

STRATEGIC EVENTS AND FESTIVALS FUND – ROUND 5.2 2023/2024

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 5 - 2023/24 (referred to as Round 5.2) of the Council's Strategic Events and Festivals Fund (SEF). The report provides details of the applications submitted and recommendations regarding all eligible applications put forward to receive grant funding.
- 1.2 At the 17th February 2022 Council budget meeting the Council agreed funding of £90,000 for an SEF Round 5, to be augmented by any underspend in Round 3 (2021-2022). This has meant that the total budget available for SEF Round 5 is £145,150. After the initial allocation of £82,575 to 11 events as agreed by members on 16 February 2023 at the Policy and Resources Committee, the remaining budget for Round 5.2 is £62,575 – these can be viewed at **Appendix 1, Table 2**.
- 1.3 SEF Round 5.2 opened on 10th March 2023 and closed on 17th April 2023. A total of 16 applications were received, 10 applications fully comply with the eligibility criteria and 6 do not meet the criteria, and therefore they are ineligible. The total request for funding based on the 10 eligible submissions is £48,371. Applications can be viewed at **Appendix 1, Table 1**.
- 1.4 The events and festivals sector contributes significantly to our local economy and communities' quality of life 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 3 years as a consequence of Covid and the pandemic, skill shortages and the cost of living crisis. The Council's annual SEF funding plays a key role in the recovery of the sector with strong links to the hospitality and tourism industries.

RECOMMENDATIONS

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

- a) Agree to the award of eligible SEF Round 5.2 grants to 10 events amounting to £48,371 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 5 criteria. These grants are detailed in **Appendix 1, Table 1**.
- c) 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 changes to the event/event budget. 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.
- d) Note that £14,204 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 5.2 2023/24

2.0 INTRODUCTION

- 2.1 The purpose of this report is to update Members on the further call for applications in respect of Round 5 (referred to as 5.2) 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, and other contributing factors, have had an unprecedented negative impact on the events and festivals sector. The Council acted promptly to support the industry by continuing to provide SEF funding support to events over the past 3 years and whilst unfortunately some events did have to cancel in 2020/21 there was a resurgence in 2022/23 and the successful applicants from Rounds 4 and 4.2 (2022-2023) were able to go ahead. The Council received a total of 18 applications across the two SEF 4 rounds and all of these events have either gone ahead or have confirmed they are scheduled to take place.
- 2.4 In the first call for funding of Round 5 the Council received a total of 11 applications and allocated funding of £82,575. Therefore, these, together with the 10 eligible applications which have applied to Round 5.2, are indicative of a slow recovery which continues to face challenges such as the cost of living crisis.

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 5.2 grants amounting to £48,371 as detailed in **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 5 criteria. These grants are detailed in **Appendix 1, Table 1**.
- c) 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 changes to the event/event budget. 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.
- d) Note that £14,204 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 following the pandemic as well as the challenges now being faced as a result of the cost of living crisis and will hopefully allow events to continue and grow and may prevent organisations and events from ceasing to operate.
- 4.2 SEF Round 5.2 opened on 10 March 2023 and closed on 17 April 2023. A total of 16 applications were received of which 10 are eligible and amount to a total eligible request of £48,371. These applications can be viewed at **Appendix 1, Table 1** and show a range of strategic events and festivals from across the area, taking place in 2023/2024 and delivering a wide variety of event types, from sports to music, dance and food.
- 4.3 Of the 16 applications, 6 SEF Round 5.2 applications were ineligible, as, unfortunately, they do not meet the criteria for SEF.
- 4.4 It is fully appreciated that the strategic events and festivals sector is still rebuilding itself following the pandemic and some events and festivals are still facing challenging circumstances brought about as a result of Covid and

changes in individuals' habits and the current cost of living crisis is also having an impact. This has put a strain on the financial stability of many of the organisations, however the outlook is improving and the Council's SEF fund continues to be of strategic importance to the events industry in Argyll and Bute.

- 4.5 Event Scotland continue to support events through industry support funds and fully recognises the fragility of the sector and the need to assist recovery. Council officers are in regular discussion with Event Scotland to ensure that funding awarded is complimentary and does not duplicate Council funding.
- 4.6 In addition, officers will continue to liaise with event organisers who have applied to SEF Round 5 in an effort to provide information and support where considered appropriate.

5.0 CONCLUSION

- 5.1 The Round 5.2 SEF application and assessment process has been completed as per the guidance. A budget of £62,575 was allocated to Round 5.2, with a total of 16 applications received. The Strategic Events and Festivals Fund aims to support events and festivals which are of strategic importance to Argyll and Bute, which will provide a meaningful economic impact and will attract visitors from outside the region, from other parts of Scotland, from other countries in the UK and from abroad. As such, 10 of the applications received fit the criteria, however 6 were ineligible.
- 5.2 Whilst the sector is still fragile, it is hoped that the events sector will continue to rebuild itself this year and carry on its recovery. 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 and supporting the hospitality and tourism sectors.
- 6.2 Financial - SEF Round 5.2 2023/24 budget is £62,575. Eligible applications totaling £48,371 were received. This leaves a balance of circa £14,204 to be carried forward.
- 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 how they are limiting their carbon footprint and this is part of the scoring process.

6.7 Risk - The full effects of the impact of Covid is still having an influence on the events and festivals industry, however we have seen the beginning of a recovery although the industry is still fragile.

6.8 Customer Service - None.

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

25 April 2023

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APPENDICES

Appendix 1:

Table 1 – SEF Round 5.2 Eligible Grant Applications Received April 2023

Table 2 – SEF Round 5 Grants Awarded in February 2023

APPENDIX 1

Table 1 - SEF Round 5.2 Eligible Grant Applications Received April 2023

| Event | Recommended Funding Award Based on 20% of Total Cost |
|------------------------------------|---|
| £2,500 - £5,000 Fund | |
| ButeFest | 2,000 |
| Doon the Watter | 5,000 |
| Helensburgh Winter Festival | 4,414 |
| Islay Book Festival | 3,000 |
| Oban Games | 4,957 |
| Oban Winter Festival | 5,000 |
| Tarbert Music Festival | 2,000 |
| Tarbert Seafood Festival | 2,000 |
| Tiree Music Festival | 5,000 |
| | |
| Subtotal | <u>33,371</u> |
| £5,001 - £15,000 Fund | |
| Mull Rally | 15,000 |
| Subtotal | <u>15,000</u> |
| | |
| Total SEF Round 5.2 Request | <u>48,371</u> |

Table 2 – SEF Round 5 Grants Awarded in February 2023

| Event | Recommended Funding Award Based on 20% of Total Cost |
|-----------------------------|---|
| £2,500 - £5,000 Fund | |
| Argyll Food Festival | 2,475 |
| Bute Noir | 4,000 |
| HFLCT | 5,000 |
| HIMD | 4,500 |
| Jura Music Festival | 5,000 |
| Sea Change | 4,500 |
| Sound of Gigha | 2,500 |
| West Highland Yacht Week | 3,600 |

| | |
|----------------------------------|----------------------|
| | <u>31,575</u> |
| £5,001 - £15,000 Fund | |
| | |
| Mull of Kintyre Music Festival | 11,000 |
| Tiree Wave Classic | 10,000 |
| Subtotal | 21,000 |
| £15,001 and over Fund | |
| Cowal Highland Gathering | 30,000 |
| Subtotal | 30,000 |
| Total SEF Round 5 Request | <u>82,575</u> |