

# CABINET

## Festivals and Events Update 2011

### Report of Head of Community Engagement

| PURPOSE OF REPORT  |                |                  |  |                              |
|--|----------------|------------------|--|------------------------------|
| To update members on the 2011 festivals and events programme, update on the income achieved and seek approval of plans for 2012. |                |                  |  |                              |
| Key Decision   | X              | Non-Key Decision |  | Referral from Cabinet Member |
| Date Included in Forward Plan  | September 2011 |                  |  |                              |
| This report is public  |                |                  |  |                              |

#### RECOMMENDATIONS OF HEAD OF COMMUNITY ENGAGEMENT

- (1) That Cabinet notes the update on the 2011 events programme
- (2) That Cabinet agrees the revenue budget be updated to reflect the additional income and expenditure for the 2011 festivals and events programme
- (3) Cabinet approves the planned approach for 2012 and 2013, unless the Council's financial position and changing priorities warrants a review for the 2013/14 budget, and further agrees that the revenue budget be updated to reflect any additional income received to support the festivals and events in those years, to supplement the Council's investment in the programme, rather than taking any savings.

#### 1.0 Introduction

- 1.1 The council has a tradition of supporting festivals and events which directly support two council priorities:
  - Economic Regeneration – Visitor Economy
  - Partnership Working and Community Leadership
- 1.2 Festivals and events have a direct impact, attracting more visitors to a destination, raising the profile of a place, creating a sense of wellbeing,

providing a platform to raise awareness and communicate positive messages, and can help attract residents and investment.

- 1.3 This year's festivals and events budget is £44,400 (net) and is being used to support the following events:
  - 2011 Sandcastle Festival
  - 2011 Seaside Festival
  - 2011 Fireworks Spectacular
  - 2011 Summer Concert Series of Bands in the Park (Happy Mount Park)
  - Within the total festivals and events budget available, an allocation of £2,000 has also been provided to More Music for the Catch the Wind Kite Festival.
- 1.4 Evaluation by Lancashire and Blackpool Tourist Board of the 2010 festivals demonstrated a significant percentage of visitors from outside the district including many first time visitors which were there specifically for the event. In addition the evaluation reports were able to provide an estimate of the economic impact of visitors (non Lancaster/Morecambe residents) for the events by using the visitor profile and the data from a NWDA North West Staying Visitor Survey.

2010 Sandcastle Festival > 66% of those surveyed were classed as visitors which contributed an estimated £417,000 in tourism value to the area.

2010 Seaside Festival (We do like to be beside the sea) > 32% of those surveyed were classed as visitors (sample size for this festival was too low for providing a reliable economic impact estimate).

2010 Fireworks Spectacular > 27% of those surveyed were classed as visitors which contributed an estimated £413,000 in tourism value to the area.
- 1.5 Initial analysis of this year's Sandcastle Festival has indicated that 51% of those surveyed were visitors. Feedback from the 2011 Seaside Festival is still coming in. Analysis of feedback so far shows a 50:50 split.
- 1.6 In terms of destination profile raising, the events attracted enormous amounts of PR coverage regionally. Print and particularly digital marketing is creating further awareness nationally as well for the district.
- 1.7 This report is being written immediately following the Seaside Festival so no statistics are available but despite the weather and cancellation of the Red Arrows the event attracted thousands of people over the two days. Detailed analysis regarding the economic impact of the event will be provided.
- 1.8 The Tourism Marketing and Events function of the council is co-ordinating the development of new relationships with a range of local public, private and charitable status bodies in order to enhance partnership working and this is assisting in the joined up delivery of an even greater range of festivals and events and cross marketing that will raise the district's profile as a place where there are events of interest to visit but at no extra cost to the authority.
- 1.9 There is a separate festivals and events marketing budget, as part of the overall marketing budget. More effective use of marketing channels have reduced marketing spend compared to previous years and marketing spend

on festivals and events has reduced by £3,000 last year (taken as part of the overall marketing budget 2010/2011 savings)

## **2.0 Proposal details**

2.1 In November last year Cabinet received a report updating them on the 2010 festivals and events and the council's approach to festivals and events generally. It also set out plans for 2011 and beyond within the framework of the medium term financial strategy and Corporate Plan objectives

2.2 Cabinet agreed to the 2011 Events Programme and requested further work be undertaken on the funding of those festivals, in particular to maximise income to those festivals and events.

2.3 This report updates members on the 2011 events progress to date, funding secured to maximise sponsorship income to those festivals and plans for 2012.

2.4 To date three events have been held. Income for those events has been obtained from a variety of sources:

Direct income from sponsorship for Sandcastle Festival, Seaside Festival and the Bands in the Park - £3,400.

Sponsorship in terms of non-cash contributions (estimated value in excess of £5,000) include Poulton Children's Centre, water bowsers, sand, giveaways, volunteer stewards, refreshments for stewards.

2.5 In order to expand the Seaside event into a major weekend destination festival incorporating a live outdoor stage, fireworks spectacular and air show (including the Red Arrows), a further £20,000 was sought and secured from Morecambe Town Council. With the cancellation of the Red Arrows MTC will be entitled to either a refund towards their £5,000 contribution or agreement as to how else the money be used to support Morecambe events. Discussions will be held with MTC on this matter.

2.6 Income from concessions has been minimal (approximately £1,000 to date) due to a deliberate approach to enable local businesses to trade on the promenade side, for which take up was low. This has a knock on effect in terms of income to subsidise the cost of the event and the enjoyment factor for visitors and therefore a review of the council's approach to concessions at events is being undertaken.

2.7 Sponsorship, income opportunities and in-kind support for the 2011 Fireworks Spectacular are currently being sought.

2.9. Equivalent advertising rate as a result of the profile the events have received is valued at tens of thousands of pounds (Media and marketing analysis is undertaken for each event).

2.8 The budgets for the council's festivals are however extremely tight, and deliver incredible good value for money. The quality, attractiveness, safety and ultimately success of the events are only possible thanks to the sponsorship and other income generating opportunities. In addition, members should note that the delivery of the festivals are also heavily supported by

staff across all services.

- 2.9 Under the council's financial regulations, as the additional sponsorship falls outside of the current budget framework, there is a requirement to seek formal approval from members to update the 2011/12 budget.
- 2.10 2012 - By necessity the process to ensure the effective planning and marketing of festivals and events in future years has already begun. Marketing materials for the visitor market are already being developed. Approaching potential sponsors to generate income towards 2012 events also needs to be undertaken as soon as practically possible. It is requested as part of the planning for the 2012 events that the budgets be updated to take account of any sponsorship/contributions that are secured towards these events.
- 2.11 Partners such as Morecambe Town Council, More Music in Morecambe, the Lancaster Retail Sector and Bay Tourism Association are already planning for 2012 and beyond and are seeking information about council events and approaches.
- 2.12 Having reviewed this year's events, and led discussions with partners, the overall events programme for the district will be much stronger with the council's anticipated co-ordination of the programme and own events a major contribution.. The council's festivals and events plan for 2012 is set out below:

***City council core events:***

- Sandcastle Festival
- Seaside Festival
- Fireworks Spectacular
- Summer – Bands in Happy Mount Park

Within and around these events there will be some changes and adjustments to reflect the feedback and findings to maximise the potential of each.

In addition, 2012 promises to be a major year for events with the:

- Olympics
- Diamond Jubilee
- 400 anniversary of the Pendle Witch trials

***City council funded events:***

Catch the Wind Kite Festival

***Partnership working***

In order to repeat the scale and success of this year's Seaside Festival, a partnership approach with Morecambe Town Council will again be sought.

The Tourism Marketing and Events function has also supported a variety of other partnership events including those organised by Lancaster City Centre Retail Sector, Lancaster Unlocked and Lancaster Music Festival. This support is 'in kind', such as advice on event management issues, marketing, ticketing, props etc. This work will continue.

The council is also leading work with a wide range of partners to develop events programmes and a marketing plan to attract visitors for 2012 and beyond.

### 3.0 Details of Consultation

3.1 Surveys with businesses, festival-goers, feedback generally and liaison with partners.

### 4.0 Options and Options Analysis (including risk assessment)

|  |   |  |
|--|---|--|
| <p><b>Option 1:</b> Notes the update, agrees revenue budget be updated and commits funding now to allow progress towards festivals and events for 2012 and 2013.</p>   | <p><b>Option 2:</b> Notes the update but does not to agree budget update and delay any decision until budget council in March 2012.</p> | <p><b>Option 3;</b> Notes update but decides to reduce funding in light of the current budgetary position facing the Council.</p>      |
| <p><b>Advantages</b></p>   |   |  |
| <p>Enables council to work with partners to develop a co-ordinated plan towards event delivery for 2012, take advantage of major regional, national and international events and explore sponsorship opportunities</p> | <p>Council is able to make decision as part of wider budget setting context</p>   | <p>Makes a contribution towards the savings targets required by Council following on from the recent Comprehensive Spending Review</p> |
| <p>Supports the council's priorities and a significant element of the council's Visitor Marketing Plan</p>   |   |  |
| <p>Opportunity to develop a joined up marketing plan for visitors and local people (reducing the plethora of separate marketing approaches and ensuring no event clashes)</p>  |   |  |
| <p><b>Disadvantages</b></p>  |   |  |
| <p>Decision taken ahead of</p>   | <p>Prevents the council</p>   | <p>Uncertainty amongst</p>   |

|                              |  |   |
|------------------------------|--|---|
| wider budget setting context | working with partners to develop a co-ordinated plan towards event delivery for 2012 and risks an uncoordinated and less effective series of events. | businesses and the media, leading to potential damaging publicity not just locally but further afield |
|                              | Less likely to achieve sponsorship and therefore income towards 2012 events  |   |
|                              | Uncertainty amongst businesses and the media, leading to potential damaging publicity not just locally but further afield                            |   |

**5.0 Officer Preferred Option (and comments)**

5.1 There is no preferred option

**6.0 Conclusion**

6.1 Cabinet needs to take a decision with regard to the Council's future commitments to festivals and events for 2012.

**RELATIONSHIP TO POLICY FRAMEWORK**

**Corporate Plan priorities -**

- Economic Regeneration – Visitor Economy
- Partnership Working and Community Leadership

**CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

None - all events run directly by or supported by the Council will be in accordance with its policies in respect of Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing

**LEGAL IMPLICATIONS**

There are no legal implications directly arising from this report.

**FINANCIAL IMPLICATIONS**

If approved the 2011/12 budgets for festivals and events will be updated (within the existing net budget of £44,400) to take into account the additional expenditure and income from sponsorship and other contributions.

The festivals and events budgets for 2012/13 (£45,300) form part of the Council's current budget projections and as such confirmation of these budgets does not have any additional spending implications. It is recommended that expenditure and income budgets are updated

as and when any sponsorship and concessions income is agreed. However it should be pointed out that if these budgets were agreed before the 2012/13 budget process was completed, it would remove the possibility of making savings from these budgets and would therefore require savings to be made from other areas.

#### **OTHER RESOURCE IMPLICATIONS**

**Human Resources:**

None

**Information Services:**

None

**Property:**

None

**Open Spaces:**

The districts parks, open spaces and beaches form the backdrop to these festivals and events

#### **SECTION 151 OFFICER'S COMMENTS**

Operationally, it makes sense to make early decisions regarding any festivals and events and as the proposals are within the existing budget and policy framework, it is within Cabinet's remit to authorise progress.

That said, Cabinet is advised to consider carefully whether, in the context of the Medium Term Financial Strategy as well as its developing priorities, it is in a position to guarantee the affordability of the existing festivals and events programme over the next two years.

Alternatively, if it is considered that this should be an area for making savings, then an early decision is also advisable.

#### **MONITORING OFFICER'S COMMENTS**

The Deputy Monitoring Officer has been consulted and has no further comments.

#### **BACKGROUND PAPERS**

None

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