

# INVITATION TO TENDER

## **Measuring the Impact of Inward Investment Feature Film and HETV Production on Key UK Production Hubs and their Local and Regional Economies**

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## 1. BACKGROUND INFORMATION

### 1.1. Introduction

The British Film Commission (BFC) is the UK Government's national organisation responsible for supporting inward investment film and TV production in the UK, funded by the Department for Digital, Culture, Media, and Sport (DCMS) and the Department for International Trade (DIT). The BFC is the national division of Film London.

The BFC leads on encouraging and supporting the production of international feature film and high-end television in the UK, strengthening and promoting the UK's production infrastructure, and working with the UK Government to ensure film-friendly policies.

### 1.2. Background to the research

Feature film and high-end television (HETV) production has boomed in the UK in recent years, driven by a tried-and-tested reputation for world class studios and facilities; the availability of a highly skilled workforce; the accessibility of rich and varied locations; and a well-established system of screen sector tax reliefs.

According to the latest official data published by the BFI, spend on feature film and HETV production in the UK stood at £2.84 billion in 2020, despite restrictions imposed by COVID-19 throughout the year. The increase in film production spend in recent years has been led by a rise in expenditure from inward investment films, which contributed £1.21 billion towards the total UK production value. Figures for the value of HETV production follow a similar trajectory over this period.

And while the changing nature of restrictions resulting from the COVID-19 emergency continue to impact production activity, the demand for content has not abated among inward investment financiers and commissioners, with enquiries returning to pre COVID-19 levels.

This undoubted success story raises a number of practical questions about the UK's record of servicing major feature film and HETV productions at key production hubs around the country, and their future development opportunities. Studies such as the BFI's periodic Screen Business report demonstrate the economic contribution of the UK's screen sector tax reliefs, but little attention has to date been paid to questions such as:

- What happens to the local economy when a large, international feature film or HETV production bases itself in one of the UK's major production hubs?
- How do local areas and the regions served by key production hubs benefit from this type of production activity?
- In particular, what is the economic impact from the development of stage spaces, associated infrastructure, ancillary workshops, etc. and nearby location shoots, in terms of local inward investment, employment, as well as any multiplier and spillover effects (e.g. raising or changing the profile of an area and promoting tourism) at both a local and regional level?

Furthermore, to what extent is inward investment production a driver of stage space development and associated commercial viability? What are the implications in terms of potential infrastructure development, including requirements to increase the available stage space capacity to meet existing demand, as well as an opportunity to generate additional activity?

Lastly, what can answers to these questions tell us about the value of future stage space development to regions hosting major production hubs?

## **2. STATEMENT OF REQUIREMENTS**

### **2.1. Outline of requirements**

The British Film Commission is seeking to commission a supplier to undertake a programme of research that accurately and credibly measures the impact of inward investment production activity on key UK production hubs and their local and regional economies.

### **2.2. Purpose and target audience**

The research is intended to inform and support the BFC's Stage Space Support & Development (SSSD) initiative, which is funded through grant-in-aid via the BFI. In March 2020, HM Treasury announced that the BFC would receive additional funding over three years to expand its work promoting the UK as a destination of choice for studio space investment.

From a budget assigned to the BFC in July 2020, a significant proportion has been apportioned over three years for SSSD to assist and stimulate the creation of additional stage space capacity across the UK. It is intended that the BFC will act as a one-stop-shop, coordinating advice for investors and developers, as well as providing targeted support to facilitate an increased provision of studio facilities across the UK, including:

- Supporting potential Investors, Developers, and Studio operators in their development plans;
- Assessing the feasibility of potential Stage & Alternative Build Space opportunities across the UK;
- Appraising key barriers to the development of Stage and Alternative Build Space developments;
- Promoting Foreign Direct Investment (FDI) opportunities;
- Assisting in increasing the UK's Stage and Alternative Build Space capacity.

The proposed research will be used by BFC, its clients and partners to help secure the buy-in of local councils, planning authorities and other local stakeholders, for example, local businesses, for new stage space development applications supported by SSSD. It will do this by demonstrating the positive economic and associated benefits that stage space development creates in a local area (and the wider region it serves) by attracting international feature film and HETV productions.

The research will also assist BFC's national and regional partners\* in demonstrating to their funders and other stakeholders:

- the economic value to local economies of inward investment feature film and HETV production activity that shoots in stage space and on location in their areas;
- the likely economic impact that, for example, an inward investment feature film brings to the local area, in order to justify things like road closures and the granting of filming permits etc.;
- how the growth of key production hubs that service international features and HETV benefits their local and regional economies through infrastructure investment, associated location shooting, employment, skills development, profile raising and other means to be identified by the research.

*\*These national and regional partners include Creative England; Film London; Northern Ireland Screen; Creative Scotland/Screen Scotland; Creative Wales/ Wales Screen; as well as film offices operating within key production hubs identified by the BFC.*

### 2.3. Service requirements

For the purposes of this research, the BFC has defined 'key production hubs' as those areas hosting major stage space providers and crew bases that are already developed enough to service BFC client productions (i.e. inward investment feature films and HETV). Key production hubs have been identified using the following criteria:

- The presence of purpose built or converted studio or build space appropriate for accommodating the production of major features and/or HETV series;
- An existing crew base able to service major features and/or HETV series;
- Access to support infrastructure and diverse locations.

The research is required to cover the following key production hubs:

Production hub	Principal BFC national and regional partners where hubs are located	Existing stage space sites capable of supporting inward investment features and HETV production
London and the South East	Film London, Creative England	3 Mills Studios; Ealing Studios; Twickenham Studios; West London Studios; OMA Studios; Elstree Studios; Warner Bros. Studios Leavesden; Pinewood Studios; Shepperton Studios; Bray Studios; Longcross Studios; Arborfield Studios
South West (Bristol)	Creative England (Bristol Film Office)	The Bottle Yard Studios
North West (Manchester and Liverpool)	Creative England (Screen Manchester, Liverpool Film Office)	Space Studios Manchester; Manchester Studios (former Granada); Tatton Studios; The Sharp Project
Yorkshire	Creative England (Screen Yorkshire)	Church Fenton Studios; Peregrine Studios; Versa Leeds Studios
Northern Ireland (Belfast)	Northern Ireland Screen	Belfast Harbour Studios; Titanic Studios; Loop Studios.
Scotland (Edinburgh and Glasgow)	Creative Scotland/ Screen Scotland (Film Edinburgh, Glasgow Film Office)	Wardpark Studios; First Stage Studios, Edinburgh; Film City Glasgow; Pyramids
Wales (Cardiff, Swansea and Newport)	Creative Wales/ Wales Screen	Wolf Studios; Great Point Seren Studios; Dragon Studios; Bay Studios, Swansea

The time period to be examined by the research should be representative of recent production activity levels. As production levels fluctuate year-on-year, bidders should consider and propose the most suitable period for study (e.g. 2017 to 2019, which is the same period under scrutiny in the current Screen Business 2021 research). Bidders should weigh the merits of taking the study period up to the present day, with consideration for any influences the pandemic has had upon production levels since March 2020.

Whichever approach is favoured, bidders should consider, but not be limited to, the following activity strands as part of their proposed research design:

**Desk research and consultation** with BFC and its partners to establish the main modelling parameters (e.g. defining what is meant by 'local' and 'regional'), and to source relevant information from existing data and research sources.

**Dedicated fieldwork** in each of the key production hubs to scope the modelling work and generate relevant data and evidence. The winning bidder will be able to work with BFC and its partners on the ground in each production hub to help facilitate contact with research subjects as required. The BFC and its partners will help to identify suitable contacts and make introductions where necessary, but bidders should be able to demonstrate their own established links and networks within the screen sector or else describe how they plan to approach the fieldwork.

**Local economic impact modelling** that captures direct impact, multiplier effects and any spillover effects and that takes into account (but is not limited to):

- Direct employment and activity at the major Studios and stage spaces;
- Direct employment and activity of sub-contractors operating at Studios and stage spaces (e.g. waste management; security; landscaping; building maintenance etc.);
- Direct employment and activity of service companies hosted on site at Studios and stage spaces (e.g. post houses, camera and lighting companies, catering companies etc.);
- Inward Investment, temporary employment and activity of productions using Studios and stage spaces and (where appropriate) shooting at nearby locations;
- Impact of capital investment developments, associated with any expansion or renewal of Studios and stage spaces
- Indirect impact of companies in the wider local economy, servicing all of the above;
- Spillover impacts like raising or changing the profile of an area where inward investment features and HETV productions choose to base themselves.

The use of **anonymised production case studies** to help illustrate the account of economic and associated impacts at a local and regional level, and to identify the relationship between the characteristics and capacity of specific production hubs and inward investment production decision making. As this element of the research will be more qualitative in nature, the BFC is open to consortia bids or a main bidder working with a sub-contractor, in order to accommodate the different skillsets required. Bidders are therefore invited to cost this element of their proposal separately, and with full details about any sub-contractor involved.

### **Other considerations**

For the avoidance of doubt, the research seeks to understand the impact of existing production hubs, Studios and stage spaces. It does not need to consider newly announced developments (such as *Sky Studios Elstree*, *Eastbrook*, *Dagenham*, *Shinfield*, *Reading* and *The Depot*, *Liverpool*), or potential locations for future stage space development, although research outcomes will be invaluable when assessing the benefits of new stage space opportunities.

The principal focus is on inward investment feature film and HETV production activity, but research looking at the impacts of stage space within production hubs should also take into account the full range of

productions they accommodate (including domestic features and domestic HETV; other television and screen sector content like commercials etc.) as well as associated production infrastructure and service companies including those relating to camera and lighting rentals, post-production and VFX.

Modelling should seek to measure the specific local impact in each of the seven production hubs rather than create aggregated data for the UK as a whole.

The research should be consistent with, and complementary to, the BFI's Screen Business 2021 research. For reference, the 2018 report is available here: <https://www.bfi.org.uk/industry-data-insights/reports/uk-screen-sector-economy>. Where appropriate the winning bidder will be briefed early on in the assignment about the current Screen Business work which is presently underway.

The research should be conducted in accordance with HM Treasury Green Book guidance on modelling and impact measurement, to ensure the results are robust and credible.

Bidders should be aware that screen agencies in England currently estimate location expenditure using a formula that takes into account the number of shooting days and the production type and budget size. This formula is being updated by a Data Working Group convened by the BFI's Research & Statistics Unit. Furthermore, the formula only provides an estimate of location spend. It does not calculate any multiplier effects of this expenditure, and – crucially - nor does it cover spend at Studios and stage spaces. Further research will be required as part of initial project scoping work to determine if the same approach is used in other home nations.

## **2.4. Deliverables**

The deliverables are as follows:

2.4.1. A comprehensive draft report written in a clear and accessible style to include:

- a summary of key points (1 page);
- an executive summary (2 to 3 pages);
- overview of the main findings addressing the study requirements;
- a detailed chapter on each of the key production hubs, including a top-line summary of the main impact evidence for each one;
- a concluding discussion of the main findings and any recommendations of further research;
- appendices providing a description of the methodology used, and any additional supporting data tables.

The anonymised production case studies may be reported together in their own chapter or incorporated into other parts of the report as appropriate.

2.4.2. A final report, as above, in MS Word, that incorporates feedback from the BFC at the draft report stage.

2.4.3. The underlying datasets used in the impact modelling, supplied in an Excel format showing how the key estimates were generated, in particular how official and other data sets were combined, processed and analysed.

## 2.5. Research timeline and milestones

Action	Date
Kick-off meeting	w/c 15 March 2021 (date TBC)
2 x project liaison meetings with BFC research coordinator	Dates TBC (April and May 2021)
Draft report delivered to BFC	w/c 7 June 2021
Final report and other deliverables delivered to BFC	By 30 June 2021

## 2.6. Performance Requirements

All Research work performed in relation to this Contract must:

- 2.6.1. Be delivered on time and on budget.
- 2.6.2. Be delivered with skill, diplomacy, and respect for collaborative working.

## 2.7. Budget, Invoicing & Payment Schedule

The budget for this contract is up to £60,000. The total price will be exclusive of VAT but inclusive of all expenses and all other costs incurred, including any data purchase.

As part of your fee proposal you should include a full resource schedule including a breakdown of activities, time allocated and hourly rate of the project team, including their respective job titles.

Bidders must produce a schedule of charges estimating the number of days and travel and subsistence costs associated with their bid.

Full invoicing will need to be submitted prior to the BFC's year end (31 March 2021) with a schedule of staged payments for work delivered thereafter up to the end of the contract period (30 June 2021), subject to written sign-off of the completion of each stage by the BFC.

### **3. INVITATION TO TENDER**

#### **3.1. Management**

Proposals are requested for a Research Consultancy to deliver the above Research.

Potential Suppliers are invited to complete a Proposal as per the Tender Package.

#### **3.2. Requests for Further Information and Clarifications**

- 3.2.1. A period of requests for further information and clarifications in respect of this document and the overall process is open between 10 February 2021 and 17h00 on 19 February 2021. Requests for further information or clarifications must be submitted to [jim@biggerpictureresearch.com](mailto:jim@biggerpictureresearch.com) who shall endeavour to respond within 5 working days. Any direct approach made to the BFC, other than through the specified route, may result in removal from the Tender process.
- 3.2.2. Whilst a potential Tenderer submitting any query will always remain anonymous, please note that unless a request is specific to that potential Supplier or of a confidential nature it may be published online for the benefit of other tendering companies.

#### **3.3. Receipt of the Tender**

- 3.3.1. Tender Response must be received no later than 12pm (noon) on Friday 5 March 2021.
- 3.3.2. Tender Response must be submitted via email to [procurement@britishfilmcommission.org.uk](mailto:procurement@britishfilmcommission.org.uk)
- 3.3.3. The BFC will not consider any late responses to this Invitation to Tender nor will it consider requests for extension of the time or date fixed for the submission of responses. It may, however, in its own absolute discretion extend the time or date fixed for submission.
- 3.3.4. The BFC may at its sole discretion change any aspect of, or stop, this procurement exercise at any point.
- 3.3.5. For the avoidance of doubt the BFC will not be held liable for any costs incurred in responding to this Tender.

#### **3.4. Format & Content of Proposals**

- 3.4.1. Submissions must not be password protected.
- 3.4.2. Tenderer proposals shall be clearly legible.
- 3.4.3. Applicants should not assume that the evaluators have any prior knowledge of a Tenderer's organisation, its capabilities, or the solutions it offers.
- 3.4.4. Tenderers are reminded that any Proposal should respond specifically to the Statement of Requirements. Generic responses are unlikely to achieve good marks.



#### 3.4.5. Introductory Statement & Credentials (Evaluation Weighting 15%)

- Please provide a summary Statement introducing your Consultancy and appropriate credentials.
- Please outline your Consultancy's familiarity and experience of working on economic impact research, evidence of relevant previous commissioned work, including awareness of HM Treasury Green Book compliant methodologies.
- Please detail any involvement your Consultancy may have had with similar Creative Industries research in the UK or elsewhere.
- Please detail any familiarity your Consultancy has with feature film and HETV production in the UK or elsewhere.

(Max. 3 pages A4)

#### 3.4.6. Research Proposal (Evaluation Weighting 40%)

- Please provide an overview of how you plan to approach the research to be undertaken, taking into account the Service Requirements in section 2.3.
- Provide evidence of your understanding of the brief along with any challenges the research may face and explain how you plan to address these.
- Please outline your proposed research design, and detail the methodology for data collection, qualitative evidence gathering and economic impact modelling.
- Please set out the time period you propose to examine through the research and your reasons for this choice.
- Please indicate how you plan to go about specifying any modelling parameters, e.g. defining what is meant by 'local' and 'regional' impact.

(Max. 5 pages A4)

#### 3.4.7. Examples & Testimonials (Evaluation Weighting 10%)

- Please include up to three examples of similar research projects you have completed within the last five years, with dates of completion.
- Provide any client satisfaction responses to these examples you have on file.
- Please give contact details of 2 x referees whom we may approach.

(Max. 2 pages A4)

#### 3.4.8. Key Personnel & Resourcing (Evaluation Weighting 15%)

- Please provide a breakdown of your project team / key personnel for this Research work, including abridged CVs which detail relevant or similar experience, and that support confidence in your ability to deliver work undertaken fully.
- For each researcher dedicated to this project, indicate in each case any regional or sector expertise.

(Max. 1 page A4 per researcher)

#### 3.4.9. Research Project Budgets, Schedule of Fees & Financials (Evaluation Weighting 20%)

- Please propose your budgets and breakdown of costs for the research. This should include a breakdown of activities, time allocated and hourly rate of the project team, including their respective job titles.
- Bidders must produce a schedule of charges estimating the number of days and travel and subsistence costs associated with their bid.

- Please indicate where applicable any anticipated third-party sub-contracting or payments for research and data acquisition.
- As part of the selection process you may be asked to provide a copy of your audited accounts for the last two years or an alternative means of demonstrating financial status.
- There will be a requirement for pro-forma invoicing by 31<sup>st</sup> March 2021 with a pre-agreed payment instalment programme for work delivered thereafter up to the end of the contract period (30 June 2021), subject to written sign-off of the completion of each stage by the BFC. Please confirm that this is acceptable.

### 3.5. Selection Process

An evaluation team will consider all tenders correctly submitted. The weighted evaluation criterion for selection is as follows:

	Criteria	Weighting
1	Introductory Statement & Credentials	15%
2	Research Proposal	40%
3	Examples & Testimonials	10%
4	Key Personnel & Resourcing	15%
5	Research Project Budgets, Schedule of Fees & Financials	20%
		<b>100%</b>

The score for each criterion will be divided by the maximum possible score of five (5) and then multiplied by the individual weighting for that question to give a weighted score.

For the avoidance of doubt, Tenderers will be scored in relation to *Budgets* and *Schedule of Fees* as value for money, as opposed to a direct comparison of pricing costs.

All criteria will be evaluated using the following scoring methodology:

Interpretation	Score
An excellent response that is realistic, appropriately detailed, and specific. There is no material weakness and the approach embodies accepted good practice in all material respects offering (as appropriate) excellent levels of functionality, performance, outcomes, ease of use, and other relevant characteristics. All material aspects of the question are fully answered and the approach described fully meets all material aspects of the requirement.	5
A good response that is realistic, appropriately detailed and specific and with only minor weaknesses, where the approach generally embodies accepted good practice and offers (as appropriate) good levels of functionality, performance, outcomes, ease of use, and other relevant characteristics. All material aspects of the question are fully answered and the approach described meets the material aspects of the requirement, with no or minor exceptions.	4
A satisfactory response that is realistic in all material respects, and that is at least sufficiently detailed and specific to give general clarity about what is to be delivered and how. There are some weaknesses, but the approach does not materially conflict with accepted good practice and generally offers (as appropriate) acceptable levels of functionality, performance, ease of use, and other relevant characteristics.	3

A deficient response where there is insufficient detail or specificity to be clear, wholly or for material aspects of the requirement, what is to be delivered and how. Where material parts of the question are not answered or material parts of the response are unrealistic or the approach described appears not to meet the requirement or to deliver (as appropriate) expected levels of functionality, performance, ease of use, or other relevant characteristics.	2
An inadequate response that is in part or in aggregate sufficiently unrealistic as to cast serious doubts over deliverability or efficacy or very materially lacking in detail or specificity or where, individually or in aggregate, there are very material weaknesses.	1

#### 4. PROCUREMENT TIMETABLE

The procurement timetable, outlined below, is for information and potentially subject to change. The BFC reserves the right to amend any aspect of the timetable during the procurement and evaluation process and furthermore reserves the right not to accept the lowest priced bid nor indeed any of the submissions.

	Action	Date
1.	Invitation to Tender issued	10 February 2021
2.	Deadline for Clarifications	12pm 19 February 2021
3.	Deadline for completed submissions	12pm 5 March 2021
4.	Anticipated Tenderer Notification	w/c 8 March 2021
5.	Contract commencement	15 March 2021

## 5. TENDERER INFORMATION

Please complete this information sheet and return it with your proposal.

### Part 1 – Information relevant to the procurement.

Name of Company tendering	
Trading as...	
<b>PERSON MANAGING / OVERSEEING TENDER</b>	
Mr/Mrs/Ms/Other	
Name	
Address	
Postcode	
Country	
Phone	
Mobile	
Email	
<b>REGISTERED NUMBERS (as applicable)</b>	
Company registration no.	
Charity registration no.	
VAT registration no.	

### Part 2 – information relevant to Contract management, if successful.

<b>CONTRACT MANAGER</b>	
Mr/Mrs/Ms/Other	
Name	
Phone	
Mobile	
Email	

<b>ACCOUNTS / INVOICING DETAIL &amp; CONTACT(S)</b>	
Company to be Invoiced	
Mr/Mrs/Ms/Other	
Name	
Phone	
Mobile	
Email	

**6. SUPPLIER DECLARATION**

Tenderers may either print this declaration on plain white A4 paper, sign and date it with a pen, scan and then upload it as the final part of their submission or use an electronic signature.

**6.1. Checklist**

Please check each issue below and tick each box:

<b>We have provided the following forms:</b>	
Tenderer Information	
Tenderer proposal	
This declaration, either printed then signed with an original signature, then scanned and uploaded as a .pdf, or signed electronically.	

<b>We have:</b>	
Made arrangements for the Tender to be uploaded and submitted on time, with adequate contingency for ICT failures, power outages etc.	
<b>We have not:</b>	
Annexed any document not specifically requested.	

**6.2. Declaration**

We warrant, represent and undertake to the BFC that:

- a) neither we nor any employee or third party acting on our behalf has offered, promised or given any bribe or inducement or made any improper threat or colluded (or offered or agreed to collude) with any other person in connection with this procurement exercise
- b) we have complied in all respects with this Invitation to Tender
- c) all information, representations and other matters of fact contained in our Tender are true, complete, and accurate in all respects
- d) we have made our own investigations and research and have satisfied ourselves in respect of all matters (whether actual or contingent) relating to the Tender and have not submitted this Invitation to Tender response and will not have entered into the contract in reliance upon any information, representation, or assumption (whether made orally, in writing or otherwise) which may have been made by or on behalf of the BFC
- e) we have satisfied ourselves as to the correctness and sufficiency of the information we have inserted in the Tender
- f) we have full power and authority to enter into the contract and provide the services
- g) we are of sound financial standing and will have sufficient premises, working capital, skilled staff, and other resources available to us to provide the services in accordance with the contract
- h) we have obtained or are able to obtain all necessary consents, licences, and permissions to enable us to provide the services.

We hereby offer to provide the services relating to this Invitation to Tender which for the avoidance of doubt includes (but is not limited to) the prices and operational proposals set out in this Tender, the Specification, and any written clarifications issued or received by the BFC prior to the written acceptance of the BFC of this Tender.

Name of bidding Organisation		Signature of authorised officer	
Date		Position of authorised officer	
		Name of authorised officer	

(To be completed by the BFC when the results of the evaluation are known.)

We, the BFC, hereby accept your offer for the provision of Research services, acting as Research Partner to the BFC.

Name of authorised officer		Name of authorised officer	
Position		Position	
Signature		Signature	
Date		Date	