

Economic Impact of Events and Festivals in Lichfield City

Cabinet Member - Cllr Iain Eadie

Date:	21 January 2020
Agenda Item:	Economic Impact of Events and Festivals In Lichfield City
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Key Decision?	NO
Local Ward Members	N/A



Economic Growth,
Environment and
Development
(overview and scrutiny)
committee

1. Executive Summary

- 1.1 The purpose of this report is to provide the committee with the findings of the work that has been undertaken by Bournemouth University to assess the economic impact of key events and festivals that take place in Lichfield city.
- 1.2 Lichfield District Council commissioned Bournemouth University to undertake an Economic Impact Assessment of the events and festivals held within Lichfield City Centre. This research provides information about how these events are contributing to the local economy, what effects they are having on local businesses, what the visitors' perceptions are and to provide information about if and how they deliver economic, social and cultural benefits to the city.
- 1.3 Lichfield traditionally boasts an extensive and enviable programme of events and festivals which attract thousands of visitors to the area.
- 1.4 Whilst Lichfield District Council delivers and supports a small number of these events, the majority of events that take place are delivered and funded by partner organisations.
- 1.5 The aim of this work was to determine the impact the growing number of events and festivals are having on the city and local businesses. In particular the council wish to identify the measurable economic benefits the events and festivals deliver.

2. Recommendations

- 2.1 It is recommended that the committee note the contents of this report and:
 - Provide a view on whether more or less events and festivals should take place and if more, what type of events or festivals would they like to see.
 - Consider whether the district council should play more of an active role in facilitating events and festivals, and if so, determine what role that should be.
 - Consider the resource implications of the district council playing a more active role including the promotion and marketing of events and festivals.
 - Consider whether the district council should introduce an event booking protocol with a view to enhancing collaborative working and review the approach the council takes on charges.

3. Background

Context

- 3.1 A key theme of Lichfield District Council's Strategic Plan 2016 – 2020 is that we will help “create a vibrant and prosperous economy” by encouraging increased visitors, increased spend in our local economy and more overnight stays.
- 3.2 Events and festivals are recognised as a key part of this, as an engaging events programme helps us build on our heritage, tourism, and cultural offer and encourages more footfall, both to the events and afterwards as events help showcase the city for future visits.
- 3.3 Lichfield is rapidly becoming known as the “City of Festivals”, it has an all year packed calendar of events that range from traditional well established events like the Greenhill Bower and Lichfield Proms in the Beacon Park to newer events such as the Monthly Grub Club and The Cathedral Illuminated. The popular Lichfield Food and Drink Festival that takes place in August over 3 days is now in its 8th year, Lichfield Festival in July is now in its 36th year and lasts for around 10 days. A lot of the newer events are food and drink related, and are taking place in the city centre and on land directly adjacent.

Delivery and support

- 3.4 As the local authority, Lichfield District Council has various direct and indirect roles and functions when it comes to events and festivals, through its regulatory service it provides the necessary licences and consents to allow activities to take place ensuring they are safe for customers and can be suitably accommodated. In addition the council via its tourism and communications teams help to promote and market what is on and through the provision of land and/or availability of facilities such as car parks help to support the events and festivals.
- 3.5 An internal officers group was set up in early 2018 to consider how best Lichfield District Council can promote and support the various events and festivals via the councils many different roles. Officers from regulatory services, tourism and leisure services are part of this group.

Assessment Methodology

- 3.6 Members have previously indicated a desire to have an understanding of the economic impact of events and festivals on the city. To this end officers have been asked to undertake this work and report back.
- 3.7 Following the circulation of a project brief, The Market Research Group an independent market research agency based in Bournemouth University, were the chosen company to deliver this work.
- 3.8 Bournemouth University The Market Research Group, an independent market research agency based within Bournemouth University (BU) have been appointed to carry out the work. They specialise in providing market and social research intelligence services tailored to suit the needs of individual organisations within the public, tourism, heritage, arts and academic sectors. MRG have over twenty years' experience of undertaking visitor research at local, regional and national level for a range of organisations, including local authorities.
- 3.9 The first part of the economic impact assessment was to provide a **Position Statement** of the key events and festivals which took place in the city in 2018.
- 3.10 The next stages of the economic impact assessment methods are highlighted below, the findings can be found in the full report:
- 3.11 **Event organiser survey**

Event organisers were asked to take part in this survey with the aim of learning more about their events, including what their target markets are, how they operate and function in terms of financial returns to the organisation, ticket sales and jobs created.

3.12 **Stall holder survey**

Stallholders were asked to take part in the survey to learn more about why they choose to trade at events in Lichfield city, visitor spend, economic benefits, where they come from, and to gain feedback from their customers.

3.13 **Business survey**

The research team distributed a postal survey to businesses located in the city centre to gather their views on the impact of the events and festival industry within the city. The survey explored views and perspectives around the events within the city and the actual economic impact that they had on their business.

3.14 **Visitor survey**

Visitors were surveyed at some of the key events, to help us learn more about where visitors are coming from, are they residents, how far have they come from, what is the purpose of their visit, how long have they stayed for – are they a day visitor or here for an overnight stay, how did they hear about the event. If they are a visitor what else have they done whilst here. This survey captured both visitors to the area and residents.

3.15 **Data analysis and reporting**

The consultants have prepared a concise but comprehensive report, which includes a narrative, supporting data/evidence and conclusions about the economic impact of events and festivals in Lichfield. The findings of the surveys are based on the responses received in the various sectors.

Key Findings from the Economic Impact Assessment undertaken by Bournemouth University

4.1 Key Findings from the Economic Impact Assessment prepared by the consultants on events and festivals in Lichfield City 2018/19 can be found below:

4.2 **Economic Impact Key Points:**

4.2 **Attendance**

Based on Lichfield city centre footfall figures and accepted multiplier data, the total number of attendances at 2018/19 key events held in Lichfield was 344,160. Just over 200,000 of these visits were made to Lichfield in addition to what would have occurred without the key events taking place.

4.3 **Visitor Spend**

The **visitor spend at the key events held in Lichfield in 2018/19 was £9.2 million**. £5.1 million of the £9.2 million total spend can be accounted for by the additional visits to Lichfield as a result of the key events being held.

- £3.7 million was spent at the events themselves*
- £2.6 million was spent within Lichfield
- £2.9 million was spent on the trip as a whole outside of Lichfield.

*Visitor spend at key events:

- £2 million on food and drink
- £1.2 million on goods to take away

- £300,000 on tickets
- More than £250,000 on additional entertainment and leisure activities

4.4 **Gross value added contribution**

The **overall gross value added (GVA) contribution of the 2018/19 key events within Lichfield was £4.3 million**. Stallholders make up the largest share of the GVA contribution (£2.1 million), followed by visitors (£1.4 million), and then event organisers (£800,000).

4.5 **Employment**

The **total FTE employment as a result of the key events held within Lichfield is 113**, with 90 of these attributed to event organisers, stallholders and Lichfield businesses where event visitors spent money. 23 of the total FTE employment figure are within local businesses from which event organisers and stallholders make purchases themselves.

5. **Impact on local businesses**

While businesses who responded to the survey felt that they experienced decreased sales on days that key events are held, they also recognise the community benefits that the events bring, including providing great entertainment for those attending, create a positive image for Lichfield as well as a sense of community spirit and pride, and they are an important part of Lichfield's heritage and traditions. Businesses also indicated an awareness that event visitors return to the city throughout the year, resulting in potential customers at a later date.

6. **Visitors**

6.1 **Audience profile**

The vast majority of visitors to the key events within Lichfield live in the West Midlands, and one-third of visitors live within Lichfield.

- Event attendees were of mixed ages.
- One-fifth of visitors attended with children aged under 18, and just less than two-fifths were visiting with their spouse/partner only. Just less than one-third were part of a group without children, and one in ten were visiting the event alone.
- The vast majority of visitors consider themselves to be White (English/ Welsh/ Scottish/ Northern Irish/ British).
- When compared to 2018 social grade figures for the whole of Great Britain, Lichfield events attract a greater proportion of ABC1 visitors than the general population.

6.2 **Motivations**

More than half of visitors indicate that the event is either their sole or main reason for visiting Lichfield. Visitors also take part in other activities when in the city, including shopping, to meet up with friends/family, to eat, and to visit Beacon Park.

6.3 **Satisfaction**

Visitors to key events are likely to recommend both the event itself and a visit to Lichfield to friends and family. The overall Net Promoter Score (NPS) for events held in Lichfield is 53%, while the NPS for Lichfield itself as a result of visiting a key event is 67%.

Overall visitors at the food and drink related events like the variety of food and drink stalls, however they would like to see more stalls that have a greater focus on the event name, for example, at the

Home and Garden festival, they would have like to see more stalls with home and garden products. Other suggestions included having more activities at the various events.

Across all of the key events, 29% of visitors spent up to 2 hours at the event, one-third spent 2-3 hours at the event, and just less than two-fifths spent more than 3 hours at the event.

Personal benefits

Two-thirds of visitors felt that the visit to the event enhanced their image of Lichfield as a place to visit, while three-fifths indicated that their visit to the event means that they are more likely to visit Lichfield for a day out in the next 12 months.

Community benefits

Visitors strongly agree that the events create a number of community benefits for Lichfield. The events were seen as a great way of providing entertainment as well as being a source of community spirit and pride among local residents, helping to create a positive image of Lichfield that is inclusive for all. Visitors also see the events as being important for the local economy by providing additional customers for local businesses.

7. Event Organisers

Event organisers feel that the key events that they organise offer engagement opportunities for local people to promote their work and develop/showcase their skills, they boost the local economy and create employment opportunities. The main challenges event organisers experience when organising their events, related to charges from the local authority, e.g. licence fees, and organisational challenges such as enforcing road closures, stall placement/layout and attracting skilled volunteers.

8. Stallholders

The main benefits of being a stallholder at the key events held within Lichfield are that the events provide an opportunity for promoting their business, and the high footfall at the events, resulting in sales and income. They also feel that the key events are important for the community and create great benefits for local residents. Stallholders expressed concerns relating to the expense of the street trading licence fee and costs for the stall itself. They also felt that the management of the events could be better, including the layout of the event and stalls, congestion within the event and city, as well as there being a lack of publicity for the events.

9. Conclusion

The findings within this report offer a comprehensive overview and understanding of the socio-economic impact of the key events held within Lichfield. The study gave event organisers, stallholders, local businesses and event visitors the opportunity to provide their views on a wide range of socio-economic impacts.

Key events attract more than 340,000 event visitors throughout the year, and generate more than £9 million in visitor spend, with more than £5 million of this attributed to visits to Lichfield that would not have occurred if the events were not held. As well as the economic benefit, there are a number of community benefits created by the key events within Lichfield. The events are a source of community spirit and pride for local residents, and help to create a positive image of Lichfield and one that is inclusive for all. Consideration should be given to enhance and develop the key event programme within Lichfield due to the socio-economic benefits that they bring to the city.

There are a number of recommendations in the report for consideration by the council and event organisers as they continue to develop the key event programme within the city.

10. The full report from Bournemouth University can be found in Appendix 1.

Alternative Options	N/A
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Consultation	As part of the assessment surveys were circulated to Event Organisers, stallholders, visitors at events and local businesses in the city centre.
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Financial Implications	This report is for consideration.
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Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> 1. A key theme of Lichfield District Council’s strategic plan 2016-2020 is that we will help “create a vibrant and prosperous economy” by encouraging increased visitors, increased spend in our local economy and more overnight stays. 2. Events and festivals are recognised as a key part of this, as an engaging events programme helps us build on our heritage, tourism, and cultural offer and encourages more footfall, both to the events and afterwards as events help showcase the district for future visits
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Equality, Diversity and Human Rights Implications	There are no identified equality, diversity and human rights implications
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Crime & Safety Issues	There are no identified crime and disorder issues.
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GDPR/Privacy Impact Assessment	There are no identified GDPR issues.
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Risk Description	How We Manage It	Severity of Risk (RYG)
There are no identified risks		
Background documents N/A		

Relevant web links www.visitlichfield.co.uk
