

UK Film Council

The UK Film Council (UKFC) was set up in 2000 by the Labour Government as a non-departmental public body to develop and promote the film industry in the UK. It was constituted as a private company limited by guarantee governed by a board of 15 directors. The body's funding came from a range of sources: for example, in 2011 it received £45.6 million from the Exchequer, as well as funding from the Department of Education (FILMCLUB), the Irish Language Broadcast Fund, the Ulster Scots Broadcast Fund and the National Lottery. Significantly (given the final destination of the body's functions) 64% of the Council's grant in aid funding from the exchequer was paid to the British Film Institute (BFI) for various collaborative projects (Stationary Office, 2011, p.6).

The body was established to stimulate 'a competitive, successful and vibrant UK film industry and culture, and to promote the widest possible enjoyment and understanding of cinema throughout the nations and regions of the UK. The UK Film Council was responsible for encouraging both cultural and commercial film activity, and providing a single, identifiable entity able to raise the industry's profile, both at home and overseas' (Stationary Office, 2011, p.2.).

In 2009 talks began within DCMS regarding the possibility of a merger between the UK Film Council and BFI as detailed in an article in the Guardian (Pulver). On the 20th of August 2009 Parliamentary Under-Secretary for Creative Industries, Siôn Simon MP issued a press release which asserted that: 'There are practical issues which we need to resolve to ensure that this proposed merger brings about the benefits we want without impacting on the work currently done by the BFI and UKFC. DCMS will now work closely with both BFI and the UKFC to deliver a better service for film' (BFI, 20th of August 2009). The reaction to this proposal was favourable with the Film Council's chairman, Tim Bevan, asserting 'I welcome this idea and I'm keen to work closely with the BFI and the DCMS over the autumn to make it happen' (ibid.). Similarly Greg Dyke, Chairman of the BFI stated 'We view this as an opportunity to build on the strengths and successes of our work in recent years' (ibid.).

In January 2010 the House of Lords Select Committee on Communications published a report entitled *The British Film and Television Industries—Decline or Opportunity?* As part of their investigation evidence was taken on a proposed merger between the UK Film Council/British Film Institute. On this topic they reported as follows:

104. Since the Committee took evidence from the UK Film Council and the BFI, the Department of Culture, Media and Sport has initiated merger talks between the two organisations, which are continuing. Concerns have been raised about how a merged organisation might meet the different objectives which the two bodies currently pursue and what its status might be, bearing in mind that the BFI has charitable status and a Royal Charter.

105. We put some of these concerns to the Secretary of State, who said that the Government wanted to ensure that the economic role played by the Film Council and the cultural role played by the BFI were maintained. "We would also have to be very careful about retaining

within the new organisation the charitable status of the BFI, but we do think that ... it is always worth looking at how organisations can work in a more streamlined way ... We are very well aware of the sensitivities of the BFI in particular, but we hope that we will be able to come up with a model that can preserve the qualities of both organisations and at the same time release money ... to maximise the cultural benefits these organisations can bring. If one speaks to people who work day-to-day in the film industry, they often do not quite understand why we need to have these two separate organisations" (Q 2350).

106. At a time when public expenditure is under pressure, the Committee recognises the need for the UK Film Council and the BFI to seek efficiency savings and that a merger may reduce their joint administrative costs. But these are not large organisations and potential savings are limited. The Committee is concerned that this should not be a forced marriage that damages the core functions of the existing organisations.

107. We do not consider that the small saving, which a merger of the UK Film Council and the BFI would be likely to achieve, would by itself justify an amalgamation.

108. If, however, the proposal for the merger of the UK Film Council and the BFI goes ahead, it will be important that any organisational changes neither prejudice nor deter private donations to the BFI's educational and archival work (Communications Committee, 2010).

There is no clear reason as to why the proposals for a merger did not proceed in 2009, however one interviewee cited the timing of the proposal as a contributing factor.

In March 2010 the Film Council published a three year plan: 2010-13: *UK Film: Digital Innovation and Creative Excellence* which resulted from a widespread public consultation. It laid out the objectives and priorities of the Film Council and presented plans to reduce the organisation's overheads by 20% through restructuring (Stationary Office, 2011).

The decision to close the film council was first leaked through the blog 'Deadline' and subsequently confirmed by the Department of Culture, Media and Sport (DCMS) on the 24th of July 2010. Despite previous calls for a merger, abolition was the government's favoured course of action and there were no apparent plans to transfer functions to other bodies. The stated rationale was to establish 'a direct and less bureaucratic relationship with the British Film Institute. This would support front-line services while ensuring greater value for money' (DCMS, 26th July 2010). Emphasis was therefore placed upon 'improving accountability, transparency and value for money' (Hunt, 26th July 2010).

On the 28th of July 2010 the Select Committee on culture Media and Sport launched an inquiry into the funding of the arts and heritage. This received submissions detailing the negative impact of the government's decision in relation to the Film Council on the arts as a whole.

In reaction to the government's decision Tim Bevan, the Film Council's chairman, asserted publically that the proposed abolition was 'a bad decision, imposed without any consultation or evaluation...People will rightly look back on today's announcement and say it was a big mistake, driven by short-term thinking and political expediency. British film, which is one of the UK's more successful growth industries, deserves better' (The Guardian, 26th July 2010). He continued '[o]ur immediate priority now is to press the government to confirm that the funding levels and core functions that are needed to underpin British film are locked in, especially at a time when filmmakers and film companies need more support than ever as they make the challenging transition into the digital age. To that end, we will work with the DCMS over the summer to identify how they can guarantee both continuity and safe harbour for British film' (ibid.). The anger at the Government's decision derived (as reported in interviews) from the rhetoric used by DCMS, the lack of evidence used to justify the decision, and an absence of planning for the future of film without the Film Council. It was felt that, as one interview put it, the Film Council was a 'high profile scalp' with abolition motivated by political rationale rather than sound evidence.

Similar concerns were raised in the House of Lords, the media and by a public campaign endorsed by numerous celebrities and industry bodies. In the House of Lords, despite not being included in the Public Bodies Bill, Lord Stevenson of Balmacara tabled an amendment asking for a 'report on the merger of the UK Film Council and the British Film Institute' to ensure that the future of British film is protected (7th March 2011: Column 1413). This amendment was supported by a number of other Lords including Lord Wills, Lord Triesman, Baroness McIntosh of Hudnall, Baroness Benjamin and The Earl of Clancarty, though ultimately it was withdrawn. There was no communication between the Film Council and Lords to co-ordinate this activity. In the House of Commons an Early Day Motion was laid by John MacDonnell which argued that 'this House deeply regrets the Government's decision to abolish the Film Council; and considers this a retrograde step', this EDM attracted 29 signatures (657, Session 2010-2012).

In the media a significant amount of coverage was given to the initial decision to close the body, and to the subsequent campaign. The Telegraph (26th July 2010) gave prominence to the closure of the body as did the BBC who published an audit of the views of those in the film industry (26th July 2010), the Guardian also ran a series of critical pieces including interviews with both the Chairman and Chief Executive of the Film Council (26th July 2010b; 26th July 2010c).

A broader campaign was launched with industry bodies and the public critical of the decision. Online forums marshalled campaigning activity such as 'Savethefilmcouncil.co.uk' and a Facebook group gained around 42,000 members (<http://www.deadline.com/2010/08/protestors-to-march-against-ukfc-closure/>). In addition a petition was organised which gained 26,046 signatures online and a public protest was held on the 28th of August 2010. The campaign was also boosted from high profile support from, among others, Mike Leigh (BBC 27th July 2010), Clint Eastwood (Guardian, 9th August 2010), Bill Nighy, Timothy Spall and Emily Blunt (Best for Film). Criticism of the decision was also levelled by BECTU, the media and entertainment union (28th July 2010), and the National Audit Office who argued that the DCMS 'had not performed sufficient analysis of the financial implications of the

decision. It announced the transfer of functions four months later, but still had no formal arrangements in place as to which Film Council staff would transfer to other bodies. It had also not calculated the expected costs of closure, although it had decided the transfer of functions would take place on 1 April 2011' (2011, p.31). However, some individuals and groups did voice support for the government, namely: '<http://www.savethebritishfilmindustry.com/>', Michael Winner (The Guardian, 11th August 2010) and Julian Fellowes (Daily Telegraph, 12th August 2010).

Despite this outcry, on the 29th of November a further announcement by DCMS confirmed the transfer of lottery distributor status and other funded functionality to the BFI or Film London. In accordance with Statutory Instrument SI 685/2011 of 8 March 2011 UKFC's lottery assets, liabilities and obligations transferred to the BFI on 1st April 2011 and the share of future lottery income will accrue to the BFI from this date (Stationary Office, 2011, p.5). Whilst the department had led on the transfer of functions, officials acknowledged that 'they wouldn't have been able to do any of this without the support of the Film Council', demonstrating the significance of their role in the body's closure (Interview Data).

On the 31st March 2011 the UK Film Council had its final official day of business and powers were transferred by the Government to the British Film Institute. This included the transfer of 38 former Film Council staff to the BFI, out of a total of 70 working for them in 2011. It was scheduled to formally wind down and close operations by 30th of June 2011. Whilst the majority of the Film Council's functions transferred some, including the Diversity Unit and Sponsorship Departments, did not. Nevertheless the abolition was not seen by one interviewee to have had a lasting negative effect on the film industry because 'the people at the Film Council and at the BFI, quite frankly, did such a professional job of making it a seamless transition'.

Key Documents:

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Hunt, J. (26th July 2010) Ministerial Written Statement. London: Department for Culture, Media and Sport.

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