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BRITISH FILM INSTITUTE

GOVERNING BODY

FUNDING FOR FILM AND VIDEO IN LONDON

1. In a paper for the March 1991 meeting of Governors we explored the possibility of setting up a new independent Film and Video Development Agency for London as an alternative to funding the London Arts Board (LAB) when that body succeeds Greater London Arts (GLA) in September 1991. Though there were some reservations about the cost and other implications of setting up a new body, Governors agreed that we should undertake a more detailed feasibility study and consult widely on the proposal with a view to reporting back to the Board in September. This paper describes the proposal in more detail, summarises the results of the extensive consultations we have undertaken and makes recommendations.

CASE FOR A LONDON FILM & VIDEO DEVELOPMENT AGENCY (LFDVA)

2. The demise of GLA and other developments have provided an opportunity for fresh thinking and new ideas about the most appropriate form and structure for the funding of independent film and video activity in London.

3. London is pre-eminent in the UK as a film and media city. It is the home of the BBC and Channel 4 and (currently) Thames Television and LWT, and of the BFI. It also has the largest concentration of film and TV facilities anywhere in Western Europe. And, as regards exhibition, it is relatively well served with commercial cinemas. Paradoxically, however, it also has a relatively very weak support structure for independent and culturally innovative film and video activity. This is particularly true in relation to production and training, but is true also of exhibition facilities especially in outer London.

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4. Simply treating London like any other arts region, with comparable funding mechanisms to those in the RABs and with film and video treated alongside all other art forms, will not resolve this dilemma. The essence of the case for establishing a development agency for film and video which is separate from the funding and support structures for other art forms in London, is that this offers the best prospect of nurturing an innovative, diverse and accessible film and video culture within the Capital. There are two main reasons for believing this;

- precisely because of the pre-eminence of London in film and video more generally, a separate agency is needed in order to exploit to the full the opportunities and potential synergies that this presents, and to deal with the numerous and diverse range of organisations involved;

- an agency whose sole remit was to promote film and video, and not other art forms as well, would stand a better chance of being able to mobilise new sources of funding from the private sector in support of the culture, particular from the broadcasting industries.

OBJECTIVES AND FUNCTIONS

5. The Agency's remit would be to strengthen and promote all aspects of independent media activity (particularly production, exhibition and training) in the Greater London region. In consultation with all of the interested parties it would seek to develop a longer term strategy for support and development of these activities in London. It would fund activities itself, and provide information and advice. Equally important, it would also have a pro-active role in seeking to build new kinds of partnership between the subsidised and commercial sectors, and to mobilise new and additional sources of funding including sponsorship. Its aims and objectives would be cultural not commercial, but it would seek to achieve these by winning the confidence of both the subsidised and commercial sectors and by building genuine partnerships between them.

6. The LFVDA would provide revenue and project or development funding, but in both cases the emphasis would be on providing support of a strategic nature, designed to develop the infrastructure and core funding necessary as a base for sustainable growth of the sector, and to provide the base for attracting new sources of finance. It would devise a variety of funding packages, incorporating a range of activities from the subsidised sector, and would advise and assist those client bodies wishing to move to a 'mixed economy' - for example, by establishing close working relations with Greater London Enterprise, particularly their Business Incentive Scheme and London Television Growth Fund. It would also seek sources of longer-term core sponsorship, both in support of its own operations and as a means of direct support to client bodies. And, it would promote the provision of business training for those involved in running independent workshops and cooperatives, perhaps by establishing annual bursaries for this purpose.

7. The Agency would need to establish close ties with the BBC in London and the ITV companies. Two kinds of support would be sought: core funding for the overall activities of the LFVDA, and project funding for specific (joint) ventures.

It would encourage the active involvement of key television executives in certain aspects of the Agency's funding and development programme, similar for example to the role Tyne Tees and Border Television play in Northern Arts' Media Investment Fund. It would also consolidate its relations with local television by inviting representatives from the major companies to join the Board of Directors.

8. Another important task for the Agency would be to persuade local authorities to reinstate support for film and video on their agendas. The absence of a London-wide authority means that much of this work will have to be carried out on an individual Borough basis, although the Association of London Authorities and the London Boroughs Association provide possible mechanisms for negotiating cross-borough strategies. It is likely, in any case, that the existence of a Development Agency with a tactical programme of activities and a coherent plan for film and video in the Capital, would find favour with a strategic authority, were one to be created in the future. The Agency would establish joint projects with local authorities and seek to collaborate with Economic Development Departments.

9. The Agency would also need to adopt a pro-active stance, extending beyond its funding role to the creation of networks and cohesive groupings. A concrete example (the need for which was alluded to by several of organisations we consulted) is the role the Agency could play in developing a London-wide exhibition policy aimed at facilitating a more co-ordinated approach to marketing and exhibiting independent (non-commercial) work throughout the London network of independent cinemas, perhaps by seeking to establish a London Independent Cinema Exhibitors Consortium which would provide a forum for policy discussions between exhibitors as well as between exhibitors and producers from the subsidised sector.

10. In order to develop a strategic plan, the Agency would need to review the Capital's existing film and video economy, drawing on existing sources of information and, resources permitting, perhaps also commissioning further research. Linked to this, the Agency would seek to compile as comprehensive a data base as possible of media enterprises, resources, facilities and practitioners in greater London. This information would be made as accessible as possible within the media community, including to those seeking employment in the sector.

11. Finally, both the DTI and the British Film Commission support the establishment of a Screen Commission for London, and there is a possible role here for an LFDVA also. One possibility might be for the Screen Commission to be part of the LFDVA itself, but even if a separate Commission is established there will clearly need to be very close liaison between them and collaboration in various matters including

development of information and databases.

STRUCTURE AND BUDGET

12. The LFVDA would be a company limited by guarantee. There would be a Board of Directors comprising 12 - 15 members representing a cross-section of authoritative voices within film, video and broadcasting, together with local government, public and private sector interests, legal and financial institutions. It is suggested that the Board should also include a representative of the local authorities on the London Arts Board and a member of the BFI Governing Body. The Board would provide an important link between the Agency and other institutions engaged in the cultural sector. It would be expected to play an active role in assisting the Chief Officer in developing business plans and sponsorship proposals.

13. A skeleton Board would be put in place and a Chair appointed as soon as possible. The first task of the new Board would be the recruitment and appointment of the Chief Officer, whose responsibilities would be as described in Appendix A attached.

14. A provisional draft budget for the first three years is attached (Appendix B). This assumes that the Agency would succeed in raising about nearly 30% of its total income from external sources (mainly sponsorship, and funding from the broadcasting sector). Clearly, if those targets were not achieved, the level of grant giving and other support activities shown on the expenditure side of the budget would be scaled down accordingly. We believe, however, that this target is plausible, and in practice it is hoped that substantial additional funding (from both the commercial sector and eg local authorities) will be forthcoming, either to support activities of the LFVDA itself, or to fund projects directly.

RESPONSES TO CONSULTATION

15. In order to assist consultation, a discussion document: Funding for Film and Video in London was issued to London based film and video organisations, all GLA revenue clients, potential GLA project clients and other interested parties. This provided set out the rationale for an FVDA for London and a brief description of its suggested functions. During the period April - August 1991, officers of the BFI Planning Unit have met more than 40 organisations/individuals (see Appendix C) to discuss the proposal.

16. There was wide-spread support for the proposal. National bodies such as Channel 4, the Arts Council, the

British Film Commission, the DTI and the Producers Association all supported the idea in principle. Similarly, most film and video groups including Metro Pictures, the ICA, London Film-Makers Co-op, Sankofa and Black Audio Film Collective backed the proposal. Most GLAA client bodies also felt that an Agency on the lines proposed would secure their survival and facilitate their development. Finally, discussions with LAB have revealed complementary ways in which the Board and the LFVDA could work together, whilst avoiding duplication of effort (the LAB is likely to concentrate in this area on Arts broadcasting). The LFVDA will need to work closely with the LAB, and we envisage that the LAB would with others be involved in the annual assessment of the LFVDA.

17. Of course, there were some detailed points of concern but we have been able to deal with most of these in framing our detailed proposals. One more general reservation - expressed by some of those we consulted, and elsewhere - concerns cost-effectiveness and possible duplication of effort. We deal with this and one or two other general concerns in Annex D. Briefly, however, we believe that the proposed LFVDA would be cost-effective and would not involve duplication of activities elsewhere. The administrative and associated costs would be no greater than they would if funding for film and video was provided in other ways - eg via the LAB or directly by the BFI. And, as explained earlier, we believe that a separate Agency for film and video would stand a better chance of mobilising new and additional sources of funding, including from the private sector.

SUMMARY AND RECOMMENDATION

18. We believe that the establishment of a separate Film and Video Development Agency for London would be the best way to nurture independent and culturally innovative film and video activity in the region. There is widespread support for the proposal, from both the subsidised and commercial sectors concerned, and a real possibility that we could in this way mobilise more in the way of new and additional sources of funding than otherwise. At the very least, it seems well worth trying on an experimental basis.

19. Governors are therefore requested to approve the establishment of a London Film and Video Development Agency on the lines proposed, on a trial three year basis, and to agree that we should proceed accordingly.

Irene Whitehead
Head of Planning

September 1991

APPENDIX A

LONDON FILM AND VIDEO DEVELOPMENT AGENCY

Job description of Chief Officer

1. To advise upon and arrange for the direction of the activities of the London Film and Video Development Agency:
 - 1.1 To prepare and maintain strategic and business plans of activities for the continuing development of the Agency for submission to the Board of Directors.
 - 1.2 To advise upon and arrange for the implementation of such strategic and business plans as agreed by the Board of Directors.
 - 1.3 To advise upon, establish and maintain appropriate management systems related to information, promotion and publicity, training and advice according to such plans.
 - 1.4 To advise upon and establish effective links with all media organisations both within and outside the Greater London region.
 - 1.5 To liaise with and consult with other agencies, and especially Local Authorities, on new media initiatives.
 - 1.6 To establish a funding portfolio of clients and develop appropriate funding packages.
 - 1.7 To attend all meetings of the Board of Directors as required.
2. To advise upon and arrange for the promotion of London as a cultural centre for film and video activities:
 - 2.1 To examine the viability of the creation of a London Screen Commission, and to draw up the business plan to aid its implementation.
3. To advise upon and arrange consultation with the Agency's financial advisers for the management of the Agency's financial resources and identify sources of funding for the Agency's activities:
 - 3.1 To produce the annual budget for the Agency for submission to the Board of Directors.
 - 3.2 To identify sources of funding for film and video purposes, training, production, investment as for core funding of the Agency's activities.

4. To advise upon and arrange for the appointment and management of staff:

4.1 To advise the Board upon and and arrange for the appointment of staff for the Agency as agreed by the Board of Directors.

4.2 To advise the Board upon and arrange for the management of staff of the Agency so as to fulfil the objectives of its strategic and business plans.

4.3 To identify and advise the Board upon staff resources and requirements in fulfilment of the Agency's objectives.

APPENDIX B

LONDON FILM AND VIDEO DEVELOPMENT AGENCY - 1992/93, 1993/94,
1994/95 PROVISIONAL DRAFT BUDGET

	92/93	93/94	94/95
<u>Income</u>			
BFI Grant (Note 1)	360,000	374,000	390,000
Sponsorship (Note 2)	50,000	120,000	160,000
	<u>410,000</u>	<u>494,400</u>	<u>550,000</u>
<u>Expenditure</u>			
Salaries (Note 3)	44,784	87,515	92,766
Rent, rates & service charge (Note 4)	2,750	3,000	3,200
Admin costs (inc. general advertising)	10,500	13,000	14,500
Travel & hospitality	5,000	8,000	10,000
Audit	786	1,000	1,250
Membership & subscriptions	1,000	1,200	1,400
Recruitment & training	1,500	500	500
Depreciation	250	250	250
Launch costs	12,000	-	-
Promotion	20,000	20,000	20,000
Seminars & Conferences	3,000	6,000	10,000
Grants to organisations individuals & projects	300,430	345,935	386,134
Contingency	8,000	8,000	10,000
	<u>410,000</u>	<u>494,400</u>	<u>550,000</u>
TOTAL	410,000	494,400	550,000

Note 1.: Based on 91/92 grant to GLA + 2% 92/93, +4%
93/94

Note 2 : Anticipated from advertising in promotional literature and for launch, and from private sector, principally from the broadcasting sector for individual projects.

Note 3 : 92/93: Chief Executive & Admin. Assistant based on BFI Grades 12 and 6 respectively. No incremental increase or superann. but +6% for next 2 years 93/94: Addition of Marketing and Administration Officer & Secretary (to manage database) based on approx. Grades 5 and 11 respectively. Conditions as above.

Note 4: Based on the assumption that the LFVDA will occupy rent free premises occupied by London Video Access/London Film Makers Co-op in a deal negotiated by the BFI, with space let to other groups. The Agency would manage the building on behalf of the subsidised groups. Should the project fail to happen, a rental figure is included in the contingency.