

REPORT TO ENGAGEMENT PDG

REPORT OF: Economic and Investment Officer

REPORT NO: ED001/16

DATE: 15th January 2016

TITLE:	Measuring the Economic Impact of Festivals and Cultural Events – Stamford Georgian Festival 2015	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:		
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Cllr Linda Wootten - Arts and Leisure Portfolio	
CONTACT OFFICER:	David Mather Ext 6079 d.mather@southkesteven.gov.uk	
INITIAL IMPACT ANALYSIS:	Carried out and Referred to in paragraph (7) below	Full impact assessment Required:
Equality and Diversity		
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	Stamford Georgian Festival Economic Impact Assessment	

1. RECOMMENDATIONS

- 1.1 That the content of the report is noted and any lessons learnt are to be incorporated into the planning of Gravity Fields Festival 2016.

2. PURPOSE OF THE REPORT

- 2.1 The purpose of the report is to provide details on the actions taken to record and measure the economic impact of the recent Stamford Georgian festival 2015 on the local economy organised and supported by the Council.

3. DETAILS OF REPORT

- 3.1 As part of organising Stamford Georgian festival the Council commissioned a separate company to undertake independent research into the economic impact on the local economy.

- 3.2 The methodology for economic impact modelling of festivals that has been adopted is well tested on similar events in the region such as the SO Festival in Skegness, Frequency festival in Lincoln and Format festival in Derby.
- 3.3 The company who undertook the economic assessment of the festival in 2015 used a variety of techniques to gather information:
 - Town centre footfall counts
 - Visitor questionnaire surveys
 - Analysis of ticket sales
 - Local business surveys
 - Retail postcode survey
 - Footfall counts at outside venues
 - Car parking data
 - Coach operators data
- 3.5 Net visitor figures are generated from the numbers of unique visitors to the festival, based on attendance at specific ticketed festival events and estimating those who attended none ticketed events such as outdoor performances. (These figures will include day visitors and those that involved at least one over night stay).
- 3.6 Visitor spend is calculated by identifying net additional spend from both direct spend made by individuals or groups whose sole reason for visiting was to attend the event or festival, together with indirect spend of those visitors who moved a visit to coincide with the festival.
- 3.7 Additional visitor spend does not include any displacement expenditure made by local residents who were in the vicinity but were there for other reasons. Expenditure figures are based on adults only calculated from information supplied on group composition and average spend derived from surveys conducted during the festival.
- 3.9 Once the net visitor expenditure has been calculated, an economic multiplier is applied to calculate the cumulative economic impact of expenditure from the festival on the local economy. The multiplier used in this instance is within the range used within the region to measure the impact of festival spend and is equivalent to 1.8.

Net visitor expenditure	£544,964
Economic multiplier (1.8)	
Total cumulative net economic impact	£980,935

- 3.10 The festival attracted a total of 53,000 visitors over the weekend with an estimated 22,000 additional visitors contributing over 3,668 overnight stays. Through direct comparison of visitor figures for Saturday of the festival and the previous Saturday figures, the increase was 154% higher and the highest count since records began in 2009.

- 3.11 The profile of visitors estimated 50% were none resident day visitors, 40% were local residents and 9% were overnight stays. Of the total visitors, 72% stated that the main reason for their visit was to attend the festival. The age profile of visitors showed some variation, with only 22% of residents aged over 60 compared to 43% of visitors.
- 3.12 The economic impact of the festival was assessed through the spending patterns of visitors, with average group size of 2.99 people, with an average spending power of £55.23 for day visitors compared to a group staying overnight with an average spending power of £168.42.
- 3.13 From a business perspective, there are always winners and losers resulting from a festival. Following the survey, 37% stated that the festival had had a positive benefit on their business and 51% stating it had neither a positive nor negative effect. A further 42% recognised that they had been exposed to new business opportunities the remaining number not recognising any new exposure to customers.
- 3.14 The attitudes represented from the business community mirror responses from other festivals and reflect some common experiences. Festival visitors tend to be focussed on attending events rather than shopping so their purchasing choices reflect this, i.e. food and drink, accommodation, meals, whose beneficiaries tend towards cafes, restaurants and hotels. However, feedback from the business survey suggests that business owners recognised the benefits of increased footfall in the town centre and the potential for repeat visits.
- 3.14 The return on the Council's investment demonstrated an investment of £70,400 generated £980,935 economic value to the town, representing a ratio of 1:15. [This figure from the Council does not include an estimate for staff time contributed towards the organisation of the festival]
- 3.17 The study explored how visitors became aware of the festival; residents relied heavily on word of mouth and traditional sources of information from the Arts centre and local newspapers. Responses from none residents revealed a more varied picture with no single source of information proving the most effective means to market the festival. The audience used a variety of traditional and online sources of information to learn about the festival.
- 3.18 One particular area to explore further is working with the group tour operators market. There were reported 15 coaches attending the festival
- 3.19 There are other factors which impacted positively on the local economy, some of which are harder to quantify economically:
- Increase in net car parking income
 - Increase in awareness about the town
 - Increase numbers registering on the Stamford Arts Centre mailing list
 - Increase levels of participation from the local community
 - Increased levels of engagement with schools and colleges
 - Increase in the numbers following social media
 - Increased engagement with different groups from the community

- Opportunity to work with new partners and organisations
- Opportunity to learn new skills
- Value of media generated by festival

3.19 Following recent feedback sessions with Full Council, Stamford Town Council, Stamford Chamber of Commerce, Stamford Town team, community groups and funding organisations, the overwhelming response has been very positive. The main observations were improvements to signage for visitor and coach parking, timing of the finale event and engagement with schools and community groups.

4. OTHER OPTIONS CONSIDERED

4.1 To manage the collection and analysis of data in-house by the local authority. Whilst this is an option, it would require significant numbers of people during long periods over the weekend to collect the data. Currently the priority is to secure volunteer help to steward the outdoor performances. Consideration could be given to using college pupils but due to supervision requirements this may be prohibitive in terms of volume of people required to carry out the work over a weekend.

5. RESOURCE IMPLICATIONS

5.1 The cost of undertaking the economic impact assessment of the Stamford Georgian festival was £4,800, which was accommodated in the festival budget. A further £2,800 was spent on recording footfall over the weekend as part of the Economic Development contract to measure footfall.

5.2 The festival came within budget with a 14% increase in net ticket sales on the previous festival. Despite not being successful in securing support from Arts Council England, a successful bid was made for £10,000 from the Big Lottery, towards delivering the community programme. There was also some success in achieving sponsorship from the private sector.

5.3 Following the delivery of two successful festivals within budget, the future challenge is to identify a model which can build on this success whilst reducing the financial commitment of the Council.

6. RISK AND MITIGATION

6.1 The risks associated with undertaking this work are largely managed through appointing an independent external company to undertake the on street survey work and another to carry out the footfall survey.

7. ISSUES ARISING FROM IMPACT ANALYSIS

7.1 By not undertaking this survey and analysis, the true impact of the Councils investment in festivals would be unknown and reliant upon anecdotal feedback. To support the future investment in events and festivals both by the Council, other funding organisations and the business community, economic impact studies are an important tool in measuring the impact of the on-going investment.

8. CRIME AND DISORDER IMPLICATIONS

- 8.1 There is no requirement for members of survey teams to be registered under DBS as the survey team would not be required to be alone with young people under the age of 18.

9. COMMENTS OF FINANCIAL SERVICES

- 9.1 The financial contribution made by the Council (excluding officer time) is referenced in the report and demonstrates the wider economic financial impact that was generated as a result of the festival being held.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 10.1 An equality impact assessment was carried out in respect of the Cultural Strategy which provides for the delivery of festivals and cultural events.

11. COMMENTS OF OTHER RELEVANT SERVICES

- 11.1 None

12. APPENDICES: