

STRATEGIC EVENTS AND FESTIVALS FUND – ROUND 4.2 2022/2023

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update Members on the further call for applications in respect of Round 4 2022/23 (referred to as Round 4.2) of the Council's Strategic Events and Festivals Fund (SEF). The report provides details of the bids submitted, and recommendations regarding all the eligible bids being put forward to receive grant funding.
- 1.2 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. The total budget available to be allocated for Round 4 2022/23 was £150,164.
- 1.3 Under the initial Round 4 call a total of 13 applications were received of which nine were eligible and were approved by members at the Policy and Resources (P & R) Committee on 17 February. The nine awards amounted to a total eligible request of £95,300 which left a budget underspend, (which cannot be fully clarified until all events have taken place), of circa £55k. As a consequence Members agreed at the same P & R Committee to issue a further call for applications with a deadline of April 2022, referred to as Round 4.2.
- 1.4 **Round 4.2** - 2022/23 opened on 25 Feb April 2022 and closed on 15 April 2022. A total of 8 applications were received of which 7 are eligible and amount to a total eligible request of £29,800. Applications can be viewed at **Appendix 1**. If members agree to the awards as detailed in **Appendix 1** this means that between the initial Round 4 call and Round 4.2 call a total of 16 applications will have been successful amounting to a total grant award of £125,100. This still leaves a current budget underspend of circa £25,064, which cannot be fully clarified until events have taken place.
- 1.5 Events and festivals contribute significantly to our local economy and communities across Argyll and Bute and is a key part of the economic recovery plan for the area however like other key sectors it has faced significant challenges in the past two years as a consequence of Covid. Many of our strategic events and festivals have had to either cancel or significantly reduce in scale. The sector is currently in a period of recovery and continues

to be fragile and is recognised as such by Scottish Government measures to support the sector. The Council's annual SEF funding plays a key role in the recovery of the sector and this is clearly demonstrated in the response to both the initial Round 4 call and the Round 4.2 call with a total of 21 applications being submitted and approval being given to a total of 16 events.

RECOMMENDATIONS

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

- a) Agree to the award of eligible SEF Round 4.2 grants amounting to £29,800 to a total of 7 events as detailed in **Appendix 1, Table 1.**
- b) 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.**
- c) Agree not to award ineligible SEF Round 4.2 grant as detailed in **Appendix 1, Table 2.**
- d) 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.
- e) Note that £25,064 would be left to be earmarked towards a future SEF round as previously agreed by Committee in February 2022.

STRATEGIC EVENTS AND FESTIVALS FUND – ROUND 4.2 2022/23

2.0 INTRODUCTION

- 2.1 The purpose of this report is to update Members on the further call for applications in respect of Round 4 2022/23 (referred to as 4.2) of the Council's Strategic Events and Festivals Fund (SEF). The report provides details of the bids submitted, and recommendations regarding the eligible bids being put forward to receive grant funding.
- 2.2 In recognition of the importance of the events sector to the economy of Argyll and Bute the SEF Fund was agreed to be set up by the Council and 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 There is no doubt that Covid has had an unprecedented negative 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 that were awarded grant funding under Round 3, taking place in 2021/22, many in a scaled back format. The Council has acted promptly 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 to help support future Rounds. The industry continues to face uncertainty and unpredictability however it is hoped that the sector is on the road to recovery and events will be able to go ahead this year.
- 2.4 To continue to assist with the economic recovery of the events and festivals sector across Argyll and Bute it is proposed that any underspend from Round 4.2 – 2022/23 is earmarked and used to augment a future SEF round for 2024/2025 – Round 6.
- 2.5 The total budget available for SEF Round 4 2022/23 was £150,164. Following the approval of the 9 eligible applications under the Round 4 first call a total of £95,300 was agreed by P & R committee leaving circa £55k for Round 4.2 call. A total of 8 applications have now been received, 7 are considered eligible and being recommend for approval amounting to a total request of £29,800.

Unfortunately, one of the 8 applications does not fit the criteria and is 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 4.2 grants amounting to £29,800 to a total of 7 events as detailed in **Appendix 1, Table 1**.
- b) 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**.
- c) Agree not to award ineligible SEF Round 4.2 grant as detailed in **Appendix 1, Table 2**.
- d) 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.
- e) Note that £25,064 would be left to be earmarked towards a future SEF round as previously agreed by Committee in February 2022.

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 4.2 - 2022/23 opened on 25 February and closed on 15 April 2022. A total of 8 applications were received of which 7 are eligible and amount to a total eligible request of £29,800. These applications can be viewed at Appendix 1 and show a range of events and festivals from across the area, and delivering a wide variety of event types,
- 4.3 One of the 8 SEF applications is ineligible as unfortunately it does not meet the criteria for SEF, the event is detailed at **Appendix 1, Table 2**. The event

in question, Dark Skies Gigha Stargazing Festival, is a new event and seeks to take advantage of the fact that the Isle of Gigha is uniquely placed as a recognised Dark Sky Discovery site of Milky Way Class. The organisers have stated that it is proposed to grow this event over the next few years to attract visitors from across the UK and possibly beyond however for the first year the focus is on the community of Gigha with only a very small number, 10 in total, indicated as coming from outwith the local area. The event in its current form cannot therefore be classed as strategic as it will not have the capacity to attract people from outwith the area, nor will it have a focus on national and international visitors, nor generate significant economic benefits for the local community. It has therefore not been possible to score the event against the key criteria such that it would allow this to be put forward for approval. This is not however to say that this event is not a good event and it is very much hoped that as the event grows and is able to reach a wider audience that it will be able to be considered for support from future SEF Rounds.

- 4.4 It is fully appreciated that strategic events and festivals 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 however it is hoped, given the relaxation of all restrictions, that the outlook for Argyll and Bute strategic events in 2022, is looking much more positive at this point.
- 4.5 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 Whilst all restrictions have been lifted and the situation is looking much more positive for events and festivals it is appreciated that there is still a risk that things could change. It is therefore proposed that the support outlines above continues for cancelled events as previously agreed. Also, that any underspend from SEF Round 4.1 – 2022/23 is earmarked and used to augment a future SEF round for 2024/2025 – Round 6. The current estimated underspend based on Round 4 and round 4.2, which cannot be clarified until events have taken place, is circa £25,064
- 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 successfully 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. Between Round 4 and round 4.2 call a total of 21 applications were received and a total of 16 events supported leaving an unallocated budget of £25,064 to be carried over to support Round 6. It is really encouraging to see the amount of applications received across Round 4 and also the amount of strategic events that the SEF Round 4 funding will be able to support during 2022. Many of those that applied are strategic events that had previously applied pre Covid and many are long standing events and it is excellent to see these being able to take place this year. Whilst the sector is still fragile it is hoped that the events sector will be able to start to rebuild itself this year and begin its recovery and there is no doubt that the continued support to the sector via future SEF funding will play a key part in this recovery.

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 Round 4 2022/23 budget is £150,164. Between SEF Round 4 & 4.2 calls 16 applications totaling £125,100 are being supported. This leaves a balance of circa £25,064 to be earmarked for augmenting SEF Round 6 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

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

28th April 2022

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APPENDIX 1

Table 1 - SEF Round 4.2 Eligible Grant Applications Received April 2022

Event	Recommended Funding Award
£2,500 - £5,000 Fund	
Oban Winter Festival	5,000
Sea Change Powering Women in Film 2022	4,000
Bute Noir	4,000
Argyll Gathering Oban Games	4,800
Tiree Music Festival	5,000
Tarbert Music Festival	2,000
Helensburgh Christmas Festival	5,000
Total	<u>29,800</u>
Total SEF Round 4.2 Request	29,800
SEF Round 4 Previously Allocated	95,300
Total Allocated	<u>125,100</u>
22/23 Budget Remaining	25,064

Table 2 - SEF Round 4.2 Ineligible Grant Applications Received April 2022

Event	Original Funding Requested
£2,500 - £5,000 Fund	
Dark Skies Gigha Stargazing Festival	1,600
Total SEF Round 4.2 Request	<u>1,600</u>