



CABINET REPORT

Report Title

DEVELOPING THE BALLOON FESTIVAL

AGENDA STATUS:

PUBLIC

Cabinet Meeting Date:	3 December 2007
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Customers and Service Delivery
Accountable Cabinet Member:	Cllr Glynane
Ward(s)	All; Kingsley in particular

1 Purpose

- 1.1 To consider the way forward for the 2008 Balloon Festival and subsequent years' events, and to identify budgetary consequences for full Council.

2 Recommendations

Cabinet is recommended to:

- 2.1 authorise a Northampton Balloon Festival for August 2008;
- 2.2 recommend to Council a budget of £75,000 for the 2008 Festival;
- 2.3 agree to review the admission charge;
- 2.4 agree to establish a cross-party Working Group to advise Cabinet on the Balloon Festival;

- 2.5 agree that the Balloon Festival Working Group be asked to develop proposals which will enable the Festival to be as financially self-sustaining as possible over a five year period, in consultation with potential partners;
- 2.6 agree that management arrangements for the Balloon Festival should have the following features:
- Strong budget management
 - Strong and consistent project management
 - A robust and clear process
 - Clear and consistent objectives

3 Review of the Balloon Festival – the Report of an Officer Working Group

- 3.1 An officer Working Group was established to consider the future of the Balloon Festival and to review the current approach. Its initial conclusions cover two areas:
- The review of Festivals to date
 - The future direction of the Festival

3.2 Review of Festivals to date

- 3.2.1 The Balloon Festival is Northampton's biggest annual event with estimated attendance in some years in excess of 100,000 people. It offers a high profile for the town beyond its borders, and with key partners such as the police an opportunity to bring the local community together.
- 3.2.2 The Festival has consistently been a net cost to the Council. In 2007, despite the introduction of a modest entrance charge, the Festival cost the Council a net £120,000.
- 3.2.3 The Festival is over-reliant upon the weather. In the event of poor weather, the 'offer' can be perceived as poor.
- 3.2.4 Despite problems with the weather, it was clear that the charge did not act as a major disincentive to visitors. The present charge compared very favourably to similar visitor attractions within a 60-minute drive.
- 3.2.5 To date, the Balloon Festival has been agreed on a year-by-year basis. This has made the formation of longer term commercial relationships difficult.

3.3 Future direction of the Festival:

3.4 Balloon Festival 2008

- 3.4.1 The Balloon Festival presents an opportunity. It is Northampton's most high profile event, attracting thousands of visitors to the town with potential to bring in trade to the town's shops. Cancelling it would lose these benefits, and leave the town without a major festival. It would be very difficult to resurrect

the Balloon Festival if it were to lapse for a year. Cabinet is therefore recommended to authorise a Northampton Balloon Festival for August 2008.

- 3.4.2 A detailed budget would need to be agreed following a thorough review of this year's expenditure. For the Festival to break even (income equal to expenditure) would represent an additional net cost of £216,000 due to the removal of an unrealistic income target. Evidence from the past few years suggests that a realistic figure for the net cost of the Festival would be £75,000. Cabinet is therefore recommended to suggest to Council a budget of £75,000 for the 2008 Festival. The detailed budget will start from maintaining the current expenditure budget as a minimum, with a view to establishing a net cost as close as possible to zero over five years. A further report will set this matter out in detail.

3.5 Admission charge

- 3.5.1 The charge needs to reflect market conditions, and this includes comparison with other events. Consultation on the appropriate level will help to establish the likely effect on demand. Clearly the ability to stabilise the Festival and reduce the financial burden on the Council will be a major consideration. Cabinet is therefore recommended to agree to review the admission charge to enable the Council to recover some of its costs incurred in hosting the Festival.

3.6 Developing the Festival

- 3.6.1 The Festival needs to show what additional value visitors would be getting for their money, which implies both more effective marketing and improved content. Developing this content, both for 2008 and beyond, should be supported by appropriate consultation, advice and decision-making.
- 3.6.2 It is suggested that a group with representatives from different parties would help to advise on the content and direction of the Festival in the future. Such a group would concentrate on the strategic issues, with the existing officer group working out details. Cabinet is therefore recommended to agree to establish a cross-party Working Group to advise Cabinet on the Balloon Festival.

3.7 Develop a five year plan

- 3.7.1 Successful events enjoy stability - there is an expectation amongst key publics that they will take place. A longer time frame for the Festival would give this, and allow the Council to secure better deals with suppliers. It would also allow planned development of the attractions on offer and promotion, and give some stability to staff. Hence Cabinet is recommended to ask the Balloon Festival Working Group to develop proposals which will enable the Festival to be as financially self-sustaining as possible over a five year period. As part of planning for the Balloon Festival for 2008 and in future years, the Council will consult with partners including any partners interested in having a role in the management or organisation of the Festival.

3.8 Management Arrangements

3.8.1 Another essential for a successful event is strong and sound management arrangements. These need to cover the physical and financial planning of a complex project, with decisions taken clearly within a defined set of goals. To this end, Cabinet is recommended to agree the following features for future management of the Festival:

- Strong budget management
- Strong and consistent project management
- A robust and clear process
- Clear and consistent objectives

4 Implications (including financial implications)

4.1 Policy

4.1.1 The recommendations if approved will allow a policy framework for the Balloon Festival to be set.

4.2 Resources and Risk

4.2.1 For 2008, the recommendations imply an additional £291,000 per year to remove the income target and provide for £75,000 net expenditure. This would be carried forward into future years, subject to review.

4.2.2 Risks are chiefly financial and reputational. The proposal above rests on financial assumptions that are reasonable but not completely certain. The Balloon Festival is a very high profile event that has the potential to promote the reputation of the town and its Council, but perceived failures also damage those reputations. Hence the importance of good planning.

4.2.3 Staff will be affected by these proposals, depending on the options pursued. This is referred to at the appropriate points above.

4.3 Legal

4.3.1 Contracts for future provision will safeguard the Council's position and allow it to achieve its objectives.

4.4 Equality

4.4.1 It is vital that the Balloon Festival is relevant to all communities.

4.5 Consultees (Internal and External)

- Public consultation through a workshop during Local Democracy Week (results attached as Appendix) and feedback from 2007 visitors – issues referred to above.
- Traders' responses to feedback forms – issues referred to above; dislike of charging admission.
- Staff, through involvement in the Working Group
- Management Board, portfolio holder, Leader of the Council
- Further extensive internal and external consultation will be needed.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The Balloon Festival has potential to support the economic health of Northampton and local people's pride in the town. In turn, these assist in making a safer and more cohesive community.

4.7 Other Implications

4.7.1 Crime and Disorder (Section 17 of Crime and Disorder Act) – the Festival has not been a particular focus of crime or anti-social behaviour, and in fact is an opportunity for the police to be highly visible in a positive atmosphere. Good community events have a role to play in increasing community pride and sense of place, which contribute to reduced social problems.

5 Background Papers

- 5.1 Results of public consultation – attached as Appendix
- 5.2 Feedback forms from visitors and traders
- 5.3 Notes from Working Group meetings

Thomas Hall
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