Abstract: This report seeks approval for a Council contribution for the Arbroath Seafront Spectacular 2004 event, which is planned to take place on 3 July 2004 in Arbroath.

1 RECOMMENDATION

1.1 It is recommended that the Committee agree to a financial contribution of up to £10,000 towards the Arbroath Seafront Spectacular 2004 event.

2 INTRODUCTION

2.1 For a number of years the Arbroath Business Association and other community based groups have been involved in organising a number of major events in Arbroath. These include Seafest, the Christmas Market & Fair, the Medieval Fair and the Millennium Celebrations. All of these events have proved to be immensely popular, not only with the people of Angus, but also with visitors from outwith Angus.

2.2 The vision of the Arbroath Business Association was to introduce another event into the calendar, in July, based around the theme of transport. One member of the association with an interest in aviation has a connection with The Red Arrows Aerobatic Team who have agreed to stage a display on 3 July 2004. This is a tremendous opportunity for Angus to host The Red Arrows who are acknowledged as one of the world’s premier aerobatic teams.

2.3 It is envisaged that while The Red Arrows will form the highlight of the event other attractions will include a flying display from a Tornado F3, an air/sea rescue display by a Sea King helicopter, a display of Minis (with a Mini stunt driver show) and other car exhibitions. These events and displays will form the core of the day’s events to be staged in view from the Victoria Park where most spectators will be accommodated.

2.4 To ensure a full programme for visitors ancillary events will include market stalls, a funfair and an area for five-a-side football, musical groups, singing and dancing.

2.5 The Business Association contacted the Economic Development Manager in mid-January 2004 requesting assistance in financing the event. While our initial view is that the proposals are ambitious in the timescale, the Business Association have since confirmed their intention to proceed. A draft business and marketing plan has been submitted and is the subject of ongoing consultation with the Economic Development Unit. It is clear that a major effort will be required by the Business Association for this event to proceed and there are a number of key requirements (e.g. emergency planning) for them to fulfil in staging the event. Nevertheless it is felt that such an event will meet a number of key economic development objectives in
terms of promoting Angus locally, nationally and internationally and should be supported.

3 **KEY OBJECTIVES**

- Promote Arbroath and Angus.
- Encourage community involvement with the event.
- Promote business development opportunities for Arbroath.
- Increase the number of visitors to Arbroath and Angus.
- Increase spending opportunities for visitors.
- Encourage improved economic benefit to the local economy.

3.1 It is conservatively estimated that the event will attract an audience of 10,000 visitors. This estimate is based on figures from similar events held in Arbroath and displays held by The Red Arrows across the UK.

3.2 This visitor estimate allows us to project the potential economic impact of the event from visitors alone of £256,600. This amount has been calculated using the figure of average spend per head for similar events held in Angus, provided by Angus & Dundee Tourist Board, of £25.66. Therefore 10,000 visitors x £25.66 = £256,000 worth of spend.

3.3 At least four other events will be held in Angus on Saturday 3 July 2004, as follows:-

- Carnoustie Gala Week (27 June – 3 July) with the Gala day on Saturday.
- Angus Accordion & Fiddle Festival (2 – 4 July) – in various Arbroath venues.
- Montrose Fun Day – information stalls, showcasing what is happening in the town.
- Caledonian Railway – Day Out with Thomas (3, 4, 10 & 11 July).

3.4 These are the main events but there are a large number of other events taking place throughout Angus in July. In the circumstances it is proposed to maximise the benefits of the Arbroath Seafront Spectacular by capitalising on the wider interest in the Red Arrows to promote awareness of other events that Angus has to offer. This strategy should increase overall visitor numbers to the various events and encourage a greater number of overnight stays.

3.5 If the recommendations in this report are approved, action will be taken to promote the full range of events happening in Angus throughout July. Angus events flyers and posters featuring the Red Arrows will be produced and distributed to Tourist Boards locally and nationally, to Information Points across Angus and to people attending events e.g. the Forfar Rotary Marafun on 30 May 2004. Listings of the July events will also be publicised in all of the local Angus newspapers under the “Angus Events in July” banner.

3.6 The Arbroath Business Association have been asked to approach the Red Arrows display team to ask if a fly-past can be scheduled to provide an additional feature at the Montrose Fun Day and Carnoustie Gala Day events. It is hoped that a decision on this will be made at the beginning of March.
4 FINANCIAL IMPLICATIONS

4.1 Income and expenditure for the event is under discussion between the Business Association and the Economic Development Manager. A preliminary statement is detailed as follows:

<table>
<thead>
<tr>
<th>Draft Income</th>
<th>£</th>
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<tbody>
<tr>
<td>Angus Council</td>
<td>10,000</td>
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<tr>
<td>Sponsorship</td>
<td>19,232</td>
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<tr>
<td>Income from Sales</td>
<td>3,200</td>
</tr>
<tr>
<td>Donations</td>
<td>1,000</td>
</tr>
<tr>
<td>Total Income</td>
<td>33,432</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Draft Expenditure</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure Costs</td>
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</tr>
<tr>
<td>Project Co-ordination &amp; Management</td>
<td>5,400</td>
</tr>
<tr>
<td>Hire of Red Arrows</td>
<td>5,525</td>
</tr>
<tr>
<td>Hire of Tornado</td>
<td>1,000</td>
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<tr>
<td>Hire of Sea King</td>
<td>500</td>
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<td>Insurance for Red Arrows</td>
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<td>Public Liability Insurance</td>
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</tr>
<tr>
<td>Marketing &amp; Advertising</td>
<td>7,000</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>33,432</td>
</tr>
</tbody>
</table>

4.2 Alternative sources of funding are being sought for the event from private and public sector sources. Angus Council through its departments will also provide a number of “in-kind” services for the event.

4.3 It is anticipated that the funding gap after deducting income from costs will be up to £10,000 which it is proposed should be met from the Economic Development Revenue Budget and spread over 2003/04 and 2004/05. It is recommended that this grant is given on the basis of meeting no more than 50% of the total costs of the event and that any surplus balance will be used to pay back the grant, up to the level of the grant issued. This method of financing should provide the Business Association with a guarantee of funding while providing an incentive to secure the maximum income possible through sponsorship etc.

5 HUMAN RIGHTS IMPLICATIONS

5.1 There are no Human Rights implications arising from this report.

6 CONSULTATION

6.1 The Directors of Finance and Law & Administration have been consulted in the preparation of this report.
7 CONCLUSION

7.1 This is a tremendous opportunity for Angus to host an event featuring such a world class attraction as the Red Arrows Aerobatic Display Team. The tourism and economic benefits of hosting this display are evident and furthermore it helps to establish Angus as a top class destination and meets the key objectives of Angus Ahead. The financial contribution from Angus Council will effectively underwrite the core costs of staging the event and will give the local Business Association the confidence to seek sponsorship backing. Angus Council’s contribution will ensure that this event can proceed.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

DV/CL/MM
02 March 2004

A B Watson OBE
Chief Executive