

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 6

meeting date: 17 OCTOBER 2017
 title: CLITHEROE FOOD FESTIVAL 2018
 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 outturn for income and expenditure. To consider the Council's support for the 2018 festival.

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 involvement with the 2017 event was reported to members at the August meeting.

3.2 The Council financially supports the event with a £5,000 grant from the economic development service. Additionally, there is significant Council staff involvement in all aspects of the event and a large amount of infrastructure, such as car parks, are provided, to enable the event to be staged.

3.3 Our delivery of Clitheroe Food Festival with the Food Festival Board is regarded as an invaluable contribution to our promotion of the area as a tourist destination and also in our role in economic development. Although there is limited hard evidence to support the economic impact of the event on the town. The traders who attended the event seem to have had a good trading day, with many reporting excellent sales, a number sold out of the produce they brought. The breakdown of attendees is provided below:

- Ribble Valley businesses		28 (including a number of new businesses)
- Lancashire	47	
- Outside Lancashire		11 (e.g. Grasmere gingerbread)
- Non food		9 (charities, Lions etc)
- Sponsors		3

3.4 However this does not mean that the event is universally welcomed by the town's business community. Two Clitheroe 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. Some retailers ask not to have stalls in front of their properties and where possible the Council work to achieve this. Following the event, waste material left in Market Place from the Seafood Co. marquee had to be removed, but that could not be done until Sunday morning, the cost of which is to be recovered, but the bars in the area were not happy at the mess.

4 ISSUES

4.1 A survey carried out on behalf of the Council following the 2017 event sought to determine the impact on and attitude of the retail sector in Clitheroe that the food festival has.

4.2 The results of the survey are summarised in Appendix A

4.3 At the August Committee and in some press reports, the predicted deficit which the event made in 2017 was seen as a cause for concern. However, an earmarked reserve has been built up from the surpluses achieved in past years of the food festival to fund such occasions. This is fully funded from the food festival resources not the Councils'. The cost of staging this free to attend event has been offset in part by the attraction of sponsors, which the Food Festival Company Board have worked at securing to date.

4.4 The only areas where income can be generated from are: stall holder fees, park and ride and selling tickets to attend demonstrations and food tastings. The latter have proved to be not very cost effective and scaled back to tastings events in the past 2 years. This is because buying in a celebrity chef is upwards of £10k, which could not be recouped from ticket sales. The charge levied for a stall is in line with other similar events and unlike food festivals which can charge an entry fee, this is not possible for Clitheroe as it is staged on the streets of the town. It would not be practical or acceptable to the business community to charge people to enter the town in order to recoup the cost of staging the event.

4.5 The true economic impact of the event for the area, are difficult to determine without a full study, the cost of which would be beyond the scope of the present Food Festival budget. Anecdotal evidence suggests that the festival gets visitors from further afield than the immediate areas, e.g. Manchester, Wales and Cumbria. However there is no reliable evidence to indicate the numbers from these areas. It is undoubtedly busy, how much more so than a normal Saturday shopping day is not possible to say. It is known that stall holders at the festival enjoy brisk trading and many end the day having sold out of the stock they bring.

4.6 The traffic management impact on the town has commenced previously on a Thursday with the closure of the market car park after lunchtime to begin the build of the marquees for the food court. On the Friday before the event, a greater impact is made, because a marquee is built in the Market Place at the bottom of Castle Street, which alters the direction of the traffic flow through the centre of town. It is proposed that with any future events this no longer happens. The rationale being that the disruption to the town is not worth the benefit of the marquee. On the day traders who can set up and dismantle their stall or trailer, provide a more cost effective approach.

5 FINANCIAL PERFORMANCE

- 5.1 The final outturn for the Clitheroe Food Festival 2017 is that it made a deficit of c£9000. Details of the latest projection of estimated income and expenditure are provided at Annex 1. It must be highlighted that this figure is still not final at this stage as we are still awaiting some final invoices, but it should not be materially different.
- 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. This is now being processed through the Council's recovery process. At your last meeting we reported that this was to be paid early September, but remains outstanding.
- 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 such deficits that may arise (balance at 31 March 2017 was £25,912).

6 RISK ASSESSMENT

- 6.1 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 charged to the festival. 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 £9,073. 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 such 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. Development of the Clitheroe market in the future will require significant revisions to the way the festival is run and it would be sensible to have dialogue with the business community before any decisions were taken on the future layout of the festival, due to the impact on the town.
 - 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 c100 exhibitors). There was the same number of exhibitors as 2016, 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. Most 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. Or the Council will need to consider the event as a growth item for consideration as part of budgetary process, to cover the costs of staging it.

8. RECOMMENDED THAT COMMITTEE

- 8.1 Note the report.
- 8.2 Ask Policy and Finance to consider the release of funds from the earmarked reserve to cover the deficit from 2017.
- 8.3 Consider whether the Committee supports the staging of the food festival in 2018 and the Council resources this involves.

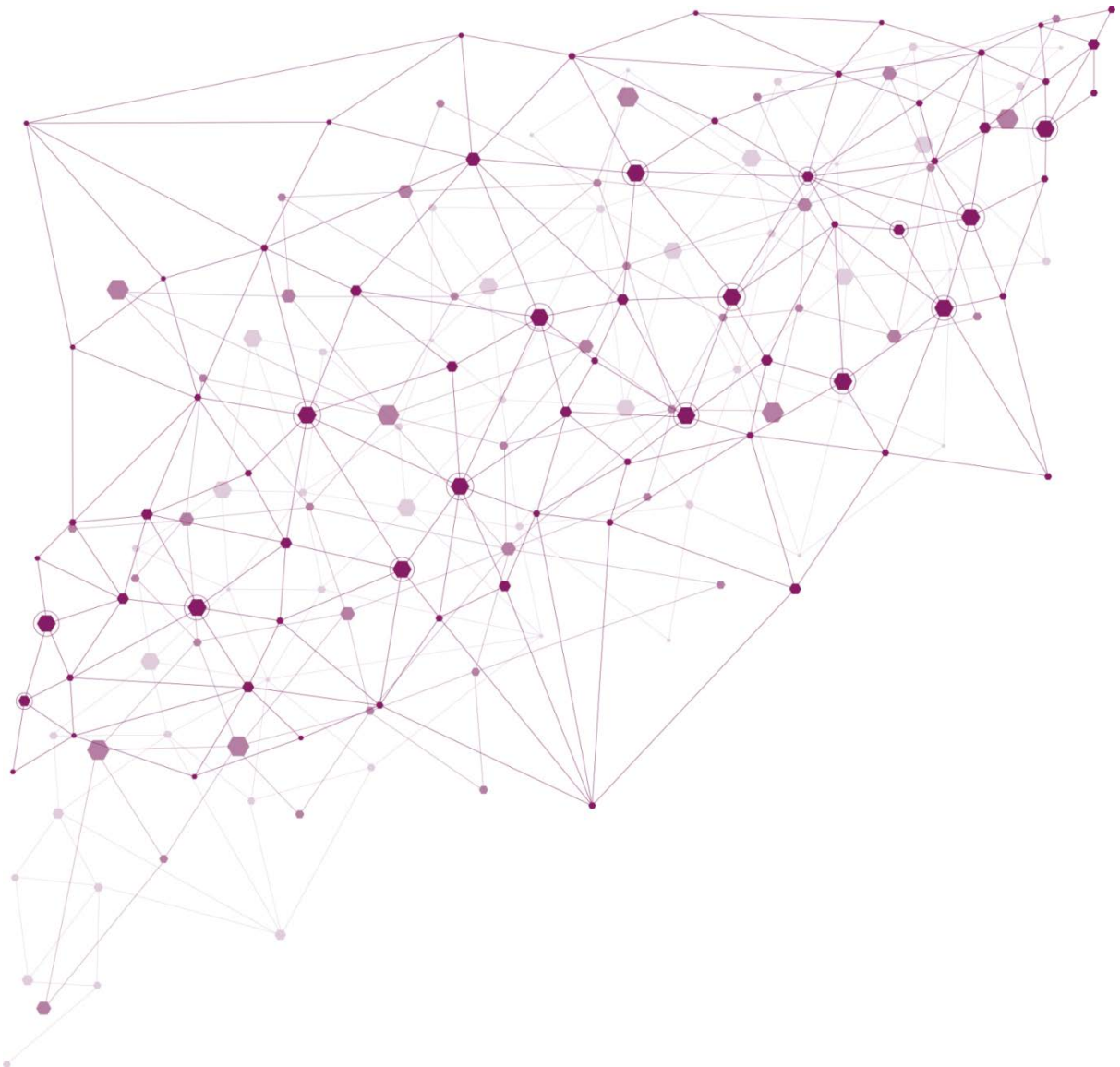
MARK BEVERIDGE
HEAD OF CULTURAL & LEISURE SERVICES

JOHN HEAP
DIRECTOR OF COMMUNITY SERVICES

BACKGROUND PAPERS – CFF File

Ribble Valley Council

Clitheroe Food Festival Business Survey 2017



1. Executive Summary

- Responses from **71** businesses and market traders in Clitheroe town centre were captured
- There was a noticeable difference between responses from market traders and other businesses throughout
- **90%** of businesses feel the **food festival is important for Clitheroe**
- **41%** of businesses agree the **food festival is important for their business**
- **58%** of businesses were **busier than normal on the day of the food festival**
- **51%** of businesses indicated that the **food festival has had a positive impact on their business since it first started**
- **44%** of businesses promoted the business through word of mouth. 100% of market traders said they promoted the event through word of mouth.
- The main suggestions and ideas given by businesses were to **spread the food festival more widely across the town** and scheduling the food festival so it does not clash with other nearby events
- There were some suggestions about holding more events of a similar nature and many comments seeking Christmas markets to be held.

2. Methodology

The questionnaire took no longer than five minutes to complete and also provided businesses with the opportunity to comment on the Food Festival. The questions covered areas including importance for the town, importance for the business and impact on footfall.

A range of businesses were interviewed on Castlegate, King Street, Market Place, Moor Lane and Well Gate. In addition, traders at the market were interviewed.

Half (52%) of those businesses surveyed were retail shops followed by a third (31%) which were market stalls.

Businesses from a range of town centre locations in Clitheroe were surveyed.

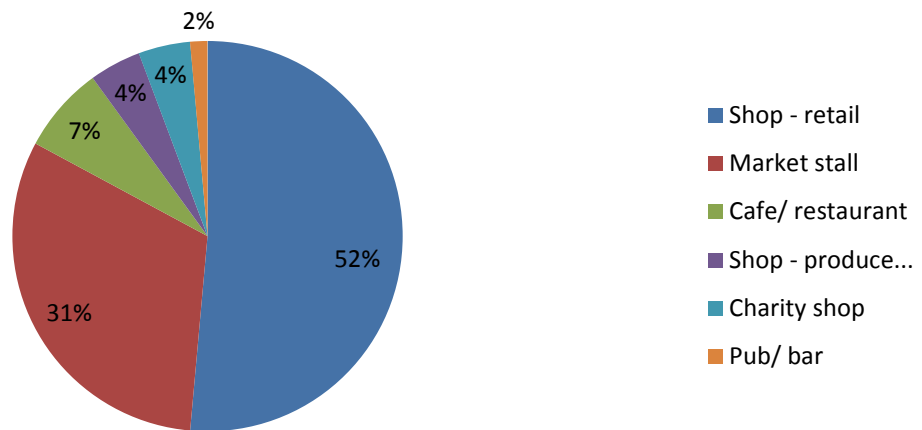
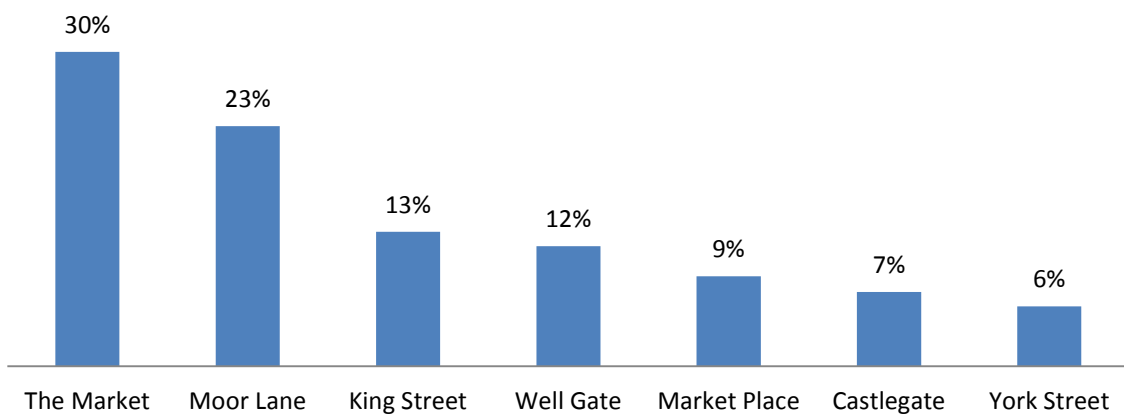


Figure 2.2 Business location (base- 69)

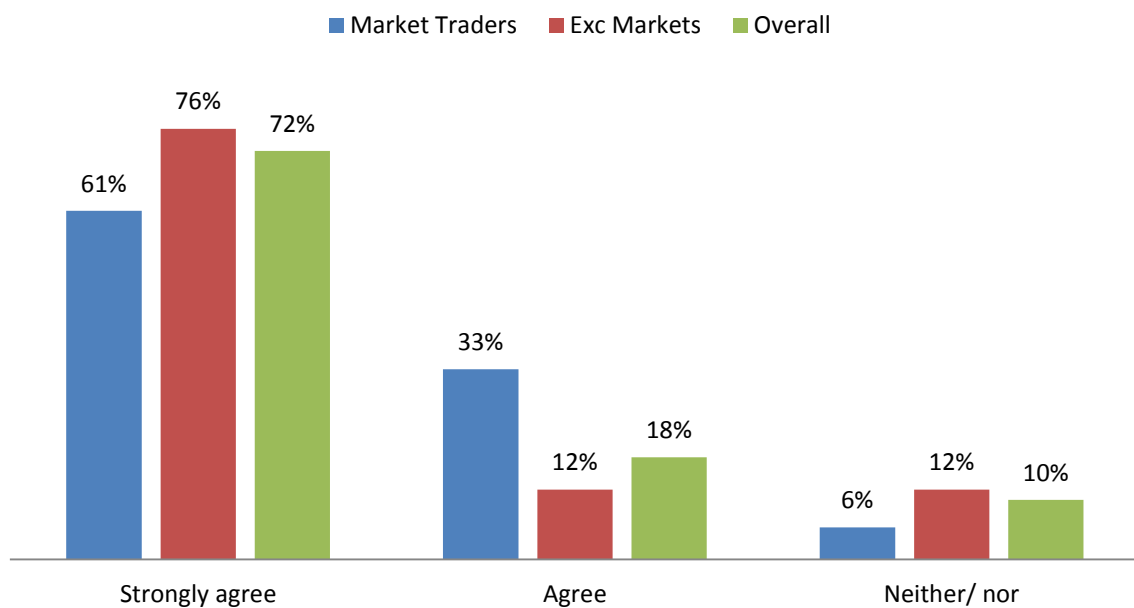


3. Importance of the events

Overall 90% of businesses strongly agreed or agreed that the food festival is important for Clitheroe. No businesses surveyed disagreed that the food festival is important for the town. Most comments from businesses mentioned how the food festival “brings new business into the town” and “raises awareness of the town”.

Businesses excluding market traders were more likely to strongly agree (76%) that the food festival was important for the town than market traders (61%).

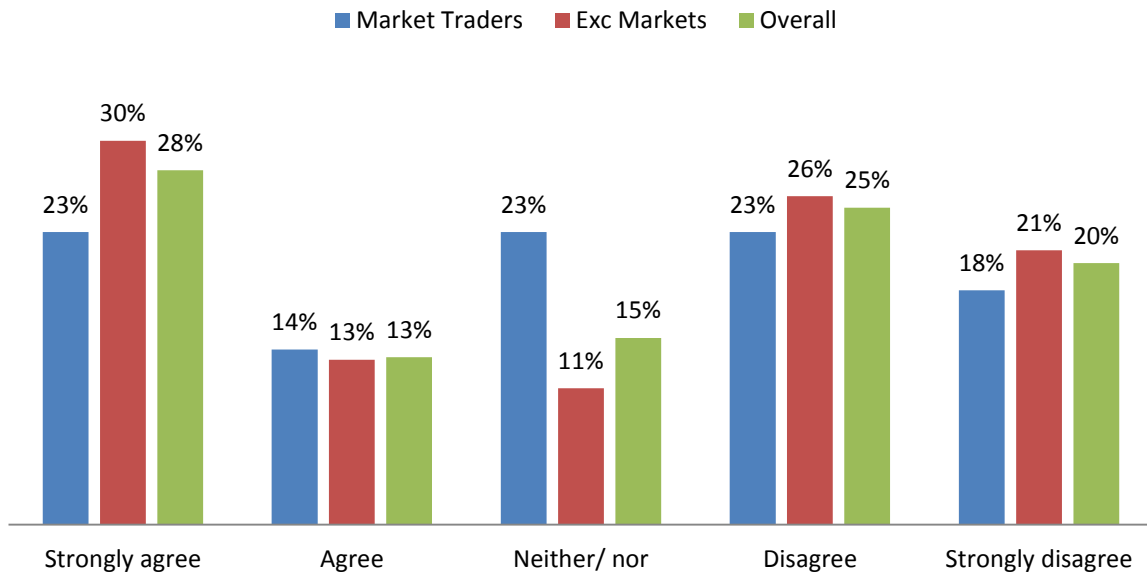
Figure 3.1 Importance for the town (base- 67)



Overall 41% of businesses agreed that the food festival was important to their business, whereas 45% disagreed. Some businesses indicated that this may be due to the food festival diverting footfall elsewhere or road closures blocking entrance to their business. Positive comments include “one of our busiest days of the year” and “attracts more customers and awareness of our business”. Some negative comments include “closed off down at Well Gate, stops the regular customers coming in” and “we actually lose business”.

Market traders were more likely to be in agreement that the food festival was important for their business than other businesses in Clitheroe (43% vs 37%).

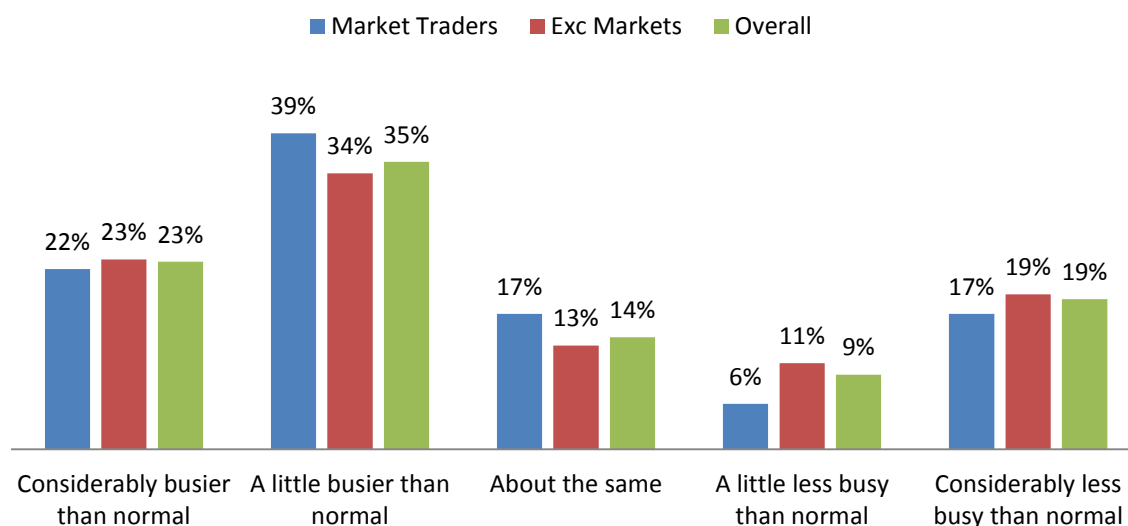
Figure 3.2 Importance for business (base- 69)



4. Impact of the events

Overall 58% of businesses said they were busier than other weekends throughout the summer compared to 28% of businesses where were less busy. 14% of business said they were just as busy.

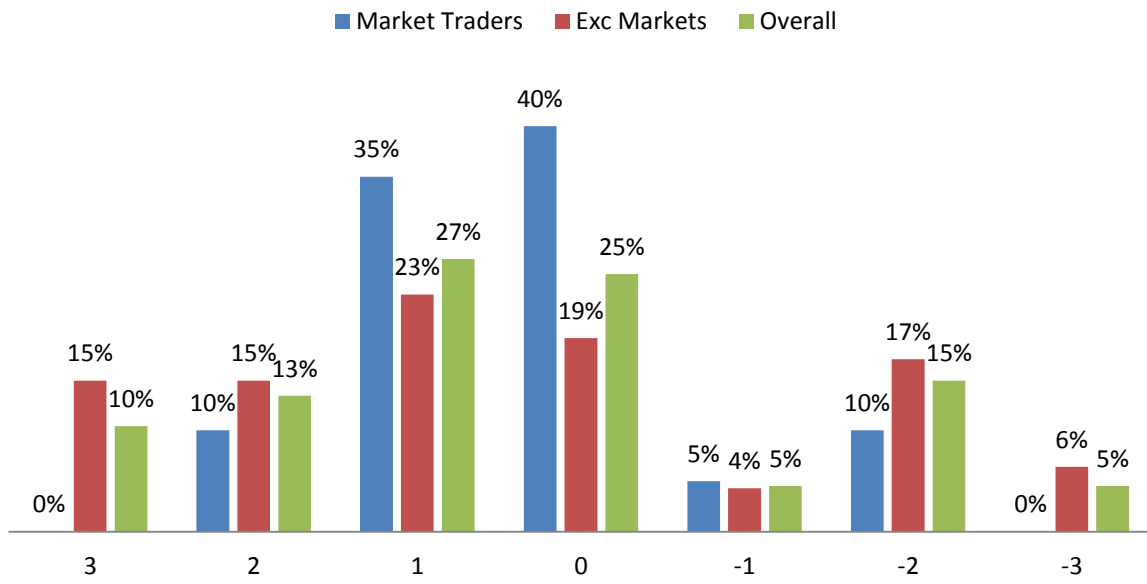
Market traders were more likely to be busier than normal compared to other businesses in Clitheroe (61% vs 57%).



Overall half of businesses (51%) said the food festival has had a positive impact on their business since it began compared to 24% of businesses who claim it has had a negative impact. 25% of businesses believe the food festival had a neutral impact.

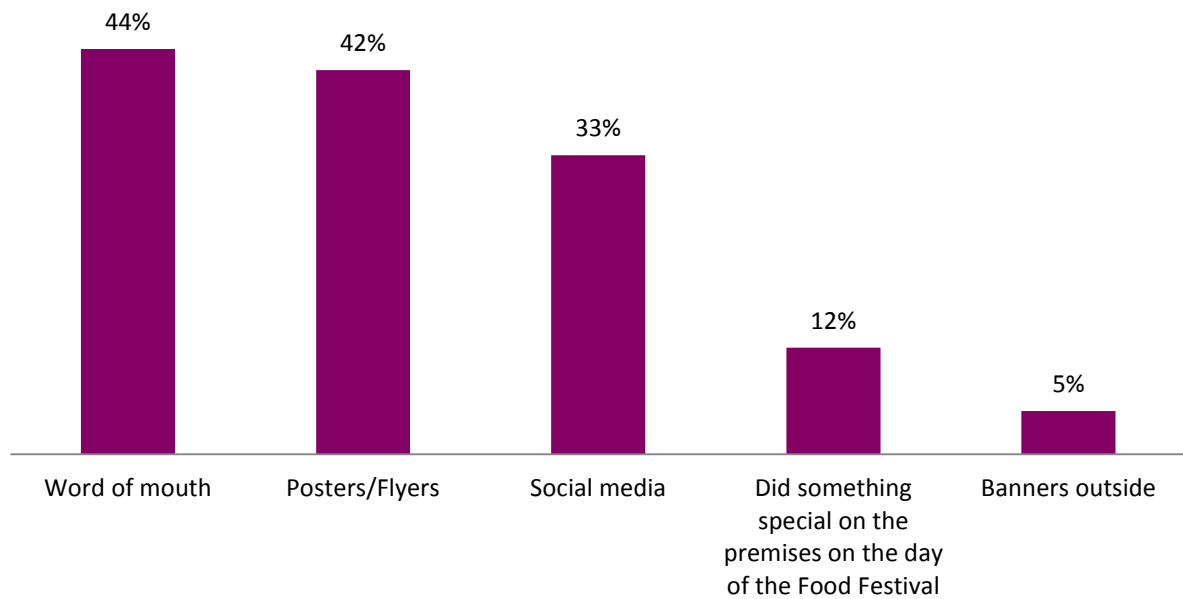
Businesses excluding market traders were more likely to report a positive impact on their business than market traders, with 53% scoring the event 1 or above for positivity compared to 45% of market traders. Market traders were overwhelmingly more likely to report a neutral score for the festival than other businesses (40% vs 19%), hinting that the impact on their business was similar to other summer weekends.

Figure 4.2 impact on business (base- 67)



5. Promoting the food festival

61% of businesses promoted the food festival in some way or another. Word of mouth (44%) was the most common way businesses spread information about the food festival, followed by displaying a poster / flyer for the event. Of the businesses that did something on the premises of their shops, several created displays or set up a stall in front of their premises. A few businesses offered discounts on some of their products for the day.



6. Comments and suggestions

The main comments or suggestions for the food festival related to the following:

- Spreading the festival more widely across the town so that more businesses can benefit from the exposure and to ease congestion of the significant footfall generated on the day.
- Scheduling the festival on a day which doesn't clash with other nearby events to increase footfall (Royal Lancashire Show / Blackpool Air Show).
- Offering local market traders more stalls and reserving their usual trading stall.
- Better location of barriers / road blockades so footfall is able to access all town centre businesses more easily.

89% of businesses said they would like to see more events organised, some suggestions included:

- A Christmas market which could be spread around the town to increase footfall, like it has done at the food festival. Some specific suggestions include a German or continental style Christmas market.
- Some kind of event which will target local people and residents.
- Some businesses would be happy with any kind of event which would attract people to the town; some suggest holding a similar market event on a quarterly basis.

APPENDIX B

Clitheroe Food Festival 2017 comparison to the 2016 Festival	With Food Festival 2016 £	Food Festival 2017 (Provisional) £	Difference (- are favourable) £
EXPENDITURE			
EMPLOYEE RELATED			
Staffing Costs Before, During and After the Event	4,141	5,124	983
<i>total employee related</i>	4,141	5,124	983
PREMISES RELATED			
Marquees, Stalls and Staging for Town Centre Entertainment	9,469	10,248	779
Demonstration Venues	940	960	20
Portable Toilets	450	475	25
Park and Ride Facilities	570	670	100
<i>total premises related</i>	11,429	12,353	924
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	4,156	-257
Printed Leaflets and Posters	2,612	3,288	676
Film	900	0	-900
Town Crier - To make proclamations in week prior to festival	160	160	0
Postage	86	77	-9
Volunteer T-Shirts (50 of)	662	201	-461
Other (Cable ties etc)	627	1,885	1,258
Sponsored Banners (Cost of)	1,125	1,180	55
On Street Entertainment	760	1,050	290
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
Childrens Workshops (Cost of)	1,175	1,570	395
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	218	-288
Competition Prizes and Associated Costs	236	123	-113
<i>total supplies and services</i>	18,468	21,711	3,243

Clitheroe Food Festival 2017 comparison to the 2016 Festival	With Food Festival 2016 £	Food Festival 2017 (Provisional) £	Difference (- are favourable) £
THIRD PARTY PAYMENTS			
Beats for Cancer 50% Share of Flag Income	1,538	473	-1,065
Food Festival Marketing - Latitude Studios Limited	4,000	4,000	0
<i>total third party payments</i>	<i>5,538</i>	<i>4,473</i>	<i>-1,065</i>
Total Gross Expenditure	41,212	45,401	4,189
INCOME			
CUSTOMER AND CLIENT RECEIPTS			
Park and Ride Income	-3,577	-4,201	-624
Chargeable Events - Demos/Tastings	-1,105	-639	466
Charges to Exhibitors	-12,512	-11,863	649
<i>total customer and client receipts</i>	<i>-17,194</i>	<i>-16,703</i>	<i>491</i>
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	-2,125	2,125
Total Sponsorship	-19,500	-12,500	7,000
<i>total grants reimbursements and contributions</i>	<i>-29,240</i>	<i>-19,625</i>	<i>9,615</i>
Total Gross Income	-46,434	-36,328	10,106
For 2017 - Potential) NET (SURPLUS)/DEFICIT	-5,222	9,073	14,295