

## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	Activating the extension option in the Film Service Agreement Contract with FilmFixer Ltd
<b>Decision Maker:</b>	Andrew Blake-Herbert, Chief Executive
<b>Cabinet Member:</b>	Cllr Ray Morgon, Leader of the Council
<b>ELT Lead:</b>	Marcus Chrysostomou, Head of Communications and Engagement
<b>Report Author and contact details:</b>	<p>Darren Bindloss Deputy Head of Communications (Marketing and Events)</p> <p><a href="mailto:darren.bindloss@havering.gov.uk">darren.bindloss@havering.gov.uk</a></p>
<b>Policy context:</b>	<p>Havering Corporate Plan 2024 - 2027 The Havering you want to be part of</p> <ul style="list-style-type: none"> <li>• We manage our resources well</li> <li>• We manage our money well to set a balanced budget</li> </ul>
<b>Financial summary:</b>	Activating the extension clause in the current contract for a period of two years will guarantee at least £16,000 which is already earmarked for corporate savings.
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	Overview and Scrutiny Board

**Non-key Executive Decision**

<b>Is this decision exempt from being called-in?</b>	The decision will be exempt from call in as it is a Non key Decision
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**Non-key Executive Decision**

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

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy

X Resources - Enabling a resident-focused and resilient Council

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The current agreement with FilmFixer Limited for filming services was signed on 27 September 2022 and covers an initial three year period with the option to extend for a further two years.

The decision required is to activate the extension clause to extend the term of the contract to 27 September 2027.

### AUTHORITY UNDER WHICH DECISION IS MADE

**The authority for the decision is provided by the Council's constitution:**

Scheme 3.3.3

Powers common to all Strategic Directors

Contracts 4.2

To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions.)

### STATEMENT OF THE REASONS FOR THE DECISION

The reason for the decision is to take up the provision in the contract with an initial term of three years by extending the contract for a period of two years.

The extension provision is covered in clause 3.2:

*3.2 The Council is entitled (but without any obligation whatsoever) to extend the Term by the Extension Period by giving the Contractor at least three (3) months' notice to this effect.*

FilmFixer provides a range of filming service for Havering. It deals with and provides filming licences, promotes Havering to the filming industry, manages a database of filming locations and liaises with residents and officers around filming requests.

As part of the contract Havering is guaranteed £8,000 income per annum. Over this figure, income from filming is split 40%-60% in favour of Havering.

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This year (24/25) has seen a record year for filming in Havering generating over £11,000 for the borough. This has included:

- Slow Horses – the popular Apple TV series
- Marching Powder – the feature film starring Danny Dyer
- Music videos including award-winning rapper Stormzy

The Council does not have the capacity to provide resource intensive services to filmmakers and the film industry in-house and without the current concession contract there is likely to be a shortfall in savings that have already been built into the Medium Term Financial Strategy.

Income from filming in the borough is one of many income generating measures to help the Council respond to the funding crisis and help close the budget shortfall.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

The other options considered were:

**Do nothing.** If the Council does nothing the contract will expire in September and the Council is likely to lose income.

**Retender a new contract.** The Council will tender for a new contract when the full five year term for this contract expires and there is a more favourable environment for commercial filming e.g. when the position is clear on American tariffs and national trade negotiations.

### **PRE-DECISION CONSULTATION**

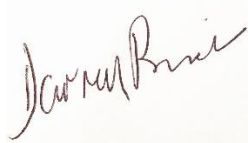
*N/a*

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

Name: Darren Bindloss

Designation: Deputy Head of Communications (Marketing and Events)

Signature:



Date: 22 May 2025

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Council has an existing contract that started on 27 September 2022. The Council has the power to extend the term of the contract 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.

The Council is making a decision to extend the term of the contract by two years from the 27 September 2025. There is a provision in the contract that enables the Council to extend the contract by two years at its discretion.

Therefore, the Council can extend the contract in accordance with paragraph 1(a)(i) of schedule 8 of the Procurement Act 2023, because the extension is unambiguously provided for in the contract.

### FINANCIAL IMPLICATIONS AND RISKS

This report seeks approval from the Chief Executive to agree the activation of the two-year extension clause in the existing filming services contract with FilmFixer, thereby extending the agreement until September 2027.

Activating the extension will secure a minimum guaranteed income of £0.016 million over the two-year period. This guaranteed amount is not subject to annual inflationary uplift. The contract also includes a revenue-sharing arrangement, under which the Council receives 60% of any income exceeding the guaranteed £0.008 million per annum. Since the contract's inception two years ago, the Council has received £0.022 million in filming income.

It is anticipated that continuing to outsource this service will yield better results than managing it in-house.

Given the current market uncertainty - particularly the threat of a 100% tariff on films produced outside the United States of America - retendering the contract at this time is unlikely to result in improved terms. Extending the existing agreement under the current conditions therefore represents a prudent and low-risk approach.

The proposed extension supports the Council's wider financial strategy by maintaining a stable income stream. Failure to approve the extension could jeopardise this revenue, especially in light of the challenging market conditions.

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

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

### **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**

None.

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**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

**Details of decision maker**

**Andrew Blake-Herbert  
Chief Executive**



Signed

Date: 23 May 2025

**Lodging this notice**

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

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_