

Meeting EXECUTIVE

Portfolio Area Resources and Children, Young People, Leisure and Culture

Date 9TH February 2021



FILMING OPPORTUNITIES IN STEVENAGE

KEY DECISION

1 PURPOSE

- 1.1 The report details the development of a formalised filming offer for Stevenage, designed to attract film, television and documentary makers into the Borough and to create an additional sustainable revenue stream for the Council and to support the local economy.
- 1.2 The report outlines the aspiration to increase the awareness of Stevenage as Britain's first post-World War Two New Town and promote its cultural ambitions.

2 RECOMMENDATIONS

That the Executive:

- 2.1 Note the need to formalise the arrangements for filming within the Borough in order that the Council will be in a better position to generate interest as a destination creative town and ensure that income is appropriately generated from the use of Council assets.
- 2.2 Approve the plan as outlined section 4 below as the Council's "filming offer".
- 2.3 Approve the implementation of the Council's scale of charges for filming, as set out in Appendix B below.

3 BACKGROUND

- 3.1 The Council's Cultural Strategy is a 10 Year Strategy for Arts and Heritage. It focuses on a number of key themes in order to build the profile of Stevenage as a destination creative town. These include widening the cultural offer, increasing cultural engagement, connecting and advocating cultural opportunities and celebrating the heritage of Stevenage.
- 3.2 Running parallel to the Cultural Strategy is the Council's Co-operative Commercial and Insourcing Strategy. This sets out a bold approach to commercial activity, and it acknowledges that in order to create new sustainable revenue streams, to help protect Council services, the Council may have to do things differently, have a more pro-active approach to income generation and accept more risk than previously.
- 3.3 Councils generally own a large number of assets which can present attractive opportunities to film-makers for location shoots. These include parks, town centre locations, woods, tower blocks and civic buildings. Often when filming, larger productions will require space nearby for their base, which can comprise of cars, lorries, mobile toilets, dressing rooms, and will be ideally situated in a car park near to a main filming location.
- 3.4 Many councils charge for filming on their land and the levels of income from filming depend on how much and what types of filming take place. Research indicates that for borough councils, the income brought in from filming can typically range from £5k - £60k per annum.
- 3.5 Although television production companies expect to pay to film on Council land, the Council does not currently charge for filming in the Borough and locations are offered free of charge. The Council received an average of 25 requests a year for films and documentary shoots between 2017- 2019, for varying time periods.
- 3.6 Currently, the main areas of interest for film production companies are Fairlands Valley Park, tower blocks, street scenes and the multi-storey car park. On two occasions requests were declined due to reputational concerns as they included scenes that involved drugs/illegal and violent behaviour. This sort of issue is addressed in the filming terms and conditions (Appendix A). The interest generated so far has been achieved without promotion, however with an enhanced profile there is the potential to grow this demand.
- 3.7 Working on the historic guideline of 25 production requests per year, it is estimated that in the region of £25,000 per annum could have been generated in additional gross income. This is based the assumption that the 25

productions would have been split between 15 small productions, 8 medium productions and 2 large scale productions. However, larger productions filmed over several days provide an opportunity to generate far higher levels of additional income.

- 3.8 Locally in Hertfordshire, there is huge investment in film production, equating to £1.5Billion over the next three years. Plans for a £700million "world-class" film and TV studios facility in Broxbourne have been announced by a Hollywood studio, with the companies anticipating that it will "contribute £300million annually to the local economy" and could create up to 4,500 jobs.
- 3.9 It would therefore be timely for the Council to position itself to provide a clear offer for filming opportunities, to showcase and raise the profile of the Borough and realise the ambitions outlined in the Cultural Strategy whilst generating much needed revenue.
- 3.10 Research shows that many other local authorities have successfully developed sustainable income streams through their approach to filming opportunities and other local authorities in Hertfordshire have established pricing structures for filming charges.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 The formalisation of the filming offer is recommended as it supports the overarching ambition outlined in the Cultural Strategy, to make Stevenage a creative destination town.

"The Filming Offer"

- 4.2 It is understood that film makers require warehouses, offices, high streets and tower blocks as well as parks and open spaces. It is anticipated that encouraging filming will raise the town's profile, boost engagement and public interest in the local area and attract more screen tourism. Within the industry there is a tendency for producers to return to successful locations.
- 4.3 Increased filming in the town would widen cultural opportunities for local residents, practitioners, and organisations through involvement opportunities in the productions.
- 4.4 Identifying and promoting filming opportunities aligns with the aspirations detailed in the Cultural Strategy around drawing in artists and creatives (in a range of disciplines) from London and providing opportunities that support developing local talent.

- 4.5 It is anticipated that through positive representations of the town's heritage and communities, Stevenage's public reputation / profile will be enhanced. There may also be better recognition of Stevenage as the first new town, which has built a legacy of social progress and pioneering design, art, planning, and engineering. This in turn would improve interest in Stevenage as a cultural destination for visitors and other cultural entities and in turn boost the local cultural economy and knowledge / skills.
- 4.6 Stevenage has a uniqueness in its architecture and landscapes which is appealing to film production companies. The core offer will centre on:
- Pedestrianised New Town - Open town square, Indoor Market with adjacent 1000+ capacity multi-storey car park, train & bus stations, flats & retail areas, Stevenage Museum, Co-Space.



New Town Clocktower and Statue



Indoor Market and Multi-Storey Car Park

- Old Town – Quiet streets, green spaces and a row of independent shops and restaurants on a quaint high street
- Many green spaces & parks including Fairlands Valley Park, Hampson Park, Town Centre Gardens, King George V Playing Fields and St Nicholas Park



Large Swim Fairlands Valley Park
Club grounds

- Urban settings - Residential areas, high rise towers, estates, garage units and alleyways.
- Roads and pavements - Wide, open roads, with many roundabouts. A unique 46 kilometre cycle network running throughout the town with its own roundabout system.
- The Bus Interchange (when complete)

4.7 The Council could also encourage other types of film and photography in the town, from students creating pieces for their degrees to local businesses using locations as the backdrop for their next marketing campaign. Activities of this nature would be subject to the standard filming terms and conditions though the Council would consider waiving its charges in some circumstances.

4.8 It is proposed that the Council implement a charging regime for filming within the Borough in order to cover the costs of providing the service and to create an additional sustainable revenue stream.

4.9 Comprehensive filming terms and conditions (Appendix A) will be implemented and applied to all agreements moving forwards to support with filming requests; these conditions were approved by an officer delegated decision in November 2021.

4.10 The filming terms and conditions also help to protect the Council in terms of supporting appropriate filming opportunities that will have a positive impact and are in line with the Council's policies. The terms and conditions will be applicable to all filming agreements.

4.11 The marketing of Stevenage as a filming location will take place separately; and terms and conditions will be issued when a filming request is being negotiated.

4.12 It is proposed that an external communications plan is created to promote the Borough as a filming location that can be supported and promoted via formal channels plus officer and Member networks. It will apply to the Council's own assets only. Marketing materials will include photos, video clips and links to Google maps to promote the locations.

4.13 Filming requests are currently administered by the Marketing and Communications team, however to grow the opportunity within the current resource constraints, it is proposed to manage requests and the process through a managed services contract. This contract will be procured in accordance with the Council's contract regulations.

- 4.14 Through such a contract, the service provider will:
- Provide software in the form of a cloud-based application; simplifying the processes needed for film producers to complete the relevant permits they need to complete and lessening the administrative burden on the Marketing and Communications team.
 - Improve turnaround times for film production applications (many providers authorise within 24 hours).
 - Actively promote the Council's filming locations to thousands of filmmakers.
 - Support the Council in becoming 'film friendly' through a streamlined service.
- 4.15 The software will also enable officers to have a monitoring platform and removes the need for large administrative inputs. Alongside the system, officers will provide a catalogue of suitable locations, in order to control the opportunities and enquires, as a starting point.
- 4.16 Location managers and scouts actively contact filming agencies to ask them what locations they have, which could generate more filming for the Borough than if it were managed in-house.
- 4.17 The fee for this service is typically 20% of revenue return to the service provider. These types of contract, 'managed solutions', are attractive as there is no initial outlay, they require minimal staff input and there is an agreed share income split between the company and the Council. This 'risk & reward' model also provides an incentive to the company. This low-risk approach can be used to test the water and procurement of the managed solution is now underway. Once the contract term is nearing its end, options for re-letting the contract or insourcing the work will be considered.
- 4.18 The contract will be closely monitored. This will be done by the Service Manager, who will retain oversight of contract performance and how the Council is portrayed, with the support of the commercial team.

5. IMPLICATIONS

Financial Implications

- 5.1 Officers engaged with other Councils who have long established filming offers, and they reported an uplift in the secondary revenue achieved for the local economy. It is therefore reasonable to assume that filming will have a positive impact in Stevenage, supporting local businesses and community wealth building. This is likely to take the form of:
- Increased footfall in the Borough

- Increased usage of local catering facilities, hotels, office spaces and parking services
 - Increased employment opportunities
- 5.2 Having calculated the costs of servicing a filming request and benchmarked with other local authorities, a guideline pricing structure has been created (Appendix B). It is proposed that a differential pricing structure is implemented and it is understood that crew size (the number of people hired by the production company to produce the film) is the best proxy for budget. It is recommended that pricing, particularly for the larger projects, is based on guideline pricing (prices starting 'from') to allow sufficient flexibility to attract film makers and tailor quotations based on the size of the project (for example 'blockbuster' films being charged a higher rate than local amateur productions). This pricing structure therefore sets out principles of charging but retains flexibility in order to provide an attractive offer for film production companies and scale up or scale down accordingly.
- 5.3 It is recommended that the guideline pricing is reviewed annually as part of the fees and charges process and in light of demand moving forwards. The first review point would be scheduled for fees and charges setting for 2024/25.

Legal Implications

- 5.4 There are no immediate legal implications highlighted in the filming proposal. The filming terms and conditions set out the permissions that filmmakers need to obtain prior to commencing filming activity and the conditions within which they have to operate.

Risk Implications

The exploration of this opportunity is based upon the following assumptions:

- 5.5 That there is suitable opportunity to formalise the filming offer and in turn diversify the commercial opportunity by offering the Borough as a paid location.
- 5.6 That through the filming opportunities it will be possible to build on a positive reputation of the Town and request inclusion in the credits at the end of the production.
- 5.7 That the storylines for the filming proposals will be discussed prior to approval and if the Council believe that a filming opportunity will contribute to a negative reputation of the Town, the proposal can be rejected based on reputational risk.
- 5.8 That although guideline pricing will be set, some flexibility will be permitted around pricing in order to maximise opportunities.
- 5.9 That Officers will promote filming opportunities through an external communications plan (including websites, press and social media) and through their own networks.

Policy Implications

- 5.10 This approach links to ambitions outlined in the Cultural Strategy and the Co-operative Commercial and Insourcing Strategy.

5.11 **Equalities and Diversity Implications**

Equalities and Diversity implications will be taken in to consideration when filming requests are submitted.

Information Technology Implications

- 5.12 There are IT prerequisites in the procurement of the managed contract. The Council will receive a data backup (ideally quarterly but negotiable) as an insurance in case the company should suddenly stop trading and the company are required to pass the Council's GDPR checks.

APPENDICES

- A Filming Terms and Conditions
- B Guideline Filming Pricing