

Film Council
Improving access to, and education about,
the moving image through the British Film Institute



REPORT BY THE COMPTROLLER AND AUDITOR GENERAL
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executive summary

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- 1 The Film Council was created by the Department for Culture, Media and Sport (the Department) as the strategic agency responsible for film in the United Kingdom, and took on its full responsibilities in April 2000. The Film Council has two overriding objectives: to develop a sustainable United Kingdom film industry; and to develop film culture by improving access to, and education about, the moving image. In practice the Film Council funds the British Film Institute (*bfi*) to carry out much of the activity in support of the second of these objectives, and this is the focus of our Report.
- 2 In creating the Film Council, the Department sought to achieve a balance between a body which would bring together support for the film industry and the development of film culture, and a body which was small and strategically focused. The Department decided to retain the *bfi* which was established in 1933 but keep it separate from, and subject to oversight by, the Film Council. The Department provides the Film Council with annual grant in aid; £20.9 million in 2001-02. The majority, £14.5 million, was used by the Film Council to provide grant in aid for the *bfi*.
- 3 The *bfi* provides members of the public, researchers, and professional and commercial customers with many opportunities to access, and learn about, moving image culture, drawing on material from its own extensive collections and from other bodies. The *bfi*'s main activities and collections are shown in [Figure 1\(overleaf\)](#).



- 4 This Report focuses on the Film Council's funding and oversight of the *bfi*; the take up of access and education opportunities provided by the *bfi*; the *bfi*'s efforts to broaden access by attracting new customers; and the underpinning management and preservation of materials in the *bfi*'s key collection - the National Film and Television Archive. Our main findings are set out below.

1 An overview of the resources in the *bfi*'s collections and the range of activities it undertakes

resources

National Film and Television Archive

The **National Film and Television Archive** is one of the oldest established and largest archives of film and television in the world. Established in 1935, it holds the national collection of British-produced or British-related film and television - some 150,000 films and 250,000 television programmes. There are vast related collections of material related to film and television. To maintain the collection, the *bfi* carries out:

- Formal acquisition and cataloguing work
- Inspection and preservation
- Copying of master material into viewing copies

Further details of the National Film and Television Archive are provided on page 27.

***bfi* National Library**

The *bfi* **National Library** is the world's largest collection of information about film and television:

- 47,000 books, pamphlets, annuals & CD ROMS
- 110,000 periodicals issues, covering almost 6,000 titles
- 2.2 million press cuttings
- Special collections (including 20,000 unpublished scripts, and 25,000 publicity press books)

Museum collections

The *bfi* has a substantial collection of artefacts and exhibits (over 12,000 items) charting the history and development of film and television.

activities

Cinematic exhibition & film releases

The *bfi* provides directly or indirectly facilitates **cinematic exhibition** of a huge variety of films taken from its own archive, other archives and commercial distributors. It does this at:

- National Film Theatre
- *bfi* London IMAX® cinema
- Film festivals
- Bookings by film societies, regional film theatres and independent and commercial cinemas

The *bfi* also makes film material available through **film releases**:

- DVD/Video sales
- Footage sales

Access to *bfi* resources for research

The *bfi* provides opportunities for private and commercial **research about the moving image**:

- Research viewings
- Access to special collections
- Information services
- Reading room
- Online resources and databases

Educational outputs

The *bfi* undertakes a diversity of formal and informal **education work**:

- Resources for teachers and study guides for students
- Courses, events and activities
- Research

The *bfi* also **publishes** a monthly journal, *Sight and Sound* and books.

Museum exhibition

The *bfi* has exhibited its museum collections at the **Museum of the Moving Image** and **Moving Pictures** (a touring exhibition). Both are now closed.

The *bfi* film archive and related collections are vast. They underpin hugely diverse activity much of which has an educational purpose.

The Film Council's funding and oversight of the *bfi*

- 5 The *bfi*'s different activities are consistent with the Film Council's overarching objective to develop film access and education in the United Kingdom, and therefore with the Department's objectives. The activities vary in the terms of the learning experience provided, the customers reached and the public cost of provision, and the Film Council is currently reassessing priorities for its next funding agreement with the *bfi*, due to be in place from April 2003.
- 6 Currently there are three factors which together are complicating the Film Council's task in overseeing the *bfi*. There has been insufficient evaluation by the *bfi* of the impact of the *bfi*'s activities, and the Film Council does not have complete information about how the *bfi* spends its grant in aid on individual activities. It is also taking time to simplify and align fully the objectives of the two organisations, following the setting up of the Film Council. The Film Council and the *bfi* are developing new measures to evaluate the impact of the *bfi*'s activities. Most of the measures will be in place for 2003-04, although some of the more complex evaluation will take up to three years.

Take up of access and education opportunities

- 7 The overall thrust of Film Council and *bfi* objectives is increased take up of access and education opportunities. Numbers have fluctuated year on year, but opportunities for film access and education provided by the *bfi* were taken up on 1.93 million occasions in 2001-02 compared to 1.55 million in 1997-98 (25 per cent higher). In addition, use of the *bfi*'s website, accessed 6.47 million times in 2001-02, has increased dramatically.
- 8 The picture varies for individual activities. For example, the number of library visits has fallen by 22 per cent, and falling attendance at the Museum of the Moving Image led to its closure in 1999. But take up of opportunities to see films increased over the five years to 2001-02, particularly because of increases in audience numbers for *bfi* films screened at other venues such as regional film theatres, and commercial and independent cinemas (up by 59 per cent) and increased video and DVD sales (up by 169 per cent).
- 9 The *bfi*'s two major cinemas both face challenges in maintaining or improving their audience numbers:
 - In 2001, members of the National Film Theatre who no longer attended screenings said this was because of competition from local cinemas, television and radio, as well as conflicting professional and leisure interests. However, whilst over the last five years numbers attending the **National Film Theatre** have varied, in 2001-02 attendances were 13 per cent higher than in 1997-98, the most significant rise following the *bfi*'s 1999 review of the programme of screenings.
 - Although the *bfi* **London IMAX**[®] has contributed to a big increase in the numbers seeing films since it opened in 1999, audiences in 2001-02 were 15 per cent below the *bfi*'s target and were down on the previous year. The *bfi* attributes this in part to the terrorist events of September 11th. The *bfi* also expects that audience numbers will improve as a greater range of IMAX[®] films becomes available.

- 10 All of the opportunities for access that the *bfi* provides (for example, seeing a film at the National Film Theatre, buying a copy of its journal *Sight and Sound*, or visiting the *bfi* National Library) are designed to encourage enjoyment and appreciation of film and stimulate learning. In addition, the *bfi* provides explicitly educational products and events. These include events for school pupils, college students and adult learners (such as introduced screenings, study days, short courses and presentations by actors) and accompanying materials for teachers. Such materials and events tie in with programmes at the National Film Theatre and screenings at film festivals. Attendance at educational events has fluctuated over the last five years but in 2001-02 there were 19,000 places taken up, and to encourage greater interest the *bfi* has almost tripled the volume of publicity mailings to schools and colleges.
- 11 The cost to public funds of providing access and education opportunities also varies. The *bfi* expects to subsidise the majority of its activities using grant in aid funding from the Film Council: in 2001-02, the net cost for each access opportunity taken up ranged from £0.01 to use the *bfi*'s website to £123.78 per person for viewings of films for research purposes in the *bfi*'s individual viewing cubicles and viewing theatres (the net subsidies for *bfi* activities are set out in [Figure 5](#) on page 18). The *bfi* expects that DVD and video sales, and commercial sales of rights to show films (or clips) on television, will generate net income, and ticket sales for the *bfi* London IMAX® to achieve break even, but in 2001-02 the *bfi* London IMAX® failed to meet its audience targets and required net subsidy. At present, £7.4 million (51 per cent) of the grant in aid is attributed by the *bfi* to access and education opportunities, but this does not take into account the costs involved in maintaining the National Film and Television Archive (£3.5 million) or central management overheads (£1.7 million).
- 12 The *bfi* aims to achieve a balance between the cost of provision, cultural and educational impact, and the need to serve diverse users and appeal to new customers. But the Film Council recognises that it needs to seek from the *bfi* a better analysis of where there is greatest scope to leverage further benefit from the public subsidy. This might mean increasing charges to customers, but could also mean reducing charges that could be a barrier to increased take up where there is scope to use spare capacity. There is insufficient information at the moment to make this judgement across the *bfi*'s different activities. Customer surveys undertaken by the *bfi* for some of its activities have found that existing users of *bfi* services see the prices charged as representing good value. However, the *bfi* has little information by which to judge whether other potential users are discouraged by the fees charged.

Recent screenings at the National Film Theatre

The Seventh Seal (1957). Shown as part of the season of films by the important Swedish filmmaker Ingmar Bergman, this film stars Max von Sydow and Bibi Andersson in their first leading roles, with cinematography by Gunnar Fischer.

Attracting new customers

- 13 The *bfi* is aiming to extend access beyond specialist, traditionally metropolitan, cinephile audiences. The information available from the *bfi*'s customer surveys suggests that its audiences tend to live in London and the South East: both the *bfi*'s major cinemas are situated in London, with 69 per cent of visitors to the *bfi* London IMAX® from the South East. The *bfi* appears to be reaching diverse audiences in terms, for example, of ethnicity or sexual orientation, but customers tend to have above average incomes. And, while many screenings at the National Film Theatre are open to those under the age of 16, very few young people attend them.
- 14 The *bfi* is attempting to broaden its appeal whilst maintaining the quality, breadth and cultural value of its activities. It is implementing a three year cultural diversity strategy and is aiming a number of activities - such as workshops and other events at the National Film Theatre - specifically at young people. The *bfi* is also looking to widen the audience for its formal education products such as courses and teaching materials through: mapping the extent of media literary provision in schools; commissioning research on what teachers are prepared to pay for educational events; and supporting local initiatives by schools and cinemas. However the *bfi* recognises that there needs to be greater clarity about the nature and purpose of the educational work it undertakes and has appointed consultants to carry out a wide-ranging review.
- 15 There is a particular push though to reach a wider regional audience: films from the *bfi*'s collections play in up to 340 venues (across England and at major cities in Scotland, Wales and Northern Ireland); the *bfi*'s celebration of South Asian film, *ImagineAsia*, involved partners from across England and from Scotland, Wales and Northern Ireland; and the *bfi* has promoted other touring film festivals.
- 16 To underpin its efforts to reach new audiences, the *bfi* is strengthening its marketing and market research. It has established a specific marketing team and put it in the direct control of one of its senior executives, a step intended to ensure that marketing activity for its full range of activities is better co-ordinated. The next step is to strengthen information on the markets the *bfi* is serving and potential markets. The *bfi* had carried out surveys of its existing users, but much of the information obtained had been about customer care and information on the characteristics of customers (such as details of age group or annual income) is patchy. And it needs to know more about what would encourage potential customers to take up access opportunities.



Shown as part of the *History of Colour* season at the National Film Theatre, William Friese-Greene's two colour system was used by his son Claude for **The Open Road** (1925-26), a travelogue series on the British Isles, but the problem of colour fringing produced by this process was not resolved. **Wings of the Morning** (1935), illustrated above, was Britain's first three-strip Technicolor feature film.

A special season of films on the classical ballet dancer Rudolf Nureyev, tracking the development of his career as dancer, choreographer and producer. Recorded performances include *Swan Lake*, *The Nutcracker* and *Don Quixote*.

The National Film and Television Archive

- 17 The National Film and Television Archive, which costs £3.5 million a year in public subsidy to run, is one of the oldest established and largest in the world, holds the national collection of British-produced or British-related film and television and includes about 150,000 films and 250,000 television programmes. There is no direct public access at the sites where film and television material is stored. The Archive is used to provide film materials for other *bfi* activities, including cinematic exhibition at the National Film Theatre and at venues around the United Kingdom, video and DVD publishing and research viewings.
- 18 The films and other moving image material that the *bfi* makes available for the public to experience are drawn from its collections and other film archives such as overseas and commercial sources. For example, in 2001 20 per cent of screenings at the National Film Theatre used material from the National Film and Television Archive.
- 19 A substantial part of the Archive is not readily accessible. Some material has not been formally accepted into the collection, nor catalogued, and the backlog is growing with over 3,500 films being received annually. There is also a backlog of preservation work, with items at risk of being lost as a result. There are copyright or donor restrictions on how material can be used. The fragmented nature of the *bfi*'s records also constrains its ability to provide access to the Archive. The *bfi* received a £9.1 million award from the Heritage Lottery Fund in 1998 to examine, identify and catalogue one specific part of its collection, and this work is continuing. Of the catalogued film material, the *bfi* estimates that 46 per cent is currently in a readily viewable condition.

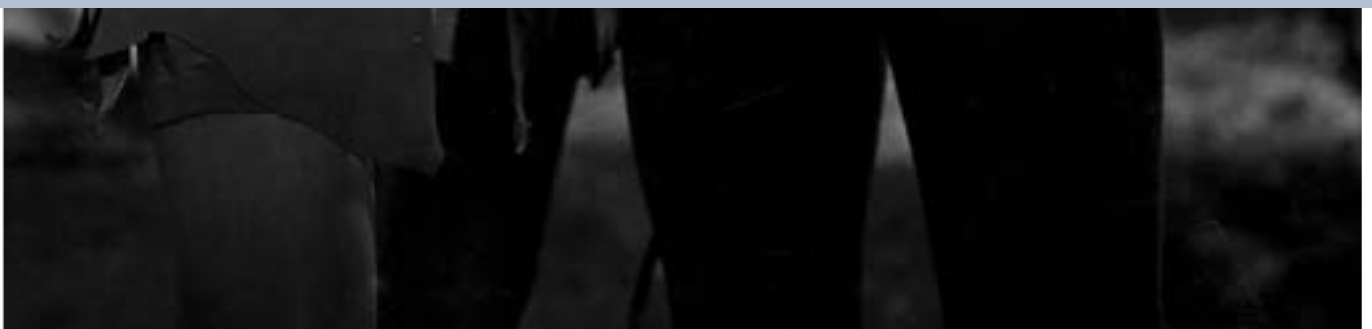
The *bfi*'s preservation work

The *bfi* has not fully quantified the preservation backlog or the amount of material at risk, but this includes at least 848 master copies of films on safety film that is known to be degrading and approximately 110 million feet of flammable and unstable nitrate film that has not been duplicated.

Recent preservation work undertaken by the *bfi* includes **South** (1919), the film record of Sir Ernest Shackleton's heroic but ill-fated attempt to cross Antarctica in 1914-1916. In restoring this film, the *bfi* drew on a wide range of materials, including different prints and negatives, and a set of glass slides that originally accompanied the film and lecture. *South* was photographed by Frank Hurley.



As You Like It (1937). The *bfi*, using funding from the Heritage Lottery Fund, restored this black and white film adaptation of Shakespeare's romance which had not been available in Britain for many years. The cast included Laurence Olivier and Elizabeth Bergner. The director was Paul Czinner and cinematography was by Jack Cardiff and Harold Rosson.



Conclusions &

20 In reviewing its funding and oversight of the *bfi* we recommend that the Film Council, working with the *bfi*, should focus on the following areas:

AREA FOR ATTENTION	RECOMMENDATIONS
<p>Priorities for developing film culture</p> <p>The sheer diversity of the <i>bfi</i>'s activities funded by grant in aid from the Film Council underlines the importance of the work the Film Council is doing to review priorities and objectives. Deciding priorities should become easier as the <i>bfi</i> generates more information about the learning and educational impact of its activities, but this will take time. Meanwhile, we recommend that:</p>	<p>Recommendation (i). The Film Council should work with the <i>bfi</i> to ensure that the <i>bfi</i>'s objectives are fully aligned with those of the Film Council, and set out clearly in future funding agreements. This would strengthen the Film Council's ability to assess the extent to which the <i>bfi</i>'s use of the grant in aid is contributing to the achievement of the Film Council's objectives.</p> <p>Recommendation (ii). The Film Council should ensure that, in reviewing priorities and assessing the <i>bfi</i>'s performance, it obtains from the <i>bfi</i> information about the grant in aid subsidy for each of the access opportunities that are taken up.</p>
<p>Knowledge about customers and markets</p> <p>To be in a position to improve individual activities and to ensure that the key aims of increasing and broadening access are met, good information is needed on customers and potential customers. It may be that, in practice, the <i>bfi</i> is best placed to collect this information. However, it is important that the Film Council ensures this is done because the analysis will help the Film Council and the <i>bfi</i> to prioritise different activities in light of the subsidies applied to them. We recommend that:</p>	<p>Recommendation (iii). The <i>bfi</i>'s data on current customers be enhanced by ensuring that customer surveys collect comparable and comprehensive information for all activities. The <i>bfi</i>'s new marketing function should help this recommendation to be taken forward, and ensure that this work is co-ordinated and comprehensive across the <i>bfi</i>'s activities.</p> <p>Recommendation (iv). Market research is conducted among the <i>bfi</i>'s potential customers, especially groups which are under-represented in the take up of certain access opportunities, for example young people. The aim of this research is to build a better picture of what people want, why people have not used current services and what new services they would be interested in.</p> <p>Recommendation (v). This market research should not only establish the views of customers and potential customers on the value for money of the services provided, but assess their willingness (and ability) to pay increased charges for activities.</p>
<p>The National Film and Television Archive</p> <p>Running and maintaining the National Film and Television Archive accounts for a substantial part (24 per cent) of the Film Council's grant to the <i>bfi</i>. The objective to preserve the nation's moving image heritage has led the <i>bfi</i> into accepting more material (otherwise at risk of being lost) than it has the resources to be able to inspect, catalogue and preserve in a timely way. As a result, there has been limited success in making the Archive accessible to the public. We recommend that:</p>	<p>Recommendation (vi). The Film Council should oversee a fundamental review of the purpose of the Archive, working in partnership with the Department and the <i>bfi</i> to consider the scale of the current collections and likely future acquisitions against the <i>bfi</i>'s ability to manage, preserve and make accessible the material in them.</p> <p>Recommendation (vii). The Film Council should ensure that the <i>bfi</i> has a firm costed strategy in place for dealing with those parts of the collection that are not eligible for attention under the current project funded by the Heritage Lottery Fund, which should include targets for reducing the backlogs (in inspection, cataloguing and preservation).</p>

recommendations

COMMENT ON THE COST OF RECOMMENDATION

As the Film Council and the *bfi* are already working together to improve the arrangements for setting priorities and managing performance there should be minimal cost involved in implementing these recommendations.

There would be costs involved, especially in commissioning specialists to conduct market surveys. We suggest therefore that the Film Council and the *bfi* prioritise the market research, perhaps by considering first those activities where take up of opportunities is declining, or the relative public cost of providing the activity is high.

The Film Council estimates that carrying out a review of the Archive would cost some £200,000. There could also be extensive costs in addressing backlogs of work in the Archive, and the Film Council, the *bfi* and the Department may therefore have to make tough decisions about priorities. However this action will help to manage the risk of misdirecting resources or allowing valuable film material to degenerate before the public have the opportunity to see it.