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| Title of Report: | Impact of Covid- 19 on both Applicants to Tourism Events Funding Programme 2020 / 2021 and Council Supported Events. |
| Committee Report Submitted To: | Council |
| Date of Meeting: | 2nd June 2020 |
| For Decision or For Information | For Decision |

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|--|---|
| Linkage to Council Strategy (2019-23) | |
| Strategic Theme | Promote our tourist offer locally and internationally |
| Outcome | Improve prosperity To provide a balanced portfolio for major events across the Borough and facilitate partnership with other event promoters |
| Lead Officer | Head of Tourism and Recreation |

| | |
|------------------------------------|------------|
| Budgetary Considerations | |
| Cost of Proposal | TBC |
| Included in Current Year Estimates | YES |
| Capital/Revenue | Revenue |
| Code | |
| Staffing Costs | |

| | | | |
|--|--|-----|-------|
| Screening Requirements | Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals. | | |
| Section 75 Screening | Screening Completed: | n/a | Date: |
| | EQIA Required and Completed: | n/a | Date: |
| Rural Needs Assessment (RNA) | Screening Completed | n/a | Date: |
| | RNA Required and Completed: | n/a | Date: |
| Data Protection Impact Assessment (DPIA) | Screening Completed: | n/a | Date: |
| | DPIA Required and Completed: | n/a | Date: |

1.0 Purpose of Report

The purpose of this report is to outline the process by which successful Tourism Events Funding Programme (TEFP) applicants can avail of the funding allocated by Council to support their events. This is in view of the special circumstances created by COVID 19.

2.0 Background

At the Council's Leisure and Development meeting in March 2020 Officers presented the Tourism Events Funding Programme for April 2020 to March 2021. This report was not ratified and in the interim the COVID 19 pandemic has caused major disruption. The report has since been tabled at the Council Meeting on 12 May 2020.

The impact of the COVID 19 crisis has led to the suspension of all of the large events and small events that would have been eligible for funding by Council (with the exception of Stendhal who have yet to notify with a decision). Most event organisers have taken this decision as a result of Public Health Agency (PHA) guidance in relation to Covid - 19, and in particular as a result of a government ban on events and 'mass gatherings'.

The TEFP event programme that was taken to the Leisure and Development in March 2020 is detailed in **Table 1**.

Table 1

| Large Events Grants 2020-2021 | Recommendation |
|---|-----------------------|
| Armoy Road Racing | £19,550 |
| Coleraine and District Motor Club, North West 200 | £61,800 |
| Stendhal Festival | £60,000 |
| Derry and District Youth Foyle Cup | £16,250 |
| Super Cup NI | £58,500 |
| | |
| TOTAL | 216,100 |

| Small Event Grants 2020-2021 | Recommendation |
|---|---|
| Pirates of Portrush | £12,750 |
| Heart of the Glens | £8,450 |
| North Antrim Agricultural Association Ballymoney Show | Ineligible due to non-deficit funding |
| Northern Ireland Potato Festival | Did not meet the scoring threshold of 65% |
| | |
| Total | £21,200 |

Total budgeted figure was £237,300.

3.0 The Impact of COVID-19

As a result of Government direction, the Event programme in Causeway Coast and Glens has been decimated until at least September 2020. (Council has cancelled all its own managed events until September).

The organisation of many funded events is complex and time consuming with expenditure often required long before the event takes place. Some have fixed running costs that are

incurred throughout the year including rental of properties, storage areas and utility expenses. The NW200 and Stendhal have salaried staff (these staff have been furloughed to date).

Event organisers have, where possible, cancelled any procurement and provision of services due to the cancellation of events. Whilst this will reduce the financial outlay, some will still have ongoing costs and expenditure that has already been committed and cannot be recouped.

4.0 Proposal to Assist TEFP Applicants

As organisers have cancelled events due to the impact of COVID-19, many have incurred expenditure as part of the planning process of delivering these events. Potentially organisers are in a situation of financial hardship, creating debt with depleted income sources from funders, event sponsors and event derived incomes. Some event organisers have claimed that the future sustainability of the events is in question.

4.1 Potential for Council to Fund Incurred Eligible Costs

Council's Funding Unit has been in contact with all TEFP applicants that were assessed and scored above the threshold levels to allow funding in the 2020/21 financial year.

Organisers have detailed those costs that have been incurred as part of the planning and organisation of the event. The Funding Unit has made an assessment of those costs that are eligible under Council's Funding Policy and the TEFP guidelines and these are summarised in **Table 2**.

Table 2

| Organisation Name | Total Costs as per application | Grant Recommended in March 2020 report (Not approved by Council) | Total Eligible Costs incurred to date |
|--------------------------------------|---------------------------------------|---|--|
| Armoyle Motorcycle Road Racing Club | £116,555.00 | £19,550.00 | £13,192.29 |
| Coleraine & District Motor Club Ltd. | £599,000.00 | £61,800.00 | £86,031.86 |
| Derry & District Youth Foyle Cup | £180,000.00 | £16,250.00 | £0.00 |
| Stendhal Festival Ltd | £653,650.00 | £60,000.00 | £14,467.16 |
| SuperCupNI | £438,113.00 | £58,500.00 | £27,712.00 |
| Heart Of The Glens Festival | £29,160.00 | £8,450.00 | £2,327.35 |
| Portrush Heritage Group | £30,000.00 | £12,750.00 | £912.14 |
| Totals | £2,046,478.00 | £237,300.00 | £144,642.80 |

These eligible costs (**Table 2**) have already been incurred by event organisers in the expectation that their events would run and that funding would have been sourced through organisations including Causeway Coast and Glens Borough Council. Although the TEFP has not been approved by Council, Elected Members may wish to consider funding those successful applicants to allow recovery of expenses incurred in preparation for the events. Event organisers claim that this would be a significant step in recovering costs and ensuring the viability of the events moving forward into 2021/22. A number of options are recommended for Members consideration.

- Derry & District Foyle Cup have not incurred any costs for their cancelled event.
- Heart of the Glens Festival have incurred £2,327.35 in insurance costs which have been checked and are eligible.
- Pirates off Portrush have incurred £912.14 in administration, programme development and printing costs which have been checked and are eligible.
- Armoyn Road Racing have incurred £13,192.29 in advertising, printing, marketing, affiliation fees and some operational expenses which have been checked and are eligible.
- North West 200 have incurred £111,526.17 of event development costs which have been checked and £86,031.86 is eligible, the remaining are core costs / fixed costs which are ineligible to the fund.
- Stendhal have incurred £49,603.58 of event development costs which have been checked and £14,467.16 are eligible, the remaining are core costs / fixed costs which are ineligible to the fund.
- SupercupNI have incurred £28,712.00 of event development costs which have been checked and £27,712.00 are eligible, the remaining are core costs / fixed costs which are ineligible to the fund.

4.2 Other Costs Incurred by Event Organisers

The Funding Unit have ask for any other/additional costs incurred by the event organisers that does not fall under the TEFP eligibility. All applicants were **asked for information on additional costs and three have provided this** information. For Members information this is detailed in **Annex A**.

5.0 Sustainability Argument

Event organisers have approached Council and requested financial support in light of the COVID 19 pandemic. They recognise that the TEFP funding has not been approved to date but have stated that they require support with costs incurred to date in order to sustain events for next year.

Elected Members are asked to give consideration to the request from event organisers for financial support in light of the COVID 19 pandemic.

6.0 Options

Three possible options are outlined below for Members consideration. Council Officials recommend not exceeding the amount of money originally offered through the TEFP, taken to the Leisure and Development Committee meeting in March 2020.

(For example an applicant who was recommended within the grant process to be awarded £20,000 and to date has spent £30,000 on eligible costs, would receive no more than £20,000)

Option 1

Suspend the TEFP for 2020/21 and advise applicants that no funding will be awarded.

Option 2

Based on the exceptional circumstances arising from COVID 19, allocate successful applicants under the TEFP with funding towards eligible expenditure incurred to date as detailed in Table 2 – **up to a maximum of the grant recommendation amount as of March 2020 Leisure and Development Report.**

Cost to Council £120,410.94

Option 3

Based on the special circumstances arising from COVID 19, allocate successful applicants under the TEFP with funding towards all eligible expenditure incurred to date as detailed in Table 2

Cost to Council £144,642.80

7.0 Recommendation

It is recommended that Elected Members give consideration to the request from Event Organisers who made applications to the TEFP and who are now requesting special status funding as a result of the COVID 19 situation. Members should also consider the three options outlined.

Annex A

Non Eligible Costs

| Organisation Name | £ | Additional / Other Costs |
|--------------------------------------|--------------------|---|
| Coleraine & District Motor Club Ltd. | £34,683.31 | Additional Costs which are not eligible under TEFP but are annual fixed costs for the organisation and which cannot be claimed from elsewhere. |
| SuperCupNI Ltd | £79,322.00 | Additional costs are not attributed to this years event, they are part of Supercup NI's Recovery Plan and planning for next year's event. |
| Stendhal Festival Ltd | £174,210.66 | Additional costs not listed on original application. Staff costs / personnel costs for the 2020 financial year which make up the bulk of these costs. |
| Totals | £288,215.97 | |