



**SCREEN SECTOR
CERTIFICATION**

CONTENTS

Facts in focus	03
Qualifying as an official British production	04
Films with final certification, 2010-2019	05
Budget distribution of films with final certification, 2010-2019	07
High-end television (HETV) programme final certifications, 2014-2019	09
Animation television programme final certifications, 2014-2019	12
Children's television programme final certifications, 2016-2019	13
Video game final certifications, 2015-2019	13

FACTS IN FOCUS

In 2019, 897 projects with a total production value of £6.9 billion were certified as British under the UK's screen sector cultural tests and co-production treaties. The UK spend associated with these projects was £4.2 billion.

- A total of 375 feature films received final certification as British in 2019, an increase from 347 in 2018. Of these, 363 were films which passed the cultural test and 12 were official co-productions.
- The combined production budget of cultural test films with final certification was £3.7 billion (£3.3 billion in 2018); the combined budget of co-productions with final certification was £46 million (£59 million in 2018).
- Forty cultural test films had budgets of £10 million or over, up from 35 in 2018; 271 cultural test films had budgets of under £2 million, up from 255 in 2018.
- The median budget for cultural test films in 2019 was £0.3 million; the median budget for co-productions was £2.5 million.
- A total of 132 high-end television (HETV) programmes received final certification as British under the cultural test (99 in 2018), with a combined budget of £1.7 billion (£1.4 billion in 2018).
- A total of 59 animation programmes received final certification under the cultural test (57 in 2018), with a combined budget of £124.5 million (£76 million in 2018).
- A total of 81 children's television programmes received final certification under the cultural test (87 in 2018), with a combined budget of £84 million (£89 million in 2018).
- A total of 247 video games received final certification (195 in 2018), with a combined budget of £1.2 billion (£264 million in 2018).

SCREEN SECTOR CERTIFICATION

QUALIFYING AS AN OFFICIAL BRITISH PRODUCTION

Film

To access UK film tax relief or be eligible for other public support, such as Lottery funding, a film must be certified as British. To qualify as British, a production must pass the cultural test for film (under Schedule 1 of the Films Act 1985) or be certified as an official co-production under one of the UK's bilateral co-production agreements or the European Convention on Cinematographic Co-production. The cultural test has been in place since 2007, but was revised in 2014 to bring it in line with the more recent creative sector cultural tests.

The Secretary of State for Digital, Culture, Media and Sport is responsible for approving the issuing of interim and final certificates on the basis of recommendations made by the BFI Certification Unit. Projects seeking qualification under the cultural test may apply for interim certification either during production or when the project is complete, or may apply directly for final certification once the production has been completed and final documents submitted. Projects seeking qualification as official co-productions must apply for interim approval at least four weeks before principal photography begins and for final certification once the project is complete.

To qualify as British under the revised cultural test, films have to receive a requisite number of points based on UK or European Economic Area (EEA) cultural elements for content, contribution, hubs and practitioners. A wide range of films qualified as British under the cultural test in 2019, including *Avengers: Endgame*, *Mary Queen of Scots* and *Men in Black: International*.

To qualify as British under one of the UK's official co-production agreements, films must be jointly certified by the appropriate authorities in each co-producing country. Each party co-producer is required to meet the criteria of the specific co-production agreement, which includes the creative, technical, artistic and financial input from each co-producer. Once certified, a film counts as a national film in each of the territories and may qualify for public support in that territory.

At the end of 2019, the UK had 12 active bilateral treaties in place, with Australia, Brazil, Canada, China, France, India, Israel, Jamaica, Morocco, New Zealand, the Occupied Palestinian Territories and South Africa. Official UK co-productions can also be certified under the European Convention on Cinematographic Co-production which allows for both bilateral and multilateral film co-productions. Films which received final co-production certification in 2019 included *The Keeper*, *Vita & Virginia* and *Yuli: The Carlos Acosta Story*.

Television programmes

In 2013, the UK government introduced tax reliefs for high-end television (HETV) and animation programmes with the aim of boosting production investment in these creative sectors. (The cultural test for HETV programmes was revised in 2015.) Tax relief for children's television production was introduced in April 2015. To qualify as an official British HETV, animation or children's television production, projects must pass either the relevant cultural test (under Part 15A of the Corporation Tax Act 2009, as amended) or be certified as an official co-production under one of the UK's bilateral agreements which allow television co-production. At the end of 2019, these were with Australia, Brazil, Canada, China, Israel, New Zealand, the Occupied Palestinian Territories and South Africa.

HETV programmes receiving final certification in 2019 included *Beecham House* (six episodes), *Four Weddings and a Funeral* (10 episodes) and *Years and Years* (six episodes). Animation and children's television programmes qualifying as officially British included *The Amazing World of Gumball – Series 6* (44 episodes), *Stwnsh Sadwrn* (seven episodes) and *The Worst Witch – Series 3* (13 episodes).

Video games

In 2014, the UK government extended creative sector tax reliefs to include video games development. To qualify as officially British a video game must pass the relevant cultural test (under Schedules 17 and 18 of the Finance Act 2013). Official co-production treaties do not apply to the video games sector. Video games awarded final certification in 2019 included *Football Manager 2019 Touch*, *The Grand Tour Game* and *Total War: Warhammer II*.

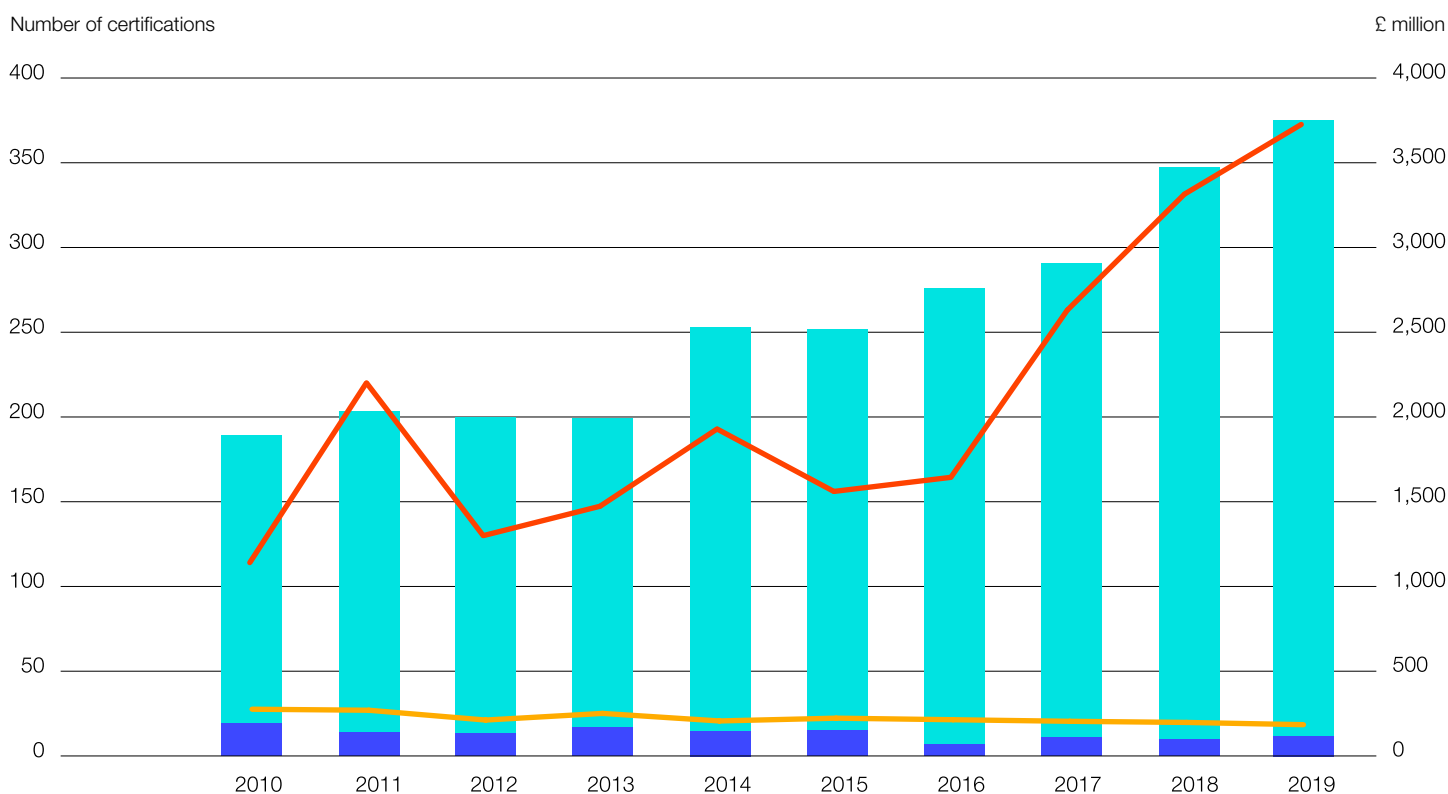
The data for individual years in this chapter are not analogous with the statistics in the Production chapter which cover all film production and UK qualifying television and video games production activity by year of production start. This chapter covers only UK qualifying screen sector productions. These projects may have begun principal photography (or in the case of video games, development) in years prior to the one in which final certification was awarded.

FILMS WITH FINAL CERTIFICATION, 2010-2019

The number of UK films receiving final certification increased substantially between 2010 and 2019. As Figure 1 shows, the number of finally certified films in 2019 (375) was almost double the total in 2010 (189). There was also a significant upward trend in the overall production value associated with these films, which rose from £1.1 billion in 2010 to £3.8 billion in 2019. This increase, particularly from 2017 onwards, is due primarily to a rise in the numbers of very high budget studio-backed films qualifying as British.

The numbers and overall budgets of co-productions with final certification remained low throughout the period.

Figure 1 Number and total production budget of films with final certification, 2010-2019



Number of final certifications

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cultural test	170	189	187	182	238	237	269	280	337	363
Co-production	19	14	13	17	15	15	7	11	10	12
Total	189	203	200	199	253	252	276	291	347	375

Production budget (£ million)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cultural test	1,001.7	2,118.3	1,169.7	1,353.4	1,832.6	1,444.0	1,532.8	2,573.4	3,291.4	3,724.7
Co-production	137.4	131.4	73.5	112.7	68.2	84.6	75.4	66.2	59.4	46.2
Total	1,139.1	2,249.7	1,243.2	1,466.1	1,900.8	1,528.6	1,608.2	2,639.6	3,350.8	3,770.9

Source: DCMS, BFI

Notes:

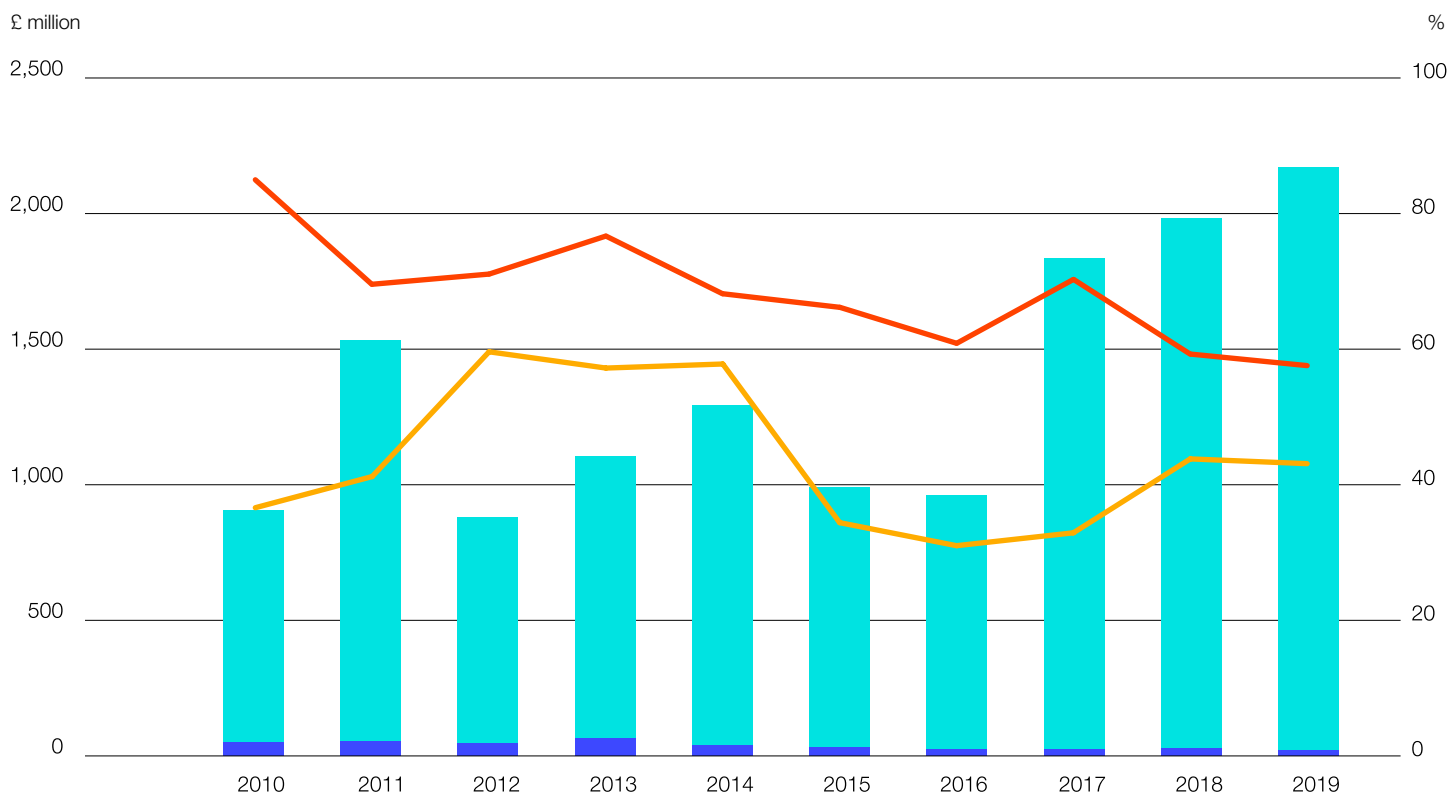
Total production budget is the sum of production activity in the UK and production activity outside the UK for cultural test films and total investment for co-productions.

Data updated since publication of the 2019 Statistical Yearbook.

Figure 2 shows the levels of UK spend associated with films receiving final certification between 2010 and 2019. (It should be noted that although the latest cultural test amendments allow wider European Economic Area cultural elements for content to be taken into account when a film is applying for certification as British, tax relief is only awarded to expenditure which is used or consumed in the UK.) While the level of overall UK spend has varied in the 10-year period, there was a substantial increase in 2017 and continued upticks in both 2018 and 2019. The rise in overall UK production value is mainly due to the increase in the number of big budget films being certified under the cultural test. In 2019, the UK spend of certified films reached a record high of £2.2 billion.

As a share of total production budget, the UK spend of cultural test films has seen an overall downward trend from a high of 85% in 2010 to a low of 58% in 2019. The trends for co-productions are more unpredictable due to the small numbers of productions. In 2019, co-productions accounted for only 1% of the overall UK spend of films with final certification, compared with 6% in 2010.

Figure 2 UK spend of films with final certification and UK spend as % of total budget, 2010-2019



UK spend (£ million)

Cultural test	853.8	1,478.5	834.2	1,041.2	1,252.8	959.0	936.3	1,813.6	1,958.1	2,151.9
Co-production	51.3	55.0	44.3	65.3	40.0	29.7	23.9	22.2	26.4	20.2
Total	905.1	1,533.5	878.5	1,106.4	1,292.8	988.7	960.2	1,835.8	1,984.6	2,172.1

UK spend as % of total production budget

Cultural test	85.2	69.8	71.3	76.9	68.4	66.4	61.1	70.5	59.5	57.8
Co-production	37.3	41.9	60.3	57.9	58.5	35.1	31.7	33.6	44.5	43.8

Source: DCMS, BFI

Notes:

See note to Figure 1.

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

Data updated since publication of the 2019 Statistical Yearbook.

BUDGET DISTRIBUTION OF FILMS WITH FINAL CERTIFICATION, 2010-2019

Table 1 shows the median budgets of films receiving final certification between 2010 and 2019. Median budgets for cultural test films have been fairly consistent over the period, ranging each year between £300,000 and £500,000. The median budget for co-productions has been more varied, peaking in 2017 at £5.7 million and with a low of £2.5 million in 2019. This fluctuation is a result of the relatively small volume of co-production activity, as with low numbers the median is more susceptible to the effects of individual budgets.

Table 1 Median budgets of films with final certification, 2010-2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cultural test (£ million)	0.4	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3
Co-production (£ million)	4.4	3.8	2.8	3.7	4.0	3.8	4.8	5.7	4.1	2.5

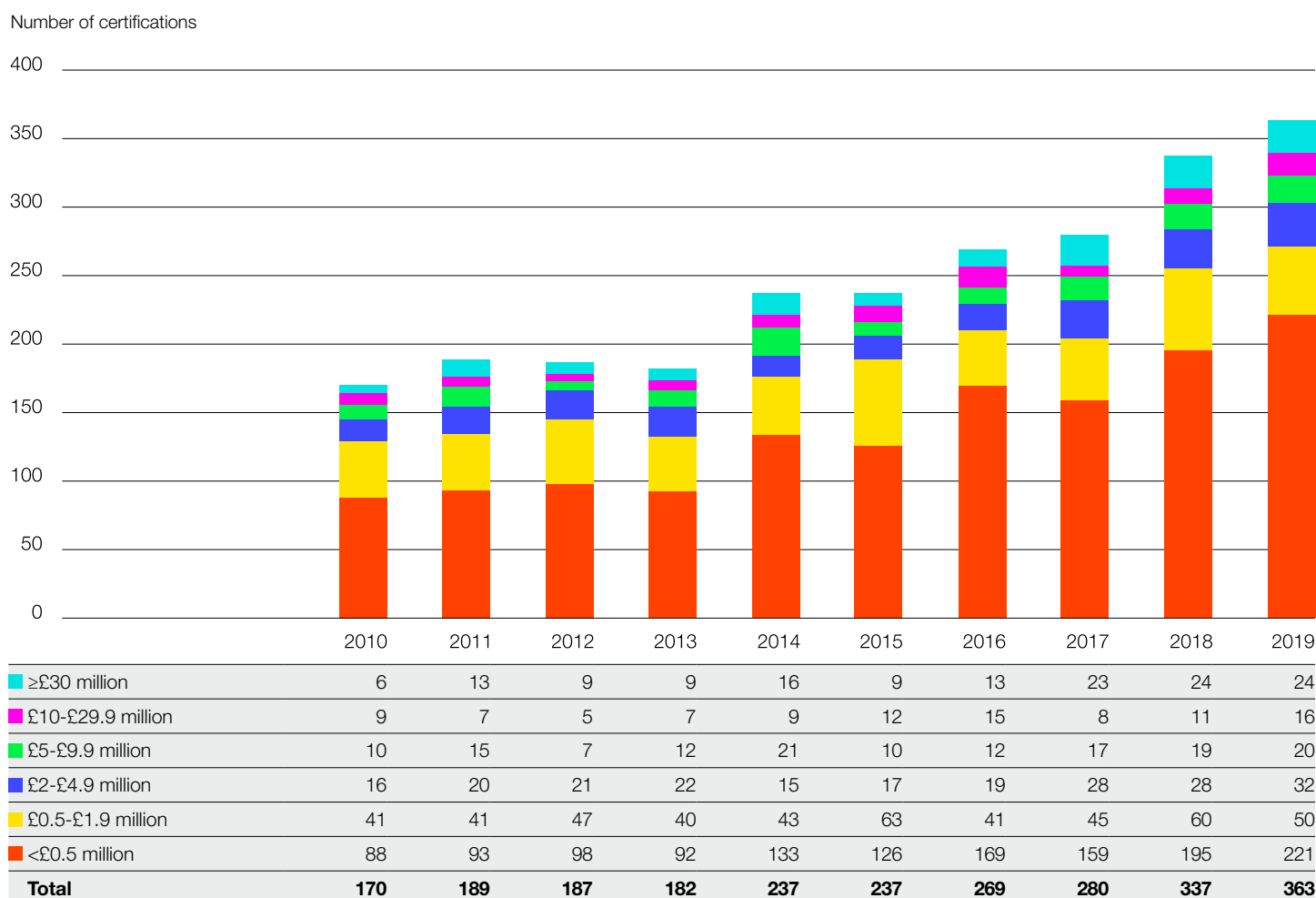
Source: DCMS, BFI

See note to Figure 1.

Figure 3 shows the breakdown of films receiving final cultural test certification by budget band. While the number of certifications for cultural test films rose across all budget bands over the period, the greatest increases are seen in films at the highest and lowest ends of the budget scale. Certifications for films with budgets of £30 million or over increased by 300% between 2010 and 2019, rising from six to 24, while certifications for films with budgets of less than £500,000 increased from 88 to 221, a rise of 151%.

As the annual numbers of film productions certified under the UK's co-production treaties during the period were low, figures are not disclosed to maintain confidentiality.

Figure 3 Films with final cultural test certification by budget band, 2010-2019



Source: DCMS, BFI

Table 2 shows the distribution of budgets for all films certified under the cultural test in the 10-year period. The 6% of films with budgets of £30 million or over accounted for 80% of the aggregate budget, while the 75% of films with budgets of under £2 million accounted for only 3% of the aggregate budget.

Table 2 Films with final cultural test certification, distribution by budget band, 2010-2019

Budget band	Number	% number	Total budget (£ million)	% budget
≥£30 million	146	6.0	16,072.0	80.2
£10-£29.9 million	99	4.0	1,556.0	7.8
£5-£9.9 million	143	5.8	1,031.6	5.1
£2-£4.9 million	218	8.9	703.9	3.5
£0.5-£1.9 million	471	19.2	467.2	2.3
<£0.5 million	1,374	56.1	211.2	1.1
Total	2,451	100.0	20,041.9	100.0

Source: DCMS, BFI

The budgets for co-productions with final certifications between 2010 and 2019 are more evenly distributed than for cultural test films (Table 3). The majority of the aggregate budget (65%) is associated with films in the £5-£29.9 million range, whereas films budgeted at £30 million or over account for only 14% of the total budget, compared with 80% for cultural test films. The table also highlights the small proportion of films with budgets of less than £500,000 (9%) compared with cultural test films (56%).

Table 3 Films with final co-production certification, distribution by budget band, 2010-2019

Budget band	Number	% number	Total budget (£ million)	% budget
≥£30 million	3	2.3	120.1	14.1
£10-£29.9 million	21	15.8	337.2	39.5
£5-£9.9 million	30	22.6	218.1	25.5
£2-£4.9 million	42	31.6	146.6	17.1
£0.5-£1.9 million	25	18.8	29.7	3.5
<£0.5 million	12	9.0	3.1	0.4
Total	133	100.0	854.8	100.0

Source: DCMS, BFI

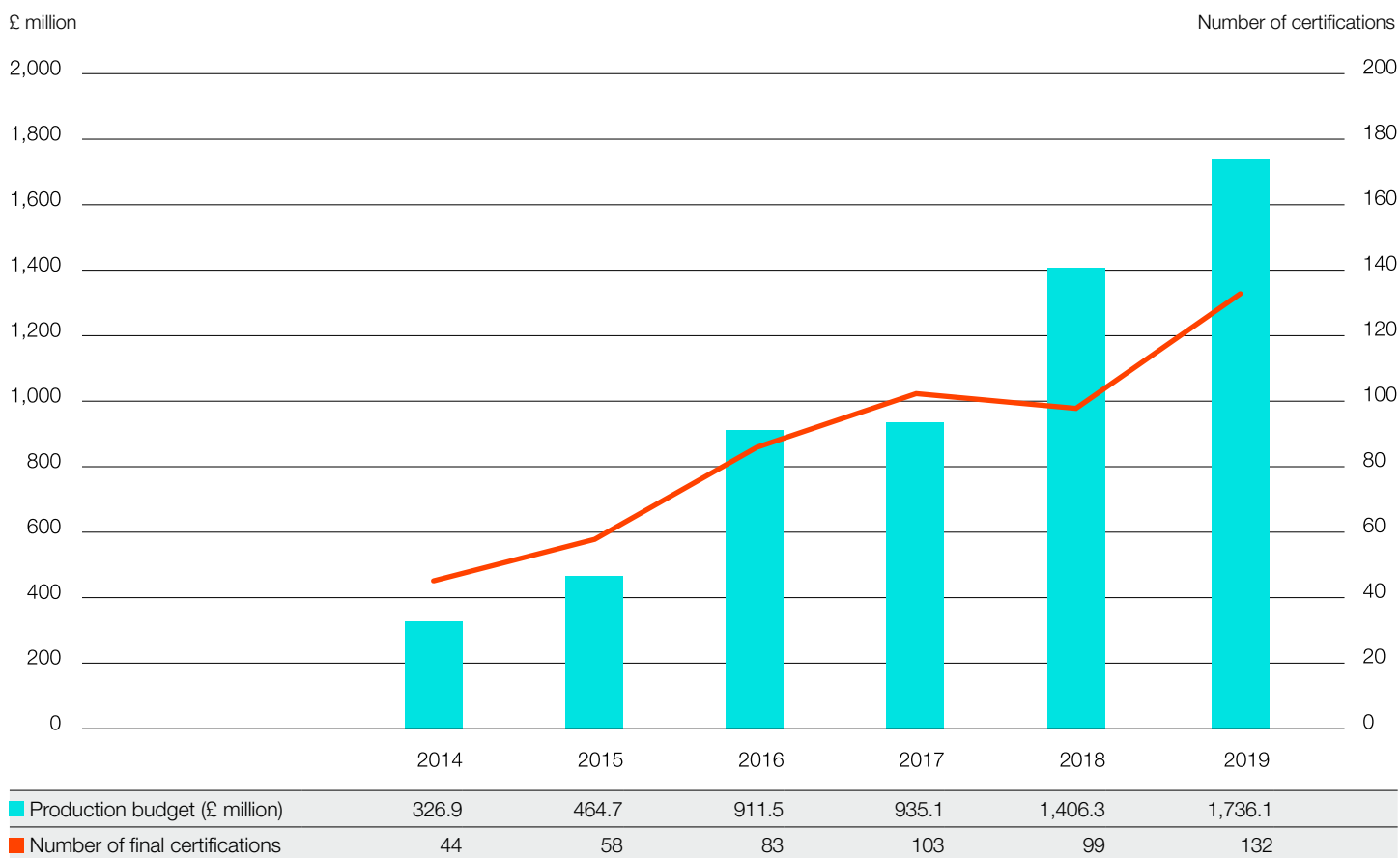
Note: Figures/percentages may not sum to totals due to rounding.

HIGH-END TELEVISION (HETV) PROGRAMME FINAL CERTIFICATIONS, 2014-2019

The number of HETV productions receiving final certification as British under the cultural test increased each year between 2014 and 2019 with the exception of 2018 which saw a slight fall on the previous year (Figure 4). In 2019, a record 132 qualifying HETV productions received final certification, up from 99 projects in 2018. The total production budget associated with these projects increased from £1.4 billion in 2018 to £1.7 billion, also a record high for the period.

As the annual numbers of HETV productions certified under the UK's co-production treaties have been consistently low over the period, figures are not disclosed to maintain confidentiality.

Figure 4 Number and production budget of HETV productions with final cultural test certifications, 2014-2019



DCMS, BFI

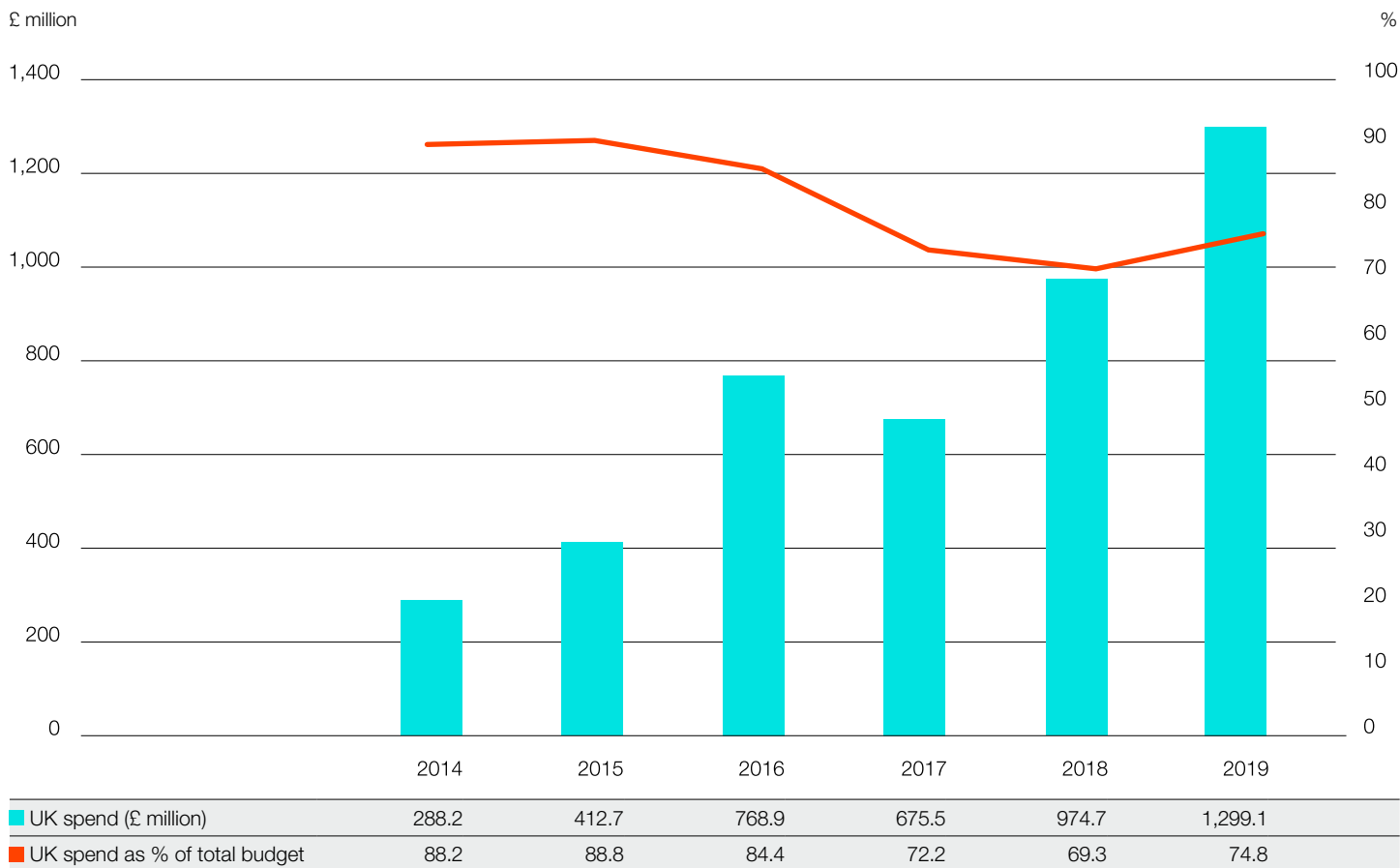
Notes:

A production can be a single programme or a television series.

In a change from previous editions of the Yearbook, we are only reporting data from the first full calendar year following the introduction of the tax relief.

Figure 5 shows the total annual UK spend associated with HETV projects certified under the cultural test between 2014 and 2019. There has been an overall upward trend in the level of spend, with an increase from £288 million in 2014 to a record £1.3 billion in 2019. As a percentage of total budget, UK spend decreased from a high of 89% in 2015 to 75% in 2019, indicating a rise in the number of HETV productions which make use of foreign locations and facilities.

Figure 5 UK spend of HETV productions with final cultural test certifications and UK spend as % of total budget, 2014-2019



Source: DCMS, BFI

Note: A production can be a single programme or a television series.



For the majority of the period (2014-2017), the average median budget per minute of HETV productions receiving final certification under the cultural test was around £22,000 (Table 4). In both 2018 and 2019, however, the median budget per minute increased to over £25,000.

Table 4 Median budgets of HETV productions with final cultural test certification, 2014-2019

Year	Median budget per minute (£)
2014	21,757
2015	21,203
2016	22,818
2017	22,764
2018	25,721
2019	25,027

Source: DCMS, BFI

Notes:

The median is the middle value, i.e. there are equal numbers of productions above and below the median.

A production can be a single programme or a television series.

ANIMATION TELEVISION PROGRAMME FINAL CERTIFICATIONS, 2014-2019

As Table 5 shows, 59 animation television productions received final certification as British under the cultural test in 2019, up slightly up from 57 projects in 2018, and the highest number of the period, 2014-2019. The total production budget for animations certified under the cultural test also reached a high in 2019 at £124.5 million (up from £76 million in 2018), while the associated UK production value increased from £52.5 million in 2018 to a high of £89 million. In 2019, the UK spend for these projects as a percentage of total budget was 71%, the third lowest share of the period.

As the annual numbers of animation television productions receiving final certification under the UK's co-production treaties have been low throughout the period, figures are not disclosed to maintain confidentiality.

The median budget per minute for animation television projects certified under the cultural test has averaged around £7,000 over the period. In 2019, the median budget per minute was £7,270.

Table 5 Animation television productions with final cultural test certifications, 2014-2019

	2014	2015	2016	2017	2018	2019
Number	14	51	38	39	57	59
Total budget (£ million)	21.5	86.4	62.2	50.2	76.0	124.5
UK spend (£ million)	10.6	62.2	44.5	42.8	52.5	88.6
UK spend as % of total budget	49.0	72.0	71.6	85.4	69.1	71.2
Median budget per minute (£)	7,327	7,000	8,548	3,836	7,426	7,270

Source: DCMS, BFI

Notes:

The median is the middle value, i.e. there are equal numbers of productions above and below the median.

A production can be a single programme or a television series.

In a change from previous editions of the Yearbook, we are only reporting data from the first full calendar year following the introduction of the tax relief.

CHILDREN'S TELEVISION PROGRAMME FINAL CERTIFICATIONS, 2016-2019

The volume and value of children's television productions with final cultural test certification increased substantially between 2016 and 2018, but fell slightly in 2019 (Table 6). The number of certifications decreased from 87 in 2018 to 81 in 2019, while the total production budget associated with these projects decreased from £89 million to £84 million. The decline in UK production value was less steep, falling from £86 million to £83 million. The UK spend as a percentage of total budget has been consistently higher for children's television projects than the other production categories in this analysis; in 2019 it was 99%.

As the annual numbers of children's television projects certified under the UK's co-production treaties in the period have been low, figures are not disclosed to maintain confidentiality.

The median budget per minute for children's television projects certified under the cultural test has shown less variance over the period than the other production categories. In 2019, the median budget per minute was £2,336.

Table 6 Children's television productions with final cultural test certifications, 2016-2019

	2016	2017	2018	2019
Number	36	65	87	81
Production budget (£ million)	25.4	49.9	89.1	83.7
UK spend (£ million)	25.0	46.2	86.2	82.6
UK spend as % of total budget	98.5	92.6	96.8	98.7
Median budget per minute (£)	1,952	1,793	2,028	2,336

Source: DCMS, BFI

Notes:

The median is the middle value, i.e. there are equal numbers of productions above and below the median.

A production can be a single programme or a television series.

In a change from previous editions of the Yearbook, we are only reporting data from the first full calendar year following the introduction of the tax relief.

VIDEO GAME FINAL CERTIFICATIONS, 2015-2019

A record 247 video game projects received final certification as British in 2019, up from 195 in 2018 and more than double the number in 2015 (Table 7). The total budget for these projects was £1.2 billion, up from £264 million in 2018, while the associated UK spend was £583 million, up from £202 million in 2018. The large increase in the value of these projects in 2019 is partly down to a small number of very high budget international projects receiving certification in the year. The UK spend as a percentage of total budget for qualifying video games projects was 50% in 2019, down from 76.5% in 2018.

The median budget for video games with final certification in 2019 was £148,725.

Table 7 Video games with final certification, 2015-2019

	2015	2016	2017	2018	2019
Number	116	189	212	195	247
UK spend (£ million)	180.9	202.2	248.7	202.0	582.6
Total budget (£ million)	265.6	224.4	277.5	263.9	1,161.6
UK spend as % of total budget	68.1	90.1	89.6	76.5	50.2
Median budget	110,902	171,584	142,425	180,490	148,725

Source: DCMS, BFI

Notes:

The median is the middle value, i.e. there are equal numbers of video game projects above and below the median.

Video games can only qualify as British for the purpose of the relief through the cultural test.

In a change from previous editions of the Yearbook, we are only reporting data from the first full calendar year following the introduction of the tax relief.



Research & Statistics Unit

21 Stephen Street, London W1T 1LN

bfi.org.uk/statistics