

Committee(s): Public Relations and Economic Development Sub-Committee – for decision Policy and Resources Committee – for decision	Date: 11 June 2019 4 July 2019
Subject: New policy for commercial filming at City of London Corporation’s buildings and open spaces	Public
Report of: Bob Roberts - Director of Communications	For Decision
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Summary

This paper seeks approval for a new City of London Corporation policy for commercial filming at its buildings and open spaces.

We propose that the 27 buildings and open spaces that are suitable for filming would be promoted using a reputable and established location agency that would liaise directly with the local staff at each location. Great care would be taken to ensure that the reputation and profile of the City is preserved and not placed at risk by the type of film or TV programme being allowed to film.

76% of London boroughs promote filming in a similar way to the City Corporation and use the income generated to invest back into the boroughs.

A more detailed report carried out on City Corporation’s filming assets is attached as Appendix 1.

Recommendation

Members of the Public Relations and Economic Development Sub Committee are asked to recommend to the Policy and Resources Committee that:

- The City of London Corporation’s policy for commercial filming at its buildings and open spaces be approved.

Main Report

Background

1. The UK film industry is booming and has been growing steadily over the last two decades. Inward investment films generated approximately £1.25bn in 2017, the highest figure since records began. The City of London Film Office (COLFO) was created in 1998 with the aim of providing a one stop shop to assist film makers to film in the City of London and on City of London Corporation land and properties.

Current Position

2. The City Corporation manages filming across the public streets of the square mile including its city gardens and five bridges. In addition to this it manages 11,000

acres of open space and three large wholesale markets. It has two housing estates in the City and 10 other estates situated in six other London boroughs. Amongst other locations, the City Corporation looks after several schools, the Old Bailey, Mansion House, Guildhall, the London Metropolitan Archives and the Heathrow Animal Reception Centre. The City Surveyors department manages the City Corporation's property portfolio and markets its empty office space.

3. The COLFO levels of staff have remained the same over the last 17 years.
4. A number of open spaces and buildings are not aware that COLFO has a comprehensive filming contract and so use alternatives such as letting contracts and event agreements. Failing to use the filming contract places the City Corporation in jeopardy should a legal dispute take place.
5. As no corporate wide guidance for filming charges exists, a number of similar locations set vastly different rates for productions to film and the film and TV industry find this difficult to understand and problematic when budgeting.
6. When film and TV productions are seeking locations, often their first port of call will be the established location agencies who provide them with a folio of locations for each request. The City Corporation's buildings and open spaces are not registered with any location agencies and so opportunities are missed.

Options

7. Two options for promoting the City Corporation's buildings and open spaces have been examined and they are detailed below together with the estimated financial outcomes:
 - I. Retain current systems and procedures.
This option requires no changes and so there are no cost implications apart from lost opportunity costs. Expected income over the next three years is estimated to be £1.59m.
 - II. Engage a reputable and established location agency to promote and market the 27 corporation buildings and open spaces.
This option does require changes to processes and procedures but there are not any costs associated with the implementation. There are costs associated with future income though as a location agency commission of 25% is deducted from income generated. Expected income after 25% commission over the next three years is estimated to be £1.74m which is £151,543 more than Option 1.

This report is recommending Option 2.

Proposals

8. It is proposed that the corporation engage a reputable and established location agency to promote and market all the corporation's locations. The reasons for proposing the second option and further details are as follows:

- I. Whilst it is anticipated that more income can be generated by promoting the corporation's buildings and open spaces, it is not guaranteed. Using a location agency means that no incremental costs are incurred and that the 25% agency fee is only incurred when income is generated.
- II. It is expected that income growth from filming will be far greater using an established location agency than could be achieved by the corporation attempting to promote the locations itself. We will seek to negotiate the agency fees to the lowest possible level. We will also look during the procurement process to see if it is possible to pay a lower rate for existing levels of business and a greater rate for incremental income.
- III. To promote the corporation's buildings and open spaces will require that each is visited, photographed and for buildings, floor plans and asbestos reports made available. The cost of photographing 22 locations and managing the distribution of plans and reports will be met by the chosen location agency.
- IV. The reputable and established location agencies provide their location folio service to all the 350 Location Managers working in the UK. Making professionally taken photographs and floor plans of the corporation's buildings and open spaces available via an agency should increase their use by film and TV productions and so generate incremental income.
- V. Currently the City Corporation enters into a legal contract with every film or TV production that uses a City Corporation location and the cost of this administration and the legal risk is borne by the City Corporation. Using a location agency means that the City Corporation has one annual contract with them. All film and TV productions filming at City Corporation locations would then negotiate contracts directly with the agency.
- VI. The 27 buildings and open spaces each have local contacts to facilitate filming and their knowledge and support is very important in enabling filming to go ahead without affecting day to day business. It is proposed that this model remain unaffected and that the established local contacts retain their responsibilities for facilitating filming.
- VII. After internal discussions Senior Officers have rejected a proposal that income from filming at the 27 locations be retained by them to supplement local budgets. Instead, the income will be used to create a fund that departments can apply to for funding improvement projects.

Corporate & Strategic Implications

9. The proposed strategy would be informed by and fully support the Filming Protocol Strategic Guidelines (Appendix 6).

Implications

10. Security implications

The way that filming is managed at each location by local contacts would not change and so the level of risk to security remains unchanged and low in nature. We will continue to ensure that the police are made aware of any on-street filming that may raise security concerns.

11. Financial implications

Using a location agency means that no incremental costs are incurred and that the 25% agency fee is only incurred when income is generated. It is expected that income growth from filming will far greater using an established location agency than could be achieved by the corporation attempting to promote the locations itself.

12. Public sector equality duty

There would be no affect or impact on public sector equality.

13. Resourcing implications

Currently the COLFO team receive enquiries for all 27 locations. They deal directly with Guildhall, Mansion House, Billingsgate, Tower Bridge and Old Bailey, but for open spaces and schools they attempt to pass the enquiry to the local contact. Having a location agency to manage enquiries for the 27 locations would remove this responsibility from the team leaving them more time to manage day to day business.

Conclusion

14. Members are asked to approve the proposed City of London Corporation's policy for commercial filming at its buildings and open spaces so that the City Corporation grows the levels of income from film and TV productions using its buildings and open spaces by simplifying the processes and procedures and standardising the legal contracts that are agreed for each filming event. Furthermore, that the promotion of buildings and open spaces is undertaken by a reputable and established location agency.

Appendices

- Appendix 1 – Film Consultants report.
- Appendix 2 – List of buildings and open spaces that would be promoted for use by film and TV productions.
- Appendix 3 – Financial model showing three-year income for Option 1 - Retain current systems and procedures.
- Appendix 4 - Financial model showing three-year income for Option 2 - Engage a reputable and established location agency to promote and market all the corporation's buildings and open spaces.
- Appendix 5 – Process chart showing how location enquiries for the 27 locations would be managed.
- Appendix 6 - Filming Protocol Strategic Guidelines.

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