Culture and Communities Committee

10.00am, Thursday, 10 August 2023

Response to motion by Councillor McFarlane – Save the Filmhouse

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Council Commitments

1. Recommendations

1.1 It is recommended that Committee notes this progress update on the current position with regard to The Filmhouse building on 88 Lothian Road.

Paul Lawrence

Executive Director of Place

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Report

Response to motion by Councillor McFarlane – Save the Filmhouse

2. Executive Summary

2.1 In response to the motion approved by the Council on <u>4 May 2023</u>, this report provides an update on the current position, at the time of writing, regarding the Edinburgh Filmhouse building, 88 Lothian Road.

3. Background

- 3.1 On 6 October 2022 the CMI, operator of the Edinburgh International Film Festival and Edinburgh Filmhouse cinema, announced it had gone into voluntary administration. Several factors led to the organisation making the decision to cease operating, including reduced audience attendances which failed to recover post pandemic, rising energy bills and the cost-of-living crisis. The closure of the organisation resulted in over a hundred staff becoming redundant, the need for a new structure and home for Edinburgh International Film Festival (EIFF) and a potential gap in the provision of cultural and community cinema in Edinburgh.
- 3.2 The Council approved a motion by Councillor McFarlane Save the Filmhouse, which included a request for a full report on progress to date to Culture and Communities Committee on 10 August 2023.

4. Main report

- 4.1 This report provides an update on progress to date with regard to the expressed preference of the Council to retain cultural film and film education as the central use of the property at 88 Lothian Road, known as The Filmhouse.
- 4.2 To that end a short term, "task and finish" group has been established. This includes officers from the Council, Creative Scotland/Screen Scotland, the Scottish Government and Scottish Enterprise. The draft purpose of this group is "preserving the depth of diversity of cultural film provision and film education as the central use of 88 Lothian Road/Filmhouse, for the benefit of both Edinburgh and Scotland's screen and cultural audiences, filmmakers and creative practitioners."

- 4.3 The group is exploring a request by the new owner of the building for the public sector to provide a long-term rental guarantee, given that the building would be operated by a newly formed company with, as yet, no track record.
- 4.4 The company seeking to operate the building is Filmhouse Edinburgh Ltd (FEL) which has recently applied for and been granted Charitable status. It is understood that FEL are the only company being considered as operators by the new owners.
- 4.5 Legal advice has been sought on the potential to provide a long-term rental guarantee. Following receipt of this, a full risk assessment will take place. However, it has been made clear to partners that, given the Council's financial position, its ability to be part of a rental guarantee style agreement is very challenging.
- 4.6 The group has also agreed to investigate potential alternatives to a rent guarantee (given the likely risk involved) which could achieve the same outcomes, that is the retention of cultural cinema in Edinburgh and nationally.
- 4.7 On behalf of the Council, a letter has been sent to the new owner of the property at 88 Lothian Road stating that the future use of the building is an issue of importance to all parties on the City of Edinburgh Council. The letter also signals the Council's intentions to explore all options fully and in detail (alongside stakeholders) whilst understanding any decision would be subject to further Council approval.
- 4.8 A Non-Domestic Rates waiver has been secured for six months and a Licence To Occupy is being negotiated between the owners and FEL to allow FEL to enter the building and start to plan refurbishment, operating and fundraising.

5. Next Steps

5.1 The working group will continue to explore and support potential sustainable options to achieve the retention of cultural film and film education as the central use of the property at 88 Lothian Road, known as The Filmhouse, and will keep Councillors updated on progress via updates in the Business Bulletin for this Committee. Any decisions required by the Council will be the subject of a report to this Committee and possibly to Finance and Resources Committee.

6. Financial impact

6.1 The £100,000 earmarked for CMI for the financial year 2023/24 is currently being retained for the purpose of supporting cultural film provision in the city.

7. Stakeholder/Community Impact

7.1 The Stakeholder "task and finish" Group is designed to ensure that partners are working together with the aim of supporting and retaining cultural cinema and cinema education at The Filmhouse, 88 Lothian Road.

8. Background reading/external references

- 8.1 Minutes from the Culture and Communities Committee Meeting, 13 October 2022.
- 8.2 Centre for Moving Image (Edinburgh Filmhouse and Edinburgh International Film Festival (EIFF)) Report to Culture and Communities Committee, 7 March 2023.

9. Appendices

9.1 None.