

Notice of NON KEY Executive Decision

Subject Heading:	Decision to award a concession contract to FilmFixer Ltd to provide a Havering film service
Decision Maker:	Gareth Nicholson, Director, Partnerships & Organisational Development
Cabinet Member:	Councillor Ray Morgan, Leader of the Council
SLT Lead:	Gareth Nicholson, Director, Partnerships & Organisational Development
Report Author and contact details:	Kaz Thomas <u>Kaz.thomas@havering.gov.uk</u> 01708 431869
Policy context:	The decision is to be made in line with the procurement policy and guidelines
Financial summary:	This contract is for three years, with the possibility to extend for a further two. FilmFixer have guaranteed £8,000 per annum to Havering Council for the film service. Additional Profit will be split 60% to Havering Council and 40% to FilmFixer.

Key Executive Decision

Relevant OSC:	N/A
Is it an urgent decision?	No
Is this decision exempt from being called-in?	Yes. It is a non-key decision by a member of staff.

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[x]
Places making Havering	[x]
Opportunities making Havering	[x]
Connections making Havering	[x]

Place an X in the [] as appropriate

Key Executive Decision

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Approval to award a contract to FilmFixer Ltd to provide a film service to the borough.

It is recommended that a decision to award the contract is approved.

AUTHORITY UNDER WHICH DECISION IS MADE

3.3 Powers of Members of the Senior Leadership Team

Contract powers

(b) To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract procedure Rule 16.3.

STATEMENT OF THE REASONS FOR THE DECISION

Havering receives a number requests to film in the borough each year requiring resources needed to manage these requests in line with the council's policies and statutory requirements. Fees and charges are applicable providing the ability for the council to generate income and market the borough for inclusion in a range commercial filming requirements.

In Havering filming has included The BBC Christmas special, A Christmas Carol which was filmed in April and May 2019, a Christmas M and S advert, which was filmed for 3 days and scenes from The Netflix drama Top Boy.

Filming can add social value to the borough as it can create employment and educational opportunities. (A local cohort of school children visited A Christmas Carol set in Rainham, covered in snow and set in Dickensian times.) As well as maximising income for Havering these are fantastic opportunities for the local community.

In line with council rules and procedures we invited three suppliers to tender to provide the film service for the borough and evaluated based on 70 per cent price, 30 per cent quality.

FilmFixer scored 51.75 out of 70 for price and 27.6 out of 30 for quality and represents best value to the council.

In terms of price FilmFixer have guaranteed an income of at least £8,000 per annum to Havering, which is a £3,000 increase from the past five years.

Key Executive Decision

This will provide Havering Council with £24,000 over the three year contract and £40,000 over the five years in contrast to £25,000 that Havering received over the past five years.

FilmFixer is the leading supplier of film services to London councils. During the contract they will actively promote Havering for filming, and deal all aspects for filming including dealing with all services, health and safety requirements and contact with stakeholders.

The supplier is also active with a range of corporate social responsibility initiatives including employment possibilities for residents within the film industry and visits for Havering schoolchildren.

OTHER OPTIONS CONSIDERED AND REJECTED

The option to provide the service in house was considered and rejected on the grounds that it does not represent best value to the council.

PRE-DECISION CONSULTATION

None.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Kaz Thomas

Designation: Marketing Assistant

Signature: K.Thomas

Date:01/09/2022

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS FINANCIAL IMPLICATIONS AND RISKS

The council is a contracting authority which has the power to award a concession contract within the meaning of regulation 4 of the Concession Contracts Regulations 2016. The council also has the power to award contracts through section 111 of the Local Government Act 1972, which allows the council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions, or through its general power of competence under section 1 of the Localism Act 2011 to do anything that individuals generally may do. There are limitations on the general power of competence, but the limitations do not apply to this decision.

This arrangement will generate a minimum of £8,000 of income per year for the council. Over the course of a five year contract, the minimum total income will be £40,000. The concessionaire's total turnover will be significantly higher than that figure, but it will be below the applicable threshold for concessions contracts stipulated in the Concessions Contracts Regulations 2016 ("CCR") of £5,336,937. Therefore, the proposed contract value is below the applicable threshold in the CCR and consequently it is not subject to the full CCR regime.

For the reasons set out above, the council can award the contract.

FINANCIAL IMPLICATIONS AND RISKS

The decision to award the contract to FilmFixer will result in an annual guaranteed revenue/income to the council of £8,000 per year (an increase of £3,000 on the £5,000 per year delivered by the previous contract) which will be credited to the relevant communications and marketing cost centre.

In addition to the annual income of £8,000 the council will receive 60% of any fee paid by film/production companies to Film Fixer for filming in the borough. This amount will vary each year depending on the number of value of arrangements entered into.

Having gone through the relevant procurement processes, FilmFixer are deemed best placed to maximise the amount of income for the council and it is expected that outsourcing in this way will garner better results than managing the service in-house.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

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There are no HR implications or risks.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The provider is required to demonstrate an active commitment to the principles and values set out in the Equality Act 2010. Under s.149.(1) Equality Act 2010 a public authority must, in the exercise of its functions, have due regard to the need to—

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The council will embrace the Environment and Climate Agenda both strategically and globally through its development of footprint reduction initiatives, Climate Action plans and externally delivered services. The council will strive to minimise negative impacts and optimising positive opportunities delivering our Climate change action plan.

Through initiatives such as its Generator Project, FilmFixer will support the council's aims.

BACKGROUND PAPERS

FilmFixer's annual accounts were sent to Finance for quality assurance and a credit check has also been carried out.

APPENDICIES

None

Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Details of decision maker

Gareth Nicholson
Director, Partnerships & Organisational Development

Signed *GD Nicholson*

Name: Gareth Nicholson

Date: 13 September 2022

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____