

Report to: Place and Economic Development Committee, 5th June 2023

Report of: Corporate Director – Operations, Homes and Communities

Subject: WORCESTER SHOW 2023 – CHARGING PROPOSALS

1. Recommendation

That the Committee agrees:

- 1.1 to the policy change of charging an entry fee for the Worcester Show; and**
- 1.2 that the entry fee for the 2023 Worcester Show should be set at £2 per adult with free entry for children under sixteen.**

2. Background

- 2.1 At its meeting of 23 May, the Policy & Resources Committee received a report on plans for resolving the deficit in the Medium-Term Financial Plan (MTFP). In 2023/24 the Council needs to identify savings and/or increases in income of £1.706m, rising to £3.8m over the lifetime of the MTFP.
- 2.2 One of the principles set out in the report is the need to reach a position where increases in income are sufficient to match increases in costs. This requires a greater focus on the costs of non-statutory services being met by the specific users of those services, in line with existing income streams.
- 2.3 The report included examples of proposed changes, including the option of introducing a charge for the Worcester Show.
- 2.4 A further principle of the report is that the Policy & Resources Committee will make the formal decisions regarding proposals. However, the Worcester Show is scheduled for 13 August and the next Policy & Resources Committee meeting is not until 25 July. It is necessary to advertise the intention to charge and the proposed entry fee well in advance of this date. Therefore, this report sets out recommendations to the most appropriate Policy Committee to agree the policy change and the amount of the proposed entry fee.
- 2.5 It should be noted that the principle of charging for the Worcester Show was discussed at the Group Leaders meeting of 4 April. Also, the Place and Economic Development Committee at its meeting in January 2023 received a detailed report on the calendar of major events in the city, which identified the extent to which the Council provides financial support for these activities. The report concluded that:

Whilst there is no doubt that these events make a significant contribution to the economic and community wellbeing of the city, for the City Council, these are non-statutory activities that if Members wish to continue to support and deliver in the

future, will require the development of alternative and commercial revenue income streams that will both supplant current City Council revenue contributions and recover the significant staff costs that are required to support development and delivery of many of these events.

3. Business case

- 3.1 The Worcester Show is an iconic event in the Council calendar. The event celebrates the creativity and skills of local people presented alongside a raft of entertainment and activities for the whole family to enjoy. Its purpose is to showcase the skills and expertise of local crafts, trades, businesses and small local artisan shops with over 100 markets stalls; whilst giving a platform for clubs, societies, groups, and services to promote themselves. The aim is to promote what's great about Worcester's community to all residents.
- 3.2 The Worcester Show is delivered by Worcester City Council through the Worcester Show Planning Team which consists of officers, volunteers, and partner organisations. The Community Engagement Team (CET) lead the planning and coordination of the Show, as well as oversee the Planning Team. Volunteers and contributors meet twice a month to plan, support, and build site attractions for the Show.
- 3.3 The Worcester Show raises the profile of the city regionally and highlights the opportunities for Pitchcroft as a venue for large events. The Worcester Show is always held during the Worcester Festival and this year we know of the CAMRA Worcester Beer Festival and Tommy Wilsons Fair to be running over the same weekend.
- 3.4 The Show has grown in attendance to the point where it can now attract an estimated audience of up to 20,000 visitors. In 2022, during a heat wave it attracted an estimated 16,000 adult and child visitors. The event receives over 300 hours of volunteer support and takes over 700 hours of officer time to plan and deliver.
- 3.5 This event helps the Council to deliver on its City Plan priority theme Stronger and Connected Communities and Asset Based Community Development. The benefit of a free event is that it supports community cohesion, social interaction, cultural awareness, social value and gives charities and groups the opportunity to promote benefits from a cost-of-living perspective.
- 3.6 However, as a result of the continued growth of the Show, the costs have increased significantly. In 2022, the Worcester Show operated with a budget of £37,000 and generated £25,000 in income, with the Council underwriting the almost £12,000 shortfall. It is difficult to measure the wider economic benefits i.e., the economic value of 16,000 people visiting the city centre on a Sunday, city centre footfall, new business-to-business and business-to-customer relationships and return visits. However, we can compare car parking income during the Worcester Show to other similar weekends and the Council has received an additional £4,000 in parking income.
- 3.7 Officers are in the process of carrying out procurement exercises to reduce certain elements of last year's expenditure which includes the provision of marquees, performance costs and security and traffic management.

- 3.8 Officers have also identified ways to increase the income received through concessions, stall bookings and sponsorship. If the show can be expanded into a two-day event, this will generate additional income from the alcohol, catering and entertainment concessions.
- 3.9 The success of the Tom Jones performance in 2022 identified that a complementary event on the Saturday could be used to increase income. Initial proposals relating to an open-air cinema were explored in detail, but the costs could not be met by the projected income from this event. At the time of writing this report, alternatives are still being explored.
- 3.10 An entrance fee of £2.00 has been used as a means of modelling the income and the anticipated attendance figure for a single-day event has been set at 12,000 paying adults on the assumption that an event with the appeal of the Tom Jones performance will not be repeated this year and to take into consideration the potential for a small reduction in visitor numbers due to the introduction of an entrance fee. Whilst like-for-like costs have been reduced, entry fees paid by card payments will attract transaction fees (costs are based on 80% of transactions being made by card) and a contingency sum of £4,000 has been added to the 2023 plans in order to improve public safety and accommodate the requirements of Martyn's Law. A summary of the costs and income are set out below.

	2022 actual (£)	2023 projected (£)
Expenditure	36,847	41,200
Income	25,411	51,055
Deficit/(surplus)	11,436	(9,855)

- 3.11 Following review of similar shows arranged by other local authorities, it is proposed to set the entrance charge at £2 per adult, with children under sixteen being admitted for free.
- 3.12 The costs do not include the provision of Herras fencing around the site to ensure that entrance is only possible through specific gateways as it is proposed that rather than fencing off the site entirely, the facilities on the site will be arranged so as to draw attendees towards the entry points. This increases the risk that some visitors will enter without paying but this will improve the look and feel of the event. It is estimated that the cost of additional fencing would be circa £6,000.

4. Preferred option

That an entry fee is charged for the Worcester Show and that in 2023, the fee be set at £2.00 per adult with free entry for children under sixteen.

5. Alternative Options Considered

5.1 Not to introduce charges.

The report has identified that the Worcester Show is subsidised and therefore a proportion of the costs of operating it fall to Worcester City Council Taxpayers and

business rates payers, whether they attend the Show or not. Continuing to operate the Show with a deficit budget will not support the Council's need to reduce the budget gap. Alternative ways of reducing costs and increasing income from concessions and sponsorships have been explored but there is a need to reduce the funding deficit if the Show is to continue in future years.

5.2 To offer the Worcester Show as a commercial opportunity for a third party to promote and manage the event.

This option has not been discounted for future years but would be subject to further consideration by Council officers and would require a separate decision by Members.

This option could reduce the revenue costs to the council and through commercial efficiencies and contracts will reduce costs and increase income from the event. However, it will also reduce the extent to which the Council can control the content of the Show and, unless the contractor can identify sufficient means of reducing costs or increasing income, may result in entry charges being applied in any event.

5.3 Cease to run the Worcester Show.

The report has set out the case for continuing to operate the Show. Introducing charges will enable the Council to understand the appetite for attendees to make a small contribution to running costs. In the event that this proves unsuccessful, ceasing the Show would generate cash savings of circa £11,000 per year based on 2022 costs and an additional saving of some 700 staff hours.

6. Implications

6.1 Financial and Budgetary Implications

These are set out in the report. The anticipated surplus will contribute towards the costs of the 700 staff hours given to the organisation and delivery of the event.

6.2 Legal and Governance Implications

Financial Regulations state that there should be no variation of the Council's schedule of fees and charges without a report to the Policy & Resources Committee, except where the impact of the change is expected to vary income levels by less than £10,000, in which case no referral to the Policy and Resources Committee is required. In this case it is anticipated that net additional income will increase by less than this limit.

The Worcester Show is a non-statutory activity.

6.3 Risk Implications

There is a risk that attendance will decrease as a result of introducing a charge however with such a nominal charge we expect the impact to be minimal.

There is a risk that attendees will enter the site without paying the entry fee unless the site is isolated. This risk is considered acceptable in the interests of promoting the Show as a family event and will be mitigated by positioning of facilities on the site boundary and the presence of security staff required, in any event for crowd control purposes.

6.4 Corporate/Policy Implications

The Worcester Show supports the City Plan theme of Closer and Connected Communities.

There is no existing policy in relation to charging for the Show, which has to date been free to enter. However, the Council has recognised a need to generate income sufficient to cover its costs in order to achieve a sustainable Medium Term Financial Plan.

6.5 Equality Implications

No specific protected characteristics under the Equality Act have been identified at this stage as being disproportionately impacted by the proposal to introduce a charge.

The introduction of charges may affect those on low incomes who may otherwise choose to attend the Show. The proposed charges are set at a level which is intended to be affordable to all and are designed to assess the appetite of attendees for contributing to the costs of the Show.

An evaluation will take place after the 2023 Show, in order to identify lessons learned and customer feedback obtained.

6.6 Human Resources Implications

None identified at this stage arising from the report.

6.7 Health and Safety Implications

None identified arising from the report. The Show will be covered by a full risk assessment as part of standard events management procedures.

6.8 Social, Environmental and Economic Implications

The relevant implications are set out in the main body of the report.

The report proposes the introduction of an entry charge which will introduce the principle that the user of the services makes a contribution to it and, if sufficient income is thereby generated, will make the Show sustainable for future years.

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Background Papers: None