activity outside the UK.

See Appendix A for supporting data

This release looks at UK spend, total budget and the number of films certified as British in a rolling year highlighting the changes in the number of applications, UK spend and total budget in 12 month periods, from April 2007. Rolling year data give a broader representation of certification trends. In this release the rolling year period covered is July 2007-June 2008 to July 2016-June 2017.

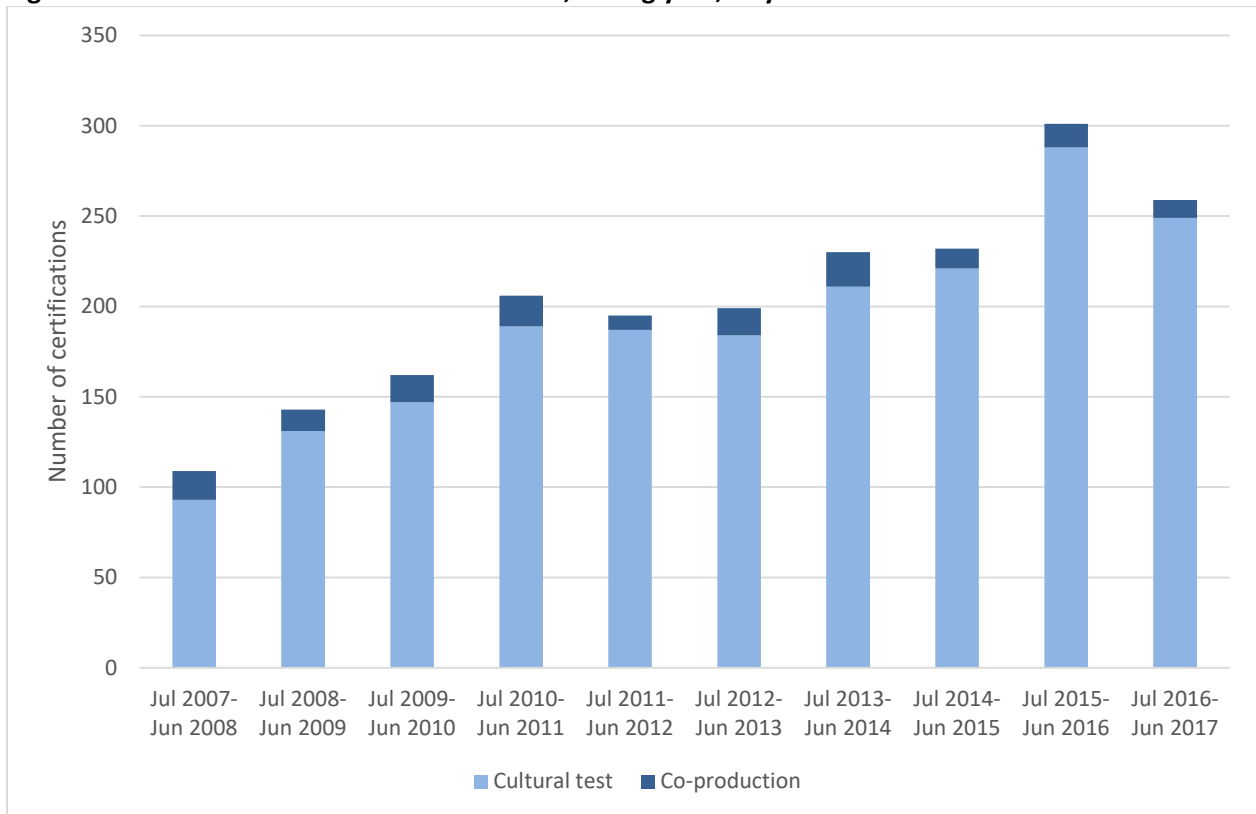
A total of 259 films received final certification in July 2016-June 2017, down from the 301 films in July 2015-June 2016, but the second highest of the period (Figure 3). Total UK spend in July 2016-June 2017 was at a similar level to July 2015-June 2016 with UK spend of £1.5 billion and total budget was £2.2 billion (Figure 4). Overall, there has been an upward trend for the number of films, UK spend and total budget over the period, with July 2011-June 2012, July 2013-June 2014, July 2015-June 2016 and July 2016-June 2017 as stand-out years (each having UK spend at around £1.5 billion and total budget of over £2 billion).

The trend for films with certification under the cultural test was similar to the trend for all certified films. In July 2016-June 2017 249 films were certified under the cultural test, the second highest of the period, with a UK spend and budget of £1.5 billion and £2.1 billion respectively. UK spend and budget were highest in July 2013-June 2014 at £1.6 billion and £2.4 billion. The 'stand out' years mentioned above are due to the certification of US studio inward investment films (e.g. *Harry Potter and the Deathly*

Hallows Parts 1 and 2, Pirates of the Caribbean: On Stranger Tides, Beauty and the Beast and Rogue One: A Star Wars Story).

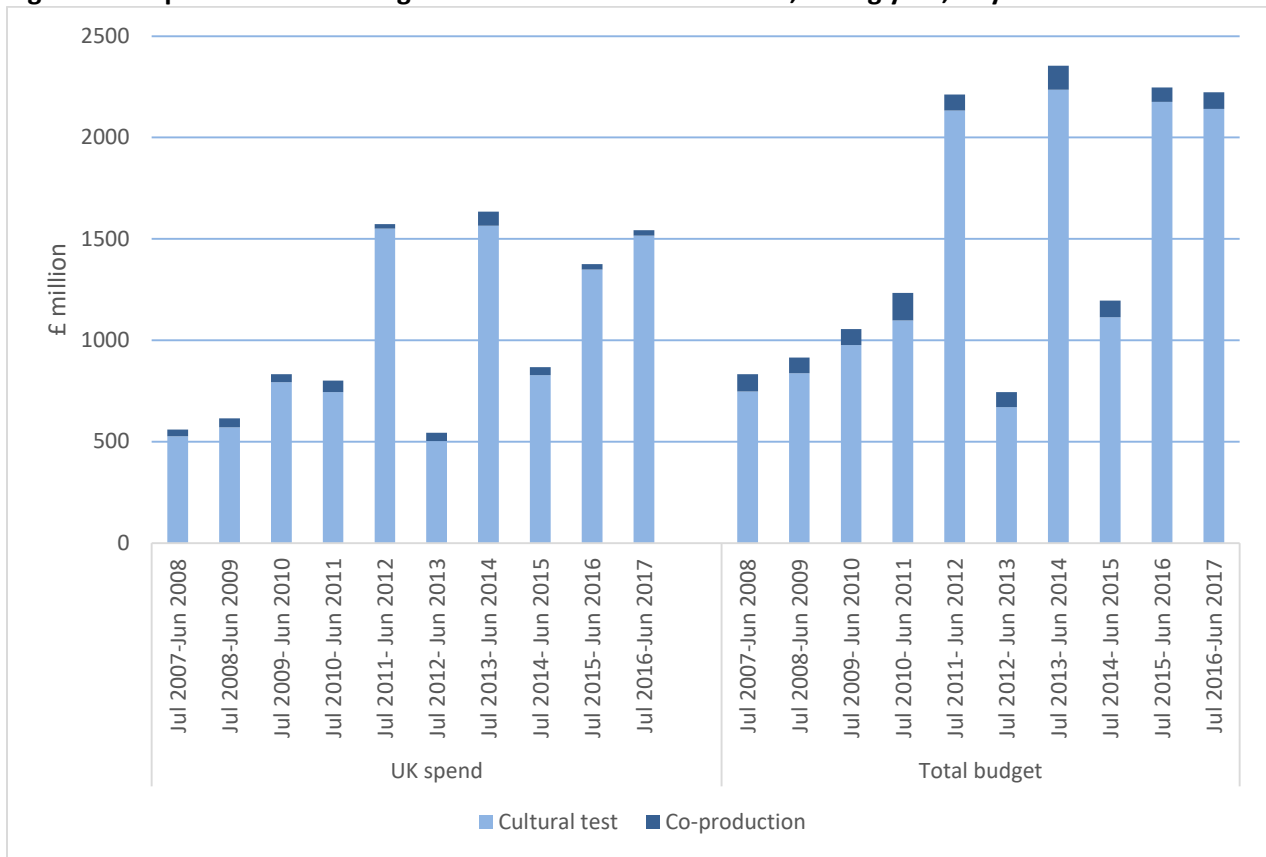
July 2016-June 2017 saw 10 official co-productions receive final certification, with a UK spend of £26 million and a combined budget of £82 million. The number of co-productions and UK spend has fluctuated over the time period, whereas budget has been around £80 million except in July 2010-June 2011 and July 2013-June 2014 where it was above £100 million and July 2012-June 2013 and July 2015-June 2016 where it fell to under £75 million.

Figure 3 Number of final certifications for film, rolling year, July 2007 to June 2017



Source: BFI
See Appendix A for supporting data

Figure 4 UK spend and total budget of final certifications for film, rolling year, July 2007 to June 2017



Source: BFI

'Total Budget' in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-production it is the sum of investments made by all participating countries in the film.

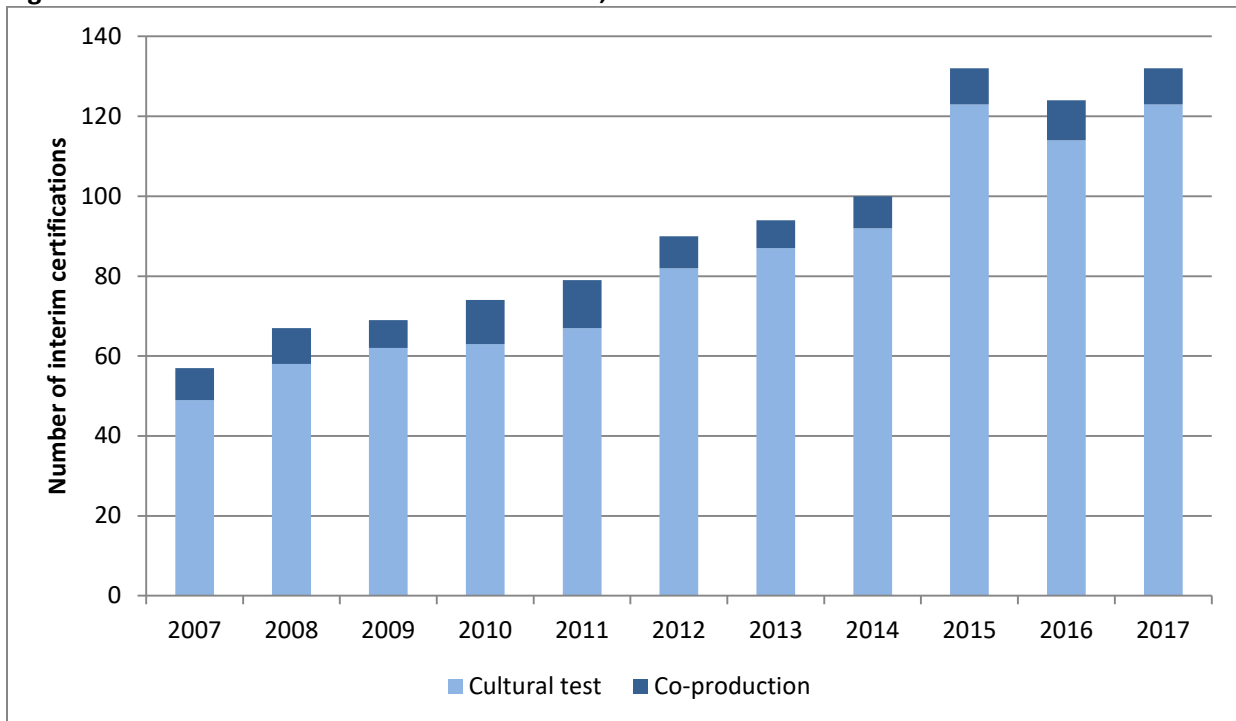
See Appendix A for supporting data

2.1.2 Interim certifications

Interim certification indicates the expected future level of official film production. A total of 132 films received interim certification in H1 2017, up from 124 in H1 2016 (Figure 5). The total UK spend and budget of these films was £0.94 billion and £1.53 billion respectively, a substantial increase from H1 2016 where UK spend was £0.6 billion and total budget was £0.9 billion (Figure 6). UK spend, as a percentage of budget was the lowest of any half year at 61%.

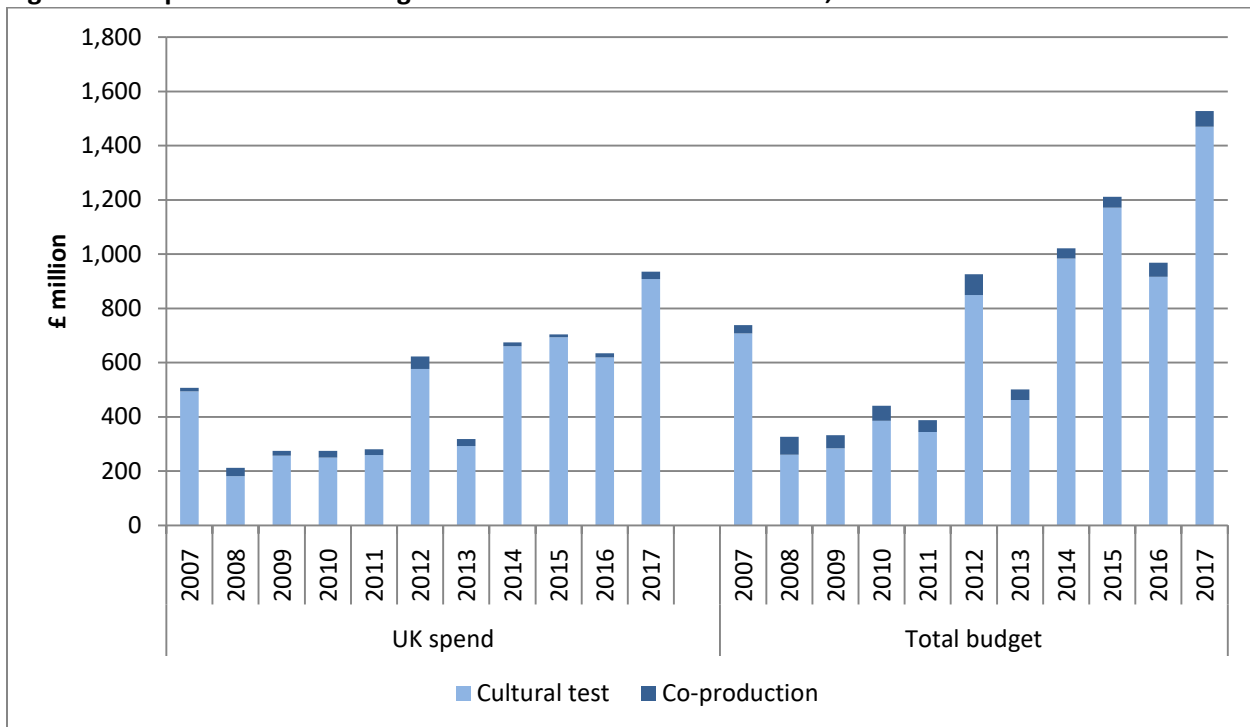
In H1 2017, 123 films were certified under the cultural test, with a UK spend of £0.91 billion and budget of £1.47 billion (Figures 5 and 6). There were nine films in the period with interim certification as co-productions with a UK spend and budget of £27 million and £58 million respectively. Co-production applications have remained low following the changes in tax relief in 2007 staying around 10 in any half year.

Figure 5 Number of interim certifications for film, H1 2007 to H1 2017



Source: BFI
See Appendix A for supporting data

Figure 6 UK spend and total budget of interim certifications for film, H1 2007 to H1 2017

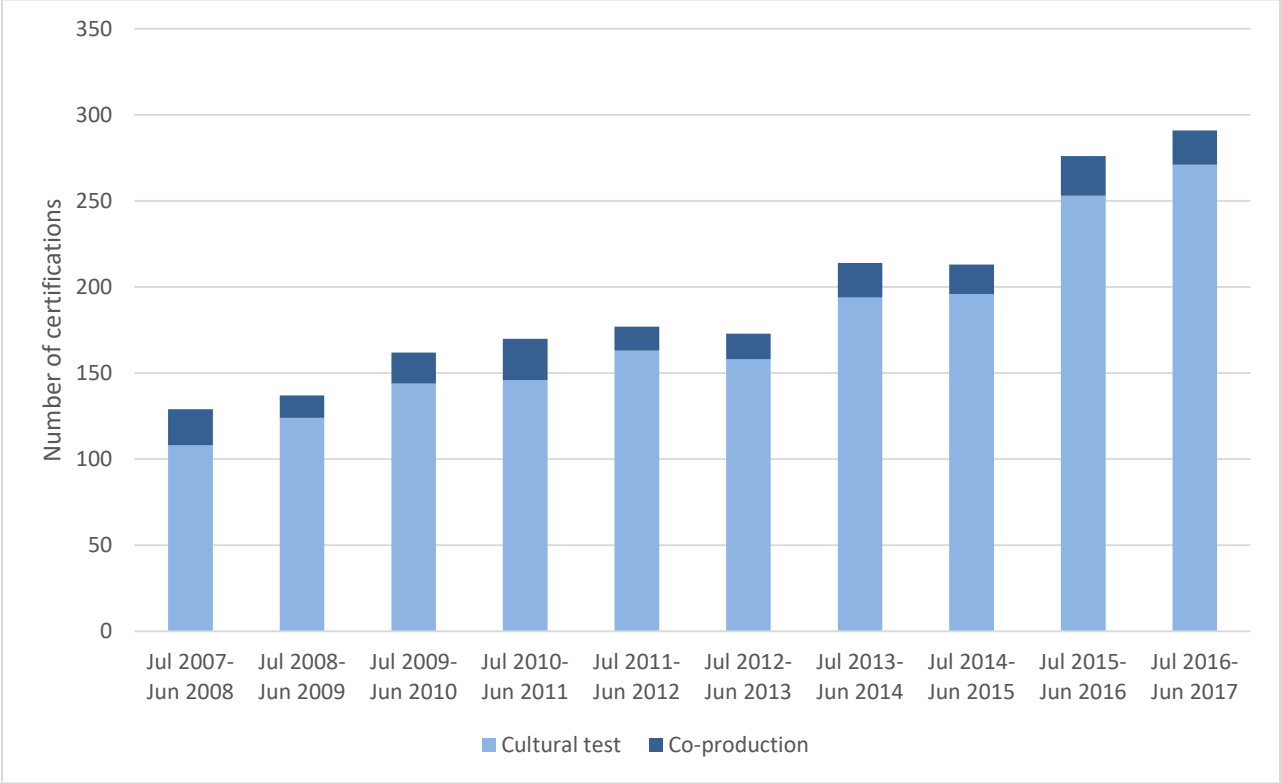


'Total Budget' in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-production it is the sum of investments made by all participating countries in the film.
See Appendix A for supporting data

There were 291 films with interim certification in July 2016-June 2017, up from 276 films in July 2015-June 2016. UK spend and total budget was at its highest level at £1.7 billion and £2.8 billion respectively (Figures 7 and 8). July 2015-June 2016 saw a substantial increase in UK spend and budget which has continued into the latest 12 months; this is due to high budget US studio backed and UK independent films being award interim certification.

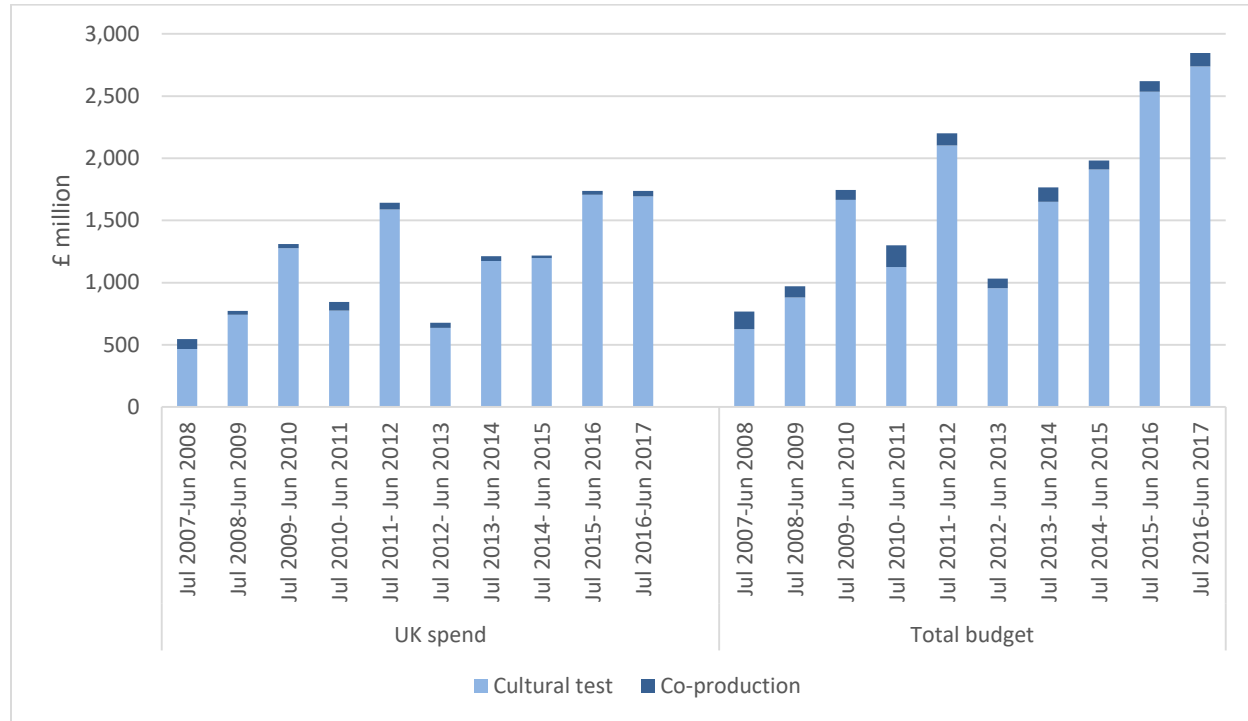
In July 2016-June 2017 271 films were certified under the cultural test (up from 253 in the previous 12 months), with a UK spend of £1.7 billion and a total budget of £2.7 billion, similar to the previous 12 months (Figures 7 and 8). There were 20 official co-productions that received interim certification in July 2016-June 2017, down from 23 in the previous 12 months. These films had a UK spend of £44 million and a total budget of £107 million.

Figure 7 Number of interim certifications for film, rolling year, July 2007 to June 2017



Source: BFI
See Appendix A for supporting data

Figure 8 UK spend and total budget of interim certifications for film, rolling year, July 2007 to June 2017



Source: BFI

'Total Budget' in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-production it is the sum of investments made by all participating countries in the film.

See Appendix A for supporting data

2.2 Total Budgets

The median budget for interim cultural test certifications has been decreasing from 2007 to 2017, with Q1 2017 having the lowest median budget, at £0.7 million (Table 2). The highest median budget was £1.8 million in 2007.

Table 2 Median budgets of interim cultural test certifications

Year	Median budget £m
2007	1.8
2008	1.6
2009	1.0
2010	1.1
2011	0.9
2012	1.0
2013	0.7
2014	0.9
2015	0.9
2016	0.8
H1 2017	0.7

Source: BFI

Interim Cultural Test certifications have only been issued since 2007, when the new film tax relief came into effect.

The 'median' is the middle value, i.e. half the productions have higher budgets than the median; the other half have lower budgets.

Table 3 shows the median budget of interim co-productions since 2003. In H1 2017 the median budget was £5.5 million. Overall median budgets have fluctuated over the time period with 2011 having the lowest median budget, at £2.1 million, and 2012 having the highest median budget at £6.1 million.

Table 3 Median budgets of interim co-production certifications

Year	Median budget £m
2003	4.3
2004	4.2
2005	4.0
2006	5.1
2007	3.7
2008	4.7
2009	3.3
2010	3.7
2011	2.1
2012	6.1
2013	4.0
2014	3.4
2015	2.3
2016	2.3
H1 2017	5.5

Source: BFI

The 'median' is the middle value, i.e. half the productions have higher budgets than the median; the other half have lower budgets.

2.3 Co-production treaties

In H1 2017, the final co-production certifications for films were under the European Convention of Cinematographic Co-production (ECCC) and the UK/China co-production treaties. The interim co-production films qualifying as official co-productions were all under the ECCC co-production treaties.

3. High-end television certifications

3.1 Certification – numbers of applications and values

3.1.1 Final certifications

A total of 40 HETV programmes received final certification under the cultural test in H1 2017, this is a decrease from 45 in H1 2016. UK spend and total budget for programmes in H1 2017 was £259 million and £320 million respectively. UK spend was 81% of total budget (Table 4). No HETV co-productions were awarded final certification in H1 2016; previous years are not shown for disclosure reasons.

Table 4 Final cultural test certifications for HETV, H1 2014 to H1 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
H1 2014	13	78.7	82.3	95.6
H1 2015	26	195.0	207.2	94.1
H1 2016	45	347.0	382.9	90.6
H1 2017	40	258.8	319.8	80.9

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

In the rolling years from July 2013 to June 2017 there has been a year on year increase in the number, and associated UK spend and budget, of HETV programmes receiving final certification under the cultural test (Table 5). In July 2016-June 2017 the total number of programmes with final certification under the cultural test stayed at a similar level as in the previous 12 months, at 78 programmes, but UK spend and spend substantially increased to £681 million and a total budget of £848 million respectively from £565 million and £640 million. This is due to the increase in domestic productions with very large budgets (e.g. *Poldark*, *Marcella* and *The Five*). UK spend as a percentage of total budget fell from 88% to 80%.

Table 5 Cultural test final certifications for HETV, rolling year, July 2013 to June 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
Jul 2013 - Jun 2014	18	91.9	95.5	96.2
Jul 2014 - Jun 2015	57	404.5	451.7	89.6
Jul 2015 - Jun 2016	77	564.7	640.5	88.2
Jul 2016 - Jun 2017	78	680.7	848.3	80.2

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

3.1.2 Interim certifications

As with film, interim certifications indicate the expected future level of official UK HETV production. Overall there has been an upward trend in the number of programmes, UK spend and overall budget. In H1 2017, a total of 38 HETV programmes received interim certification under the cultural test (the same as in H1 2016), with a UK spend of £284 million and a total budget of £427 million (Table 6). This is up on H1 2016, where UK spend was £275 million and total budget was £346 million. No HETV co-productions were awarded final certification in H1 2017; previous years are not shown for disclosure reasons.

Table 6 Cultural test interim certification for HETV, Q1 2014 to Q1 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
H1 2014	23	248.3	299.7	82.9
H1 2015	28	279.8	317.4	88.2
H1 2016	38	275.0	345.9	79.5
H1 2017	38	283.9	427.2	66.5

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

A total of 77 HETV programmes received interim certification in the rolling year July 2016-June 2017, with a UK spend and total budget of £638 million and £921 million respectively (Table 7). Although the number of programmes decreased from 79 in July 2015-June 2016, UK spend and budget increased from £613 million and £777 million respectively. UK spend as a percentage of total budget has decreased from 79% to 69%. No HETV co-productions were awarded final certification in last 12 months; previous rolling years are not shown for disclosure reasons.

Table 7 Cultural test interim certifications for HETV, rolling year, July 2013 to June 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
Jul 2013 - Jun 2014	43	371.7	431.7	86.1
Jul 2014 - Jun 2015	69	549.0	651.7	84.2
Jul 2015 - Jun 2016	79	613.3	777.2	78.9
Jul 2016 -Jun 2017	77	638.2	921.1	69.3

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

3.2 Total Budgets

This release presents the median total budget per minute of content for HETV instead of median total budget, as in previous releases³. The median budget per minute of interim cultural test HETV projects has increased year on year from £20,592 in 2013 (when the HETV tax relief was introduced) to £26,644 in H1 2017.

Table 8 Median budget per minute of interim HETV cultural test certifications

Year	Median budget per minute £ ¹
2013*	20,592
2014	21,788
2015	23,826
2016	22,926
H1 2017	26,644

Source: BFI

¹ Median budget is actual amount, unlike film and video games certification median budget which is reported in £ million

*As the tax relief for HETV programmes commenced in April 2013, median budget for 2013 is for Q2-Q4.

For disclosure control reasons, median budget per minute for interim co-productions is not provided.

3.3 Co-production treaties

As there were no co-productions with final or interim certification in H1 2017, no treaties are reported.

³ Certification applications are received for one-off programmes as well as series (that can be any length of time greater than 31 minutes), this median provides a better representation of the average HETV programme budget. Advice was obtained from the Producers Alliance for Cinema and Television (Pact) regarding appropriate median budgets.

4. Animation programme certifications

4.1 Certification – numbers of applications and values

4.1.1 Final certifications

A total of 19 animation programmes received final certification under the cultural test in H1 2017, this is an increase from 17 in H1 2016 (Table 9). UK spend and total budget for programmes in H1 2017 were £16 million and £19 million respectively, both the lowest since the start of the time period, H1 2014. UK spend was 83% of total budget in H1 2017, the highest of the period. H1 2014 cultural test certification and co-productions are not reported for disclosure reasons.

Table 9 Final cultural test certifications for animation programmes, H1 2014 to H1 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
H1 2014	<5	c	c	c
H1 2015	16	18.7	26.9	69.3
H1 2016	17	17.5	25.5	68.9
H1 2017	19	15.6	18.7	83.4

Source: BFI

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

c data suppressed for disclosure reasons.

In the rolling year July 2016-June 2017 a total of 40 animation programmes received final certification under the cultural test, down from 52 in the previous 12 months (Table 10). UK spend and total budget, also down, were £43 million and £55 million. UK spend and budget peaked in July 2015-June 2016 at £61 million and £85 million respectively. UK spend was 77% of total budget in last 12 months, the highest of the period, July 2013-June 2017. Data for co-productions are not shown for disclosure reasons.

Table 10 Cultural test final certifications for animation programmes, July 2013 to June 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
Jul 2013- Jun 2014	6	2.4	5.2	47.1
Jul 2014- Jun 2015	26	27.2	43.7	62.2
Jul 2015- Jun 2016	52	61.1	84.9	71.9
Jul 2016-Jun 2017	40	42.6	55.5	76.8

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

4.1.2 Interim certifications

As with film and HETV, interim certifications indicate the expected future level of official UK animation programme production. In H1 2017, a total of 24 animation programmes received interim certification under the cultural test, the highest for any first half year. UK spend and budget were also the highest at £68 million and of £81 million respectively (Table 11). UK spend was 84% of budget, down from 86% in H1 2016. Animation programme co-productions are not shown for disclosure reasons.

Table 11 Cultural test interim certification for animation programmes, H1 2014 to H1 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
H1 2014	14	40.1	54.2	74.0
H1 2015	8	27.3	30.1	90.9
H1 2016	17	35.7	41.6	85.8
H1 2017	24	68.4	81.3	84.0

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

In the rolling year, a total of 38 animation programmes were given interim certification under the cultural test, the highest of the period July 2013-June 2017 (Table 12). UK spend and budget was also the highest of the period at £108 million and £124 million respectively. UK spend was 87% of budget. In the last two rolling years, less than five animations programmes in each year have been given certification as a co-production.

Table 12 Interim certification for animation programmes, July 2013 to June 2017

Type of certification	Jul 2013- Jun 2014	Jul 2014- Jun 2015	Jul 2015- Jun 2016	Jul 2016- Jun 2017
Cultural Test				
Number	35	22	34	38
UK spend £m	83.8	53.2	71.3	108.0
Total budget £m	106.5	56.8	96.5	123.5
UK spend as a % of total budget	78.7	93.5	73.9	87.4
Co-production				
Number	-	6	<5	<5
UK spend £m	-	5.0	c	c
Total budget £m	-	10.7	c	c
UK spend as a % of total budget	-	47.0	c	c
All Types				
Number	35	28	c	c
UK spend £m	83.8	58.2	c	c
Total budget £m	106.5	67.5	c	c
UK spend as a % of total budget	78.7	86.2	c	c

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

c data suppressed for disclosure reasons.

4.2 Total Budgets

This release presents the median total budget per minute of content for animation programmes instead of median total budget, as in previous releases⁴. The median budget per minute of interim cultural test

⁴ Certification applications are received for one-off programmes as well as series (that can be any length of time), this median provides a better representation of the average animation programme budget. Advice was obtained from Pact regarding appropriate median budgets.

animation programmes in H1 2017 was £9,630, the highest of period, 2013-H1 2017 (Table 13). From 2014 to 2016, median decreased year on year, from £8,202 to £7,708.

Table 13 Median budget per minute of interim animation programme cultural test certifications

Year	Median budget per minute £¹
2013*	6,284
2014	8,202
2015	7,867
2016	7,708
H1 2017	9,630

Source: BFI

¹ Median budget is actual amount, unlike film and video games certification median budget which is reported in £ million

*As the tax relief for animation programmes commenced in April 2013, median budget for 2013 is for Q2-Q4.

For disclosure control reasons, median budget per minute for interim co-productions is not provided.

4.3 Co-production treaties

Co-productions with final certification and those with interim certification in H1 2017 were all under the UK/Canada treaty.

5. Children’s television programme certifications

5.1 Certification – numbers of applications and values

5.1.1 Final certifications

In H1 2017, 36 children’s television (CTV) programmes received final certification under the cultural test, with a UK spend of £19.2 million and a total budget of £19.4 million, making UK spend 99% of budget (Table 14). This is an increase from 22 programmes with a UK spend and budget of £16 million in H1 2016. No CTV co-productions have received final certification since the ratification of the tax relief in 2015.

Table 14 Cultural test interim certification for CTV programmes, H1 2016 and H1 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
H1 2016	22	16.1	16.1	100.0
H1 2017	36	19.2	19.4	99.0

Source BFI.

‘Total budget’ is the sum of production activity in the UK and production activity outside the UK.

In July 2016-June 2017 a total of 50 CTV programmes received final certification under the cultural test, with a UK spend and total budget of £28 million and £29 million respectively. Data for July 2015-June 2016 are not shown for disclosure reasons.

5.1.2 Interim certifications

As with the other tax reliefs, interim certifications indicate the expected future level of official UK CTV programme production. In H1 2017, a total of 16 CTV programmes received interim certification under the cultural test, with a UK spend of £25 million and budget of £28 million, making UK spend 92% of

budget (Table 15). This is a decrease from 19 programmes in H1 2016, but an increase from a UK spend of £19 million and a budget of £20 million.

Table 15 Cultural test interim certification for CTV programmes, H1 2016 and H1 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
H1 2016	19	19.4	20.1	96.5
H1 2017	16	25.2	27.5	91.6

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

The number of CTV programme interim certifications decreased from 34 in July 2015-June 2016 to 29 in July 2016-June 2017 (Table 16). UK spend and total budget increased from £34 million and £39 million respectively to £41 million and £44 million. UK spend as a percentage of total budget has increased from 89% to 94%. Co-productions are not shown for disclosure reasons.

Table 16 Cultural test interim certification for CTV programmes, July 2015 to June 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
Jul 2015-Jun 2016	34	34.3	38.5	89.2
Jul 2016-Jun 2017	29	41.2	43.7	94.2

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

5.2 Total Budgets

This release presents the median total budget per minute of content for CTV programmes instead of median total budget⁵. The median budget per minute of interim cultural test CTV programmes has increased year on year, from £2,379 in 2015 to £4,816 in H1 2017 (Table 17).

Table 17 Median budget per minute of interim CTV programme cultural test certifications

Year	Median budget per minute £
2015*	2,379
2016	2,700
H1 2017	4,816

Source: BFI

1 Median budget is actual amount, unlike film and video games certification median budget which is reported in £ million

*As the tax relief for animation programmes commenced in April 2015, median budget for 2015 is for Q2-Q4.

As there are a very low number of co-productions since the inception of the tax relief, median budget per minute for these productions cannot be reported for disclosure reasons.

5.3 Co-production treaties

As there are no co-productions in H1 2017, so co-productions treaties cannot be reported.

⁵ Certification applications are received for one-off programmes as well as series (that can be any length of time), this median provides a better representation of the average CTV programme budget. Advice was obtained from Pact regarding appropriate median budgets.

6. Video Games Certification

6.1 Certification – numbers of applications and values

6.1.1 Final certifications

A total of 114 video games received final certification in H1 2017, up from 90 in H1 2016 (Table 18). EEA/UK⁶ spend in H1 2017 was £84 million and total budget was £103 million, a decrease on UK spend and total budget in the first half of 2016, from £99 million and £113 million respectively. H1 2015 data are not shown for disclosure reasons. There are no co-production treaties for video games, as such no statistics are available.

Table 18 Cultural test final certification for video games, H1 2015 to H1 2017

Year	Number	EEA/UK spend		EEA/UK spend as a % of total budget
		£m	Total budget £m	
H1 2016	90	99.1	112.6	88.0
H1 2017	114	84.0	102.9	81.6

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

In the last rolling year, July 2016-June 2017, 213 video games received final certification, an increase from 166 in July 2015-June 2016 (Table 19). EEA/UK spend and budget were £187 million and £215 million respectively in July 2016-June 2017, a decrease from £250 million and £347 million in previous rolling year. This change is due to fewer larger budget and more low and micro-budget projects receiving final certification.

Table 19 Cultural test final certification for video games, July 2014 to June 2017

Year	Number	EEA/UK spend		EEA/UK spend as a % of total budget
		£m	Total budget £m	
Jul 2014 - Jun 2015	41	29.9	31.7	94.3
Jul 2015 - Jun 2016	166	250.1	346.5	72.2
Jul 2016 -Jun 2017	213	187.0	214.7	87.1

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

6.1.2 Interim certifications

For interim certification, in H1 2017 86 video games received interim certification under the cultural test, with EEA/UK spend at £200 million and total budget at £216 million (Table 20). This is a decrease on H1 2016 where there were 106 video games that had interim certification, with an EEA/UK spend of £266 million and total budget at £323 million.

⁶ As the regulations for video-games refers to spend not just in the UK but also in the European Economic Area (EEA), we report UK/EEA spend rather than only UK spend.

Table 20 Cultural test interim certification for video games, H1 2015 to H1 2017

Period	Number	EEA/UK spend £m	Total budget £m	EEA/UK spend as a % of total budget
H1 2015	49	260.1	284.0	91.6
H1 2016	106	266.4	322.9	82.5
H1 2017	86	200.5	215.7	93.0

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

In July 2016-June 2017 156 video games received interim certification with an expected EEA/UK spend of £336 million and a total budget of £360 million (Table 21). This is a decrease from 178 video games in July 2015-June 2016 with a UK spend of £554 million and a budget of £643 million.

Table 21 Cultural test interim certification for video games, July 2014 to June 2017

Year	Number	UK spend £m	Total budget £m	UK spend as a % of total budget
Jul 2014- Jun 2015	72	304.8	330.1	92.3
Jul 2015- Jun 2016	178	554.3	642.5	86.3
Jul 2016-Jun 2017	156	335.8	359.7	93.3

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

6.2 Total Budgets

Median budget in H1 2017 was £0.5 million. Since 2015 median budget has stayed around £0.5 million (Table 22).

Table 22 Median budgets of interim video game cultural test certifications

Year	Median budget £m
2014*	0.2
2015	0.6
2016	0.4
H1 2017	0.5

Source: BFI

*As the tax relief for video games commenced in April 2014, median budget for 2014 is for Q2-Q4.

Appendix A

Table A1 Final certifications for film, H1 2007 to H1 2017

Type of certification	H1										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Cultural Test											
Number	42	37	71	74	93	91	88	117	100	150	130
UK spend	92.3	176.4	158.4	528.7	419.9	492.0	160.9	684.4	259.2	647.6	1,228.3
Total budget	113.2	299.7	202.6	574.2	670.8	685.6	186.3	1068.2	326.3	1057.9	1,666.3
UK spend as a % of total budget	81.5	58.8	78.2	92.1	62.6	71.8	86.4	64.1	79.4	61.2	73.7
Co-production											
Number	42	2*	6	13	11	5	7	9	5	<5	6
UK spend £m	98.5	8.8	20.2	38.0	43.6	10.6	7.4	12.2	12.8	c	13.2
Total budget £m	284.0	12.7	44.7	75.7	73.1	20.1	20.2	26.9	40.9	c	33.0
UK spend as a % of total budget	34.7	69.3	45.3	50.1	59.6	52.9	36.7	45.3	31.2	c	39.9
All Types											
Number	84	39	77	87	104	96	95	126	105	c	136
UK spend £m	190.8	185.1	178.6	566.7	463.5	502.6	168.4	696.6	272.0	c	1,241.5
Total budget £m	397.2	312.4	247.3	649.9	743.9	705.7	206.5	1,095.0	367.3	c	1,699.4
UK spend as a % of total budget	48.0	59.3	72.2	87.2	62.3	71.2	81.5	63.6	74.1	c	73.1

Source: BFI

'Total Budget' the sum of production activity in the UK and production activity outside the UK.

* Number of co-productions for H1 2008 is less than the disclosure control threshold of five, the value is kept in the table because it has been in the public domain since 2010, following the guidance of the UK Statistics Authority Code of Practice for Official Statistics.

c data suppressed for disclosure reasons.

'Total Budget' in the case of Cultural Test films is the sum of production activity in the UK and production activity outside the UK; in the case of Co-productions it is the sum of investments made by all participating countries in the film.

H1 is the first half of the year, i.e. 1 January to 30 June.

Table A2 Final certifications for film, rolling year, from July 2007 to June 2017

Type of certification	Jul 2007- Jun 2008	Jul 2008- Jun 2009	Jul 2009- Jun 2010	Jul 2010- Jun 2011	Jul 2011- Jun 2012	Jul 2012- Jun 2013	Jul 2013- Jun 2014	Jul 2014- Jun 2015	Jul 2015- Jun 2016	Jul 2016- Jun 2017
Cultural Test										
Number	93	131	147	189	187	184	211	221	288	249
UK spend £m	526.4	570.5	793.3	745.0	1,550.5	503.2	1,564.6	827.6	1,348.3	1,517.0
Total budget £m	747.9	838.0	976.4	1,098.3	2,133.1	670.5	2,235.2	1,114.1	2,176.4	2,141.2
UK spend as a % of total budget	70.4	68.1	81.2	67.8	72.7	75.0	70.0	74.3	61.9	70.8
Co-production										
Number	16	12	15	17	8	15	19	11	13	10
UK spend £m	33.4	45.5	39.3	56.9	22.1	41.1	70.0	40.6	27.7	26.3
Total budget £m	85.4	77.2	79.0	134.8	78.4	73.6	119.3	82.3	70.0	82.1
UK spend as a % of total budget	39.1	58.9	49.8	42.2	28.2	55.8	58.7	49.3	39.6	32.1
All Types										
Number	109	143	162	206	195	199	230	232	301	259
UK spend £m	559.8	616.0	832.6	801.9	1,572.6	544.2	1,634.6	868.2	1,376.0	1,543.3
Total budget £m	833.3	915.2	1,055.4	1,233.1	2,211.5	744.0	2,354.5	1,196.4	2,246.4	2,223.3
UK spend as a % of total budget	67.2	67.3	78.9	65.0	71.1	73.1	69.4	72.6	61.3	69.4

Source: BFI

'Total Budget' in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-production it is the sum of investments made by all participating countries in the film.

Table A3 Interim cultural test certifications for film, H1 2007 to H1 2017

Type of certification	H1										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Cultural Test											
Number	49	58	62	63	67	82	87	92	123	114	123
UK spend	494.1	181.6	257.6	250.3	259.2	576.3	292.1	660.7	693.8	619.3	908.4
Total budget	707.8	261.2	284.1	385.3	344.4	849.2	462.4	983.8	1171.7	916.3	1,470.1
UK spend as a % of total budget	69.8	69.5	90.7	65.0	75.3	67.9	63.2	67.2	59.2	67.6	61.8
Co-production											
Number	8	9	7	11	12	8	7	8	9	10	9
UK spend £m	12.6	30.7	17.3	24.1	21.5	46.8	26.7	14.1	10.1	14.8	27.4
Total budget £m	30.2	65.4	48.5	55.3	43.5	77.1	39.2	37.4	39.9	52.7	57.7
UK spend as a % of total budget	41.7	47.0	35.7	43.5	49.4	60.7	68.1	37.8	25.4	28.0	47.6
All Types											
Number	57	67	69	74	79	90	94	100	132	124	132
UK spend £m	506.7	212.3	275.0	274.3	280.7	623.1	318.8	674.9	703.931	634.073	935.8
Total budget £m	738.1	326.6	332.6	440.6	387.9	926.2	501.6	1,021.2	1,211.6	968.9	1,527.8
UK spend as a % of total budget	68.7	65.0	82.7	62.3	72.4	67.3	63.6	66.1	58.1	65.44	61.25

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

Table A4 Interim certifications for film, rolling year, from July 2007 to June 2017

Type of certification	Jul 2007- Jun 2008	Jul 2008- Jun 2009	Jul 2009- Jun 2010	Jul 2010- Jun 2011	Jul 2011- Jun 2012	Jul 2012- Jun 2013	Jul 2013- Jun 2014	Jul 2014- Jun 2015	Jul 2015- Jun 2016	Jul 2016- Jun 2017
Cultural Test										
Number	108	124	144	146	163	158	194	196	253	271
UK spend £m	465.4	740.5	1,276.1	775.4	1,588.7	636.8	1,175.1	1,198.3	1,706.7	1,694.1
Total budget £m	626.0	880.4	1,664.6	1,124.4	2,103.7	956.0	1,650.7	1,908.9	2,536.5	2,739.9
UK spend as a % of total budget	74.4	84.1	76.7	69.0	75.5	66.6	71.2	62.8	67.3	61.8
Co-production										
Number	21	13	18.0	24	14	15	20	17	23	20
UK spend £m	79.7	32.3	34.8	68.4	53.7	39.7	37.7	18.8	30.1	44.4
Total budget £m	141.8	89.7	81.5	176.1	96.1	76.5	114.8	73.7	84.0	107.2
UK spend as a % of total budget	56.2	36.0	42.7	38.9	55.9	51.9	32.8	25.5	35.8	41.5
All Types										
Number	129	137	162	170	177	173	214	213	276	291
UK spend £m	545.1	772.8	1,311.0	843.9	1,642.4	676.5	1,212.8	1,217.1	1,736.8	1,738.5
Total budget £m	767.8	970.1	1,746.1	1,300.5	2,199.8	1,032.5	1,765.5	1,982.6	2,620.5	2,847.1
UK spend as a % of total budget	71.0	79.7	75.1	64.9	74.7	65.5	68.7	61.4	66.3	61.1

Source: BFI

'Total Budget' in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-production it is the sum of investments made by all participating countries in the film.

Notes:

1. **British film, high-end television programmes (HETV), animation television programmes, children's television programmes (CTV) and video games certification statistics collected and reported by the BFI**

The British film, high-end television programmes, animation television programmes, children's television programmes and video games certification statistics in this report are based on data collected by the BFI's Certification Unit, on behalf of DCMS. The data reported are all British films, HETV programmes, animation television programmes, CTV programme and video games certified as British in the reference period, not a sample.

The BFI Certification Unit assesses all British films, HETV programmes, animation television programmes, CTV programmes and video games certification applications on behalf of DCMS and makes recommendations to the Secretary of state. The certificates are then issued by the BFI Certification Unit. Certification may occur some time after both the production/development and release (theatrical or broadcast in the case of films, HETV, animation programmes and CTV programmes or supply in the case of video games) of the film, television programme or video game.

2. **Definitions**

Cultural test films are British films certified under the cultural test (as amended in April 2014 in the Films Act 1985). To qualify under this definition, films commencing principal photography on or after 1 April 2014 must pass a UK cultural test awarding points for UK and EEA elements in the story, setting and characters, cultural contribution and for where and by whom the film was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the film to those films that meet the criteria and final certification once the film has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the film is complete.

Cultural test high-end television programmes are British television programmes certified under the cultural test, Schedule 16 to the Finance Act 2013. To qualify under this definition, television programmes commencing principal photography on or after 1 April 2013 must pass a UK cultural test awarding points for UK and EEA state elements in the story, setting and characters, cultural contribution and for where and by whom the television programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the HETV programmes to those programmes that meet the criteria and final certification once the programme has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the HETV programme is complete.

A HETV programme is a drama (which includes comedy) or documentary production that is intended for broadcast and has core expenditure per hour of slot length of not less than £1 million. The slot length in

relation to the HETV programme must also be greater than 30 minutes. Slot length in relation to a television programme means the period of time which the programme is commissioned to fill.

Cultural test animation television programmes are British animation programmes certified under the cultural test, Schedule 16 to the Finance Act 2013. To qualify under this definition, animation programmes commencing principal photography on or after 1 April 2013 must pass a UK cultural test awarding points for UK and EEA state elements in the story, setting and characters, cultural contribution and for where and by whom the animation television programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the animation television programmes to those programmes that meet the criteria and final certification once the programme has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the animation programme is complete.

Cultural test children's television programmes are British children's television programmes certified under the cultural test, Schedule 16 to the Finance Act 2013. To qualify under this definition, animation programmes commencing principal photography on or after 1 April 2015 must pass a UK cultural test awarding points for UK and EEA state elements in the story, setting and characters, cultural contribution and for where and by whom the children's television programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the CTV programmes to those programmes that meet the criteria and final certification once the programme has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the animation programme is complete.

Cultural test video games are British video games certified under the cultural test, Schedule 17 and 18 to the Finance Act 2013. To qualify under this definition, video games commencing principal development on or after 1 April 2014 must pass a UK cultural test awarding points for UK and EEA elements in the story, setting and characters, cultural contribution and for where and by whom the video game programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the video game to those video games that meet the criteria and final certification once the video game has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the video game is complete.

Official UK co-productions are British films, HETV programmes, animation television programmes or CTV programmes certified under one of the UK's official co-production treaties. Interim certification is granted in conjunction with the co-producing party competent authority or authorities for multi-lateral projects prior to the start of principal photography to films, HETV, animation television programmes or CTV programmes that meet the criteria and final certification once the film, HETV, animation television programme or CTV programme has been completed and final documents submitted. Films, HETV programmes, animation television programmes or CTV programmes made as official co-productions are not required to pass the film, HETV programme, animation television programme, or CTV programmes cultural tests.

For full details for the cultural test, co-productions and other information on British film certification see <http://www.bfi.org.uk/film-industry/british-certification-tax-relief>.

In comparison to film and other screen sector production statistics, certification statistics are based on date on which the film, programme or video games received certification, whereas production statistics are based on date of principal photography

UK spend is the value of the production or development activities in the UK cultural tests and UK expenditure for co-productions (bilateral and European Convention of Cinematographic Co-production). UK spend for co-productions may include some expenditure on UK goods and services which took place outside the UK.

3. Revisions

As the status and certification dates of individual films, HETV programmes, animation television programmes CTV programmes or video games may change as a result of changing circumstances, the numbers published in this release are subject to revision. Each release in this series includes revisions of previous quarter, so the latest release should be referred to as the most accurate summation available of the certification numbers.

4. Disclosing individual film, HETV programme, animation programme, children's television programme and video games information

Film, HETV programme, animation television programme, CTV programme and video game data (number of films, programmes and video games, UK spend, UK/EEA spend and total budget) are not disclosed when the number of films, programmes or video games is five or fewer.

5. Feedback

We welcome feedback from users of our statistics releases to help us improve what we do. If you have any feedback on these statistics or if you wish to make a complaint, in the first instance please contact us using the named contact details listed below.

6. Pre-release access

This release has been prepared according to the Code of Practice for Official Statistics published by the UK Statistics Authority. Pre-release access has been granted to the following:

Amanda Nevill, Chief Executive, BFI

Ben Roberts, Director of Film Fund, BFI

Richard Shaw, Director of Marketing, Communications and Audiences, BFI

Carol Comley, Head of Film Policy, BFI

Nick Mason Pearson, Head of Corporate Communications and Public Affairs, BFI

Judy Wells, Head of Press and PR, BFI
Tina McFarling, Media Advisor, Corporate, Partnerships & Industry, BFI
Colette Geraghty, PR Consultant, BFI
Ken Hunt, Department for Digital, Culture, Media and Sport
Lynne Kilpatrick, Department of Digital, Culture, Media and Sport
James Butler, Department for Digital, Culture, Media and Sport
Sophie Reece-Trapp, Department for Digital, Culture, Media and Sport

7. Statistical contact details

This release was prepared by Alex Tosta, Research and Statistics Unit, BFI,
alex.tosta@bfi.org.uk, tel: +44 (0)20 7957 4815.