

response

Ukie response to BFI 2022 consultation

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ukie
THE ASSOCIATION FOR UK INTERACTIVE ENTERTAINMENT

About UK Interactive Entertainment (Ukie)

Ukie (UK Interactive Entertainment) is the only trade body for the UK's games and interactive entertainment industry representing over 300 businesses in its membership, and representing 1,000s in its network.

A not-for-profit, it represents businesses of all sizes from small start-ups to large multinational developers, publishers and service companies working across online, mobile apps, consoles, PC, eSports, VR and AR.

Ukie aims to support, grow and promote the interests of the UK games and interactive entertainment industry by optimising the economic, cultural, political and social environment needed for businesses to thrive.

Ukie works closely with the sector to influence government and decision makers, lobbying successfully for the 2014 Video Games Tax Relief, the UK Games Fund, and the Next Gen Skills campaign which resulted in a new Computer Science Curriculum.

It promotes the industry by working with the media to raise awareness of the sector's positive cultural and economic contribution, as well as the societal benefits of games.

Ukie's skills work serves to increase inclusion and diversity, advocating a STEAM approach to education. Initiatives include the Digital Schoolhouse (DSH), Video Games Ambassadors (VGAs), a Student Membership programme, and a professional development programme.

In 2016 Ukie partnered with Film London to deliver Games London, a ground breaking new three-year programme to promote the UK as the games capital of the world, the focal point of which is the annual London Games Festival.

Championing the moving image in all its forms

The UK's games industry is one of this country's fastest growing creative sectors.

As well as having a consumer market worth over £4bn in the UK, games are also cultural, creating unique emotional and narrative experiences with a level of engagement that only interactive entertainment can produce.

Games are now a vital part of modern global culture, played by 1.6 billion people around the world. In the UK they are a fundamental part of our lives, played by 69% of the population, and 94% of the population under 24. They have been recognised by the UK and European governments as a culturally important form of media in their own right.

They also present an economic opportunity to the UK. UK Games companies already employ around 18,000 people and contribute an estimated £1.7 billion to GDP every year. We are an important and fast-growing industry, filled with potential. Providing more forms of support will help to ensure a stable pool of development studios and new talent coming into the industry, just as it has for other creative industries.

We believe that further public funding being made available to enable support for games from cultural institutions such as the BFI would fully unlock this economic potential, and ensure that UK audiences have games content that is culturally relevant to them.

Today games are part of a broader national and international cultural conversation. Indeed, some games have gone beyond being cultural artefacts, becoming platforms and communities where new cultural content is created.

Even though the games sector does receive public support through the Video Games Tax Relief (VGTR), the UK Games Fund, support from Creative Europe and certain trade and investment funding, this falls well below the level of support that the film and TV sectors benefit from and that has helped them to become world leaders.

As was recognised in Ukie's [report](#) (September 2015), the UK film sector's success in attracting investment and expanding its global cultural and economic reach has been accelerated by the combination of an effective tax relief system with a wider array of public support functions. To see the full impact that government intends from VGTR, we recommend that the BFI provide similar support functions to the games industry.

Supporting the moving image in all its form

In response to this consultation, Ukie has undertaken a survey of games businesses in relation to public funding and cultural recognition. Respondents were specifically asked about the role the BFI could play in growing and supporting the sector and the new high-skilled talent that will be vital for the future of innovation, creativity, and content creation.

Out of 106 respondents, 98% agreed that that the BFI should include games as part of the modern interpretation of its charter.

As we have seen with the screen industries, the boost given by tax reliefs can be furthered through specific funding for otherwise risky, culturally challenging projects. A significant amount of money is provided to support the creation of content by the other screen industries: by central government, the National Lottery, European funding, public service broadcasters, and other means. This funding ensures that innovative content reflecting British culture is created, but it also gives support for the talent pool in the respective industries, fosters the growth of independent businesses, and provides long-term resilience to those businesses. This pushes innovation forward, allowing small companies to take risks they otherwise couldn't, and keeps the UK at the global forefront of each of these industries.

The games sector needs the same support that the BFI has so successfully delivered to the film and, more recently, animation and VFX sectors. BFI's track record in supporting the film and other sectors was seen as an excellent example of what could be achieved for the games industry. What is more, by supporting the games industry, the BFI would effectively be future proofing all creative screen sectors in the UK, not just the games industry, thereby increasing the UK's creative screen sectors competitiveness in an increasingly globalised economy.

When asked which BFI-related support would be most valuable, games businesses stated that the following were of equally high importance:

- Support for games projects that tell stories in innovative ways, and for creating commercially risky but innovative and culturally important content
- Support to help diverse new talent get into the games industry (including for training and education), specifically in schools by supporting the Digital Schoolhouse Programme as well as education about games as a career
- Support for growth in games clusters around the United Kingdom
- Support to help games businesses access overseas markets
- Support in promoting the games sector, specifically around its cultural and economic impact in the UK, to overseas audiences and investors

Respondents to our survey have said that access to this type of funding and support, coordinated by a respected body, was essential in growing the wider UK games industry. This would also give games - as a highly-skilled, powerful, innovative medium through which people's lives and stories can be reflected - the cultural recognition and standing it needs.

We believe that, should the BFI provide further support for games, there is a clear case for more public funding to be made available for the activities above, especially for games businesses who have very few alternative routes to funding when exploring games of a more risky and cultural nature.

The limited public funding support that the games sector has received demonstrates the effectiveness of intervention. For example, since its introduction in April 2014, the VGTR has already made an impact with 237 games receiving certification in the scheme's first full calendar year, and a total EEA/UK spend of £728.9m - creating cultural content and jobs and benefiting the UK's overall economy. Additionally, for every £1 contributed by UKTI to support trade and investment activities organised and managed by Ukie, £743 is generated in trade wins by those companies. This return on investment would markedly increase if there were an agency to deliver more strategically planned and coordinated activity.

There was a clear indication from games businesses that having the BFI represent the games sector would be positive and forward thinking. Games businesses believe that

being represented by a cross-sector agency could have many advantages in terms of collaboration and opening of funding opportunities in any increasingly converged world. Additionally, respondents acknowledged the excellent work already done by the BFI on supporting companies through the VGTR process.

However, games businesses responding to our survey were explicit that a body representing the games sector would have to be 100% committed to doing so, on a fair footing with any other sectors that may also be represented. Games businesses feel, as one respondent noted, that there is a need for “people who know games inside out to be in the best position to support the growth of the games industry in the UK”. There was concern that if a games team was assembled within the BFI, a significant change to BFI’s culture as a film institute might be required for the team to be effective, and that such a cultural change could be resisted by the BFI itself.

Any games-supporting body should be committed to working with experienced, top quality games industry experts and partners, in recognition that whilst games share elements with other screen sectors, they remain distinct in production methods, businesses models, and technology. This is something that should be celebrated and acknowledged as advantageous to other moving image screen sectors as the horizontal cross-pollination of skills to other sectors such as film, animation, and VFX is key to innovation.

Games businesses feel that being represented by the BFI and thus being associated with its trusted brand and reach to other sectors would significantly benefit the industry. As one respondent noted, having the BFI represent games “would help us further raise the profile of games in different circles”, whilst another suggested that “BFI’s support would help them reach a greater cultural acceptance”.

Conclusion

The games industry is geographically diverse – spread over 12 key clusters across the UK - and requires a skill set that is vital to the production of digital creative and cultural content. We therefore believe that the games industry presents an opportunity for the

BFI to represent the diverse technology, skills, ideas, and platforms being used by creative businesses to tell stories and produce innovative content today and in the future.

There is also the added opportunity to not only help provide economic opportunities for individuals across the country, celebrate and promote our important heritage in games, but also to increase reach into more diverse communities and help bring skills opportunities and confidence to those communities. This in turn would support the creation of uniquely British games experiences reflecting our national shared and local experiences.

BFI is a world class agency that provides hugely valued support to businesses in other screen sectors. If it can fully commit to the games sector, and government were to provide the required level of additional funding, we believe that it could deliver the same quality of services to games businesses – bringing benefits to the wider UK screen and digital content industries and making BFI relevant to a huge new audience of creative businesses telling stories and making content at the cutting edge of culture and technology.