

**WEST DUNBARTONSHIRE COUNCIL****Report by Strategic Lead – Communications, Culture & Communities****Cultural Committee: 27 January 2020**

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**Subject: New Events for West Dunbartonshire****1. Purpose**

- 1.1.** The purpose of this report is to respond to the motion to the Cultural Committee in April 2019 by proposing how the Council could review the potential for future events and sponsorship in West Dunbartonshire.

**2. Recommendations**

- 2.1.** It is recommended that the Committee:
- i) note the contents of this report;
  - ii) if it wishes to pursue new events for West Dunbartonshire, agrees that officers commission an external review of potential event venues, and how best to market these to promoters;
  - iii) agrees that officers commission an external economic impact assessment on the benefits of existing events activity to West Dunbartonshire, and the potential available from future large-scale events;
  - iv) agrees that corporate sponsorship has been explored and that no significant opportunities have been identified beyond existing activity;
  - v) agrees that the £40,000 costs associated with the two reports is funded from the remaining £20,000 Cultural events budget for 2019/20 and the £25,000 budget in 2020/21; and
  - vi) agrees that a report is brought to a future Cultural Committee summarising the findings of this activity, and making further recommendations to enable Elected Members to make an informed decision.

**3. Background**

- 3.1** At the Cultural Committee in April 2019 a report was presented by the Strategic Director for Regeneration, Environment & Growth on events currently taking place in West Dunbartonshire and the potential for future events in the area.
- 3.2** This report outlined that the Council's existing events portfolio was made up of the Pro-am Golf competition at Dalmuir Golf Course, The Scottish Pipe Band Championships at Levensgrove Park, the Loch Lomond Highland Games at Moss O'Balloch, the Fireworks Displays at Dalmuir Park and Levensgrove Park and the Christmas Lights switch on in Alexandria and Dumbarton.
- 3.3** Committee was informed that all of the above events are subsidised by the Council, and are paid for from an annual budget allocation of £123,000. Further consultation with managers highlights that this figure does not represent the full cost to the Council, only what is coded to the Events budget. In addition, there is

additional spend, particularly relating to overtime costs for employees from a range of services including Roads, Greenspace, Waste and Facilities Management. These costs are currently budgeted for within the overtime revenue budgets for the respective services. This may not be possible to do in future following the Council decision to generate savings from reducing overtime budgets in 2019/20. As a result the existing Events budget could come under pressure to deliver the existing programme.

- 3.4** The report stated that there was no evidence before officers that there was public demand for additional events in West Dunbartonshire. This was most recently tested with the public in January 2018 during the 2018/19 budget consultation. The majority of the residents (69%) who took part in the consultation agreed that the existing events programme should be reduced to fund the budget shortfall – rather than protected. There was less clarity about which events should be removed. The table below illustrates the results:

<b>Proposal</b>	<b>Agree</b>	<b>Disagree</b>
Do not cease any events	31%	69%
Cease Golf Pro Am	57%	43%
Cease Christmas Lights Switch On	42%	58%
Cease Firework Displays	26%	74%
Cease Loch Lomond Highland Games	20%	80%
Cease Scottish Pipe Band Championship	17%	83%

- 3.5** The Strategic Director's report stated that the Council has a small number of available venues for commercial independently promoted paid audience concert style events. It was highlighted that none of these venues is currently designed with infrastructure for that purpose. That is not to say that they could not be used for this purpose in future, though there is likely to be a cost to develop the required infrastructure.
- 3.6** The Strategic Director highlighted that the neighbouring Glasgow area already has a large number of established venues for a variety of events. All of these have a track record and are closer to centres of population, transport networks and other amenities. Events sponsors (or promoters) in his view were unlikely to be willing to carry all of the risks involved to take forward new events in what they would regard as untested venues or locations.
- 3.7** Unlike City Centres, West Dunbartonshire does not have the density of visitor amenities (restaurants, bars, hotels) required to secure significant economic gain from events. It was unlikely that any events programme would reach the scale required to drive significant investment in the hospitality sector locally over any meaningful timescale.
- 3.8** If the Council was to undertake large-scale events it is likely that audiences would use amenities in the City Centre and commute to and from events and spend little time locally. In addition it was recognised that events are transitory and unlike new facilities they do not create any permanent asset. In terms of employment, as the number of events is not likely to be large they will not represent a source of sustainable jobs. Events organisations tend to have their

own specialist staff and/or subcontractors for the provision of skilled or high value roles. Any local employment from an events programme is more likely to be low paid and on an ad hoc 'casual' or 'gig economy' basis, with the higher value benefit from the Council's investment leaking out to other areas.

- 3.9** It was also highlighted that the Council has no dedicated events team, nor does it have any staff with recent expertise and experience in this field. Any additional events activity would, as a result, include a level of risk attached for the successful negotiation and delivery of high-profile events.
- 3.10** The Cultural Committee noted the points made in the report. In a motion, Councillors agreed that events be made a priority by the Council as a result of the social and economic benefits they bring. Committee also agreed that a report come back that outlines a way forward for events which includes establishing links with promoters with the intention of holding a major music event in West Dunbartonshire. Finally, Elected Members agreed that the lead officer with events responsibility should identify potential sponsorship for events from outside sources.
- 3.11** In August 2019 the Strategic Lead for Communications, Culture, Communities, and Facilities (CCCF) assumed responsibility for existing events run by the Council.
- 3.12** Following discussions with the Convener, the Strategic Lead for CCCF approached three major promoters – two from Scotland and one from England – to see if they were interested in exploring using the Council's venues in future. The invitations were sent in August 2019 and since then none of the promoters has responded.

## **4. Main Issues**

### **Venue assessment**

- 4.1.** To have the best opportunity for success in attracting experienced and knowledgeable music and event promoters to West Dunbartonshire, it is important the Council has a detailed understanding of its venues – particularly around their current suitability and future potential. The venues that have previously been identified for event purposes are:
- Balloch Country Park
  - Levensgrove Park
  - Moss O'Balloch
  - Dalmuir Park
  - Clydebank Town Hall
- 4.2.** As has been previously stated, there are no officers in the Council with recent knowledge and experience of staging large scale events, nor who know what infrastructure, facilities and amenities are required to make them a success. As a result, it is proposed that the Council engages with a third-party to undertake such a review on our behalf. This review would assess all our venues, and

determine their appropriateness for large scale events, and the desirability that promoters would see in such venues. This work would also advise on how best to market the venues to leading promoters, and determine the estimated income that could be expected in return for providing the venues.

- 4.3. Crucially this activity will also outline what a promoter would expect from the Council with regard to Traffic Impact Assessments, Community Impact Assessments, Environmental Impact Assessments, Licenses, Risk Assessments and Event Plans. It should be recognised that much of this regulation was not in place when the Council previously hosted large scale music events. It should also be recognised that the team of officers which previously organised this activity on behalf of the Council has been disbanded. As a result it is likely that officers will need to bring forward recommendations for how the organisation undertakes this regulation activity should Committee wish to progress. It is inevitable that will either involve the creation of new role/s or the use of external consultancy to provide the required capacity and expertise.
- 4.4. This external assessment and information would inform Committee ahead of a future decision. It could also be used to inform future discussions with promoters, and equip officers with the essential details to provide promoters with a level of reassurance about the professionalism of our approach and offer.
- 4.5. It should be recognised that many of the firms capable of delivering this work will be heavily involved in preparing for and delivering major events in 2020. As a result it is unknown at this time what capacity the organisations will have for this sort of consultancy until after the busy summer season.

### **Economic assessment**

- 4.6. The report to Committee in April 2019 highlighted a number of concerns from the Strategic Director about the financial benefit that would follow from running major events in West Dunbartonshire. In the agreed motion Committee noted these concerns, but called for events to be prioritised due to their social and economic benefit.
- 4.7. It is noted that the most recent research commissioned by the Council into the Scottish Pipe Band Championships estimated that £1.7 million was brought to the West Dunbartonshire economy in 2013. This independent survey showed that for every £1 invested by the Council in hosting the event, the Championships achieved a return of £27.85 of net additional expenditure into the local economy, and £11.36 into the national economy.
- 4.8. It is clear that there is a difference between financial costs to the Council, and wider economic and social benefits to the local area. The research above illustrates that while there is a cost to the Council to host the Scottish Pipe Band Championships, the wider area benefits from expenditure by those visiting the area for that event. It should be acknowledged, as was stated in the original report, that this benefit will be a 'one-off', and because of that it will not lead to any significant change in the local economy. For example, hotels in West

Dunbartonshire will not create new permanent employee roles because of a high demand one or two weekends of the year.

- 4.9.** Based on the current model, any expansion of the events programme is likely to have a direct or indirect cost for the Council. Given this it is recommended that the Council seeks an independent economic assessment of the benefits achieved to West Dunbartonshire from the existing events programme, and also an outline estimate of what could follow from any additional major music events. This would then enable officers to present an informed report for Committee on the costs and benefits that would follow from an increased future events schedule in West Dunbartonshire. Without such an assessment it is not possible for officers to advise the Committee on the monetary benefits or otherwise of this activity. To deliver this financial assessment it is proposed that the Council engages with a third-party with a specialist knowledge and research skills.

### **Sponsorship assessment**

- 4.10.** Officers within the Council's Corporate Communications service currently source sponsorship for the annual Provost's Civic Awards, and the annual Employee Recognition Awards. These typically amount to payments of around £1,500 for sponsoring individual awards, and higher amounts for headline sponsorship of the events themselves. The team have been successful at sourcing such sponsorship largely because the Council has a number of key partners – such as Wheatley Group and West College Scotland - who are keen to be associated and support such positive local activity. The total income brought in for 2018/19 from these two events was approximately £18,000. It is the view of officers that this commitment represents the limit of the sponsorship available from these key partners, and that they would be unlikely to sponsor the Council beyond these two award events.
- 4.11.** With regards to smaller events, on only one occasion in the past decade has sponsorship been secured for the West Dunbartonshire Pro-Am. It is the view of officers that there would be no external interest in sponsorship of the Christmas Lights switch-on events. The recent 2019 Monte Carlo Rally start event also proved challenging to secure sponsorship with more than 25 companies approached, and no interest shown. Sponsorship of £2,250 was finally secured from existing Council suppliers rather than any external companies looking for an opportunity to promote their brand. Sponsorship of the two annual firework events is untested and officers could explore this in 2020/21 if Committee agreed.
- 4.12.** Previous attempts to attract more significant sponsorship for the Council's major events has also proved challenging. The Scottish Pipe Band Championship has had no main sponsor for a decade. This is for a number of reasons. These include that a fee for a sponsorship of this type would be in the region of £5,000 to £10,000 and no Council partner or local business has shown a desire or capacity to provide such a significant one-off fee. In addition the event does not have the same strong ties to the local community, and so represents more of an opportunity for a corporate sponsor on a regional or national level. Such corporate sponsorship is a multi-million pound industry in Scotland, with plans

developed and committed up to 18 months in advance. In addition major brands such as this typically agree to medium-term relationships with events – lasting two to three years - that they believe fit with their corporate image. Such clients are not interested in providing what is effectively a small one-off donation following an ad-hoc approach, and instead expect the provider to identify something that has real brand value to them. This means that a concerted and professional approach is required to be successful in the sponsorship marketplace.

- 4.13.** Corporate sponsorship also requires a detailed knowledge of the legal arrangements for advertising and sponsorship contracts. Corporate sponsors will seek a contractual warranty that the Rights Holder has all relevant rights and the ability to enter into the proposed sponsorship agreement. Negotiations will also extend to a range of other areas such as title rights, designations, advertising, branding, corporate hospitality rights, approval rights, duties on the Rights Holder, reimbursement rights if the sponsor requirements are not met, filming rights, intellectual property rights, termination, duration and renewal.
- 4.14.** The Council does not have any officers with the knowledge and experience of attracting corporate sponsorship, or of concluding corporate sponsorship agreements. As a result, if Committee seriously wished to pursue further sponsorship opportunities, then it would be proposed that the Council engages a specialist sponsorship consultancy firm to review our existing events opportunities. The agency would produce a report that indicated clearly the potential revenue that could be achieved from sponsorship, the potential costs to the Council, the methods by which corporate sponsorship would be pursued, and the areas where the Council needed to strengthen to seriously compete for corporate sponsorship. Committee has previously indicated there is no desire to see the Council operate as a promoter of events in the future, only to provide the venue. As such there would be no sponsorship opportunities from any new major events hosted by the Council because the Rights Holder would be the promoter rather than the Council. As a result any review of sponsorship would be restricted to existing events rather than those that could come to West Dunbartonshire in future.
- 4.15.** Given the information outlined above, and the fact that such a review would cost up to £10,000, it is recommended that the Council limits its pursuit of sponsorship to existing activity.

## **Overview**

- 4.16.** It is the view of officers that there would be considerable benefit in being able to bring back a wide-ranging report to Committee that included details on a promoter assessment of our venues, and the financial cost/benefits of events activity. Officers would then use this information to present a report that provided a clear, robust and sustainable way forward for events provision in West Dunbartonshire. Elected Members would also have significantly more information than is currently available to make their final decisions.

## **5 People Implications**

- 5.1** There are no direct people implications arising from the recommendations in this report.

## **6 Financial & Procurement Implications**

- 6.1** Officers need to undertake a tendering process to identify the costs linked to the recommendations in this proposal. However engagement with the market suggests the following costs are likely to be incurred:

<b>Project</b>	<b>Cost</b>
Events Venue Assessment	Up to £30,000 (indicative estimate)
Economic Assessment of Events Activity	Up to £10,000 (indicative estimate)
<b>Total</b>	Up to £40,000

- 6.2** It is recommended that funding for this investment comes from the Cultural Events budget which has approximately £20,000 remaining in 2019/20, and £25,000 in 2020/21. This budget was created by the Administration in March 2017 as seed money to invest in attracting events of cultural significance and bring inward investment to the local economy. This activity would meet this ambition comprehensively.
- 6.3** All procurement activity carried out by the Council under £10,000 will be taken forward through the sourcing of at least three quotes and ideally six. Any activity above £10,000 will follow the Council's established Quick Quote process.

## **7 Risk Analysis**

- 7.1** There is a risk if additional assessments are not undertaken that officers and Elected Members will not have the necessary information to make informed decisions, or be able to take appropriate steps to deliver on a changed events programme. This could lead to a use of public funds that does not meet the best value standard.
- 7.2** There is a risk that external professional organisations will not show interest in the consultancy work that is required by the Council. This has been mitigated by approaches to several firms in advance to test the appetite and outline costs. The hardest to conclude is likely to be the Events Venue Assessment activity.
- 7.3** There is a risk that the Council invests £40k in commissioning reports that ultimately illustrate that there is no market for additional significant events to be run in West Dunbartonshire. Given the report previously submitted by the Strategic Director of Regeneration, Environment and Growth this is acknowledged as a possibility. The benefit of receiving the reports would be to

test this situation and also avoid the Council investing funds and time in future in trying to attract interest, or in staging events that may not be successful for a number of reasons.

## **8 Equalities Impact Assessment (EIA)**

- 8.1 An Equality Impact Screening did not indicate any further action required in relation to any recommendations.

## **9 Consultation**

- 9.1 This proposal has been discussed with officers from Finance, Legal, Corporate Communications, Procurement, Economic Development, Facilities Management, Greenspace, Roads, Licensing and Environmental Health. Representations have also been made to Creative Scotland, Event Scotland and a number of professional firms. The recommendations also include an intention to go out to public consultation to gather support for the changes to the events activity.

## **10 Strategic Assessment**

- 10.1 The proposals within this report support the following strategic priorities:
- A strong local economy and improved employment opportunities
  - Efficient and effective frontline services that improve the everyday lives of residents.

**Malcolm Bennie**

**Service Lead – Communication, Culture & Communities**

**Date: 09 January 2020**

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<b>Background Papers:</b>	<b>Administration Budget 2018-19 to Council on 5 March 2018.</b>  <b>Report by Strategic Lead, Communications, Culture and Communities to Council on 5 March 2018 on the 2018-19 Budget Consultation Results</b>
<b>Wards Affected:</b>	<b>All</b>