



Navigating success

Draft guidance for local authorities on setting filming fees

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Agenda

1. Methodology: what we did
2. Findings: five key lesson to consider in fee setting
3. Recommendations: proposed approach to setting fees



Methodology: what we did

Developing guidance to support local authorities

The brief:

‘Produce a guidance document on charging structures for on-location film and tv production to support local authorities across England – in informing approaches to setting fees and implementing film friendly measures.’



A combined method: breadth and depth

2 days familiarisation and desk research

80 completed surveys across all regions, sizes and types

21 interviews with local authorities and film offices

10 interviews with location managers and line producers

5 analysis workshops



Thank you!

1066 film office	Cheltenham	Kent Film Office	Rochdale
Allerdale	Cheshire East	King's Lynn and West Norfolk	Sedgemoor
Allerdale	Cheshire West and Chester	Lancaster	Somerset County Council
Amber Valley	Chorley	Leicester	Somerset West and Taunton
Ashfield	Colchester	Liverpool Film Office	Southampton
Basingstoke and Deane	Copeland	Luton	Stockton-on-Tees
Blackburn with Darwen	Cornwall	Maldon	Stratford-on-Avon
Blackpool	Cotswold	Malvern Hills	Surrey Film Office
Bolsover	Crawley	Mansfield	Teignbridge
Bolton	Dacorum	Mendip	Telford and Wrekin
Bournemouth, Christchurch and Poole	Dorset	New Forest	Tendring
Breckland	East Cambridgeshire	North Norfolk	Thurrock
Brighton and Hove	Eden	North Somerset Film Office	Torbay
Bristol Film Office	Film Wight	Northumberland	Torridge
Broadland	Forest of Dean	Norwich	Warwick
Broxbourne	Gloucestershire County Council	Oldham	Watford
Buckinghamshire County Council	Great Yarmouth	Peterborough	Welwyn Hatfield
Burnley	Hartlepool	Plymouth	West Lancashire
Carlisle	Herefordshire, County of	Preston	Wigan
Castle Point	Hertsmere	Ribble Valley	Wiltshire



Findings:

Five key lesson to consider in fee setting

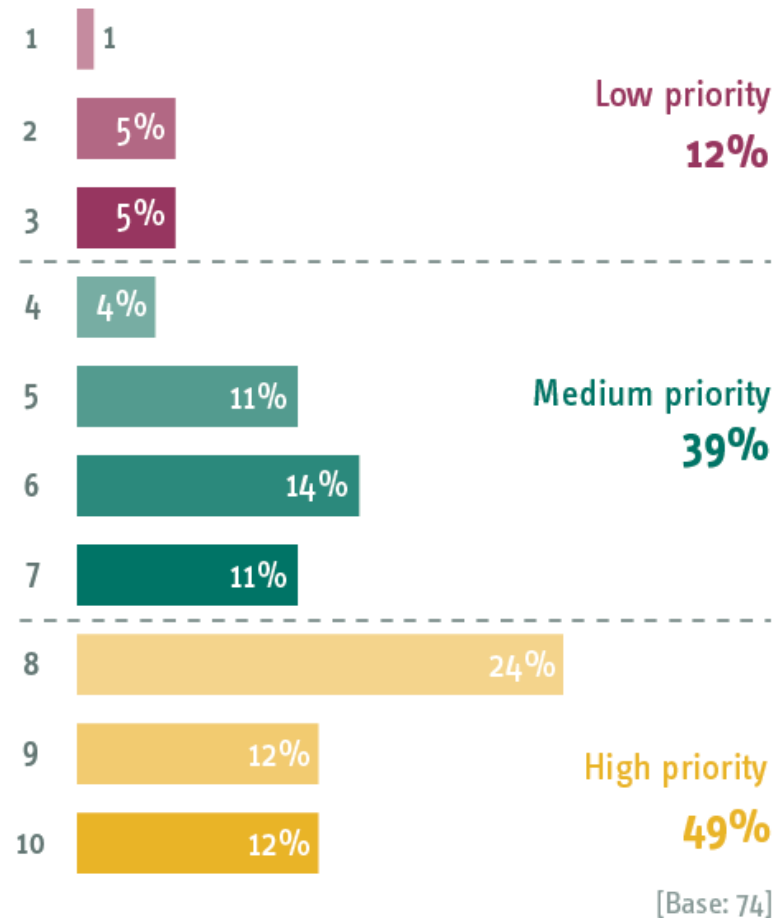
1.

The wide range of sought benefits and local considerations means that a 'one size fits all' approach won't work

Filming is frequently a high priority for local authorities

“I will give 150% to help them to make sure they speak to the right people and they get the right locations.”

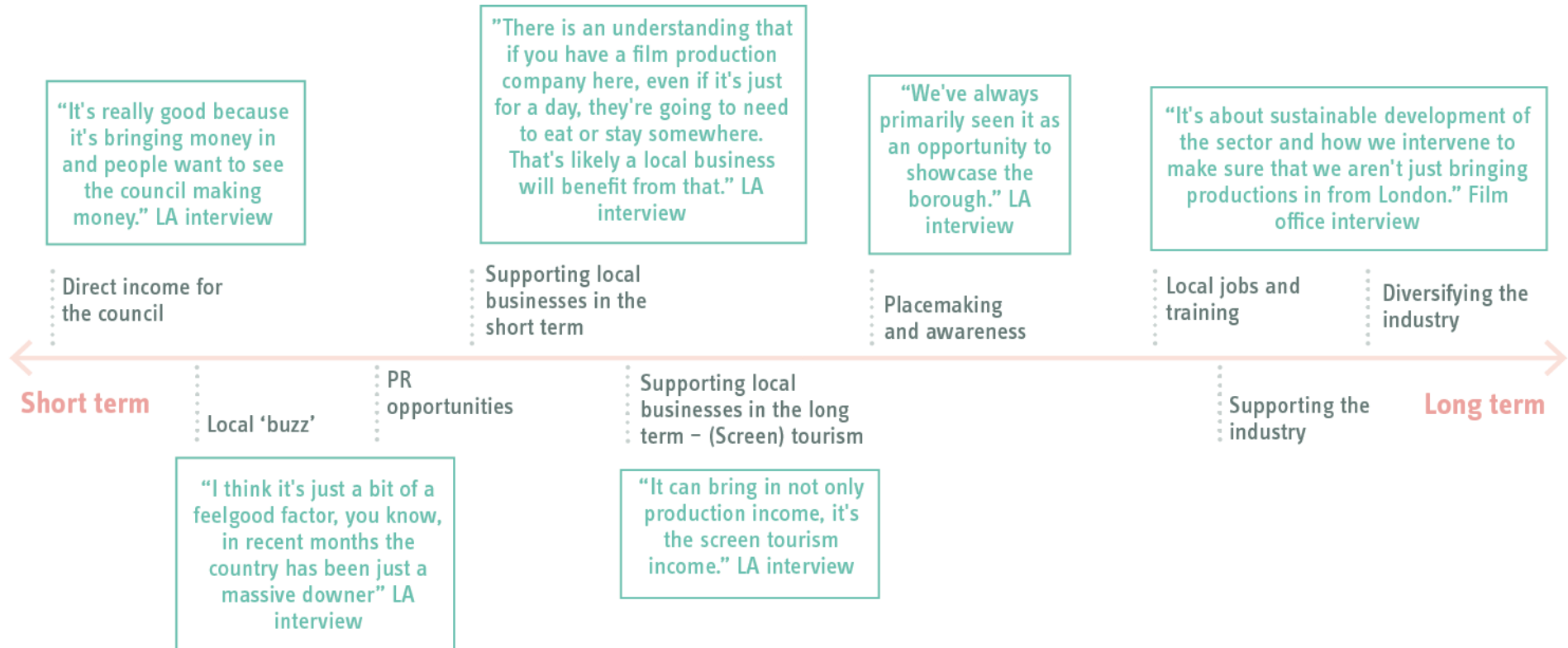
Extent to which filming is a priority for localities



The benefits sought in attracting filming are hugely varied



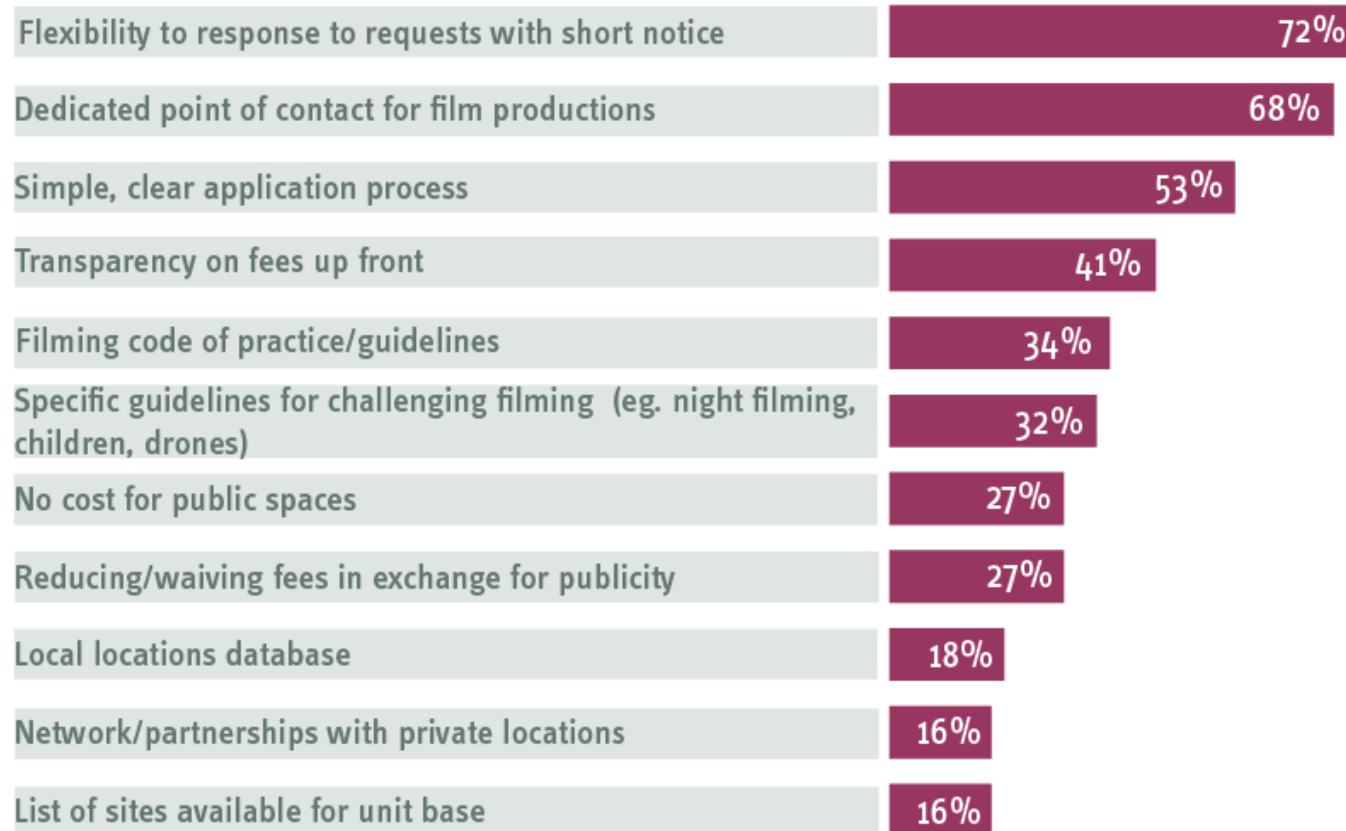
There is clear belief in the potential benefits



2.

Guidance needs to acknowledge complexity but be easy to use

Valuable film-friendly measures are often in place



But capacity is frequently a challenge

‘It's quite likely I've been sent emails. They are quite active in reaching out to authorities, It's just a capacity issue here. It's having the time to sit down and and look through something with so many other competing demands on time.’

Local authority interview

3.

**Fees play into a fine balancing act: the
‘value’ of local authorities is key**

There are many factors that determine how 'valuable' your locality is to the film industry

Key factors that create value

- ✓ *A real USP or high prized assets*
- ✓ *Closeness to film hubs is important in decision-making*
- ✓ *The range of other sites in the proximity*
- ✓ *Rurality and level of disruption is important*

'It's very, very sought after and completely empty. It gives productions the ability to spread out [...] it gives them everything they need: three floors of an empty listed building, stunning from the outside, fantastic from the inside. And I'm booked up.' Local authority interview

Shortcuts can tip the balance in decision-making – flexibility, responsiveness and relationships are key

‘You only have so much prep time [...] so you want to use all the shortcuts that you've got. You've got, for example, council contacts, and you know can shut a road there, you know what it's going to cost you and can already feed that into the budget.’ Local authority interview

Fee setting is gives an element of control: from wielding power to competitive advantage



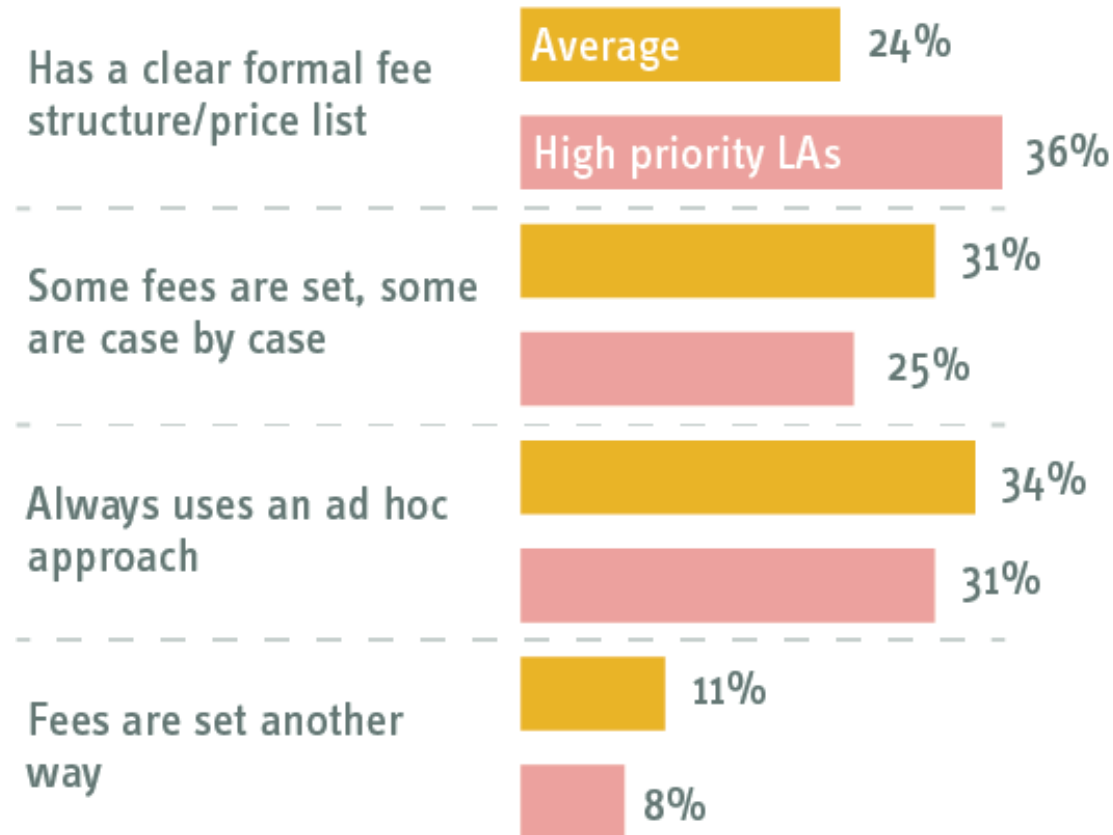
‘The crews will always try and negotiate. I just say our fees are fixed. So that's what you pay. If you can't afford it, I'm afraid we can't accommodate.’ Local authority interview

‘We don't charge at all. It's seen as an economic benefit, the money invested from the production outweighs what we would charge.’ Local authority interview

4.

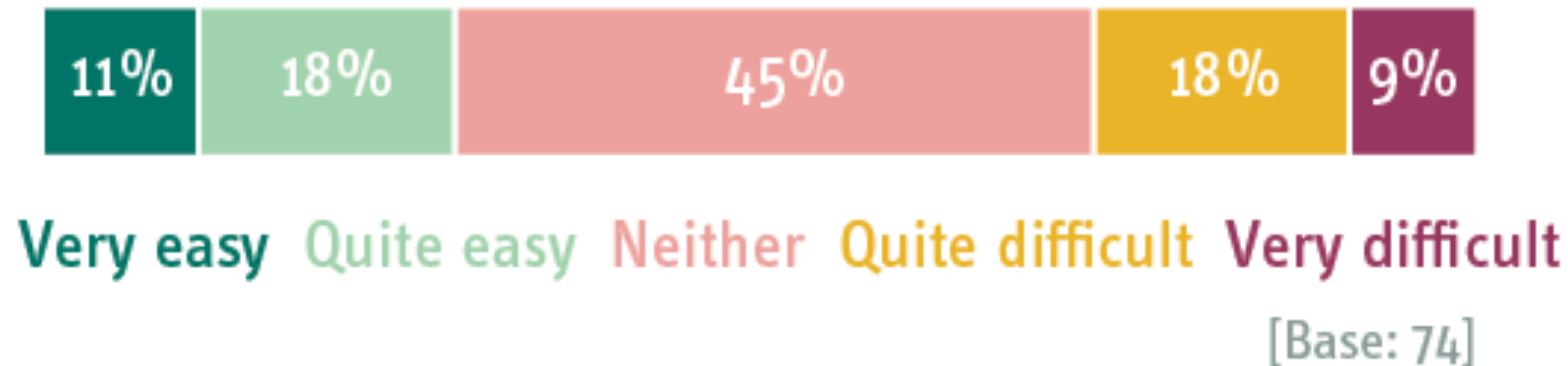
Guidance needs to offer support where needed and allow for flexibility

There are many different approaches to setting fees

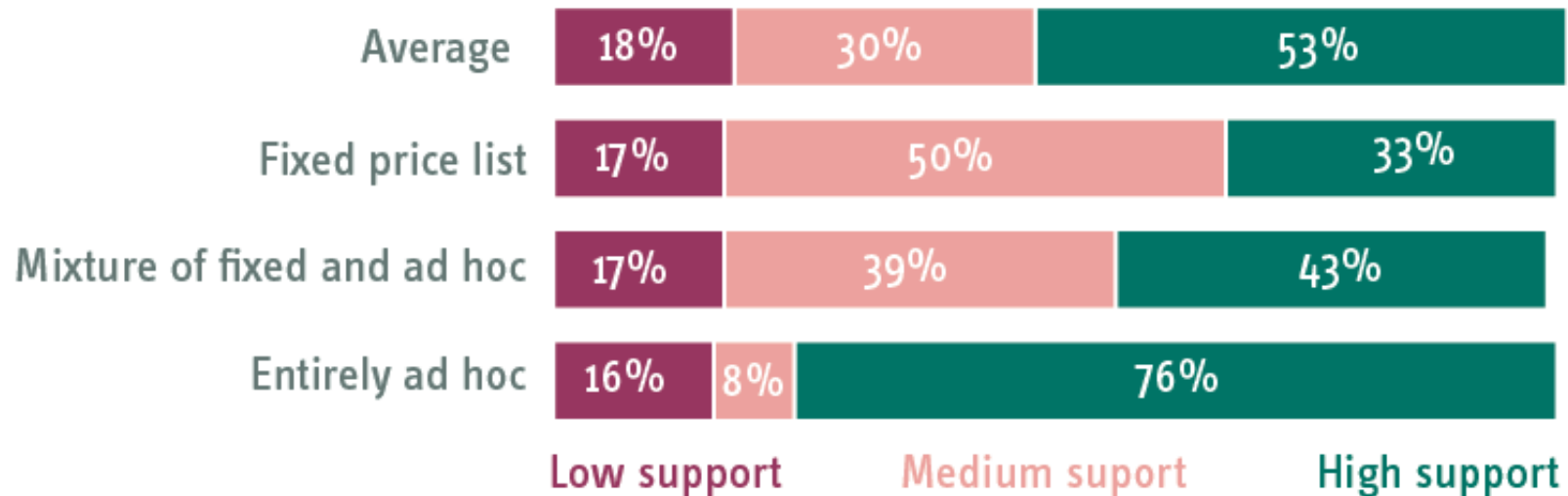


There are many different approaches to setting fees

Local authorities ease/difficulty in setting fees for filming



A standard approach is appealing to those who need help



[Base: average 74, fixed 18, mix 23, ad hoc 25]

“At the moment we don't charge anything. And so we don't really have an offer. It's very ad hoc. I don't think we're maximising the potential. I think that the benefits of filming are massive and I don't think we're exploiting them.”



5.

The inconvenience of filming can be measured by a number of proxies

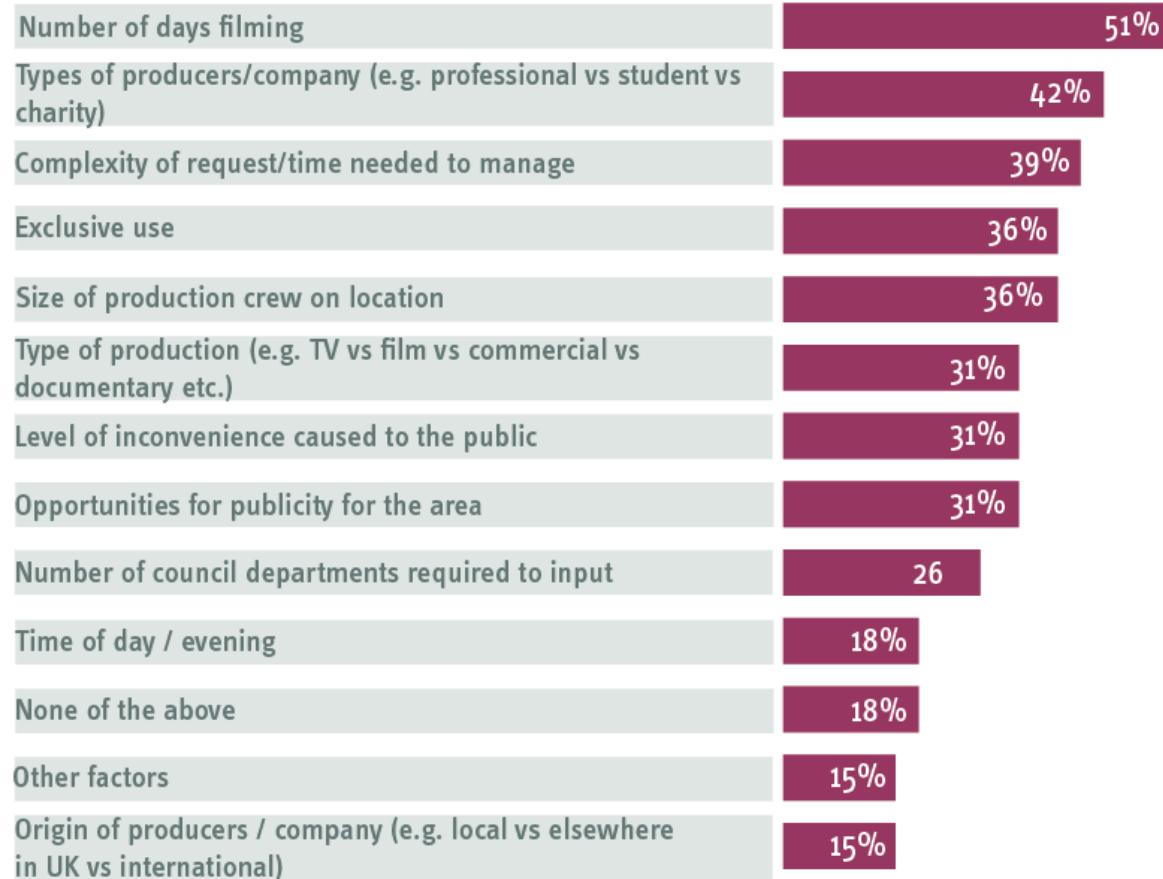
Cost recuperation is the most common among a range of fee setting strategies

“We’re not looking to earn a lot of money. It's more of a sort of covering our costs. And the more work that is involved, the more potential cost there would be to us.”

Small local authority interview



A number factors are currently used in setting fees



[Base: 74]



Crew size is the best proxy for impact and budget

“If the film was going on for three months, but actually it was only a crew of three people that’s really little in terms of impact. Whereas if it’s a major film production that comes in and takes over a relatively sizable space but they’re only there for two days, the impact for those two days is going to be huge.” Local authority interview

“The bigger the budget, the bigger the disruption, the more control we will need.” Location Manager interview

**Recommendations:
proposed approach to setting fees**

A standardised approach based on asset and ambition

Asset

Scarcity and availability of **assets** dictate **value**. We recommend this is the starting point in setting fees.

What do we have to offer?

Ambition

Filming **ambition** is crucial in fee setting. There are needs to be space to set fees that will serve your overall strategy.

What do we want to achieve?

Example set of questions to understand the value of your area to the filming industry

Outside of control:

Yes  No

Are you within 30 miles of a major city in which filming takes place?	5	4	3	2	1
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Is your area able to easily double up as other geographic regions/cities?	5	4	3	2	1
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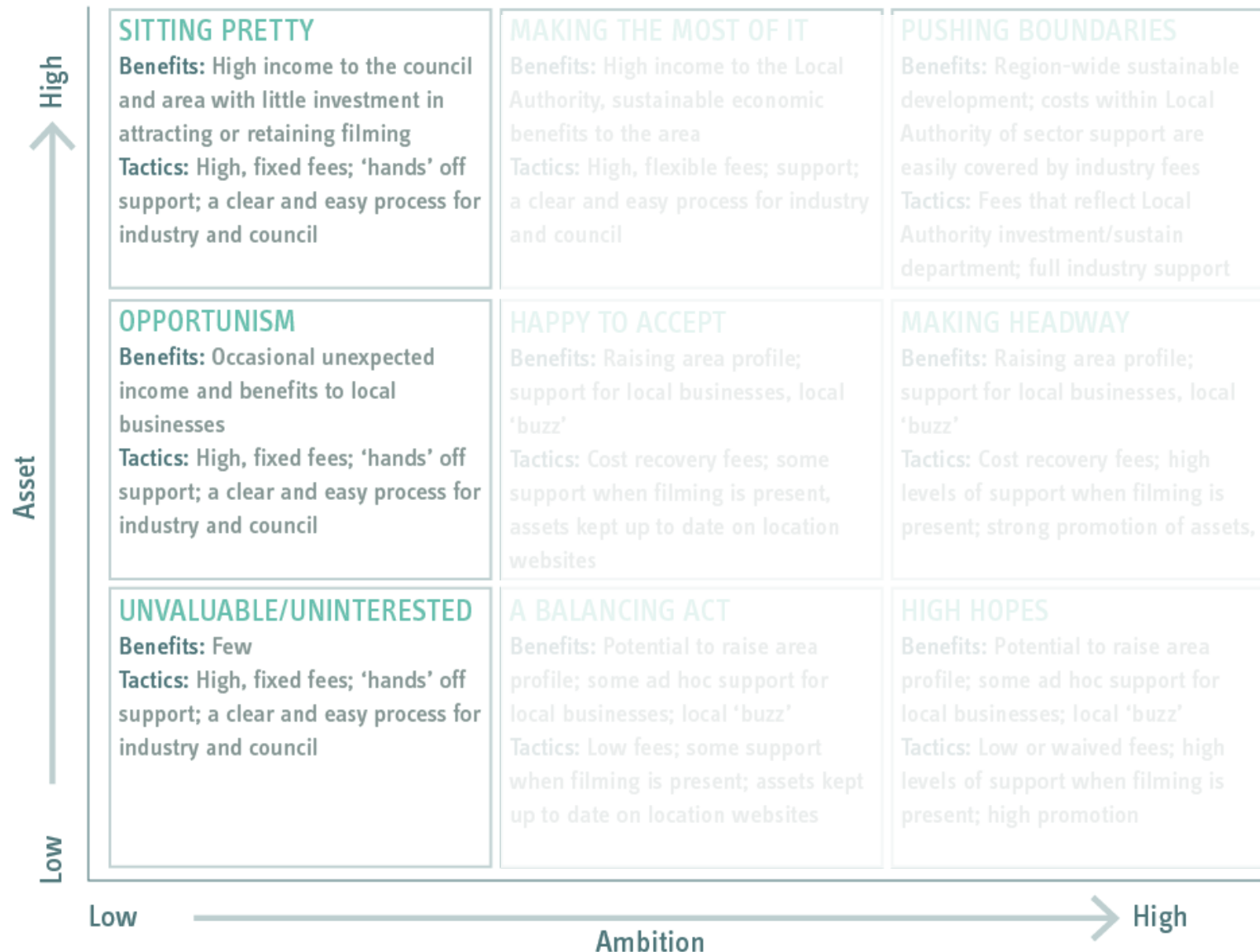
Do you have large, empty buildings?	5	4	3	2	1
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Do you have locations that you know are one of a kind?	5	4	3	2	1
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Have you had a large number of filming productions in the last year (25+)?	5	4	3	2	1
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Do you allow road closures for filming?	5	4	3	2	1
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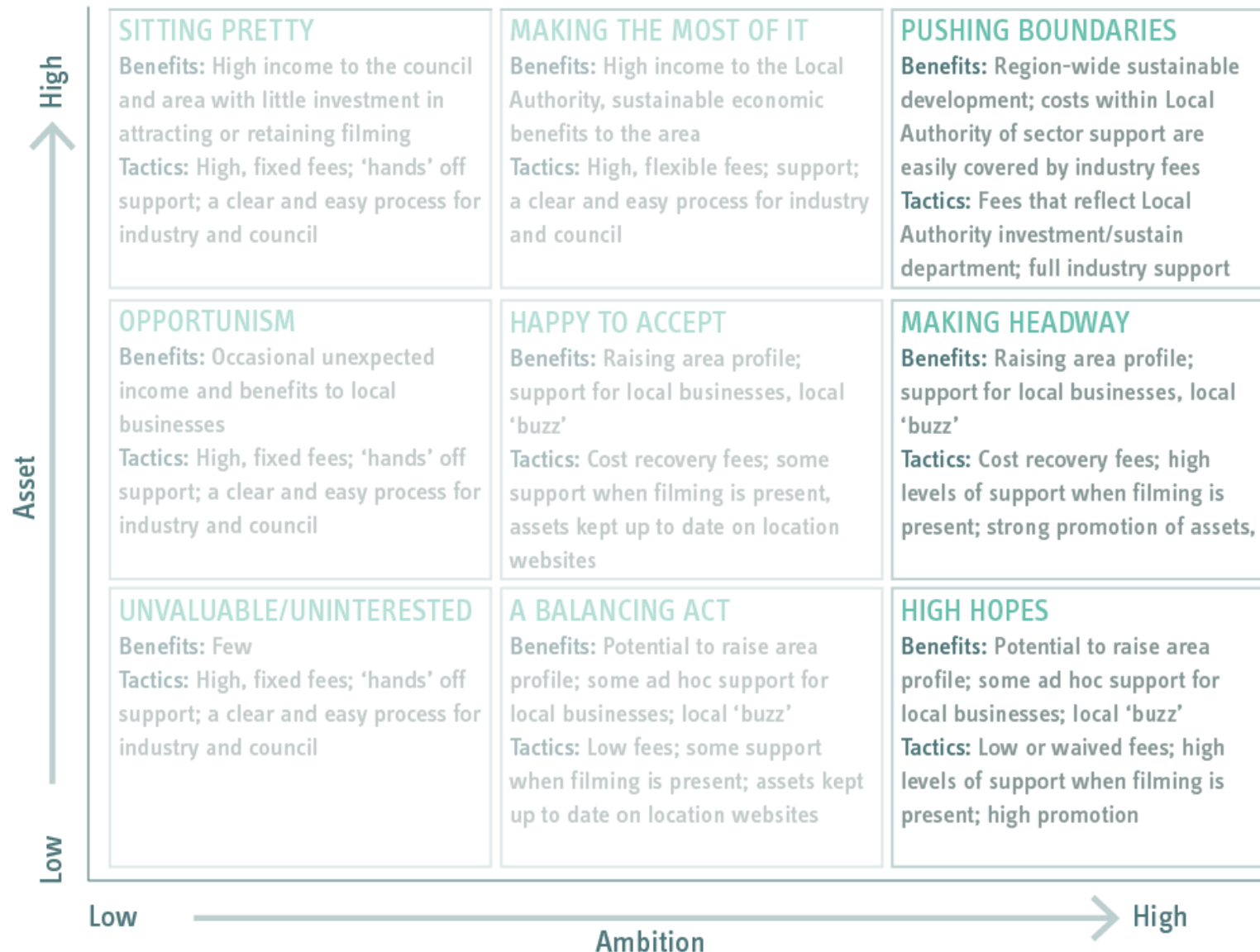
Filming fee strategies by both asset and ambition



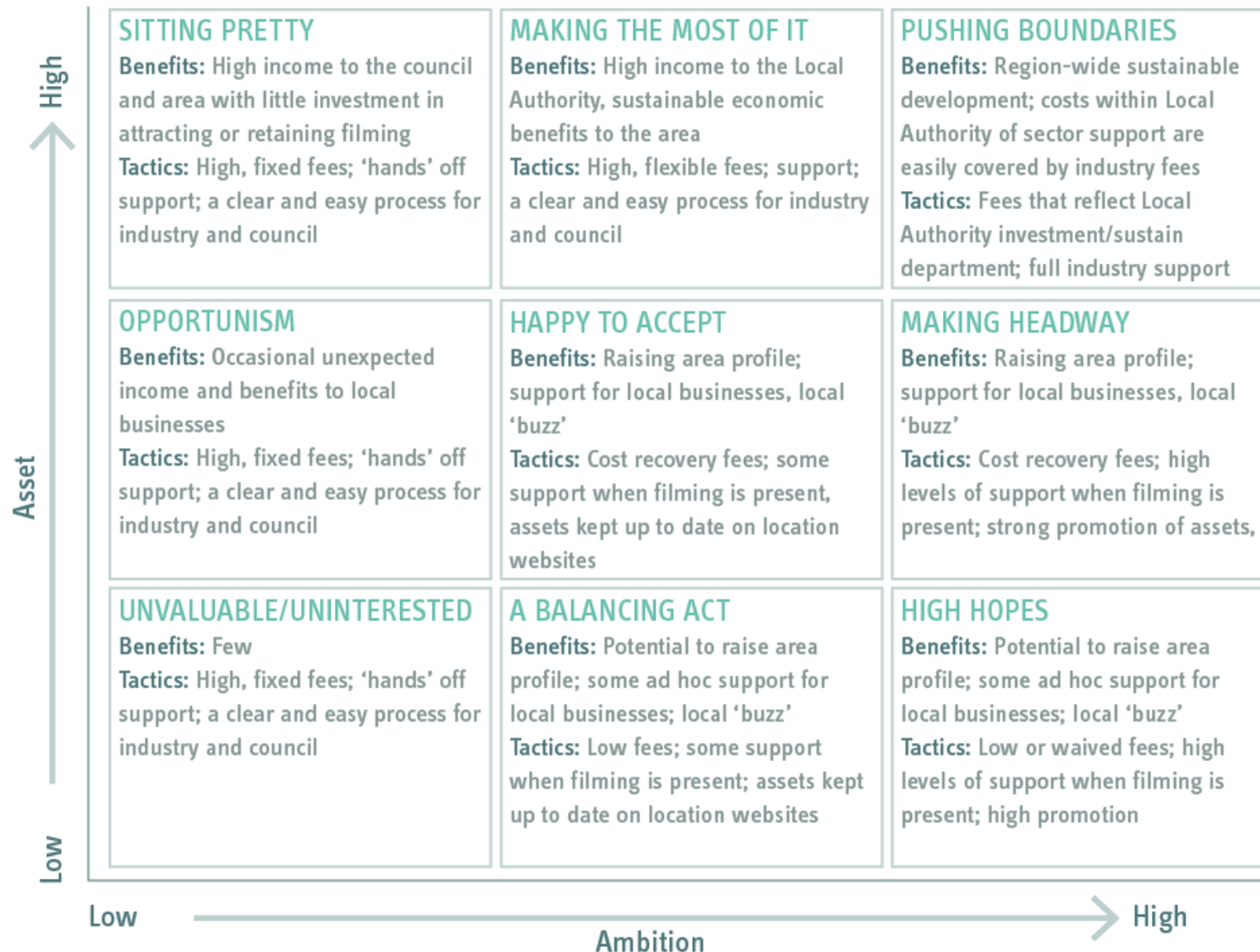
Filming fee strategies by both asset and ambition



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Filming fee strategies by both asset and ambition



Filming fee strategies by both asset and ambition



Filming fee strategies by both asset and ambition



Filming fee strategies by both asset and ambition



Once the strategy has been set, there are four simple considerations to navigate complexity

- 1. What costs do we need to recover or formalise?**
- 2. Should the fee be a one-off or day rate?**
- 3. Is size or type of production a factor in inconvenience/cost recovery?**
- 4. What are the best proxies for inconvenience caused?**



1. What costs do we need to recover or formalise?

Cost element	
Application/Admin/Permit Fee	General fees for filming, such as permits, admin or application fees
Outdoor location hire/ exclusive (council owned)	Specific location hire to generate income where desired
Indoor location hire (council owned spaces)	
Income loss (eg parking bays or specialist support)	Extras that will be required to recover direct or indirect costs to the local authority
Traffic notices	
Extra licences (eg drone or cherry picker)	



2. Should the fee be a one-off or day rate?

Cost element	Rate
Application/Admin/Permit Fee	Is it a one off fee or a day rate?
Outdoor location hire/ exclusive (council owned)	
Indoor location hire (council owned spaces)	
Income loss (eg parking bays or specialist support)	
Traffic notices	
Extra licences (eg drone or cherry picker)	

3. Is size or type of production a factor in inconvenience/cost?

Cost element	Rate	Scaling
Application/Admin/Permit Fee	Is it a one off fee or a day rate?	Should the fee be set, or scaled depending on production size/type
Outdoor location hire/ exclusive (council owned)		
Indoor location hire (council owned spaces)		
Income loss (eg parking bays or specialist support)		
Traffic notices		
Extra licences (eg drone or cherry picker)		

4. What are the best proxies for inconvenience caused?

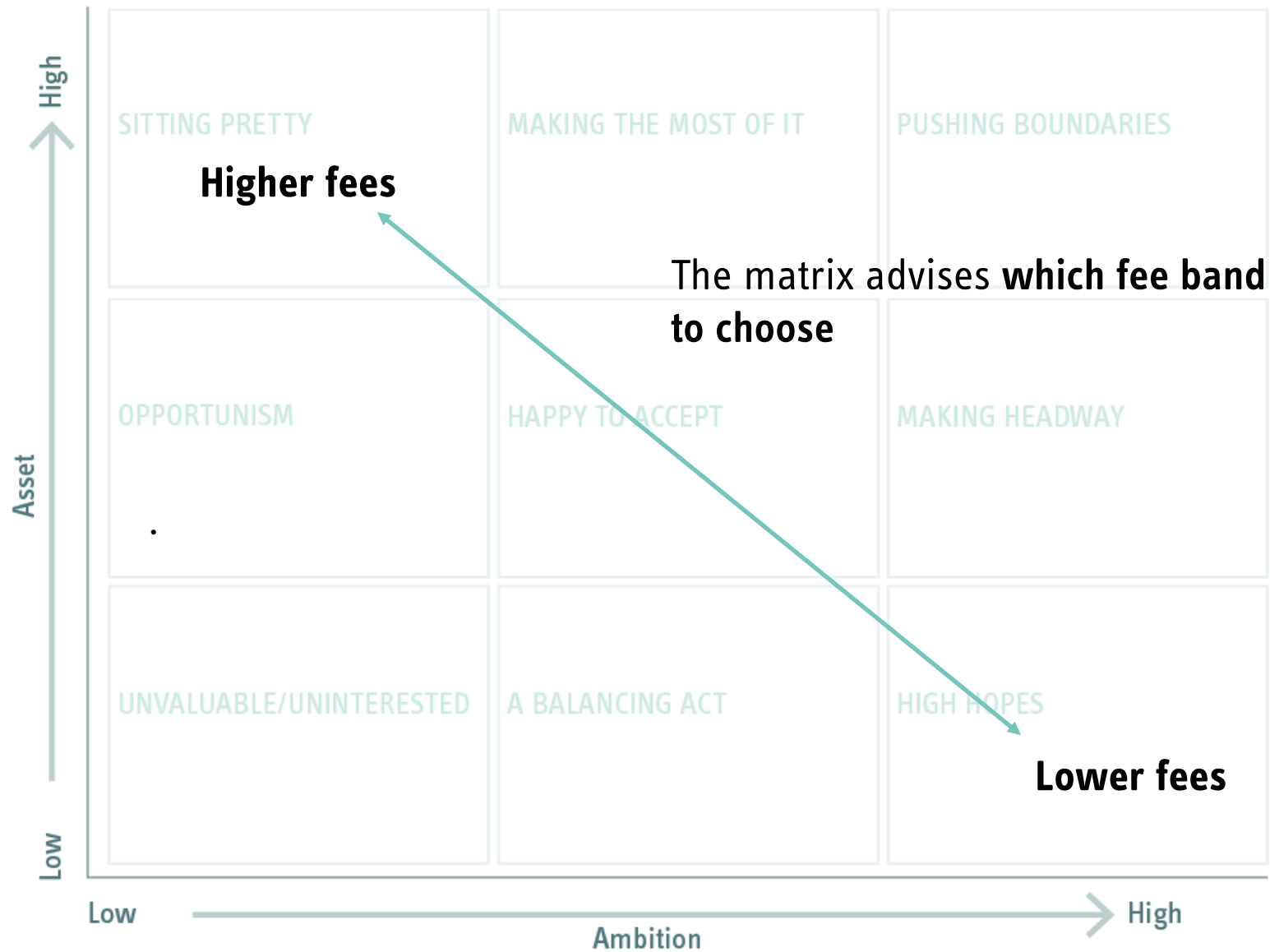
Cost element	Rate	Scaling	Levels
Application/Admin/Permit Fee	Is it a one off fee or a day rate?	Should the fee be set, or scaled depending on production size/type	What production types and crew sizes should be set to establish the fee on scalable charges?
Outdoor location hire/ exclusive (council owned)			
Indoor location hire (council owned spaces)			
Income loss (eg parking bays or specialist support)			
Traffic notices			
Extra licences (eg drone or cherry picker)			

4. What are the best proxies for inconvenience caused?

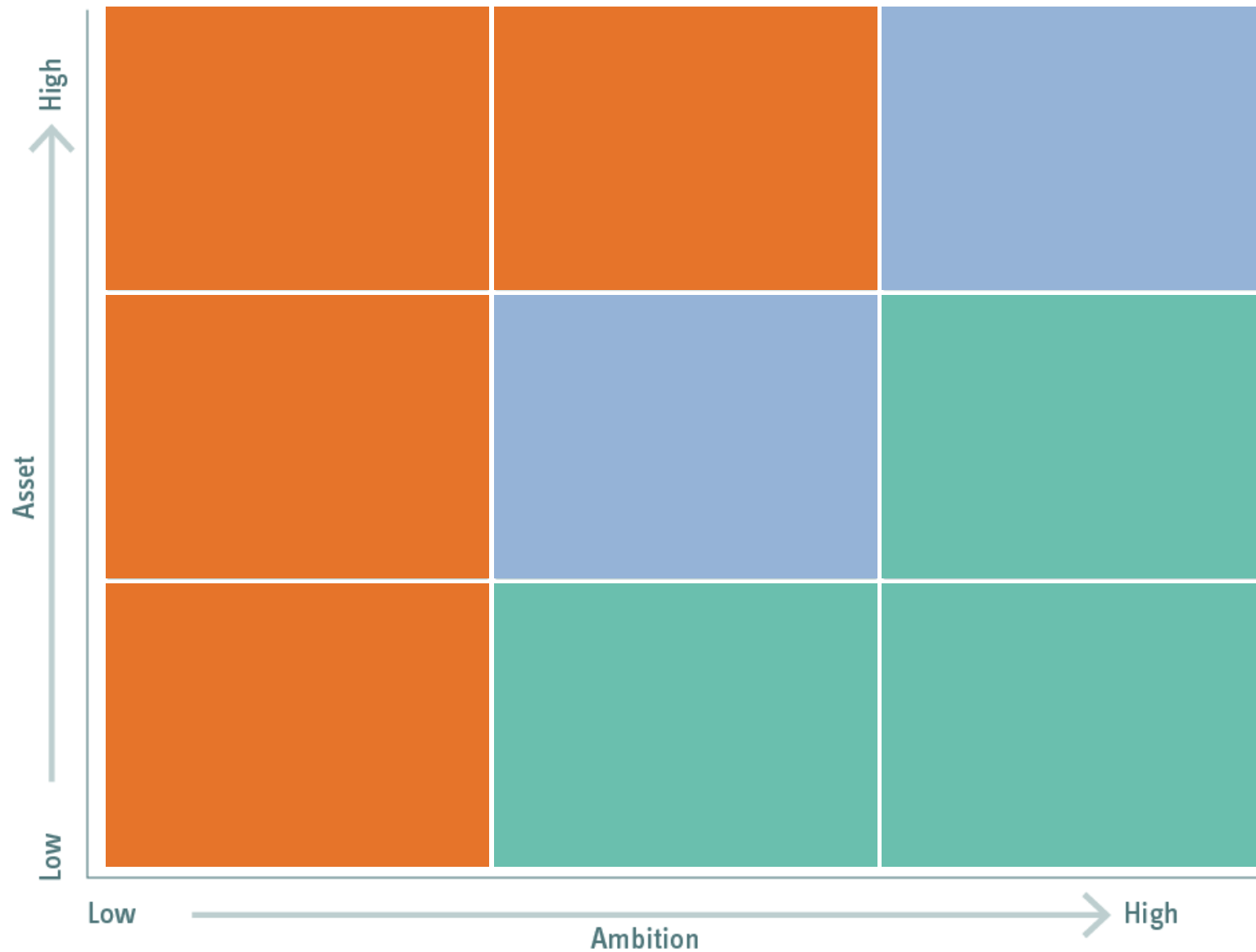
Cost element	Level 1	Level 2	Level 3	Level 4
Application/Admin/Permit Fee	Student films, charities, good PR	Small crew	Medium size crew	Large crew
Outdoor location hire/ exclusive (council owned)				
Indoor location hire (council owned spaces)				
Income loss (eg parking bays or specialist support)				
Traffic notices				
Extra licences (eg drone or cherry picker)				

Note: for a major feature or very large crew (over 75) recommend assessing fees on a case by case basis.

Filming fee strategies by both asset and ambition



Filming fee strategies by both asset and ambition



A minimum fee creates a contract

‘I've had conversations with location managers, certainly one has said to me, if you charge a bit of money, and you get taken more seriously, because it's perceived that you have that kind of wraparound support.’ Medium local authority interview

‘As soon as you pay something, you've got a contract. But the de facto contract exists between me and them. And their responsibilities for me and my responsibilities for them.’ Location Manager interview



An example of a fee band (lower)

Cost element	Rate	Scaling	Level 1	Level 2	Level 3	Level 4
Application fee and permit	One-off	Part - scaled	£25			£25-£300
Outdoor location hire/ exclusive (council owned)	Day rate	Consistent	£0-800 (or as per local rates)			
Indoor location hire (council owned spaces)	Day rate	Consistent	£0-£900 (or as per local rates)			
Income loss (eg parking bays or specialist support)	Day rate	Consistent	As per local rates			
Traffic notices	One-off	Consistent	As per local rates			
Extra licences (eg drone or cherry picker)	One-off	Consistent	£50-200 (or as per local rates)			

An example of a fee band (medium)

Cost element	Rate	Scaling	Level 1	Level 2	Level 3	Level 4
Application fee and permit	One-off	Scaled	£25	£50	£100	£200-£300
Outdoor location hire/ exclusive (council owned)	Day rate	Consistent	£300-900 (or as per local rates)			
Indoor location hire (council owned spaces)	Day rate	Consistent	£400-£1400 (or as per local rates)			
Income loss (eg parking bays or specialist support)	Day rate	Consistent	As per local rates			
Traffic notices	One-off	Consistent	As per local rates			
Extra licences (eg drone or cherry picker)	One-off	Consistent	£50-200 (or as per local rates)			

An example of a fee band (higher)

Cost element	Rate	Scaling	Level 1	Level 2	Level 3	Level 4
Application fee and permit	One-off	Scaled	£25	£100	£200	£250-£500
Outdoor location hire/ exclusive (council owned)	Day rate	Consistent	£500-1000 (or as per local rates)			
Indoor location hire (council owned spaces)	Day rate	Consistent	£500-£2000 (or as per local rates)			
Income loss (eg parking bays or specialist support)	Day rate	Consistent	As per local rates			
Traffic notices	One-off	Consistent	As per local rates			
Extra licences (eg drone or cherry picker)	One-off	Consistent	£50-200 (or as per local rates)			

Thank you!

“They effectively blew us up with the alien invasion. So that the whole High Street was mud, charred bodies, crushed stagecoaches.

It looked fabulous.”

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▶ **mcintyre**