ABERDEEN CITY COUNCIL

COMMITTEE Finance Policy & Resources

DATE 20 September 2017

REPORT TITLE Tall Ships Race

REPORT NUMBER CHI/17/128

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1. PURPOSE OF REPORT:-

1.1 The purpose of this report is to respond to a previous instruction to work on a potential bid for the Tall Ships Race in Aberdeen in 2022.

2. RECOMMENDATION(S)

- 2.1 That Finance, Policy & Resources Committee:
 - a) Note the content of this report;
 - b) Agree that a bid for the Tall Ships Race in 2022 is not viable and therefore agree that the development of a formal business case and allocation of associated resources be postponed;
 - c) Instruct officers to continue to explore options for a future bid for the Tall Ships Race and/or an appropriate maritime event following wider consultation with Aberdeen Harbour and city/regional partners. Where appropriate, this would align to any future City of Culture bid

3. BACKGROUND/MAIN ISSUES

- 3.1 At its meeting on 9 March 2017, Finance, Policy & Resources Committee instructed officers to build £500,000 into the base budget over the next four years to ensure Aberdeen City Council is in the best possible place to apply for and hold the Tall Ships Race in 2022. A second instruction required officers to work with partners and other organisations in the private sector to secure a minimum of 25% private sector funding to support any bid.
- 3.2 Subsequent to that instruction, lead officers met with Aberdeen Harbour Board to discuss a number of initiatives where there are joint interests, including:

- City Centre Masterplan Aberdeen 365 events strategy
- Events of scale with economic impact
- Aberdeen Events Group
- Destination promotion through Visit**Aberdeen**shire
- Opportunities to support event activity at Aberdeen/South Harbour for cruise passengers, thereby maximising this business opportunity for the city.
- 3.3 These discussions revealed that the Harbour Board is not in a position to support a bid for the Tall Ships in 2022 due to the following:
 - Significant changes to the existing harbour layout since the event was last held in Aberdeen with quaysides and cargo sheds previously used to accommodate Tall Ships twenty years ago now leased to third parties.
 - Interruption to business (and loss of revenue) represented by the Tall Ships is significant and the 2022 date would be at a critical point in terms of the Harbour's efforts to market and secure business for the new South Harbour.
 - Trust Port customers keen to optimise use of existing port and new South Harbour Facilities and tall ships represents significant interruption to harbour operations which are 24/7, 365 days a year
 - Expanded Cruise strategy guaranteeing permanent long term economic benefit to City Region being developed in conjunction with VisitAberdeenshire with first ships visiting the South Harbour in 2020/2021
 - Significant change in the operational practice and physical layout to address security across the port - ISPS Regulations*
 - The number of large Tall Ships now in circulation means Aberdeen Harbour could no longer meet the demands of the organisers of the event.

3.4 Given that the Harbour Board would not be supportive of a bid to host the Tall Ships Race in 2022, no further work has been undertaken on the business case for Council investment of £500,000 per year to support the bidding process.

4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications relating to this report.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations in this report.

6. MANAGEMENT OF RISK

6.1 Financial

No risk until such point as a decision is reached to develop a bid.

^{*}International Ship and Port Facility Security Code

6.2 There are no risks identified in the categories Employee, Customer/Citizen, Environmental, Technological, Legal and Reputational.

7. IMPACT SECTION

 This section demonstrates how the proposals within this report impact on the strategic themes of Aberdeen City Council and Community Planning Aberdeen, as set out in the <u>Aberdeen City Local Outcome</u> <u>Improvement Plan 2016-26</u> and the <u>Aberdeen City Council Strategic</u> <u>Business Plan.</u>

7.1 Economy

- 7.1.1 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.
- 7.1.2 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

7.2 People

- 7.2.1 Staff within the Council's City Promotion & Events Team will work closely with colleagues from Economic Development, Culture, Transportation and Communications to improve the economic impact of the events in the city.
- 7.2.2 The Strategy and subsequent operational plan allows much greater alignment of effort and resources within the Council and with external partners and stakeholders. Consideration should be given to improving the existing internal structures within which the City Council's events are strategically planned and delivered, to enable the maximum benefit of the city's investment and the expertise within the staff teams.
- 7.2.3 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.
- 7.2.4 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.

7.3 Place

- 7.3.1 Promoting and supporting events, involving key partners, significantly contributes to Aberdeen City Council's economic vision and quality of life ambitions as detailed in the Regional Economic Strategy.
- 7.3.2 Collaborating with local, regional and national partners improves our use of resources and maximising financial leverage to secure an event.
- 7.3.3 Aberdeen's events programme also aligns to the cultural strategy vision as it allows for improved communication of cultural opportunities, helps with changing the perception of the city, to develop a stronger cultural identity and to have increased levels of effective partnership working.

7.4 Technology

7.4.1 The use of new technology in event organisation, management and delivery is actively encouraged, with delivery partner supported to use technology to develop and maintain relationships/communications through websites, blogs and video diaries to inform and to share event experiences.

8. BACKGROUND PAPERS

None

9. APPENDICES (if applicable)

None

10. REPORT AUTHOR DETAILS

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