

Agenda Item 7

Hertfordshire Growth Board (HGB) – Proposals for Establishment of the Hertfordshire Screen Office

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1 Purpose of report

- 1.1 This report sets out the case for creating a Hertfordshire Film/Screen Office, outlines what services the Screen Office could provide, and identifies the next steps in potentially making the Screen Office a reality.

2 Background

- 2.1 Creative & Screen Industries is one of the fastest growing sectors in Hertfordshire and in the wider south-east. Just over half of the new studio space being planned and delivered in London and the south-east is coming to Hertfordshire, confirming its pre-eminence in the UK film and TV world. If all the studio floorspace being planned for Hertfordshire is delivered, then in time the area of sound stages in Hertfordshire will exceed that of Hollywood.
- 2.2 These changes are the result of the emergence of platforms driven by new technologies, and the maturing of a diverse and 'digitally native' generation of audiences and filmmakers. Those enterprises able to adapt to the new platforms (such as streaming) and harness new digital technologies are thriving, as they respond to increasingly sophisticated audiences with an altered perception of the value of what they watch, and a different expectation of how they consume and interact.
- 2.3 In tandem with these changes there has been a demand for greater product output. In 2017, film production spend in the UK reached an all-time high of £1.9 billion, an increase of 125% over the course of the previous decade. High-end TV (HETV) – has seen equally impressive growth, with British Film Institute (BFI) figures showing the total UK production spend of £938 million in 2017, the highest annual figure since it became eligible for tax relief in 2013. In the 5 years to 2017 film economic output increased 88% and film inward investment by 162%.

2.4 Although the Covid-19 pandemic initially hit film and TV production hard, the effects appear largely temporary and growth in the sector has resumed its upward curve, boosted by increases in those watching audio-visual content and subscription video on demand (SVoD) streaming services during lockdowns.

3 Hertfordshire's Studios

3.1 There are currently a total of 13 major film studios in London and its immediate hinterland, providing a total of 1,629,000 sq.ft. of studio space and 110 sound stages, 54 of which are larger than 10,000 sq.ft. All but two are either in south-west Herts or West/West of London, forming part of a 'Central London & Soho/SW Herts/ West London & M4 corridor triangle' that has characterised major film studio locations since the early days of film.

3.2 16 new studio developments in London and its immediate hinterland are currently being planned or built totalling some 3.8m sq.ft. of space. 7 of the 16 are in Hertfordshire, and one of the proposals involves the largest single new proposal in the UK (the 608,000 sq.ft. Hertswood Studios in Borehamwood). If all proposals are delivered, and combined with the studios already operating, this would take total provision of film and TV studios in London and its immediate hinterland, primarily Hertfordshire, to just under 5.5 m sq.ft. across close to 300 sound stages.

4 Screen Ecosystem

4.1 This rapid and large-scale growth highlights the need for a consistent and co-ordinated approach to ensuring that we have the right eco-system in place to exploit the opportunities presented by creative & screen industries. The wider skills agenda plus the benefits of filming location services across the county potentially benefit all councils. To that end Herts Growth Board set up the Creative & Screen Industries Working Group to pull together the work of public agencies that have a stake in the sector's future. At present the working group consists of those districts most directly affected by the sector, Hertfordshire County Council (HCC) and the Local Enterprise Partnership (LEP). Similarly, the LEP has set up a Screen Industry Panel, chaired and led by businesses from the sector, to give the sector a voice in the county and ensure that interventions and public investment meet the needs of the industry.

5 Herts Screen Office Proposition

- 5.1 A number of counties and cities have developed film offices to promote and support the sector. For instance, Kent Film Office was set up in 2006 and sits alongside Surrey Film Office and Oxon Film Office. Other well-established offices include Bath Film Office, Film Birmingham, and Bristol Film Office. All film offices have a broadly similar remit of encouraging and supporting film and TV production in their locality. At a national level the BFI funds Creative England (based at Elstree Film Studios) to provide filming support (outside London which has its own arrangements) and sign-post support services, such as locations, to local film offices.
- 5.2 In order to support this growth and exploit the opportunities it brings to the benefit of the Hertfordshire economy; a number of agencies have proposed creating a similar film office service for Hertfordshire. This has been supported by the sector panel.
- 5.3 The Herts Screen Office could be to provide a one-stop-shop service for a variety of film and TV-related activities across the county. Working closely with Creative England, the Screen Office's activities could include:
- Promoting film locations and providing the support and interface for those offering and wanting to use locations
 - Promoting production facilities by liaising with production companies and those providing services to the industry
 - Promoting and lobbying Hertfordshire as 'film friendly' and the 'home of UK film' to help secure future investment
 - Organising highway permits, parking options and liaising with regulatory bodies to making filmmaking as quick and painless as possible
 - Providing production advice and guidance, acting as the conduit to private and public agencies, and generally helping to resolve issues
 - Promoting screen tourism in the county (working in conjunction with Visit Herts or a similar destination management organisation)
 - Promoting film and TV studio development as part of a number of cultural hubs (for instance one suggestion is a Herts Film Festival)
 - Providing a conduit to inform skills providers about meeting the industry's skills needs
 - Providing a means for business of all scales to engage with the sector and help supply the broad range of specialist, general and bespoke skills, and

support that the sector needs within Hertfordshire – leveraging the benefits for our county.

6 Financials and Procurement

- 6.1 It is believed that there is scope to provide at least some of these services on a paid subscription basis so that the Hertfordshire Screen Office can work towards becoming self-funding at the earliest opportunity. The one stop shop could help provide the front door, co-ordination and promotion for all councils engaging in this joint venture.
- 6.2 Estimations are that it would require support of around £100k p.a. for up to three years to get the service to cover its costs (and in the longer term generate a surplus if possible). This would cover the cost of a senior manager plus an assistant and initial support/development costs. If spread across a number of public and private agencies the cost per organisation would be modest but would provide the seed corn funding to get the office up and running. District and Borough Councils have been asked to consider a contribution from the UKSPF, The LEP and the Growth Board will also be asked to contribute. The sector will be approached and asked to endorse the proposition and match the initial local funding from councils/LEP and Growth Board.
- 6.3 Ideally the service would be based at one of Hertfordshire's Studios since officers believe the connectivity with industry is critical. Employees could be hosted by one of the Hertfordshire councils or the LEP on behalf of the partnership. The screen office would co-ordinate across all the councils, LEP and partners and front up the one stop shop delivery of services to the sector.
- 6.4 Officers believe this would be an important way to support the sector and at the same time leverage the benefits for Hertfordshire in terms of skills, employment and provision of location and related services to generate income locally.

7 Next Steps

- 7.1 If the Growth Board supports the principle of establishing a Herts Screen Office, then next steps would be working up a more detailed proposal and business plan and securing/confirming the seed corn funding. In particular, officers need to investigate if the service is best provided direct

by a partner or by a third party. If the latter, then officers would need to ensure that procurement obligations are met. At this stage officers believe that a partnership by the LEP, Growth Board and Local Authorities may well be preferable but will investigate and report back on options.

8 Recommendation

- 8.1 That the Hertfordshire Growth Board:
- a) agrees in principle to the establishment of a Herts Screen Office for the county, in partnership with the LEP and Local Authorities and to work closely with external partners such as Creative England, Visit Herts, Higher and Further Education and the Creative Sector representatives (through the LEP sector panel).
 - b) Seed corn match funding support of up to £25k to be made available from the Growth Board Growth Fund in 2022/23, subject other partners and the sector also committing sufficient funding support to proceed
 - c) A more detailed business plan and regular updates to be brought to a future Growth Board meeting.
 - d) Approval for any immediate consultancy support of up to £10k¹ needed to enable progress with this work.

¹ To be taken from the principal £25k contribution