

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No.

meeting date: 15 JANUARY 2013
title: CLITHEROE FOOD FESTIVAL
submitted by: JOHN HEAP, DIRECTOR OF COMMUNITY SERVICES
principal author: CHRIS HUGHES, HEAD OF CULTURAL & LEISURE SERVICES

1 PURPOSE

- 1.1 To ask members to consider proposals for the provision of the Food Festival for 2013.
- 1.2 Relevance to the Council's ambitions and priorities:
 - To sustain a strong and prosperous Ribble Valley, encompassing our objective to encourage economic development throughout the borough, with a specific emphasis on tourism.

2 BACKGROUND

- 2.1 Members received a report in September 2012, outlining issues associated with the provision of the Food Festival.
- 2.2 Whilst recognising the success of the event, members were concerned about the overall financial performance, as shown in Annex 1, particularly projected income levels.
- 2.3 A similar discussion took place at Policy & Finance Committee, where it was agreed to fund the shortfall from the Performance Renewal Grant.
- 2.4 Both committees agreed, in principle, to support the Food Festival, but recognised that financial controls would have to be more robust in the future.
- 2.5 The key factor to future sustainability lay with a successful RDPE bid that would have enabled the Food Festival Company to take over all future responsibility for its future operation.
- 2.6 The bid, however, was unsuccessful, so proposals need to be considered on how the event can take place whilst, at the same time, minimising the Council's exposure to financial risk.

3 CURRENT SITUATION

- 3.1 Taking on board the comments of both committees, the Council's Corporate Management Team has concluded that:
 - The Council would have to take the lead in organising this year's event, to give the additional capacity required, and to oversee the financial management aspects.
 - The Festival would have to be run in partnership with the Food Festival Company, as they had access to sponsors and volunteers that the Council did not.

- There would still be a requirement for some external event management, but this should be reviewed in association with the capacity of Borough Council officers to take over some event management functions.
- 3.2 As a consequence, officers have met to discuss capacity issues, and, with the Food Festival Company, to discuss the nature of this year's event, determine roles and responsibilities, and draft a realistic budget.

4 ISSUES

- 4.1 The first issue discussed was the structure of the event. It was determined that it was important that the event had to be as good as, if not better than, the previous year, in order to maintain the reputation of the event in the regional food calendar. If the event were to be reduced, it would be difficult to regain any reputation in the future, and other similar events would be likely to take its place.
- 4.2 In achieving this aspiration, officers/Food Festival Company representatives had to consider whether it was affordable, given the demise of the RDPE grant and a lack of financial focus in the previous year. In determining this, budgets have been streamlined, focussing on high spending areas and those that did not perform as expected.
- 4.3 The following conclusions were reached:
- The provision of a chargeable programme should be dropped, as, although it more or less broke even in terms of production costs, it did not generate the expected additional revenue.
 - Park & Ride should be staffed internally, in order to reduce expenditure.
 - The advertising budget will need to be reviewed to determine value for money from the promotional activities, and the budget reduced accordingly.
 - The role of the events co-ordinator has been reviewed to determine which elements should remain, and which could be carried out internally. The key support needed is around the relationship with producers, and identification of exhibitors, promotion of the event to the wider food community, some marketing activities, and some logistics prior to, and on, the day. The Council should take over the administrative functions, event plans, and some marketing.
 - The event co-ordinator would be directly responsible to the Borough Council, as opposed to the Food Festival Company, based on an agreed range of services and fee.
 - The Food Festival Company will be responsible for attracting external sponsorship. Determining the level of sponsorship is difficult, so we have assumed only a moderate increase from the previous event.
- 4.4 Also discussed was the provision of a chargeable area within the festival. The Food Festival Company believes that increasing the level of income paid by customers is the only way to make the festival sustainable in the long term. It is suggested that the market area should become a chargeable area, and this could generate in excess of £5,000 in additional revenue. In practical terms, this would be difficult, as it is a normal market day and likely to be opposed by market traders, and the logistics of closing the area are complex. If the festival remains in its current format, then the market is the only option for a chargeable area, but the pros & cons will have to be carefully considered.

5 RISK ASSESSMENT

Approval of this report may have the following implications:

- **Resources** – The enclosed draft budget has focussed on reducing expenditure, as opposed to increasing income/sponsorship, as this is less certain to predict, as illustrated last year. It has also excluded any proposal for an entry charge until all the options have been explored, as there are likely to be additional costs to be set against any income. The budget also assumes a continued contribution of £5,000 from the Council's Regeneration Budget. The exact cost of event co-ordination is yet to be confirmed, although options have been discussed. As the Council, as opposed to the Food Festival Company, will be procuring event management services, standing orders would normally specify the need to tender for such services. Given that we are at such a late stage, it is recommended that we continue with the services of Lancashire Bites for the forthcoming festival. Members should recognise that the budget is an early draft, and subject to change but, as the Council will be responsible for all financial management, any risks will be minimised. Any significant changes shall be brought to the attention of Committee as early in the process as possible.
- **Technical / Legal** - none
- **Political** - none
- **Reputation** – the Council's support for the Food Festival boosts the area as a visitor destination. Its increased involvement in enhancing the reputation of the festival is also an important factor.

6 RECOMMENDED THAT COMMITTEE

- 6.1 Comments on proposals for the 2013 event;
- 6.2 Agrees to the Council's involvement and associated draft budget;
- 6.3 Asks officers for regular updates, particularly those relating to financial changes.
- 6.4 Agrees to commission Lancashire Bites, subject to agreement on the range of services required, and the associated fee.

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Clitheroe Food Festival Actual Summer 2012 and Estimated Summer 2013

	Summer 2012 Food Festival ACTUAL £	Summer 2013 Food Festival ESTIMATE £
<u>Expenditure</u>		
Direct Staffing Costs	2,470	3,600
Premises Costs (ie Marquees etc)	7,430	7,280
Transport Costs	950	900
Supplies and Services	27,450	14,220
Event Coordination	15,340	10,000
Event Coordination - Website Redesign	4,010	0
Total Expenditure	57,650	36,000
<u>Income</u>		
Brought Forward from previous Festival	-2,230	0
Launch Event Income (associated costs shown under Supplies and Services)	-1,080	0
Stall Hire	-10,040	-12,000
Chef Demonstrations	-2,930	-3,000
Park and Ride	-2,820	-3,000
Programme Sales and Advertising (associated costs shown under Supplies and Services)	-4,130	0
Sponsorship	-11,480	-13,000
Grant from Ribble Valley BC Regeneration	-5,000	-5,000
	-39,710	-36,000
(Surplus) or Deficit	17,940	0
FUNDED FROM: Use of Performance Reward Grant	-17,940	0