

The Highland Council

Planning, Development and Infrastructure Committee

18 February 2015

Agenda Item	20
Report No	PDI 17/15

Major Events Fund

Report by Director of Development and Infrastructure

Summary

This report provides background on the transfer of the Highland Culture Fund to the Development and Infrastructure Service, and makes recommendations on its future use, including providing support to the Scottish 6-day Orienteering Championships 2015. This work supports the Council's 2012-2017 "Working Together for the Highlands" programme commitment to work with partners to maximise the tourism potential of the Highland area.

1. Background

- 1.1 Events and festivals, and in particular major events, play a positive role in enhancing the image and economic and social prosperity of the Highland area. Events also offer an opportunity to bring new visitors to the area, to showcase the Highlands and its attractions, and highlight its distinctive features and culture.
- 1.2 To support this, the Highland Culture Fund was launched in July 2008 as one of the legacies of Highland 2007 – the year of Highland Culture. Since then, the fund has been used for a range of purposes including providing funding to events and small scale grant aid to cultural projects undertaken by community organisations. In the first year 2008/09 £388,649 of funding was provided to successful applicants but the budget available has gradually reduced with £100,000 being available in the current financial year (2014/15). Reflecting the reduced funding available, the emphasis in more recent years has been largely on providing support to major events which were set to take place in the Highland area.
- 1.3 Responsibility for the management of this funding stream has now transferred from the Council's Care and Learning Service to the Development and Infrastructure Service. Budget savings agreed by the Council at its meeting on 18 December 2014 mean the budget available for 2015/16 is £50,000.

2. Future funding for events

- 2.1 Highland Culture Fund
Following the launch of the Highland 2007 Legacy Programme and later approval of new criteria for the then renamed Highland Culture Fund by the Education Culture and Sport (ECS) Committee, the fund has operated with only relatively minor changes. However, the significant reduction in value of the fund from an initial £400,000 to £50,000 for 2015/16 suggests that these criteria are no longer appropriate when considered in relation to the current size of the fund. New guidelines on the future use of the fund are therefore proposed.

2.2 Previous reports to both the ECS, and the Adult and Children's Services Committees have stressed the importance of developing a calendar of major events that generates sustainable economic growth and increases the positive profile of the Highlands. This objective is still valid; it is therefore proposed that the fund should be renamed the Highland Major Events Fund, and that the primary role of the fund should be to assist with the development of a calendar of major events. Major events would be deemed to be those which generate a significant economic benefit, attract a large number of national or international participants and spectators, and/or come with a national profile and extensive media coverage. Examples of such events from recent years include:

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|-------------------------------------|--------------|------------------|
| • UCI Mountain Bike World Cup | Fort William | Annual |
| • World Sheepdog Trials | Tain | 2014 |
| • Scottish Traditional Music Awards | Inverness | 2014 |
| • Scottish Open Golf | Inverness | 2011, 2012, 2013 |
| • O'Neill Highland Open Surfing | Thurso | 2007, 2008 |

2.3 It is anticipated that financial support for any future events of this type would be the subject of a report brought to this Committee for approval. The nature of such events also means that discussions tend to commence well in advance of the event (often 2 – 3 years in advance) so it is recommended that no fixed application deadline is set for such events. Instead the event organisers would be requested to submit an application at a time to fit with the Committee cycle.

2.4 The potential of having to fund multiple major events within the same year may however cause some difficulties with respect to the reduced budget now available. However, the lead-in time for such events should make it possible to seek additional funding from other Council budgets, and/or external sources or spread contributions over different financial years. In recognition of the importance of such events officers would continue to engage with event organisers to address this.

2.5 Event Innovation Challenge Fund

In other years it is possible that the opposite situation will arise and the full value of the budget is not required to support major events taking place that year. Where this situation arises it is proposed that the Director of Development and Infrastructure be given the authority to open an Event Innovation Challenge Fund to assist the development of Highland events.

2.6 A wide range of events already exists across the Highlands, and some of these may have the potential to grow from being locally to regionally significant, or even to become of national importance. However, this would often require the organiser to take on a degree of risk, for example, testing the commercial viability of adding a new element to the event, or committing resources to get mainstream media coverage of the event. It is proposed that the Event Innovation Challenge Fund would see a one-off grant awarded to successful applicants to encourage this type of innovation, and to lessen the risk to the organiser.

2.7 To ensure this does not simply displace other sources of funding or contribute to normal revenue costs, specific criteria would be published for the fund incorporating the points below:

- applicants should demonstrate that they have adequate funding in place to run the event in a similar way to previous years and that any funding sought is solely towards a new element;
- applicants should demonstrate the additionality that will be achieved as a result of the award of funding. This could include things like attracting new audiences or participants or gaining additional television coverage that helps promote the event or the area;
- funding should only be awarded on a one-off basis specifically to support the new or innovative element;
- any organisation, business or individual may apply but the event must take place within The Highland Council area;
- normally grants of up to 50% of eligible costs to a maximum of £5,000 will be available. Exceptionally, for example, where an event is of a scale that significant additional economic benefits can be clearly demonstrated, consideration will be given to larger awards;
- applicants should demonstrate that they have sought funding from sources other than the Highland Council and should include evidence of the potential and confirmed match funding/in kind support from other sources;
- preference will be given to providing support on an underwriting basis so if, for example, an additional element does prove to be commercially viable and contributes a surplus to the event, the Council grant would not be paid; and
- as is already accepted practice, applicants should be required to build in plans to promote the Gaelic language and culture through their event. There is however, an opportunity here for the Council to give further encouragement to an event to consider adding an additional Gaelic element to their plans.

2.8 With the proposed cap on contributions from the proposed Event Innovation Challenge Fund it is not anticipated that individual applications will become the subject of a report to this Committee. Rather that grant decisions will be made by the Director of Development and Infrastructure under the terms of existing delegated authority. It is proposed that applications are made through a single funding round each year to ensure the best initiatives are supported rather than simply considering these on a first come first served basis.

2.9 In addition, to aid decision making it is proposed that an Advisory Group be established to ensure a good fit with the agreed strategic direction for tourism and events. The recommended makeup of the panel would be:

- two Members nominated by the Planning Development & Infrastructure Committee;
- one representative from EventScotland /VisitScotland;
- one business representative drawn from the Highland Tourism Partnership; and
- the Council's Principal Tourism & Film Officer (who is responsible for day to day management of the fund).

3. Major events in 2015 and 2016

3.1 A number of major events held previously are already committed to return to the Highlands. The UCI Mountain Bike World Cup which is the subject of a multi-year funding contract with the Highland Council returns to Fort William in 2015, while the Scottish Open Golf will return to Castle Stuart near Inverness in 2016. 2015 will also see two separate events - the World Orienteering Championships, and the Scottish 6-day Orienteering Championships held simultaneously in Inverness in August 2015.

3.2 World Orienteering Championships

This is only the third time the World Orienteering Championships have been held in the UK with the previous two events being in Aviemore in 1976, and Inverness in 1999 when 350 elite competitors and officials attended. A previous report, to the Council's Education, Culture, and Sport Committee on 13 January 2011, saw Members approve a payment of £30,000 to help secure the World Orienteering Championships for the Highlands in 2015.

3.3 Scottish 6 day Orienteering Championships

Whilst the World Orienteering Championships has the higher profile and attracts the media coverage, most of the immediate economic benefit comes from the Scottish 6-day Orienteering Championships as it is a week-long event with a larger number of participants. An independent study of the 2009 Scottish 6-Day event in Perthshire found that 3,900 participants and 416 spectators attended the event over the week, generating additional expenditure in the local area of £1,997,400, and £2,490,573 in Scotland as a whole. With 4000 – 5000 participants expected in Inverness, an even greater benefit is likely to be seen in the Highlands this year.

3.4 The Council's ECS Learning and Leisure Client Manager commenced discussions with the organisers of the Scottish 6-day Orienteering Championships, and with the subsequent transfer of the budget the Council's Principal Tourism & Film Officer has continued these discussions. Based on the content of the formal application now received and the expected benefits the event would bring to the area, it is proposed that their application for funding of £25,000 is approved.

4. Implications

4.1 Resources

An amount of £25,000 to support the Scottish 6-day Orienteering Championships is already identified within the Highland Culture Fund budget for 2014-15.

4.2 Legal, Equality, Climate Change, Rural and Risk

There are no direct legal, equality, climate change, rural or risk implications arising directly from this report.

Recommendation

The Committee is asked to:

- approve the proposals detailed in section 2 of the report on the future use of the Highland Major Events Fund;
- delegate authority to the Director of Development and Infrastructure to open an Event Innovation Challenge Fund when funds are available; and
- approve a payment of £25,000 to support the hosting of the Scottish 6-day Orienteering Championships 2015.

Designation: Director of Development and Infrastructure

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