

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

INFORMATION

Agenda Item No

meeting date: 29 AUGUST 2017
title: CLITHEROE FOOD FESTIVAL 2017
submitted by: DIRECTOR OF COMMUNITY
principal author: MARK BEVERIDGE

1 PURPOSE

1.1 To provide an update on this year's event along with the initial outturn for income and expenditure.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – 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 The Council's involvement in the 2017 Food Festival was approved by members following receipt of a proposal to this committee from the Clitheroe Festival of Food Limited at your meeting in October 2016 (minute 284; 11.10.16).

2.2 This Committee agreed to the proposals of previous events based on the condition that the Council would take the lead in organising the event, control the budget and that any future financial concerns were brought back to this committee for consideration.

3 THE COUNCIL'S INVOLVEMENT IN THE 2017 FOOD FESTIVAL

3.1 The Council was once again responsible for delivering the 2017 food festival; including booking the producers and all the logistics and planning required to stage the event. A wide range of staff were involved in a variety of tasks covering areas such as tourism, regeneration, finance, logistics, street cleaning, administration, health and safety. The website was again managed by the Council's IT section and improvements were made over the previous year to make navigation easier.

3.2 The Council provides a significant staff input over and above that required on the day. It is estimated to be in the region of 1,100 hours of staff time, which if allocated to the event would be £17,000 or £21,500 if you were to add national insurance and superannuation contributions.

3.3 Our delivery of Clitheroe Food Festival with the Food Festival Board is an invaluable contribution to our promotion of the area as a tourist destination and also in our role in economic development. The Council also financially supports the event with a £5,000 grant from the economic development service. However this does not mean that the event is universally welcomed by the town's business community. Two market stall holders chose to close on the day of the event and a number of high street retail owners do not engage with the event and would prefer it did not happen.

3.4 Details of the council's staff involvement in the 2017 Clitheroe Food Festival has been summarised below:

- Event management of the festival, including the set up and break down of the festival and the park and ride operation.

- Co-ordination and management of all the producers and street food operators, including the planning of the layout and load in /out on the day of the event.
- Putting in place the road closures and co-ordinating with external agencies such as emergency services, public transport and Lancashire County Council.
- Website development and support.
- Printing and Design of literature.
- Procurement of services and payment of all invoices due.
- Financial services and support.
- Assistance in the set up and dismantle of the festival infrastructure.
- Health and Safety including writing and submitting the event plan.
- First point of contact for all queries through the council's customer services.
- Provision of lead stewards and officer support on the day of the event.
- Litter collection and road sweeping.

3.5 The Council also provided a large amount of infrastructure free of charge on the day of the festival:

- Use of the Council Chamber and Committee Rooms 1 and 2.
- Use of Railway View Car Park and part of Chester Avenue Car Park.
- Use of the bull ring and Market Car Park.

3.6 The Council were able to arrange a fly past by the Red Arrows this year which was well received by the crowds attending.

4 REVIEW OF 2017 FESTIVAL

4.1 The 2017 festival was again a successful event, in both attendances (15-18,000 estimated visitors and 100+ exhibitors). There was the same number of exhibitors despite some reports to the contrary. However for safety reasons the on street stalls were spaced out more to ease the flow of visitors. It is currently forecast to show an outturn deficit of £8,180 as shown in Annex 1 (subject to final invoices). This will be taken from an earmarked reserve set aside to cover such eventualities.

4.2 In addition to a debrief which Council staff carry out with other key stakeholders, it is proposed to carry out a survey of the town businesses including the market traders to establish their views on the 2017 festival. It was apparent this year that more of the shops were resistant to having a stall in front of their shop and whilst the road closure the Council puts in allows a setup which works for the festival, the Council also works with the businesses during the rest of the year, so avoiding any long term issues is a desirable outcome. Therefore in planning the event consideration is given to where stalls go, especially those selling street food which causes the most issues.

5 FINANCIAL PERFORMANCE

5.1 The latest outturn **forecast** for the Clitheroe Food Festival 2017 is a deficit of £8,180. Details of the latest projection of estimated income and expenditure are provided at Annex 1. It must be highlighted that this figure is not final at this stage as we are still awaiting some invoices.

- 5.2 There have been two main variances with regards income and expenditure: security and sponsorship income. Additional security personnel were hired this year to assist with crowd management and overall safety of the event, resulting in additional expenditure of £1,440. Also there was a large reduction in sponsorship income attracted by Clitheroe Festival of Food Limited, being £7,000 lower than that attracted towards last year's festival. Both of these items are the main contributory factors to the increase in the overall net cost of this year's festival.
- 5.3 With regard to sponsorship it must be noted that of the £12,500 income shown for this year at Annex 1, £2,000 of this has yet to be received from the Seafood Pub Company Limited although payment is expected in early September.
- 5.4 There have also been some changes around VAT this year in that stallholder income and park and ride income is now fully VATable following changes implemented by HMRC – previously we were able to treat stallholder income as not VATable and only the parking element of the park and ride income as VATable. To a large extent the impact of these changes has been absorbed within the price increase charged this year.
- 5.5 It is proposed to fund the deficit that has been experienced on this year's festival from an earmarked reserve which is made up of surpluses that have been realised in past years of the festival – set aside to meet any future deficits that may arise (balance at 31 March 2017 was £25,912).

6 RISK ASSESSMENT

The approval of this report may have the following implications

- Resources – The 2016 surplus was £5,222. Approximately £21,500 of staff time was provided in support of the festival, which is not accounted for in this surplus. A £5,000 economic development grant is also given in support of this event. The 2017 position at this point in time is estimated to be a deficit of £8,184 (subject to final invoices). It is proposed to fund this from an earmarked reserve which is made up of surpluses that have been realised in past years – set aside to meet any future deficits that may arise (balance at 31 March 2017 was £25,912).
- Technical, Environmental and Legal – The size of the event growing as it has in popularity makes safe staging a constant challenge given the limited street space available within the townscape. The event extended the full length of King Street this year.
- Political – none
- Reputation – The 2017 Festival was a well-run event which enhances the Council's reputation, it received considerable media coverage and the general feedback from attendees was very positive.
- Equality and Diversity – The festival is located on the streets of the town and all areas are accessible. Demonstrations are located in accessible buildings.

7 CONCLUSION

- 7.1 The 2017 festival was again a successful event, in both attendances (15-18,000 estimated visitors and 100+ exhibitors). There was the same number of exhibitors despite some reports to the contrary.
- 7.2 The council have a very significant resource input - by way of staffing, infrastructure and direct financial support - in ensuring that the food festival is a resounding success. Much of these resources are not accounted for in the food festival accounts and are in essence provided by the council 'in-kind'

7.3 The festival this year has operated at a financial loss, which is largely due to the lower level of sponsorship attracted by Clitheroe Festival of Food Limited and some necessary additional costs around security and crowd safety.

7.4 Whilst the loss for this year can be supported by the use of the earmarked reserve set aside for this purpose (using past food festival surpluses), in the longer term an increase in sponsorship, reduction in costs or alternative methods of income generation need to be sought.

8. CONCLUSION

The Committee notes the report.

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DIRECTOR OF COMMUNITY SERVICES

MARK BEVERIDGE
HEAD OF CULTURAL AND LEISURE SERVICES

BACKGROUND PAPERS – CFF File

| Clitheroe Food Festival 2017 <i>With comparison to the 2016 Festival</i> | Food Festival 2016 £ | Food Festival 2017 (Provisional) £ | Difference (- are favourable) £ |
|--|--------------------------------|--|---|
| EXPENDITURE | | | |
| EMPLOYEE RELATED | | | |
| Staffing Costs Before, During and After the Event | 4,141 | 5,187 | 1,046 |
| <i>total employee related</i> | 4,141 | 5,187 | 1,046 |
| | | | |
| PREMISES RELATED | | | |
| Marquees, Stalls and Staging for Town Centre Entertainment | 9,469 | 8,747 | -722 |
| Demonstration Venues | 940 | 960 | 20 |
| Portable Toilets | 450 | 475 | 25 |
| Park and Ride Facilities | 570 | 670 | 100 |
| <i>total premises related</i> | 11,429 | 10,852 | -577 |
| | | | |
| TRANSPORT RELATED | | | |
| Park and Ride Coach Hire | 1,600 | 1,700 | 100 |
| Hire of Van | 36 | 40 | 4 |
| <i>total transport related</i> | 1,636 | 1,740 | 104 |
| | | | |
| SUPPLIES AND SERVICES | | | |
| Advertising and Promotions Online and in Print | 4,413 | 4,290 | -123 |
| Printed Leaflets and Posters | 2,612 | 4,008 | 1,396 |
| Film | 900 | 0 | -900 |
| Town Crier - To make proclamations in week prior to festival | 160 | 160 | 0 |
| Postage | 86 | 90 | 4 |
| Volunteer T-Shirts (50 of) | 662 | 340 | -322 |
| Other (Cable ties etc) | 627 | 1,079 | 452 |
| Sponsored Banners (Cost of) | 1,125 | 1,180 | 55 |
| On Street Entertainment | 760 | 1,350 | 590 |
| Two Way Radios for on the Festival Day | 260 | 435 | 175 |
| First Aid Provision | 1,232 | 1,325 | 93 |
| Festival Site Security | 552 | 1,835 | 1,283 |
| Demonstration Kitchen | 0 | 0 | 0 |
| Children's Workshops (Cost of) | 1,175 | 1,350 | 175 |
| The Mad Science Funstations | 0 | 800 | 800 |
| Refreshments | 447 | 289 | -158 |
| AA Signs within Clitheroe and Perimeter | 1,150 | 1,173 | 23 |
| Traffic Management Signage and Coning | 1,565 | 1,946 | 381 |
| Other Directional Boards/Signage | 506 | 486 | -20 |
| Competition Prizes and Associated Costs | 236 | 120 | -116 |
| <i>total supplies and services</i> | 18,468 | 22,256 | 3,788 |
| | | | |

| Clitheroe Food Festival 2017 <i>With comparison to the 2016 Festival</i> | Food Festival 2016 £ | Food Festival 2017 (Provisional) £ | Difference (- are favourable) £ |
|--|--------------------------------|--|---|
| THIRD PARTY PAYMENTS | | | |
| Beats for Cancer 50% Share of Flag Income | 1,538 | 598 | -940 |
| Food Festival Marketing - Latitude Studios Limited | 4,000 | 4,000 | 0 |
| <i>total third party payments</i> | 5,538 | 4,598 | -940 |
| | | | |
| Total Gross Expenditure | 41,212 | 44,633 | 3,421 |
| | | | |
| INCOME | | | |
| CUSTOMER AND CLIENT RECEIPTS | | | |
| Park and Ride Income | -3,577 | -4,201 | -624 |
| Chargeable Events - Demos/Tastings | -1,105 | -510 | 595 |
| Charges to Exhibitors | -12,512 | -11,863 | 649 |
| <i>total customer and client receipts</i> | -17,194 | -16,574 | 620 |
| | | | |
| GRANTS REIMBURSEMENTS AND CONTRIBUTIONS | | | |
| Grant from Ribble Valley Borough Council | -5,000 | -5,000 | 0 |
| Over/Unders | 10 | 0 | -10 |
| Fair | -500 | 0 | 500 |
| Sponsored Promotional Banners | -4,250 | -2,375 | 1,875 |
| Total Sponsorship | -19,500 | -12,500 | 7,000 |
| <i>total grants reimbursements and contributions</i> | -29,240 | -19,875 | 9,365 |
| | | | |
| Total Gross Income | -46,434 | -36,449 | 9,985 |
| | | | |
| (For 2017 - Potential) NET (SURPLUS)/DEFICIT | -5,222 | 8,184 | 13,406 |