

# CABINET

## Festivals and Events

4<sup>th</sup> October 2016

### Report of Chief Officer Regeneration & Planning

<b>PURPOSE OF REPORT</b>				
To provide information for Cabinet on the impact of budget reductions to Light Up Lancaster, Vintage by the Sea and Brass Bands and to clarify the Council's overall role in respect to festivals and events in the district				
Key Decision	X	Non-Key Decision	Referral from Cabinet Member	
Date of notice of forthcoming key decision	5 September 2016			
This report is public				

#### RECOMMENDATIONS of Councillor Darren Clifford

It is recommended that:

1. A reduction in the brass bands programme is implemented from 2017/18 onwards, to accommodate budget reductions.
2. Potential for income generation is developed as a means of absorbing budget reductions from 2017/18 onwards for the Vintage by the Sea and Light Up Lancaster festivals.
3. The Council continues to act as a delivery partner and as accountable body, as required, to enable Light Up Lancaster and Vintage by the Sea to access external funds.
4. The Council continues to support the diverse events programme in the district through making its own land available as a venue (subject to meeting current booking requirements), to support the work of the Events Safety Advisory Group and to provide information and advice to support delivery of local events.

#### 1.0 Introduction

On February 16th 2016 Cabinet approved a number of savings measures as part of the annual budget process (minute 76 refers). These were also approved at the Council's annual budget meeting on 2nd March 2016 (minute 141 refers). The savings included a reduction to the festival and events budgets for 2017/18 onwards, including £10,000 from Light Up Lancaster, £12,000 from Vintage by the Sea and £700 from Brass Bands, in total a saving of £22,700.

- 1.1 This report now provides proposals to allow the agreed budget reductions to be absorbed whilst developing the overall economic impact and contribution to the district's economy of the festivals and events that the Council supports.

## **2.0 Background**

- 2.1 The Council fulfils a number of roles relating to festivals and events including making Council land and buildings available, often on a chargeable basis; working with the Events Safety Advisory Group (ESAG) along with the Emergency Services and the County Council Highways; providing advice to event organisers; promotional and marketing support for events that raise the profile of the district; event ticketing services; bar and catering; clean up services.
- 2.2 The regular brass band performances in Happy Mount Park Council are currently programmed and part financed by the Council, at a cost of £3.9k (reducing to £3.2k in 2017/18). A small contribution of £2k is also made to the Morecambe Kite Festival, which provides a return for the Council via the Platform and car parking.
- 2.3 Although a great many festivals and events take place in the district, most of these are delivered very successfully by local event organisers. However, the Council is directly involved, as a partner, in the funding and delivery of Light Up Lancaster and Vintage by the Sea, as the scale and quality of these festivals significantly raise the profile of the area across Lancashire, the North West and beyond, deliver a substantial and growing economic impact and are able to attract external funding.
- 2.4 The visitor economy is a growing economic sector for the district supporting around 6,000 jobs and £7m economic impact. At the same time, growth potential has been identified across other key sectors in the district including Energy and Environment, Knowledge Economy and Port Related Logistics linked to the Bay Gateway. However, current forecasts indicate that there will be strong competition for the skills that employers need to develop their businesses and the economy of the district. To capitalise on this potential, the district is well placed to compete with an outstanding Place Offer that attracts visitors, enhances the district as a business location and as a great place to live and work.
- 2.5 Festivals and events are an important part of the lively, engaging arts and cultural activities that, alongside great locations, exceptional heritage and quality attractions, make Lancaster district's Place Offer distinctive. Light Up Lancaster and Vintage by the Sea have been recognised within Lancashire and nationally as having great potential to develop further at the national and international level.

### **Vintage by the Sea**

- 2.6 Vintage by the Sea celebrates the British Seaside through creativity and culture and is part of a national circuit of seaside events that has attracted a large and enthusiastic group of followers from around the country. The Vintage festival was again nominated for a Lancashire Tourism Award having won this and the North West award the previous year. The festival was included in the 'in flight what's on in September in the UK' on British Airways screens in both 2014 and 2015. National coverage of the festival in 2015 included features and discussion on BBC Radio 2 and Radio 6, in the National Telegraph and Stylist Magazine. The festival has an existing national and international following through social media and a newsletter database (managed by Hemingway Design) exceeding 100,000 subscribers.
- 2.7 The festival, which is organised and delivered by the Council in partnership with Deco Publique and Hemingway Design, runs over three days and, in 2016, audiences were entertained by live music, dance, street theatre, exhibitions, a vintage fairground, craft fair and cafe, a vintage car rally and cycle ride, and a WWII Spitfire ground display. The Midland held a Vintage Torch Ball and the Platform hosted creative workshops, the Dukes Vintage Film Show and an event called "Across the Tracks", providing music from 1930's to 1990's. The quality of production is high, themes are imaginative and appealing and media coverage is very good at regional

and national level. For the 2016 Vintage festival, BBC Radio 2 broadcast live from the Midland Hotel on four mornings leading up to the festival.

- 2.8 The Vintage festival consistently attracts a significant audience of around 40,000 and, with a higher proportion of visitors from outside of the area (40%) than is typical of most local events, makes a strong contribution to the visitor and night time economy of Morecambe. As an example, evidence suggests that local hotels and B and B's are fully booked over the Vintage weekend. 89% of those people surveyed as part of the evaluation of the festival stated that they had visited Morecambe specifically to see the festival.
- 2.9 Economic impact (income from visitors to the festival from outside the area) of Vintage by the Sea in 2015 is estimated at £916,000 and was calculated using an accepted methodology for events of this type.
- 2.10 The Council provided £16k as an event partner towards the core costs for Vintage by the Sea 2016. The overall indicative costs, funding and income for Vintage by the Sea for 2016 are provided at Appendix A.
- 2.11 Vintage by the Sea provides income generation opportunities for the Council, primarily via the Platform and car parking at present but with potential for other income streams to be developed in future years. In 2015, Platform net income was £4.3k and additional car parking revenue was approximately £900.

#### **Light Up Lancaster**

- 2.12 Light Up Lancaster is now one of a small number of Light festivals across the North of England that form a network of branded events called 'Light Up the North', comprising Durham, York, Leeds, Gateshead, Blackpool and Salford. The Arts Council supports all of these festivals as part of the Arts Council's National Plan. For 2016, Marketing Lancashire has secured Arts Council funding of £50k to promote 4 major festivals, including Light Up Lancaster, as Cultural Tourist Destinations with the aim of attracting more national and international visitors. Light Up Lancaster was again nominated for a Lancashire Tourism Award in 2015. There is no doubt, however, that Light Up the streets is seen as the unique and innovative element of the festival that has the greatest value in terms of the Arts and long term potential impact on the visitor economy.
- 2.13 Light Up Lancaster runs over two days in early November with Light Up (the Streets) on the Friday evening, a range of family events in locations around the city during the day on the Saturday and the Fireworks Spectacular on the Saturday evening. This festival has caught the public's imagination and the festival's reputation and audience is growing year on year, contributing to the visitor and night time economy of Lancaster.
- 2.14 Light Up (the Streets) on the Friday evening, celebrates Lancaster's rich heritage and creates a magical, after dark, multi-art trail throughout the City Centre's streets, squares and historic buildings including Lancaster Castle and the Priory. Audiences, stroll around the streets, squares and a number of historic buildings, entertained by performances and exhibitions of visual arts including dance, theatre, live music, storey telling and amazing light installations. After the event, audiences can enjoy other 'fringe' activities such as live music that take place in local pubs on most Friday evenings.
- 2.15 In 2015, Light Up (the Streets) attracted an estimated audience of 10,000 (an increase of 2,000 from the previous year). Stay times are good with many people choosing to stay around the City Centre enjoying the family friendly atmosphere, food and entertainment for most of the evening.
- 2.16 Light Up (the Streets) is followed by Saturday's family events in the city and, finally, the Fireworks Spectacular on the Saturday evening. The 20 minute fireworks display is fired from Lancaster Castle at 20:00 hrs and people usually start to arrive around 30 minutes before firing and tend to leave immediately after. For the 2016 event, to

encourage longer stay times, Light Up activities in the city centre itself will be extended into the Saturday night.

- 2.17 The Light Up Lancaster Festival held in November 2015 attracted an estimated audience of 24,000 locals and visitors with many city centre businesses extending their opening hours to take advantage of those attending the festival. 92% of those people surveyed as part of the evaluation of the festival stated that they had visited Lancaster specifically to see the festival and 21% of those people surveyed were visitors to the area.
- 2.18 On the Saturday evening, in spite of the fact that there are other local fireworks displays, such as the major event at Bolton le Sands, an estimated audience of 12,000 viewed the Fireworks Spectacular at a number of supervised viewing areas including Giant Axe, Quay Meadow, Salt Ayre Sports Centre and Williamson Park. In addition, a further estimated 15,000 people watched the fireworks from various locations in and around the city. Various children's workshops were also delivered during the day on the Saturday.
- 2.19 The Council's current contribution to core costs for Light Up Lancaster is £45k. The overall indicative costs and funding for Light Up Lancaster 2016 are provided at Appendix A.
- 2.20 Light Up Lancaster creates footfall and revenue income for the Council via the Storey, the Visitor Information Centre and Williamson's Park in Lancaster. Car parking revenue increased over the weekend of the festival by approximately £700 when compared to previous weekends.
- 2.21 During the 2014 and 2015 Light Up events, building on the sound management arrangements now in place, it was possible to trial some new approaches to income generation that have the potential to develop. These include concession income and donations.
- 2.22 Estimated economic impact (income from visitors to the festival from outside the area) of Light Up Lancaster in 2015 was £129,000. This could increase significantly if visitor numbers to the Friday (Light Up the Streets) continue to rise, as stay times are increased and as more businesses remain open throughout the evening. Economic impact was calculated using an accepted methodology for events of this type.
- 2.23 Grants, sponsorship and income streams are all developing for these festivals and are part of long term development plans.

### **3.0 Proposal Details**

- 3.1 The proposals in this report are centred on retaining the festivals that the Council directly supports for the future although developing ways in which their sustainability can be improved. This takes into account the importance of festivals and events as part of the district's Place Offer, their economic impact, potential to raise the profile of the district and successful track record over the last few years. In particular, Vintage by the Sea and Light Up Lancaster have been recognised by Arts Council England, Marketing Lancashire and other partners as having national and international appeal.
- 3.2 The Council's current budget of £3.9k for brass band performances will reduce to £3.2k in 2017/18. To remain within planned budgets for 2017/18 onwards, the Brass Band programme can reduce from 19 performances per annum to around 13-15 performances, assuming that sponsorship from other sources continues at current levels. The impact on footfall and spend in Happy Mount Park is as yet unknown.
- 3.3 For both Vintage by the Sea and Light Up Lancaster, the Council primarily provides funding for core event costs including crowd control measures, safety, security, event infrastructure, insurance and fees. All of these are essential, basic requirements of large festivals and, as the Council has a responsibility to deliver events safely and responsibly, are not areas where costs can be reduced to any great extent. However, officers continue to seek cost reductions where possible and to take all

possible steps to achieve efficiencies and good value for money through procurement of services and purchases of supplies.

- 3.4 However, based on some of the successes to date, and the consistently high levels of participation, it is clear that Vintage and Light Up provide income generation opportunities that can be developed further, as a means of developing the festivals' sustainability over the next few years. This report proposes that options for income generation are considered and developed including further sponsorship and donations, charging for specific elements of the festival programmes, retail of quality merchandise, additional bar and catering services, concession bookings and VIP packages.
- 3.5 A number of Council services are already operating commercially in a way that complements Vintage by the Sea and Light Up as well as other events in the district. These include, for example, the Visitor Information Centres, the Storey Café and Pavilion Café, the Platform and programmed events and bookings in other council buildings. As part of festival planning, these opportunities can be maximised.
- 3.6 Any expenditure required to invest in new income generating activities would be considered on a business case basis as part of the Council's Invest to Save arrangements.
- 3.7 Many of the Council's event partners have expertise in developing the more commercial aspects of events and any opportunities to work jointly and share expertise can be developed for example, working with the Morecambe Events Cooperative, Deco Publique and Arts partners.
- 3.8 In terms of the wider festivals and events agenda across the district, the Council works closely with the Event Safety Advisory Group and provides information to support other event organisers where this is helpful and within existing resources. It is proposed that this arrangement continues as it delivers benefits for the Council itself, for other event organisers, for the district as a whole, and also helps to ensure events and festivals, on land and in premises owned by the Council, are managed safely and effectively. The Council's role in providing and managing licences for its land and premises is developing well as part of the Council's day to day business.
- 3.9 As stated earlier in the report, the booking system in place for events on public land sets out clearly the responsibilities of the Council and organisers. Some organisers of non-Council events have questioned whether the cost for cleaning up during and after an event should rest with the Council, rather than the organiser and whether the taking of a bond to cover damage is financially prohibitive to some organisers. Officer advice in this regard is the current system generally works well and provides for flexibility. Clearly if Cabinet wished to shift the balance of responsibility there would be financial implications to that which would create further budgetary pressures and this would need further consideration.

#### **4.0 Details of Consultation**

- 4.1 No formal consultation has been undertaken although informal discussion with partners and funders has taken place. The information in this report takes account of these discussions.

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

	<b>Option 1:</b> Develop income generation opportunities to improve the longer term sustainability of the Vintage by the Sea and Light Up Lancaster	<b>Option 2:</b> Withdraw Council funding and delivery support from Light Up Lancaster and Vintage by the Sea
Advantages	<p>Delivers additional income to reduce the overall costs of Light Up Lancaster and Vintage by the Sea to the Council</p> <p>Economic impact of Light Up and Vintage can be maintained and developed</p> <p>Opportunity to continue to develop and promote Light Up Lancaster and Vintage by the Sea as part of the district's Place Offer and the Lancaster and Morecambe Bay destinations</p> <p>Maintains the district's two 'signature' events for local communities and visitors</p> <p>Fits well with the district's Arts Strategy, Cultural Heritage Strategy and the Lancashire Visitor Economy Strategy</p> <p>Attracts significant match funding/ investment into the District and protects existing match funding to these two events.</p> <p>Creates an opportunity for the Council take a cohesive, cross service approach to income generation.</p>	<p>Creates further potential savings of around £40k for the Council in addition to the planned reductions of £22.7k</p> <p>Removes the need for in-kind support required from the Council</p>
Disadvantages	<p>Existing resources still required to deliver Vintage by the Sea and Light Up Lancaster</p>	<p>Loss of considerable economic impact from Vintage by the Sea and Light Up Lancaster</p> <p>Significant loss of visitor profile for the district and the Lancaster and Morecambe Bay destinations</p> <p>Significant reduction in visitor numbers to Lancaster and Morecambe</p>

		<p>Loss of match funding and investment into the District</p> <p>Loss of Vintage by the Sea and the Light Up Lancaster could give rise to concerns from the local community</p> <p>Lost opportunity to generate income for the Council from Light Up Lancaster and Vintage by the Sea (the Platform, the Storey, Williamson's Park, car parking)</p>
Risks	<p>Income generation can be affected by external factors that cannot be controlled but reduce audience sizes, such as weather and traffic conditions. Mitigation, for example, the mix of event activities, strong traffic management and communications can reduce risks.</p> <p>Quality of products/ services, understanding of audiences and good marketing and presentation can positively affect income.</p>	<p>Potential loss of support from key funders and strategic partners, towards long term objectives and outcomes</p> <p>Possible reputational risk and potential complaints to the Council from members of the public and local businesses regarding the loss of two major local events</p>

### The officer preferred option is Option 1

#### 6.0 Conclusion

- 6.1 Whilst this report covers a number of aspects of the Council's role in relation to festivals and events in the district, specific, more detailed consideration has been given to the means by which budget reductions, as a result of the 2016/17 budget process, can be absorbed from 2017/18 onwards. The option to develop income streams builds on the scale and reputation of Light Up Lancaster and Vintage by the Sea, in particular, but establishes principles that work in a range of other situations. Increasing the use of the property assets, facilities and amenities for which the Council is responsible can increase public access in a positive way and help to generate income as a means of safeguarding them for the future.

#### RELATIONSHIP TO POLICY FRAMEWORK

Festivals and events fit with the Council's Priority of Sustainable Economic Growth and the Corporate Outcomes:

- Sustainable economic growth and jobs will be created in key sectors including....the visitor economy
- The attractiveness and offer of the district as a place to visit or invest will be improved
- Lancaster and Morecambe Bay will be recognised as important visitor destinations

Relevant Corporate Success Measures include:

- Increase the number of visitors to the district
- Increase visitor spend in the district

## **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

The Fireworks Spectacular has a direct and positive effect on safety in the district as it is a well-managed public event which reduces numbers of people potentially using fireworks around domestic properties.

The Council works with ESAG to put in place strong arrangements to ensure the safety of audiences and participants.

## **LEGAL IMPLICATIONS**

There are no direct additional legal implications as a result of this report, over and above those relating to the existing arrangements for festivals and events.

## **FINANCIAL IMPLICATIONS**

### **Option 1**

It is reasonable to assume that this option can deliver anticipated income of around £22k as a means of absorbing budget reductions, although dependant on a number of factors, actual income could be more or less and this risk (/opportunity) must be recognised and accepted. Overall income should increase year on year – presenting the same risks or opportunities.

In addition to the core budgeting and funding set out at Appendix A, some additional income would result directly from events/activities (for example, any chargeable elements of the festivals and sale of event merchandise). The budget would be grossed up to reflect this, without increasing the Council's net funding input. However, in addition to this, there are significant opportunities to generate income, for example at the Storey Café, the Platform and Williamson's Park, if the event is designed in the right way. Whilst most of this income would be accounted for in the relevant service budgets, it is still financially worthwhile, capable of further development and adds considerably to the overall business case for Vintage by the Sea and Light Up Lancaster.

Officers will continue to seek opportunities to reduce costs, wherever feasible, on an ongoing basis.

### **Option 2**

This option delivers all of the required budget reductions of £22.7k and a further estimated £40k recurring saving via the loss of Vintage by the Sea and Light Up Lancaster.

Under this option, all of the Council's secondary income relating to these festivals will be lost, however including at the Platform, the Storey, the Visitor Information Centres, Williamson Park, Happy Mount Park and Lancaster and Morecambe car parks. Although, it is unlikely that there will be much of an impact on individual activity areas, there is the potential for a more significant one if taken collectively.

It should also be noted that although the Council's clean-up costs of an estimated £5k associated with Light Up Lancaster and Vintage by the Sea would be saved under option 2, as these are not considered significant overall, they would in all likelihood be re-directed to similar activity elsewhere within the District.

Finally, should the Council cease delivery of festivals and events from 2017/18 onwards, then the marketing support of around £15K used specifically for Vintage and Light Up during 2016 would revert back to being used more generally to promote Morecambe Bay and Lancaster as visitor destinations.



**OTHER RESOURCE IMPLICATIONS**

No options provided for Cabinet's consideration create additional resource requirements. However, Option 2 could release some staff capacity for other work relating to Corporate Priorities.

**SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has been consulted and has no further comments.

**MONITORING OFFICER'S COMMENTS**

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

**BACKGROUND PAPERS**

None

**Contact Officer: Anne Marie Harrison/  
Richard Hammond**

**Telephone:** 01524 582308/ 582638

**E-mail:** [amharrison@lancaster.gov.uk](mailto:amharrison@lancaster.gov.uk)  
[rhammond@lancaster.gov.uk](mailto:rhammond@lancaster.gov.uk)

**Ref:** N/A