

Culture and Leisure Sub-Committee

4 December 2018

Present: Councillor D Drummond (In the Chair)
Councillors L Bell, L Darke, C Davis, E Hodson,
D McMeekan, A Newman, S Phillips, W Samuel and A Waggott-Fairley

CL15/12/18 Apologies

Apologies were received on behalf of Councillors J Cassidy and K Osborne.

CL16/12/18 Substitute Members

There were no substitutes reported.

CL17/12/18 Declarations of Interest

There were no declarations of interest reported.

CL18/12/18 Minutes

Resolved that the minutes of the previous meeting held on 2 October 2018 be confirmed and signed by the Chair.

CL19/12/18 Supporting the future of the North East England's Screen Industry

The Sub-Committee was presented with an overview of the Screen Industry in North East England and the steps being taken to support its development.

Ms Alison Gwynn, Head of Development and Ms Gayle Woodruffe, Production Service Manager, Northern Film and Media, attended the meeting to present details of the work undertaken by Northern Film + Media (NFM), the North East of England's creative industries development agency. NFM work with north east professionals and business specialising in film, TV and screen -based arts, primarily through their talent development projects, events and production service. In addition, NFM drive regional commercial film and television production and attract inward investment by promoting the region as a base for incoming film and TV production.

The UK's screen industry was flourishing. Currently centred in and around London and the South East, with significant recent growth in Manchester and Leeds where there were growing capacity issues and skills shortages. *'Film and high-end TV alone attracted over £2 billion of inward investment to the UK in 2017, creating employment, boosting tourism and bringing global talent to the UK. There was enormous potential to go further'*, (HMG Industrial Strategy 2018).

The TV and Film Sector in the North East was currently one of the smallest in the UK; less than 2% of TV produced in the UK was made in North East England. Inward investment from high end TV and film had held steady for the last 5 years with an average of £10 million GVA per year compared to industry national growth of 120%. Without investment, the North East TV and film sector would fall further and further behind the rest of the U.K.

To move the region's screen industry from surviving to thriving and champion a real step change to growing the sector. Local authorities were asked to help Northern Film + Media (NFM) grow the region's film and TV sector via three key initiatives:

- i. A Great North Screen Fund – £4 million to match £4 million private investor for a new, regional, evergreen £8m commercial content investment fund to attract incoming UK and international film and TV productions.
- ii. NFM Academy Talent Development Programme – We will develop emerging talent from the region’s FE colleges and universities in the creative industries, to train them for work in the North East’s film and TV industry.
- iii. NFM Professional Development Scale up activities – Financial support for NFM to provide professionals and SMEs with a bespoke annual programme of activities, and to offer grant funding of £2,000 - £5,000 per TV/film company to support growth.

Great North Screen Fund - NFM managed the Production Service for film and TV productions shooting anywhere in the North East of England. They promoted the region, advising productions on locations, assisting them to find regional, professional crew and facilities, connecting them with local and regional contacts, and accommodation and helping to ensure that filming goes smoothly. The wanted to attract more productions to film in region, we want them to stay longer and spend more and we want to ensure more work opportunities for regional crew and NFM Academy work placements. The North East did not have a production fund and had struggled to compete against neighbouring regions who do.

Figures showed that between 2009 and 2015 Yorkshire Film & TV Industries generated an annual turnover of £424 million across 590 creative businesses (an increase of 247% against the UK average of 118%) with GVA increasing 242% in comparison to UK average growth of 120%.

NFM Academy Talent Development Programme - there was a national screen industry skills shortage. The Future Film Skills Report commissioned by the BFI in June 2017 identified the need for 10,000 more people working in film, and the need to provide training for 30,000 jobs over the next five years.

With funding, NFM could deliver an annual programme of Academy services to work with 200 emerging professionals and included Careers introduction to industry, boot-camps, workshops and seminars and networking socials with guest speakers. This programme would support the 15% of our region’s FE and HE student population who were studying creative subjects, to obtain jobs in the region’s film and TV industries on graduation.

Professional Development Scale up activities - the North East had nearly 300 crew and over 48 production companies. With funding, NFM would provide individual support for professionals and SMEs via a bespoke annual programme of activities which delivered skills training, workshops, conferences and networking events, where they can build stronger links with leading industry individuals and larger indie production companies in the wider north and nationally. This work received ERDF funding to September 2018 and NFM was exploring the current European Regional Development Fund (ERDF) calls for future funding potential. Next steps:

- All 12 local authorities to confirm their support for developing the region’s screen sector.
- Secure £4 million of public sector funding to match the £4 million private sector funding for a regional Great North Screen Fund launched 2019.
- Secure the delivery of NFM Academy services to support our new and emerging talent from the region’s FE colleges and universities, to work on TV and film productions in our region.
- Secure the delivery of NFM’s professional development support services and provide grant funding to enable indigenous film and TV companies to create new work, and scale up.

- Ensure that the creative industries were recognised in the North East's Local Industrial Strategy.

Following the presentation, Members of the sub-committee asked a series of questions. During questioning members examined: -

- a) How professionally trained people would commute to the region resulting in more commissions.
- b) Attracting more productions whilst local authorities struggled financially themselves in terms of potential funding opportunities.
- c) Funding for training opportunities and support suggested in future talks with the North of Tyne Combined Authority.
- d) The driving force and business plan in getting financial support to achieve the Great North Screen Fund.
- e) Working on the creative side to attract writers and develop crews in the economic climate.

The Chair thanked Ms Gwynn and Ms Woodruffe for attending the meeting to present the work of Northern Film + Media and on behalf of the sub-committee expressed support for the continued development of the North East's screen industry.

CL20/12/18 Shaping the Next Ten Years

The Sub-Committee was presented with an outline of the consultation process and outcomes in the Arts Council England (ACE) document 'Shaping the Next Ten Years'.

Mr Bill Vince, Senior Relationship Manager, Arts Council England, attended the meeting to present details of the outcome of a consultation on how 'arts and culture' were defined, understood and valued and the proposed outcomes to be achieved in the strategy development. The presentation was intended to provide Members with an opportunity to input into the consultation process which would shape the Arts Council's strategy from 2020.

Members were advised that after gathering and analysing a wide range of evidence, and holding conversations with the public and with stakeholders, ACE had identified a series of proposed outcomes that they believed they should aim to achieve by 2030.

In this first stage of consultation, ACE were asking a wide range of stakeholders if they agreed that these outcomes were the right things for Arts Council England to focus on over the next decade, and, if so, how they might work with partners to achieve them. These proposed outcomes, along with the ACE case for change and ACE's ambition for the future, formed the framework for a new ten year strategy from 2020 -2030. They were not the strategy itself, which would be drafted and consulted on in spring 2019. At this point ACE would also share their thinking about how they could best use their resources to deliver the new strategy.

ACE remained committed to championing, investing in and advocating for all of the art-forms they currently supported, but they thought this was the right moment to be looking again at what was meant by culture and creativity in this country and the role that the Arts Council can best take in nurturing and supporting them over the next decade.

The presentation addressed several areas in relation to the case for change, including the differences in how 'arts and culture' were defined, understood and valued; the levels of engagement with publicly funded culture; opportunities for children and young people and inequality across the country; persistent and widespread lack of diversity; business models

of publicly funded cultural organisations; and a retreat from innovation, risk taking and sustained talent development.

This was the first stage of consultation and ACE were asking a wide range of stakeholders if they agreed that these outcomes were the right things for Arts Council England to focus on over the next decade, and if so, how they might work together to achieve them. ACE would like to hear from a diverse mix of individuals, groups and organisations. The consultation was open until the 2 January 2019. A programme of workshops' across the country had been arranged together with online consultation accessible via the following website: <https://nexttenyears.artscouncil.org.uk/10/consultation2018/>.

The next steps were to consult on a draft strategy in Spring 2019 with more detail on how ACE would deliver the outcomes and what this might mean in practice; the new strategy alongside a detailed delivery plan for the first three to four years of the 2020-2030 period would be published in Autumn 2019.

Following the presentation, Members of the sub-committee asked a series of questions. During questioning members examined: -

- a) The perceived disproportionate financial support outside London and the view that national lottery funding should be spread nationally.
- b) Ways in which future arts and culture on a face to face basis could be better distributed e.g. going to theatres, rather than via television.
- c) How in the last 10 years people had been pushed into one-to-one digital use e.g. computer games etc., rather than artistic forms.
- d) Investment in culture, the perceived public funding barriers and the ways in which to make sure that museums, libraries, online, and nationwide funding programmes can be accessed.

The Chair thanked Mr Vince for attending the meeting and presenting the Arts Council England's consultation 'Shaping the Next Ten Years' and on behalf of the sub-committee expressed support for the Arts Council England's identified outcomes and focus over the next decade.

CL21/12/18 SMG Europe Sub-Group – Interim Report

The Sub-Committee received an Interim report by the SMG Europe Sub-group which outlined progress to date on undertaking a scrutiny examination of the Authority's Operating Agreement with SMG Europe Holdings Limited, relating to the operation of the Playhouse, Whitley Bay.

At its meeting in July 2018 the Culture and Leisure Sub-committee agreed, as part of its 2018-19 work programme, to establish the SMG Europe Sub Group to carry out an examination of the Operating Agreement relating to the Playhouse, Whitley Bay, and specifically to consider the break point of the Agreement by either party giving nine months' notice to expire on 31 December 2019. This would mean a decision in writing to break the contract, should either party choose to do so, would be required by 31 March 2019.

The sub-group agreed to focus on the following objectives in considering the scrutiny examination of the operating agreement: -

- a. Does the Operating Agreement represent best financial value for the Council?
- b. Does the Operating Agreement deliver a diverse programme?
- c. Does the Operating Agreement continue to ensure community access?

- d. Does the Operating Agreement support the Council's wider arts development and tourism objectives?"

Four meetings of the sub group were held to date on 18 October, 30 October, 14 November and 28 November 2018. The group was attended by Council officers from Cultural Services, Law and Governance, and the Playhouse Manager from SMG Europe in order to provide advice and clarity on the terms of the Agreement and the practical operation of the Playhouse. At the conclusion of the sub-group's meeting held at the Playhouse on the 14 November, Members were invited to take a tour of the Playhouse as part of their evidence gathering, escorted by the Playhouse Manager who provided a running commentary with noted areas of historical interest and artwork located in the building.

It was proposed that following completion of the sub-group's examination of the Operating Agreement with SMG Europe, a final draft report containing the sub-group's key findings, conclusions and recommendations of the review would be circulated to all members of the sub-committee for comment, prior to submission to the Overview, Scrutiny and Policy Development Committee.

It was anticipated that the recommendations of the sub group would be considered by the Overview, Scrutiny, Policy and Development Committee for comment and endorsement in January prior for consideration by Cabinet.

It was **agreed** to note the interim report of the SMG Europe Sub-Group.

Chair:

29 January 2019