



Invest NI

Final Evaluation of Northern Ireland Screen Commission's 'Driving Global Growth' Strategy (2010-2014) and
Interim Evaluation of Northern Ireland Screen Commission's Current Strategy 'Opening Doors' (2014-2016)

FINAL REPORT

November 2017



IMPORTANT NOTICE

This Final Evaluation of the Driving Global Growth Strategy (DGG) and Interim Evaluation of the Opening Doors Strategy (ODS) has been developed based on data and information provided to Oxford Economics and Morrow Gilchrist Associates by Invest NI, Northern Ireland Screen, grant recipients/beneficiaries and stakeholders. The sources of information used in this report are referenced accordingly.

Oxford Economics have had primary responsibility for the monetary and economic impact analysis aspects of the report with Morrow Gilchrist Associates leading in relation to the primary research, consultation activity and authoring of the evaluation report.

The procedures we carried out in performing the work that forms the basis of this report did not constitute an audit. As such, the content of this report should not be considered as providing the same level of assurance as an audit. It should be noted that the information contained in this report is subject to change as a result of changing circumstances and factors and is based on circumstances, data and information available at the time of drafting (around May 2017). Only the final version of this report should be considered definitive.

Oxford Economics have been instructed by the Department for the Economy / Invest NI to prepare a model which excludes the supply chain counterfactual to enable comparison of the results on a like for like basis with those from other evaluations that may use this approach. This model is attached at Appendix D of the report. This is not a methodology supported by Oxford Economics and, accordingly, any quotations in relation to the results of this methodology should either not be associated with Oxford Economics/ Morrow Gilchrist Associates or should include an explanation that the methodology upon which the results are based is not supported by Oxford Economics/ Morrow Gilchrist Associates.

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ACKNOWLEDGMENTS

The evaluation team would like to thank the staff of Northern Ireland Screen; companies/ individuals active in the screen sector who participated in the primary research; and representatives from Invest NI and Department for the Economy involved in the Steering Group¹ for the evaluation – for their co-operation and input throughout the evaluation process.

¹ The Steering Group comprises representatives from Invest NI and the Department for the Economy including a departmental economist. It has a collective responsibility for ensuring the assignment is conducted objectively and meets the Terms of Reference.

List of Abbreviations

Abbreviation	Definition
BBC	British Broadcasting Corporation
BCR	Benefit to Cost Ratio
DCAL	Department of Culture, Arts and Leisure
DETI	Department of Enterprise, Trade and Investment (now DfE)
DfE	Department for the Economy
DGG	Driving Global Growth (Strategy)
DoF	Department of Finance
FAM	Familiarisation Tours
FDI	Foreign Direct Investment
FTE	Full Time Equivalent
GAP	Gap financing, typically a loan from a bank or a private lender
GB	Great Britain
GBER	General Block Exemption Regulations
GDP	Gross Domestic Product
GVA	Gross Value Added
HBO	Home Box Office
ILBF	Irish Language Broadcast Fund
Invest NI	Invest Northern Ireland
IP	Intellectual Property
KPI	Key Performance Indicator
LoO	Letter of Offer (Invest NI)
MAFF	Marketing and Festivals Fund
MSFM	Management Statement and Financial Memorandum
NI	Northern Ireland
NIFTC	Northern Ireland Film and Television Commission (now Northern Ireland Screen)
NISF	Northern Ireland Screen Fund
NPV	Net Present Value
NZPG	New Zealand Screen Production Grant
ODS	Opening Doors Strategy
PfG	Programme for Government
PSA	Public Service Agreement
R&D	Research and Development
ROI	Republic of Ireland
S75	Section 75
SDF	Skills Development Fund
SECC	Senior Executive Casework Committee (Invest NI)
SLA	Service Level Agreement
SMART	Specific, Measurable, Achievable, Relevant and Time-bound
SMEs	Small and Medium Sized Enterprises
TOR	Terms of Reference
TV	Television
UK	United Kingdom
UKTI	UK Trade and Industry
UTV	Ulster Television
VAT	Value Added Tax
VFM	Value for Money

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Executive Summary

Introduction

- A1 Invest NI and the Department for the Economy (DfE) commissioned Oxford Economics, working in partnership with Morrow Gilchrist Associates, to undertake:-
- A final evaluation of the Northern Ireland Screen Commission's ("Northern Ireland Screen") strategy, "Driving Global Growth" (DGG) covering the period 2010-2014; and
 - An interim evaluation of Northern Ireland Screen's current strategy, "Opening Doors" (ODS) covering the first two-year period of a four-year strategy, i.e. 2014-2016 (to 31st March 2016).
- A2 Both evaluations were undertaken concurrently and the requirement of the Terms of Reference (included at Appendix A) was to present a single, integrated report – drawing together common findings as well as clearly examining and concluding separately on the performance and impact of each strategy over the relevant time periods detailed above.

Northern Ireland Screen

- A3 Northern Ireland Screen is the lead agency in Northern Ireland for the film, television and digital content industry. The organisation was established in 1997 as the Northern Ireland Film Commission (NIFC), later changing its name to the Northern Ireland Film and Television Commission (NIFTC), before becoming Northern Ireland Screen, to reflect its growing remit for all screen-related industry.
- A4 Prior to the launch of the DGG Strategy, Northern Ireland Screen received significant support from Invest NI to support its two previous strategies; namely 'The Most Powerful Industry in the World' (which covered the period 2003 to 2007) and 'Building on Success' (which covered the period 2007 to 2010).

The Driving Global Growth Strategy 2010-14/ Full Strategy

- A5 DGG was a 4-year strategy which ran from 2010 to 2014 with the aim of expanding and deepening NI's capacity and success in producing film, television and digital content. Activity supported via DGG included production and development activity through the Northern Ireland Screen Fund (NISF); skills development activity through the Skills Development Fund (SDF); marketing activity, including trade missions; and contributions to core operating costs.
- A6 DGG was subject to an interim evaluation in 2012², which concluded that considerable benefits had accrued (in both Gross Value Added (GVA) and employment terms) from the production activity supported, coupled with significant wider and regional benefits. The evaluation concluded that DGG had provided value for money (VFM) from the support provided by Invest NI at that time. It did, however, note that a more complete assessment of the VFM of DGG could only be undertaken in the longer term, given that there can be a time lag of three to four years between the provision of support and the achievement/detection of economic returns from that support. The evaluation also noted that there was a need to revisit the targets established within the monitoring and evaluation (M&E) framework for DGG, informed by the economic impact outcomes arising to 2012, and that clearer metrics for measuring impact were needed.
- A7 The package of funding support for DGG (actual outturn) was around £25.7m including support for Northern Ireland Screen overheads.

² Driving Global Growth Strategy (2010-2014) Interim Evaluation, Cogent Management Consulting LLP August 2012

The Opening Doors Strategy (ODS) 2014-16/ Interim Point

- A8 The Opening Doors Strategy (ODS), which covers the period from 2014 to 2018, is the first phase of a wider ten-year vision, in which Northern Ireland Screen is seeking to build on the growth and success created from 2003-2013 to establish NI as a long-term centre of excellence for the screen industries. Indeed, one of the key strategic aims of the strategy is to take the Northern Ireland Screen industry towards its target to be the strongest in the UK and Ireland outside of London within 10 years.
- A9 A key focus also within the strategy is on the integrated development of the economic, cultural and education value of the screen industries where seven priority sectors or genres were identified therein, broadening the focus of support across a wider range of diverse genres compared to DGG including: Large Scale Production; Animation; Television Drama; Irish Language/ Ulster Scots³; Factual/Entertainment Television; Independent Film; Gaming, Mobile, E-learning and Web content.
- A10 The package of funding support for ODS is around £42.8m, with 94% targeted at project activity across the first six priority sectors above and 6% linked to support for Northern Ireland Screen overheads.

Activity Supported Under Both Strategies

- A11 Based on monitoring information provided by Northern Ireland Screen, it is evident that a significant level of support has been provided to companies and individuals to support the development of the Northern Ireland screen industry. Key activities undertaken to date include the following:
- Under DGG, Northern Ireland Screen provided c.£17m in production support toward the costs of 62 productions. Under ODS to date, Northern Ireland Screen has provided c.£20m in production support toward the costs of 53 productions;
 - Under DGG, Northern Ireland Screen made 109 development awards through the NISF to 59 individual companies to a value of circa. £2.6m. A further circa. £1.4m of funding was leveraged by the NI-based companies from sources external to NI. This suggests that companies leveraged around 54p in funding from sources external to NI for every £1 provided by Northern Ireland Screen. Under ODS to date, Northern Ireland Screen has made 103 development awards through the NISF to 59 individual companies to a value of around £2.6m. In turn, these awards leveraged approximately £1.7m from sources external to NI. This suggests that companies leveraged around 65p for every £1 provided by Northern Ireland Screen – an increase in leverage compared to DGG;
 - Under the four years of DGG, approximately £700k has been recouped from 6 productions and 6 development awards. Under the first two years of ODS to date, around £386k has been recouped from 23 productions and 1 development award;
 - A range of skills development activities have been supported by Northern Ireland Screen through the periods of both DGG and ODS to date. This support has been designed to be as flexible as possible to identify and address the existing and emerging skills needs of NI individuals and companies; and
 - Northern Ireland Screen has undertaken a significant amount of marketing activity during both strategies to raise the profile and reputation of NI as a suitable destination/location for screen activity. The nature of marketing activity undertaken is consistent with marketing activities undertaken by screen agencies in other jurisdictions with established screen industries that were researched for this evaluation e.g. Australia and New Zealand (See Section 7).

3 Outside Invest NI support

Participants' Satisfaction With, & Views Of, Northern Ireland Screen's Support

- A12 The feedback from production companies interviewed in relation to the NISF for this evaluation, across the genres supported via Northern Ireland Screen during DGG and/or ODS (to March 2016), indicates that the organisation provides an exemplary level of pro-active support and constructive advice. It is viewed that this is effectively channelled to reinforce the success of individual projects/ companies and, more broadly, to work towards the ⁴ten-year vision and ambition for the entire Northern Ireland Screen sector as articulated in ODS. Therefore, the operational delivery of the various interventions / programmes encompassed in DGG and ODS (to March 2016) has been to a very high standard, as evidenced in the satisfaction levels (and related comments) outlined in Section 3 of this report.
- A13 Specifically, satisfaction levels with the NISF application process and support provided by Northern Ireland Screen were generally very high with some minor suggestions for improvement. Encouragingly NISF support, when compared with the support received elsewhere, was considered 'more favourable' by around two thirds of respondents - not linked solely to the financial support, but to the whole package of funding and pro-active/ constructive support from Northern Ireland Screen referenced above.
- A14 The top two reasons cited for choosing NI as a location for production activity were, , the support on offer through Northern Ireland Screen and the quality of locations. However, looking ahead, paramount is the continued competitiveness of the NISF offer to maintain production activity of this nature in NI without which all of the other factors become less relevant. In terms of the financial offer, the ability to do a co-production with matching funds from the Republic of Ireland or to bolt on the UK Tax Credit are viewed to be major 'game-changers' in terms of a decision to come to NI.
- A15 Feedback from SDF participants was similarly predominantly very positive in terms of both the experience and impact of the support. For example, it was evident that SDF has been particularly successful in helping people not already employed in the screen industry access placements and employment in the sector. In addition, the evidence suggests that the SDF has also been successful in helping those already working in the screen industry to upskill and diversify their skills into specific areas in demand by the screen industry.

Impacts of the Support Provided

Levels of Additionality/ Deadweight:

- A16 The net impact of the Northern Ireland Screen support (i.e. it's additionality) can only be measured after making allowances for what would have happened in the absence of the support from Northern Ireland Screen. That is, the support must allow for deadweight. 'Deadweight' refers to outcomes that would have occurred anyway i.e. without the NISF and SDF support interventions.
- A17 The analysis suggests that the vast majority of the activity (86.85% for NISF and 86.27% for SDF) that was undertaken would not have been taken forward by the companies/individuals in the absence of receiving support from Northern Ireland Screen. The results of the analysis are summarised in the table below with further details in Section 3: These results are consistent with primary research findings on additionality/ deadweight in relation to these funds in previous evaluations of Northern Ireland Screen strategies.

⁴ developing/ confirming NI as the strongest screen industry economy outside London in the UK and Ireland in the next 10 years

Table A1: Deadweight/ Additionality

Intervention	Deadweight	Additionality
NISF	13.15%	86.85%
SDF	13.73%	86.27%

Market Failure/Rationale for Government Intervention:

- A18 In considering the rationale for Government intervention, it is important to reflect on how the focus in this regard has evolved through successive strategies. In 2003, prior to the first Northern Ireland Screen strategy, the sector was made up almost exclusively of work associated with BBC NI and UTV, with almost no international profile. Ten years on, most of NI's leading production companies are export focused; the screen sector is bolstered by considerable inward investment; and there is a diverse portfolio of activity across six main genres.
- A19 In the view of the evaluation team, there is a continued and ongoing rationale for intervention and this is centred on the net additional economic benefits linked to ⁵NI expenditure arising from the creation and production of screen sector outputs in NI combined with important wider and regional benefits (e.g. promotion of screen tourism and NI's brand on a global platform; skills and talent development etc).
- A20 Accordingly, the first 10 years of intervention (to 2013/14), as noted in ODS, have served to create a foundation to build upon - with the focus now moving to establishing NI as the strongest screen industry economy outside London in the UK and Ireland in the next 10 years. It is the view of the evaluation team that two years into ODS Northern Ireland Screen have made good progress towards this ten-year/ 2024 vision. This is evidenced through engagements with external producers, many of whom viewed NI as a viable alternative to London and did not often cite other UK regions as competing regions for their productions. If anything, the Republic of Ireland was cited more frequently than other UK regions in this regard. It is also clear from engagements with the indigenous screen industry that they are increasingly orientated towards external and export markets, a trend also verified in a recent ⁶baseline study of the indigenous screen industry. More broadly and looking ahead to a future strategy, arguably setting the ambition for the Northern Ireland screen industry only within a reference framework of relative strength with other parts of the UK and Ireland, is perhaps limiting in terms of the wording of the vision. It is clear that NI as a region competes very successfully for global production and that indigenous screen companies are increasingly ⁷selling to global audiences and global networks/ streaming companies.
- A21 Reflecting on all of the above, the rationale for Government intervention has therefore evolved considerably over the course of successive strategies and is now multi-faceted, reflecting economic, educational, cultural, and social inclusion/ equity objectives. It is also clear that without the interventions (via the various Northern Ireland Screen funds and supports) that minimal activity / development of the screen sector would be happening in NI. This is evidenced by the aforementioned high levels of additionality / low deadweight for the NISF and SDF.

Economic/ Monetary Benefits:

5 Specifically additional wages (i.e. wage premium) and additional productivity that those employed in NISF supported screen productions realise over and above what other course of employment / self-employment/ economic activity they would otherwise have undertaken

6 Economic Baseline Study of the Screen Industries in NI, Cogent Management Consulting, July 2015. This report indicated that the total sample of businesses surveyed (N=112), just over two-fifths of businesses are actively involved in selling screen content product in external GB markets (44% - N=49) and/or exports markets (43%).

7 e.g. the cluster of NI animation companies are working to build on recent success in securing outsourced work from Canada

A22 The assessment of the monetary benefits/ quantifiable economic impacts of support to Northern Ireland Screen is based on quantifying the impact of production grants only for the reasons set out in Section 4. These grants total £36.6m over the full DGG strategy period and up to the interim stage of ODS. The evaluation team's independent analysis suggests that the following monetary benefits were achieved as summarised in the Table A2 overleaf. Further details on the underlying modelling methodology on this is included in Section 4 and Appendix C.

Table A2: Assessment of Gross to Net Economic Impact

	Description	DGG (2010-2014)	ODS (2014-2016)	Total (2010-2016)
NI Expenditure (£millions)	All expenditure by NISF supported productions on NI cast and crew, hotels and locations, facilities and transport.	128	143	271
Total Gross Value Added	Total value generated in the NI economy	103	108	211
Net Gross Value Added (£millions)	Total value generated in the NI economy after an alternative deployment of resources is taken into account (counterfactual)	55	66	121
Deadweight	This refers to the extent to which production activity would have occurred anyway.	13%	13%	13%
Displacement	This refers to the degree to which the supported production activity may be offset by reductions in activity elsewhere.	10%	10%	10%
Net Additional Impact (£ millions)	Net impact after the reductions for deadweight and displacement above	43	52	95
Invest NI Funding ⁸ to Northern Ireland Screen (£ millions)		25	21	
Benefit: Cost Ratio (£)	Invest NI Funding: Net Additional Impact	£1 Cost: £1.7 benefit	£1 Cost: £2.5 benefit	

A23 Whilst there is some variation year-on-year relating to the portfolio of production projects supported, these grants have consistently achieved very high levels of leverage in terms of NI expenditure. **For DGG, the ratio of grant/ NI expenditure achieved was 1:6.4 (£20m/£128m). For ODS, the ratio of grant/ NI expenditure achieved was 1:8.6 (£16.6m/£143m). At an overall level across the six years being analysed (2010-2016) this ratio of grant/ NI expenditure achieved is 1:7.4 (£36.6m/£271m).**

A24 In addition to the above monetary benefits, the support provided by Northern Ireland Screen has also made a significant contribution to providing wider and regional benefits to the NI economy. These include: the attraction of Foreign Direct Investment (FDI), skills development, knowledge transfer, entrepreneurship, reduction of 'Brain Drain', the generation of orders from other companies in the assisted area, innovation and, importantly, enhancing the overall regional credibility and visibility of the Northern Ireland Screen industry, product and related screen tourism activity.

⁸ In discussion with the Steering Group it was agreed in terms of the 'cost denominator' for the BCR to include the value of all programme funds (i.e. production, development and skills) within this and exclude Invest NI contribution to Northern Ireland Screen operating costs.

Employment Sustained by DGG and ODS (at interim stage)

- A25 It is estimated that the total number of employee work days sustained in the NI economy over the six years (four years of DGG/ first two years of ODS) is 533,728 work days. Of this, 279,206 is attributable to activity in the DGG strategy period (2010-14) and 254,523 attributable to activity in the first two years of ODS (2014-2016). Based on the agreed calculations for converting this into FTE job years, this equates to 2,668 FTE jobs/ job years over the six years, 1,396 in relation to the full four years of DGG and 1,272 in relation to the first two years of ODS.

Sensitivity Analysis

- A26 To gauge the impact that certain assumptions can have on the final BCR further sensitivity analysis around one of the key assumptions was undertaken. This was the assumption that the prevailing deadweight was 13%, which was applied based on evidence from the survey with production companies in receipt of NISF production awards. The evaluation team viewed that there may be a degree of optimism bias in the self-reported additionality/ deadweight levels arising from these survey findings and therefore considered other evidence in forming a conclusion around deadweight, drawing on a 2009 Department for Business Innovation and Skills research paper which captured additionality data from over 280 evaluations covering a range of economic development and regeneration interventions across the UK. The results of this sensitivity analysis (detailed in Section 4) shows that the modelled economic outputs and benefit to cost ratios (BCRs) as included in Table A2 are very sensitive to assumptions on deadweight. In effect, if the true deadweight value is above the estimate of 13%, then this would have a material impact on these modelled outputs.

Outputs Modelled Based on Exclusion of the Supply Chain Counterfactual

- A27 Oxford Economics were instructed by the Evaluation Steering Group to prepare a model, which excludes the supply chain counterfactual. This is not a methodology supported by Oxford Economics but which was completed at the request of the Steering Group in order to enable Invest NI and DfE to compare the results on a like for like basis with those from other evaluations that may use this approach. It was agreed with the Evaluation Steering Group that the value of first round indirect impacts within the counterfactual scenario (e.g. the approximately £14m across the six years in the central scenario (split £7.3 million and £6.3 million across DGG and the first two years of ODS respectively) would be excluded from the analysis for to facilitate these comparisons. The following figures are provided for illustrative purposes only.
- A28 This, in turn, increases the additional benefits accruing from the support to NI Screen in that the difference between the 'with project' scenario and the counterfactual scenario is greater. Exclusion of the value of first round indirect impacts from the analysis would increase the BCR for the central scenario presented in Table A2 above for DGG to £1 Cost: £2 benefit and the corresponding BCR for the central scenario presented in Table A2 for first two years of ODS to £1 Cost: £2.8 benefit. More detail on this approach is contained in Section 4.34 and the modelled outputs are included in Appendix D for reference.

Overall progress towards targets and extent to which these are likely to be achieved

- A29 In respect of DGG, it is the view of the evaluation team that the primary objectives and targets have been largely met/ exceeded. In addition, all of the secondary objectives and targets have been met/ exceeded. In respect of ODS it is the view of the evaluation

team that Northern Ireland Screen appear to be on track to meet/ exceed the majority of the primary objectives and targets in the four-year LoO.

Value for Money (VFM) Conclusions

A30 In terms of the final evaluation of DGG, it is the conclusion of the evaluation team that VFM was achieved. Whilst there is still some way to go on the 'journey' to assess the complete picture of economic benefits and VFM in respect of ODS (and as such it is not possible to be definitive as to whether VFM will be achieved) the evidence at the interim evaluation stage suggests that there are good prospects that VFM will be achieved. Indeed, the evidence indicates that there is additional traction evident in this regard within ODS to date, illustrated by the higher benefit to cost ratio (BCR) in Table A2.

Recommended Actions

A31 Section 9/ Table 9.2 includes detailed recommendations along with the supporting rationale for the same. Set out below is a summary of the recommended actions:

1. In a future strategy, the overall size of the NISF and the level of investment on⁹ offer to potential projects must remain competitive and be maintained at current levels. This relates to both production and development awards.
2. In a future strategy, there should be no further increase in the required ratios for NI expenditure across all genres.
3. Consideration should be given as to whether there can be more flexibility around some of the stipulated ratios, in instances where they are difficult to meet, through exploring if there are other ways that companies could add to their 'qualifying NI expenditure credit' (examples of this are included in Section 9 and include creating roles on productions that could foster training opportunities/ new talent).
4. Consideration should be given to facilitating an additional premium within the NISF production awards for projects that will facilitate other wider and regional benefits for 'NI Plc' - informed by the positive experience of the New Zealand Screen Production Grant in relation to Screen Tourism
5. For the interactive genre, a more phased approach to recoupment on NISF awards should be introduced.
6. In a future strategy, there should either be extension of existing support services or development of pooled resources / access to a call off panel of skilled practitioners around marketing, investment readiness support and business planning support for the interactive genre.
7. Northern Ireland Screen should assess if there are any urgent skills gaps/ issues that could be addressed quickly within the last year of ODS and seek to develop a more comprehensive skills strategy/ portfolio of interventions to underpin the vision/ ambition within the next strategy period. This may necessitate increasing levels of annual expenditure on skills interventions.
8. DfE/ Invest NI (supported by Northern Ireland Screen) should promote business opportunities where there are gaps in relevant infrastructure support areas as cited by period drama production companies (e.g. lighting companies, additional post-production capacity) through industry/ business bodies and related networks.
9. DfE/ Invest NI (supported by Northern Ireland Screen) should promote the need/ opportunities that exist for props and costume support on period drama productions to the NI craft sector (e.g. via Craft NI).

⁹ In terms of the percentage intervention at project level in relation to production

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10. A reduction/ simplification of the KPIs should be put in place for the final year of ODS (that follows through to the format of the annual monitoring proformas), with specific details of suggested revisions included in Section 9/ Table 9.2.
 11. Invest NI should give consideration as to whether the corresponding target for each of the ODS economic KPIs (i.e. gross GVA/ net additional GVA/ return on investment or BCR) should be scaled in line with the Oxford Economics model and related assumptions within this report.
 12. For the final year of ODS, it is recommended that Northern Ireland Screen require NISF supported production companies to capture the recent employment status of NI resident cast and crew prior to their deployment on the NISF supported productions (and whether employed/ self-employed within or outside of the screen sector.)

1 Introduction and Background

Introduction

- 1.1 Oxford Economics, working in partnership with Morrow Gilchrist Associates, has been commissioned by Invest NI and the Department for the Economy in NI to undertake:-
- A final evaluation of the Northern Ireland Screen Commission's ("Northern Ireland Screen") strategy, "Driving Global Growth" (DGG) covering the period 2010-2014; and
 - An interim evaluation of Northern Ireland Screen's current strategy, "Opening Doors" (ODS) covering the first two-year period of a four-year strategy, i.e. 2014-2016 (to 31st March 2016).
- 1.2 Both evaluations were undertaken concurrently and the requirement of the Terms of Reference (included at Appendix A) was to present a single, integrated report – drawing together common findings as well as clearly examining and concluding separately on the performance and impact of each strategy over the relevant time periods detailed above.
- 1.3 The evaluation has been undertaken guided by national and regional guidance including:
- The Green Book: Appraisal and Evaluation in Central Government", HM Treasury 2003¹⁰;
 - "The Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE), Current Edition", Department of Finance and Personnel¹¹;
 - "The Magenta Book: Guidance for Evaluation"¹²; and
 - Invest NI Economic Appraisal Methodology (EAM) guidance.
- 1.4 This section of the report provides an overview of the two Northern Ireland Screen strategies and the objectives of the evaluation assignment.

Northern Ireland Screen

- 1.5 Northern Ireland Screen is the screen agency for Northern Ireland committed to maximising the economic, cultural and educational value of the screen industries for the benefit of Northern Ireland. This goal is pursued through their mission to accelerate the development of a dynamic and sustainable screen industry and culture in Northern Ireland.
- 1.6 Prior to the strategies that are the subject of this evaluation, Northern Ireland Screen has received significant support from Invest NI to support two its previous strategies; namely 'The Most Powerful Industry in the World' (which covered the period 2003 to 2007) and 'Building on Success' (which covered the period 2007 to 2010).

The Driving Global Growth Strategy 2010-14/ Full Strategy

- 1.7 Driving Global Growth (DGG) was a 4-year strategy which ran from 2010 to 2014 with the aim of expanding and deepening NI's capacity and success in producing film, television and digital content. Activity supported via DGG included production and

¹⁰ http://www.hm-treasury.gov.uk/data_greenbook_index.htm

¹¹ <https://www.finance-ni.gov.uk/topics/finance/northern-ireland-guide-expenditure-appraisal-and-evaluation-nigeae>

¹² http://www.hm-treasury.gov.uk/data_magentabook_index.htm

development activity through the Northern Ireland Screen Fund (NISF); skills development activity through the Skills Development Fund (SDF); marketing activity, including trade missions; and contributions to core operating costs. The total package of funding drawn down by DGG across these areas over the 4- year period was 25.7m.

- 1.8 DGG was subject to an interim evaluation in 2012¹³, which concluded that considerable benefits had accrued (in both GVA and employment terms) from the production activity supported, coupled with significant wider and regional benefits. The evaluation concluded that DGG had provided value for money (VFM) from the support provided by Invest NI at that time. It did, however, note that a more complete assessment of the VFM of DGG could only be undertaken in the longer term, given that there can be a time lag of three to four years between the provision of support and the detection of economic returns from that support. The evaluation also noted that there was a need to revisit the targets established within the monitoring and evaluation (M&E) framework for DGG, informed by the economic impact outcomes arising to 2012, and that clearer metrics for measuring impact were needed.
- 1.9 The Terms of Reference for this evaluation stated that it was required to start from the end of this interim evaluation (31st March 2012) and cover the remaining period (2 years) of the DGG strategy to 31st March 2014. In practice, however, during the assignment the evaluation team were directed by the Steering Group to undertake economic modelling and present economic impact and VFM findings for the entire DGG strategy i.e. all 4 years. Therefore, it also makes sense throughout this document to also present a cumulative picture of activity over the four years of DGG to aid in interpreting the findings in respect of the economic impact and VFM over the same period.
- 1.10 As above the M&E framework and associated ¹⁴KPIs and targets were revised post the Interim Evaluation of DGG in 2012. Therefore, the original economic appraisal for ¹⁵DGG and performance indicators and targets therein are not appropriate as the sole reference point for measuring the performance and impact of DGG. As such, the evaluation team has reviewed 2013 SECC papers relating to the revisions put in place for the final year of DGG which also provided updated KPIs and targets across all four years. This is used as the reference framework in Section 5 of this evaluation report to measure performance against.

The Opening Doors Strategy (ODS) 2014-16/ Interim Evaluation

- 1.11 The Opening Doors Strategy (ODS), which covers the period from 2014 to 2018, is the first phase of a wider ten-year vision, in which Northern Ireland Screen is seeking to build on the growth and success created from 2003-2013 to establish NI as a long-term centre of excellence for the screen industries. Indeed, one of the key strategic aims of the strategy is to take the Northern Ireland Screen industry towards its target to be the strongest in the UK and Ireland outside of London within 10 years.
- 1.12 A key focus also within the strategy is on the integrated development of the economic, cultural and education value of the screen industries where seven priority sectors or genres were identified therein (Large Scale Production; Animation; Television Drama; Factual/Entertainment Television; Independent Film; Gaming (Interactive), Mobile, E-learning and Web content; Irish Language/ Ulster Scots¹⁶). It is important to note that this focus on strategic development on these seven priority sectors/ genres within ODS

13 Driving Global Growth Strategy (2010-2014) Interim Evaluation, Cogent Management Consulting LLP August 2012

14 Key Performance Indicators

15 Economic Appraisal for DGG March 2010

16 Outside Invest NI support

was a major shift from previous intervention approaches, which in broad terms were split between a focus on large-scale and non-large scale production.

- 1.13 The package of funding support is around £42.8m, with 94% targeted at project activity across the first six priority sectors above and 6% linked to support for Northern Ireland Screen overheads. Within the project activity, and in line with the focus on new sectoral priorities detailed above, three distinct production and development funds were put in place: Large Scale Production Fund; Non-Large Scale Production and Development Fund; and a repayable Loan Fund. These were in addition to a Skills Development Fund, Marketing Fund and Production Legal Costs Fund.
- 1.14 ¹⁷SMART outcome objectives set for ODS were reflected in the Letter of Offer (LoO) from Invest NI dated April 2014 and relate to ¹⁸Option 4a in the economic appraisal for ODS. These SMART outcome objectives were pulled through the quarterly monitoring pro-forma for ODS whereby Northern Ireland Screen report on actual performance every quarter and on a cumulative basis. The performance to 31st March 2016 is the reference point for this evaluation covering the first two years of ODS.

Methodology

- 1.15 The evaluation was implemented through a multi-phase approach undertaken between December 2016 and May 2017. The key tasks were in summary:
- Data gathering – this involved consultation with Invest NI and Northern Ireland Screen to obtain and analyse the necessary data and information to capture economic impacts and assess the operation and delivery effectiveness under both strategies;
 - Primary research design – this involved agreeing the design of surveys for NISF and SDF funding recipients with Invest NI and Northern Ireland Screen and implementing the same;
 - Stakeholder consultations and desk based research in relation to relevant stakeholder interests;
 - Benchmarking analysis in relation to Government interventions in relation to the screen industry in other jurisdictions;
 - Presentation and discussion of the approach on economic impact modelling with the DfE economist and Steering Group; and
 - Analysis, reporting and presentation of conclusions and recommendations.

Structure of the Evaluation Report

- 1.16 Table 1.4 below sets out the structure of the remainder of the evaluation report.

Table 1.4 Structure of the Evaluation Report

Section of the Evaluation	Summary Description
Section 2 - Programme Activity	Presents a summary of activity under the DGG and ODS strategies respectively (up to March 2016)
Section 3 – Primary Research Findings	Section 3 presents details of primary research findings in respect of the satisfaction of respondents (i.e. assisted companies and/or ¹⁹ individuals) with support from Northern Ireland Screen and evidence of impacts over the evaluation period, provided through

¹⁷ Specific, Measurable, Achievable, Relevant and Time Bound

¹⁸ Which was the package approved by the Invest NI Board - without additional studio space (Option 4b in the economic appraisal)

¹⁹ In the context of skills development programmes where individuals include new entrant and junior freelancers / recent and those already working within all sectors of the screen industry in NI

	the NISF or SDF and related views on both. It also includes an assessment of additionality, deadweight and displacement.
Section 4 - Assessment of Economic Impact	Section 4 examines the economic impact arising from the support provided by Northern Ireland Screen. In doing so, the section considers both the quantifiable monetary impact of the support and its contribution to providing wider and regional benefits to the NI economy.
Section 5 - Performance Against Objectives	Section 5 provides a summary of the progress made towards the key objectives and targets for each strategy. This draws on the findings of the preceding sections of this evaluation report supported where appropriate with evidence from completed quarterly monitoring pro-forma for both strategies.
Section 6 - Financial Performance and Governance	Section 6 sets out the financial performance of the interventions under the DGG and ODS strategies respectively. It compares the approved budget position of each strategy, by genre, to the actual expenditure incurred and considers the effectiveness of oversight and governance arrangements.
Section 7 - Benchmarking Analysis	Section 7 sets out the benchmarking research of the evaluation team and is designed to set the performance and impact of Northern Ireland Screen and the two strategies in a wider context, adding to benchmarking undertaken in recent evaluations and appraisals of Northern Ireland Screen support.
Section 8 - Screen Industry Views on Future Needs (by Genre)	Section 8 sets out the views of screen industry consultees in relation to the future needs of the genres supported by Northern Ireland Screen, coupled with the views of the evaluation team derived from the evidence gathered in the evaluation including the survey responses.
Section 9 - Conclusions and Recommendations	Section 9 sets out the conclusions of the evaluation and makes recommendations for the future.

2 Programme Activity

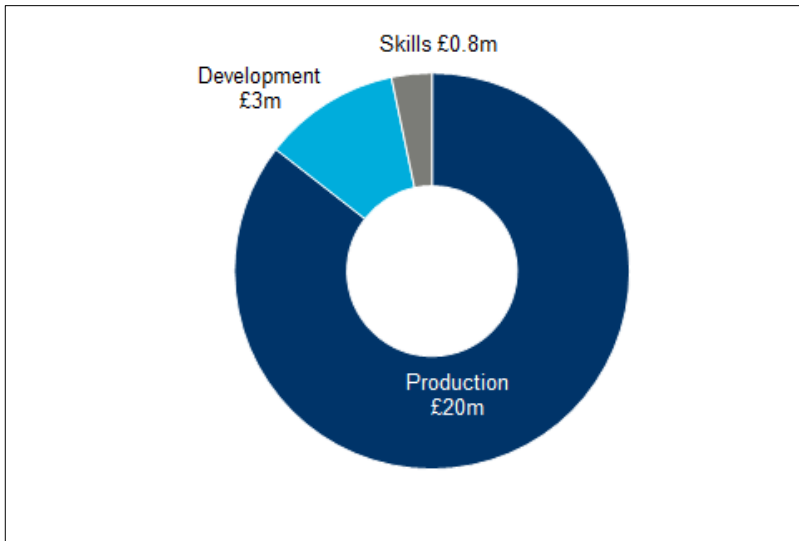
Introduction

- 2.1 Section 2 provides a summary of the activity supported and undertaken by Northern Ireland Screen over a 6 year period including the totality of activity presented for the DGG Strategy (2010-2014) and the two year period to March 2016 in relation to ODS (representing the interim evaluation point i.e. two years into the ODS Strategy).

The Northern Ireland Screen Fund (NISF)

- 2.2 The following charts and commentary summarise the funding associated with the NISF during the DGG Strategy between 2010 and 2014 and the ODS Strategy between 2014 and March 2016. The charts exclude Invest NI funding for Northern Ireland Screen operational costs and marketing costs which were in the region of £600-647k per annum and £160-279k per annum respectively. The NISF production grant is in the form of a recoupable loan with profit participation (subject to negotiation between NI Screen and Production company) to support companies in engaging in the production of screen products in the range of genres. The NISF development funding is a small-scale slate funding initiative designed to assist creative independent production companies to develop product for the market. Finally, the skills element (as detailed later in this section) provides support to individuals/ companies to participate in skills training/development activities aligned to the needs of the screen industry / productions taking place in Northern Ireland.

Figure 2.1. Allocation of NISF for the DGG Strategy (2010-2014)

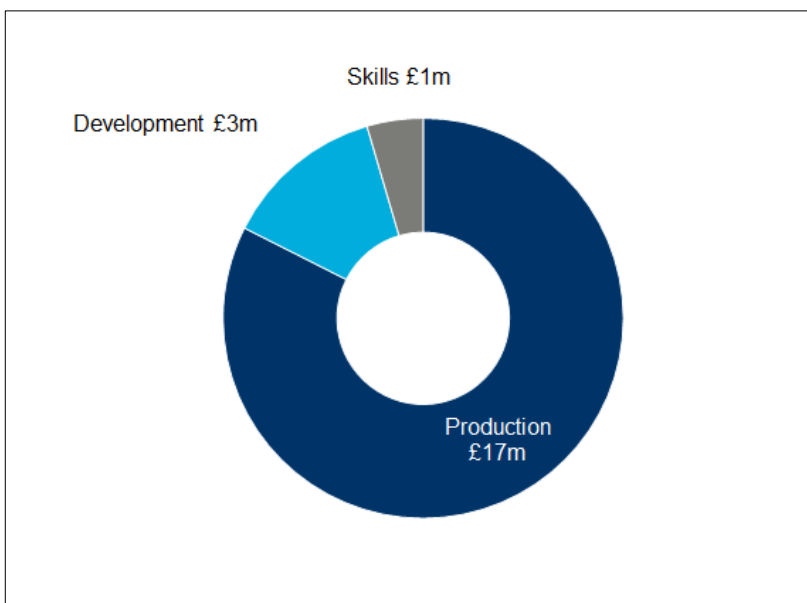


Source: Invest NI/ Northern Ireland Screen data

2.3 As illustrated above, Invest NI funding to Northern Ireland Screen during the DGG strategy period of 2010-2014, totalled £23.8 million across the three funds above. Most of these funds (£20m, c.85%) were allocated to production support.

2.4 Invest NI funding allocated during the ODS strategy between 2014 and 2016 is illustrated in Figure 2.2 below. Again, this only focuses on the funding distributed to the screen sector and excludes funding for Northern Ireland Screen operational costs and marketing which are in the region of £665k and £400k per annum respectively, so c£2.1m over the two-year period.

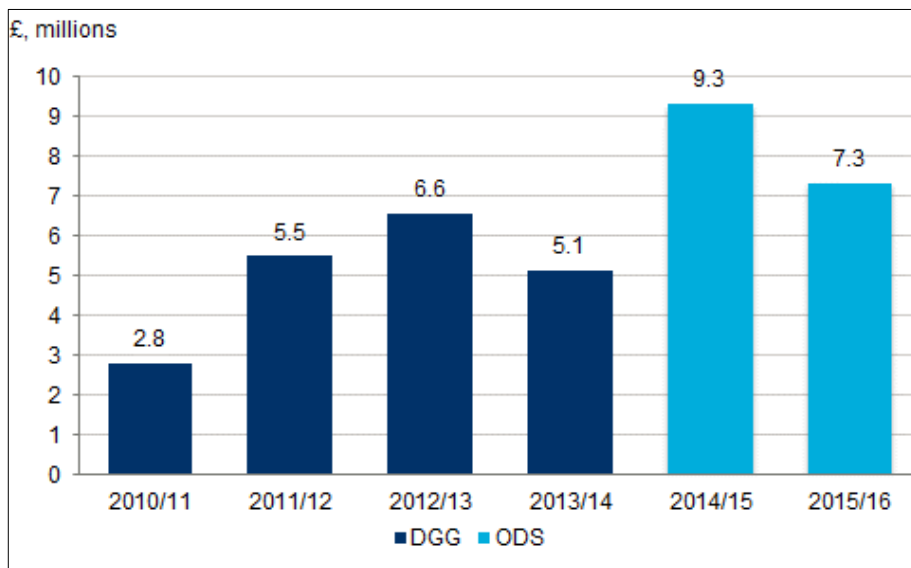
Figure 2.2. Allocation of Northern Ireland Screen funding for the ODS Strategy (2014-2016)



Source: Invest NI/ Northern Ireland Screen data

- 2.5 As illustrated above, during first two years of the ODS (to March 2016), Northern Ireland Screen drew down and spent £21m of Invest NI funding across the three funds above. Most of these funds (c.81%) were allocated to production support.
- 2.6 The profile of funding for production activity across the two strategies is summarised in Figure 2.3 overleaf. This illustrates a generally upward trend in the levels of NI expenditure being achieved. The variation (i.e. peaks and troughs, noticeable particularly between 2014/15 and 2015/16) simply reflects the timing of when production activity took place between the first two years of ODS and as such caution should be applied in interpreting the 2015/16 year as a decrease in funding.

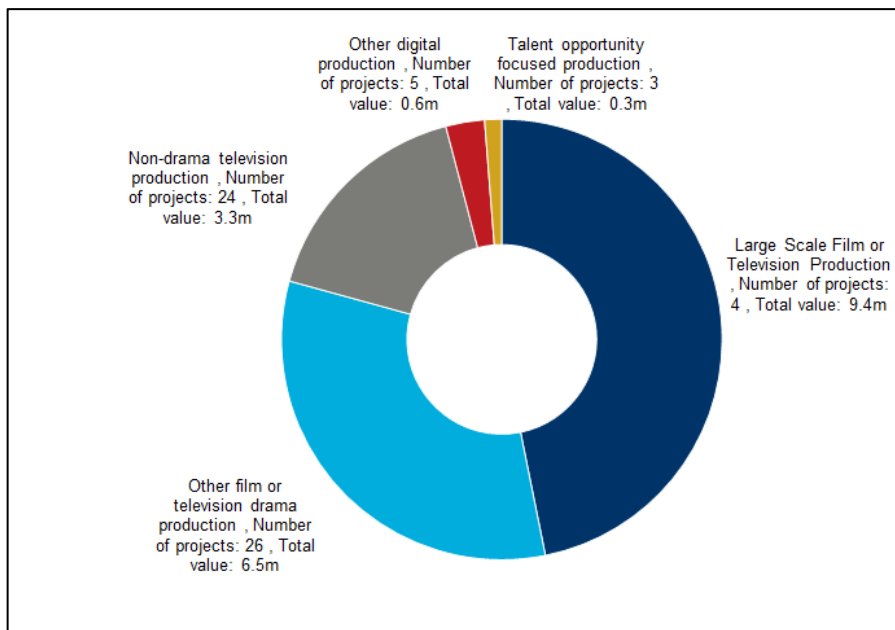
Figure 2.3. Production funding (DGG and ODS)²⁰



Source: Invest NI/ Northern Ireland Screen data

2.7 Figure 2.4 below and 2.5 overleaf illustrate the allocation of production funding by genre, value and number of projects during the DGG strategy and for the first two years of ODS. It should be noted as set out previously in Section 1, there was a shift in terms of strategic development on ²¹seven priority sectors/ genres within ODS as reflected in the figures below.

Figure 2.4. DGG Production Funding by Genre, Value and Number of Projects



Source: Invest NI/ Northern Ireland Screen data

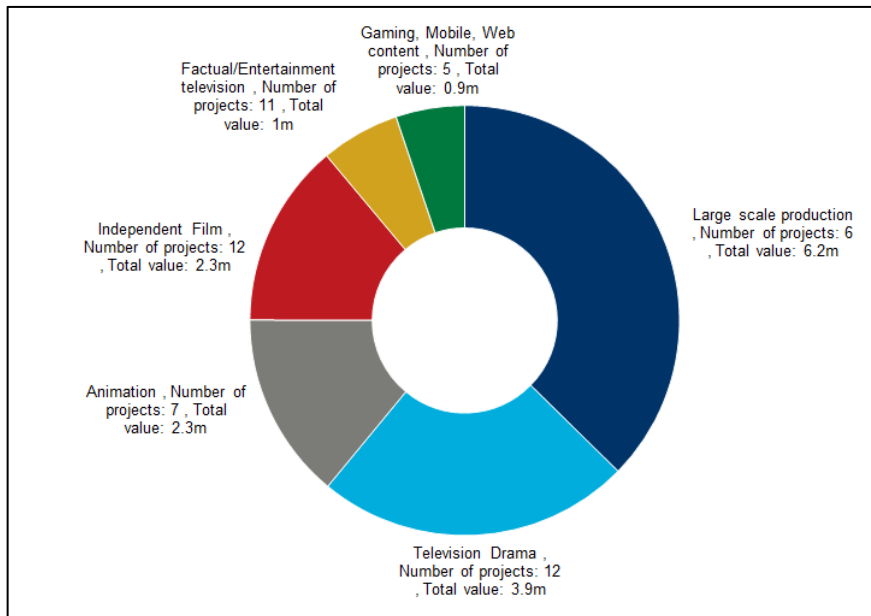
2.8 As illustrated in Figure 2.4, almost half (£9.4m) of production funding was allocated to four Large Scale Productions during DGG. The next largest allocation of production

²⁰ Small differences between Figures 2.2 and 2.3 are accounted for by rounding differences.

²¹ Six are within the scope of this evaluation and funded by Invest NI. The seventh Irish Language/ Ulster Scots is outside the scope of this evaluation

funding was to 26 Other Film and TV Drama Productions with a total value of £6.5m (around a third of total production funding).

Figure 2.5. ODS Production Funding by Genre, Value and Number of Projects

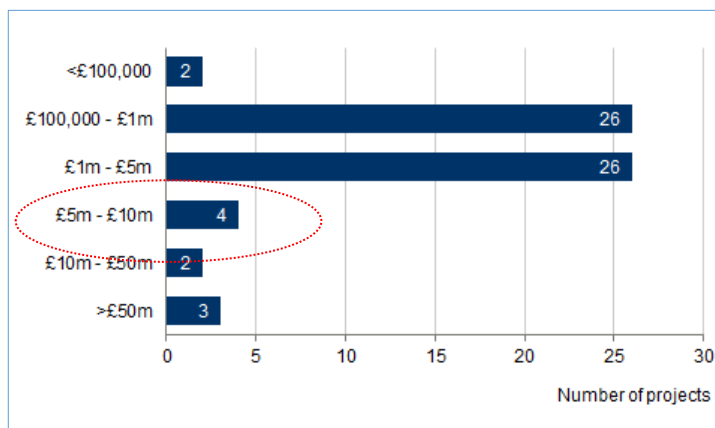


Source: Invest NI/ Northern Ireland Screen data

2.9 As illustrated in Figure 2.5 above, over a third (£6.2m) of production funding was allocated to 6 Large Scale Productions during ODS. The next largest allocation of production funding was to 12 TV Drama Productions with a total value of £3.9m (around a quarter of total production funding).

2.10 Figures 2.6 below and 2.7 overleaf set out the number of productions by value²² for each of the strategy periods.

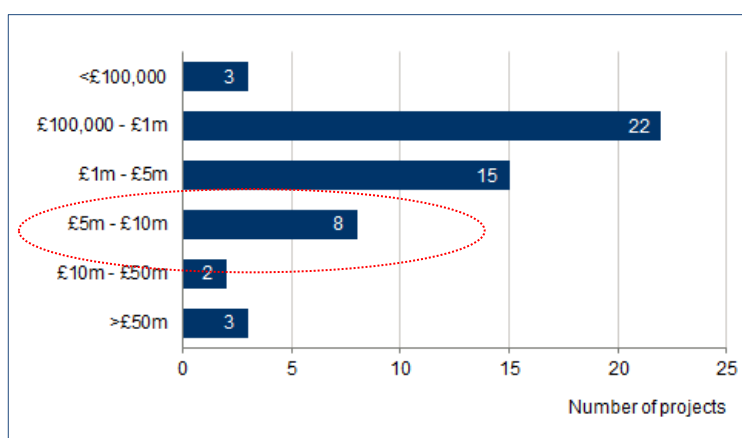
Figure 2.6. DGG Productions Split by Value (2010-2014)



Source: Invest NI/ Northern Ireland Screen data

Figure 2.7. ODS Productions Split by Value (2014-2016 i.e. interim stage)

²² Total production budget



Source: Invest NI/ Northern Ireland Screen data

- 2.11 As illustrated above, there were five productions with a value greater than £10m under the four years of DGG and five productions with a value greater than £10m under the two years of ODS to date. This includes productions which span both DGG and ODS, most notably the HBO Game of Thrones series.
- 2.12 Of note, however, is the increase in the volume of productions in the £5-10m value category (circled in red in Figure 2.6 and 2.7) which has doubled from four productions under the four years of DGG to eight productions under the two years of ODS to date. In addition, almost the same volume of productions in the £100k-£1m category has been achieved in the two years of ODS compared to the four years of DGG. This illustrates a steadily improving performance by Northern Ireland Screen in attracting increasing volumes of production activity and larger scale projects therein, between the two strategy periods, which is a very positive trend. This trend is also underpinned by increasing levels of support from Invest NI between the two strategy periods.

Development Activity

- 2.13 Table 2.2 below provides an overview of development activity split between the DGG and ODS strategies respectively.

Table 2.2: Overview of Development Activity Supported through the NISF

Strategy	No. of Awards	Value of Awards	Leveraged Funding from sources external to NI
DGG (2010-2014)	109	£2,611,294	£1,374,685
ODS (2014-2016)	103	£2,627,667	£1,718,953
Total	212	£5,238,961	£3,093,638

Source: Northern Ireland Screen data

- 2.14 Table 2.3 overleaf sets out an analysis of the number of companies by the number of development awards they were in receipt of during the two strategy periods.

Table 2.3 Number of Companies Receiving Support Split by Number of Development Awards Per Company

Strategy	No. of Awards	No. of Screen Sector Companies
DGG (2010-2014)	1	35

	2	9
	3	8
	4+	7
Total DGG		59
ODS (2014-2016)	1	38
	2	11
	3	4
	4+	6
Total ODS		59

Source: Northern Ireland Screen data

- 2.15 As illustrated in both the tables above in relation to DGG, 59 individual production companies were granted 109 development awards with an overall value of approximately £2.6m. In turn, these awards leveraged approximately £1.4m from sources external to NI. In relation to ODS, 59 production companies were granted 103 development awards to March 2016 (i.e. at the interim point) with an overall value of approximately £2.6m. In turn, these awards leveraged approximately £1.7m from sources external to NI.
- 2.16 The financial leverage from the Northern Ireland Screen investment from sources outside NI is significant and higher in absolute terms within the first two years of ODS versus the entire 4 year DGG period. The analysis suggests that the companies leveraged around 53p for every £1 provided by Northern Ireland Screen during DGG and 65p for every £1 provided by Northern Ireland Screen during the first two years of ODS.
- 2.17 Therefore total value of development activity undertaken including the leveraged funding from sources outside NI was £3.95m under the four years of DGG and £4.35m for the two years of ODS to date.
- 2.18 41% (24 companies) received multiple development awards under DGG and 36% (21 companies) under ODS.
- 2.19 Under DGG, the levels of development awards ranged from £2,000 to £100,000 with the average value being £23,375. Under ODS, the levels of development awards ranged from £1,000 to £100,000 with the average value being £25,511.

Recoupment Levels Achieved

- 2.20 Production and development support provided through the NISF is delivered in the form of a recoupable ²³loan²⁴, with the loan being repaid by the company to Northern Ireland Screen under the terms of the individual legal agreements, dependent on the activity taken forward i.e. whether it is for production or development work.
- 2.21 In terms of production support, the NISF provides a financial incentive in the form of a recoupable loan with profit participation. Any recoupment monies received up to the level of the original investment are available to NI Screen to be reinvested within 12 months.

²³ Support will usually be in the form of a repayable loan in accordance with the scheme guidelines. In exceptional circumstances, support may also be provided in the form of a grant. (Repayable loans are repayable advances as defined in Article 2 (21) of the GBER (i.e. a loan for a project which is paid in one or more instalments and the conditions for the reimbursement of which depend on the outcome of the project).

²⁴ Non-large scale production only

However, if reinvestment does not occur within the appropriate timeframe it must be surrendered to Invest NI, as must any recoupment in excess of the original investment.

- 2.22 As illustrated in Table 2.4 overleaf, £659,056 was recouped during the four-year period of the DGG Strategy and £386,766 during the two years of the ODS strategy to date i.e. approximately £1m in production recoupment in total.
- 2.23 In terms of development support companies in receipt of development support were required to repay the development funds plus a 50% recoupment premium to Northern Ireland Screen, in the event of a successful project commission. As illustrated in Table 2.4 below, recoupment from development activity has been more modest than production recoupment at approximately £50,000 over the period 2010-2016 with most development recoupment relating to the DGG strategy period. The early stage nature of development activity is such that recoupment via development activity is more unpredictable/difficult than production recoupment because of the relatively greater distance from commercialisation, although the two examples referenced above indicate that recoupment is possible from development activity also.
- 2.24 It is important to note that Table 2.4 overleaf reflects the timing of recoupment back to the NISF. There will of course always be a lag between the support provided through the NISF and any recoupment linked to commercialisation of the associated content. Hence, there should be productions and development activity supported through the ODS strategy now that will result in recoupment going forward. Also, recoupment levels are difficult to predict given the inherent uncertainty associated with the commercialisation of screen content which is dependent on a wide range of factors.

Table 2.4 Development and Production Recoupment under DGG and ODS to date

	2010-2012²⁵	2012/13	2013/14	Total DGG	2014/15	2015/16²⁶	Total ODS	Total 2010-2016
Production Recoupment								
Level of Recoupment £	24,000	44,716	590,340	659,056	340,351	46,415	386,766	1,045,822
Number of Productions	1	4	11	16	12	11	23	39
Development Recoupment								
Level of Recoupment £	0	1,168	51,518	52,686	134	0	134	52,820
Number of Development Awards	0	2	4	6	1	0	1	7

Source: Northern Ireland Screen Recoupment Breakdown 2012-2016

²⁵ 2010-2012 data per the DGG Interim Evaluation, Cogent Management Consulting LLP, August 2012, Page 14.

²⁶ Up to March 2016

Skills Development

- 2.25 In order to maximise the development of the Northern Ireland Screen industry and its economic impact, it is essential that there is an adequate pool of skilled human capital to both develop the indigenous screen industry and to attract/ service activity and investment from outside Northern Ireland.
- 2.26 A wide range of skills development activities and programmes have been supported by Northern Ireland Screen during DGG and the first two years of ODS. This support has been designed to be as flexible as possible in order to identify and address the existing and emerging skills needs of NI individuals and production companies. This is reflected in the breadth of programmes supported as illustrated below.

Table 2.5 Skills Programmes Undertaken (DGG and ODS)

Skills Programmes – 2010-2012²⁷
SKILLS BURSARIES
SCREEN SKILLS 3
AIM HIGH
LYRIC FRONT OF CAMERA ACTOR TRAINING AND NATIONAL FILM AND TV SCHOOL TRAINING
Skills Programmes - 12/13 Year
PRODUCTION SKILLS 2012
CRAFT AND TECHNICAL SKILLS 2012.
SKILLS BURSARIES 2012
Skills Programmes - 13/14 Year
CRAFT & TECHNICAL SKILLS 2013
LOCAL DRAMA TRAINING 2013
POST 2013
SKILLS BURSARIES 2013
Skills Programmes - 14/15 Year
DEVELOPMENT ACTIVITY 2014
CRAFT & TECHNICAL SKILLS 2014
LOCAL DRAMA TRAINING 2014
POST 2014
SOUND POST 2014
MOTION GRAPHICS 2014
TRANSPORT 2014
CASTING 2014
VFX COORDINATING 2014
CRAFT SKILLS FOR HIGH-END TELEVISION DRAMA AND FILM 2014
CRAFT & TECHNICAL SKILLS 2014
LOCAL DRAMA TRAINING 2014
SKILLS BURSARIES 2014
Skills Programmes - 15/16 Year
CRAFT & TECHNICAL SKILLS 2015
COMPANY PLACEMENTS 2015
CAMERA TRAINING
FIRST AID & IOSH TRAINING 2015
NFTS SCHOLARSHIP 2015
AIM HIGH (PRODUCTION AND GAMING)
MIP TRIPS 2015

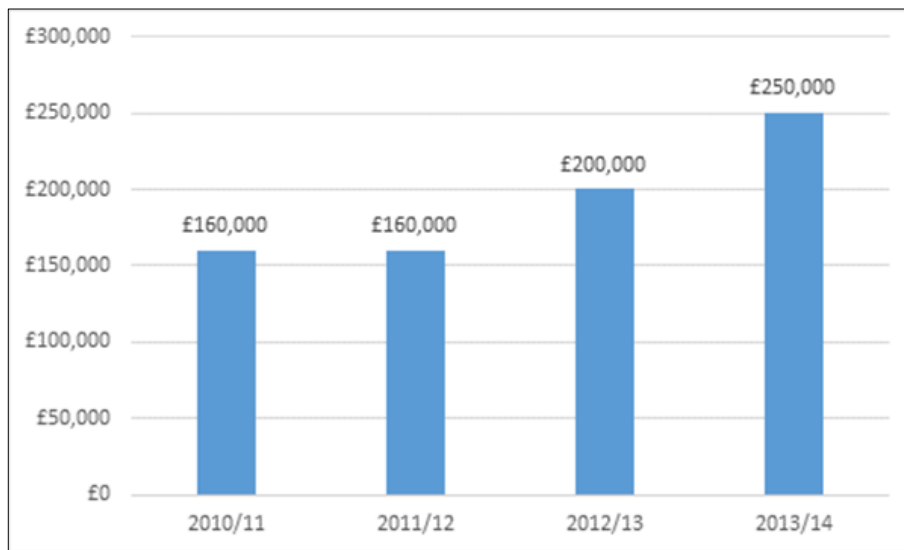
²⁷ Derived from the Interim Evaluation of DGG, August 2012, Cogent Management Consulting, Pages 15ff

GAME ANIMATION SKILLS TRAINING 2015
AIM HIGH ANIMATION 2015
AD TRAINING 2015
THE BUSINESS OF GAMES 2015
SKILLS BURSARIES 2015
DEVELOPMENT ACTIVITY 2015
RTE STORYLAND

Source: Northern Ireland Screen

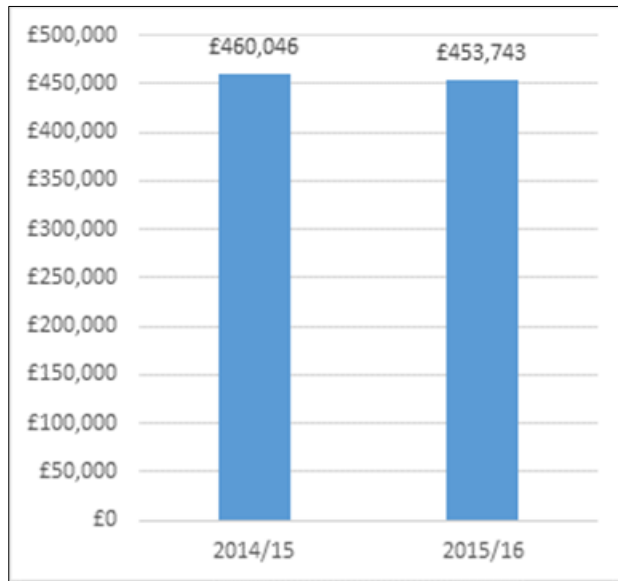
2.27 The annual breakdown of expenditure associated with the above activity between 2010 and 2016 is as per Figure 2.8 for DGG below and Figure 2.9 for the first two years of ODS overleaf. As illustrated below and overleaf, the level of expenditure in relation to skills has increased during both strategies, reflecting the importance attached to developing the indigenous skills base and as demand for skills has increased over the course of both strategies.

Figure 2.8: Breakdown of Skills Expenditure: DGG (2010-2014)



Source: Northern Ireland Screen data

Figure 2.9: Breakdown of Skills Expenditure: ODS (2014-2016 i.e. interim stage) -



Source: Northern Ireland Screen data

- 2.28 The remainder of this sub-section provides a summary focusing on the recurring and higher cost skills development activity/programmes supported to date, namely the Skills Bursary Fund, Production Craft & Technical Skills and Aim High.
- 2.29 Through Skills Bursaries, Northern Ireland Screen provides financial support towards the costs of attendance on training and/or development courses. As illustrated in Table 2.5 above, the Skills Bursaries have operated on an annual basis since the start of the evaluation period. To be eligible, the individual must be working in NI within the independent film, television and digital sector. The maximum funding available is £2,000, or up to 75% of the total budget for attendance on the course, whichever is the lesser amount. The balance of the total course attendance cost can then be matched in cash from the individual applicant or from another private source.
- 2.30 Table 2.6 overleaf provides a summary of the activity supported through the Skills Bursaries in each year of each respective strategy.

Table 2.6: Skills Bursary Awards

Year	No. of awards	Value of awards	Average Award
1010/11	70	£73,925	£1,056
2011/12	84	£62,500	£744
2012/13	99	£115,767	£1,181
2013/14	70	£61,809	£882
DGG Total	323	£314,001	£972
2014/15	97	£71,518	£737
2015/16	63	£61,174	£971
ODS Total	160	£132,692	£829
Total (DGG + ODS Years 1 and 2)	483	£446,693	£925

Source: Data supplied by Northern Ireland Screen

2.31 As illustrated above, 323 skills bursary awards were made during the four years of the DGG and 160 awards during the first two years of ODS. The overall investment/ cost of the awards between 2010 and March 2016 was £446,693. The average value per award across both strategies was £925. Through these awards skills development activity was undertaken to support a diverse range of skills areas including, but not limited to:

- Script writing/development;
- Production accounting;
- 3D animation software;
- Visual and special effects;
- Digital video talent shooting and directing;
- Camera operation;
- Lighting;
- Film making/production workshops;
- Masters in Film and TV Management;
- Plant operations;
- Hair and make-up skills; and
- Editing and budgeting skills.

2.32 The Production Craft and Technical Skills programme has run annually since 2012 and is a paid placement scheme (minimum wage) with the placements running for between 6 and 24 weeks, depending on the placement department. The aim of the programme is to provide placements for junior craft and technical staff in a production environment in a wide variety of departments including for example: Sound, Camera, Art, Script, Electrical, Props, SFX, Make-Up, Grip and Set Décor. The programme is tailored on an annual basis to areas of production craft and technical skills currently and projected to be in demand by the current/impending productions taking place in NI. The intention is to increase the capability and capacity of the NI labour pool that could be deployed in screen production activity and increase over time the value of employment in the same. In turn this helps achieve progress in terms of the levels of NI expenditure feasible for both incoming and indigenous production activity and the associated economic impact/ return to the NI economy.

2.34 Based on a review of the evaluations of the Production Craft and Technical Skills programme since 2012, it is clear that it has been very successful in helping to upskill

indigenous labour in the screen industry. For example, the programme successfully secured placements with a range of high profile productions and feature films. Exit interviews were conducted with all trainees and questionnaires were completed by them regarding their participation in the scheme. Correspondingly the majority of the Heads of Departments (HODS) on the productions also completed feedback questionnaires regarding their trainees. Everyone found it to be an extremely valuable and challenging training scheme with the minor negatives expressed such as the need to fill out timesheets each month and send to payroll at Northern Ireland Screen as this is not always viewed to be practicable when working on location/at night shoots. The survey with SDF beneficiaries that was completed by the evaluation team, captured some individuals who had participated in the scheme who as evident in Section 3, were very positive about the scheme and the extent to which it helped to secure them a 'foothold' in the screen industry from which to build a career path thereafter.

- 2.35 Aim High is a training scheme which commenced in 2011 to find, grow and retain the potential future creative and editorial leaders/ producers. The scheme administered by Northern Ireland Screen in partnership with the BBC, Northern Ireland Screen, Skillset, UTV and others is designed to equip trainees in every platform, camera skills, radio production, TV and Radio editing, on-line production as well as editorial, research and creative story-telling and all necessary compliance training. Trainees worked across genre, platforms, independent production companies and broadcasters.
- 2.36 In 2011, Aim High recruited 25 individuals viewed to have high potential across both editorial and technical roles and put them through a two week 'Digital Bootcamp' which sought to up-skill them in terms of their craft and industry awareness, as well as their commercial and people skills. The initial two weeks also include a mixture of mandatory, editorial skills and knowledge and basic TV or Radio skills. After the 'bootcamp', 12 of the recruits were offered a place on the main trainee scheme, with the remainder forming part of a Digital Talent Pool within NI who would be available to potential employers or may be offered a place if any of the 12 trainees leave the trainee scheme early. Each trainee was then offered trainee placements and formal training.
- 2.37 In 2015, Aim High focussed on production and gaming talent. After completing a recruitment and selection procedure from over 350 applicants, six people were enrolled onto the Aim High Production scheme. An intensive two-week training bootcamp followed, after which, all six were placed with local production companies and BBC NI on a rotating 4-month placement from October 2015 to March 2017. In March 2016, after 16 weeks of training at the DEL Assured Skills 'Games Academy' plus a 4-week work placement with various local gaming companies, 6 of the best candidates were selected to partake in the Aim High Gaming Scheme. The Scheme ran from April 2016 – March 2017 and consisted of rotating 4 month placements.
- 2.38 In addition, in 2015, Aim High supported talent growth in animation. Following on from DEL's 2D Animation Academy, a 6-week work placement was arranged for all participants. After assessment, 6 students were selected to go on to complete a 12 month Aim High Animation scheme. However, due to the late start of the Academy in 2015, the initial work placement only took place in February 2016 which meant the Aim High scheme could only properly kick off in April 2016 for 12 months.

Marketing Activity and Trade Missions

- 2.39 The current marketing aims for Northern Ireland Screen include in summary:
- Marketing the benefits of NI as a centre for independent film, television and digital content production;

- Promoting NI product and talent of notable quality, which demonstrate the capabilities of the Northern Ireland industry and seek opportunities to celebrate excellence;
- Communicating NI and Northern Ireland Screen success stories;
Developing the tourist value of the screen industries in partnership with Tourism NI and Tourism Ireland; and
- Developing a legacy project from Game of Thrones.

2.40 The types of marketing activity undertaken by Northern Ireland Screen over the course of DGG and ODS (to date) to support these aims are summarised below.

Area of Activity	Summary Description
Marketing/sales tools and advertising	This encompasses all design and print and AV work, as well as above-the-line advertising (media space). This consists of a variety of marketing and promotional tools and materials, media space booked in relevant trade magazines; on industry websites; in relevant festival or event industry trade event brochure/catalogue.
Printed Materials	This entails development of a branded family of high-end print collateral which allow Northern Ireland Screen to communicate its messages in a clear and effective manner.
Showreels	One of the ways Northern Ireland Screen markets NI as a world-class production location is through showcasing in a visual manner what has already been produced in NI. Creation of a productions locations showreel is a key marketing tool. In particular, it is used by Northern Ireland Screen for marketing to future incoming productions, particularly large inward investors such as US film and television studios.
Advertising	This entails a range of advertising activity including in trade magazines, both in print and online forms, such as Screen International, Variety and Broadcast. During the period being evaluated Northern Ireland Screen has established a NI regional feature in the UK's only television trade magazine, Broadcast.
Press and Publicity	<p>Communicating Northern Ireland success stories on a worldwide basis is a key objective for Northern Ireland Screen. It continues to lobby the influential trade press for editorial on Northern Ireland related subjects – from location/studio news to talent/product success.</p> <p>Productions which are Northern Ireland Screen funded, which have NI creative talent and/or which film in Northern Ireland, involve specialist unit publicity support in NI. This unit handles the NI set visits, runs the press releases and organises key crew/talent publicity for local NI media, in order to ensure maximum exposure in Northern Ireland during the shoot. In partnership with the production company, Northern Ireland Screen inputs and influences the publicity, to ensure correct positioning of NI and accurate marketing of NI within the confines of the project and with the talent and film-makers ensuring value and benefit.</p> <p>Additionally, productions require specialist distribution publicity support in NI - to handle a NI press conference, run the press releases and organise key crew/talent publicity for local NI media, in order to ensure maximum exposure for the distribution</p>

	of the film in NI. As such Northern Ireland Screen partners or runs this activity to ensure value to NI and that the publicist has the requisite skills and knowledge to run the publicity to the distribution marketing brief and to the benefit of the NI audience.
Promotions, events and exhibitions	Attending, co-hosting and partnering on key trade events, although not large in number, has been an important strategic tactic within Northern Ireland Screen's multi-channel approach during the evaluation period. Such events can take several guises: exhibitions and markets which offer opportunities for selling the benefits of NI as a centre for independent film, television and digital content production; festivals, markets and conferences which are an ideal way of creating opportunities for the Northern Ireland production sector through building and strengthening relationships.
E-marketing	<p>Internet and social network communications have become increasingly important during the period being evaluated. The Northern Ireland Screen website is an effective marketing tool to achieve many of Northern Ireland Screen's key marketing objectives.</p> <p>Northern Ireland Screen seeks to utilise e-marketing – and in particular its website and social media networks as 'the first port of call' for its clients and the sector, considering it firstly as a major communications tool for basic information on all its activities where information on its funds, facilities, products and services is clearly communicated.</p> <p>The website is also used as a simple sales tool, for example, as a news portal for the industry, as well as being used to provide practical information on the screen industries with links to external sources, giving NI's indigenous industry constructive market intelligence to help strengthen their knowledge base and capabilities.</p>
Trade Missions	<p>Northern Ireland Screen organises a range of Trade Missions each year. These provide an excellent opportunity for individuals and companies to visit markets and festivals both at home and abroad. These offer opportunities to promote projects; to seek co-production opportunities alongside finance for projects; and to network with industry professionals. Overall they provide a forum to generate interest from distributors, broadcasters, commissioners, sales agents, literary and talent agents, producer reps and other valuable industry leads.</p> <p>NI Delegations, accompanied by Northern Ireland Screen personnel, give the security and support of travelling in a group, as well as the expert advice and support of the screen agency.</p> <p>Examples of Trade Missions facilitated through Northern Ireland Screen over the evaluation period have included the Game Developers Conference in San Francisco (the world's largest and longest-running professionals-only games industry event), the European Film Market in Berlin and the Toronto International Film Festival.</p>
Screen Tourism	Support for the tourist industry has been identified as a key thematic priority within ODS and A Screen Tourism Strategy was

	<p>developed by Olsberg on behalf of Tourism NI. Northern Ireland Screen works with Tourism NI and Tourism Ireland to develop the tourist value of the screen industries.</p> <p>The development of the tourist potential of Game of Thrones is a key priority identified within the screen tourism strategy and an MOU with terms of reference has already been drawn up in this regard. Northern Ireland Screen have also developed a tourism app associated with Game of Thrones locations in NI.</p>
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Conclusions

2.41 Based on monitoring information provided by Northern Ireland Screen, it is evident that a significant level of support has been provided to companies and individuals to support the development of the Northern Ireland Screen industry. Key activity undertaken to date includes:

- Under DGG, Northern Ireland Screen has provided c.£17m in production support toward the costs of 62 productions. Under ODS to date, Northern Ireland Screen has provided c.£20m in production support toward the costs of 53 productions;
- Under DGG, Northern Ireland Screen had made 109 development awards through the NISF to 59 individual companies to a value of c. £2.6m. A further c. £1.4m of funding was leveraged by the NI-based companies from sources external to NI. This suggests that companies leveraged c. 53p in funding from sources external to NI for every £1 provided by Northern Ireland Screen. Under ODS to date, Northern Ireland Screen has made 103 development awards through the NISF to 59 individual companies to a value of c. £2.6m. In turn, these awards leveraged approximately £1.7m from sources external to NI. This suggests that companies leveraged around 65p for every £1 provided by Northern Ireland Screen – an increase in leverage compared to DGG and some 20p ahead of the targeted leverage of 45p for ODS;
- Under the four years of DGG, c.£700k has been recouped from 6 productions and 6 development awards. Under the first two years of ODS to date, c.£386k has been recouped from 23 productions and 1 development award;
- A range of skills development activities has been supported by Northern Ireland Screen through the periods of both DGG and ODS to date. This support has been designed to be as flexible as possible to identify and address the existing and emerging skills needs of individuals and companies (be that external production companies implementing production projects in NI or indigenous NI companies). The research for the evaluation would indicate that the interventions have contributed effectively to building the necessary capacity to support production activity, albeit that skills challenges and gaps remain looking forward; and
- Northern Ireland Screen has undertaken a significant amount of marketing activity during both strategies to raise the profile and reputation of NI as a suitable destination/location for screen activity. The nature of marketing activity undertaken is consistent with marketing activities undertaken by screen agencies in other jurisdictions with established screen industries that were researched for this evaluation e.g. Australia and New Zealand (See Section 8).

3 Primary Research Findings

Introduction

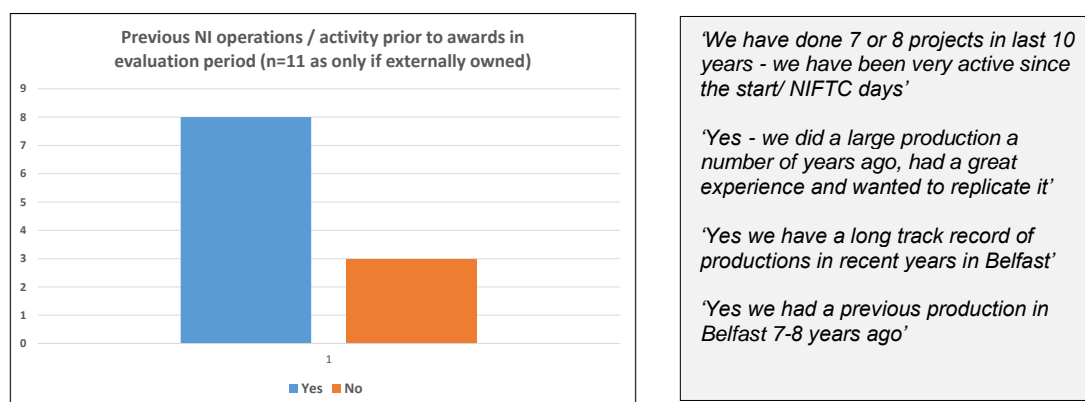
- 3.1 Section 3 presents details of primary research findings in respect of the satisfaction of respondents (i.e. assisted companies and/or ²⁸individuals) with support from Northern Ireland Screen and evidence of impacts over the evaluation period, provided through the NISF or SDF and related views on both. It also includes an assessment of additionality, deadweight and displacement.
- 3.2 Before progressing to outline the primary research findings it is important to set the sample achieved in respect of NISF assisted companies/ SPVs in the context of the overall population. Over the evaluation period (i.e. last two years of DGG and first two years of ODS) there has been an overall population of 124 companies/ SPVs assisted, several of these with multiple production and/or development awards. The achieved sample through the primary research captured 40 of these companies/ SPVs representing 100 different interventions/ projects supported via the NISF. Based on the sample size and population the following confidence levels have been calculated.

Table 3.1: Confidence Levels NISF Survey

Sample	40 companies / SPVs (representing 100 different projects/ grant interventions)
Population	124 companies/ SPVs
Confidence Interval (at 95% level)	+/- 19.17

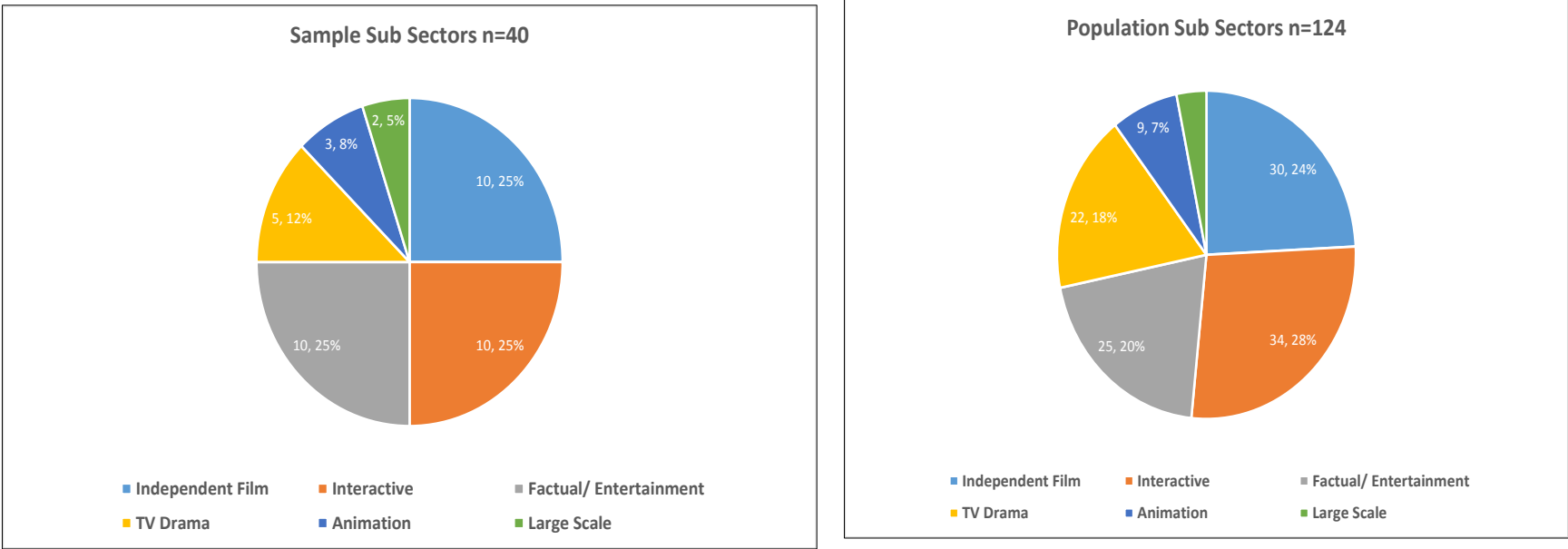
- 3.3 It is also important to profile the achieved sample in terms of the genres of the companies/ SPVs researched via the sample and supported in the overall population. This is illustrated in Figure 3.2 overleaf which indicates that in broad terms that the achieved sample is representative of the population by sub-sector/ genre.
- 3.4 In terms of the country of ownership within the overall sample (where n=40) 29 were NI owned and 11 externally owned. Most of the externally owned companies have been active in successive productions over multiple Northern Ireland Screen strategy periods as illustrated in Figure 3.1 below.

Figure 3.1 Previous NI operations/ activity



²⁸ The SDF survey was completed with individuals which included new entrant and junior freelancers and those already working within all sectors of the screen industry in NI. As such not all were employed by a company or active in the industry when they received the support.

Figure 3.2: Sample Sub-Sectors and Population Sub-Sectors



Note: Interactive as a genre title is used by Northern Ireland Screen to cover activity in respect of Gaming, Mobile, E-learning and Web content

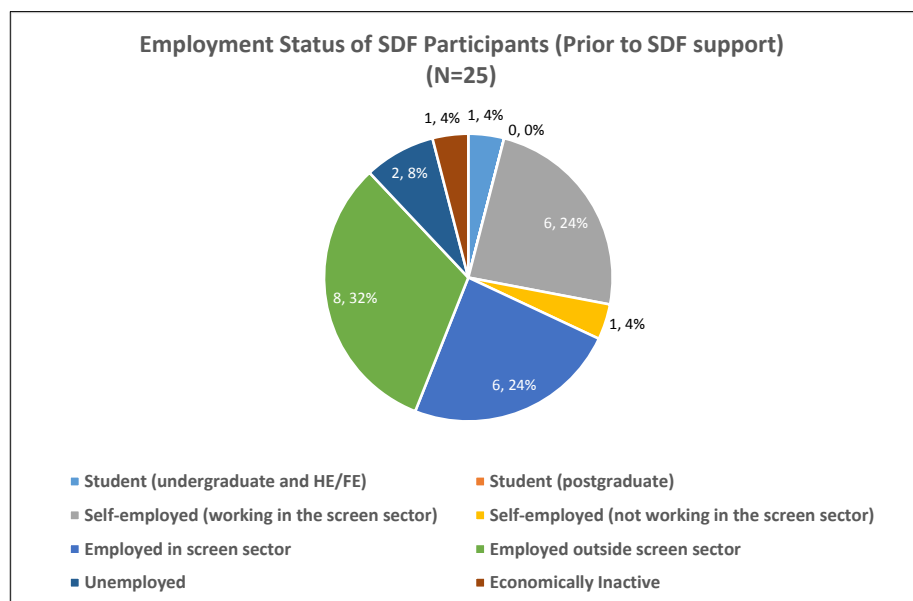
3.5 In terms of the sample achieved in the context of the overall population for the SDF, over the evaluation period there has been an overall population of in the region of 550 individuals assisted (allowing for some element of repeat participation between participants). Within this population, around two thirds are linked to skill bursary awards with the balance being trainees on new entrant skills development programmes. The achieved sample through the primary research captured 25 of these individuals representing 27 different skills development interventions/ courses supported via the SDF. Based on the sample size and population the following confidence levels have been calculated.

Table 3.2: Confidence Levels SDF Survey

Sample	25 individuals / 27 interventions
Population	550 individuals / interventions – with c two-thirds being skill bursary awards and the balancing one third being trainees on group programmes including new entrant skills development programmes
Confidence Interval (at 95% level)	+/- 19.17

3.6 Of the 25 respondents to the SDF survey, 12 were already working within the screen sector (6 employed and 6 self-employed) with the balance (13) seeking to develop a career in the screen sector (and as such active on one of the trainee/ new entrant schemes as profiled previously in Section 2). The latter were predominantly coming from a background of employment / self-employment outside the screen sector. A small proportion were unemployed (2), economically inactive (1) or active in third level education/ a student (1) prior to participation in the SDF. This is summarised in Figure 3.3 below.

Figure 3.3: Employment status prior to SDF participation



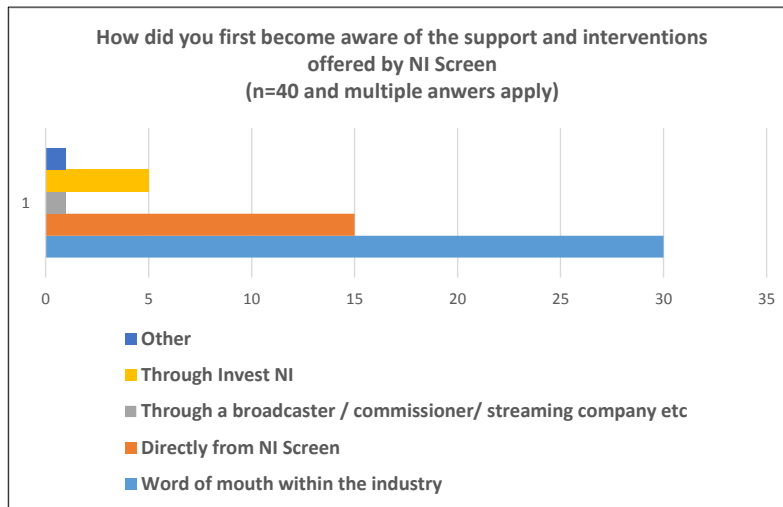
3.7 Across the 25 respondents, a wide variety of courses and placements were provided ranging from film and TV production to practical on the job experience in relation to film

sets and shoots, production logistics such as extras co-ordination and grip training. Approximately a third of respondents were on Skills Bursaries with the remaining two thirds predominantly participating in the various new entrant/ trainee programmes.

Awareness of Northern Ireland Screen and Support Offerings

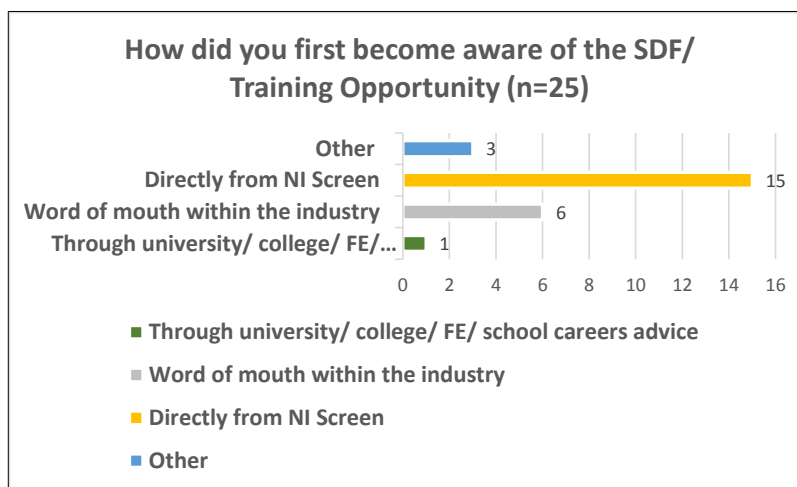
- 3.8 In respect of the NISF word of mouth within the industry and relationships with Northern Ireland Screen have dominated as awareness raising mechanisms as illustrated in Figure 3.4 below.

Figure 3.4: Awareness-Raising Mechanisms for the NISF



- 3.9 Similarly, in relation to individuals supported by the SDF the most prevalent mechanism for awareness raising for the SDF was through Northern Ireland Screen (particularly through their website) which represented 60% of responses followed by word of mouth within the industry which represented 24% of responses as illustrated in Figure 3.5 below.

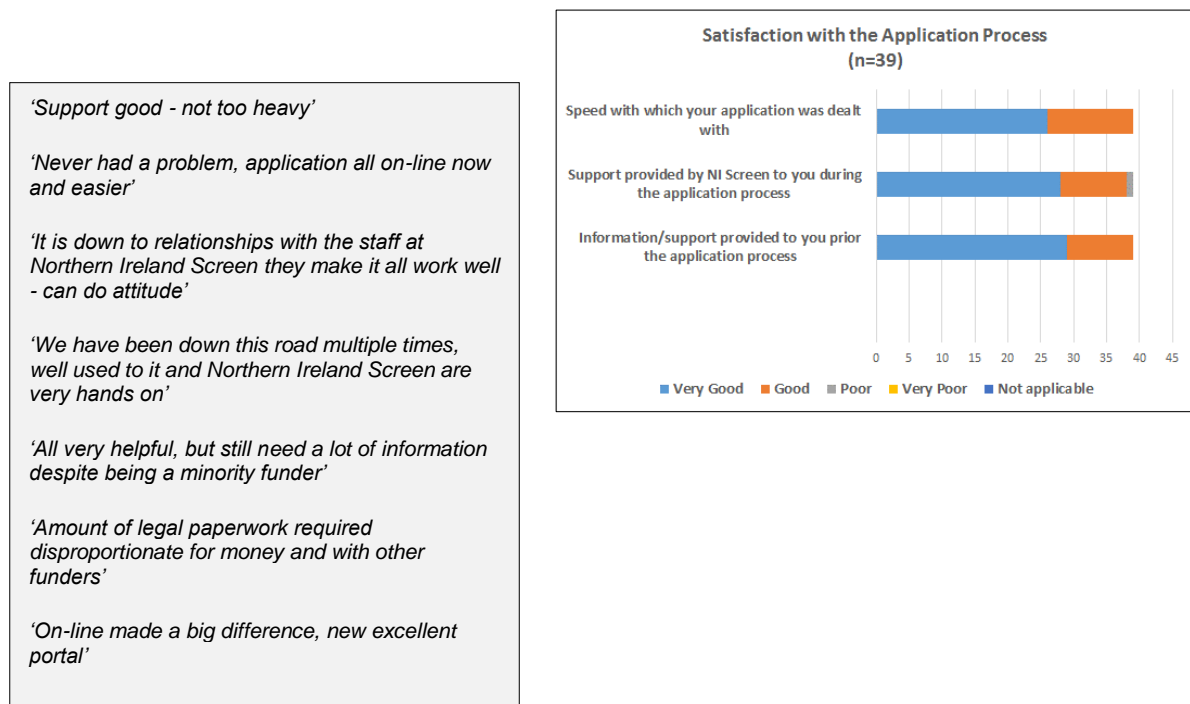
Figure 3.5: Awareness-Raising Mechanisms for the SDF/ Skills Support



Satisfaction with the Application Process

- 3.10 Overall, respondents reported high levels of satisfaction with the application process for the NISF, specifically:-
- 100 % rated the information/ support prior to application as either very good or good;
 - 97.5 % rated the support provided by Northern Ireland Screen during the application process as either very good or good; and
 - 100 % rated the speed with which their application was turned around as either very good or good
- 3.11 The findings are summarised in Figure 3.6 below along with comments made by survey respondents. Generally, the views expressed a sense that Northern Ireland Screen are pro-active and hands-on throughout the application process and the recent move to an on-line portal for the application process is viewed to have been a positive development. Where there was some dissatisfaction (more accurately described as areas for improvement) this largely related to whether there was any scope to reduce the level of information / paperwork needed, particularly in relation to legal paperwork (which was viewed by some to be disproportionate to the level of funding on offer), to reduce bureaucracy and streamline the application process further.

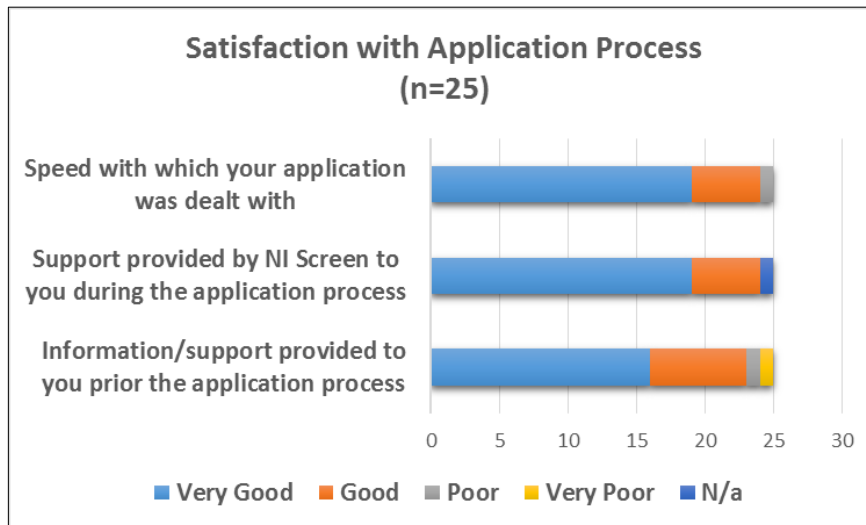
Figure 3.6: Satisfaction with the Application Process for the NISF



- 3.12 Likewise, respondents also reported high satisfaction levels with the application process for SDF, specifically:
- 92% rated the information/ support prior to application as either very good or good;
 - 96% rated the support provided by Northern Ireland Screen during the application process as either very good or good; and
 - 96% rated the speed with which their application was turned around as either very good or good
- 3.13 The findings are summarised in Figure 3.7 below. Generally, the views expressed a sense that Northern Ireland Screen are pro-active and hands-on throughout the application process. Where there was some dissatisfaction (more accurately described as areas for improvement)

this largely related to provision of more information/ detail regarding the nature of the role/ placement on the new entrant / trainee schemes at the application stage and (in one case) provision of more time to decide whether or not to accept the placement.

Figure 3.7: Satisfaction with the Application Process for the SDF



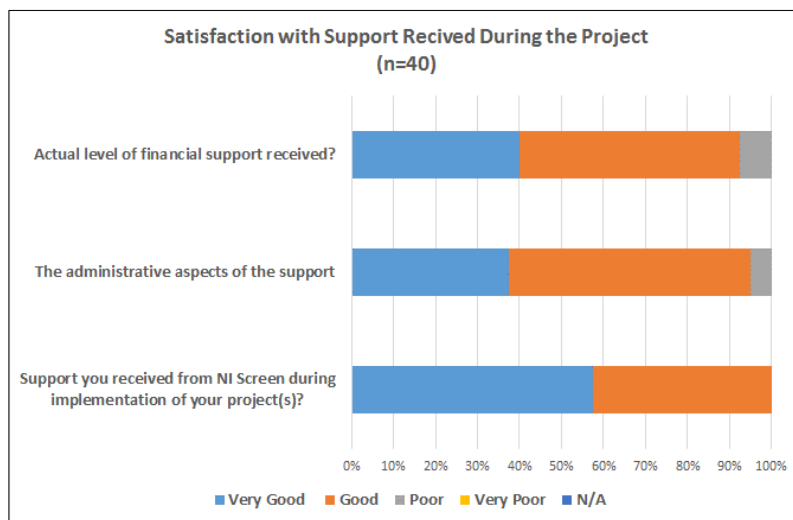
Satisfaction with the Support Received (from Northern Ireland Screen) During Their Project

3.14 All (i.e. 100%) of the NISF survey respondents considered the support that they received from Northern Ireland Screen during implementation of their project to be either very good or good. The general tone of the comments around this was that the Northern Ireland Screen staff strike an appropriate balance between giving the companies autonomy to get on with their project and being there when needed with constructive help and support. It is also clear from the comments that the support extends from the development/ content creation phase (e.g. constructive comments on scripts), through to all aspects of the practicalities of shooting a production to the post production phase. Externally owned companies who had experience of working in many other jurisdictions and with other screen agencies, were particularly vocal in terms of the extent to which Northern Ireland Screen go out of their way to be co-operative and supportive, in helping them to navigate the practicalities of filming in NI. Over 90% of the NISF survey respondents rated the administrative aspects of the support to be either very good or good. Where there was dissatisfaction it tended to be linked to smaller development awards with indigenous companies where there was a view that the administration can be disproportionate with the level of funding and more cumbersome than other small scale development funds that some of the companies had accessed in the past (e.g. Creative Industries Innovation Fund). In terms of satisfaction with the amount of funding awarded for each project, 90% of the survey respondents rated this to be either very good or good. In broad terms, there was sense that whilst there was always an interest in accessing more funds/ money for their project what was awarded was viewed to be fair/ reasonable and in line with expectations. The ability in more recent years to match the NISF award with the High-End Television Production UK Tax Credit²⁹ was cited by several respondents as a ‘game-changer’ in terms of enhancing the attractiveness of the amount of money/ offer from Northern Ireland Screen. There was also a sense from some of the indigenous screen companies (e.g. in the independent film sector) that they have over successive Northern Ireland Screen strategy

²⁹ supporting television drama projects with a budget exceeding £1 million per hour.

periods been able to progressively access higher amounts of funding/ support as they themselves progressed from short-film production to film production. Where there was evidence of some dissatisfaction/ an area for improvement was in relation to funding support that covered marketing/ post release support on development awards, which was particularly cited by companies in the interactive sector. This point was raised frequently by interactive companies during other areas of the survey in that the route to market for their content can be different³⁰ to other areas of the screen sector. In relation to period drama a view was cited that the production awards / funding on offer can be tight when there are some perceived gaps in³¹ support infrastructure and as such extra costs to implement the same in NI. The overall results are summarised in Figure 3.8 below with comments made by survey respondents in respect of these three areas of support included thereafter.

Figure 3.8: Satisfaction with Support Received (NISF)



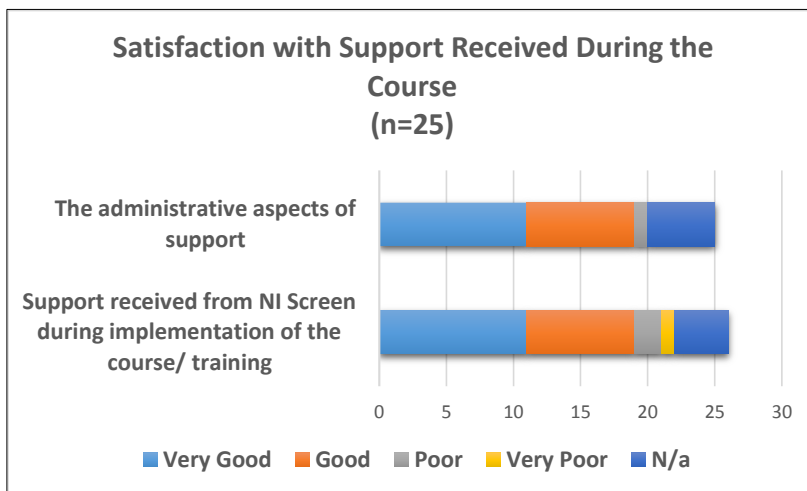
<u>Satisfaction with Support Received During Implementation of the Project</u>	<u>Satisfaction with Administrative Aspects of Support</u>	<u>Satisfaction with the Level of Financial Support Received</u>
<i>'Northern Ireland Screen more involved in recent years, helping to find local crew, mediate with local businesses and landowners to get access for filming'</i>	<i>'They are diligent in protecting their investment'</i>	<i>'We have come through round of short film production to get to film production, gradually accessing higher amounts and evolving with each strategy'</i>
<i>'They give you autonomy, but there as needed, and really helpful.'</i>	<i>'They are a bit heavier on administration than IFB'.</i>	<i>'Award not sufficient for period drama, cost of production high, props and costume support not readily available, nor lighting'</i>
<i>'Very focused and helpful on content creation'</i>	<i>'On administration, when you make a mistake they help you, learn the process through trial and error'</i>	<i>'We were able to match the award with tax credit, so amount more valuable '</i>
<i>'Very useful comments on scripts, very constructive'</i>	<i>'I have never closed out finance on a deal before, they were really helpful in navigating all of this'</i>	<i>'Marketing/ post release support a gap on development awards'</i>
<i>'Absolutely excellent, the whole office turns themselves inside out to help'.</i>	<i>'Administration not overly onerous if you have the systems set up'</i>	<i>'It was what I needed at the time (the amount of money)'</i>
<i>'There is a lot of contact, they come out on location and consistently share good practice'</i>		<i>'In terms of amount of support, we got what we asked for but with hindsight a little more might have helped'</i>
<i>'Good balance between letting you get on with it and being there when needed'</i>		

30 for instance relative to the film sector where films tend to be sold to a producer in one go and generate a commercial return at that point. By contrast in the interactive/ digital sector there can be more of a sliding scale in terms of a commercial agreement with a buyer.
31 e.g. props and costume support

'Excellent strategic support with broadcasters'		
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3.15 In relation to the SDF, satisfaction levels with the support received during implementation of courses/training were also high as illustrated in Figure 3.9 below. 76% of respondents rated satisfaction with support received from Northern Ireland Screen whilst undertaking their course as either 'very good' or 'good'. Similarly, 76% of respondents viewed the administrative aspects of the support as 'very good' or 'good' (and around 20% of respondents viewed the question as not applicable). A small minority (3 responses, 12%) rated their satisfaction with the support received via Northern Ireland Screen in this regard to be poor. Reasons cited for this included that the technical training provided via from Northern Ireland Screen could have been better and more frequent; one person who left the course felt that there could have been more follow up contact from Northern Ireland Screen and another person cited that they felt that they were underpaid as a trainee. It is clear that some of these reasons are broader than the quality of support received from Northern Ireland Screen per se but are included as they were views expressed at this point in the survey responses.

Figure 3.9: Satisfaction with Support Received (SDF)



Comparison of NISF and SDF with Support in Other Jurisdictions

3.16 Of the 40 companies consulted, in respect of the NISF, 25 (62.5%) had applied for, and received, similar support with an agency in another jurisdiction. The source of support varied by genre/ sub-sector as summarised in Table 3.3 overleaf. In many cases the support from Northern Ireland Screen was matched with support from the Republic of Ireland and/or the UK, rather than being an alternative to the NISF support. The externally owned companies (11) as would be expected had the most experience of securing funding from other regional screen agencies in the UK and European screen agencies. The interactive genre stands out in the responses as the one genre that relatively speaking has less experience of applying for and securing funding / investment outside of NI. There was one instance cited with the UK Games Fund in the responses. Several cited previous experiences with the Creative Industries Innovation Fund (CIIF) in NI and of the valuable role it played in the past in supporting project/ content development in this genre. Indeed, the general flavour of the responses from the interactive companies was that a more bespoke approach to the funding mechanisms for this genre are needed i.e. that the market opportunity was there but that the funding mechanisms available to it in NI were not keeping pace with this opportunity. It was described by one respondent as '*a cottage industry trying to sell globally*'. It is viewed that the market is not yet

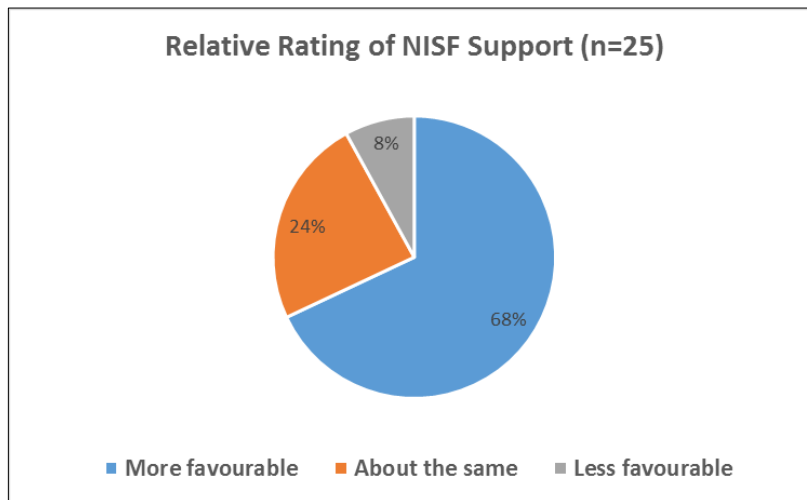
there for equity investment in this genre and until that point different funding mechanisms/ approaches (over and above the NISF) are needed.

Table 3.3: Sources of Similar Support Secured by Genre / Sub-Sector

Independent Film	Interactive	Factual/ Entertainment	TV Drama	Animation	Large-Scale
<ul style="list-style-type: none"> - IFB - Shorts Scheme - British Film Institute - Creative Scotland - Creative England 	<ul style="list-style-type: none"> - UK Games Fund 	<ul style="list-style-type: none"> - Broadcast Authority of Ireland - Irish Film Board 	<ul style="list-style-type: none"> - Creative Scotland - Screen Yorkshire - Welsh film Agency 	<ul style="list-style-type: none"> - Broadcast Authority of Ireland - Irish Film Board - British Film Institute - National Film Board of Canada 	<ul style="list-style-type: none"> - Creative Scotland - Irish Film Board - Filming in Croatia - Spain Film Commission - Film in Iceland

3.17 Encouragingly NISF support, when compared with the support received elsewhere was considered to be ‘more favourable’ by 68% and ‘about the same’ by a further 24% - as illustrated in Figure 3.10 below. For many respondents in answering this question the ‘more favourable’ response is not linked solely to the money but to the whole package of funding and pro-active/ constructive support from Northern Ireland Screen. The headline results are summarised in Figure 3.10 overleaf with comments made by survey respondents included thereafter.

Figure 3.10: Comparison of NISF with Support in Other Jurisdictions



<u>More Favourable</u>	<u>About the Same</u>	<u>Less Favourable</u>
<i>'Northern Ireland Screen far simpler, straightforward and pro-active, very constructive notes on scripts'</i>	<i>'Support in the Republic of Ireland via tax incentives / Section 481 allows up to 32%'</i>	<i>'Grant is non-recoupable with Creative Scotlandso NISF less favourable'</i>
<i>'Even more favourable now with ability to bolt on UK tax credit'</i>	<i>'Northern Ireland Screen set a precedent on multipliers to help financing close, everyone else following and more stringentit is getting harder to close out finance, more flexibility may be needed particularly if the Republic of Ireland is less stringent'</i>	<i>'Northern Ireland Screen legal paperwork too onerous for the money'</i>
<i>'Northern Ireland Screen exceptional in terms of accessibility and commitmentover and above the money'</i>	<i>'It is getting harder to stack up the finance – more flexibility may be needed'</i>	
<i>'Everything about the support is more favourable and then there is the co-production upside on top of this'</i>		
<i>'Access to people, pro-active network of help from Northern Ireland Screen – just not the same elsewhere'</i>		
<i>'More favourable – other UK screen agencies have less capacity to fund the sort of projects we do'</i>		
<i>'Canadian funding more punitive - very strongly skewed to Canadian companies, so NISF more favourable'</i>		
<i>'More favourable, instant, quicker decisions'</i>		

3.18 In interpreting these headline results there are important points to note in ensuring that the Northern Ireland Screen offer continues to be competitive and attractive. As is clear from some of the comments above, that what is on offer in the Republic of Ireland via ³²Section 481 tax incentive for film and TV production (which can offer up to 32% of eligible expenditure) is equally attractive and viewed by some to be more attractive/ flexible. In addition, as also borne out of the comments above, the requirements in terms of the ratios/ multipliers for NI expenditure relative to the support from the NISF which have been successively increased in

³² Section 481 is Ireland's 32% Tax Credit for Film and Television – key features include 90% available up front; €70 million per project cap; no annual limit; International cast and crew working in Ireland qualify and available on all goods and services sourced in Ireland. This includes post production and/or VFX.

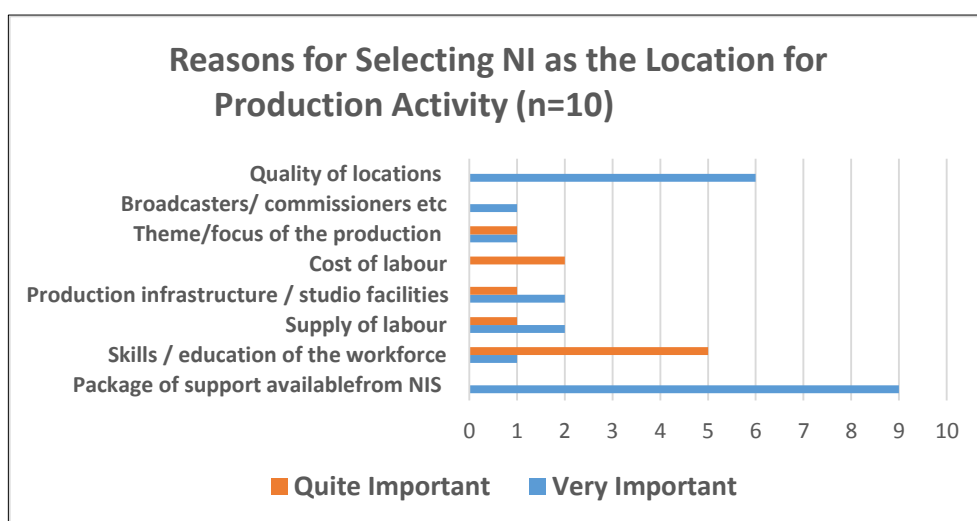
recent years, are viewed to be at the limit of what can be achieved/ is possible in the prevailing context.

- 3.19 Therefore, two headline messages are relevant for a future strategy period – firstly the level of investment on offer to potential projects must be at the same scale and secondly there should be no further increase in the required ratios for NI expenditure. Both of these appear to be critical to the NISF offer remaining competitive in future, to further support the growth and development of screen sector activity in NI.
- 3.20 In the minority of cases (2) where the NISF was viewed to be less favourable this was linked to observations that in other regions of the UK it is possible to access a non-recoupable grant so on paper these funds are more attractive. However more generally, as is evident, from the views later in this section the recoupment requirement in the NISF is mostly deemed to be fair and reasonable in helping to build a collective commitment to the growth of the screen sector in NI.
- 3.21 In relation to the SDF, of the 25 respondents to the survey 22 (88%) felt that in the absence of support from the SDF they would not have been able to get the same or similar support elsewhere. Of the two respondents who said that they would have been able to access similar support, Creative Skillset was referenced.
- 3.22 Only four (16%) of the 25 respondents to the SDF survey had applied for other skills development support courses with similar screen agencies in other jurisdictions. Three of the four respondents viewed the training received in other jurisdictions as about the same as SDF and one respondent viewed the skills development support in another jurisdiction as more favourable than SDF.

Reasons for selecting NI as the location for the Production Activity

- 3.23 Respondents to the NISF survey were asked to identify the range of factors that contributed to them selecting NI as the location for their production activity (where multiple answers were applicable). In agreement with the Steering Group during the course of the research design phase this question was only asked in respect of NISF production awards and to externally owned companies/ SPVs, where the production activity is likely to be fully mobile. The headline results are summarised in Figure 3.11 overleaf with comments made by survey respondents included thereafter. It is clear from this that the package of funding is the main driver, followed by the quality of locations.

Figure 3.11: Reasons for Selecting NI as the Location for Production Activity



'It has got to be the package of funding as the primary factorand the ability to also bolt on the UK tax credit on top of this'

'The quality of locations was key, we were shooting a location driven filmit is easy to access countryside like Strangford and Castleward and yet be only 30 minutes from a city'

'Our storyline was set in Scotland and NI locations were a good proxy'

'The BBC nations and regions targets were the driver for us to undertake the project in NI'

'We knew what was possible from a previous production in relation to cast and crew and wanted to replicate that positive experience'

'Our entire crew were from NI - good crew base'

'NI is an extraordinary place to do film-work, good steady cast, quality locations, quiet place to film, no paparazzi and the logistics are easy'

'We expanded in the Paint Hall, then Banbridge studios, and then the extra studios in TQ built in time to be essential to the series'

'Everything you need to service on a shoot in NI is a lot cheaper than London'

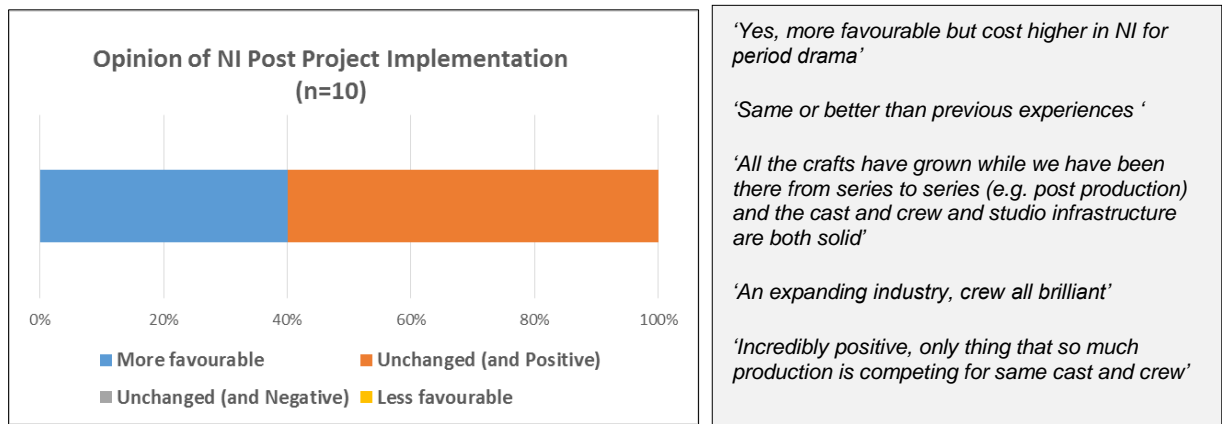
3.24 Reflecting on the comments above, whilst it is clear that the package of funding ultimately is the main driver attracting mobile production to NI, there are important reinforcing factors in the decision-making process for externally owned production companies. Having access to highly scenic locations e.g. around Strangford Lough and on the North Coast as the backdrop for production activity was particularly noted with the potential spin-off benefits for screen related tourism. As detailed later under 'Wider and Regional Benefits' Game of Thrones – a global phenomenon and HBO's most-watched show on record – has been transformative for NI as a screen tourism destination. Beyond the base at Titanic Studios the show makes extensive use of locations right across NI, 25 of which are accessible for screen tourism. All locations and ³³Game of Thrones tour operators in NI have recorded growth in activity with each successive season of the series. Related to this, the diversity of NI locations and their flexibility to act as a proxy for other locations is viewed to be an asset. The British police procedural television series Line of Duty is a case in point where Belfast has been a proxy location for a UK regional city. Series 1 was filmed in Birmingham, and Series 2, 3 and 4 were filmed in Belfast although the city is not identified in the script for the same.

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- 3.25 There was a clear sense given the high level of repeat productions amongst externally owned companies/ SPVs that the strength and depth of the cast and crew in NI has evolved significantly since their earlier productions (albeit that some skills gaps and shortages remain in particular areas) as well as supporting capacity e.g. in post-production, reinforcing further the attractiveness of NI as a location for production activity.
- 3.26 Another major theme was the ease of logistics of undertaking production activity in NI, with the ability to get to diverse locations within a short distance/ travelling time from Belfast and the sense that filming could proceed undisturbed (e.g. from paparazzi) in quiet locations. Most concurred that all of the required resources and services for production activity in NI were less costly to access in NI than in London, although this was not a primary driver for their decision.
- 3.27 Finally, where the companies had experience of using the studio facilities this was a positive experience and a key factor in the overall decision. By way of example, engagement with the production company for HBO's Game of Thrones series indicated that their expanded presence within the Paint Hall along with timely completion of the extra studio capacity in Titanic Quarter was instrumental to the continued production of the series in NI during the evaluation period.
- 3.28 Reflecting on the above, there are a wide range of factors to date that have contributed to the overall appeal / attractiveness of NI as a production location for externally owned screen companies/ mobile projects - that remain relevant to the marketing messages in respect of the same. The recent opening of the £20m Belfast Harbour Studios is viewed to further underline NI's ability to continue attracting major international productions beyond Game of Thrones, in essence consolidating the development of NI as a world-class global film-making hub. However, looking ahead paramount is the continued competitiveness of the NISF offer to maintain production activity of this nature in NI without which all of the other factors become less relevant. In terms of the financial offer, the ability to do a co-production with matching funds from the Republic of Ireland or to bolt on the UK Tax Credit are viewed to be major 'game-changers' in terms of decision to come to NI.

Opinion of NI as a location after the NISF support

- 3.29 External production companies that had availed of NISF production grants within the sample, were asked to comment on their view of NI as a location for screen production, after implementation of their project. Everyone indicated that their opinion of NI had either remained equally positive, or was now more favourable following the implementation of their project – as indicated in Figure 3.12 overleaf.

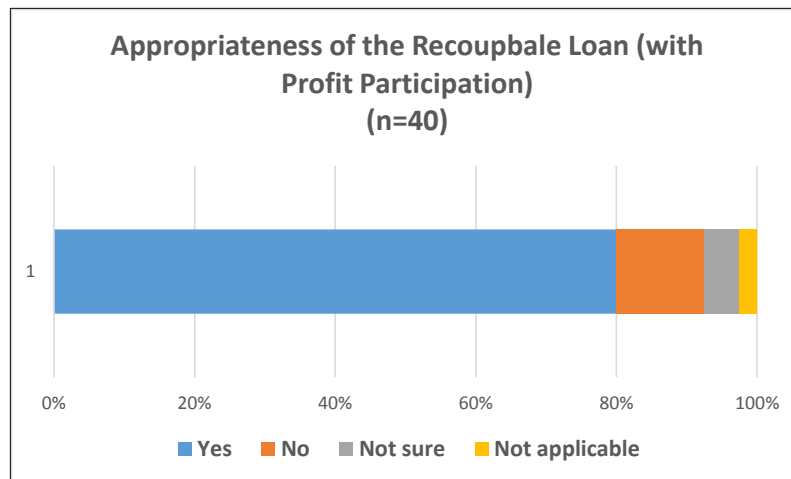
Figure 3.12: Opinion of NI as a location after NISF (Production) Support



Views on the Recoupable Loan Element of the NISF

3.30 The NISF Letters of Offer are based upon a recoupable loan (with a profit participation mechanism³⁴). All respondents to the NISF survey were asked to comment on whether this mechanism is appropriate. As illustrated in Figure 3.13 below 80% of the respondents (32) were of the view that it was appropriate and reasonable to give something back / replenish the funding pot to support future screen sector activity. However, some of these in replying positively still made comments as to how it might be improved/ changed as is evident from the comments below Figure 3.13.

Figure 3.13: Appropriateness of the Recoupable Loan with Profit Participation



Yes	No
<p>‘Yes the principle is OK and the terms of the arrangement are clear’</p> <p>‘Yes in principle I have not had to repay yet as have not yet made a profit’</p> <p>‘Yes but timing of when recouped back is key, unless a game is a global hit overnight we do not get money upfront/</p>	<p>‘No the recoupment requirements re: NISF do not work well for games industry - our route to market is different, there is more of a gradual / sliding scale in terms of a commercial agreement with a buyer or we can self-publish. We do not get the money all in one go like film and TV production. The timing of recoupment for games projects needs to be flexed accordingly’</p>

34 For production awards

<p><i>in one go, like film and TV production. A more phased approach to recoupment is needed for our genre, similar to how the UK Games Fund operates'</i></p> <p><i>'Yes Northern Ireland Screen are taking a calculated risk on the range of projects/ productions they support, so returning some investment for the greater good of the industry is fair.'</i></p> <p><i>'Yes it all feeds into a bigger picture, NISF is a commercial not cultural fund so reasonable'</i></p> <p><i>'Yes funds should replenish'</i></p> <p><i>'Yes but a more phased approach to timing of recoupment is needed in the interactive sector'</i></p> <p><i>'Yes we are happy to negotiate a fee to pay back on development awards but addition of interest can be a bit harsh'</i></p> <p><i>'Yes it helps to support young and emerging film-makers - important to recycle the investment'</i></p> <p><i>'Yes, although the premium is a bit high, 25% would be better'</i></p> <p><i>'Yes, though sometimes the numbers are so small I wonder if it is worth it'</i></p> <p><i>'Yes the Irish Film Board have broadly same arrangement in relation to recoupment'</i></p> <p><i>'Yes it is not free money so entirely reasonable'</i></p>	<p><i>'No, the mechanism is confusing in respect of the terms/ wording and it does not allow companies the opportunity to grow and develop'</i></p> <p><i>'No, the margins we are working on are so tight some flexibility to review original negotiation on recoupment agreed up front on project completion would be helpful'</i></p>
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3.31 In particular, there is a recurring point from companies in the interactive sector that the current arrangement is not fit for purpose with the reality of their routes to market/ commercialisation. These conversations indicate that in respect of Film and TV production the output is usually sold to a buyer all in one go/ upfront deal, and generates a commercial return at that point whereas in the interactive/ digital sector there can be more of a gradual/ sliding scale in terms of a commercial agreement with a buyer or the content could be self-published. Therefore, the suggestion is that a more bespoke / phased approach to the timing of recoupment is needed for this genre, which is understood to be the case within the UK Games Fund. In most cases these companies are happy with the principle of recoupment it is just the way the current NISF arrangement is implemented that is not optimal. Some dis-satisfaction/ suggestions for improvement were also evident amongst a couple of the smaller production companies (mainly in the independent film sector) where it was cited that where margins are so tight, some scope/ flexibility to review original negotiation once the project was completed in light of costs incurred etc would be helpful. Again, the prevailing view was not an objection to the principle of recoupment per se just that the arrangement as currently implemented can be rigid and can inhibit growth and development of the indigenous production companies.

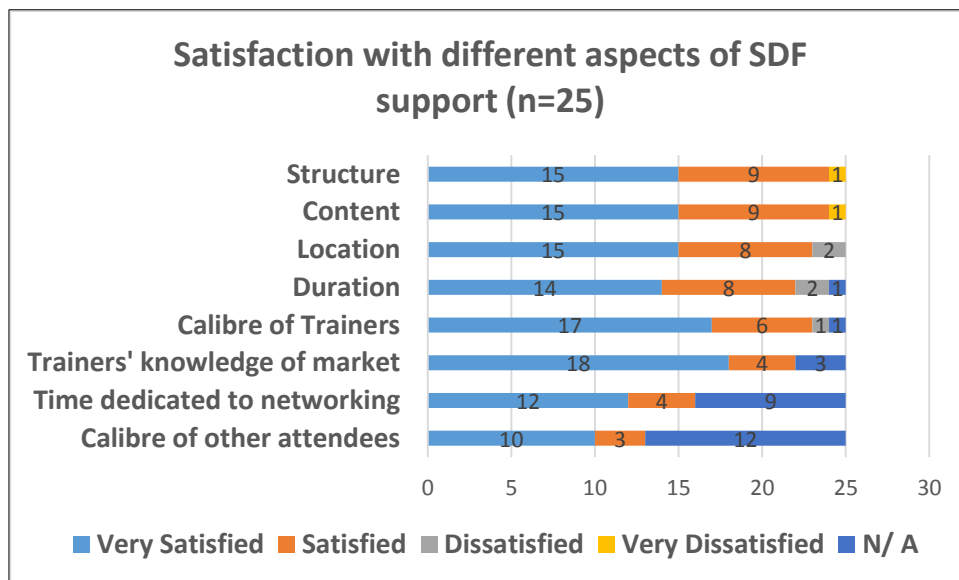
3.32 As set out in Section 2, there is over £1m of funding that has accrued back to Northern Ireland Screen/ the NISF via recoupment from projects funded from the outset of the DGG strategy (i.e. 2010) to the mid-point of ODS (31st March 2016). As such it is starting to get to a level/ critical mass where it can tangibly contribute to funding new projects up to the agreed limits under ODS – consistent with the aspiration expressed in many of the responses above about the desire to support the 'greater good' of screen industry development in NI.

Satisfaction with different elements of the SDF Support

3.33 In relation to satisfaction with the different aspects of SDF support, Figure 3.14 below summarises the responses provided. In summary, the satisfaction levels associated with each area of support were predominantly 'very good' or 'good' as follows:

- Structure – 96% of respondents rated this as either very good or good;
- Content - 96% of respondents rated this as either very good or good;
- Location – 92% of respondents rated this as either very good or good;
- Duration - 88% of respondents rated this as either very good or good;
- Calibre of trainers - 92% of respondents rated this as either very good or good;
- Trainers knowledge of the market - 88% of respondents rated this as either very good or good or good;
- Time dedicated to networking – 64% of respondents rated this as either very good or Good (with the remainder of responses being n/a); and
- Calibre of other attendees - 52% of respondents rated this as either very good or good (with the remainder of responses being n/a).

Figure 3.14: Satisfaction with Different Aspects of SDF Support



3.34 The two very dissatisfied responses related to one respondent and to the structure and content of the course accessed. Specifically, the respondent felt that there was a lack of willingness on the part of the placement company to train them and that they were only involved in basic administration tasks. Of the five dissatisfied responses in relation to location, duration and calibre of trainers, one person felt that a two week training camp was not suitable for people with families. Another respondent felt that the training course was too short with a lot of information conveyed in a short period of time.

- 3.35 In the main it is clear that the opportunities provided by the SDF to the individuals interviewed in the survey have been valued and of high quality as is evident by examples of some of the comment provided by respondents to the SDF survey set out below.

'Northern Ireland Screen are a fantastic organisation'

'This scheme was a great opportunity, it was run by the big players in the industry, you got had access to those people and learn a huge amount.'

'This scheme has done a lot for my career, because of the experience I gained from this course I was able to get the job I have now.'

'The course is an essential part of training for the NI film industry. Nowhere else is offering this training.'

'Helped me meet people who could employ me later. The people on the placement were friendly and I enjoyed it greatly.'

'The Cast Training scheme was life changing. It was more than someone just giving me a foot in the door, it was someone holding the door open for me and then giving me a full tour of the house.'

'The course completely changed the way I thought about my company, it showed me best practice, where market was going and also gave me space to reflect on where I wanted the business to go.'

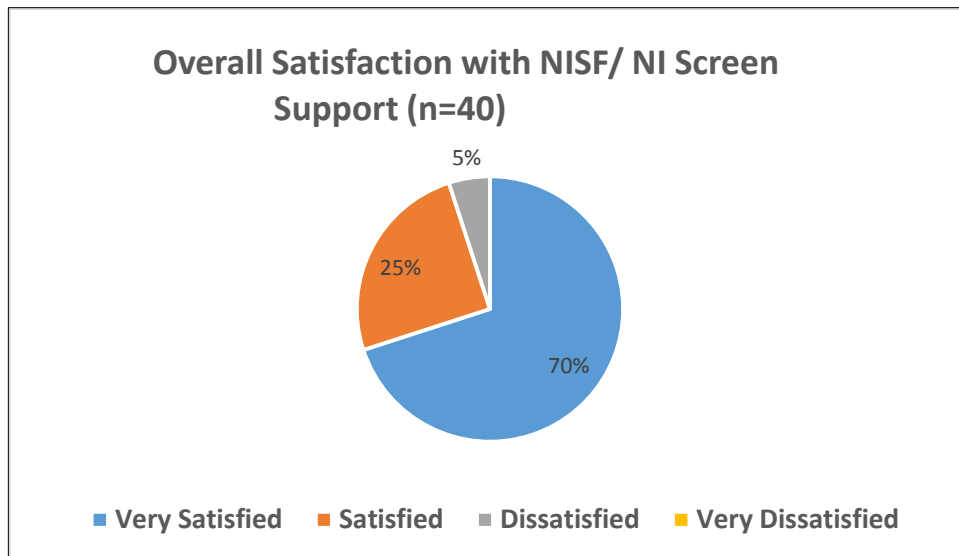
'I would not have got the job I have now without the placement..'

- 3.36 As is evident from detail included later in this section, in terms of impact for individuals the trainee / new entrant schemes have helped those not working in the screen sector previously to get them on career path in the same.

Overall satisfaction with the NISF / SDF support

- 3.37 70% of respondents to the NISF survey stated that, on an overall basis, they were 'very satisfied' with the support they received, with a further 25% being 'satisfied'. 95% of respondents being either very satisfied or satisfied in this regard is a very positive headline finding, and is consistent with findings of evaluations of previous strategies, indicating that Northern Ireland Screen have a long-standing track record of meeting and exceeding the expectations of the screen sector beneficiaries that they work with (both externally owned and indigenous NI companies). The high regard in which they are held is illustrated in some of the comments below Figure 3.15. Only 2 companies recorded dissatisfaction, both in the interactive genre and this was centred more on the view that the NISF support as currently structured is not optimal for this genre (e.g. not enough marketing/ post release support on development awards and the need for changes to the recoupment arrangement) rather than with Northern Ireland Screen as an organisation.

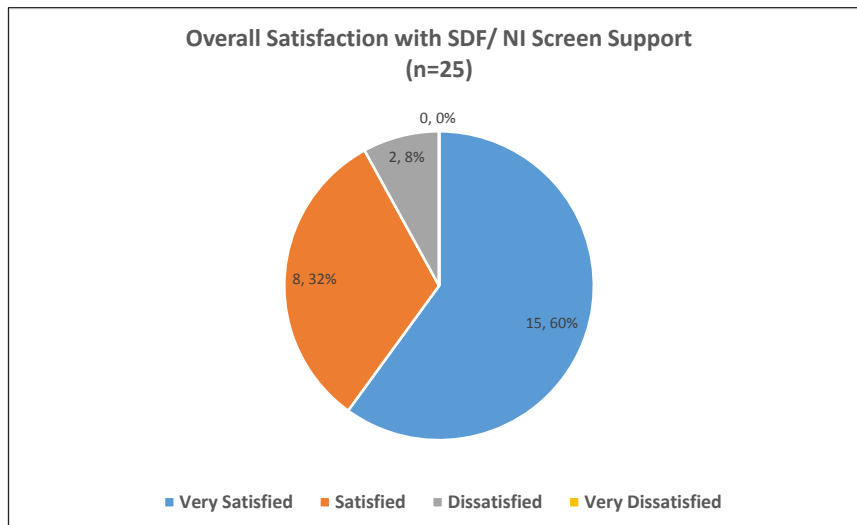
Figure 3.15: Overall Satisfaction with NISF/ Northern Ireland Screen Support



<u>Very Satisfied</u>	<u>Satisfied</u>	<u>Dissatisfied</u>
<i>'One of the best screen agency funders in the world'</i>	<i>'Would like to see more grass roots recruitment in the crews, still a lack of people in some areas'</i>	<i>'No follow-on support when content created - on your own'</i>
<i>'They are brilliant, personable and plead your case within what is available'</i>	<i>'Mixed views – still scope for better connection between incoming producers and indigenous production'</i>	
<i>'Great bunch can do attitude - don't run the production for you but hands on if needed'</i>	<i>'Money helpful, process still a bit unwieldy'</i>	
<i>'Working with Northern Ireland Screen is one of the greatest professional partnerships of my working life'</i>		
<i>'Very constructive relationship'</i>		
<i>'Great financial and strategic support'</i>		

3.38 As illustrated in Figure 3.16 overleaf, overall satisfaction levels with the SDF support were similarly high with 23 (92%) responses being either 'very satisfied' or 'satisfied'. Only 2 respondents recorded dissatisfaction, which related to factors cited previously such as the pay level for trainee placements, the willingness of the placement company to provide industry training rather than basic administration tasks and greater clarity around the nature of the placement role at application stage. The range of comments below Figure 3.16 indicate that the SDF opportunities offered to both those already employed / self-employed in the screen sector and those seeking to enter the same have consistently met expectations for the vast majority of individuals, which is further evident in some of the impacts for individuals/ companies referenced later in this section.

Figure 3.16: Overall Satisfaction with SDF/ Northern Ireland Screen Support



<u>Very Satisfied</u>	<u>Satisfied</u>	<u>Dissatisfied</u>
<p><i>'The staff that managed the scheme from Northern Ireland Screen were excellent'</i></p> <p><i>'The course is an essential part of training for the NI film industry. Nowhere else is offering this training.'</i></p> <p><i>'Overall, I had a very good experience on the project.'</i></p> <p><i>'Vital scheme!'</i></p> <p><i>'Northern Ireland Screen are a fantastic organisation'</i></p>	<p><i>'Really increased my self-confidence, which meant I put myself forward for opportunities that I otherwise would not have'</i></p> <p><i>'The company I was placed at offered me a job during my placement and I am still employed with them today'</i></p> <p><i>'The contacts I made on the scheme helped to get me the job I have now'</i></p> <p><i>'I found the scheme invaluable in terms of building my confidence as a director. It helped me develop all aspects of my skill set.'</i></p>	<p><i>'There was no overtime pay and we are underpaid anyway. Northern Ireland Screen have also created a problem where production companies will not pay trainees and only hire through Northern Ireland Screen. This has spill over effect on the salaries of the next level up, who receive trainee pay instead of the level they deserve.'</i></p> <p><i>'Northern Ireland Screen did not give a sense of timescales and the application process took a long time to deliver'</i></p>

Evidence of Impacts/ Benefits Gained from Participation in SDF

- 3.39 As set out previously the SDF survey was implemented with a sample of individuals who have been supported to participate in the wide array of skills development programmes offered by Northern Ireland Screen in the last 4-5 years. These individuals included new entrants/trainees and those already working within the screen industry in NI in the context of continued professional training opportunities.
- 3.40 The SDF survey sought to capture the main reason(s) why the individuals were motivated to participate in this particular skills programme/ training opportunity. In agreement with the Steering Group at the research design stage this was asked as an open-ended question as the context is very different for an individual who is on a new entrant programme such as AIM HIGH MA Programme over a longer period versus an individual already in the industry supported via a skills bursary to go on a half-day course (e.g. on something like 'fitting, dressing and applying wigs' in the costume area in the period TV drama sector). Table 3.4 below sets out examples of the differing motivations provided by respondents categorised as to whether they were already employed / self-employed in the screen sector or seeking to enter the same.

Table 3.4: Factors Motivating Individuals to Participate in the Skills Programme/ Training Opportunity

Those already employed/ self-employed in the screen sector	Those seeking to be employed / self-employed in the screen sector (i.e. potential new entrants)
<p><i>'to help with further employment'</i></p> <p><i>'advancement of digital skills'</i></p> <p><i>'to further build my network of contacts in the industry'</i></p> <p><i>'to gain skills in post-production colour grading video work'</i></p> <p><i>'to gain a much greater understanding of how a large scale production works'</i></p> <p><i>'I wanted to build up a network of people in London'</i></p> <p><i>'It was a prestigious scheme'</i></p> <p><i>'Great make up and special effects school in London'</i></p> <p><i>'Part of my job was to develop posters and professional powerpoints for the film company I worked for so I needed photoshop skills'</i></p>	<p><i>'A friend completed the course previously and said it was excellent'</i></p> <p><i>'Good entry point to working in television'</i></p> <p><i>'Building up a network contacts in the industry'</i></p> <p><i>'Getting experience of what it is like to work in the industry'</i></p> <p><i>'Because of the prestige the schemes gives, it is well respected by employers'</i></p> <p><i>'It provided a good opportunity to get your foot in the door of the industry (which is difficult)'</i></p> <p><i>'Wanted a job in film, but it very difficult to get into this market so I saw this as a good way in.'</i></p>

- 3.41 A common theme in the responses provided by new entrants was that the given scheme provided a point of entry or 'foot in the door' to the screen industry and also that the various schemes supported were viewed as prestigious/ well respected schemes. The responses provided by those already employed/ self-employed in the screen sector, were more diverse with some seeking to develop/ diversify their career path in the screen sector, others seeking exposure to contacts/ skills external to NI; and others seeking a very particular up-skilling opportunity directly related to the specifics of their current work/ role in the screen sector.
- 3.42 In relation to the impacts of SDF support, Table 3.5 overleaf provides examples of some of the impacts cited by the 25 respondents to the SDF survey. In agreement with the Steering Group at the research design stage this was also asked as an open-ended question given the very wide array of courses/ upskilling courses availed of and the diversity of the backgrounds of the individuals accessing them. Again, these impacts are categorised as to whether they were already employed / self-employed in the screen sector or seeking to enter the same.

Table 3.5: Main Impacts from the SDF Support

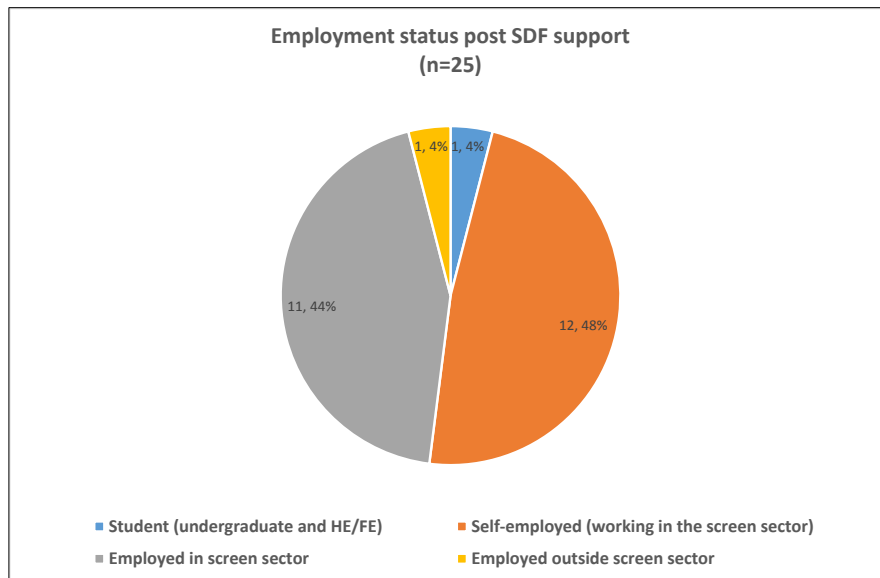
Those already employed/ self-employed in the screen sector	Those seeking to be employed / self-employed in the screen sector (i.e. potential new entrants)
<p><i>'Built up connections with the industry'</i></p> <p><i>'Allowed me to progress faster in my career'</i></p> <p><i>'Led to continuous employment in related fields since improvement my efficiency in doing post production work'</i></p>	<p><i>'My skills are highly regarded by employers'</i></p> <p><i>'I got to learn what it like to working in a commercial environment, and pick up soft commercial skills'</i></p>

<i>'Personal skill base and development vastly increased'</i>	<i>'Helped me gain employment (I work for the BBC now who I was placed with)'</i>
<i>'Made key contacts in the industry'</i>	<i>'I gained employment because of the scheme'</i>
<i>'Improved my team working skills'</i>	<i>'I got a foothold in the industry'</i>
<i>'Developed a network of contacts in London'</i>	<i>'It allowed me to get the job I have now.'</i>
<i>'Increased technical skills'</i>	

3.45 Recurring themes in the responses cited related to the opportunity that the SDF gave new entrants to gain experience and make contacts/ build networks in the screen industry. Other common themes related to the impact of SDF on softer, personal and commercial skills and gaining a better understanding of the industry. Importantly, a number of respondents cited the impact of SDF in leading to employment within the industry and that the SDF helped to 'open the door' with screen industry companies. Again, the responses provided by those already employed/ self-employed in the screen sector, were more diverse, with some of those that were self-employed/ freelance accessing more continuous work after their course and others reporting that they had increased capacity in terms of technical skills and a greater network of contacts in the industry from which to further develop in the sector. One respondent cited that they had progressed faster in their career in the screen sector because of participation in the course.

3.46 Each of the 25 respondents to the SDF survey were asked to confirm their current employment status. The results of the survey in this regard are summarised in Figure 3.17 overleaf. 23 (92%) respondents were either employed or self-employed in the screen industry. One respondent was a student (studying animation at UU) and only one respondent was employed outside the screen industry. This compares very favourably to the employment status of respondents prior to the SDF support outlined in Figure 3.3 previously where three of the respondents were either unemployed or economically inactive. Also 8 (32%) of respondents were employed outside of the screen sector prior to SDF support compared to one (4%) post SDF support. This indicates that the various interventions within the SDF appear to have provided a successful route for new entrants into the screen industry and also continuing to build Northern Ireland's existing skill base in the screen industry.

Figure 3.17: Employment Status Post SDF Support



- 3.47 More broadly the evaluation team have reviewed monitoring information and data provided by Northern Ireland Screen in the form of annual reports on the skills programmes for each year of the evaluation period.
- 3.48 Overall, the annual reports on the skills programmes reflect a positive perception of the various skills programmes by employers including Heads of Departments responsible for trainees. Echoing the findings from the SDF survey, the annual reports also demonstrate that many of the skills programmes were successful in terms of securing permanent employment for a high proportion of trainees following the training. For example, of the eight placements on the 2015 company placement scheme, four of these roles were second year trainees retained by the companies they were placed with in 2014. At the end of their placement three of the four second year trainees (75%) were retained as full time employees with their placement company.

Deadweight/Additionality

- 3.49 The net impact of the Northern Ireland Screen support (i.e. it's additionality) can only be measured after making allowances for what would have happened in the absence of the support from Northern Ireland Screen. That is, the support must allow for deadweight. 'Deadweight' refers to outcomes that would have occurred without the intervention i.e. the NISF and SDF support interventions.
- 3.50 In the case of the NISF survey companies interviewed were asked to indicate in the absence of the NISF support whether they would have undertaken the project anyway (in NI); done it at a smaller scale and/or later date; or not done it at all (in NI). In relation to the SDF survey individuals responding were asked to comment on whether in the absence of support from Northern Ireland Screen/ SDF they would have participated in the same/ similar course anyway; done it at a later date; or not participated at all in this sort of course/ upskilling opportunity. The perspective of reduced scale was not relevant in the SDF in that the courses / opportunities on offer are of a defined scale/ duration.
- 3.51 Appendix B provides a detailed overview of the deadweight/additionality calculations. The levels of programme deadweight were calculated using a 'participant self-assessment' methodology. The methodology is as used on other recent Invest NI evaluations (including previous evaluations of Northern Ireland Screen strategies). It utilises a series of questions centred on additionality/ deadweight within the two surveys and assigns weightings (agreed

with the DfE/Invest NI Economist Team) to the individual responses. The results of this analysis are summarised in the Table 3.6 below.

Table 3.6: Deadweight/ Additionality

Intervention	Deadweight	Additionality
NISF	13.15%	86.85%
SDF	13.73%	86.27%

- 3.52 To assist in interpreting the above it is useful to set the findings in the context of the levels of deadweight/ additionality typically found in economic development interventions. In 2009 the Department for Business Innovation and Skills published a ³⁵paper on research to improve the assessment of additionality. This paper captured additionality data from over 280 evaluations covering a range of economic development and regeneration interventions across the UK. For deadweight on a regional level this paper considers 363 evaluation observations and concluded that the average deadweight across these was 43 % (and correspondingly the average additionality was 57%). Looking more specifically at the levels of average deadweight for projects of a similar type to the Northern Ireland Screen support (as shown in Table 3.7 below) again the results are broadly similar to the average figure above.

Table 3.7: Deadweight/ Additionality – Regional Averages

Theme/ Sub-Theme	Number of Observations	Mean Deadweight	Mean Additionality
Individual Enterprise Support	132	47.3	52.7
Sector/ Cluster support	85	45.5	54.5
Attraction of Inward Investment	23	47.9	52.1
Workforce/ Skills Development	29	61.4	38.6

Source: Research to Improve the Assessment of Additionality (BIS, 2009)

- 3.53 It is clear that the support from Northern Ireland Screen is performing significantly better than all of the above. For example, level of additionality associated with the NISF (86.85%) is significantly higher than that for 'sector/cluster support' interventions across the UK regions (32.35% higher) and for interventions to attract inward investment (34.75% higher). Similarly, the level of additionality associated with the SDF (86.27%) is 47.67% higher than the mean figure for workforce/ skills development in Table 3.7.
- 3.54 It should be noted that the findings in respect of deadweight/additionality from the research conducted with supported companies/ individuals within this evaluation are very similar to those previously reported in the DGG ³⁶interim evaluation covering the first two years of the DGG strategy (i.e. 2010-2012). Using the same methodology as applied above the figures at that point were 10.00% deadweight for the NISF and 13.69% deadweight for the SDF. The evidence base feeding into this evaluation is larger in this respect, as would be expected given the extra activity supported since the time of interim evaluation. The interim evaluation captured the views of 17 companies (representing 25 interventions) who were in receipt of NISF support, this evaluation exercise captured the views of 40 companies (representing 100 interventions) who were in receipt of NISF support. As such the findings from this evaluation are re-affirming and consolidating conclusions from previous evaluations that very little development and production activity would take place in NI in the absence of the NISF and limited workforce/ skills development in the absence of the SDF.
- 3.56 There is an important point to note about the link between deadweight/additionality and the mobility of NISF projects funded (i.e. the extent to which the same project could have been undertaken in another jurisdiction). It is understood that Northern Ireland Screen assess potential mobility at the time of assessing whether a project should be supported. At this stage

³⁵ Research to Improve the Assessment of Additionality (BIS, 2009)

³⁶ Driving Global Growth Strategy (2010-2014) Cogent Management Consulting LLP August 2012

a project is considered mobile in this context if it could, in theory, be undertaken anywhere e.g. if there is no connection to NI storyline/ locations that means it has to be filmed / undertaken in NI. The findings from the survey with NISF assisted companies provide more of an actual perspective on mobility based on the realism of the situation(s) prevailing i.e. the extent to which companies would in the absence of support from the NISF have been able to take exactly the same project to another jurisdiction, raise the (balancing) finance for it (e.g. from another screen agency), resource it and deliver it there. When discussing what course of action the company may have taken in the absence of the NISF support it was clear that the externally owned companies/ SPVs, in the main, would not have undertaken their production/ activity in NI – however they would have undertaken it elsewhere and would have been in a position to access support elsewhere for this i.e. it is additional to NI and fully mobile in a wider context. For companies that were 100% NI owned / indigenous in the true sense i.e. excluding NI registered Special Purpose Vehicles (SPVs) set up for the purposes of a particular production by external parties, the typical response on additionality ⁽³⁷⁾with a few exceptions) is that they would not have undertaken their project i.e. not only not in NI but not at all, so again fully additional but largely non-mobile. It was also clear from the indigenous companies included in the survey, that most have limited experience of accessing funds similar to the NISF elsewhere. Some had matched the Northern Ireland Screen Fund with support available in the Republic of Ireland in the context of a co-production but, mainly, would not have been able to take exactly the same project to another jurisdiction, raise the (balancing) finance for it (e.g. from another screen agency), resource it and fully deliver it there. There was also a strong sense with the indigenous companies surveyed that being based in NI, they are committed to the collective growth of the screen sector in NI and their main priority was to do their project in NI contributing to the NI vision for growth of the sector, supported by Invest NI/ Northern Ireland Screen rather than seek to take the same project outside NI.

- 3.57 The over-riding point is that either way (i.e. reflecting on the positions of both externally owned and indigenous companies as described above) very little production and development activity would happen in NI in the absence of the NISF as reflected in the high additionality/ low deadweight results set out previously in Table 3.6.

Displacement Considerations

- 3.58 In addition to the application of deadweight to programme impacts, the evaluation team sought in the research design to also assess the potential for displacement of other NI and/or UK companies'/individuals' trade. In respect of the NISF survey exactly the same factors/ areas of questioning were applied as within the 2012 interim evaluation of DGG to allow for comparability, which were:-
- The proportion of the businesses that participants compete with that are based in NI and/or the UK, keeping in mind the markets which their company sells into; and
 - Whether, in the respondents' area of business, market conditions have improved/ stayed the same/ declined over the period since receiving support.
- 3.59 The above factors were discussed with those respondents who indicated that the country of ownership of their production company/SPV was either NI or the UK. The majority of responses to the question in relation to displacement by these respondents was that displacement was unlikely to be a major consideration/ relevant for the following reasons:
- Screen industry content is generally bespoke in nature, unlike other industries. In the main, production companies develop their screen content and approach buyers to sell their concept. Given the unique nature of the concept, the risk of one concept displacing another is generally low and indeed several respondents cited the high degree of co-operation with other production companies e.g. in the NI animation sector,

³⁷ Where it could have been done at a smaller scale, later date or both.

given the collaborative nature of the genre and limited risk of displacement. The one exception to this cited by a minority of respondents was the situation of a commissioner such as the BBC issuing a tender for a specific product which production companies compete for. Tendering for commissions is a growing area but still represents a small fraction of overall activity; and

- All of the respondents to the NISF survey indicated that the market for their business was essentially global and did not involve local competition and therefore that asking what percentage of their competition was based in NI and/or the UK was unknown and irrelevant.

- 3.60 Taking account of the above evidence, the evaluation team are of the view that the level of displacement is likely to be low. However, allowing for some of the uncertainty and minority exception cited above, it was agreed with the Steering Group that a displacement adjustment of 10% would be applied to the analysis, reflecting the same level of displacement as previous evaluations.
- 3.61 In relation to the SDF, the survey of SDF beneficiaries asked whether in the absence of support from the SDF they would have been able to get the same or similar support elsewhere to undertake the skill development/ training. Only two out of 25 respondents (8%) felt that they could have got the same or similar support elsewhere. Hence, displacement associated with the SDF is low.

Conclusions

- 3.62 As evidenced above, levels of satisfaction with both NISF and SDF were very high and predominantly positive in terms of both the experience and impact of the NISF and SDF. For example, in relation to the SDF, it was evident that SDF has been particularly successful in helping people not already employed in the screen industry access placements and employment in the sector. In addition, the evidence suggests that the SDF has also been successful in helping those already working in the screen industry to upskill and diversify their skills into specific areas in demand by the screen industry.
- 3.63 In relation to NISF, satisfaction levels with the application process and support provided by Northern Ireland Screen in relation to the application process were generally very high with suggestions for improvement relating to the scope for reduced paperwork and the proportionality of paperwork in the context of smaller awards. Encouragingly NISF support, when compared with the support received elsewhere was considered to be 'more favourable' by around two thirds of respondents - not linked solely to the money but to the whole package of funding and pro-active/ constructive support from Northern Ireland Screen. In addition to a range of factors, the top two reasons cited for choosing NI as a location for production activity were, in summary, the support on offer through Northern Ireland Screen and secondly the quality of locations. However, looking ahead, paramount is the continued competitiveness of the NISF offer to maintain production activity of this nature in NI without which all of the other factors become less relevant. In terms of the financial offer, the ability to do a co-production with matching funds from the Republic of Ireland or to bolt on the UK Tax Credit are viewed to be major 'game-changers' in terms of a decision to come to NI.
- 3.64 In relation to the recoupable loan and profit participation mechanism, 80% of the respondents (32) were of the view that it was appropriate and reasonable to give something back / replenish the funding pot to support future screen sector activity. However, a recurring point from companies in the interactive sector was that a more bespoke / phased approach to the timing of recoupment is needed for this genre, which is understood to be the case within the UK Games Fund. In most cases these companies are happy with the principle of recoupment, it is just the way the current NISF arrangement is implemented that is not optimal. Some dissatisfaction/ suggestions for improvement were also evident amongst a couple of the smaller production companies (mainly in the independent film sector) where it was cited that where

margins are so tight, some scope/ flexibility to review original negotiation once the project was completed in light of costs incurred etc would be helpful.

- 3.65 Finally, consistent with previous evaluations and derived from the respective survey findings, the level of additionality associated with the NISF and SDF respectively was concluded to be high and the level of displacement low.

Areas for Recommendations Emerging from This Section

Reflecting on the findings of this section a few areas for recommendation are emerging. As cited in paragraph 3.19 one key area emerging is ensuring the competitiveness of the NISF in future. Key to this is ensuring that in a future strategy the overall size of the NISF and the level of investment on offer to potential projects must be at the same scale. Also critical within this is that there should be no further increase in the required ratios for NI expenditure.

There is also evidence of particular needs emerging from the interactive genre, including whether a more phased approach to recoupment could be accommodated within the NISF (cited in paragraph 3.31) and additional support needs in terms of access to expertise on marketing, investment readiness support and business planning support (evidenced in 3.14).

A final area for recommendation emerging relates to period drama productions. There are perceived gaps in infrastructure support areas (e.g. lighting companies, additional post-production capacity) and access to props and costume support on period drama productions. Opportunities to address this exist through the NI craft sector e.g. via Craft NI (as evidenced in 3.14).

Detailed recommendations around all of the above, with supporting rationale is set out in Section 9/ Table 9.2.

4 Assessment of Economic Impact

Introduction

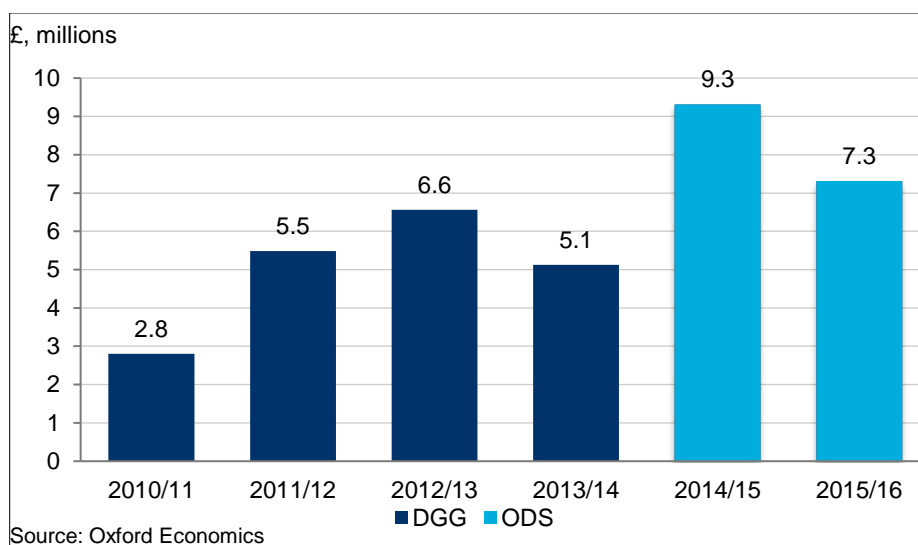
- 4.1 Section 4 examines the economic impact arising from the support provided by Northern Ireland Screen. In doing so, the section considers both the monetary benefits/ quantifiable economic impact of Invest NI's support to NI Screen and its contribution to providing wider and regional benefits to the NI economy. The evaluation team have considered all four years of the DGG strategy period (2010-2014) and the first two years of the ODS strategy (i.e. six years in total).

Monetary Benefits/ Quantifiable Economic Impact

- 4.2 The aim of this sub-section is to assess the economic impact of, and estimate a benefit cost ratio (BCR) for, the production support provided by Northern Ireland Screen over the evaluation period from a broad economic perspective, based on an assessment of costs and benefits not just to government, but to the Northern Ireland economy as a whole. The economic model at the core of this was developed in close co-operation with the Steering Group and DfE and Invest NI economists, key elements of which are detailed throughout this section, with supporting technical information also included in Appendix C.
- 4.3 The economic model is centred on quantifying the monetary benefits of the NISF production activity only. This is because it would be expected that much of the benefits from supported (initial) development activity and the SDF would already be reflected in the monetary outputs of production support. Many of the supported companies are provided with both development and production awards and much of the (initial) development activity progresses into production projects. Furthermore, the extent to which there are additional economic impacts from development activity (that does not progress into supported production) would be difficult to measure. This is because the Northern Ireland Screen economic impact monitoring data only relates to production projects. In terms of the SDF, in recent years the focus has been increasingly aligning investment in skill development with the evidenced capacity / skill needs of productions supported by the NISF (including in particular the needs of large scale incoming productions that have provided excellent opportunities for trainees and new entrants to get a foothold in the screen industry). This alignment is key to optimising the potential for NI cast and crew to be deployed on the productions, which in turn generates the return to the NI economy. As such it is evident that much of the investment in skill development over the evaluation period will have reinforced and enhanced the quantified (monetary) benefits arising from the NISF supported production activity. A final consideration in all of this is that support for production activity via the NISF has accounted for 84% of the expenditure over the evaluation period.
- 4.4 Outside of the quantitative monetary assessment, it should be noted that this evaluation has fully accounted for the qualitative benefits of the non-production elements of Northern Ireland Screen funding (i.e. development and skills) as part of a rounded assessment of economic efficiency (in Section 9). This rounded assessment of economic efficiency considers wider and regional benefits accruing to NI from the full spectrum of Northern Ireland Screen supported activity alongside quantified (monetary) benefits.
- 4.5 As detailed in Section 2, £36.6m has been awarded to 115 production projects from 2010 to 2016 (i.e. full DGG strategy period and up to the interim stage of ODS).³⁸ The breakdown by year is illustrated in Figure 4.1 below.

Figure 4.1: Production Funding

³⁸ Based on all of the awards that progressed into production. There a very small number of awards that did not proceed.

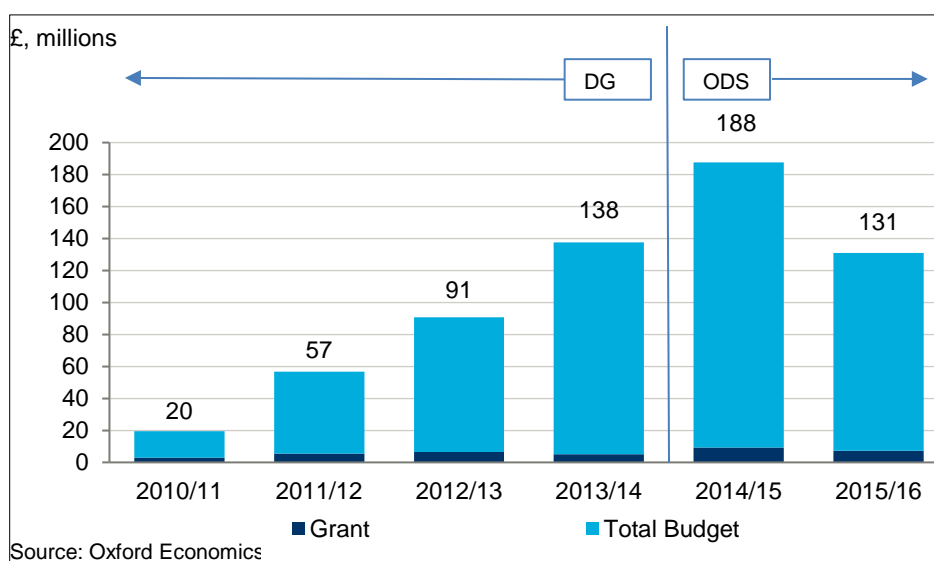


Number of Corresponding Production Awards

Year	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
No	15	14	20	13	24	29

4.6 The total budget for the productions associated with the above funding is in the region of £623m over the same period, with the breakdown by year shown in Figure 4.2 below.

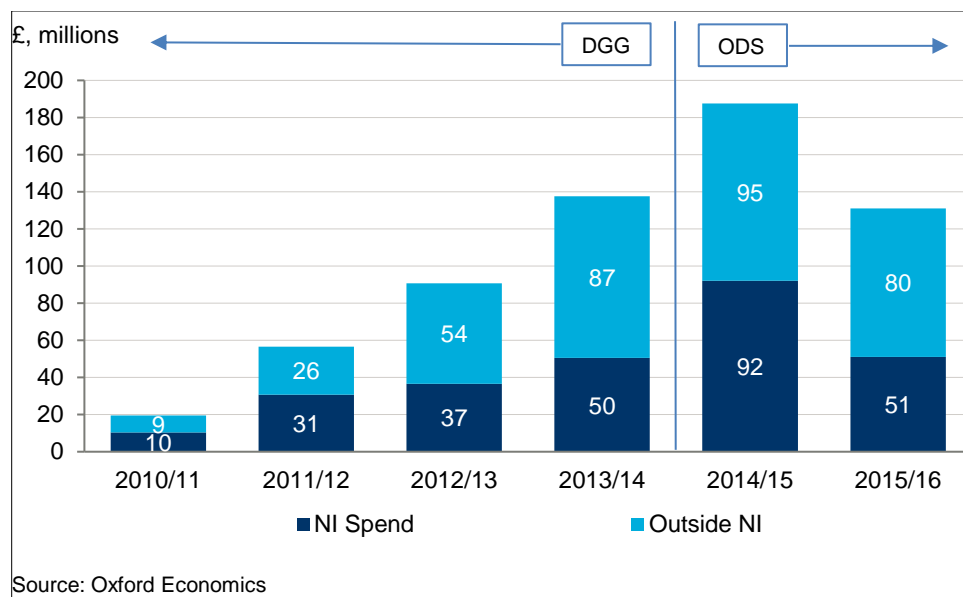
Figure 4.2: Total Production ³⁹Budgets



4.7 Independent audit report and indicative expenditure reports submitted by the production companies to Northern Ireland Screen show that £271m (or 44%) of the total production budget for these productions was spent in NI, with the remainder (£352m or 56%) being spent outside NI. The breakdown of this by year is shown in Figure 4.3 below.

Figure 4.3: NI Expenditure vs Expenditure Outside of NI (on NISF Supported Productions)

³⁹ Where the total budget figure is an estimated figure



4.8 In comparing Figure 4.2 to Figure 4.3 the most striking observation is the scale of the NI expenditure achieved each year in relation to the size of the grants each year. It is clear from this whilst there is some variation year-on-year relating to the portfolio of production projects supported, the NISF grants have consistently achieved very high levels of leverage in terms of NI expenditure. At an overall level across the six years being analysed this ratio of grant/ NI expenditure achieved is 1:7.4 (£36.6m/ £271m).

4.9 In reflecting on the above it is important to be mindful of the consultation and survey findings that the requirements in terms of the ratios for NI expenditure relative to the support from the NISF (which have been successively increased in recent years), are viewed to be at the limit of what can be achieved / is possible in the prevailing context in NI. Specifically, there are still skill and infrastructure gaps in some areas that constrain what is possible in terms of NI expenditure and related challenges linked to simultaneous production activity competing for the same resources. Therefore, in interpreting what is an excellent grant to NI expenditure ratio figure above it is important to view this as a maximum outturn that will take some efforts to maintain, with any material increase in targets around this in future unlikely to be feasible.

4.10 The audit / expenditure reports and monitoring information captured by Northern Ireland Screen indicate that the £271m in NI-based expenditure was spent across the three categories below⁴⁰:-

- Cast, crew and trainees (i.e. on wages);
- Hotels and locations; and
- Facilities and transport.

4.11 Table 4.1 below provides a summary of the NI-based expenditure, disaggregated by the above categories, across the two strategy periods. The NI-based expenditure under the first two years of ODS to date is in excess of that achieved for the full 4 years of the DGG strategy, reflective of both steadily increasing performance by Northern Ireland Screen and increasing levels of annual investment in ODS by Invest NI relative to DGG.

Table 4.1: Breakdown of NI Expenditure by Category by Strategy and Year

	Number of	NI Based Expenditure
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⁴⁰ The production company is required to enter into a tripartite agreement between Northern Ireland Screen and their registered auditor to provide a report to verify the Northern Ireland Spend element of production costs and to agree the level of work carried out to verify this spend

Strategy/ Year	Production Awards					Total NI expenditure	
		Cast, crew and trainees	Hotels and locations	Facilities and transport			
DGG Year 1 /2010-11	15	5,323,127	843,758	4,301,934	10,468,819	Total DGG Strategy =128,318,121	
DGG Year 2/ 2011-12	14	12,762,725	2,778,707	15,251,230	30,792,661		
DGG Year 3/ 2012/13	20	15,875,317	5,764,965	14,951,425	36,591,707		
DGG Year 4/ 2013/14	13	20,975,955	10,018,238	19,470,741	50,464,934		
ODS Year 1 / 2014-15	24	32,239,894	13,934,904	45,877,445	92,052,244	Total ODS Interim Stage =143,133,392	
ODS Year 2/ 2015-16	29	21,303,564	7,537,795	22,239,789	51,081,148		

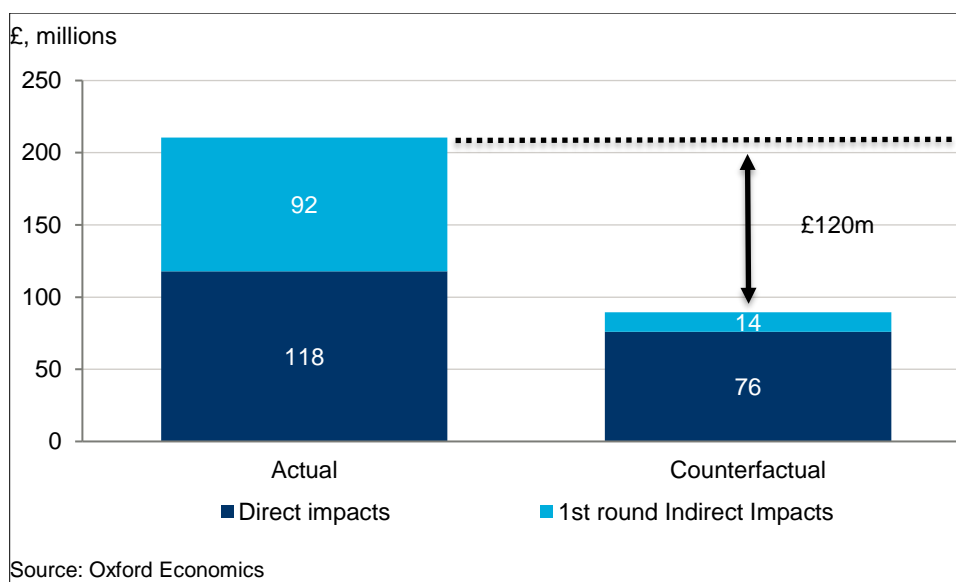
Source: Northern Ireland Screen data

- 4.12 Of the £128m of NI expenditure under DGG, £55m (43%) was spent on cast, crew and trainee wages; £19m (15%) on hotels and locations; and £54m (42%) on facilities and transport. Under the first two years of ODS 54m (37%) of the £143m of total NI expenditure was spent on cast, crew and trainee wages; £21m (15%) was spent on hotels and locations; and £68m (48%) was spent on facilities and transport.
- 4.13 In assessing the benefits of the production support the ultimate focus is on trying to understand the economic value it generates for the NI economy. This is measured in terms of the gross value added contribution to NI GDP of the activities support through the production grants.⁴¹
- 4.14 To assess the economic value generated by the supported productions the total gross value added supported by the NI jobs that the production grants helped to support, is added to the first round of supply chain purchases from each production (also known as the first round of indirect impacts⁴²). These supply chain purchases relate to the expenditure by production companies on hotels and locations and facilities and transport (per Table 4.1 above). This total gross value added figure over the six years is estimated to be £210m – of which £103m is attributable to activity in the DGG strategy period (2010-14) and £108m attributable to activity in the first two years of the ODS strategy (2014-2016). Of this £210m, £118m is linked to direct impacts and £92m to the first round of indirect impacts.
- 4.15 The estimated gross value added contribution is then compared to a counterfactual scenario in which the NI workers employed on a production instead worked in a job paying the average NI wage, and so made a contribution to NI GVA in line with that for the average worker. In this scenario, the gross value added generated by the first round of supply chain purchases related to the output per head each of these average NI workers is also quantified.
- 4.16 The difference between the actual scenario and the counterfactual is the net gross value added contribution of the production activity supported by Northern Ireland Screen to the NI economy. On this basis, it is estimated that the net contribution of the activity supported through Northern Ireland Screen to the NI economy over the six years (four years of DGG/ first two years of ODS) is £120m. This is the difference between two bars shown in Figure 4.4 below. Of this £120m, £54m is attributable to activity in the DGG strategy period (2010-14) and £66m attributable to activity in the first two years of ODS (2014-2016).

⁴¹ The gross value added contribution to GDP measures the contribution to the economy of each individual producer, industry or sector. It is a measure of output and is aggregated across all industries or firms to form the basis of a country's Gross Domestic Product (GDP), the main measure of the total level of economic activity.

⁴² The Evaluation team were advised by Invest NI to include the direct and 1st round of the indirect impacts in our analysis and exclude the remaining indirect and induced impacts.

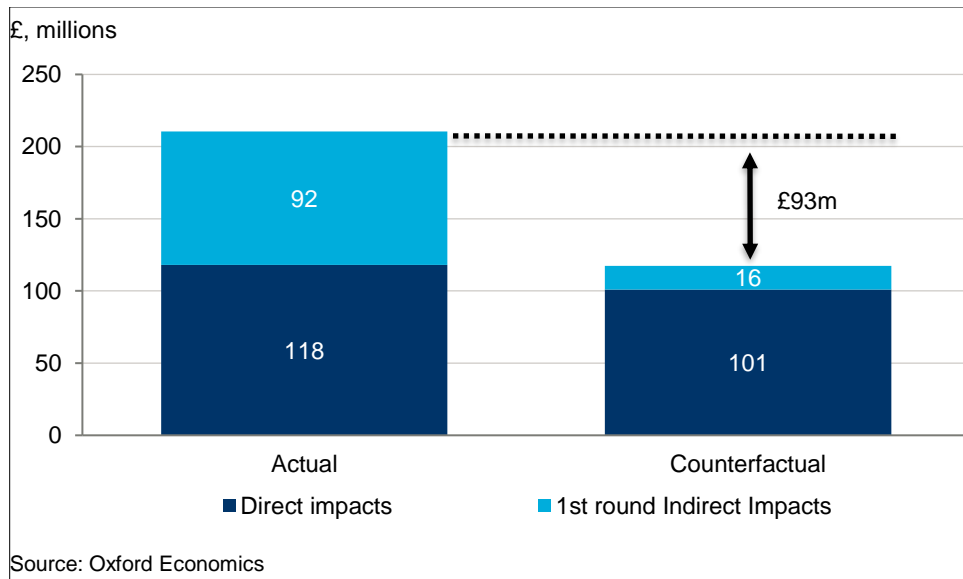
Figure 4.4 Estimated gross value added contribution of production activity and a counterfactual – central estimate



- 4.17 The main steps and assumptions in the analysis underpinning the calculation of the ‘actual’ and ‘counterfactual’ per Figure 4.4 above are detailed further in Appendix C.
- 4.18 In line with standard practice in this type of evaluation, it is important to consider alternative scenarios to assess the extent to which the findings are sensitive to the assumptions made. In this evaluation there is a high degree of uncertainty around what NI cast and crew who worked on NISF supported productions would have done in its absence.
- 4.19 One possibility is that these employees would have worked somewhere else in the Northern Ireland Screen industry instead of becoming an NI average worker, thus giving them a higher than average productivity contribution.⁴³ This would reduce the difference between the wages and productivity generated with and without the production support grant, and so would provide a lower estimate of the benefits of the scheme. For this ‘low’ scenario, it is estimated that the net contribution of the activity support through the production grants to the NI economy is £93m over the six years.
- 4.20 Another potential scenario suggested by stakeholders was that workers would have instead commuted on a weekly basis, to London or elsewhere in GB to work on a film/ screen production, returning to NI at weekends. On balance, however, it is viewed by the evaluation team that this was not likely to apply for the majority of the NI cast and crew employed on NISF supported productions and therefore this was not factored into the analysis.

Figure 4.5: Estimated gross value added contribution of production activity and a counterfactual – low estimate

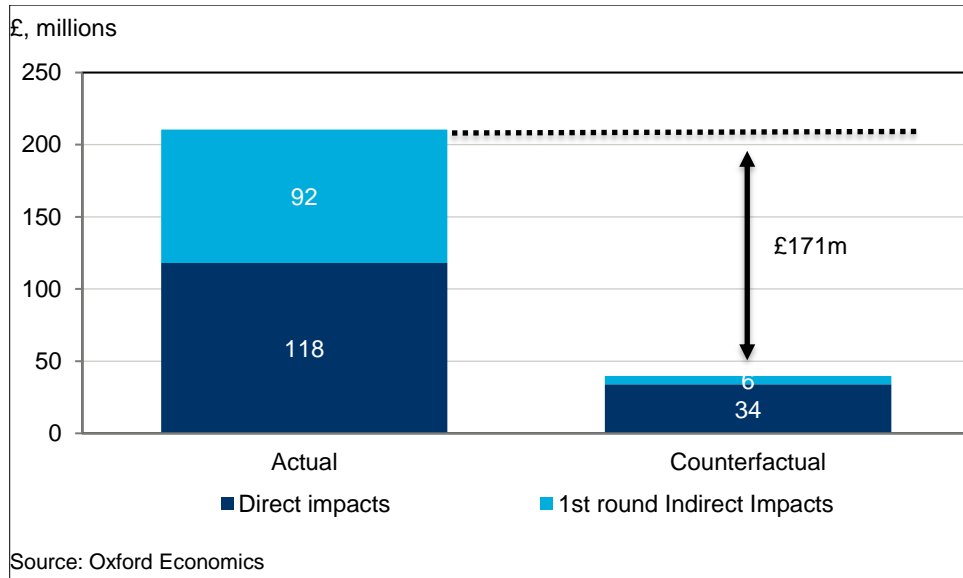
⁴³ Average productivity for the film industry was calculated using Oxford Economics regional model and detailed ASHE data.



4.21 A high scenario would be to assume that if the workers had not been able to work on an NISF supported screen production they instead would have worked in a low-paid sector of the NI economy which, all else being equal, would imply a larger wage differential than the central case.⁴⁴ Under this high scenario, the production activities net benefit to the NI economy would be £171m.

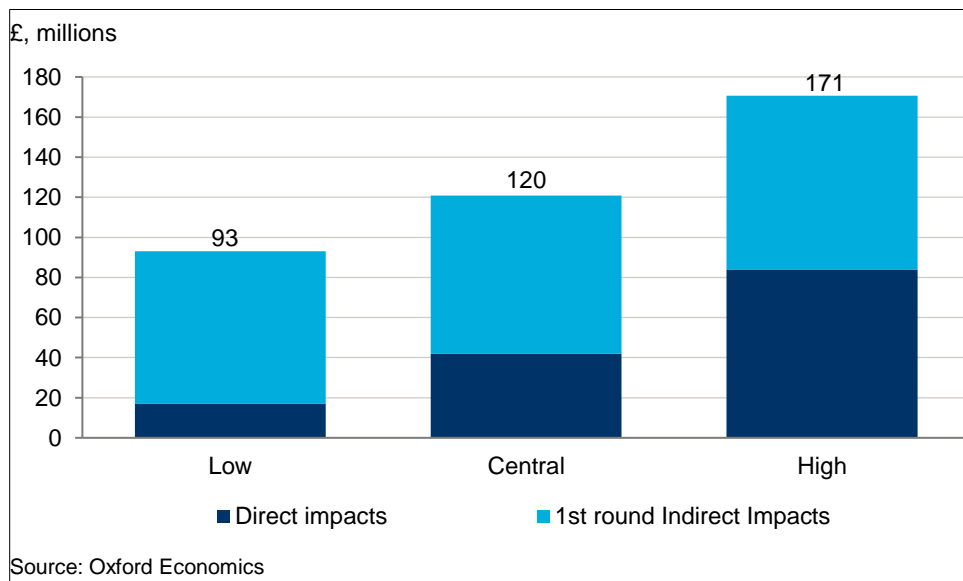
⁴⁴ It is assumed that employees work in the food and accommodation sector.

Figure 4.6 Estimated gross value added contribution of production activity and a counterfactual – high estimate



4.22 In summary, the analysis shows that the estimated net benefits of the production grants are sensitive to assumptions concerning how workers would have been employed if roles in screen productions were not available. Based on three counterfactual scenarios, it is evident that the net benefit of the production activity supported by the NISF production grants ranges from £93m to £171m, with £120m as the central estimate.

Figure 4.7: Net benefit estimates across all scenarios



4.23 To understand the net impact of a government intervention, an assessment of ‘additionality’ is then required, to understand the extent to which the NISF production grant support may have generated benefits over and above what would have happened anyway.⁴⁵ Therefore finally the net additional monetary benefits were considered within the model - that is allowing for deadweight, displacement, leakage and substitution, over and above the adjustments made

⁴⁵ A full discussion on the key components of additionality and how they are all brought together can be found in the following BIS report: Department for Business Innovation and Skills, "Research to improve the assessment of additionality", BIS OCCASIONAL PAPER NO. 1, October 2009, 65.

in the steps above to account for a counterfactual position. This step drew on the findings in respect of deadweight and displacement set out previously in Section 3. Leakage has already been adjusted for with the removal of profit benefits generated by SPVs and companies registered outside of NI.⁴⁶ There is no evidence of substitution occurring in the context of the NISF production grants and therefore it was assumed to be zero.⁴⁷ Table 4.2 below sets out the net additional impact associated with the three variations on the counterfactual scenarios discussed previously with adjustments for all of this.

Table 4.2: Net Additional Impact of NISF Production Grants (2010-2016)

Scenarios	Low	Central	High
Gross Impact (£ millions)	93	120	171
Deadweight	13%	13%	13%
Leakage	n/a	n/a	n/a
Displacement	10%	10%	10%
Substitution	n/a	n/a	n/a
Net Additional Impact (£ millions)	73	94	133
Split of Net Additional Impact: DGG 2010-14/ ODS 2014-16 (£ millions)	31/42	43/52	63/70

Source: Oxford Economics

- 4.24 The evaluation team are aware of the potential risk of bias in using a self-reporting survey to calculate a deadweight level for the NISF production grants. To account for this the evaluation team suggested to Invest NI and DfE that other relevant but more general evidence also be considered in forming a conclusion around deadweight (i.e. the figures produced in the 2009⁴⁸BIS paper used as benchmark comparators in Section 3). However, Invest NI and DfE indicated a clear preference for using the self-reported deadweight figure calculated from the survey with companies in receipt of the NISF production grants. Whilst they recognised in principle that there is a risk of optimism bias in the survey responses they were wary about making an arbitrary adjustment to the deadweight levels based on generalised evidence from the BIS paper. As such Invest NI and DfE expressed a preference for using the local specific evidence in relation to the self-reported deadweight figure derived from the survey responses, particularly in that the figure derived from this (13%) is consistent with similar survey findings from previous evaluations of Northern Ireland Screen strategies. Therefore it was agreed with Invest NI and DfE to use the survey findings from the companies in receipt of the NISF production grants as the principal figure within the deadweight analysis and to consider factoring in some evidence from the BIS paper in the sensitivity analysis (included later in this section).

Employment Sustained by DGG and ODS (at interim stage)

- 4.25 Data held by Northern Ireland Screen primarily relates to the number of days employees (i.e. cast and crew) and freelance contractors have worked on each particular production. It is these⁴⁹work days that have been factored into the economic modelling within this evaluation rather

⁴⁶ Leakage is defined as the proportion of outputs/outcomes that benefit those outside the target area of the intervention

⁴⁷ Substitution is defined "as a negative effect that arises when a firm substitutes a jobless person to replace an existing worker to take advantage of the public sector assistance.

⁴⁸ Research to Improve the Assessment of Additionality (BIS, 2009)

⁴⁹ Within the economic modelling of the 'with project' scenario and the 'counterfactual' scenario

than the FTE equivalent jobs/ job years that these work days would equate to, in that it is more accurate to do this.

- 4.26 The Letters of Offer to NI Screen contain targets in relation to FTE jobs/ job years supported via employment on NISF funded productions and NI Screen report against these in the annual monitoring proformas. Discussions with Northern Ireland Screen indicate that the data they capture in relation to the work days is converted to ⁵⁰FTE jobs/ job equivalent years by multiplying by 110% (to reflect the fact that employees on productions work longer than 8 hour days – on average 8.8 hours a day) and then divided by 200 (which is understood to reflect the number of days the average screen employee works in a year). The evaluation team discussed this further with Northern Ireland Screen to understand why the denominator is 200 working days a year. The rationale is because the employment is predominantly freelance in nature and that the staff in the key production roles typically would take a break once an intensive period of work concluded on one production before moving to the next i.e. it is not continuous employment over a full year. In addition, with the work being freelance in nature the staff in the key production roles typically would not accrue paid annual leave/ holidays in the same manner that an individual who is working full/ part-time in an employment contract would do.
- 4.26 It is the view of the evaluation team that the denominator of 200 days is reasonable based on the rationale provided. It is also understood from discussions with Northern Ireland Screen that it has been accepted as the basis on which progress against targets in relation to FTE jobs/ job equivalent years has been reported in ongoing monitoring returns by Northern Ireland Screen and previous evaluations of the support to Northern Ireland Screen. Therefore, the evaluation team have applied this approach in converting the number of work days supported on productions funded by the NISF for NI residents to the calculation of FTE jobs/ job years below and in Section 5, where progress against targets in relation to this is presented. If anything, it is possible that the numerator of 8.8 hours a day is conservative based on conversations with production companies during the course of survey work completed for this evaluation, many of whom were reflecting intensive periods of long-days when a production was being shot in Northern Ireland, and this is perhaps an area where further evidence could be captured to inform future target setting. In interpreting this it is however important to recognise the distinctiveness of employment supported in the screen sector in this regard, in that it is not directly comparable to what might be ⁵¹defined and captured as FTE jobs/ job years in other sectors of the economy. It is understood that Invest NI do not report on jobs supported in the screen sector on a like-for-like basis with jobs created and supported in other sectors for this very reason, i.e. recognising the distinctiveness of employment in the screen sector.
- 4.27 The total number of employee work days sustained in the NI economy over the six years (four years of DGG/ first two years of ODS) is 533,728 work days. Of this, 279,206 is attributable to activity in the DGG strategy period (2010-14) and 254,523 attributable to activity in the first two years of ODS (2014-2016). This equates to 2,668 FTE jobs/ job years over the six years, 1,396 in relation to the full four years of DGG and 1,272 in relation to the first two years of ODS.

(Monetary) Benefit to Cost Ratios for DGG and ODS (at interim stage)

- 4.28 The Benefit to Cost Ratio (BCR) compares the net additional impacts accruing from NISF production grants (as per Table 4.2 included previously) i.e. the present value of benefits to the present value of costs to the NI public sector. It is important to highlight that this is only

⁵⁰ DGG targets per LOO are reported as FTE jobs. For ODS the annual monitoring returns reference performance against gross and net FTE job years and job equivalent years.

⁵¹ The UK definition of an FTE job assumes each FTE works 5 days a week for 52 weeks, therefore the correct number to divide total working days into is the total number of working days available in a year (i.e. 260 not 200). Similarly the definition of a job equivalent year relates to a FTE position for a working year.

one element of the overall conclusion on economic efficiency/VFM (included in Section 9). This overall conclusion is a rounded assessment of both monetary/ quantifiable economic impacts and qualitative benefits, including the wider and regional benefits discussed later in this section of the report.

- 4.29 As stated in the previous section, the public cost of production grants over the six years has been £37 million. However, it is important, as set out previously, to also recognise that development funding and support for skills will also have reinforced the economic impacts of the production grants. In discussion with the Steering Group it was agreed in terms of the ‘cost denominator’ for the BCR to include the value of all programme funds (i.e. production, development and skills) within this and exclude Invest NI contribution to Northern Ireland Screen operating costs.
- 4.30 Tables 4.3 and 4.4 set out the respective BCRs for the entire DGG strategy (2010-2014) and the first two years of ODS (2014-2016).

Table 4.3: (Monetary) Benefit to Cost Ratios for DGG (2010-2014 i.e. Full Strategy)

Scenarios	Low	Central	High
Gross Impact (£ millions)	40	54	81
Net Additional Impact (£ millions)	31	43	63
Invest NI Funding to Northern Ireland Screen (£ millions)	25	25	25
BCR (£)	£ 1 Cost: £1.2 benefit	£ 1 Cost: £1.7 benefit	£1 Cost: £2.6 benefit

Source: Oxford Economics

Table 4.4: (Monetary) Benefit to Cost Ratios for ODS (2014- 2016 i.e. Interim Point)

Scenarios	Low	Central	High
Gross Impact (£ millions)	54	66	89
Net Additional Impact (£ millions)	42	52	70
Invest NI Funding to Northern Ireland Screen (£ millions)	21	21	21
BCR (£)	£ 1 Cost: £2 benefit	£ 1 Cost: £2.5 benefit	£1 Cost: £3.4 benefit

Source: Oxford Economics

- 4.31 Reflecting on the above, it is estimated that for every £1 spent on developing the screen sector in NI (through the support from Invest NI to Northern Ireland Screen) there was a £1.7 return to NI GDP in the central scenario for the full DGG strategy and £2.5 in the central scenario for ODS at the interim stage.

Sensitivity analysis

- 4.32 To gauge the impact certain assumptions can have on the final BCR further sensitivity analysis around one of the key assumptions was undertaken.
- 4.33 In the central analysis, a deadweight of 13%, was applied based on evidence from the survey with production companies in receipt of NISF production awards. However, it is viewed by the evaluation team that there may be a degree of optimism bias in the self-reported additionality/ deadweight levels arising from these survey findings with NISF respondents and as such in the sensitivity analysis it is important to consider other evidence in forming a conclusion around deadweight. In 2009 the Department for Business Innovation and Skills published a paper on research to improve the assessment of additionality as referenced in Section 3. This paper captured additionality data from over 280 evaluations covering a range of economic

development and regeneration interventions across the UK. For deadweight on a regional level this paper considers 363 evaluation observations and concluded that the average deadweight across these was 43 percent. If a weighted average of the value of deadweight levels for projects of a similar type to the NISF are considered i.e. individual enterprise support, sector/cluster support and attraction of inward investment per Table 3.7 included previously in Section 3 this gives a deadweight of 46.7%. Assuming this level of deadweight across would produce a BCR for DGG in the central scenario of £1 cost: £1.1 benefit and for ODS (first two years) in the central scenario of £1 cost: £1.5 benefit. From these results is clear that the final BCR is very sensitive to assumptions on deadweight. If the true deadweight value is above the estimate of 13 percent, then this would have a material impact on the BCR results.

Outputs Modelled Based on the Exclusion of the Supply Chain Counterfactual

- 4.34 Oxford Economics were instructed by the Steering Group to prepare a model, which excludes the supply chain counterfactual. This is not a methodology supported by Oxford Economics but which was completed at the request of the Steering Group.
- 4.35 It is understood from Invest NI that for other Invest NI programmes/ initiatives evaluated whilst a counterfactual scenario to the ‘with project’ scenario is routinely completed, the analysis may not often include the first round of indirect impacts within the counterfactual scenario as presented in Figure 4.4 previously. To enable Invest NI to compare the results to those from other evaluations on a like-for-like basis it was agreed with the Evaluation Steering Group that the value of the first round of indirect impacts within the counterfactual scenario (e.g. the £14m across the six years in the central scenario) would be excluded from the analysis for illustrative purposes to facilitate these comparisons. This in turn increases the additional benefits accruing from the support to NI Screen in that the difference between the ‘with project’ scenario and the counterfactual scenario is greater. Exclusion of this from the analysis would increase the BCR for the central scenario presented in Table 4.3 for DGG to £ 1 Cost: £2 benefit and the corresponding BCR for the central scenario presented in Table 4.4 for first two years of ODS to £1 Cost: £2.8 benefit. More detail on the modelled outputs are included in Appendix D for reference.

Wider and Regional Benefits

- 4.36 In addition to the monetary/ economic impact that Northern Ireland Screen’s support across the DGG and ODS strategies has had as above, the evaluation team’s analysis, and consultations with key stakeholders, suggests that the continuum of support provided through both the DGG and ODS strategies has provided a range of wider and regional benefits to the NI economy.
- 4.37 Given that the support provided through the two strategies is effectively a continuum of support, Table 4.7 below summarises the main impacts against each wider and regional benefit criterion but references specific examples for each strategy period alongside references to wider and regional benefit targets specific to each strategy where relevant.

Table 4.7: Contribution of the support to delivering wider and regional benefits

Wider Benefits	
Attraction of Foreign Direct Investment (FDI)	The available evidence suggests that the support provided through Northern Ireland Screen has been very successful in attracting and maintaining FDI to NI. For example, through the provision of targeted NISF, skills development and marketing activities, Northern Ireland Screen has been successful in retaining the HBO/Fire and Blood production Game of Thrones since its pilot phase.

Monitoring information retained by Northern Ireland Screen suggests that the levels of FDI generated during the periods of the strategies have increased substantially, as demonstrated in the table below. Indeed in the first two years of ODS there has been higher levels of FDI than across the 4 years of DGG, which is a very positive headline finding.

Strategy Period	Level of FDI
Most Powerful Industry in the World (2003-2007)	£6,532,443
Building on Success (2007-2010)	£26,347,965 ⁵²
Driving Global Growth (2010-2014)	£120,590,458
Open Doors Strategy (2014-2016/ Interim Point)	£127,376,927

Based on consultations with key stakeholders, there was broad consensus that if the range of support interventions were not available to large international production companies, NI would struggle to attract companies of this size and calibre. The increasing level of FDI across the four strategies to date also broadly correlates with increasing levels of production funding through the NISF over the same period coupled with increasing activity in relation to key supporting areas such as skills and development (see below).

Skills Development

As evidenced by the survey of SDF recipients, consultation with production companies, support provided through the SDF has had a positive impact across both DGG and ODS in both identifying and addressing the existing and emerging skills needs/gaps of the Northern Ireland Screen industry. Through tailoring specific SDF support to the demands of the industry as it evolves, the SDF has proven to be a flexible approach to building the skills base of local people in supporting the growth of the industry. Feedback from NISF supported production companies indicates that the breadth and depth of the cast and crew in NI has improved considerably over the last two strategies – albeit that gaps remain in some critical skills areas and in most genres moving forward (as reflected in the screen industry feedback in Section 8).

Because of the remaining gaps, production company consultees were of the view that there remains a compelling need for continued, and indeed increased, support through SDF to develop the indigenous skills base - which is key to attracting FDI and the longer-term development of the screen industry. It was the view of these consultees that Northern Ireland Screen’s skills development support has, and must continue to play, a vital role in Northern Ireland Screen’s portfolio of support offerings. Consultees were also of the view that skills development support should continue to remain as flexible as possible for Northern Ireland Screen to be responsive to supporting the emerging/evolving needs of the industry.

⁵² Per the Economic Appraisal of ODS, Cogent Management Consulting, Page 32.

	Evidence from the survey of SDF beneficiaries has also indicated that the SDF has provided a useful mechanism for people looking to change their career path and as a point of entry into the industry for those not already working within it.
Knowledge Transfer	<p>Allied to the previous point, the support provided by Northern Ireland Screen had facilitated the transfer of knowledge through, amongst other things:</p> <ul style="list-style-type: none"> ▪ Participants engaging in formal skills development training (as supported through the SDF); ▪ NI staff (e.g. crew, trainees etc.) working side-by-side with leading national and international production companies in their respective production genres e.g. Game of Thrones, Lost City of Z and on BBC productions; and ▪ The marketing activities, including trade missions and attendance at national and international screen events and exhibitions of significance, directly undertaken by Northern Ireland Screen. There was a broad consensus amongst NISF grant recipients surveyed that these activities were crucial in 'showcasing' the Northern Ireland Screen industry product and increasing awareness of the areas as a suitable location for production work. There was also recognition that Northern Ireland Screen has provided a key role in facilitating trade missions and expanding the breadth of trade missions across different genres, not just film and TV, attended under the two strategies e.g. attendance at the Games Developers' Conference, the world's largest and longest-running professionals-only games industry event, which took place in San Francisco in 2015.
Entrepreneurship	<p>Evidence derived from the survey of NISF recipients and the SDF survey indicates a significant degree of self-employment/ freelancers from NI working in the screen industry and supported through the various Northern Ireland Screen interventions.</p> <p>In addition, Northern Ireland Screen support has encouraged export activity amongst local businesses through, for example, marketing and trade missions support.</p>
Regional Benefits	
Reduction of 'Brain Drain'	The growth and expansion of the screen industry within NI during the period of the DGG and ODS strategies to date and evidenced within this evaluation is likely to have helped retain skilled individuals within NI, who otherwise might have left NI to work in the screen industry (or other sectors) elsewhere.
Generation of orders from other companies in the Assisted Area	The direct economic impact generated by the production and development elements of the NISF is to a large degree based around the generation of orders from other companies within NI. This is illustrated in the analysis within this evaluation, which details the impact on the local supply chain within, for example, the local hotel and transportation sectors servicing the screen industry. Per the analysis in Section 2/ Table 2.1 the NI expenditure in respect of 'hotels and locations' and 'facilities and transport' has grown significantly between DGG and ODS when looking at the average spend per production for each strategy.

<p>Innovative nature of the project</p>	<p>Northern Ireland Screen supports companies operating in the screen industry which is a creative industry and built upon creativity and innovation. Support for development activity is a particularly important element of this in acting as the catalyst for the development of creative screen content in the first instance.</p>
<p>Regional credibility and visibility</p>	<p>The success and growth of the Northern Ireland Screen industry over the period of the two strategies has been dramatic. The securing of a high profile, award winning, global phenomenon that is Game of Thrones, with its worldwide following has undoubtedly been a major factor in putting NI on the global screen industry map as a visible and credible location for the screen industry.</p> <p>In addition, many of the NISF supported productions have been in receipt of awards that further serve to showcase NI talent and as a location for screen productions (across all genres). There have been a wide range of award winning NISF supported productions. Some notable examples have included: The Shore (Terry George, Oscar), The Fall (BAFTA nominations and awards inter alia), Hunger (BAFTA, IFTA, Camera D'Or etc), Line of Duty (nominated for 3 BAFTA awards), Puffin Rock (animation, two Kidscreen awards and multiple nominations).</p> <p>A number of screen productions have also received high profile premieres. For example, Bad Day for the Cut premiered at the Sundance Film Festival; the feature documentary Elian supported during the ODS strategy is about to premier at the Tribeca Film Festival.</p> <p>In addition to such activity enhancing the visibility and credibility of NI <u>as a location for screen activity</u>, the high profile of extended productions filmed in NI locations has added to the visibility and appeal of NI <u>as a place to visit</u>. Game of Thrones – a global phenomenon and HBO's most-watched show on record – has been transformative for NI as a screen tourism destination. Northern Ireland provides the studio base for the show, which also makes extensive use of Northern Ireland locations. Visitor surveys for this project identify the show as the dominant motivator for screen tourists – though other projects can be seen to have an effect, including The Fall, Dracula Untold and Philomena for example.</p> <p>The 2016 Olsberg Screen Tourism Strategy for NI acknowledges the transformative impact of productions such as Game of Thrones on the Northern Ireland Screen tourism industry evidenced through significant visitor numbers to filming locations (e.g. Dark Hedges, Ballintoy Harbour etc). This activity has also supported the growth of local visitor tours companies, additional visitor income for some locations where there is paid entry e.g. Castle Ward and additional merchandising sales.</p> <p>The combined effect of enhancing NI's regional credibility as a location for screen activity and an attractive location for screen tourists has undoubtedly been a key success under the period of both strategies.</p>

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Conclusions

- 4.38 Based on monitoring information provided by Northern Ireland Screen and feedback from companies in receipt of support, the following key conclusions can be drawn with regards to the monetary and non-monetary economic impact of the DGG and ODS strategies to date:
- £36.6m has been awarded to 115 production projects from 2010 to 2016 (i.e. full DGG strategy period and up to the interim stage of ODS).⁵³ The total budget for the productions associated with the above funding is in the region of £623m over the same period. £271m (or 44%) of the total production budget for these productions was spent in NI, with the remainder (£352m or 56%) being spent outside NI. Over the period of both strategies to date, there has been a consistently upward trend in the levels of NI expenditure being achieved, with the first year of ODS (2014/15) being particularly successful in this regard;
 - In terms of economic impact, the evaluation team's independent analysis suggests that under the central scenario the Gross Impact of DGG was £54m and £66m for ODS to date. The Net Additional Impact of DGG was £43m and £52m for ODS to date. On this basis, it is estimated that for every £1 spent on developing the screen sector in NI (through the support from Invest NI to Northern Ireland Screen) there was a £1.7 return to NI GDP in the central scenario for the full DGG strategy and £2.5 in the central scenario for ODS at the interim stage; and
 - The support provided by Northern Ireland Screen has made a significant contribution to providing wider and regional benefits to the NI economy. These include: the attraction of Foreign Direct Investment (FDI), skills development, knowledge transfer, entrepreneurship, reduction of 'Brain Drain', the generation of orders from other companies in the assisted area, innovation and, importantly, the overall regional credibility and visibility of the Northern Ireland Screen industry, product and screen tourism etc.
- 4.39 In interpreting the findings in respect of monetary economic impact and the BCRs in this section it should be noted that the economic modelling approach deployed in this evaluation made a number of adjustments to the model used for the interim evaluation of DGG in 2012. These were fully discussed and agreed with the Steering Group and were put in place to ensure that the modelling approach used c5 years after the previous analysis accurately reflects the prevailing context, required⁵⁴ guidance and best practice for economic evaluations of government interventions. These adjustments are detailed in full in Appendix C. One of these adjustments is worthy of note however in interpreting the monetary / quantifiable economic impact results in this section. This relates to the inclusion of a counterfactual scenario(s) (i.e. considering what those employed in the NISF supported screen productions would have done in absence of the same) to ensure that only the additional productivity and supply chain benefits accruing from the funded activity in the screen sector was included in the analysis. In the absence of a counterfactual scenario(s) within the modelling the default assumption has to be that all those employed in the NISF supported productions would otherwise have not been active in the labour market at all (i.e. all unemployed / economically inactive). This, in turn, means that all of the economic activity linked to their employment on supported productions is fully additional to the economy. It is the view of the evaluation team that this assumption is difficult to justify given the relatively low unemployment rate NI has enjoyed over the last few years and the fact that NI residents employed on these productions are, in the main, educated and experienced and looking to retrain/ secure experience for a career in the screen industry (if not already employed/ self- employed in the same).

⁵³ Based on all of the awards that progressed into production. There a very small number of wards that did not proceed.

⁵⁴ Invest NI Economic Appraisal Methodology and NI Guide to Expenditure Appraisal and Evaluation

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- 4.40 Allied to the above it is important to highlight that the DGG KPIs and targets were revised post the 2012 interim evaluation of DGG. Whilst the evaluation team is not party to the assumptions underlying these revised targets it is likely that they were informed by the modelled outputs/ economic model deployed within the interim evaluation of DGG, which in turn could also have shaped the 4 year targets for the ODS KPIs (2014- 2018). The fact that a counterfactual scenario(s) was not ⁵⁵encompassed would drive up the anticipated benefits from the intervention. As a consequence of this, it is the view of the evaluation team that it is possible that some of the economic targets that were restated for DGG in 2013 and then set for ODS (e.g. in relation to gross GVA, net additional GVA etc) and the targeted return on investment / BCR are overstated.
- 4.41 In discussion with the Steering Group it was agreed that the Oxford Economics model described in this section would be re-run for the six years of data without the adjustments detailed in Appendix C (i.e. per the DGG interim evaluation modelling approach). This was completed just for illustrative purposes only and to facilitate understanding of any potential implications for KPIs/ economic targets for the remainder of ODS/ a future strategy. The results of this are included in Appendix E.

Areas for Recommendation Emerging from This Section

Reflecting on the findings of this section two key areas for recommendation are emerging. Given the high degree of uncertainty around what NI cast and crew who worked on NISF supported productions would have done in its absence (cited in paragraph 4.18), it would be useful if further information could be captured. For instance, Northern Ireland Screen could encourage NISF supported production companies to capture the recent employment status of NI resident cast and crew prior to their deployment on the NISF supported productions and whether if employed/ self-employed this employment was within or outside of the screen sector.

A second area (evidenced in paragraph 4.40 above) relates to the potential risk that the targets for each of the ODS economic KPIs (i.e. gross GVA/ net additional GVA/ return on investment or BCR) could be overstated, and whether they should be revised for the future. (i.e. final year of ODS/ a future strategy).

These are pulled through to the overall recommendations of the evaluation set out in Section 9/ Table 9.2.

⁵⁵ In the modelled outputs/ economic model deployed within the interim evaluation of DGG

5 Performance Against Objectives

Introduction

- 5.1 Section 6 provides a summary of the progress made towards the key objectives and targets for each strategy. This draws on the findings of the preceding sections of this evaluation report supported where appropriate with evidence from completed quarterly monitoring pro-forma for both strategies. This is dealt with at more of a headline level in relation to DGG and includes more commentary / detail in relation to each target for ODS. This is partly to facilitate ease of reading of this section and to ensure that there is more proportional focus on helping to bring visibility /understanding of the ODS performance to date, which is particularly relevant to implementing the remainder of the strategy and looking ahead to a new strategy period.

DGG (2010-2014/ Full Strategy Period)

- 5.2 As set out in Section 2 the Monitoring & Evaluation framework and associated KPIs were revised post the Interim Evaluation of DGG in 2012. Therefore, the original economic appraisal for DGG and performance indicators and targets therein are not appropriate as the sole reference point for measuring the performance and impact of DGG. As such, the evaluation team has reviewed 2013 SECC papers relating to the revisions put in place for the final year of DGG which also provided updated KPIs and targets across all four years. This is used as the reference framework in this section to measure performance against.
- 5.3 Table 5.1 overleaf sets out headline findings in respect of the each of the primary targets/ objectives for DGG. Thereafter Table 5.2 sets out headline findings in respect of secondary objectives/ targets for DGG building on the evidence base already included in the 2012 DGG interim evaluation which concluded that at the interim point that all of these has been met.

Table 5.1: DGG Performance v Primary Targets/ Objectives

GVA	Performance over the 4 years	Conclusion
<p>Achieve a gross GVA input/output ratio for production and development activity as follows:</p> <p><i>Production Activity: Years 1 to 3 (1: 3.29) and Year 4 (1: 3.70).</i></p> <p><i>Development Activity: (1:1.80)</i></p>	<p>These targets were restated in adjustments to the Monitoring and Evaluation Framework post the interim evaluation of DGG in 2012.</p> <p>The gross GVA of the NISF production funding over the 4 year life of the DGG based on the Oxford Economics model and related assumption is £54m. The denominator on this ratio is the input costs of production funding over the life of DGG, which is £19m. The ratio is 1:2.84, which is 86% of targeted performance in Year 1-3 and 77% of the same in Year 4.</p> <p>In relation to development activity it is not possible to comment in that there is no economic monitoring data for development awards. For reasons set out under Table 5.3 in respect of ODS below it is the view of the evaluation team that it is not appropriate to have separate economic / GVA targets for development activity.</p>	<p>Substantially met</p> <p>No data/ not possible to comment</p>
<p>Achieve Gross Value Add (GVA) of £56.7 m over the strategy period (Production)</p>	<p>Based on the Oxford Economic model and related assumptions detailed in Section 4 the gross impact of DGG (based on production funding only) is estimated to be £54m, representing 95% of the targeted figure.</p>	<p>Substantially Met</p>
<p>Employment / Skills</p>		
<p>Achieve gross FTE Job Years for NI residents of at least 803.</p>	<p>As set out in Section 4 the total number of employee work days sustained in the NI economy over the four years of DGG is 279,206. Translating the above figures on an FTE basis (by dividing by 200 days for the reasons set out in Section 4 previously) would equate to 1,396 FTE job years for DGG. On this basis the target has been fully met/ exceeded by some margin.</p>	<p>Met (exceeded)</p>
<p>Increase the percentage of direct Northern Ireland residents working on productions to at least:-</p>	<p>Based on a review of data provided by Northern Ireland Screen there was no data available in the early stages of DGG to report against this (i.e. Year 1).</p>	<p>Met</p>

<ul style="list-style-type: none"> ▪ 50% (2010/11 i.e. Year 1) ▪ 50% (2011/12 i.e. Year 2) ▪ 60% (2012/13 i.e. Year 3) ▪ 65% (2013/14 i.e. Year 4) 	<p>Performance in the subsequent years was as follows:-</p> <ul style="list-style-type: none"> ▪ 2011/12 i.e. Year 2 – 67% (crew) and 58% (Heads of Department) ▪ 2012/13 i.e. Year 3 – 62% ▪ 2013/14 i.e. Year 4 – 53% <p>Across the 4 years Northern Ireland Screen report the average to be 61%. On this basis, it is the view of the evaluation team that on average across the 4 years the targets have been met.</p>	
NI Spend		
<p>Achieve a total secured investment in local production expenditure of at least £96.2m over the strategy period.</p>	<p>Over the four years of DGG the achieved NI expenditure is £128m across the three main categories of production expenditure (cast and crew, hotel and locations, facilities and transport). This target has been exceeded by some margin every year as evidenced by the annual monitoring returns. There is some discrepancy (c£7m) between the NI spend figures added across the four years in the monitoring returns and the £128m above. This is because a small proportion of the data in the annual returns was based on projected spend whereas the £128m is the actual NI expenditure achieved across the four years and which has been used within the Oxford Economic model to assess the monetary (economic) impact of DGG. Irrespective of this it is an excellent performance against an ambitious target.</p>	Met (exceeded)
Investment to NI Spend ratios by Genre		
<p>Achieve direct NI spend to investment ratios for production secured under the NISF as follows:-</p> <p><i>Large scale film or television production:</i></p> <ul style="list-style-type: none"> ▪ 11:1 (2010/11 i.e. Year 1) ▪ 11:1 (2011/12 i.e. Year 2) 	<p>These stipulated ratios appear to have evolved during the 4 year strategy period of DGG based on a review of the annual monitoring reports against the original economic appraisal targets reflected in the interim evaluation of DGG. As such this analysis reflects ⁵⁶performance against the target every year for every genre per the annual monitoring reports. The first three genres feature in the monitoring reports every year. There is some evolution in the digital genre as to naming of the genre and the talent opportunity focused genre does not feature in Year 4.</p> <ul style="list-style-type: none"> ▪ 11.2:1 (2010/11 i.e. Year 1) ▪ 7.3: 1 (2011/12 i.e. Year 2) 	Substantially met

⁵⁶ In most cases the performance is based on actuals and in a couple of instances projected figures and therefore what is presented below should be viewed as broad trends only

<ul style="list-style-type: none"> ▪ 11:1 (2012/13 i.e. Year 3) ▪ 7.5:1 (2013/14 i.e. Year 4) <p><i>Other film or television drama production:</i></p> <ul style="list-style-type: none"> ▪ 3.5:1 (2010/11. i.e. Year 1) ▪ 3.5:1 (2011/12 i.e. Year 2) ▪ 3.5:1 (2012/13 i.e. Year 3) ▪ 4.6:1 (2013/14 i.e. Year 4) <p><i>Non-drama television production</i></p> <ul style="list-style-type: none"> ▪ 3.5:1 (2010/11. i.e. Year 1) ▪ 3.5:1 (2011/12 i.e. Year 2) ▪ 3.5:1 (2012/13 i.e. Year 3) ▪ 4.9:1 (2013/14 i.e. Year 4) <p><i>Large scale digital inward investment production</i></p> <ul style="list-style-type: none"> ▪ 5:1 (2010/11. i.e. Year 1) ▪ 5:1 (2011/12 i.e. Year 2) ▪ 5:1 (2012/13 i.e. Year 3) ▪ This genre did not feature as a target in monitoring returns in Year 4 <p><i>Other digital production/ digital content</i></p> <ul style="list-style-type: none"> ▪ □5:1 (2010/11. i.e. Year 1) ▪ □5:1 (2011/12 i.e. Year 2) ▪ □2:1 (2012/13 i.e. Year 3) ▪ 3.4:1 (2013/14 i.e. Year 4) <p><i>Talent Opportunity Focused Production</i></p> <ul style="list-style-type: none"> ▪ □1.5:1 (2010/11. i.e. Year 1) 	<ul style="list-style-type: none"> ▪ 6.8:1 ((2012/13 i.e. Year 3) ▪ 10.7:1 (2013/14 i.e. Year 4) <ul style="list-style-type: none"> ▪ 3.5:1 (2010/11. i.e. Year 1) ▪ 4.1: 1 (2011/12 i.e. Year 2) ▪ 4.7:1 ((2012/13 i.e. Year 3) ▪ 4.7:1 (2013/14 i.e. Year 4) <ul style="list-style-type: none"> ▪ 4.1:1 (2010/11. i.e. Year 1) ▪ 4.4:1 (2011/12 i.e. Year 2) ▪ 6.3:1 ((2012/13 i.e. Year 3) ▪ 4.2:1 (2013/14 i.e. Year 4) <ul style="list-style-type: none"> ▪ No expenditure in this genre (2010/11. i.e. Year 1) ▪ No expenditure in this genre (2011/12 i.e. Year 2) ▪ 4.13:1 (2012/13 i.e. Year 3) and based on 1 project only. ▪ N/a <ul style="list-style-type: none"> ▪ 3.5:1 (2010/11. i.e. Year 1) ▪ 3.4:1 (2011/12 i.e. Year 2) and based on 1 project only. ▪ 1.4:1 ((2012/13 i.e. Year 3) ▪ Nil return on monitoring proforma (2013/14 i.e. Year 4) 	
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<ul style="list-style-type: none"> ▪ □1.5:1 (2011/12 i.e. Year 2) ▪ □1.5:1 (2012/13 i.e. Year 3) ▪ □This genre did not feature as a target in Year 4 	<ul style="list-style-type: none"> ▪ □0.88:1 (2010/11. i.e. Year 1) ▪ □1.13:1 (2011/12 i.e. Year 2) and based on 1 project only. ▪ □0.85:1 ((2012/13 i.e. Year 3) ▪ □N/a (2013/14 i.e. Year 4) <p>Reflecting on all of the above, Northern Ireland Screen has consistently achieved the stipulated ratios year on year during DGG in relation to ‘Other film or television drama production’ and in three out of the four years for ‘Non-drama television production’. With respect to ‘large-scale film and TV production’ the targets are achieved/ exceeded in two out of the four years and not achieved in the other two years. This appears to be related to the timing of key productions and related expenditure falling between the strategy years, but is also likely to be a reflection of some challenges in the capacity of large scale incoming productions to access sufficient cast and crew, and other supporting facilities due to skill shortages and parallel scheduling, meaning that they can compete for these same resources. In relation to the digital genres and talent opportunity focused production the stipulated ratios do not appear to have been met in any year where they feature as target. The critical mass in these areas and the expenditure is proportionately very small when compared to the first three genres above (approximately 95% of production funding as set out in Figure 2.4), which have on the whole performed well. As such, it is the view of the evaluation team that Northern Ireland Screen have made good progress towards these targets when looking at the portfolio of genres and where the bulk of activity/ expenditure has happened.</p>	
Development		
An economic return on funding leveraged from sources external to Northern Ireland of 0.5:1 that is, £0.50 of external funding leveraged for each £1 of funding	As set out in Section 2 during the four years of DGG there were 109 development awards, with an NISF investment of £2,571,294 which leveraged £1,374,685 of funding from external sources. Thus companies leveraged around 53p for every £1 provided by Northern Ireland Screen during DGG. This target has been exceeded.	Met (exceeded)

Table 5.2: DGG Performance v Secondary Targets/ Objectives

Target	Performance over the 4 years	Conclusion
Promote the normalisation of the NI marketplace from both a	Activity supported by Northern Ireland Screen during the four years of DGG has increased businesses awareness of NI in external regions as a stable and viable	Met

tourism and business perspective	location for screen production activity. This was clearly evidenced in the discussion between the evaluation team and external producers. Similarly, as referenced under wider and regional benefits, there has been significant gains derived from screen tourism. During DGG, both of these factors have helped to promote the normalisation of the NI marketplace.																						
Secure rental income for the Paint Hall at least equivalent to its rental costs	The interim evaluation of DGG confirmed that for the first two years of DGG the rental income for the Paint Hall has always been equivalent to its rental costs. The evaluation team confirmed with Invest NI that this was also the case for the last two years of DGG.	Met																					
Achieve a minimum of ten award nominations and three awards for supported productions over the course of the strategy	The interim evaluation confirmed that, two years into the strategy, this target was already exceeded. The evaluation team were provided with an updated list of awards for the period 2010/11 – 2013/14 as below by Northern Ireland Screen corresponding to the full period of DGG. This totals 35 awards and is greatly in excess of the target of three.	Met/ exceeded by some margin																					
	<table border="1"> <thead> <tr> <th>Production</th> <th>Awarding Body</th> <th>Award</th> </tr> </thead> <tbody> <tr> <td rowspan="7">Game of Thrones Season Two</td> <td>BAFTA TV Awards</td> <td>Audience Award</td> </tr> <tr> <td>Golden Globes</td> <td>Best Supporting Actor (Peter Dinklage)</td> </tr> <tr> <td rowspan="5">Emmy Awards</td> <td>Outstanding Art Direction</td> </tr> <tr> <td>Outstanding Costumes for a Series</td> </tr> <tr> <td>Outstanding Make-up for a Single Camera Series</td> </tr> <tr> <td>Outstanding Sound Editing for a Series</td> </tr> <tr> <td>Outstanding Sound Mixing for a Comedy or Drama Series (Ronan Hill, Mervyn Moore)</td> </tr> <tr> <td>Outstanding Special Visual Effects</td> </tr> <tr> <td>Game of Thrones Season One</td> <td>Emmy Awards</td> <td>Outstanding Supporting Actor in a Drama Series (Peter Dinklage)</td> </tr> <tr> <td>The Shore</td> <td>Academy of Motion Picture Arts and Sciences</td> <td>Oscar for Best Live Action Short Film</td> </tr> </tbody> </table>	Production	Awarding Body	Award	Game of Thrones Season Two	BAFTA TV Awards	Audience Award	Golden Globes	Best Supporting Actor (Peter Dinklage)	Emmy Awards	Outstanding Art Direction	Outstanding Costumes for a Series	Outstanding Make-up for a Single Camera Series	Outstanding Sound Editing for a Series	Outstanding Sound Mixing for a Comedy or Drama Series (Ronan Hill, Mervyn Moore)	Outstanding Special Visual Effects	Game of Thrones Season One	Emmy Awards	Outstanding Supporting Actor in a Drama Series (Peter Dinklage)	The Shore	Academy of Motion Picture Arts and Sciences	Oscar for Best Live Action Short Film	
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The Shore	Academy of Motion Picture Arts and Sciences	Oscar for Best Live Action Short Film																					

	Good Vibrations	Dinard British Film Festival	Best Screenplay (Colin Carberry, Glenn Patterson)
		Galway Film Fleadh	Best Irish Feature Film
		Irish Film and Television Awards	Best Costume (Maggie Donnelly)
	Big City Park	BAFTA Scotland	Best Children's Programme
		Irish Film and Television Awards	Best Children's Programme
	Mo	BAFTA TV Awards	Best Actress (Julie Walters)
			Best Make Up and Hair Design (Christina Baker)
			Best Director (Philip Martin)
			Best Editing (Kristina Hetherington)
		International Emmy Awards	Best Performance by an Actress (Julie Walters)
	Royal Television Society	Best Make Up Design (Christina Baker)	
	Occupation	BAFTA TV Awards	Best Drama Serial
		Royal Television Society	Best Writer - Drama (Peter Bowker)
			Best Sound (Mervyn Moore)
	Small Island	BAFTA TV Awards	Best Original Television Music
		International Emmy Awards	Best TV Movie/Mini-Series
		Royal Television Society	Best Actor Male (David Oyelowo)
			Best Actor Female (Naomie Harris)
	Five Minutes of Heaven	BAFTA	Best Writer (Guy Hibbert)
		Irish Film and Television Awards	Best Single Drama
Royal Television Society		Best Single Drama	
Sundance Film Festival		World Cinema Directing Award (Oliver Hirschbiegel)	
		World Cinema Screenwriting Award (Guy Hibbert)	
Seacht	Celtic Media Festival	Bronze Torc in Young People's category	
		Bronze Torc in Young People's category	

Continue to work efficiently over the course of the strategy by minimising overhead costs thereby maintaining cost effectiveness	During consultation, Northern Ireland Screen confirmed that every effort is placed on minimising overhead costs on an ongoing basis to maintain cost effectiveness.	Met
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ODS (2014-2016/ Interim Delivery Point)

- 5.4 Set out overleaf is the evaluation team's assessment of performance to date against the SMART outcome objectives for ODS for each element of the support package individually and overall aligning to the four-year LoO for ODS (dated April 29 2014) which corresponds to Option 4a in the economic appraisal as the approved package of funding from Invest NI). These SMART outcome objectives were pulled through the quarterly monitoring pro-forma for ODS whereby Northern Ireland Screen report on actual performance every quarter and on a cumulative basis. The performance to 31st March 2016 is the reference point for this evaluation covering the first two years of ODS.

Table 5.3: ODS Performance at Interim Point v SMART Outcome Objectives

Production activity			
SMART Outcome Objective	Performance at Interim Point	Commentary	Conclusion
<p>By March 2018, achieve minimum leveraged return on investment ratios as follows:</p> <ul style="list-style-type: none"> ▪ Large scale production - £1:£9.14; ▪ Animation- £1: £3.40; ▪ TV Drama - £1: £3.30; ▪ Factual/entertainment television - £1: £4.40; ▪ Independent Film - £1: £2.15; and ▪ Gaming, Mobile - £1: £2.65. 	<p>The performance against these minimum leveraged return on investment ratios at March 2016 is as follows:</p> <ul style="list-style-type: none"> ▪ Large scale production - 1:£14.55 ▪ Animation - £1: £3.90; ▪ TV Drama - £1: £5.80; ▪ Factual/entertainment television - £1: £3.98 ▪ Independent Film - £1: £2.04; and ▪ Gaming, Mobile - £1: £3.00 	<p>In four of the six genres the minimum leveraged return on investment ratios are ahead of a 2018 target two years into the four year strategy. In two of the genres - factual/ entertainment TV and independent film – they are close to the 2018 target / there is a slight shortfall.</p> <p>This is a strong performance against ambitious targets. The requirements in terms of the ratios/ multipliers for NI expenditure relative to the support from the NISF have been successively increased in recent years and, as set out previously in Section 3, are viewed to be at the limit of what can be achieved/ is possible in the prevailing context.</p>	<p>Substantially on track at interim point.</p>
<p>Generate a minimum of £125.8m in gross GVA by March 2018</p>	<p>Based on the Oxford Economic model and related assumptions detailed in Section 4 the gross impact of ODS to March 2016 is estimated to be £66m. This is over 50% towards the 4 year target at the end of the interim stage of ODS so is viewed by the evaluation team to be fully on track.</p>	<p>This is a very strong performance particularly considering the view of the evaluation team that there is a potential risk that some of the economic targets set for ODS are overstated.</p> <p>The outturn figures relate to the gross GVA from production activity only, which is as modelled in the Oxford</p>	<p>Fully on track at interim point.</p>

		Economics model. Other areas of investment e.g. development and skills will have also helped to contribute to / reinforce the economic impacts of the production activity for the reasons set out previously in Section 4.	
Generate a minimum of £101.7m in net additional GVA by March 2018.	The net additional GVA for the first two years of ODS i.e. to March 2016 is £52m. This is over 50% towards the 4 year target at the end of the interim stage so is viewed by the evaluation team to be fully on track.	<p>This is a very strong performance particularly considering the view of the evaluation team that there is a potential risk that some of the economic targets set for ODS are overstated.</p> <p>As above the outturn figures relate to the net additional GVA from production activity only, which is as modelled in the Oxford Economics model. Other areas of investment e.g. development and skills will have also helped to contribute to / reinforce the economic impacts of the production activity for the reasons set out previously in Section 4.</p>	Fully on track at interim point.
Generate a minimum of 2,500 gross job equivalent years for NI based residents by March 2018.	The total number of employee work days sustained in the NI economy over the first two years of ODS is 254,523. Translating the above figures on an FTE basis (by dividing by 200 days for the reasons set out in Section 4 previously) would equate to 1,272 FTE job years for the first two years of ODS. This is over 50% towards the 4 year target at the		Fully on track at interim point.

	end of the interim stage so is viewed by the evaluation team to be fully on track.		
Generate a minimum of 2,025 net additional job equivalent years for NI based residents by March 2018.	It is the view of the evaluation team that the target for net additional job equivalent years should be removed. As set out in Section 4 the economic impact of the NISF supported productions is centred on the additional wages (i.e. wage premium) and additional productivity that those employed in NISF supported screen productions realise over and above what other course of employment / self-employment/ economic activity they would otherwise have undertaken. There is no data captured against this in annual ODS monitoring returns. The gross job equivalent years should still be measured as above.		It is not possible to comment on this target (no data and not appropriate as a measure in the view of the evaluation team).
Development Activity			
SMART Outcome Objective	Performance at Interim Point	Commentary	
Achieve a minimum leveraged return on investment from the initial development activity of £1: £0.45 by March 2018	As set out in Section 2 previously there were 103 development awards under the first two years of ODS (to March 2016). The investment in these awards from Northern Ireland Screen was £2,627,667 which leveraged £1,718,953 of funding external to NI. Therefore for every £1 invested the external leverage is £0.65.	The financial leverage from the Northern Ireland Screen investment from sources outside NI for initial development activity is significant. The 4 year targeted ratio of £1: £0.45 for ODS is already being exceeded by some margin (£0.20) at the interim point and represents a growth over the same figure achieved with respect to DGG (£1: £0.53). All of this is indicative of the high quality of initial development ideas that can attract external matching investment and of the effectiveness of Northern Ireland Screen/the supported	Fully on track at interim point

		companies in reaching out to external networks of funders/ investors for development work.	
Achieve a minimum leveraged return on investment from follow-on commissions <u>not in receipt of production awards</u> of £1: £3.20 by March 2021	Performance against this is measured on a three-year lagged basis, in that it can take some time for follow on commissions to materialise. Data sourced from Northern Ireland Screen indicates that over the period 2010-2016, the value of follow on commissions not in receipt of an NISF production award is c£8.5m. This relates to an investment of £5.2m representing a leveraged return of £1:£1.63.	At the interim point, this target has not been achieved. Northern Ireland Screen continue to support companies in receipt of development awards to maximise the prospects for follow on commission e.g. encouraging them to target key markets and events working towards follow on commissions. However, in practice, the achievement of follow on commissions is inherently uncertain, dependent on a range of factors not all of which are within the control of the development award recipient, and therefore difficult to predict/quantify. Consequently, in the view of the evaluation team, whilst it is appropriate to track the number and value of follow-on commissions it is not in the view of the evaluation team appropriate to set a target for this.	Not as yet on track for 2021 target, but measured on a three-year lag basis.
Achieve a minimum leveraged return on investment from follow-on commissions in receipt of production awards of £1: £0.35 by March 2021	Performance against this is measured on a three-year lagged basis, in that it can take some time for follow on commissions to materialise. Data sourced from Northern Ireland Screen monitoring returns indicates that over the period 2010-2016 there was	At the interim point, this target has been achieved. However, as above, in practice the achievement of follow on commissions is inherently uncertain, dependent on a range	Fully on track at interim point

	<p>additional funding leveraged from follow-on commissions in receipt of NISF production awards of £43.9m relating to an investment of £5.2m representing a leveraged return of £1:£8.4.</p>	<p>of factors not all of which are within the control of the development award recipient, and therefore difficult to predict/quantify. Consequently, in the view of the evaluation team, again whilst it is appropriate to track the number and value of follow-on commissions in receipt of production awards it is not in the view of the evaluation team appropriate to set a target for this.</p>	
<p>Generate a minimum of £14.6m in gross GVA by March 2021</p>		<p>In the view of the evaluation team it is not appropriate to have separate economic targets (i.e. gross GVA/ net additional GVA/gross and net job equivalent years) targets for development activity. This is because some of the benefits from supported development activity would already be reflected in the monetary outputs of production support. Many of the companies are supported with both development and production awards and much of the development activity progresses over time into production projects. Furthermore, the extent to which there are additional (monetary) economic impacts from development</p>	<p>Not possible to comment in that there is no economic monitoring data for development awards.</p>

		<p>activity (that does not progress into supported production) would be difficult to measure. This is because the Northern Ireland Screen NISF economic impact monitoring (including NI expenditure and NI employment supported) relates to production grants only. There is no reporting against any of these economic targets in respect of development activity in the quarterly monitoring pro-forma. It is the view of the evaluation team based on the prevailing evidence of what has accrued to date that the additional GVA impact would not be material to the overall economic impact of Northern Ireland Screen support. As such it is view of the evaluation team that the impact of development activity is best accounted for in the monetary (economic) impact analysis as a 'feeder' to NISF supported production activity and importantly within the wider and regional benefits / qualitative impacts as a vital catalyst for the development of innovative and creative scripts/ screen content. Even if the initial development activity does not ever progress into production, it will have contributed to developing creative skill and innovation in</p>	
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		<p>the screen sector. In effect the development activity is the creative 'lifeblood' of the screen industry.</p> <p>Given the above it is recommended that these targets are excluded for the remainder of ODS as part of an overall process of streamlining monitoring for the remainder of the strategy.</p>	
Generate a minimum of £11.8m in net additional GVA by March 2021		As above	Not possible to comment in that there is no economic monitoring data for development awards.
Generate a minimum of 18 gross job equivalent years for NI based residents by March 2021; and		As above	Not possible to comment in that there is no economic monitoring data for development awards.
Generate a minimum of 14 net additional job equivalent years for NI based residents by March 2021.		As above	Not possible to comment in that there is no economic monitoring data for development awards.
Skills Development Activity			
SMART Outcome Objective	Performance at Interim Point	Commentary	
90% of recipients stating that their skills have been enhanced as a result of the skills development activity	As set out in Section 2 recipients of SDF support complete exit / feedback questionnaires on completion of their training. At March 2016, the Q4 Year 2 monitoring pro-forma indicated actual performance of	The SDF activity implemented in ODS to date has, based on the primary research findings for this evaluation, been effective in upskilling those already working	Fully on track at the interim point

	<p>51% against this. However, this related to the fact that there was a large volume of questionnaires not returned at this point, so there was only partial records.</p> <p>A more reliable indicator of performance in this regard could be the results of the SDF survey conducted for this evaluation. As set out in Section 3 previously satisfaction levels with the SDF support were high with 92% of responses being either 'very satisfied' or 'satisfied'.</p>	<p>in the screen industry and in acting as an effective entry mechanism for those seeking to develop a career in the same. Notwithstanding these positive findings it is clear that developing the appropriate scale and skills mix for the screen industry remains a challenge looking ahead, at least in terms of keeping up with the pace of (potential) opportunities. There are some perceived gaps / challenges in some areas in most of the genres supported under ODS – as evident in the industry feedback in Section 8.</p>	
<p>Increase the percentage of direct Northern Ireland residents working on large-scale productions from the current average of 52% to 60% for crew by March 2018</p>	<p>As at March 2016 / the interim point in ODS this figure was 51% - and therefore it is possible that the target of 60% will not be met by March 2018.</p>	<p>The feedback from production companies involved in the large-scale productions during ODS to date (per Section 3 of this report) would indicate that there has been considerable growth in the depth and breadth of cast and crew in NI in recent years. This has facilitated increased deployment of the same on incoming large-scale productions and associated higher levels of NI expenditure than has been possible on previous strategies. It is also evident that Northern Ireland Screen have continued to work with these producers to increase the involvement of NI cast and crew during ODS. That said it is</p>	<p>Not on track at the interim point, but within acceptable limits.</p>

		<p>also clear from the feedback that gaps remain in some areas and challenges remain in terms of productions scheduled at the same time competing for NI cast and crew. It is suggested that some change/ additional focus in skills investment for the remainder of ODS may be needed to help with progress towards this target. Also, it is viewed that better communication / improved scheduling between large scale production projects filming in NI could may help with crew development and shortages.</p>	
<p>Increase the percentage of direct Northern Ireland residents working on large-scale productions from the current average of 22% to 40% for Heads of Department by March 2018.</p>	<p>As at March 2016 / the interim point in ODS this figure was 34%. As such two-years into a 4 year / 2018 target the performance would appear to be above target on a pro-rata basis.</p>	<p>This is a strong performance in securing senior level employment in large scale productions happening in NI during ODS to date. This is indicative of the gains made through successive Northern Ireland Screen strategy periods in developing senior talent within NI and attracting senior talent to return to NI, from screen industry work/ careers elsewhere. It is viewed that the latter has been possible because of the quality and profile of production activity happening in NI i.e. the increasing reputation of NI as a world-class global film-making hub.</p>	<p>Fully on track at the interim point</p>

Increase the percentage of direct Northern Ireland residents working on non-large-scale productions from the current average of c. 68% to 75% for crew by March 2018	As at March 2016 / the interim point in ODS this figure was 76%. The performance at this point is already above the 4 year / 2018 target.	This is as above a very strong performance and indicative of feedback from production companies that the depth and breadth of the cast and crew in NI has improved steadily in recent years, albeit that some gaps and challenges remain looking to the future.	Fully on track at the interim point
Increase the percentage of direct Northern Ireland residents working on non-large-scale productions from the current average of c. 57% to 65% for Heads of Department by March 2018.	As at March 2016 / the interim point in ODS this figure was 63%. The performance at this point is close to the 4 year / 2018 target and therefore would appear to be above target on a pro-rata basis.	As previously noted this strong performance is likely to be indicative of gains made through successive Northern Ireland Screen strategy periods in developing senior talent within NI and attracting senior talent to return to NI, from screen industry work/ careers elsewhere..	Fully on track at the interim point
Marketing			
SMART Outcome Objective	Performance at Interim Point	Commentary	
Increase the profile, regional credibility and viability of the Northern Ireland Screen industry by March 2018.	Northern Ireland Screen has undertaken a significant amount of marketing activity during both strategies to raise the profile and reputation of NI as a suitable destination/location for screen activity. Evidence from survey respondents was positive in relation to Northern Ireland Screen's marketing activity effectiveness in terms of helping to raise the profile of NI production companies at major events and with commissioners for example. Most respondents wanted to see this activity continue and indeed increase to support the industry. Marketing activity/investment has increased and broadened under ODS compared to DGG through for example	On the basis of the adjoining commentary the evaluation team is of the view that marketing activity undertaken is effective and indeed needs to continue to grow as the industry grows to support it.	Fully on track at the interim point

	attendance at new, high profile conferences e.g. the Game Developers Conference in San Francisco (the world's largest and longest-running professionals-only games industry event), the European Film Market in Berlin in 2015. On this basis, the evaluation team is of the view that marketing activity undertaken is effective and indeed needs to continue to grow as the industry grows to support it.		
Overall Activity			
SMART Outcome Objective	Performance at Interim Point	Commentary	
Generate a minimum of £140.4m in gross GVA by March 2021	This appears to be an overall target that combines the 2018 gross GVA target for production activity and the 2021 Gross GVA target for development activity. For the reasons detailed above it is not in the view of the evaluation team appropriate to have separate economic targets (i.e. gross GVA/ net additional GVA/gross and net job equivalent years) targets for development activity.	This overall target should be discontinued. Northern Ireland Screen are on track with the 2018 gross GVA target for production activity as above and this should be only gross GVA target that is relevant for the remainder of ODS. In recommending this it is recognised other areas of investment e.g. development and skills will continue to contribute to / reinforce the economic impacts of the production activity.	Not possible to comment in that there is no economic monitoring data for development awards, which is part of this overall gross GVA target.
Generate a minimum of £113.5m in net additional GVA by March 2021	Again, this appears to be an overall target that combines the 2018 net additional GVA target for production activity and the 2021 net additional GVA target for development activity. For the reasons detailed above it is not in the view of the evaluation team appropriate to have separate economic targets (i.e. gross GVA/ net additional GVA/gross and net job equivalent years) targets for development activity.	This overall target should be discontinued. Northern Ireland Screen are on target with the 2018 net additional GVA target for production activity as above and this should be only be the only net additional GVA target that is relevant for the remainder of ODS. In recommending this it is recognised other areas of investment e.g. development	Not possible to comment in that there is no economic monitoring data for development awards, which is part of this overall gross GVA target.

		and skills will continue to contribute to / reinforce the economic impacts of the production activity	
<p>Generate a minimum return on investment of £2.85 in undiscounted net additional GVA for every £1 in direct NI investment by March 2021.</p> <p><i>(Note: This return on investment corresponds to the Benefit Cost Ratio / BCR findings presented in Section 4)</i></p>	<p>As set out in Section 4 the BCR for the central scenario through the Oxford Economics model in the central scenario is £ 1 Cost: £2.5 benefit at the Interim Point in the delivery of ODS.</p> <p>It is important to note that the numerator in the above BCR is based on the (quantifiable) economic impacts of the NISF production grants only, not an overall net additional GVA figure. This is because it is view of the evaluation team that it is not appropriate or feasible to have net additional GVA targets for development activity added to net additional GVA targets for production activity to form overall target for the reasons set out above. In addition the cost denominator is as per the analysis set out in Section 4 and as agreed with the Steering Group. Looking ahead measurement of performance against this target should be reframed on this basis, so that the 2021 targeted benefits are appropriately scaled and not at potential risk of being over-stated.</p> <p>At the interim point in ODS the performance is 87% of what the return on investment / BCR is targeted to be by 2021, which is a very strong performance (in the context of the observations above)</p>	<p>This strong performance is particularly influenced by the success that Northern Ireland Screen has had in (1) attracting increasing production activity to NI and stimulating increased indigenous production activity; (2) creating the capacity for increasing levels of NI expenditure on these productions; and (3) by virtue of the fact that the additionality levels are high/ deadweight levels are low. That is limited screen sector activity would be happening in NI without the NISF/ activities of Northern Ireland Screen. The level of additionality being achieved is significantly higher than is the case on other sectoral development programmes included in the benchmarking analysis in Section 3. All of these in combination have served to proportionately increase the numerator (i.e. scale of benefits) in the BCR.</p>	<p>Substantially on track at the interim point</p> <p><i>(whilst noting the comments about the way this should be measured in future)</i></p>

Conclusions

- 5.5 In respect of DGG it is the view of the evaluation team that the primary objectives and targets have been largely met/ exceeded. For instance, targets in relation to NI expenditure associated with production grants and targets in relation to employment supported have been exceeded by some margin. The targets in respect of increasing the percentage of NI residents working on productions and targets for funding leveraged from sources external to NI on initial development activity funded by the NISF have been fully met. In terms of the stipulated ratios by genre for NI expenditure, it is the view of the evaluation team that Northern Ireland Screen have made good progress towards these targets when looking across the portfolio of genres and, in particular, meeting or exceeding these where the bulk of activity/ expenditure has happened. Across all the genres there is evidence of some being exceeded, some falling short and variation year-on-year within this depending on the timing and nature of productions taking place each year. As evident in the primary research findings these stipulated ratios by genre are viewed to be challenging and in recent years at the limit of what is possible/ feasible in the prevailing context.
- 5.6 In relation to achievement of the gross GVA target, this has been substantially met at 95% of the targeted figure. This is also the case for targeted gross GVA input/ output ratio for production activity which is 88% of the targeted figure in years 1-3 and 76% of the targeted figure in Year 4. For reasons set out in Section 4 the evaluation team is of the view that there is a potential risk that these economic targets are overstated, meaning that the performance against the same is very strong indeed. Finally, it is not possible to comment on the targeted gross GVA input/ output ratio for development activity in that there is no economic monitoring data captured for development awards.
- 5.7 In respect of ODS, it is the view of the evaluation team that Northern Ireland Screen appear to be on track to meet/ exceed most of the primary objectives and targets in the four-year LoO dated April 2014 (which correspond to Option 4a in the Economic Appraisal). Specifically, in respect of the stipulated ratios by genre for NI expenditure they are on track in four of the six genres and in the other two they are close / there is a slight shortfall. With respect to the economic impact targets (gross and net additional GVA) they were over 50% towards the 4 year/ 2018 targets at the interim point, based on the Oxford Economics model and related assumptions, which is a very strong performance in that it is the view of the evaluation team that there is a potential risk that some of these economic targets set for ODS are overstated. In terms of employment supported at the interim point again they were just over 50% of the targeted volume of employment supported on NISF productions.
- 5.8 In respect of development awards at the interim point, Northern Ireland Screen had exceeded the target for external leveraged investment for initial development activity and were on track with one out of two targets in relation to follow on commissions (those in receipt of production awards), which in practice are measured on a three-year lag basis and can take some time to materialise. With respect to targets on skills programmes at the interim point they were on track to meet / exceed targets in terms of beneficiaries reporting enhanced skills/ satisfaction with SDF, and in all areas but one they were on track in terms of the percentage of NI residents (generally and in terms of HOD roles) employed on NI productions.
- 5.9 At the interim point in ODS, the performance in terms of return on investment / BCR is 87% of what is targeted to be by 2021, which is a very strong performance (in the context of the view of the evaluation team that measurement of performance against this target should be reframed as discussed in Section 4, so that 2021 targeted benefits are appropriately scaled and not at potential risk of being over-stated.)
- 5.10 Finally, there are a range of economic KPIs and corresponding targets relating to development activity (i.e. gross GVA/ net additional GVA/gross and net job equivalent years). It is not possible to comment on performance against these in that there is no economic monitoring data captured for development activity. Similarly there are KPIs and targets that combine these measures for development activity with the same for production activity i.e. into overall targets.

In the absence of economic monitoring data captured for development activity it is not possible to comment on these overall targets either. It is the view of the evaluation team for the reasons cited in Table 5.3 that it is not appropriate to have these separate economic targets for development activity looking forward, particularly when there is already comprehensive quantified financial information captured on these awards already.

Areas for Recommendation Emerging from This Section

Reflecting on the findings of this section one key area for recommendation is emerging. This relates to the need cited in Table 5.1 and Tables 5.2 to reduce / simplify a number of the KPIs in place for the remainder of ODS. This is developed further in terms of detail in Section 9/ Table 9.2 in terms of overall recommendations from the evaluation.

6 Financial Performance and Governance

Introduction

- 6.1 This section sets out the financial performance of the interventions under the DGG and ODS strategies respectively. It compares the approved budget position of each strategy, by genre, to the actual expenditure incurred. Details of the budgets and actual expenditure incurred was provided to us by Invest NI.

DGG Financial Performance (2010-2014)

- 6.2 The original Economic Appraisal of DGG confirmed that the “Preferred Option” (Option 3C) required a budget of £27.3m to implement and deliver the objectives of the strategy. However, because of budget constraints at the time, Invest NI approved the “affordable option” (which was a combination of Option 4d and 2a in the Economic Appraisal) which had an associated budget of £20.3m as follows:

Table 6.1 DGG Financial Performance by Genre – Per Original Economic Appraisal

Category	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	Total £'000
Large Scale Film or TV Production	1,330	1,330	1,330	1,330	5,320
Other Film or TV Drama	650	1,100	1,100	1,100	3,950
Non Drama TV	-	600	600	600	1,800
Digital Content Development and Production	80	400	400	400	1,280
Large Scale Digital Inward Investment Project	-	-	-	-	-
Talent Opportunity Focused Production	200	200	200	200	800
Film & Television Development	380	400	400	400	1,580
Marketing Activity	180	230	230	230	870
Skills	160	200	200	200	760
Paint Hall Rent, Repairs and Maintenance ⁵⁷	370	370	370	400	1,510
Overheads	600	604	607	611	2,422
Total	3,950	5,434	5,437	5,471	20,292

Source: Invest NI

⁵⁷ Paint Hall repairs and maintenance were budgeted at £100k per annum with the balance budgeted against rental costs.

6.3 The final budget allocation for DGG was further reduced from £20.3m to £18.7m as a result of £1.6m being allocated against the previous strategy “Building on Success”⁵⁸.

6.4 In February 2013, Invest NI sought approval to increase the approved budget from £20.3m to £27.3m in order to ensure that Northern Ireland Screen could meet the programme and operating activities for the period Apr 2013-Mar 2014. To support this request, Invest NI appointed Cogent to undertake a high-level review of the activity being proposed by Northern Ireland Screen. This review was positive and the uplift of £7m was approved and the project deliverables were updated. The actual expenditure totals for DGG were as follows:

Table 6.2 DGG Financial Performance by Genre – Actual Outturn

DGG LoO	“Screen Fund” Product-ion	“Screen Fund” Develop-ment	Market-ing	MAFF	Skills	INFRA	Admin	DGG Actual Drawdown
Year	£’000s	£’000s	£’000s	£’000s	£’000s	£’000s	£’000s	£’000s
2010/11	2,591	473	160	20	160	100	600	4,104
2011/12	5,116	616	165	15	160		604	6,676
2012/13	5,948	884	220		200		648	7,900
2013/14	5,310	550	279		250		611	7,000
	18,965	2,523	824	35	770	100	2,463	25,680

Source: Invest NI

6.5 As illustrated above, the actual expenditure associated with the four years of DGG was £25.7m which was within the approved budget figure of £27.3m⁵⁹.

ODS Financial Performance (2014-2016)

6.6 The annual forecast and actual expenditure for ODS to date (year ended March 2016) are as set out overleaf:

⁵⁸ This takes account of Series 1 of Game of Thrones being approved under the previous strategy and the benefits being included in the final evaluation of “Building on Success” and therefore excluded from the interim evaluation of DGG.

⁵⁹ For clarity, if the £1.6m for Game of Thrones is added back then the full £27.3 budget was drawn down. However, the benefits of the Game of Thrones funding were including in the Building on Success and therefore not attributed to DGG.

Table 6.3 - ODS Main Programme Areas Budget (2014 – 18) and Actuals (2014-2016)

	Year 1 Budget £'000s	Year 1 Actual £'000s	Year 2 Budget £'000s	Year 2 Actual £'000s	Year 3 Budget £'000s	Year 4 Budget £'000s	Total Budget £'000s
Award Costs							
Production							
Large scale production	3,250	3,060	3,250	2,980	3,250	3,050	12,800
Animation	1,125	677	1,125	1,644	1,125	1,125	4,500
TV Drama	1,600	1,737	1,600	1,843	1,600	1,600	6,400
Factual/ Ent. TV	200	682	200	248	200	200	800
Independent Film	1,200	1,073	1,200	1,042	1,200	1,200	4,800
Gaming, Mobile	500	619	500	194	500	500	2,000
Recoupment (reinvested)	226	92	226	371	226	220	898
Subtotal	8,101	7,940	8,101	8,322	8,101	7,895	32,198
Development Activity							
Animation	250	180	250	235	250	250	1,000
TV Drama	200	135	200	20	200	200	800
Factual/ Ent. TV	200	436	200	509	200	200	800
Independent Film	200	30	200	43	200	200	800
Gaming, Mobile	400	346	400	288	400	400	1,600
Subtotal	1,250	1,127	1,250	1,095	1,250	1,250	5,000
Skills	440	440	445	445	560	505	1,950
Marketing activity	400	400	500	400	400	500	1,800
Production legal costs	80	80	80	145	80	80	320
Overheads	602	665	603	665	615	626	2,446
Subtotal	1,522	1,585	1,628	1,655	1,655	1,711	6,516
Total Funding (excluding recoupment)	10,647	10,560	10,753	10,701	10,780	10,636	42,816

Source: Invest NI

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- 6.7 As illustrated above, the overall approved budget for the first two years of ODS combined was £21.3m and actual expenditure over the same period was £21.4m. Projected expenditure for years 3 and 4 of the strategy (2017-2018) is £21.4m.
- 6.8 It should be noted that a detailed vouching and reconciliation exercise is taken between Northern Ireland Screen, Invest NI claims department and Invest NI client management on a monthly and quarterly basis. Based on these exercises, Invest NI has confirmed that it is content that all funds provided to Northern Ireland Screen are subsequently paid to the appropriate project and company.

Leverage, Value of Follow-On Commissions and Recoupment

- 6.9 There has been significant leverage of funding external to NI associated with initial development activity supported through NISF. As noted in Section 2, £1.4m of funding external to NI was leveraged associated with development activity under DGG and £1.7m for the two years of ODS to date i.e. the overall level of funding leveraged external to NI associated with development activity has increased significantly between DGG and ODS (bearing in mind DGG covers a four-year period and ODS a two-year period to date).
- 6.10 In terms of follow-on commissions from development activity funded from outside of the NISF (production support) data sourced from Northern Ireland Screen indicates that over the period 2010-2016, the value of follow on commissions not in receipt of an NISF production award is c£8.5m. This relates to an investment of £5.2m representing a leveraged return of £1:£1.63.
- 6.11 Another important area of financial performance has been the achievement of recoupment which was previously analysed in some detail in Section 2. Production and development support provided through the NISF is delivered in the form of a recoupable loan, with the loan being repaid by the company to Northern Ireland Screen under differing circumstances dependent of the activity taken forward i.e. whether it is for production or development work. Approximately £700k was recouped from production and development activity supported under the four years of DGG and £387k for the two years of ODS to date i.e. just over £1m over six years. Although modest compared to the overall investment in production and development activity, this represents a positive benefit in terms of funding that can be reinvested in the screen industry in NI.

Governance and Oversight Arrangements

- 6.12 This sub-section relates to the effectiveness of the governance and oversight arrangements for Northern Ireland Screen which is based on a review of available information including for example Board Minutes, management accounts, monitoring reports and the KPMG audit report⁶⁰ referenced below.
- 6.13 The oversight and governance arrangements for Northern Ireland Screen are detailed in the "Management Statement and Financial Memorandum" (MSFM) between DCAL (the then sponsor Department), Invest NI and Northern Ireland Screen in 2009. Invest NI has a dedicated Client team which manages Invest NI's interaction with Northern Ireland Screen and there are multiple layers of engagement with Invest NI's CEO, Executive Director and Director. Northern Ireland Screen also proactively engages and works in partnership with other statutory agencies in furthering the impact of the screen industry – such as with Tourism NI for example in relation to the development of the screen tourism market.
- 6.14 Invest NI's Client Manager is responsible for ensuring that the systems and structures in place allow the funding to be administered and utilised in an effective and efficient manner that delivers the optimal level of Value for Money. In practice, the Client Manager is responsible for monitoring the overall delivery and progress of the Invest NI intervention (for both strategy

⁶⁰ Dated August 2015

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- periods), agreeing amendments to targets, policy/strategy and budgets, seeking appropriate approval for any amendments in accordance with agreed delegation limits.
- 6.15 The evaluation team notes that a Systems Audit of Invest NI's Funding to Northern Ireland Screen was carried out in 2015 by DETI's Internal Audit team. The Auditor concluded that there is a SATISFACTORY system of governance, risk management and control in relation to the funding to Northern Ireland Screen by Invest NI.
- 6.16 In addition, the evaluation team notes that in August 2015, KPMG completed a "Sponsor Control Review" in respect of Northern Ireland Screen which confirmed that Invest NI's management of its interaction with Northern Ireland Screen was deemed to be ROBUST.
- 6.17 Northern Ireland Screen are responsible for publishing Guidelines for project selection under the Screen Fund which are agreed in advance with Invest NI. These guidelines provide details of how companies can apply for funding and the criteria for funding. The guidelines are updated and reviewed regularly and published on Northern Ireland Screen's website.
- 6.18 As noted previously, a detailed vouching and reconciliation exercise is undertaken between Northern Ireland Screen, Invest NI payments department and Invest NI client management on a monthly and quarterly basis. Based on these exercises, Invest NI has confirmed that it is content that all funds provided to Northern Ireland Screen are subsequently paid to the appropriate project and company.
- 6.19 In addition, each production company is required to enter into a tripartite agreement between Northern Ireland Screen and their registered auditor to provide a report to verify the Northern Ireland Spend element of production costs and to agree the level of work carried out to verify this spend.
- 6.20 For the avoidance of doubt, in all cases, direct Northern Ireland spend is all expenditure on Northern Ireland resident cast and crew and companies with a substantive base in Northern Ireland (long term premises, Northern Ireland resident permanent staff and equipment in Northern Ireland). 'Resident' means primary residence for tax purposes. As a minimum, audited reports comprise the following:
- Tripartite engagement letter. This is between independent auditors, the production company and Northern Ireland Screen referenced above;
 - Economic Impact report;
 - Northern Ireland spend cost report.
- 6.21 In summary, the main tasks carried out by the auditor include:
- Test checking a sample of expenditure incurred to invoices or other supporting documentation and evidence of payment date. The sample should be no less than 50% Northern Ireland expenditure.
 - Reviewing expenditure to confirm that it appears eligible and in accordance with the terms of the award offer letter.
 - Testing of the arithmetical accuracy of the Statement of Expenditure and agreeing the Statement of Expenditure back to appropriate supporting schedules. Agreement of all reports with the Northern Ireland Screen Economic Impact report and test the arithmetical accuracy of this report.
 - Any other work the auditor considers to be necessary.
- 6.22 In summary, on the basis of the above evidence, the evaluation team are of the view that the oversight, funding and governance arrangements established by Invest NI and the Department for the Communities (formerly DCAL) for Northern Ireland Screen are satisfactory. Based on a review of the Board minutes, it is evident that the Board is proactive in overseeing the management of Northern Ireland Screen and considers regular reports from management. There is also evidence of proactive engagement between Northern Ireland Screen and external stakeholders across the public, private and voluntary sectors.

Review of Progress Against DGG Interim Evaluation Recommendations

- 6.23 Table 6.4 overleaf summarises progress against the recommendations contained in the Interim Evaluation of DGG in 2012.

Table 6.4 – Review of Progress Against DGG Interim Evaluation Recommendations

DGG Interim Evaluation recommendation	Progress Update (based on Invest NI Action Plan) and supporting evidence sourced by the evaluation team(where available)
<p>1. Given the positive economic impact made by the activity supported by Northern Ireland Screen to date, Invest NI should continue to offer support to Northern Ireland Screen, to enable it to:</p> <ul style="list-style-type: none"> • Support screen-related development and production activity in NI; • Develop the skills of the Northern Ireland Screen industry; and • Facilitate the promotion of Northern Ireland Screen product. 	<p>Completed. Ministerial approval for the funding of DGG and ODS was secured as evidenced by approval paperwork e.g. economic appraisal and related approval documentation.</p>
<p>2. Given the requirement for additional funding to be made available to Northern Ireland Screen for Year 4 of the Strategy, Invest NI should seek all relevant funding approvals.</p>	<p>Completed. All relevant SECC/Invest NI Board, DfE, DoF and Ministerial approvals were secured for year 4 of the strategy as evidenced by the approval papers reviewed by the evaluation team.</p>
<p>3. Invest NI should undertake a fundamental review of the targets established within the monitoring and evaluation framework that has been established for the Driving Global Growth Strategy to determine their applicability and reasonableness. As part of this review, cognisance should be taken of:</p> <ul style="list-style-type: none"> • The economic impact outcomes that have been derived to date from the economic impact model developed by the Evaluation Team in conjunction with DETI economists; • Developing targets that are Specific, Measurable, Achievable, Realistic and Time-bound (SMART). In relation to economic impact, clarity should be provided as to whether the target relates to NI direct spend, gross and/or net additional GVA (taking account of all deadweight and displacement considerations, as well as excluding the Northern Ireland Screen support (i.e. the input) from the economic output); • The fact that Series 1 of Games of Thrones was not, as originally anticipated, supported through the Driving Global Growth Strategy; • The lag time/gestation period between initial development activity and derivation of any subsequent commissions. <p>These factors should also be taken into consideration as part of any future target setting methodology.</p>	<p>Completed. Each of these measures have been considered under the ODS Strategy and implemented for the ODS Strategy period (2014-2018). Development activity has also been monitored in relation to recoupment under the ODS Strategy. The evaluation team has reviewed the outcome of all of this activity in the form of the revised KPIs and targets for the remainder of DGG and ODS to date.</p>
<p>4. Linked to the previous recommendation, in the event that there is any fundamental change to the targets established, Invest NI should ensure to update its monitoring and Evaluation framework and encourage Northern Ireland Screen to undertake appropriate monitoring in relation to this.</p>	<p>Completed: The format of the annual monitoring returns in broad terms reflects the KPIs and related targets for DGG. However, there are some minor inconsistencies (and within the limits approved by Invest NI casework) in the latter half of DGG between KPI definitions and related targets identified by the evaluation team. These relate to differences between key documentation such</p>

	as Invest NI casework papers, annual LoOs and the annual monitoring pro formas
5. Given the reported time lag (of up to c. 3-4 years) between companies undertaking the development activity and the achievement of any follow-on commissions, the Evaluation Team recommends that the levels of recoupment associated with the development awards is monitored up to 4 years following the final development award.	Completed. Development activity and recoupment is monitored under ODS to take account of the time lag between development activity and actual production activity leading to possible recoupment. This was evident from review of monitoring pro formas and related data linked to the same.
6. By way of measuring the economic impact associated with additional commissions resulting from development work, Northern Ireland Screen should be encouraged to record the levels of NI-based expenditure and NI-based jobs being derived from each follow-on commission. As far as possible, Northern Ireland Screen should encourage production companies to disaggregate the NI-based expenditure into the three broad categories of cast, crew and trainees (i.e. on wages); Hotels and locations; and Facilities and transport.	Partially Completed. It was evident to the evaluation team that the value of follow on commissions resulting from development work is captured but it was not evident that the economic activity that the follow on activity creates or the jobs derived from each follow on commission or the disaggregation of activity by the three broad cost categories is captured. It should also be noted that in relative terms this activity is very small.
7. By way of assisting all future Evaluations, Invest NI should ensure that the economic impact model, and all associated assumptions underpinning this, is made available to the Evaluator.	Completed. The DGG Interim Evaluation model was provided to the evaluation team.
8. Whilst acknowledging that Northern Ireland Screen reporting requirements have been subject to considerable review over the past five years, every effort should be made to ensure that the reporting requirements placed on support beneficiaries are kept to a minimum.	Completed. Northern Ireland Screen have streamlined the assessment and monitoring procedures. It was evident to the evaluation team during interviews with beneficiaries that while one or two beneficiaries would like application processes streamlined further, in the round beneficiaries were content with the assessment and monitoring processes and felt that Northern Ireland Screen were very helpful in relation to providing support with monitoring and assessment processes.
9. In light of the feedback from recipients of support, Northern Ireland Screen should be encouraged to review the marketing of its skills development support amongst potential beneficiaries to ensure that appropriate levels of awareness are being raised amongst the Northern Ireland Screen industry.	Completed. As an example, Northern Ireland Screen has widely advertised its recent call for the Aim High programme. This was evident to the evaluation team through review of the Northern Ireland Screen website which is used to successfully advertise and market skills development programmes.

Overall Conclusions

- 6.24 In conclusion, as illustrated above under DGG, the original EA estimates of cost were revised following an approved addendum to the EA for DGG and this resulted in an approved budget, for the entirety of DGG, of £27.3m. Actual expenditure for the entirety of DGG was within budget at £25.7m⁶¹.
- 6.25 Under the first two years of ODS to date (March 2016) the overall approved budget for the first two years of ODS combined was £21.3m and actual expenditure over the same period was £21.4m. Projected expenditure for years 3 and 4 of the strategy (2017-2018) is £21.4m.
- 6.26 Additionally, under DGG and ODS there has been a positive return on investment (in the form of leverage of additional funding) associated with development activity and associated follow on commissions.
- 6.27 Finally, based on the above evidence and evidence gathered during the evaluation, the evaluation team concludes that there are satisfactory governance and oversight arrangements in place and the recommendations of the Interim Evaluation of DGG have been implemented.

⁶¹ For clarity, if the £1.6m for Game of Thrones is added back then the full £27.3 budget was drawn down. However, the benefits of the Game of Thrones funding were including in the Building on Success and therefore not attributed to DGG.

7 Benchmarking

Introduction

- 7.1 This section sets out the benchmarking research of the evaluation team and is designed to set the performance and impact of Northern Ireland Screen and the two strategies in a wider context. Recent evaluations and appraisals of Northern Ireland Screen support have focused mainly on UK regions (e.g. Creative Scotland; Film Agency for Wales and Screen Yorkshire) and Ireland (Irish Film Board).
- 7.2 The evaluation team consulted with Northern Ireland Screen in order to identify suitable benchmarks (over and above those already considered in previous evaluations and appraisals). The focus of the discussion around suitable benchmark regions was the identification of regions with a similar, innovative approach to development of the screen industry as Northern Ireland Screen and Australia/ New Zealand were recommended in this regard. In doing this it is recognised that the scale of activity and interventions was not comparable to NI but that specific aspects of the interventions/ incentives might well be of interest in the context of the forward vision and ambition for the screen sector in NI. Another criterion for selection discussed was that of identifying a European region with a similar population and size of economy to Northern Ireland with a track record in developing the screen industry. In this regard, Estonia was identified as a suitable European benchmark region.

Overview of Key Findings/ Observations

- 7.3 There are many similarities between the support interventions delivered by Northern Ireland Screen and those available in Australia, New Zealand and Estonia. Australia and New Zealand screen industries are well established with a diverse range of support and significant public investment, in the form of both grant support and tax incentives, in the screen industry. Some of the key observations the evaluation team would make based on each of the benchmarks are set out below. Further details on individual benchmark areas are contained in Appendix C.

Australia:

- Although it is difficult to quantify the combined effect of grant and tax incentives in different jurisdictions, the Producer Tax offset Scheme offers a rebate at 40% of eligible expenditure for large scale feature films which is in excess of the UK Film Tax Credit relief of 25% of qualifying expenditure.
- One of Screen Australia's interesting support offerings is Enterprise Industry which supports screen businesses to develop. One of the points of feedback from NISF recipients was the need for additional business development support e.g. development of business plans suitable for new/ early stage screen industry companies. There may be an opportunity to consider this kind of support going forward linking in with Invest NI and other bodies providing similar support.
- The amount of financial leverage generated per \$AUS invested is on a broadly similar ratio to Northern Ireland Screen - apart from TV drama which is much higher in the case of Screen Australia (reflecting the success of major, global Australian TV drama brands such as Neighbours, Home and Away etc).
- In relation to the levels of support for skills/ placements Screen Australia provides funding of up to \$40,000 for an international placement and up to \$20,000 for a domestic attachment to a specific project or for an industry placement which is much less under the NI Skills Fund (maximum of £2,000).

Estonia:

- The Film Estonia Incentive Scheme- was established in 2016 and is therefore relatively new. It pays a slightly higher percentage of eligible costs (30%) than the UK Film or TV tax credit incentive schemes. In 2017, €1m was allocated to the scheme – so the scheme is less well established than the UK tax credit schemes;
- The levels of overall public investment in the Estonian screen industry has almost doubled between 2013 (€6m) and 2017 (€12m) reflecting the growth and perceived importance of the screen industry to the Estonian economy to the Estonian Government. The overall levels of annual public investment are, broadly, similar to NI.

New Zealand:

- In April 2014, the New Zealand Government introduced the New Zealand Screen Production Grant (NZSPG) and so this grant is relatively new. However, a Government review of the NZSPG has highlighted a range of important benefits derived from it already.
- One of the important factors in the success of the NZSPG to date has been the inclusion of an extra 5% rebate on eligible expenditure where productions can demonstrate significant economic benefits (based on specified criteria such as marketing, promoting and showcasing New Zealand; placement of New Zealand in the screen production; and/or a New Zealand performer to play a New Zealand character in a significant and prominent role (lead or supporting); Investment in New Zealand infrastructure (both physical and business capability) e.g. physical infrastructure which the applicant is able to facilitate being developed and left in New Zealand to be available to further productions; - merchandising or ancillary business opportunities for New Zealand companies; Investment in innovation, technology or knowledge transfer e.g. use of innovative production technologies not already found in New Zealand; - transfer of know-how to New Zealand personnel; entering into commercial partnerships to develop new technologies or methods; - research and development initiatives.)
- The 2015 New Zealand Government review of NZSPG identified the extra 5% rebate as having a positive impact on, for example, encouraging an increase in the inclusion of on-screen New Zealand content, such as lead characters and settings, as well as a confirmed commitment to the use of New Zealand creatives in the production process. There may be merit in considering the inclusion of similar incentives for productions seeking Northern Ireland Screen support where these can demonstrate significant wider economic benefits such as those referenced above and potentially working alongside relevant partner agencies e.g. Tourism NI in relation to screen tourism/ showcasing NI related potential incentives.

Conclusion

- 7.4 In conclusion, each of the aspects of Northern Ireland Screen's support are, in terms of eligibility criteria and nature of support, broadly similar to those provided by other screen agencies referenced above. However, there are a number of different approaches within individual support interventions in other jurisdictions that may be worthy of consideration/ learning from with a view to enhancing the competitiveness of NI as a location for production activity and the impact of support to the screen sector in areas such as screen tourism development. This is summarised below.

Areas for Recommendations Emerging from This Section

Reflecting on the findings of this section a key recommendation is that consideration could be given to facilitating an additional premium within the NISF production awards for projects that will facilitate other wider and regional benefits for 'NI Plc'. The New Zealand Screen Production Grant (NZSPG) is a good practice reference point in this regard.

The most obvious area where this could be piloted in NI is to facilitate the showcasing of NI locations in support of Northern Ireland Screen tourism policy objectives, building for instance on the success of the Game of Thrones series as referenced previously in this report. Discussions with Tourism NI would indicate support for exploring this sort of initiative as part of aligning policy interests in respect of screen tourism objectives between themselves, Northern Ireland Screen, Invest NI and DfE.

This premium is an additional rebate delivered through the tax incentive in New Zealand and would have to be factored into the NISF Screen Award in NI (given that tax incentives are set at a UK level).

Further detail in relation to this recommendation is set out in Section 9/ Table 9.2.

8 Screen Industry Views on Future Needs (by Genre)

Introduction

- 8.1 In completing the survey with companies in receipt of NISF awards, respondents were asked to comment on future trends/ issues and related support needs for their genre (as relevant to undertaking development and production activity in NI in future).
- 8.2 In addition, Northern Ireland Screen facilitated workshops with the industry split by genre to inform their forward strategy (post ODS). Northern Ireland Screen shared draft feedback/ points raised from these workshops with the evaluation team in confidence. What is included in this section of the report combines views expressed via survey responses in this regard where they align with input to Northern Ireland Screen facilitated workshops.
- 8.3 Furthermore, it is important to note that the evaluation team have not validated or tested any of the ideas for feasibility or affordability. They are primarily shared within this section of the evaluation report to help stimulate debate about directions of a future Northern Ireland Screen strategy and related Government intervention to facilitate the same – which in turn is relevant to some of the forward recommendations in Section 9.

Large Scale Production

- 8.4 Some of the main recurring points raised by mainly external production companies in this area are as follows:-
- A focused US sales campaign is needed that could include an Northern Ireland Screen presence /sales representative in Los Angeles, hosting of incoming delegations and familiarisation (FAM) tours;
 - Messaging for the above should be focused on new Harbour studios, ability to combine NISF and UK Tax Credit, locations (flexibility/ Belfast as a proxy for other regional cities, and high quality) and ease of logistics of production in NI;
 - However, whilst all of the above are important reinforcing factors, in the decision to locate (mobile) production activity in NI, fundamentally the continued competitiveness/ attractiveness of the NISF is the paramount consideration. In this regard the level of investment on offer to potential projects must be there at the same scale and secondly there should be no further increase in the required ratios / multipliers for NI expenditure;
 - Both of the above are critical in terms of the NISF remaining competitive to continue to attract large scale production activity to NI and capitalise on the evident interest from external production companies who have already undertaken production activity in NI to return for repeat productions and to spread the word / attract new companies;
 - The NISF should be structured to incentivise use of trainees on large scale productions. A good practice benchmark cited in this regard was production funding via the screen agency in South Africa (the National Film and Video Foundation) where applications for production grants are required to include details of 'training and empowerment components' in the three phases of production: pre-production, production and post-production to qualify for production assistance (i.e. no trainees – no funding);

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- Incentives or premiums within NISF for productions with potential for wider and regional benefits/ impact i.e. early consideration and inclusion of incentives/premiums within production funding agreements for productions that contribute 'wider economic benefits' to NI e.g. marketing, promoting and showcasing 'NI Plc', placement of NI in the screen production, knowledge transfer potential to NI personnel etc.

Animation

8.5 Some of the main recurring points raised by production companies in the animation genre are as follows:-

- Securing service work is a key area of potential growth and development for the cluster of animation companies in NI. The nature of animation work (i.e. it does not require production 'on location') means that production activity can be undertaken remote from the buyers / service providers. The primary research with animation companies in the NISF survey evidences some activity in this area with the US and Canada and the value of it in helping to build critical mass of activity, continuity of employment, and enhanced skills in the genre.
- Allied to the above a Northern Ireland Screen facilitated trade mission for NI animation companies to meet with a range of US broadcasters would be useful.
- The increasing presence of NI animation interests at Cartoon Forum, Children's Media Conference in Sheffield and MIP/ Kidscreen has been valuable and should be built upon in future.
- Building more collaborative links with the Republic of Ireland. The NI animation companies already work well together as a collaborative group and there should be potential to more formally align with Animation Ireland which represents the same interests / companies in the Republic of Ireland. The primary research with animation companies via the NISF survey within this evaluation highlighted the perceived difficulty of competing with the Republic of Ireland which is viewed to have a very strong animation genre. Equally it highlighted the real value of NI-Republic of Ireland collaborations/ co-productions.
- There is a mismatch between NI third level courses and industry need (3D animation when the industry need is 2D animation). It is understood that third level institutions in Ireland offer 2D animation courses which may encourage NI firms to recruit from this source rather than NI graduates. Skill gaps remain in the genre at junior and at director level.
- More focus on storytelling skills is needed in the third level institutions over and above the technical animation skills looking forward – to help generate the creative ideas / scripts in the first instance.
- There is a need for some flexibility in NI expenditure to grant ratios, which have successively increased and which make it difficult to close out finance. The main point raised was whether there were other ways that companies could add to their qualifying NI expenditure credit e.g. through creating an Assistant Director role that could foster training opportunities/ new talent if the requisite experienced NI animators cannot be secured/ found.

TV Drama (including Children's Drama)

8.6 Some of the main recurring points raised by production companies in the TV drama genre are as follows:-

- Greater support is needed post development award in terms of engaging with / building visibility with commissioners.

- A more proactive strategy is needed to address crew and skills shortages⁶² which exist in many areas (and to help facilitate career progression).
- Better communication between projects filming in NI and improved co-ordination of scheduling could assist with addressing crew shortages and help individuals to step up into new roles (i.e. build career progression).
- A shadow producer scheme and shadow director scheme (children's drama) could be considered within the SDF in future to help address skill shortages.
- NI expenditure ratios are challenging and can be hard to meet. Consideration could be given to structuring NISF support to offer a higher level of funding for productions that can deliver 3-4 ⁶³key roles for NI residents.
- There is perceived to be some gaps in access to affordable studio/ infrastructure for TV drama. It is likely that the Harbour Studios will be too expensive for TV drama budgets and the genre mainly has access to warehouses otherwise.
- There is a need to promote flexibility / diversity of locations – how NI can proxy for other regions/ cities. A case in point being the British police procedural television series Line of Duty where Belfast has been a proxy location for a UK regional city/ Birmingham. A locations reel that promotes this flexibility/ proxy potential would be valuable.
- There are remaining gaps in the supporting services for this genre, including access to NI lighting companies, greater choice of post-production houses and in the context of period drama access to props and costume support. In terms of the latter it is viewed that local artisans / craft sector could be more informed of the gaps that exist and opportunities that they could perhaps service.
- In terms of ambition a goal for the genre would be a NI written and produced soap/continuing drama, which could also be an effective training and development environment.

Factual/ Entertainment

8.7 Some of the main recurring points raised by production companies in the factual/ entertainment genre are as follows:-

- The market in this genre is changing – there is more emphasis on short documentaries (docs) and documentary series.
- A future strategy could help facilitate documentary shorts as a mechanism to bring in new talent.
- There is a skills deficit in the genre in relation to researchers with network standards/ experience.
- Consideration could be given to a higher-level Aim High to create producers and directors in the genre.
- Mechanisms to encourage companies to share/ loan out team members to build skills (e.g. pool of editors?) in the genre, as a whole, should be considered.
- Sustained/ increased lobbying of broadcasters is needed to uphold their obligations across all nations and regions.
- In terms of building market presence an Northern Ireland Screen facilitated delegation to US to meet Amazon, Netflix, Hulu, Youtube Red could be of great value.

⁶² It is viewed that there are crew shortages in many areas - including: script supervisors; ADs (1st – 3rd); production accountants; stunts; technical drawers; line producers; post (editors and supervisors).

⁶³ E.g. Out of the following director, Director of Production, composer, editor, production designer, sound recordist

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- In terms of ambition for the genre a key goal is achieving a project of scale (anchor project or rotating /returning series year in/ year out).

Independent Film

8.8 The main recurring points raised by production companies in the independent film genre are as follows:-

- The NISF provides support for 'hard to make' films not easily picked up elsewhere which is very valuable.
- There could be a 'ring fenced' fund within NISF for indigenous films with lower ratio requirements.
- A future strategy should have a target for 'X' indigenous films per annum
- Consideration could be given to negotiating a GAP facility for NI productions.
- In terms of marketing the focus should be to create closer links with five key festivals and British Council.
- In terms of building indigenous capacity/ skill development, there should be a requirement for incoming productions to use local producers (cited to be mandatory in the Republic of Ireland) to address ongoing shortages in this area.
- Other suggestions in the skill arena included an extended course for producers on moving from shorts to features (reflecting the journey that some producers in this genre have successively achieved with repeat / continuing support from Northern Ireland Screen across the various strategy periods in recent times).
- Greater levels of post-production and marketing support should be considered for international screenings.

Interactive (Gaming, Mobile, E-learning and Web content)

8.9 The main recurring points raised by production companies in the interactive genre are as follows:-

- Some of those interviewed in the NISF survey expressed a sense of 'cottage industry' trying to sell global.
- It was highlighted that a bespoke approach is needed for games, in effect the market opportunity is viewed to be there but the funding mechanisms available to it in NI are not keeping pace with this opportunity. It is viewed that the market is not yet there for equity investment in this genre and until that point different funding mechanisms/ approaches (over and above the NISF) are needed.
- Aspects of the NISF support are not optimal for this genre. Firstly, support for marketing/ release / publishing post content creation which is viewed to be a gap in the current offer. Shared resources in this regard including access to investor readiness support would be useful. In addition, as cited previously a more phased approach to recoupment is needed similar to how the UK Games Fund operates, reflecting the reality the route(s) to market where unlike film and TV production there is more of a gradual / sliding scale in terms of a commercial agreement with a buyer or a company can self-publish.
- There is a need to bridge knowledge and experience within the genre on how to engage with publishers/ platform holders – Playstation/ Microsoft and other publishers. FAM trips for publishers and investors would be useful in this regard.
- A diaspora of NI game talent plus key local players could come together to help further build the confidence and profile of the genre.

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- Greater contacts with reviewers and bloggers is needed to profile NI productions.
 - There is not sufficient critical mass of talent in the genre, clearer communication of pathways for students is needed as well as mechanisms to share resources across the genre to facilitate scaling up and down to the prevailing production requirements.

Conclusions

- 8.10 A range of views were expressed across the various genres with some differences across genres. However, some recurring themes across genres have included the need for continued and enhanced investment in skills to address prevailing challenges and skills shortages. Another recurring theme across most genres is the need to not increase the NI expenditure ratios for NISF to remain competitive and attractive.

Areas for Recommendation Emerging from This Section

Reflecting on the findings of this section two key areas for recommendation are emerging. The first relates to consideration as to whether there could be flexibility granted around some of the stipulated ratios, in instances where they are difficult to meet, through exploring if there are other ways that companies could add to their 'qualifying NI expenditure credit' (per examples cited at 8.5 above)

The second is a very significant area of recommendation, and is linked to other evidence across each and every genre in this section that there are skills gaps and issues prevailing – underpinning the need for a comprehensive skills strategy/ portfolio of interventions in future.

Both of these are developed further in terms of detail in Section 9/ Table 9.2 in terms of overall recommendations from the evaluation.

9 Conclusions and Recommendations

Introduction

- 9.1 The final section of the evaluation report outlines key conclusions arising from the final evaluation of DGG and interim evaluation of ODS. These conclusions draw on the findings of preceding sections in terms of the performance and impact of each strategy and other points/ observations that have been encountered during the evaluation work. These are structured under sub-headings below that relate to the full suite of VFM indicators as prescribed in the Terms of Reference for this evaluation. It then makes a series of key recommendations for the future, some of which relate to the remainder/ final year of ODS but mostly which relate to a forward strategy phase.

Conclusions and overall VFM assessment

Strategic Fit and Rationale for Intervention/ Market Failure

- 9.2 The focus for the NI Executive is on strengthening the economy, creating jobs, driving productivity and economic growth. Allied to this, the support delivered through Northern Ireland Screen to the screen industry in NI through DGG (2010-2014) and ODS (2014/-2016) has clearly strongly delivered against these priorities as expressed in the PfG 2011-15 and the draft PfG Framework (2016-21) and corresponding economic strategies. Support for the interactive sector (Gaming, Mobile, E-Learning and Web Content) through both strategies has helped to reinforce policy reflected in Invest NI's Growth Strategy for the Digital Media Sector 2013-2015. In doing this it should be recognised as cited in ODS that this sector has hitherto been relatively underdeveloped in NI with many companies being embryonic and struggling to find a commercially viable model. The support through Northern Ireland Screen (including support for collaborative marketing and attendance at key showcasing events and conferences over and above NISF and SDF support) has helped to build credibility and creativity in this genre and consolidate a degree of sectoral development. That said, there are some aspects of the support that are not optimal for this genre and perceived gaps to address, which are covered in the recommendations (Table 9.4) later in this section.
- 9.3 More broadly it is viewed that the support on offer from Northern Ireland Screen during the two strategy periods has worked well to complement other Invest NI interventions and other sector interventions available to the wider creative industries sector. In 2008, it was announced that a £5m Creative Industries Innovation Fund (CIIF) had been created as a key creative sectors intervention, with funding acquired from the £90m Northern Ireland Innovation Fund. The CIIF intervention was intended to 'support initiatives to increase the quality, visibility and value of the creative industries'. Initially, £660,000 of the fund was used for the development of a Strategic Action Plan for the Creative Industries, and in October 2008, the CIIF was launched with a fund of £4.34m. It was originally designed to last for three years until 2011 but was extended to 2013, and was administered by the Arts Council of Northern Ireland. The CIIF fund is now closed. The activity of Northern Ireland Screen complements the aims of CIIF in relation to enhancing the quality, visibility and value of the screen industry and with the cessation of CIIF the activity of Northern Ireland Screen takes on even greater strategic significance.
- 9.4 Since 1994, the National Lottery has awarded funding for film production, distribution, education, audience development and market intelligence and research across the UK. This funding has supported numerous large scale productions, grants to over 13,000 UK film projects, film clubs in schools and over 2,300 places at the British Film Institute Film Academy (which is part funded by Northern Ireland Screen). To date, support available via Invest NI support to Northern Ireland Screen has complemented lottery funding for instance by providing match funding support to individual projects. However, lottery funding available to the screen

industry has become tighter in recent years which also means that funding through Northern Ireland Screen (via Invest NI) has taken on greater strategic importance.

- 9.5 The screen industry is recognised at the core of the 2013 Committee for Culture, Arts and Leisure 'Inquiry into Maximising the potential of the Creative Industries'. In addition, aligned with the strong performance of Northern Ireland Screen during DGG and ODS, NI is acknowledged in the 'International Strategy Driving Global Growth for the UK Creative Industries' (UKTI, 2015), as a highly successful and globally recognised centre of excellence.
- 9.6 Finally from a tourism perspective, under what is an outcomes-based approach for the draft PfG Framework (2016-21), one of the set indicators is 'to improve Northern Ireland's attractiveness as a destination'. The support via DGG and ODS (to date) has contributed significantly to promotion of tourism and associated brand building for NI. As set out previously Game of Thrones – a global phenomenon and HBO's most-watched show on record – has been transformative for NI as a screen tourism destination. Beyond the base at Titanic Studios the show makes extensive use of locations right across NI, 25 of which are accessible for screen tourism. All locations and ⁶⁴Game of Thrones tour operators in NI have recorded growth in activity with each successive season of the series. There has been work done to date in developing a ⁶⁵Screen Tourism Strategy for NI (Olsberg SPI, 2016) which is understood to be in draft format, and it is the view of the evaluation team (as reflected in the recommendations at Table 9.2 later in this section) that the NISF could be structured to further incentivise gains in this policy area (similar to the model in the New Zealand Screen Production Grant). This would help to reinforce the policy and ambition in this Screen Tourism Strategy for NI and the impending Tourism Strategy for NI.
- 9.7 Derived from the above, the evaluation team considers that the Northern Ireland Screen interventions are complementary to other interventions available during DGG and ODS. With some of these complementary interventions either no longer existing (CIIF) or with declining resources to invest (Lottery) the support provided through Northern Ireland Screen has taken on even greater strategic importance and is complementary to existing plans/ interventions such as the impending Tourism Strategy in relation to the development of screen tourism.
- 9.8 Turning to the rationale for intervention, it is important to reflect on how the focus in this regard has evolved through successive strategies. In 2003, prior to the first Northern Ireland Screen strategy, the sector was made up almost exclusively of work associated with BBC NI and UTV, with almost no international profile. Ten years on most of NI's leading production companies are export focused; the screen sector is bolstered by considerable inward investment; and there is a diverse portfolio of activity across six main genres. In the view of the evaluation team there is a continued and ongoing rationale for intervention and this is centred on the net additional economic benefits linked to ⁶⁶NI expenditure arising from the creation and production of screen sector outputs in NI combined with important wider and regional benefits (e.g. promotion of screen tourism and NI's brand on a global platform; skills and talent development). As such, the first 10 years of intervention (to 2013/14), as noted in ODS, have served to create a platform with the focus now moving to developing/ confirming NI as the strongest screen industry economy outside London in the UK and Ireland in the next 10 years. It is the view of the evaluation team that two years into ODS Northern Ireland Screen have made good progress towards this ten year/ 2024 vision, evidenced through engagements with external producers many of whom viewed NI as a viable alternative to London, and did not often cite other UK regions as competing regions for their productions. If anything, the Republic of Ireland was cited more frequently than other UK regions in this regard. It is also clear from engagements with the indigenous screen industry that they are increasingly orientated to

64 A Screen Tourism Strategy for Northern Ireland, draft December 2016

66 Specifically additional wages (i.e. wage premium) and additional productivity that those employed in NISF supported screen productions realise over and above what other course of employment / self-employment/ economic activity they would otherwise have undertaken.

external and export markets, a trend also verified by a recent ⁶⁷baseline study of the indigenous screen industry. More broadly looking ahead to a future strategy arguably setting the ambition for the Northern Ireland Screen Industry only within a reference framework of relative strength with other parts of the UK and Ireland, is perhaps limiting in terms of the wording of the vision. It is clear that NI as a region competes successfully for global production and that indigenous screen companies are increasing ⁶⁸selling to global audiences and global networks/ streaming companies.

- 9.9 Reflecting on all of the above, the rationale for intervention has therefore evolved considerably over the course of successive strategies and is now multi-faceted, reflecting economic, educational, cultural, and social inclusion/ equity objectives. It is also clear that without the interventions (via the various Northern Ireland Screen funds and supports) that minimal activity / development of the screen sector would be happening in NI. This is reflected in the high levels of additionality (87%) / low deadweight (13%) for the NISF and SDF as reported by the survey respondents in this evaluation.

Operation and Delivery

- 9.10 Based on the evidence gathered during the evaluation, the evaluation team concludes that there has been satisfactory governance and oversight arrangements in place in relation to the operation and delivery of DGG and ODS (to March 2016) – through the various mechanisms put in place by Invest NI and the Department for the Communities (formerly DCAL) for Northern Ireland Screen.
- 9.11 Based on a review of the Board minutes, it is clear that the Board is proactive in overseeing the management of Northern Ireland Screen and considers regular reports from the management team. There is also evidence of proactive engagement between Northern Ireland Screen and external stakeholders across the public, private and voluntary sectors
- 9.12 The feedback from production companies interviewed for this evaluation across the genres supported via Northern Ireland Screen during DGG and/or ODS (to March 2016) indicates that the organisation provides an exemplary level of pro-active support and constructive advice to reinforce the success of individual projects/ companies and more broadly to work towards the ⁶⁹ten-year vision and ambition for the Northern Ireland Screen sector as a whole articulated in ODS. Therefore, the operational delivery of the various interventions / programmes encompassed in DGG and ODS (to March 2016) has been to a very high standard, evidenced in the satisfaction levels (and related comments) outlined in Section 3 of this report.

Performance and Impact

- 9.13 Northern Ireland Screen has progressively increased activity and related performance during DGG and into the first two years of ODS (i.e. to March 2016). In terms of activity Northern Ireland Screen has:
- Provided c.£17m in production support toward the costs of 62 productions under DGG and c.£20m in production support toward the costs of 53 productions to March 2016/ the interim delivery point in ODS;
 - Supported 109 development awards to 59 individual companies to a value of c. £2.6m in DGG and 104 development awards to 59 individual companies to a value of c. £2.6m in ODS (to March 2016). These initial investments in development activity leveraged c.53p in funding from sources external to NI for every £1 provided by Northern Ireland Screen under DGG and c65p for every £1 provided by Northern Ireland Screen under

67 Economic Baseline Study of the Screen Industries in NI, Cogent Management Consulting, July 2015. This report indicated that the total sample of businesses surveyed (N=112), just over two-fifths of businesses are actively involved in selling screen content product in external GB markets (44% - N=49) and/or exports markets (43%).

68 e.g. the cluster of NI animation companies are working to build on recent success in securing outsourced work from Canada
69 developing/ confirming NI as the strongest screen industry economy outside London in the UK and Ireland in the next 10 years

ODS (to March 2016). As such, additional traction is being achieved in terms of leveraged external investment (which, in itself, is significant in scale across the entire period);

- Supported a range of skills development activities through the periods of both DGG and ODS to date. This support has been designed to be as flexible as possible to identify and address the existing and emerging skills needs of NI individuals and companies/ production projects happening in NI. There are high levels of satisfaction associated with the various skills interventions and the various new entrant/ trainee programmes appear to have been successful in equipping individuals to retrain/ secure experience leading to employment/a career in the screen industry; and
- Undertaken a significant amount of marketing activity during both strategies to raise the profile and reputation of NI as a suitable destination/location for screen activity. Evidence from survey respondents was positive in relation to Northern Ireland Screen's marketing activity effectiveness in terms of helping to raise the profile of NI production companies at major events and with commissioners for example. The majority of respondents wanted to see this activity continue and indeed increase to support the industry. Marketing activity/investment has increased and broadened under ODS compared to DGG through for example attendance at new, high profile conferences e.g. the Game Developers Conference in San Francisco (the world's largest and longest-running professionals-only games industry event), the European Film Market in Berlin in 2015. On this basis, the evaluation team is of the view that marketing activity undertaken is effective and indeed needs to continue to grow as the industry grows to support it.

9.14 In terms of monetary benefits/ quantifiable economic impact, this is based on quantifying the impact of production grants only, for the reasons set out in Section 4. These grants total £36.6m over the full DGG strategy period and up to the interim stage of ODS. The evaluation team's independent analysis suggests that the following monetary benefits summarised in Table 9.1 overleaf.

Table 9.1: Assessment of Gross to Net Economic Impact

	Description	DGG (2010-2014)	ODS (2014-2016)	Total (2010-2016)
NI Expenditure (£millions)	All expenditure by NISF supported productions on NI cast and crew, hotels and locations, facilities and transport.	128	143	271
Total Gross Value Added	Total value generated in the NI economy	103	108	211
Net Gross Value Added (£millions)	Total value generated in the NI economy after an alternative deployment of resources is taken into account (counterfactual)	55	66	121
Deadweight	This refers to the extent to which production activity would have occurred anyway.	13%	13%	13%
Displacement	This refers to the degree to which the supported production activity may be offset by reductions in activity elsewhere.	10%	10%	10%
Net Additional Impact (£ millions)	Net impact after the reductions for deadweight and displacement above	43	52	95
Invest NI Funding ⁷⁰ to Northern Ireland Screen (£ millions)		25	21	
Benefit: Cost Ratio (£)	Invest NI Funding: Net Additional Impact	£1 Cost: £1.7 benefit	£1 Cost: £2.5 benefit	

9.15 These grants total £36.6m over the full DGG strategy period and up to the interim stage of ODS. Whilst there is some variation year-on-year relating to the portfolio of production projects supported, these grants have consistently achieved very high levels of leverage in terms of NI expenditure. At an overall level across the six years being analysed this ratio of grant/ NI expenditure achieved is 1:7.4 (£36.6m/ £271m).

9.16 The support provided by Northern Ireland Screen has also made a significant contribution to providing wider and regional benefits to the NI economy. These include: the attraction of Foreign Direct Investment (FDI), skills development, knowledge transfer, entrepreneurship, reduction of 'Brain Drain', the generation of orders from other companies in the assisted area, innovation and, importantly, enhancing the overall regional credibility and visibility of the Northern Ireland Screen industry, product and related screen tourism activity.

Additionality and Displacement

9.18 The level of additionality being achieved on the NISF (87%) is significantly higher than that for 'sector/cluster support' interventions across the UK regions (32.35% higher) and for

⁷⁰ In discussion with the Steering Group it was agreed in terms of the 'cost denominator' for the BCR to include the value of all programme funds (i.e. production, development and skills) within this and exclude Invest NI contribution to Northern Ireland Screen operating costs.

interventions to attract inward investment (34.75% higher). Similarly, the level of additionality associated with the SDF (86.27%) is 47.67% higher than the mean figure for workforce/ skills development drawn from the 2009 BIS Paper referenced in Section 3. These results are consistent with primary research findings on additionality/ deadweight in relation to these funds in previous evaluations of Northern Ireland Screen strategies.

- 9.19 In terms of displacement, the NISF survey evidence indicates that displacement was unlikely to be a major consideration/ relevant because (1) the screen industry content is generally bespoke in nature (unlike other industries) and (2) because encouragingly the market for their businesses was essentially global and did not involve local competition and therefore that asking what percentage of their competition was based in NI was unknown and irrelevant. Taking account of the above evidence, the evaluation team are of the view that the level of displacement in respect of the NISF is likely to be low. In relation to the SDF, the survey of SDF beneficiaries asked whether in the absence of support from the SDF if they would have been able to get the same or similar support elsewhere to undertake the skill development/ training. Only two out of 25 respondents (8%) felt that they could have got the same or similar support elsewhere. Hence, displacement associated with the SDF is also low.

Economy, Efficiency and Effectiveness

- 9.20 Invest NI has implemented robust economic appraisal processes to assess, amongst other things, the reasonableness of cost components for the two Northern Ireland Screen strategies. As such, it is the Evaluation Team's view that Invest NI has made appropriate efforts to ensure that the Northern Ireland Screen interventions were delivered at least cost to NI.
- 9.21 In terms of efficiency⁷¹, individual projects funded through the NISF are subjected to a thorough assessment process and as set out under Cost Effectiveness below there has been a positive return on investment under DGG and good prospects for the same under ODS based on performance to date. Indeed, there is a higher return on investment under ODS than DGG indicating an improved economic efficiency.
- 9.22 Regarding the effectiveness of DGG, as above it is the view of the evaluation team that the primary objectives and targets have been largely met/ exceeded and all DGG secondary objectives/ targets have been either met or exceeded. Similarly, in relation to ODS it is the view of the evaluation team that Northern Ireland Screen appear to be on track to meet/ exceed most of the primary objectives and targets in the four-year LoO dated April 2014.
- 9.23 Overall, the support from Invest NI to Northern Ireland Screen via the two strategies is considered to have been effective in terms of achieving its objectives and targets, although the full impact of ODS will not be evident until at least 2018. Recommendations in respect of monitoring against KPIs and targets / the KPIs and targets themselves for the remainder of ODS and a future strategy are set out at Table 9.2 later in this section.

Cost- Effectiveness/ Return on Investment

- 9.24 As per the findings set out in Section 4 it is estimated that for every £1 spent on developing the screen sector in NI (through the support from Invest NI to Northern Ireland Screen) there was a £1.7 return to NI GDP in the central scenario for the full DGG strategy and £2.5 in the central scenario for ODS at the interim stage. Thus, DGG has already delivered a positive return on investment and ODS at the interim point was showing an improved position on this, indicating good prospects for this at the end of the four years of the strategy.

Equality Considerations

- 9.25 The evaluation team identified no negative equality impacts, and considers the support interventions to be accessible to all Section 75 groupings and people with disabilities.

⁷¹ Efficiency is defined as delivering the same level of service for minimum input of cost, time or effort; or obtaining maximum benefit from a given level of input (based on DoF guidelines - <https://www.finance-ni.gov.uk/publications/what-value-money-vfm>)

Economic Efficiency Test

- 9.26 The evaluation team's analysis (summarised in Table 9.1) suggests that the support to Northern Ireland Screen between from April 2010 to March 2016 has delivered a net additional GVA of approximately £95m. This is split £43m / £52m between DGG and the first two years of ODS.
- 9.27 In addition to this, as noted above, the support provided by Northern Ireland Screen has made also a significant contribution to providing wider and regional benefits to the NI economy. These include: the attraction of Foreign Direct Investment (FDI), skills development, knowledge transfer, entrepreneurship, reduction of 'Brain Drain', the generation of orders from other companies in the assisted area, innovation and, importantly, enhancing the overall regional credibility and visibility of the Northern Ireland Screen industry, product and related screen tourism activity.
- 9.28 In terms of the final evaluation of DGG it is the conclusion of the evaluation team that VFM had been achieved. Whilst there is still some way to go on the 'journey' to assess the complete picture of economic benefits and VFM in respect of ODS (and as such it is not possible to be definitive as to whether VFM will be achieved) the evidence at the interim evaluation suggests that there are good prospects that VFM will be achieved. Indeed, the evidence indicates that there is additional traction evident in this regard within ODS to date, illustrated by the higher benefit to cost ratio (BCR) at the interim point.

Recommendations

- 9.29 Set out in Table 9.2 overleaf are the key recommendations arising from the evaluation, split by support intervention area/ theme and setting out a description and rationale for each recommendation.

Table 9.2 – Recommendations

Support intervention area/ theme	Recommendation description and rationale	Action Required
NISF / Investment levels	<p>Looking ahead to a future strategy, the overall size of the fund and the level of investment on offer to potential projects must be there at the same scale as per ODS (at minimum). It is clear from the benchmarking analysis (albeit that is outside other UK regions) and comparisons with the Republic of Ireland offer (⁷²Section 481) that the quantum of what is on offer via a combination of NISF support and tax incentives for production activities is just about comparable or in some cases marginally less⁷³ than what is on offer in some other EU and global regions. With NI increasingly achieving recognition as a world-class global screen production hub, via the success of the investment in Northern Ireland Screen activities to date, it is important to ensure that the reference framework for how competitive the NISF is not limited to other UK regions, but set in a broader global context. Given that the development awards are the creative ‘lifblood’ of the screen industry they need to continue within the NISF in their present form. All other aspects of the delivery of the NISF (e.g. application and award processes) for both production and development appear to be working very well and require no adjustments.</p>	<p>1. In a future strategy, the overall size of the NISF and the level of investment on offer to potential projects must be there at the same scale as per ODS (at minimum). This relates to both production and development awards.</p>
NISF/ Expenditure Ratio’s	<p>There should be no further increase in the required ratios for NI expenditure across all genres. What exists in relation to these in ODS now is at the upper limit of what is viewed to be feasible in the prevailing context. Furthermore, at these levels they are delivering strong economic returns for the NI economy and VFM in respect of public investment. Both (1) and (2) of these NISF recommendations are critical to the NISF offer remaining competitive in future and to capitalising on the evident interest from external production companies who have already undertaken production activity in NI to return for repeat productions and to ‘spread the word’ / attract new companies to undertake production activity in NI.</p> <p>More broadly the engagement with production companies has suggested that consideration could be given to flexibility around some of the stipulated ratios, in instances where they are difficult to meet, through exploring if there are other ways that companies could add to their ‘qualifying NI expenditure credit’ e.g. through creating roles on productions that could foster training opportunities/ new talent. This is an area that requires much more research to test the feasibility of the same and where if progressed it would be desirable to ensure that</p>	<p>2. In a future strategy, there should be no further increase in the required ratios for NI expenditure across all genres.</p> <p>3. Consideration should be given as to whether there can be more flexibility around some of the stipulated ratios, in</p>

⁷² <http://www.revenue.ie/en/tax/ct/film-relief.html>

⁷³ in terms of the percentage intervention

	<p>there is a balance between flexibility and ensuring that the requirements in terms of stipulated ratios are not overly complex to implement. As set out in Section 8, production funding via the screen agency in South Africa requires the use of trainees on all productions to qualify for support, aspects of which could inform the further research and considerations in this area.</p>	<p>instances where they are difficult to meet, through exploring if there are other ways that companies could add to their 'qualifying NI expenditure credit' (per adjacent examples)</p>
<p>NISF / Wider and Regional Benefits Premium</p>	<p>Consideration could be given to facilitating an additional premium within the NISF production awards for projects that will facilitate other wider and regional benefits for 'NI Plc'. The New Zealand Screen Production Grant (NZSPG) is a good practice reference point in this regard via the inclusion of an extra 5% rebate on eligible expenditure where productions can demonstrate significant wider and regional benefits (based on specified criteria such as marketing, promoting and showcasing New Zealand; placement of New Zealand in the screen production; and/or a New Zealand performer to play a New Zealand character in a significant and prominent role). This has been positively evaluated in New Zealand in terms of contribution to these wider and regional benefits. The most obvious area where this could be piloted in NI is to facilitate the showcasing of NI locations in support of Northern Ireland Screen tourism policy objectives, building for instance on the success of the Game of Thrones series as referenced previously in this report. Discussions with Tourism NI would indicate support for exploring this sort of initiative as part of aligning policy interests in respect of screen tourism objectives between themselves, Northern Ireland Screen, Invest NI and DfE.</p> <p>This premium is an additional rebate delivered through the tax incentive in New Zealand and would have to be factored into the NISF Screen Award in NI (given that tax incentives are set at a UK level).</p>	<p>4. Consideration could be given to facilitating an additional premium within the NISF production awards for projects that will facilitate other wider and regional benefits for 'NI Plc' informed by the positive experience of the New Zealand Screen Production Grant in this regard.</p>
<p>NISF/ Interactive</p>	<p>Northern Ireland Screen currently provides a range of support to the interactive genre including:</p> <ul style="list-style-type: none"> ▪ An Interactive Consultant currently helps to manage funded companies that have games in development. This individual offers advice in relation to development of the project and routes to market, drawing on experience in publishing and acquisition in the interactive sector. This has been funded through the Skills fund in 2016-17 and this will continue in 2017-18. 	<p>5. For the interactive genre, a more phased approach to recoupment on NISF awards should be introduced.</p>

	<ul style="list-style-type: none"> ▪ Northern Ireland Screen runs trade missions to take companies to a range of interactive markets including GDC in San Francisco, EGX and Gamescom in order to meet publishers and potential investors. ▪ Northern Ireland Screen runs a range of seminars and workshops specifically targeted at interactive companies. These have been funded through the skills fund in 2016-17 and Lottery and will continue into 17-18. ▪ In the past, Northern Ireland Screen has used a company called Player Research to provide consultancy advice on the user experience of some of the projects funded via Assembler (lottery funded scheme) – there may be scope to use this more widely on Screen Fund projects. ▪ Northern Ireland Screen supports companies to develop their relationships with publishers and potential investors, where having a clear route to market is an important part of the overall development of a project. The Assembler programme in particular has publisher interaction built into it. This was a Lottery supported scheme but is now moving to Screen Fund in 2016-17. <p>The research for this evaluation would suggest that there is still more to do in relation to structuring of the NISF so that it is optimal for this genre. Firstly, consideration should be given to the feasibility of a more phased approach to recoupment reflecting the reality of the route(s) to market where (unlike film and TV production) there is more of a gradual / sliding scale in terms of a commercial agreement with a buyer or a company can self-publish.</p> <p>In addition, despite the above support being presently available that there was still more that needed to be done to help the creative content progress into production and/or be profiled to potential buyers and investors (post development award completion). In a couple of instances business planning support was also cited as a need at this point. This may be a case of extending the aforementioned support further or consideration could be given as suggested by some of the industry in Section 8 to pooled resources / access to a call off panel of skilled practitioners around marketing, investment readiness support and business planning support as necessary within a future strategy for this genre.</p>	6. In a future strategy, there should be either extension of existing support services or development of pooled resources / access to a call off panel of skilled practitioners around marketing, investment readiness support and business planning support for the interactive genre.
Skills Development	Notwithstanding the positive findings in this evaluation in terms of satisfaction and impact of the SDF interventions, it is clear that developing the appropriate scale and skills mix for the screen industry remains a challenge looking ahead, at least in terms of keeping up with the pace of (potential) opportunities. There are some perceived gaps / challenges in all of the genres supported under ODS – as evident in the feedback from production companies in Sections 3 and 8 of this report.	7. Northern Ireland Screen should assess if there are any urgent skills gaps/ issues that could be addressed quickly

	<p>It is suggested that some change/ additional focus in skills interventions for the remainder of ODS may be needed rather than leaving this entirely to a future strategy. It is arguably too large an issue and potential constraint on what is possible in relation to the growth and development of the screen sector in NI to leave entirely to a future strategy.</p> <p>It is outside the scope of this evaluation to undertake a detailed design of a future portfolio of skills interventions. That said there are some immediate actions arising from input to this evaluation that could be considered that may help to expedite progress. These could include for instance the shadowing schemes proposed in TV drama sector in Section 8 (that could bring senior talent through faster); lobbying for 2D animation training in third level institutions which is the immediate industry need rather than the 3D level animation training that is currently on offer; piloting mechanisms to encourage companies to share/ loan out team members to build skills (e.g. pool of editors in the factual /entertainment genre); facilitating international placements with tie back to NI companies as some of the benchmarking regions such as Australia facilitate (e.g. to address the shortage of researchers with network standards/ experience in the factual / entertainment genre).</p> <p>All of the above are just initial ideas that have been proposed through the engagements for this evaluation. The key recommendation is that Northern Ireland Screen should assess if there are any urgent gaps/ issues that could be expedited quickly within the last year of ODS and seek to develop a more comprehensive skills strategy/ portfolio of interventions to underpin the vision/ ambition within the next strategy period. It is likely that additional investment over and above the current investment of circa £450k per annum may be needed to enable this.</p> <p>There are also other reinforcing actions that could help address skill shortages. Better communication / improved coordination of scheduling between large scale productions filming in NI could help with crew development and shortages. In addition, as cited above the NISF could be structured to incentivise use of trainees on productions over a certain size/ value (as per the South African production grants).</p>	<p>within the last year of ODS and seek to develop a more comprehensive skills strategy/ portfolio of interventions to underpin the vision/ ambition within the next strategy period. This may necessitate increasing levels of annual expenditure on skills interventions.</p>
<p>Access to infrastructure/ supporting facilities (TV Drama)</p>	<p>There are perceived to be gaps in the supporting services for this genre, including access to NI lighting companies, greater choice of post-production houses and in the context of period drama access to props and costume support. In terms of the latter it is viewed that local artisans / craft sector could be more informed of the gaps that exist and opportunities that they could perhaps service.</p>	<p>8. DfE/ Invest NI (supported by Northern Ireland Screen) should promote business opportunities where there are</p>

		<p>gaps in relevant infrastructure support areas as cited by period drama production companies (e.g. lighting companies, additional post-production capacity) through industry/ business bodies and related networks.</p> <p>9. DfE/ Invest NI (supported by Northern Ireland Screen) should promote the need/ opportunities that exist for props and costume support on period drama productions to the NI craft sector (e.g. Craft NI).</p>
<p>Revision / Simplification of KPIs/ Targets</p>	<p>Drawing on the findings of Section 4 and 5 of this report in particular it is viewed that the following adjustments should be made to KPIs/ annual monitoring template for the remainder of ODS:-</p> <ul style="list-style-type: none"> ▪ The separate economic KPIs (i.e. gross GVA/ net additional GVA/gross and net job equivalent years) for development activity should be removed. The benchmarking regions researched for this evaluation all have development funding but do not have separate economic impact KPIs and targets for development activity; ▪ Consequently, inclusion of gross and net GVA economic KPIs for development activity within overall gross and net GVA KPIs (that combine these with the same for 	<p>10. A reduction/ simplification of the KPIs should be put in place for the final year of ODS (that follows through to the format of the annual monitoring proformas).</p>

	<p>production activity) is no longer appropriate. These overall gross and net GVA KPIs should also be removed.</p> <ul style="list-style-type: none"> ▪ The headline gross and net GVA KPIs that should be monitored for the remainder of ODS should relate only to quantifying the impacts of the NISF production grants. ▪ Allied to this the calculation of the return on investment ratios / BCRs for the remainder of ODS should be revised on the basis of the benefits numerator and cost denominator as outlined in Section 4 and 5 of this report. ▪ The KPIs for development activity should relate only to (1) capturing leveraged external investment for initial development activity; (2) capturing the extent to which initial development activity funded via the NISF acts a ‘feeder’ to NISF supported productions, in effect ‘pull through’ and the volume/ value of these; and (3) capturing the extent to which initial development activity funded via the NISF results in follow on commissions outside of the NISF and the volume/ value of these. This is a comprehensive suite of quantified financial information that will demonstrate the ongoing value and importance the development activity. All of this is presently comprehensively captured by Northern Ireland Screen. In relation to (2) and (3) above it is the view of the evaluation team that these are areas that should be tracked and reported upon but where there should not be targets. As set out in Section 5 the extent to which development activity follows through to production awards/ follow on commissions is inherently uncertain, dependent on a range of factors not all of which are within the control of the development award recipient, and therefore difficult to predict/quantify. ▪ The target for net additional job equivalent years should also be removed. As set out in Section 4 the economic impact of the NISF supported productions is centred on the additional wages (i.e. wage premium) and additional productivity that those employed in NISF supported screen productions realise over and above what other course of employment / self-employment/ economic activity they would otherwise have undertaken. It is important to continue to monitor the gross job equivalent years that the production activity supports in the NI economy. In this regard, it may be useful to capture more comprehensive data from the production companies in relation to typical / averaged hours in a working day for key production roles in and how many working days per year such individuals in these roles typically work. <p>A reduction/ simplification of the KPIs as proposed above would also help (in the context of the final evaluation of ODS) to maximise the focus in on a smaller number of measures that</p>	<p>11. Invest NI should give consideration as to whether the corresponding target for each of the ODS economic KPIs (i.e. gross GVA/ net additional GVA/ return on investment or BCR) should be scaled in line with the Oxford Economics model and related assumptions within this report.</p> <p>12. For the final year of ODS it is recommended that Northern Ireland Screen require NISF supported production companies to capture the recent employment status of NI resident cast and crew prior to their deployment on the NISF supported productions (and whether employed/</p>
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	<p>are core to understanding the performance and impact of the funding being provided to Northern Ireland Screen.</p> <p>For the reasons set out in Section 4 it is the view of the evaluation team that it is possible that some of the economic targets set for ODS KPIs (e.g. in relation to gross GVA, net additional GVA etc) and the targeted return on investment / BCR are overstated. If this is the case, the fact that Northern Ireland Screen is on track to meet/ exceed most of these economic targets in relation to ODS is therefore a very strong performance.</p> <p>Looking ahead to the final evaluation of ODS, the Steering Group should give consideration as to whether the corresponding target for each of the economic KPIs (i.e. gross GVA/ net additional GVA/ return on investment or BCR) should be scaled in line with the Oxford Economics model and related assumptions used in Section 4 of this report to ensure measurement of performance and impact is aligned with this. Further refinement to this could be achieved if additional evidence is gathered in relation to the 'counterfactual' scenario. To do this it is recommended that Northern Ireland Screen require NISF supported production companies to capture the recent employment status of NI resident cast and crew prior to their deployment on the NISF supported productions and whether if employed/ self-employed that this is within or outside of the screen sector. If feasible this should be put in place for the final year of ODS.</p>	<p>self-employed within or outside of the screen sector.)</p>
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