

ABERDEEN CITY COUNCIL

COMMITTEE	Finance, Policy and Resources
DATE	1 st December 2016
DIRECTOR	Angela Scott, Chief Executive
TITLE OF REPORT	Aberdeen 365 – Events Strategy
REPORT NUMBER	OCE/16/040
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT

To provide members with an update on the Aberdeen 365 Events Strategy and to seek approval for the 2017 -18 city events programme.

To update members on the need to undertake competitive tendering exercises for some of the activities within the proposed programme and to seek approval for this.

To seek approval for two new events as detailed in the SIP/City Centre Masterplan (CCMP) report, relevant to the city's ambition to grow its existing events portfolio.

To seek approval for a higher than estimated aggregate spend on event security services from Showsec for 2016/17.

2. RECOMMENDATION(S)

Members are asked to:

- (i) Approve the Events Strategy detailed in Appendix 1, to allow officers to develop an operational plan and budget to implement it;
- (ii) Instruct officers to report to the February Finance, Policy & Resources Committee with a recommended operational plan and budget to implement the Strategy;
- (iii) Agree the appraisal criteria detailed within this report to inform which events Aberdeen should target;

- (iv) Applying these, delegate authority to officers with the Head of Legal & Democratic Services and the Head of Finance to negotiate [the delivery of a three-year programme of events]with SweetSpot and EventScotland to host [an annual] Tour Series Event in Aberdeen; and to develop plans for the Nuart Festival;
- (v) Approve the events programme for 2017 – 2018 as detailed in Appendix 2.
- (vi) Approve expenditure of £530,000 from the existing Communications & Promotion budget subject to the Council's budgetary process, to be funded as follows:
 - a. from the events budget - approximately £140,000 for Security Services per annum for three years with the option to extend for a further year on the 3rd and 4th anniversary of the commencement of the contract ,
 - b. from the Beach Ballroom budget - £20,000 for Security Services per annum for three years with the option to extend for a further year on the 3rd and 4th anniversary of the commencement of the contract ; and
 - c. from the events budgets already detailed within Appendix 2 of this report - approximately £110,000 for Production Services per annum for three years with the option to extend for a further year on the 3rd and 4th anniversary of the commencement of the contract .
 - d. from the existing approved events budgets to meet costs associated with additional events previously approved by committee - additional contractual stewarding spend of £30,000 for the remainder of 2016-17.
- (vii) Approve the undertaking of competitive tendering exercises via Public Contracts Scotland for both Production Services and Security Services related to the safe organisation and delivery of events in Aberdeen; and
- (viii) approve aggregate expenditure of £73,039.51 (increased from £55,000 on event security services from Showsec for 2016/17.

3. FINANCIAL IMPLICATIONS

The Aberdeen 365 Events Strategy seeks to significantly raise the level of ambition of events in Aberdeen - the City Centre in particular - as part of the implementation of the CCMP, and to raise profile, and achieve economic and community benefit.

As the Strategy was being developed, two opportunities have come forward that will require an early decision by Members – the Pearl Izumi Tour Series and the Nuart Festival.

The cost of securing the Pearl Izumi Cycling Tour Series event is £60,000 per annum. Preliminary discussions have taken place with EventScotland and the event 'owners' SweetSpot, whereby the local host would provide £45,000 and an application would be made to EventScotland under its International Events Programme for a grant contribution of £15,000. This is an indicative estimate and further discussion between officers is required.

However at this stage, a bid has been made to the CCMP budget under the Aberdeen 365 project for up to £45,000 to secure the event¹, and officers would also work with VisitAberdeenshire, partners and the private sector to generate financial and 'in kind' support. Officers will confirm the recommended funding package at a future committee.

The cost of the proposed Nuart Street Art Festival is £200,000. A contribution of £75,000 from the CCMP Budget to match Aberdeen Inspired's contribution of £75,000 is requested, in addition to the £50,000 external funding being sought¹.

It should be noted that there are significant budgetary pressures placed on all individual event budgets due to the costs associated with production services, traffic management, and the provision of essential events support - stewarding, security, medical and local authority obligations under Health and Safety legislation.

In order to ensure that Aberdeen City Council meets its public procurement responsibilities, procurement for essential event services should commence in January 2017, so they are secured for 1 April 2017 and the start of the 2017 -18 event programme, which sees additional events including the Great Aberdeen Run 2017.

Both Production Services, and Security Services will be competitively tendered via Public Contracts Scotland for a period of three years with the option to extend for up to a further 24 months. The costs estimated in recommendation (vi) are annual costs.

The tender for the provision of Security Services requires to include the Council's aggregate requirements and accordingly will incorporate the needs of the Beach Ballroom. The Beach Ballroom is a venue under the management of Aberdeen City Council and is a multi purpose licensed venue, hosting a variety of events from pop concerts, sporting events e.g. boxing, dinner dances and conferences. The venue has a small team of door staff but with the closure of the Music Hall, it is receiving many more bookings with higher requirements of Stewarding. In order to follow government guidelines there is a requirement for additional resources.

It should be noted that the cost to deliver Hogmanay in 2016 exceeded the current budget by £25,000 with monies being redirected from service underspend. This is not sustainable in future years, so

¹ A separate item on this Agenda as part of the SIP report seeks this approval.

additional monies are required to be approved by committee from the service budget to deliver an event of this scale going forward.

The Council has an existing arrangement with Showsec for the provision of event security services. At the time of procuring these services, the cost was estimated to be £55,000 and the competitive quotes procedure (standing order 6 of the Standing Orders relating to Contracts and Procurement (2014)) was followed. The actual value of the services to be procured has exceeded the original estimate. The total expenditure to the end of 2016/17 is £73 039.51. The reason for the increase is additional stewarding to support the safe delivery of existing and new events in the city events programme for 2016-17.

4. OTHER IMPLICATIONS

Staffing: The City Events team is currently staffed by one full-time Senior City Events Officer, two full-time City Events Officers and one full-time City Events Executive. The successful delivery of the city events programme is dependent on a fully-staffed team.

To ensure the most appropriate use of staff time and resources in delivering events in Aberdeen, officers from the team work with colleagues in other Council services including Economic Development, Cultural Services, Licensing, Environmental Services and Traffic Management to ensure the safe coordination and delivery of events.

The City Events team also works closely with a number of partners including EventScotland, VisitScotland, Aberdeenshire Council, Visit Aberdeenshire, the Aberdeen City and Shire Hotels Association (ASCHA) and Aberdeen Inspired so that events held in Aberdeen present opportunities accessible to local business and offer exciting activities to support the weekend leisure destination break market and maximise the opportunities for securing net additional benefit to businesses in the city and wider region.

5. BACKGROUND

In May 2013, EventScotland published Scotland, the Perfect Stage, a national event strategy with the 2020 vision – ‘Scotland firmly established as the perfect stage for events’. This aims to utilise and develop the assets that Scotland has for staging sporting and cultural events, focused on:

- cultural identity and heritage
- people
- natural environment
- built facilities
- signature events

Securing the Future of the North East Economy – A 20-year Vision for the Wellbeing of the Place and Our People is the economic plan for Aberdeen and Aberdeenshire. A key objective of the

Internationalisation Programme area is to improve the attractiveness of the city for international trade, investors and visitors, and in response there is a commitment to develop an events strategy to target international, national and regional events.

Delivering culture and tourism impacts, and to facilitate diversification into new national and international events, is also a key strand of CCMP delivery through the Aberdeen 365 Events Programme, the Broad Street public realm proposals, and the focus on development of a new arena and conference centre to anchor existing international event activity.

To develop this proposition, in a report dated 16th February 2016, Finance, Policy and Resources committee (OCE/16/006) instructed officers to conduct an events review with the aim of producing a three to five year events strategy.

6. MAIN ISSUES

The Strategy

A central theme of the consultant's brief for an events strategy was to create a compelling programme that supported the Regional Economic Strategy and the City Centre Masterplan objectives.

Blue Sail consultants were appointed following a competitive tender. Their approach involved a review of the existing programme of events financed or delivered by the Council, the role of other providers and, based on a 'gap analysis', development of a strategy and 'route map' to create an events programme worthy of a major European city and one that matched the City's economic and social objectives. The methods employed included interviews and workshops as well as a desktop review of other European cities that had successfully launched their city brand via a proactive events programme.

In coming to their conclusions the consultants reviewed previous work on culture and events programming:-

- UK City of Culture feedback via Regeneris
- BOP consultants 2013 cultural assets map for the city
- The new Aberdeen Art Gallery and Museums store
- 2014 report 'Creating a New North'
- BDP's City Centre Masterplan reports
- Aberdeen Festivals 2015 Catchment analysis

The Strategy highlights a need to develop a new portfolio of events that can be attracted to Aberdeen that develop the city's offering as well as continuing to meet priorities within the existing events programme, and can be accommodated in new 'event space' that is coming forward under the Broad Street proposals – eg street markets, small concerts/ street entertainment etc.

It refers to a 'string of pearls' approach to deliver high profile and high octane events that will draw in residents and tourists alike. Within the strategic approach recommended in the proposed Events Strategy, a typology for events is proposed across four broad categories:

- Headline events
- Feature events
- City events
- Community events

It proposes a series of new 'bought in' events according to their potential contribution to the city's economic objectives, in some cases expanding or re-focussing existing events, and relating them to available facilities and infrastructure.

Further work is required on the implementation and resource plan needed to deliver the Strategy. Officers will undertake further work on the operational plan needed to implement the ambitious proposals within the Strategy; and the nature of what investment funding is needed to develop the new events proposed. A report will be provided at the February 2017 Committee.

The Consultant's (Blue Sail) Report (Aberdeen 365 Events Strategy 2016-21) is attached as Appendix 1.

The 2017/18 Programme:

The events detailed in the City Events programme (Appendix 2) contribute to the common good of the city, are inclusive, maintain and develop the city's continued civic pride and showcase Aberdeen's ability to attract and host major cultural and sporting events.

Through the Christmas Village Funding and Service Provision Agreement (SPA) a separate annual report will provide members with feedback on the Christmas Village by March of the following year.

The proposed Programme of existing events for 2017 – 18 will be aligned to the principles of the events strategy, and will provide a balance of city events that are well established in the Aberdeen calendar that continue to provide social and cultural benefits for Aberdeen, while including new events that will support the growth and development of the events portfolio and reflect the ambitions of the implementation plan that will be presented to a future committee for consideration.

Appraisal Criteria

A clear set of criteria should be adopted to inform which events, within the categories above, should be targeted to achieve [the desired outcomes for Aberdeen].

As the proposed Events Strategy contributes directly to the national events strategy and the regional economic and tourism strategies, it is important that any event in Aberdeen delivers the objectives of the event itself (eg sporting, cultural); but also maximise the economic and 'legacy' impacts of staging that event, and growing the city's national and international reputation.

In making a decision to invest in an event, officers would propose using the following criteria:

- Alignment to economic/tourism and events strategies – does the event contribute to the strengths of the city and wider area;
- Visitor attraction potential – does the event have the potential to attract visitors from outside the area, and overnight stays/return visits;
- Economic impact – could the event generate a substantial economic benefit to businesses in the event and wider area;
- Media profile – does the event have the potential to attract media attention, advancing Aberdeen and the region's reputation nationally and internationally;
- Place shaping – does the event celebrate the distinctiveness of Aberdeen and the north east of Scotland and the built and natural environment;
- Funding – if the Council contributes, what added-value is there from that investment in terms of leveraging external funding (e.g. EventScotland, sponsorship) and in-kind support.

Any reprioritisation may involve stopping funding of some current events, improving on some existing events that demonstrate potential against the criteria, bidding for existing high profile national and international events and stimulating the development of new proposals to be funded via partners or other sources.

It takes at least three years for an event to be associated with a place and the economic and tourism benefits to be maximised. Successful events therefore require multi-annual funding streams and commitment and clarity around decision making.

Many of the event opportunities identified by the Consultants will require additional resourcing (above the amounts discussed in this report). The consultants noted that the success of events is often reliant on public sector support with the benefits felt in terms of regional economic impact. However rarely if ever are such events fully funded by the private sector.

In terms of Headline Events, the Council has recently agreed to a substantial contribution of £150,000 contribution to holding the Great Aberdeen Run in the City Centre in August 2017. The details of two further Headline Events for which additional financial support is required are set out below.

The challenge for ACC is to identify the sources of support, from both within the City Council, and externally in the knowledge that through rigorous application of the identified criteria, the economic benefit to the region will offset the costs of securing and hosting an event.

Upcoming Opportunities

Pearl Izumi Cycling Tour Series

Aligned to the strategy is the potential for the Pearl Izumi Tour Series to come to Aberdeen in 2017, the ninth year of the series. Officers approached SweetSpot, the owners of the event, to explore the potential for one of the series' events to come to Aberdeen to provide economic impact and exposure for Aberdeen at a national and international level.

The event involves ten teams of the UK's best riders competing in hour long races or criteriums in city and town centre circuit for an overall 'Fastest Team' in the country accolade. It would be the first time that elite cycling was available in Aberdeen, and officers from across Council services would work to expand the event into a wider celebration of cycling and encouraging business, spectator and community participation. For example, the Tour Series can also enable delivery of support races and activities providing a 'celebration of cycling' and a platform for corporate participation and sponsorship.

The proposal being discussed is to work with SweetSpot for three years 2017 – 2019:

- To create a community-based festival of cycling in Aberdeen in the summer of 2017 and thereafter;
- To promote cycling as a mode of transport and mass participation, in keeping with the aspirations of the City Centre Masterplan;
- To capitalise on the Tour Series event to promote Aberdeen, Aberdeenshire and the North East of Scotland as a cycling destination; and
- To promote a day of cycling and the opportunity for local people, businesses and schools to participate.

If the event is secured in Aberdeen, initial indications suggest that it would be scheduled for a Thursday night; but in subsequent years, officers have proposed a Friday night in order to provide an opportunity to develop a weekend schedule of complementary activity, working with colleagues in Aberdeenshire Council.

Nuart Street Art Festival

The Nuart Street Art Festival, to be led by Aberdeen Inspired, would be held in Aberdeen City Centre in April 2017. This is a world class event, originating from Stavanger and developed over the last 15 years, which entails a main event bringing internationally renowned artists who

converge on Aberdeen City Centre, supported by a community programme. The Event would build on earlier initiatives in the City, including the 'Painted Doors', Street Art at UTG and 'Play me I'm Yours' initiatives, on which the feedback has been universally and overwhelmingly positive from all stakeholders and people of all ages.

To complement this approach, Aberdeen Inspired is currently working with both the University of Aberdeen and Robert Gordon University to determine the feasibility of developing an Academic conference which will give visiting artists, local artists, students and other stakeholders the opportunity to take advantage, and learn from, guest lectures, film screenings and debates in the city centre.

The potential for increased footfall, extensive positive media and marketing of the city centre for local, regional, national and international tourism is considerable. The personal development opportunity and skills development potential for the community programme participants and local artists, even more so – and, individually and collectively as part of the Events Strategy.

7. IMPACT

The Pearl Izumi event attracts 120,000 spectators across its ten venues. Evaluation of the 2015 series indicates that 15,000 spectators attended the Bath event and 12,500 the Canary Wharf event.

Each round is broadcast on ITV4 (including live streaming on ITV.com and access on ITV Player) and Eurosport UK and across 60 international markets, which in turn provides an additional platform for the promotion of the regional tourism offer and the city centre. Highlight shows are run every evening after every round, and each episode provides coverage of the race and a local tourism segment.

Average viewing for the 2015 series was 235,000 with the repeat show averaging 65,000. The event receives extensive coverage in national print media, regional television and radio, as well as cycling press. Independent evaluation of the Tour Series round in Edinburgh estimates a gross economic benefit in the city centre of £440,000.

The Nuart Festival has the potential for increased footfall, extensive positive media and marketing of the city centre for local, regional, national and international tourism. The personal development opportunity and skills development potential for the community programme participants and local artists is also considerable. If the events are attracted to Aberdeen, as host venue, officers will work with the organisers on their commission of an independent economic impact assessment of the events.

Improving Customer Experience

Events and participation by the Council provide an opportunity to promote and enhance the long-term economic prosperity of Aberdeen and the wider region by attracting additional visitors to the city on account of the event. In turn this attracts additional commercial activity in the city and officers will work with business customers to maximise both the benefit of the event on city-centre businesses and provide information on the event itself.

Supporting and delivering a diverse programme of city events is expected to improve the customer experience by:

- Enhancing the reputation of the city for staging local, national and international festivals and events;
- Better positioning of Aberdeen as a leisure tourism destination for those looking for new and unique event experiences
- Providing city infrastructure that attracts and supports external event organisers

Improving Staff Experience

Staff within the Council's Communications Service will work closely with colleagues from Economic Development, Culture, Transportation and Environmental Communications to improve the economic impact of the events in the city. The Strategy and subsequent implementation plan allows much greater alignment of effort and resources within the Council and with external partners and stakeholders. Delivering a diverse events programme provides the staff involved with valuable experience of dealing with a wide range of internal (Elected Members, senior officers) and external (businesses, contractors, suppliers etc) customers from diverse sectors including creative, cultural and event industries.

Improving our use of Resources

Collaborating with local, regional and national partners improves our use of resources and maximising financial leverage to secure an event. By working in partnership the Council is able to share the workload and take lead or supporting roles where appropriate, without compromising the level of service delivered.

Corporate

The Council is a member of VisitAberdeenshire and Aberdeen Inspired. At a strategic level, it has a key role in the long-term development of tourism in the city and north east of Scotland. Aligned to this, is its corporate role in providing confidence to the events market that the Council supports the attraction of the 'right' event for the city, and the contribution to wider economic, tourism and City Centre Masterplan objectives.

The report is also directly contributing to delivering the Smarter Aberdeen Objectives.

Public

Neither a Equality and Human Rights Impact Assessment nor a Privacy Impact Assessment is required for this report. There may be some public/media interest in the parts of the city events programme that involve participation by Elected members and/or officers.

8. MANAGEMENT OF RISK

The risk to the Council would be managed through specific contracts for each event between the organiser and the Council. This would be drafted in conjunction with the Head of Legal and Democratic Services and the Head of Commercial and Procurement Services. Any such agreement will seek to mitigate financial risk to the Council.

There is a reputational risk to the Council if an event does not develop as planned. This is mitigated by the experience of Council officers in securing and supporting the delivery of international events and a robust internal and external communications plan for any event.

Aberdeen's city events programme is key to the destination promotion that Aberdeen City Council, VisitAberdeenShire, Aberdeen Inspired and VisitScotland currently undertake.

Should this diverse and engaging programme not continue, then Aberdeen could potentially cease to be an attractive destination for visitors and local residents with economic spend being distributed elsewhere in Scotland and event organisers considering alternative delivery locations.

9. BACKGROUND PAPERS

In a report dated 16th February 2016, Finance, Policy and Resources committee (OCE/16/006) instructed officers to conduct an events review with the aim of producing a three to five year events strategy.

10. REPORT AUTHOR DETAILS

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