

STRATEGIC EVENTS AND FESTIVALS FUND – PROJECT UPDATE

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to ask members to give consideration to a Round 3 Strategic Events and Festivals Fund for 2021/22, and to provide an update on the Round 2 (2020/21) events, as agreed by Policy and Resources Committee on 17th December 2019.
- 1.2 A third round of grant funding would support strategic events and festivals that are to be held in 2021/22. The process adopted for Round 2 proved to be robust and successful and as such would be adopted for any subsequent rounds. Should a Round 3 be supported, it is intended to issue a call for applications in autumn 2020, for consideration by Policy and Resources Committee in winter 2020/21. However this timeline will be continually reviewed in light of Covid 19.
- 1.3 The Round 2 events, planned to be held between June and December 2020, face a set of extraordinary circumstances and challenges brought about by the coronavirus, COVID-19 pandemic and the need to social distance.
- 1.4 At the time of writing, event organisers of five events have formally confirmed the cancellation of their event (Fife Regatta, Mull of Kintyre Music Festival, Jura Music Festival, Cowal Highland Gathering and Bute Noir). The hosting of Argyllshire Gathering (Oban Games) is presently undecided. Tiree Wave Classic organisers are looking to reschedule their event, and both Mull Rally and Helensburgh Winter Festival are still planning to go ahead on their original dates as planned.
- 1.5 The event's organisers that have cancelled to date are responding to the advice and guidance set out by UK and Scottish government, namely that no mass gatherings should take place <https://www.gov.uk/guidance/covid-19-guidance-for-mass-gatherings>. The Scottish government does not currently have powers to cancel events, but is encouraging and advising event organisers to act responsibly to support the efforts of emergency services and the wider public sector to prepare for increased numbers of cases of COVID-19 (coronavirus). <https://www.gov.scot/news/large-gathering-guidance/>

- 1.6 In acting in such a responsible manner, a significant strain is imposed on the sustainability of each event, and in some cases there is a genuine risk to the continuance of these events in the future.
- 1.7 Strategic Events and Festivals Funding is currently conditional on events taking place and as such, in cases where an event has been cancelled there is no requirement to make payment of grant. The unprecedented situation and resultant difficulties faced however warrants the consideration of adoption of a more flexible position. This paper recommends that in order to support the organisations that have had to cancel their event, that the Council pays a grant to cover costs incurred by the organisation, up to a maximum of 75% of the original grant award. The net costs already incurred should take into consideration any funding that has been received from the COVID-19 responses by the UK and Scottish Governments.

RECOMMENDATION

- 1.8 Members of the Business Continuity Committee are invited to:
- a) Agree that there will be a third round of grant funding for a Strategic Events and Festivals Fund, relating to events to be held in 2021/22, and approve a third round budget allocation of £90,000;
 - b) Agree that the Round 3 2021/22 call for applications will be issued in August 2020; if this timeline is undeliverable this will come back to Members.
 - c) Note the current status of Round 2 events; and,
 - d) Approve that, for cancelled events, and in order to support the organisation through these unprecedented times, the Council pays a grant to cover costs incurred by the organisation, up to a maximum of 75% of the original grant award.

STRATEGIC EVENTS AND FESTIVALS FUND – PROJECT UPDATE

2.0 INTRODUCTION

- 2.1 The purpose of this report is to ask members to give consideration to a Round 3 Strategic Events and Festivals Fund for 2021/22, and to provide an update to members on the Round 2, 2020/21, Strategic Events and Festivals Fund.
- 2.2 At their meeting of 17th December 2019, Policy and Resources Committee agreed that the total Round 2 grant pot of £90,000 be shared between nine events over financial year 2020/21.
- 2.3 The events are scheduled to be held between June and December 2020 and are therefore faced with the unprecedented set of extraordinary and challenging circumstances brought about as a result of the coronavirus, COVID-19 pandemic, with five of nine having had to cancel to date.
- 2.4 Through acting responsibly and adhering to government guidance, which asks that mass gatherings be avoided,(see para 1.4 above) the event organisers have been forced to make extraordinarily difficult decisions, which in some cases is likely to put excessive strain on the financial stability of the organisation and provides an uncertain outlook for Argyll and Bute events beyond 2020.
- 2.5 It is the purpose of this report therefore to not only provide an update on the current status of each event but to also recommend a partial release of grant for cancelled events where expenditure has already been incurred by the organisation. In doing so, this, coupled with UK and Scottish Government COVID-19 resilience funding support will hopefully increase the likelihood that the events will survive, and when combined with the potential for a Round 3 Fund provides a more positive outlook for events from next year.

3.0 RECOMMENDATIONS

- 3.1 Members of the Business Continuity Committee are invited to:
- a) Agree that there will be a third round of grant funding for a Strategic

- Events and Festivals Fund, relating to events to be held in 2021/22, and approve a third round budget allocation of £90,000;
- b) Agree that the Round 3 2021/22 call for applications will be issued in August 2020; if this timeline is undeliverable this will come back to Members.
 - c) Note the current status of Round 2 events; and,
 - d) Approve that, for cancelled events, and in order to support the organisation through these unprecedented times, the Council pays a grant to cover costs incurred by the organisation, up to a maximum of 75% of the original grant award.

4.0 DETAIL

- 4.1 The overarching aim of the Strategic Events and Festivals Fund is to support event organisers to enhance and grow their events with the result that more visitors are attracted to Argyll and Bute, providing substantial economic benefit to the respective areas. The economic benefit from future events held post COVID-19 will play an even more important role in the economic recovery for the area. This report therefore requests that members give consideration to holding a third round of grant funding for a Strategic Events and Festivals Fund and to providing a Round 3 Fund of £90,000 to be delivered over 2021/22.
- 4.2 In previous years the request for consideration of holding a further round of grant funding for a Strategic Events and Festivals Fund went before the Policy and Resources committee. Given the current situation this is not possible, however timing requires that a decision is made in respect of a Round 3 Fund as soon as possible.
- 4.3 Following Round 1 a lessons learned exercise was undertaken and the process was amended and approved by Policy and Resources Committee in 2019. The process adopted for Round 2 proved to be robust and successful and no amendments are therefore being proposed to the process for Round 3, with the exception that events that have been forced to cancel due to COVID-19 and received no SEF Round 2 funding will score an additional point should they make a grant application to Round 3 for 2021/22.
- 4.4 As was the case with Round 2 it is intended to issue a call for applications to Round 3 in autumn 2020, for consideration by Policy and Resources Committee in winter 2020/21. However, this timeline will be continually reviewed in light of COVID-19, and if it requires to be amended a further report will be brought back to members.
- 4.5 The Round 2 Fund of £90,000 was agreed to be distributed to the organisers of nine events, as identified within the following table, and be released over financial year 2020/21.
- 4.6 Due to the extraordinary impact of the coronavirus, COVID-19 pandemic and the unprecedented challenges created as a result, the organisers of five Round 2 events have had to make the difficult decision to cancel their event for 2020/21.

An update on the current status of each can be found as follows:

| Event | Status | 20/21 Grant | Scheduled For: |
|------------------------------------|---------------------|-------------|----------------|
| William Fife Regatta | Cancelled | £4,500 | June |
| Bute Noir | Cancelled | £3,500 | July |
| Mull of Kintyre Music Festival | Cancelled | £11,000 | August |
| Oban Games (Argyllshire Gathering) | Under consideration | £5,000 | August |
| Cowal Highland Gathering | Cancelled | £30,000 | August |
| Jura Music Festival | Cancelled | £5,000 | September |
| Tiree Wave Classic | Under consideration | £5,000 | October |
| Mull Rally | Going ahead | £21,000 | October |
| Helensburgh Winter Festival | Going ahead | £5,000 | November |

- 4.7 Grant is conditional on an event being held, so in cases where events have had to be cancelled there is currently no requirement or method to make payment from the Strategic Events and Festivals Fund. The loss of any event from the area is likely to have significant impact on the local economy, especially those events which are longstanding. The cancellation of events will in some cases also have a serious impact on the financial stability of the organisation that runs the event, which in turn jeopardises the ability of the respective event to continue beyond this year. The set of unprecedented circumstances however warrants the adoption of a more flexible approach to offer support towards event costs in such difficult times.
- 4.8 On discussion with event organisers it is clear that expenditure has been incurred in the early part of this year in preparation for summer events, and organisers have voiced their concerns about the sustainability of events going forward. The COVID-19 pandemic has created an exceptional set of circumstances for the organisations that could never have been predicted and therefore it is acknowledged that some organisations will have legitimately incurred expenditure in relation to their now cancelled event.
- 4.9 In order to support the organisations who have cancelled their event, it is recommended that the Council pays a grant to cover costs incurred by the organisation, up to a maximum of 75% of the original grant award. The costs incurred should take into consideration any funding that has been received from the COVID-19 responses by the UK and Scottish Governments.
- 4.10 For those events that are still going ahead as planned the grant will be paid out as per existing arrangements, and against eligible items only. If any events are rescheduled, and are still proposed to be held in financial year 2020/21, it is

proposed to honour the grant, given the special circumstances and the fact that this would still allow for any commitment to be drawn down during the period of the Round 2 Fund.

5.0 CONCLUSION

5.1 As the impact of the coronavirus, COVID-19 pandemic is still unknown, the status of the events may continue to change. The loss of any event from the local economy will be significant, and as such in an effort to support the economic recovery it is recommended that where organisers have incurred legitimate expenditure to date, that the Council pays a grant to cover costs incurred, up to a maximum of 75% of the original grant award.

5.2 The provision of a Round 3 fund for 2021/22 would provide much needed hope and continuity in such challenging and uncertain times.

6.0 IMPLICATIONS

6.1 Policy – The Council's Economic Strategy supports the value of events and festivals for their positive impact on the economy.

6.2 Financial – £90,000 in grant has been made available for a second round of Strategic Events and Festivals Funding for 2020/21. At the time of writing five of the nine successful events will not be held in 2020. This paper asks that a Round 3 is facilitated with a budget of £90,000.

6.3 Legal – Award letters have been issued but grant contracts are yet to be distributed.

6.4 HR – Resourced from existing staff

6.5 Fairer Scotland Duty:

6.5.1 Equalities - protected characteristics - None

6.5.2 Socio-economic Duty – The Fund seeks to support the economic growth of areas

6.5.3 Islands – The Fund seeks to support island economies by encouraging increased levels of visitors

6.6. Risk – The full effects of the impact that the coronavirus, COVID-19 pandemic will have is at this stage unclear, although it is anticipated that the impact will be severe and that some events will be unable to continue. By utilising the Fund to support the sustainability of the organisation, the Fund will positively contribute to the economic recovery of the local area.

6.7 Customer Service - None

Kirsty Flanagan, Executive Director with responsibility for Development and Economic Growth

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For further information contact:

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APPENDICES

None