Lambert Smith Hampton

SITES, CAMERA, ACTION!

TAKE 3

THE FILM AND TV STUDIO PROPERTY MARKET 2026

PRODUCTION SPEND RECOVERING, BUT STILL OFF 2022 PEAK

UK FAIRING BETTER THAN THE US, AND INCREASING ITS GLOBAL MARKET SHARE

DEMAND & SUPPLY ARE IN THE CLOSEST TO EQUILIBRIUM FOR A DECADE

CONTINUED GLOBAL RECOVERY COULD STRETCH UK SUPPLY

WELCOME

CHRISTOPHER BERRY
HEAD OF MEDIA
LAMBERT SMITH HAMPTON

Welcome to the third edition of LSH's *Sites, Camera, Action!* report.

The UK film & TV industry has been on a rollercoaster ride over the last few years, but it has shown remarkable resilience in the face of recent challenges. The sector has made a healthy recovery after being hit by the 2023 writers' and actors' strikes, with film production spend reaching a record high in 2025, which contrasts with the continued struggles of many US studio locations.

The robustness of the UK's studio infrastructure and the quality of its on-and off-screen talent has enabled it to be a prime beneficiary of the globalisation of film & TV production. Whatever future challenges may be ahead as a result of industry consolidation and President Trump's threat of film industry tariffs, the UK is in a strong position to remain a leading global film hub.

The studio stock has been bolstered in recent years by the delivery of new bespoke developments and expansions to established studios. This wave of development has eased the severe supply shortages that existed in the early 2020s, but there remain opportunities for well-planned studio projects in good locations targeted at international demand.

LSH continues to play a leading role in shaping the UK studio landscape, providing strategic consultancy, investment and development advice to media occupiers, existing studios and local and central government bodies. We also took over the management of the iconic 3 Mills Studios in 2025; and our studio expertise is increasingly taking us to overseas markets, primarily in Europe and the Middle East, with the latter being a key growth area for studio activity.

Whether you are an investor, developer, landlord, occupier or government body, LSH has unrivalled industry contacts, experience and knowledge to help you get the most out of studio sector opportunities. Our dedicated team would be delighted to discuss any of the topics covered in the report, so please do get in touch with us.

BOUNCING BACK

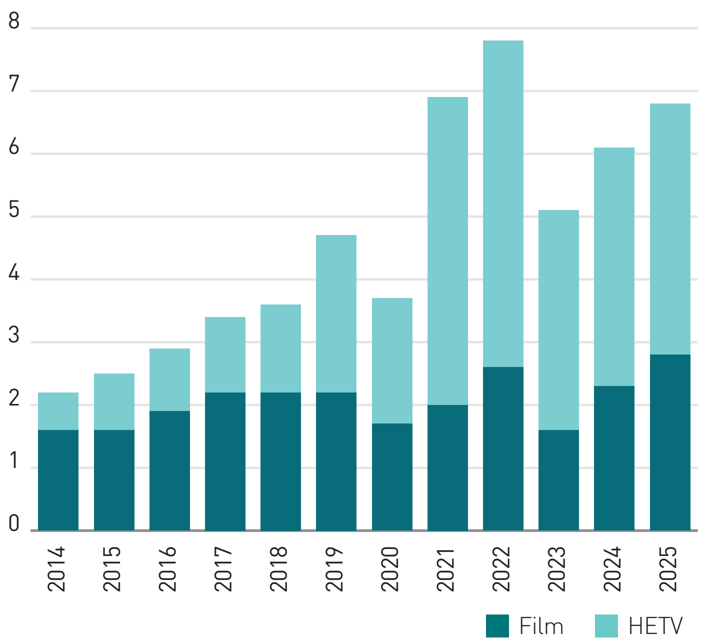
The global film & TV industry has been on a turbulent ride over the last few years, but the UK has proved its strength as a filming location throughout the ups and downs.

BUMPY RIDE

The UK film & TV sector has experienced two major shocks in recent years that impacted production: firstly, the outbreak of COVID-19 in 2020; and, secondly, the Writers Guild of America and SAG-AFTRA strikes in 2023. While a swift and strong recovery was made after the pandemic, driven largely by the aggressive growth of the main streaming platforms; the bounce-back from the strikes has been somewhat slower, partly due to the major streamers entering a period of more restrained growth.

Nonetheless, BFI data shows a healthy strengthening of the post-strike rebound in UK film and HETV (high-end TV) production spend in 2025. Total spend reached £6.8bn, up 22% on the equivalent figure for 2024 and the third-highest total ever. This was primarily driven by a 31% increase in film production spend, taking it to a record £2.8bn. Big budget inward investment films commencing UK shoots during 2025 included *Avengers: Doomsday, Masters of the Universe* and *Star Wars: Starfighter*.

TOTAL SPEND ON FILM AND HETV PRODUCTIONS IN THE UK (£BN)



Source: BFI Research and Statistics Unit

GAINING GROUND FROM HOLLYWOOD

The pick-up in UK production activity contrasts with the more downbeat trends that have continued to emanate from the major US filming hubs of Los Angeles, Atlanta and New York since the strikes. Production activity is well down on historical levels in all three locations, but Los Angeles has seen a particularly steep and ongoing decline, with FilmLA reporting that the number of 'shoot days' in 2025 was 16% down on 2024 and nearly 50% below the pre-strike levels of 2021 and 2022. Sound stage occupancy in LA has dropped dramatically, from consistently topping 90% prior to the strikes to levels close to 60%.

In the aftermath of the strikes, high labour and production costs have continued to push US production companies to film more of their content in other global locations. Figures from US film industry analyst Luminate show that, for the first time ever in 2025, the total number of US-produced projects filmed in the key international hubs of the UK & Ireland, Canada and Australia & New Zealand outnumbered those filmed in Los Angeles, Atlanta and New York. According to Luminate, a joint-record 71 US projects were filmed in the UK & Ireland last year.

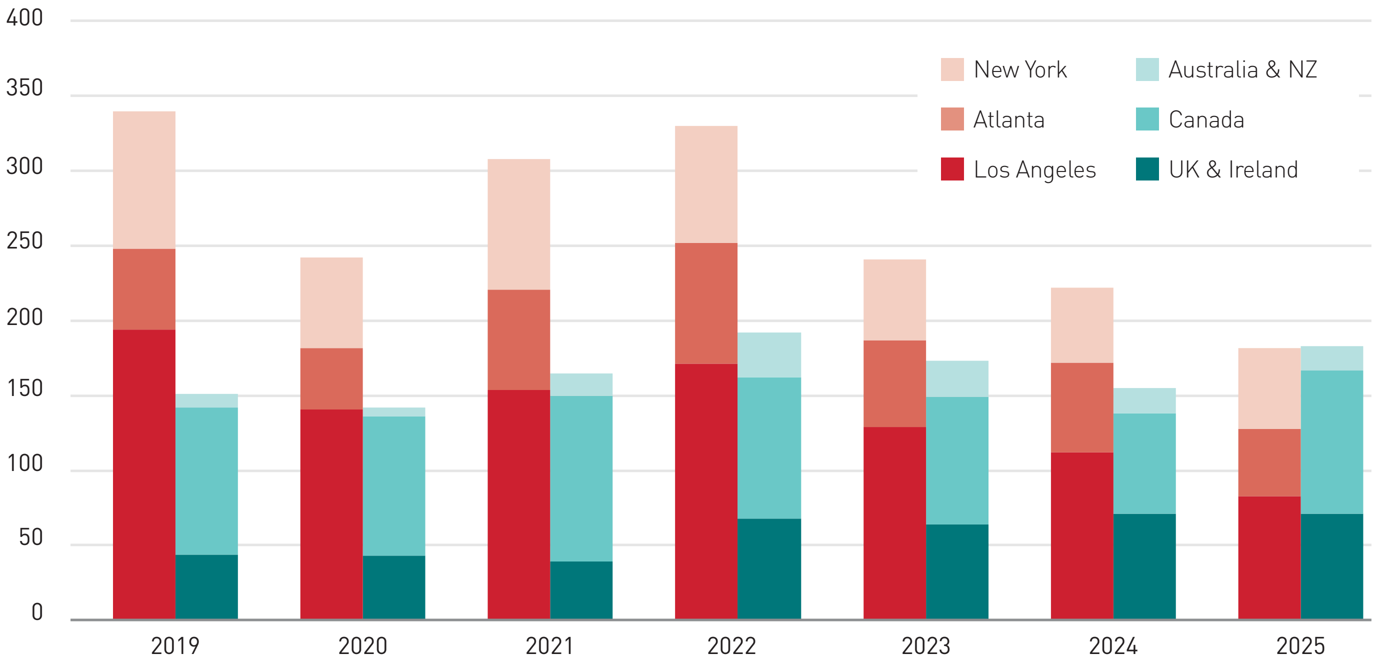
TAX INCENTIVES BOOSTED

Tax incentives have played an important role in the increased globalisation of the film industry, with the UK among the dozens of countries to have introduced tax credits or rebates as they compete to attract international productions.

The UK's film tax incentives were reformed and rebadged as the Audio-Visual Expenditure Credit (AVEC) in 2024. The AVEC provides a gross credit for film, high-end TV and video games of 34.0%, which equates to a net rate after corporation tax of 25.5%, representing a slight increase on the previous UK Tax Credit (UKTC) of 25.0%.

The AVEC system also introduced enhanced incentives targeted at independent films, VFX, children's TV and animation. While these reforms were not a significant game-changer for the UK's ability to

US SCRIPTED LIVE-ACTION FILM & SERIES SHOOT LOCATIONS (BIG 3 US LOCATIONS VS KEY INTERNATIONAL HUBS)



Source: Luminate Film & TV
Includes series from major US broadcast, cable and SVOD networks and films from major and mini-major US studios and SVODs

attract larger-budget overseas productions, the overall package of tax incentives remains one of the most attractive in the world.

Further tax support to the sector was provided by the announcement in February 2025 of a new 40% Business Rates tax relief for English studios lasting until 2034. LSH played a major role in lobbying government for this measure, and it will largely mitigate the negative impact of huge rateable value increases for studios, easing the financial pressure on owners.

THE US FIGHTBACK?

Partly in response to declining US production and international incentives, President Trump promised in May 2025 to introduce a 100% tariff on movies "produced in foreign lands". He has subsequently reiterated the threat on multiple occasions, while also floating the idea of 'low-interest bonds' to help stimulate US production.

However, it is extremely unclear how tariffs could practicably be applied to film and video content, which is usually transmitted digitally rather than exported as a physical product. Tariffs on films would be the first under the Trump regime to be applied to a service rather than a good. An array of outstanding questions remain around how foreign films would be defined and whether tariffs would also apply to TV shows and streaming content.

A more concrete US response to increased overseas competition and their slow recovery from the strikes came in July 2025, when California significantly increased its film tax incentives, raising annual funding from $330m to $750m, and expanding eligibility to include animated films and live-action series. However, a continued constraint of the Californian system is that its incentives still exclude 'above-the-line' expenses, such as salaries for directors, producers and lead actors.

Other US states have aggressively increased incentives, leading to a shift in focus within the US away from the established hubs.

Most notably, favourable tax credits in New Jersey have helped to attract investment from Paramount, Lionsgate and Netflix into new studio construction projects, which will contribute to a reshaping of the US studio landscape.

CONSOLIDATION AND CHANGE

Some analysts see the writers' and actors' strikes as marking the end of the decade-long 'Peak TV' period during which high-end scripted television production boomed as the streaming services rapidly grew their original content libraries in a bid to attract subscribers.

This growth was led by Netflix, which increased its content spend from less than $1bn in 2011 to more than £17bn in 2021. However, its annual spend has since stabilised around this level, aside from a sharp dip to $13bn in 2023 caused by the strikes. With Netflix being the clear winner of the streaming wars, other services such as Disney+, Apple TV, Amazon Prime Video and HBO Max have also reined in their spending growth as a greater focus is placed on profitability, rather than chasing subscriber numbers.

However, Netflix CEO Spencer Neumann has said that he expects Netflix's content spend to increase by about 10% in 2026, from roughly $18bn in 2025, suggesting that a period of stronger spending growth may be ahead following the recent period of consolidation.

While the streamers have been growing at a more restrained pace in recent years, overall content spend by the world's largest media companies has still risen at a healthy pace, according to analysis by KPMG. Content spend across the leading players has averaged growth of about 10% p.a. since 2020, albeit there have been ongoing shifts in the focus of spending, with investment in sports rights and user-generated content being key growth areas.

KPMG's analysis shows that YouTube is now second only to industry giant Comcast for content spend; and according to Ofcom data, YouTube is now the UK's second most-watched media service behind only the BBC. Its rise presents a challenge to the models of more traditional broadcasters and the streamers, many of whom are now adopting YouTube's content styles and signing deals with some of its best-known creators. Alongside a shift towards ad-supported subscription models by the streamers, this points to a sector that is continuing to evolve and adapt to changing patterns of content consumption.

WAVE OF M&A

A wave of recent and upcoming mergers and acquisitions is also reshaping the global content industry. The most significant deal completed in 2025 was Paramount and Skydance's $8bn merger, forming the Paramount Skydance Corporation, in a move indicative of the need for traditional media conglomerates to gain scale and capital to compete with the streaming giants.

However, this deal is dwarfed by Paramount Skydance's proposed acquisition of Warner Bros. Discovery. A revised $110.9bn offer from Paramount Skydance was accepted by the Warner Bros. Discovery board in February 2026, with rival bidder Netflix walking away from a previously agreed $82.7bn deal for Warner Bros.' streaming and studios business.

Paramount's acquisition of Warner Bros. Discovery still needs regulatory and shareholder approval, which could take 6-18 months. However, it appears much less likely to be contested by US antitrust authorities than the previously proposed Netflix deal, which had raised competition concerns. The acquisition also appears to have the favour of Donald Trump, with Paramount controlled by his political allies, the Ellison family. Nonetheless, it could yet be challenged by individual US states, or European and UK regulators; and some investors are wary of the high levels of debt behind the deal.

Following the acquisition, Paramount has said that it will eventually merge the Paramount+ and HBO Max streaming services. The merged service would still be behind Netflix for global subscriber numbers, but it would have a consolidated position as one of Netflix's closest challengers alongside Amazon Prime Video & Disney Plus, with a particularly strong subscription base in the US. The deal could be less disruptive to the cinema industry than a Netflix acquisition, as there had been serious concerns about Netflix's commitment to maintaining theatrical releases for Warner Bros. films.

A more immediate development within the UK streaming market is the launch of HBO Max in March 2026, as part of an expansion into European territories. This platform is the new home of *Friends*, after it was removed from UK Netflix in late 2025, as well as the forthcoming *Harry Potter* TV series.

UP TO THE CHALLENGE

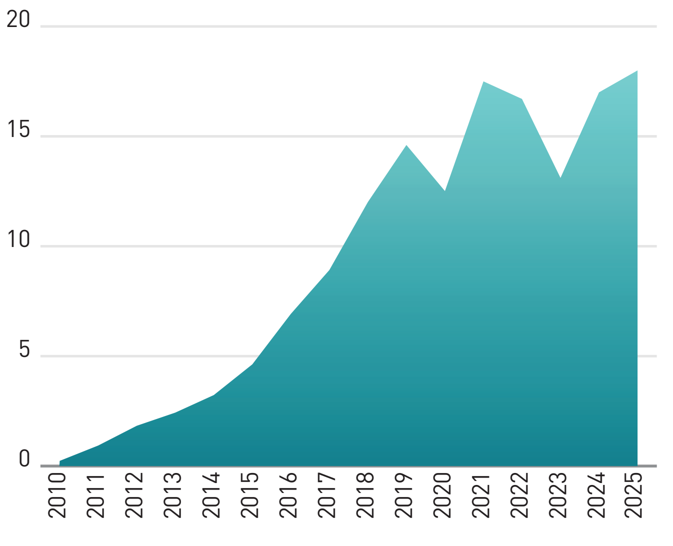
Against a backdrop of a film & TV industry in constant flux, the UK has continued to prove its attractiveness as a production hub, bolstered by an abundance of on-and off-screen talent, a huge diversity of filming locations, and exceptional VFX and post-production facilities.

Some of the biggest hit films of recent years have been based at UK studios, including *Barbie* and *The Running Man* at Warner Bros. Studios Leavesden; *Jurassic World: Rebirth* and *Wicked* at Sky Studios Elstree; and *Mission: Impossible – The Final Reckoning* at Longcross South. On top of this, the UK has hosted the filming of Emmy-winning shows such as *Adolescence*, largely filmed at Production Park, West Yorkshire; and *Slow Horses*, which has used 3 Mills Studios and OMA X Studios.

The UK is assured of a place at the heart of global film & TV production for the foreseeable future. Upcoming Avengers movies are slated for filming at Pinewood Studios, while Warner Bros. Studios Leavesden will be primary hub for future DC Studios productions, including the upcoming *The Batman Part II*. The *Harry Potter* TV reboot, set to launch in 2027, will also be based at Leavesden.

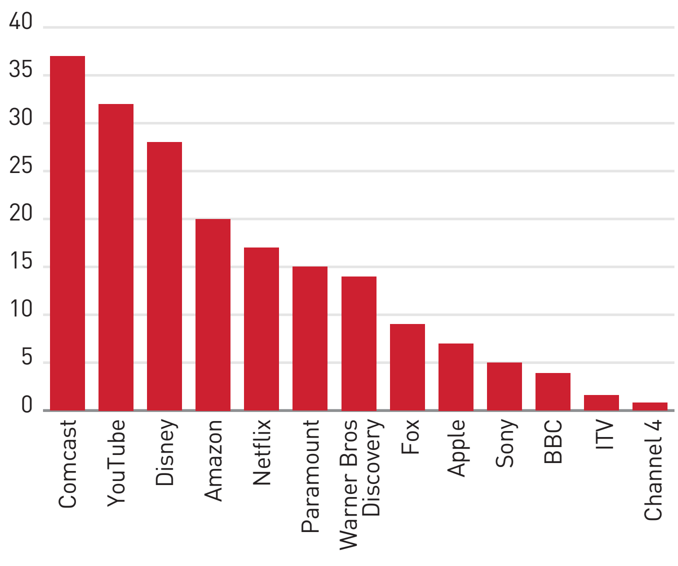
While the threat of US tariffs may be the next storm brewing for the film & TV sector, the UK has weathered the challenges that have come its way in recent years. With a world-class supply of stage space bolstered by studio completions and expansions over the last five years, it will remain one of the premier global filming hubs.

NETFLIX ANNUAL CONTENT SPEND (US$BN)



Source: Netflix Financial Statements

ESTIMATED CONTENT SPEND OF MAJOR MEDIA COMPANIES (US$BN)



Source: KPMG / BBC, ITV & Channel 4 annual reports

EALING STUDIOS: BLENDING OLD WITH NEW

A recently-completed expansion has enhanced Ealing Studios' ability to host modern film and TV productions, while retaining its unique historic character.

Photo credit: Sandstorm Films

Established in 1902, Ealing Studios is the oldest continuously working film studio in the world. Famed for the much-loved post-war 'Ealing Comedies', such as *The Ladykillers* and *The Lavender Hill Mob*; the studio has also been home to countless classic TV shows including *Monty Python's Flying Circus* and *Doctor Who*; and it has more recently hosted the popular dramas *Downton Abbey* and *The Crown*.

An expansion of the studios was completed in 2025, delivering new cutting-edge facilities to the historic site. The expansion comprised a state-of-the-art 14,000 sq ft sound stage; two advanced workshops totalling 7,000 sq ft; and more than 25,000 sq ft of office space. The new office space is contained within the eye-catching art deco-inspired Michael Balcon Building, with LSH retained as the leasing agent. *Read the LSH Marketing details here.*

The reimagined Ealing Studios is a boutique production campus able to host modern film and TV productions of a scale that it was previously unable to accommodate. The first production to film at the expanded studios was *The Bitter End*, a Wallis Simpson biopic directed by Mike Newell. The studios have subsequently been fully booked, drawing glowing praise from actors, directors and other behind-the-camera creatives.

The MetFilm School has retained its long-standing presence at Ealing, reinforcing the studio's strong educational and community roots. Ealing is not just a working studio, but a cornerstone of the UK's wider screen industries ecosystem.

The newly-constructed sound stage supplements Ealing Studios' existing facilities, which include three listed 1930s-built sound stages of between 6,000 and 9,500 sq ft. Built to quality standards that have stood the test of time, the older stages remain popular with film makers.

Productions filming at Ealing Studios also benefit from its unparalleled accessibility, as no other studio of comparable quality is as well connected to both central London and Heathrow. Since the arrival of the Elizabeth Line, the West End can be reached in just 16 minutes, and this is a major attraction for both on-and off-screen talent.

Sustainability has been placed at the heart of Ealing Studios' expansion, with the new sound stage and office building both designed to be Net Zero Carbon, setting a new benchmark for the UK creative industries. The new development has been awarded an EPC A+ rating and a BREEAM Outstanding accreditation. Key sustainability features include rooftop solar panels, with on-site renewable energy powering heating, cooling, lighting and ventilation.

After more than a century at the forefront of the UK film and TV industry, Ealing Studios is continuing to set new industry standards. With a truly unique blend of modern and historic features, its recent reinvention will enable it to remain a key cornerstone of the UK creative sector for many years ahead.

"With this stunning new development in leafy surrounds – just minutes from central London – Ealing Studios now offers world class facilities. Given their sector expertise and proven track record, LSH was the clear choice to bring our exceptional accommodation to the creative industries market. Their insight, network, and proactive approach have been instrumental in delivering our asset strategy. We would encourage anyone interested to contact the team."

JUSTINE SHEPHERD
Managing Director, Ealing Studios

3 MILLS STUDIOS: THE HEART OF CREATIVITY

LSH took over the management of the historic 3 Mills Studios in 2025, becoming custodian to a unique creative hub at the heart of London's film & TV ecosystem.

RICH HISTORY

3 Mills is a much-loved film & TV studio, located on an historic island site in Bromley-by-Bow. The site is London's oldest continuously running industrial location, with tidal mills on the island recorded in the Domesday Book; and it has hosted the production of flour, gunpowder and gin over the centuries.

Some of the old gin distillery buildings began to be used for film production in the 1980s, with Bow Studios, 3 Mills Island Studios and Edwin Shirley Productions all becoming tenants. These operations were consolidated into a single studio under the management of Workspace Group in the 1990s.

3 Mills was subsequently acquired by the London Development Agency (LDA) in 2004 as part of preparations for the 2012 Olympics, and rehearsals for the opening and closing ceremonies took place on its stages. In 2010, ownership passed to the Olympic Park Legacy Company, now the London Legacy Development Corporation (LLDC), which is responsible for delivering the regeneration legacy from the 2012 Games.

STAR-STUDDED TRACK RECORD

3 Mills' versatile facilities have been home to a wide range of well-known feature films, HETV dramas and multicamera

The Gin Still. A recently renovated heritage building providing three floors of state-of-the art creative workspace.

TV shows over the last 30 years. The studios have had a particularly close association with director Danny Boyle, who used 3 Mills for the production of *28 Days Later* (2002), *Millions* (2004), *Sunshine* (2007) and *Trance* (2013). Other feature films based at 3 Mills have included *Lock, Stock and Two Smoking Barrels* (1998), *Sexy Beast* (2000), *Made in Dagenham* (2010), *Attack the Block* (2011) and *Expendables 4* (2023).

3 Mills has also carved itself a niche as London's premier centre for stop-motion animation, hosting Wes Anderson's *Fantastic Mr Fox* (2009) and *Isle of Dogs* (2018); and Tim Burton's *Corpse Bride* (2005) and *Frankenweenie* (2012). Another major stop motion film is currently in production at 3 Mills.

Hulu's The Great (2020-23) was based at 3 Mills, while other HETV dramas to have filmed scenes at the studios include *Luther* (2010-19), *Giri/Haji* (2019) and *Slow Horses* (2022-). Multi-camera TV shows filmed at 3 Mills include *Ru Paul's Drag Race UK* (2019), while, more recently, several high profile content creators for YouTube have filmed at the studios.

VIBRANT CREATIVE HUB

However, 3 Mills is not just a film and TV studio, but it is also a hub for London's wider creative industries. It is a major rehearsal centre for West End theatre productions, Disney touring shows and the English National Opera. A variety of industry related tenants are also based at 3 Mills, while the on-site Jones & Sons café is a key social hub for studio users. The diversity of the user base has helped 3 Mills to weather recent challenges impacting demand at independent studios, such as the writers' and actors' strikes.

3 Mills currently offers nine stages of up to 13,424 sq ft and ten rehearsal spaces, alongside a variety of other production facilities and exterior filming areas. Recent renovations have seen the historic Gin Still and Custom House buildings transformed into premium creative workspaces, while the 60-seat Screening Room has also been upgraded to a high technical specification.

Investment into these renovated spaces demonstrates the strength of the LLDC's long-term commitment to 3 Mills as a key creative hub within east London. Alongside other nearby developments such as BBC Music Studios, Sadler's Wells East and V&A East, it is playing an important part in the creation of an increasingly vibrant cultural infrastructure in the Stratford area, while also supporting the Mayor of London's ambitious visions for the wider Thames Estuary Production Corridor.

INTRODUCING... LUCY MCCUTCHEON

LSH recently recruited Lucy McCutcheon, who is stepping into the role of Head of Studios at 3 Mills, succeeding long-time studio head Paul de Carvalho.

Lucy brings more than 20 years of studio experience to the role, having previously worked at Pinewood Studios, BBC Studioworks, Twickenham Studios and, most recently, Elstree Studios.

We spoke to Lucy about the opportunity ahead.

HOW ARE YOU LOOKING FORWARD TO YOUR WORK AHEAD AT 3 MILLS?

I'm incredibly excited to have joined 3 Mills. Paul leaves a tremendous legacy, and I'm delighted to be entrusted with the responsibility of building upon that. I'm greatly looking forward to working with the 3 Mills team, LSH and our clients to support the delivery of high-quality film and TV content across multiple platforms.

WHAT PARTICULARLY APPEALED TO YOU ABOUT 3 MILLS?

It's a studio with a strong creative reputation and ambitious future plans. 3 Mills' central location is a key attraction – while I've worked at other studios further out in the Greater London area, 3 Mills is a true London studio, just 30 minutes from the West End with great public transport links and connectivity. 3 Mills is also an appealing scale, providing real opportunity for collaboration with productions situated at the studios, which is a part of my job that I enjoy greatly. I am really looking forward to having the opportunity to shape a studio, taking all the things that I have learned through my career and being able to put my stamp on it.

ARE THERE ANY KEY GROWTH AREAS FOR STUDIO DEMAND THAT YOU'LL BE LOOKING TO TAP INTO?

Film and TV dramas will remain at the core of 3 Mills, but we're also building relationships with key players in the creator economy, including some of the UK's most successful YouTubers. 3 Mills has already been involved in some of the biggest deals in this space, as content creators cross over into mainstream media, and I'll be looking to make the most of opportunities arising from this shift in the production landscape.

WHAT OTHER PRIORITIES DO YOU HAVE FOR 3 MILLS?

There's a great opportunity to bring more permanent tenants to 3 Mills, to further build the creative community based at the studios. This a key priority for me, and it will help to cement 3 Mills' position within the east London creative ecosystem.

BACK IN BALANCE

The delivery of significant volumes of new studio space in recent years has largely addressed recent supply shortages, putting the market back in equilibrium.

BURST OF DEVELOPMENT

The UK's supply of film & TV studio space has grown at remarkable speed since LSH published its first *Sites, Camera, Action!* report in 2018. At that time, there was circa 3.0m sq ft of stage space in studios suited to film and HETV production across the UK, with Pinewood Studios and Warner Bros. Studios Leavesden being the only two studios with more than 200,000 sq ft of bespoke sound stages.

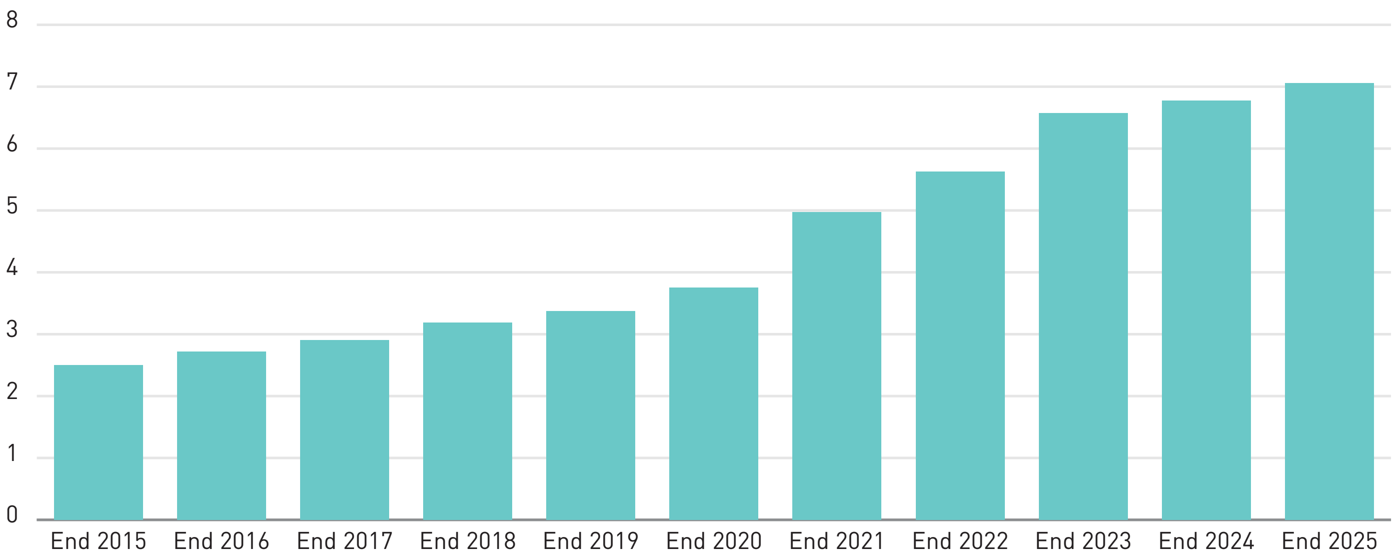
By the time we released *Sites, Camera, Action 2* in 2021, the amount of stage space in the UK had risen to 4.2m sq ft; and that figure has leapt again to stand at 7.1m sq ft upon the publication of this third edition of the report.

The largest new additions to the UK studio landscape since the release of the last report include Sky Studios Elstree (265,181 sq ft of sound stages) and Eastbrook Studios, Dagenham (251,568 sq ft), both of which were advised by LSH. Shinfield Studios, Reading (433,649 sq ft) has also been delivered; while the biggest expansion of an existing studio came at Shepperton Studios, where stage space has more than trebled to 556,253 sq ft, putting it on a similar scale to Pinewood and Leavesden.

The core West-of-London studio cluster has remained the main focus for new development. Locations of growing stature within this area include Bovingdon Airfield Studios, which has emerged as a credible studio facility in recent years and is hosting the filming of *The Beatles – A Four-Film Cinematic Event*. Longcross has also grown in importance, with the separately operated Longcross North and Longcross South sites both seeing the construction of multiple demountable stages.

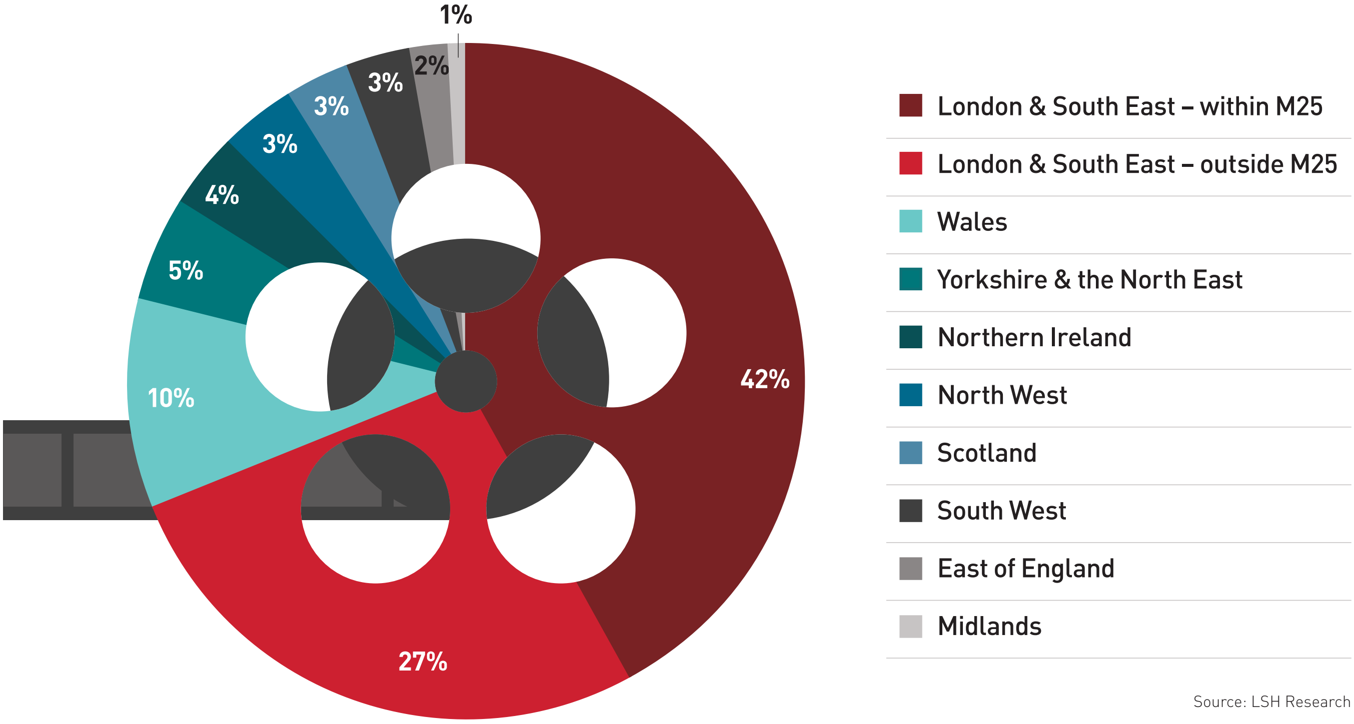
While relatively few large-scale bespoke projects have been delivered away from the London region, supply in the rest of the UK has also increased. Studios to have opened since the last *Sites, Camera, Action!* report include TBY2 in Bristol (43,500 sq ft) and Digbeth Loc. Studios, comprising 80,000 sq ft of regenerated industrial buildings in Birmingham. LSH advised on both of these schemes, as well as on consented sites in Liverpool and Manchester.

UK STAGE SPACE BY YEAR (M SQ FT)



Source: LSH Research

UK STAGE SPACE BY LOCATION (%)



Source: LSH Research

SUPPLY CATCHES UP WITH DEMAND

The recent development boom was a response to a clear supply shortage that emerged during the rapid growth of the streaming market in the late 2010s and early 2020s.

While some new studios were delivered on an essentially speculative basis, much of the best quality space to be built in recent years has been directly tied to longer-term leasing deals with major production companies seeking to guarantee the availability of space for future projects. Commitments of ten years or more have been made; a length of deal that was previously non-existent within the sector, with studio space more conventionally rented on a project-by-project basis.

The major players all now have commitments in place that provide them with UK production bases. Netflix has long-term deals at the expanded Shepperton, where it leases 22 stages; and Longcross North, where it has planning permission for a significant redevelopment. Disney leases the vast majority of Pinewood Studios; while Amazon has a leasing deal for nine stages at Shepperton and also acquired Bray Studios in 2024. Additionally, Warner Bros. owns Leavesden Studios, albeit this acquisition pre-dated the recent flurry of activity having come in 2010.

These longer-term deals, combined with the slowing growth of the streaming companies, have taken much of the supply/demand pressures out of the market. The focus of demand has shifted back to shorter term deals for space needed to service individual productions. Content made for major companies such as Netflix still generates demand at other facilities with, for example, *Bridgerton* using UX1, Uxbridge; and *Squid Game: The Challenge* filmed at The Wharf Studios, Barking and Cardington Studios, Bedfordshire.

Nonetheless, supply shortages have undoubtedly eased, lessening the need for temporary solutions such as meanwhile space and warehouse conversions. Some repurposed buildings used as studios have reverted to their previous uses with, for example, Netflix surrendering warehouse space that it had leased from SEGRO in Enfield and Hayes; while Apple has vacated units at Symmetry Park, Aston Clinton. In total, nearly 1m sq ft of space has been removed from the stock in recent years.

LARGE BUT THINNING PIPELINE

Despite a better balance emerging between supply and demand, there is still a large amount of studio space theoretically in the pipeline. LSH is aware of 4.8m sq ft of stages in live planned and proposed projects, of which 2.1m sq ft has planning approval. However, our expectation is that a considerable proportion of this space will not be delivered, with many consented schemes still facing funding and feasibility obstacles.

Viability challenges have led to the recent scrapping of several consented projects, including Sunset Waltham Cross Studios and the Home of Production project in Bedfordshire. Additionally, the Ashford International Studios project in Kent has effectively been abandoned, with residential proposals coming forward for the site.

A further thinning of the development pipeline has come from the scaling down of expansion plans for Pinewood Studios from 21 new stages to five, with the focus of the plans switching to a huge data centre. Indeed, data centre uses are providing increasingly strong competition for sites that would be suitable for studios; land previously earmarked for new stages at Wycombe Film Studios and the Home of Production site is also now also subject to data centre proposals, and there is significant government support for this alternative high-value use.

Planning issues have delayed several other major projects, with the proposed Marlow Film Studios, Sky Studios Elstree North and Holyport Studios all going to appeal after being refused planning permission by their local authorities. While the Ministry of Housing, Communities and Local Government has overturned the refusal of Marlow and Sky Studios Elstree North, it rejected Holyport's appeal.

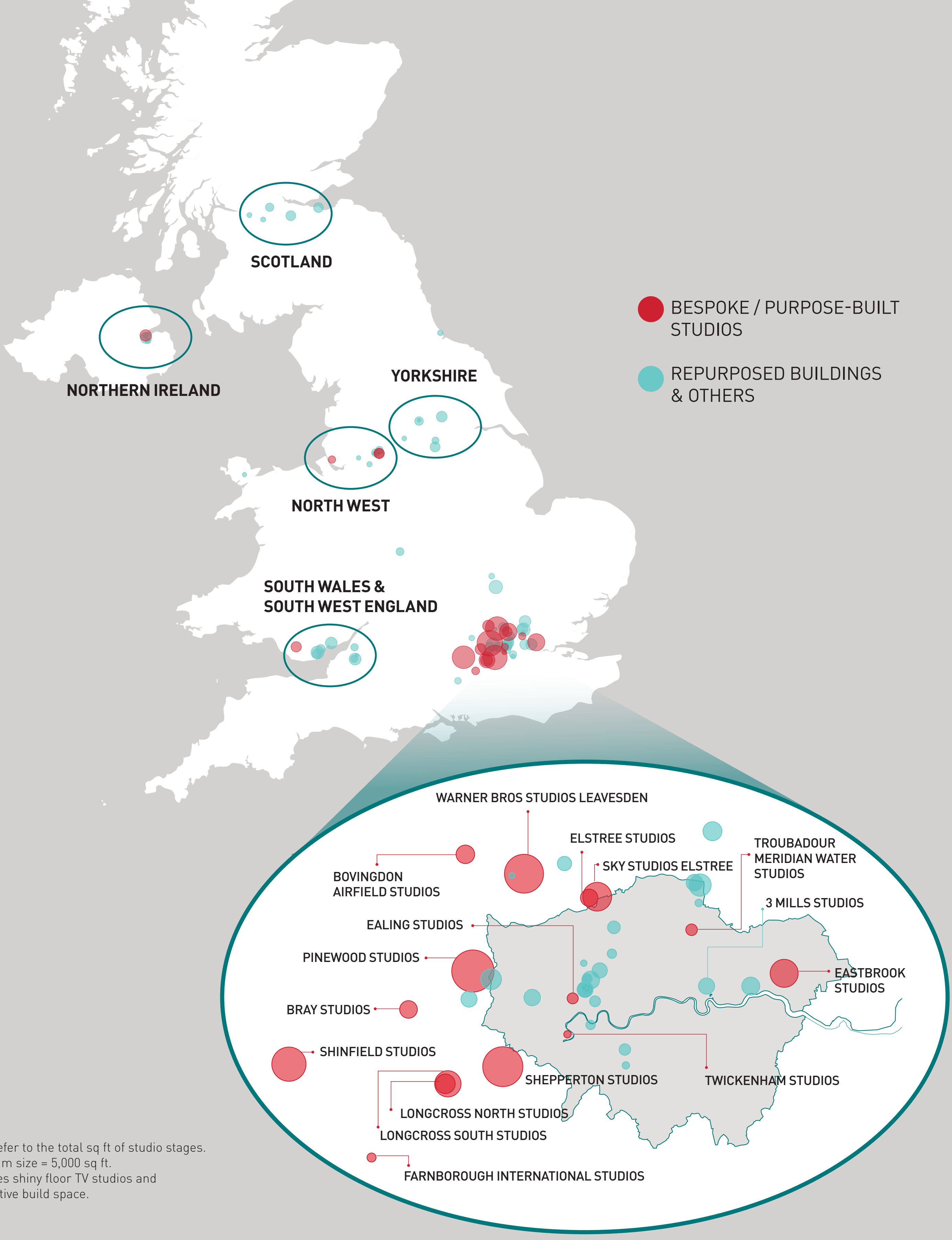
Nonetheless, a high degree of confidence can be ascribed to a small number of pipeline projects. These include the expansion of Warner Bros. Studios Leavesden, which will deliver 10 new stages; and the redevelopment of Bray Film Studios, to which new owner Amazon is committed. Both of these projects benefit from the attachment of a major occupier, which is an advantage that most other proposed schemes do not have.

Ambitious schemes at earlier stages include Denham Film Campus, with outline planning submitted for 654,294 sq ft of stages; and Crown Works, Sunderland, whose first phase of 125,000 sq ft is due to commence in 2026. However, plans for the latter have been scaled down after it experienced several delays, and LSH has always been sceptical about its viability with studio development being especially challenging outside of the key regional clusters in Scotland, the North West, Yorkshire, Northern Ireland and South Wales & South West England.

STUDIO PIPELINE BY PLANNING STATUS (STAGE SPACE, SQ FT)

Source: LSH Research

UK FILM & TV STUDIO LOCATIONS



Sizes refer to the total sq ft of studio stages.
Minimum size = 5,000 sq ft.
Excludes shiny floor TV studios and alternative build space.

PLAYMAKER STUDIOS: A GAME CHANGER

LSH has been advising on the development of the new PlayMaker Studios at Qiddiya City, Saudi Arabia, supporting the country's fast-growing creative sector.

PlayMaker Studios is Saudi Arabia's newest purpose-built film production hub. It is located in Qiddiya City, a new city being developed approximately 45km from the centre of the capital Riyadh, which is expected to eventually be home to 500,000 people. Qiddiya City is one of several 'giga projects' launched as part of the Kingdom's Vision 2030 program, which aims to diversify the economy, transform society and open up Saudi Arabia to the rest of the world.

The development of PlayMaker Studios supports the overall concept of Qiddiya City as a 'City of Play', with world-class entertainment, sports and cultural attractions. Other planned developments include a multi-purpose stadium that will host games in the 2034 FIFA World Cup, a gaming and e-sports district, a Mercedes-AMG motorsports attraction and a Nick Faldo-designed golf course.

PlayMaker Studios currently features two purpose-built 25,000 sq ft sound stages, alongside 20,000 sq ft of production offices and two flexible workshops, both spanning 10,000 sq ft. The two sound stages have been busy hosting film productions since being built, and two more stages are now under construction and due for completion in 2026. It is envisaged that 12 stages will ultimately be developed, with the studios sitting at the heart of a creative and media creative district that could also include post-production facilities, VFX houses and music studios.

The studio plot covers more than 2 sq km and includes the largest backlot in Saudi Arabia, providing a huge flexible blank canvas for film makers. Transport access for production trucks is excellent, and the studios have the advantage of being much closer to Riyadh than most other studio facilities in Saudi Arabia.

The development of PlayMaker Studios comes during a period of rapid growth for the Saudi film industry. Box office revenues have topped $1bn since cinemas reopened in 2018, and Saudi Arabia is now the largest cinema market in the MENA region. Domestically-filmed Saudi films account for a growing share of the local box office; while the country is also gaining popularity as a filming location for international features, including the Gerard Butler-starring *Kandahar* (2023) and the Sir Ben Kingsley-featuring *Desert Warrior* (2025).

With a range of domestic and international film makers now considering PlayMaker Studios for their projects, it is set to take an increasingly prominent role in Saudi Arabia's emergence as a global filming destination.

LSH was appointed as strategic consultant to support the studio project as part of the wider Qiddiya development masterplan. Working in conjunction with local partners, we played an integral role from conception to delivery; providing early design input, operational strategy and risk analysis, formation of the PlayMaker Studios business plan with associated financial modelling and forecasting, alongside advisory around alignment with wider national and regional production market strategies. Our knowledge and expertise across both the UK and international production markets formed a critical part of the project due diligence, providing a vital contribution to the collective team. It has acted as a catalyst for our ongoing activity in the wider region and demonstrates our increasing international profile.

CALLING THE SHOTS

With the global film and TV industry remaining in a period of rapid change, we outline below LSH's key calls on the trends that will impact the studio landscape in the years ahead.

UK TO REMAIN AT FOREFRONT OF GLOBALISATION

The UK will continue to benefit from the globalisation of the film and TV industry, as a key gateway between the US and the rest of the world. While there is strong competition from other established and emerging global filming locations, the quality of the UK's studio infrastructure and its on-and off-screen talent puts it in pole position to take advantage of the continued drift of production activity away from the US.

INDUSTRY CONSOLIDATION WILL IMPACT DEMAND

An ongoing wave of merger and acquisition activity is likely to reshape the global film and TV industry, with all eyes on the upcoming sale of Warner Bros. Discovery. With Warner Bros. being a major UK studio occupier, the deal could have ramifications for its demand for UK studio space.

STUDIO SUPPLY TO GROW AT A SLOWER PACE

The growth of the UK's film and TV studio stock is slowing, but the next few years are still likely to see some notable additions to supply, including the expansion of Warner Bros. Studios Leavesden. However, with supply and demand in much closer equilibrium than was the case five years ago, other development projects may find it hard to get off the ground unless they have the attachment of a major occupier.

REGIONAL DEVELOPMENT WILL REMAIN CHALLENGING

Studio development will remain more challenging in the UK regions than in the core South East market, especially outside of the key regional clusters. Although there are several ambitious studio proposals in the rest of the UK, high build costs continue to restrict viability; and the delivery of more studio space in the South East may limit the ability of regional studios to capture overspill demand from London.

LOWER QUALITY SPACE TO BE LOST

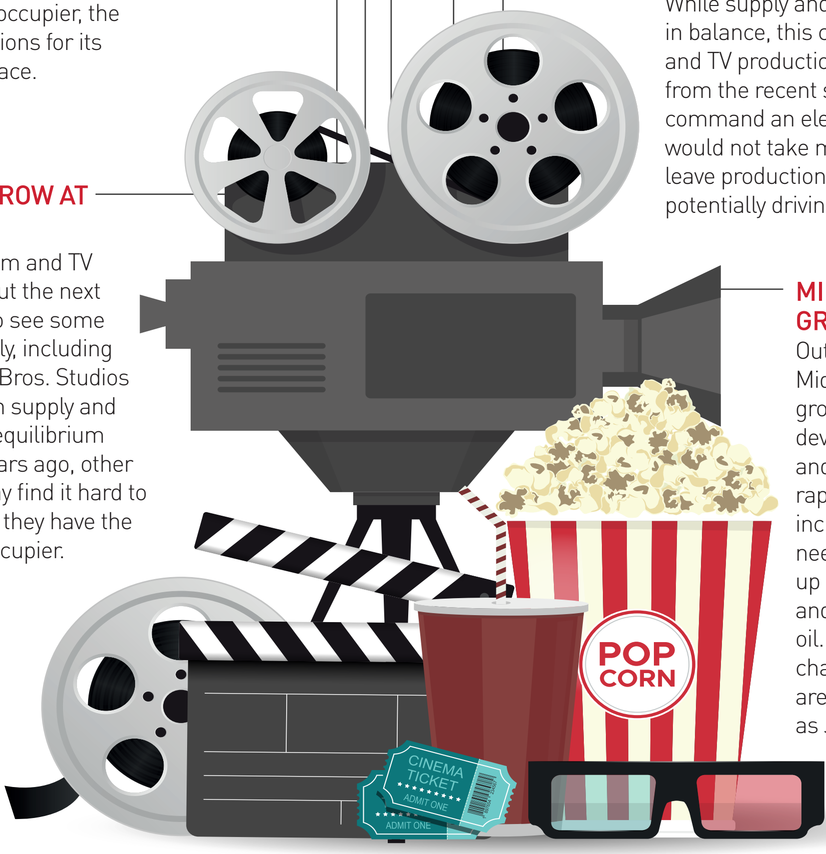
The easing of supply pressures will further reduce the need for alternative build space and warehouse conversions, and more of these studio types will revert to other uses. While some lower quality options will still be able to attract lower-budget productions needing cost-effective filming space, demand from mainstream production companies is likely to further consolidate into higher quality bespoke space in prime locations.

GLOBAL DEMAND RECOVERY COULD STRETCH SUPPLY

While supply and demand are currently broadly in balance, this could change if international film and TV production makes a more robust recovery from the recent strikes, while the UK continues to command an elevated share of global activity. It would not take much to tip the balance back and leave productions chasing limited available space, potentially driving new studio development.

MIDDLE EAST TO BE A GROWTH MARKET

Outside of the UK, LSH sees the Middle Eastern market as a major growth area for film & TV studio development. Cinema revenues and streaming numbers are rising rapidly across the region, and increased studio capacity will be needed as countries further open up to the entertainment industry and diversify economies away from oil. While Saudi Arabia is leading the charge, studio sector opportunities are also emerging in countries such as Jordan, the UAE and Qatar.



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