

**STRATEGIC EVENTS AND FESTIVALS FUND – ROUND 4 - 2022/23 FUND**

---

**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to update Members on Round 4 - 2022/23 of the Council's Strategic Events and Festivals Fund (SEF). The report provides details of the bids submitted, the current position with regard to Covid, and recommendations regarding the eligible bids being put forward to receive grant funding. In addition, it asks Members to agree a further call for applications with a deadline of April 2022, and to allocate any underspend from this further call to Round 6 - 2025/2026.
- 1.2 SEF Round 4 - 2022/23 opened on 22 October and closed on 6 December 2021. A total of 13 applications were received of which 11 are eligible and amount to a total eligible request of £94,500. One of these applications however, is for funding of 28% which is over the 20% criteria and is an additional £800, bringing the total request to £95,300. Two applications were deemed ineligible. Applications can be viewed at **Appendix 1**. The total budget available to be allocated for 2022/23 is £150,164 which leaves a current budget underspend, which cannot be fully clarified until events have taken place, of circa £55k.
- 1.3 The events sector contributes significantly to local economies across Argyll and Bute and is a key part of the economic recovery plan. Its importance can be demonstrated in the year prior to Covid for which events part funded through SEF had an estimated economic impact of £7.5m. The sector continues to be fragile and is recognised as such by Scottish Government measures to support the sector. It is thought that the underspend in budget for SEF Round 4 is reflective of the ongoing impact of Covid and therefore there is a continued need to support the recovery of the sector. For this reason a further call for applications in this financial year is proposed and any resultant underspend earmarked for future rounds.

**RECOMMENDATIONS**

It is recommended that Members of the Policy and Resources Committee:

- a) Agree to the award of eligible SEF Round 4 grants amounting to £94,500.
- b) Consider awarding Tarbert Seafood Festival the amount applied for given that funding is available and that this does not prejudice the other applications. This amounts to an additional £800 and would bring the total award for SEF Round 4 grants to £95,300.

- c) Agree that any SEF grant offer only be formally issued upon confirmation from the individual event organisation that the event is formally confirmed and is definitely going ahead and still meets the SEF Round 4 criteria. These grants are detailed in Appendix 1, Table 1.
- d) Agree not to award ineligible SEF Round 4 grants as detailed in Table 2.
- e) Agree to continue delegation of powers to the Executive Director with responsibility for Development and Economic Growth to allow any subsequent amendment to existing grant requests to be made brought about as a consequence of future Covid restrictions regarding holding of events/mass gathering in 2022/23. Any amendment to a current grant request/offer would only be considered if the amendment related to either the same level or a reduction in the request from and constitute up to 75% of legitimate and eligible expenditure.
- f) Note that at the February 2021 Council budget meeting the Council agreed funding of £90,000 for an SEF Round 4 (2022/23), to be augmented by any underspend in 2020/21 and similarly that the SEF round 3 underspend would be earmarked and allocated to 2023/2024.
- g) Agree and recommend to Council that the underspend from SEF Round 4 (2022/23) is made available to a further call for applications with a deadline of April 2022, and that any underspend from this is earmarked and used to augment a future SEF round for 2024/25 – Round 6.

**STRATEGIC EVENTS AND FESTIVALS FUND – ROUND 4 - 2022/23 FUND**

---

**2.0 INTRODUCTION**

- 2.1 The purpose of this report is to update Members on Round 4 - 2022/23 of the Council's Strategic Events and Festivals Fund (SEF). The report provides details of the bids submitted, the current position with regard to Covid, and recommendations regarding the eligible bids being put forward to receive grant funding. In addition it asks Members to agree a further call for applications with a deadline of April 2022, and to allocate any underspend from this further call to Round 6 - 2025/2026.
- 2.2 The Strategic Events and Festivals Fund was firstly taken forward as a competitive fund in 2019/20. A critical element of the application requirement is that the event or festival be held in Argyll and Bute and be of a strategic nature, i.e. having the capacity to attract people from outwith the area, with a focus on national and international visitors, and generate significant economic benefits for the local community. To illustrate this, the estimated economic impact in the area from the funded events and festivals pre-Covid in Round 1 was circa £7.5m.
- 2.3 Covid has had an unprecedented impact on the events and festivals sector with no events taking place in Argyll and Bute in 2020/21 and only five out of ten taking place in 2021/22. The Council has acted to support the industry by complementing event cancellation support at a national level given by Event Scotland, and by earmarking and allocating underspend from SEF Round 2 and SEF Round 3. The industry continues to face uncertainty and unpredictability however it is hoped that events will be able to go ahead this year.
- 2.4 To continue to assist with the economic recovery of the fragile events and festivals sector within Argyll and Bute it is proposed that any underspend from Round 4 – 2022/23 is used to undertake a further call for applicants with a deadline of April 2022, and that any underspend from this is earmarked and used to augment a future SEF round for 2024/2025 – Round 6. Also, that funding of eligible costs for events forced to cancel due to Covid continues.
- 2.5 The budget available for SEF Round 4 2022/23 is £150,164 and 13 applications were received. Out of these 13 applications, 11 fit the criteria and amount to a total eligible request of £94,500. One of these applications however has applied for funding of 28% which is over the 20% criteria and is an additional £800, bringing the total request to £95,300. Two do not fit the criteria and are therefore ineligible. The applications are listed on Appendix 1 under the headings Table 1 and Table 2.

### **3.0 RECOMMENDATIONS**

3.1 It is recommended that Members of the Policy and Resources Committee:

- a) Agree to the award of eligible SEF Round 4 grants amounting to £94,500.
- b) Consider awarding Tarbert Seafood Festival the amount applied for given that funding is available and that this does not prejudice the other applications. This amounts to an additional £800 and would bring the total award for SEF Round 4 grants to £95,300.
- c) Agree that any SEF grant offer only be formally issued upon confirmation from the individual event organisation that the event is formally confirmed and is definitely going ahead and still meets the SEF Round 4 criteria. These grants are detailed in Appendix 1, Table 1.
- d) Agree not to award ineligible SEF Round 4 grants as detailed in Table 2.
- e) Agree to continue delegation of powers to the Executive Director with responsibility for Development and Economic Growth to allow any subsequent amendment to existing grant requests to be made brought about as a consequence of future Covid restrictions regarding holding of events/mass gathering in 2022/23. Any amendment to a current grant request/offer would only be considered if the amendment related to either the same level or a reduction in the request from and constitute up to 75% of legitimate and eligible expenditure.
- f) Note that at the February 2021 Council budget meeting the Council agreed funding of £90,000 for an SEF Round 4 (2022/23), to be augmented by any underspend in 2020/21 and similarly that the SEF round 3 underspend would be earmarked and allocated to 2023/2024.
- g) Agree and recommend to Council that the underspend from SEF Round 4 (2022/23) is made available to a further call for applications with a deadline of April 2022, and that any underspend from this is earmarked and used to augment a future SEF round for 2024/25 – Round 6.

### **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 fund will provide critical support in the economic recovery of the area and may prevent organisations and events from ceasing to operate.
- 4.2 SEF Round 4 - 2022/23 opened on 22 October and closed on 6 December 2021. A total of 13 applications were received of which 11 are eligible and amount to a total eligible request of £94,500. These applications can be viewed at Appendix 1 and show a range of events and festivals from across the area, taking place between

April and November 2022 and delivering a wide variety of event types, from sports to music, dance and food.

One of the applicants has requested 28% funding from SEF which amounts to £800 over the 20% grant criteria and brings their award to £3K. Members may wish to consider awarding this amount on the basis that there is funding available and that this does not prejudice the other applications.

- 4.3 Two of the SEF applications were ineligible as they do not meet the criteria for SEF and these are detailed at Appendix 1, Table 2.
- 4.4 It is fully appreciated that events of this scale are still facing an unprecedented set of extraordinary and challenging circumstances brought about as a result of Covid and that this has put a strain on the financial stability of many of the organisation and the outlook for Argyll and Bute strategic events in 2022/23, although improving, is not certain.
- 4.5 The loss of any event to the area is likely to have significant impact on the local economy, especially those events which are long standing. The impact of SEF Round 4 funding is fully recognised in assisting in the economic recovery of the area and the sustainability of the event organisers. To further aid recovery the Council previously agreed to earmark underspend to augment future rounds up to Round 5 2023/24, and to partial release of up to 75% SEF Grant to support legitimate and eligible expenditure incurred in relation to cancellation of events.
- 4.6 It is proposed that this support continues for cancelled events as previously agreed. Also, that any underspend from SEF Round 4 – 2022/23 is used to undertake a further call for applicants with a deadline of April 2022 and that any underspend from this is earmarked and used to augment a future SEF round for 2024/2025 – Round 6. The current estimated underspend, which cannot be clarified until events have taken place, is circa £55k.
- 4.7 Event Scotland continue to support events through industry support funds and fully recognise the fragility of the sector and the need to assist recovery. It has recently launched a fund for event businesses affected by the Omicron variant and a new national programme for events taking place between April – December 2022. Council officers are in regular discussion with Event Scotland to ensure that funding awarded is complementary and does not duplicate Council funding.
- 4.8 In addition, officers will continue to liaise with event organisers who have applied to SEF Round 4 2022/23 to provide information and support where appropriate.

## **5.0 CONCLUSION**

- 5.1 Round 4 SEF 2022/23 application and assessment process has been completed as per the guidance. Allocation of the funding for the financial year 2022/2023 is expected to result in a budget underspend of approximately £55K. It was hoped that the increased budget for Round 4 SEF would mean that more applications could be funded to service a predicted over subscription, as was the case pre-Covid, and to potentially encourage new applications. The amount of funding requested for the

current round has obviously reduced from pre-Covid years and this is likely to be a result of the continuing effects of Covid, and the uncertainty that event organisers face. The fragility of the sector continues to be a concern, both for event organisers and the events themselves and organisations such as Government and Event Scotland continue to provide funds to keep the sector afloat. Given the economic impact of events in Argyll and Bute, it is proposed that a further round takes place with a deadline of April 2022 and that earmarking of funding continues to support the sector.

## **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 - SEF 2022/23 budget is £150,164. Applications totaling £95,300 were received. This leaves a balance of circa £55K to be used for a further call for applications with a deadline of April 2022 and any remaining funds to be earmarked for augmenting SEF 2024/25.
- 6.3 Legal - Award letters and grant contracts will be issued as and when a decision is made and confirmation has been received that the event will go ahead.
- 6.4 HR - Resourced from existing staff
- 6.5 Fairer Scotland Duty - The Fund seeks to support the economic growth of areas.
  - 6.5.1 Equalities - protected characteristics: None
  - 6.5.2 Socio-economic Duty: The Fund seeks to support the economic growth of areas including a positive contribution to fragile areas.
  - 6.5.3 Islands: The Fund seeks to support island economies by encouraging increased levels of visitors.
- 6.6 Climate Change - As part of the application process events have to demonstrate net zero and this is part of the scoring process.
- 6.7 Risk - The full effects of the impact of Covid is still unclear however we have seen the cancellation of events over the past two years and understand that the sector is extremely fragile.
- 6.8 Customer Service - None

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

18<sup>th</sup> January 2022

**Policy Lead – Councillor Robin Currie**

**For further information contact:**

Fergus Murray, Head of Development and Economic Growth  
[Fergus.Murray@argyll-bute.gov.uk](mailto:Fergus.Murray@argyll-bute.gov.uk)

Audrey Martin, Transformation Projects and Regeneration Manager  
[Audrey.Martin@argyll-bute.gov.uk](mailto:Audrey.Martin@argyll-bute.gov.uk)

## APPENDIX 1

Table 1 - SEF Round 4 Eligible Grant Applications Received December 2021

| Event                                      | Funding Award<br>(within 20% limit) | Recommended<br>Funding Award |
|--|-------------------------------------|------------------------------|
| <b>£2,500 - £5,000 Fund</b>                |                                     |                              |
| Inveraray Highland Games                   | 3,000                               | 3,000                        |
| <b>Tarbert Seafood Festival</b>            | <b>2,200</b>                        | <b>3,000</b>                 |
| Jura Music Festival                        | 5,000                               | 5,000                        |
| West Highland Yachting Week                | 3,600                               | 3,600                        |
| Gathering of Cowal Clans                   | 5,000                               | 5,000                        |
| Helensburgh Winter Festival                | 5,000                               | 5,000                        |
| Highlands & Islands Music & Dance Festival | 4,700                               | 4,700                        |
| <b>Subtotal</b>                            | <b><u>28,500</u></b>                | <b><u>29,300</u></b>         |
| <b>£5,001 - £15,000 Fund</b>               |                                     |                              |
| Mull of Kintyre Music and Arts Festival    | 11,000                              | 11,000                       |
| Mull Rally                                 | 15,000                              | 15,000                       |
| Tiree Wave Classic                         | 10,000                              | 10,000                       |
| <b>Subtotal</b>                            | <b><u>36,000</u></b>                | <b><u>36,000</u></b>         |
| <b>£15,001 and Over Fund</b>               |                                     |                              |
| Cowal Highland Gathering                   | 30,000                              | 30,000                       |
| <b>Subtotal</b>                            | <b><u>30,000</u></b>                | <b><u>30,000</u></b>         |
| <b>Total SEF Round 4 request</b>           | <b><u>94,500</u></b>                | <b><u>95,300</u></b>         |

Table 2 - SEF Round 4 Ineligible Grant Applications Received December 2021

| <b>Table 2 – SEF Round 4 Grant Ineligible Applications received in December 2021</b> |                            |
|--|----------------------------|
| Event  | Original Funding Requested |
| <b>£2,500 - £5,000 Fund</b>  |                            |
| Commonwealth Fly Fishing Championship  | 5,000                      |
| Seil Scarecrow Festival  | 2,500                      |
| <b>Total SEF Round 4 request</b>   | <b><u>7,500</u></b>        |