

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	TOURISM AND LEISURE COMMITTEE	3 NOVEMBER 2016	6
VARIATION TO LICENCE FOR LYTHAM PROMS LTD			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

Lytham Proms Ltd are one of the companies that has developed Lytham Festival into a major annual event over recent years enhancing the reputation of the borough and bringing significant economic gain to the area. The original lease with Lytham Proms Ltd for the use of the Green during the Lytham Festival was based on three consecutive nights of live concerts, the variation proposes increasing the number of nights of live concerts for Lytham Proms Ltd to support further development of Lytham Festival.

RECOMMENDATION

1. That the committee approve the following variation for the remaining 13 years of the licence with Lytham Proms Ltd for use of Lytham Green during Lytham Festival:
 - i) The 'Concert Period' to be increased from three (3) consecutive live music events to a minimum of three (3) and a maximum of five (5) entertainment events during the licence period.
 - ii) To increase the public liability insurance requirement in section 2.16 of the licence from £5 million to £10 million.

SUMMARY OF PREVIOUS DECISIONS

June 2014 – Approval to grant licence to Lytham Proms Ltd for use of Lytham Green.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	✓
Make sure Fylde is one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

REPORT

1. Lytham Festival has become a nationally recognised major event held in Lytham attracting high quality artists performing on the main stage on the Green and in various smaller events around the town over the period of a week. Working effectively with various partners including the council, local community groups and local businesses, Lytham Proms Ltd have transformed a three-night concert event into a week-long festival catering for all interests, age groups and artistic tastes.
2. In 2015 the event was rebranded by the group of partners to Lytham Festival in recognition of the music concerts joining up with other events across Lytham including art, comedy, poetry and indoor music events. The partnership secured Arts Council funding to pilot a more diverse artistic festival. Lytham Proms Ltd were partners in the bid to the Arts Council and agreed to support the concept of a week-long festival. As part of the extended offer a request was made for an additional live music event on the Green for 2015 which was granted under delegated powers.
3. The additional live music event enabled Lytham Proms Ltd to maximise use of the expensive infrastructure for the iconic arena; to spread the risk in the event of cancellation; and to increase income used to finance many of the other events staged with partners during the week-long Lytham Festival which has also become a showcase for new up and coming talent in the local area. Fylde Council benefitted through a greater fee for the same period of use of the Green because the licence links the fee for using the Green to ticket sales. The fee structure enables the council to realise the maximum return from additional tickets sales.
4. The Lytham Festival format in 2015 proved to be a big success for all the partners, the Fylde economy, the reputation of the area and the vast majority of local residents. The format was repeated in 2016 which included a further request for an additional live music event and the screening of a major cinema release on the Green that was granted under delegated powers.
5. The additional entertainment on the Green has a number of benefits including:
 - a. maximise the use of the stage and supporting infrastructure already in place without any longer period on site;
 - b. increase revenue associated with the event spent in the local community including overnight stays and longer term return business;
 - c. diversify the range of music performed and extend the offer to a wider audience;
 - d. develop new up and coming talent from the local area by supporting the fringe venues during the Festival week;
 - e. enhance the reputation of the event on a regional and national basis making Lytham festival a marquee event for the summer;
 - f. enhance the reputation of the area and return business to the local area;
 - g. enable the continuation of the format that has been successful as Lytham Festival with other partners;
 - h. increased ticket sales linked to the rental for the Green increasing the fee income to the council, maximising the use of the asset;
 - i. the council is required to be self-sufficient by 2020 and should seek to maximise income from arrangements to stage events, Lytham Festival is currently the only event licence from which the council gets a direct financial payment;
 - j. the council benefits from additional revenue associated with the event, directly with services charged to the event and indirectly by revenues generated from car parks, licensing of temporary events etc.

- k. the additional major artist events significantly increase the footfall throughout the borough;
 - l. spread the risk in the event of inclement weather or other reasons for cancellation;
 - m. offset the loss made on some of the fringe venues and artists offered as part of the wider Festival;
- 6. Lytham Festival has become the major event for Cuffe & Taylor (Lytham Proms Ltd) in a very busy calendar of live events across the country, the company has decided to focus on making Lytham Festival better each year to further enhance the reputation of the event and the local area. The additional live music event has become part of the offer and provides Lytham Proms Ltd with greater flexibility and finance to support the rest of Lytham Festival including a key partnership with Lytham In Bloom. The ambition is to make Lytham Festival one of the most desirable music and art festivals in the summer calendar attracting top artists and offering a diverse range of new talent, retro artists and alternative entertainment.
- 7. Although the licence requires £5 million of public liability insurance, Lytham Proms Ltd have been providing £10 million of public liability insurance in recognition of the additional live music events in the last two years. It is proposed that if the variation in the number of live music events is agreed then the public liability requirement in the licence should be varied from £5 million to £10 million.
- 8. The Festival brings a financial income to the council in the form of a commission on ticket sales. Extending the festival will bring increased income to the council through these arrangements which is consistent with the approach to commercialism advocated in the recent Peer Review and the measures required to be a self-sufficient council by 2020.
- 9. The Green also benefits from a full maintenance overall following the festival, funded by the organisers at no cost to the Council, the cost is approximately £8000 and includes aerating the ground, re-seeding areas, fertilising and general levelling. The works benefit other events including the 1940's celebrations and the St Georges Day event.
- 10. Fylde Council is a lead partner with Lytham Proms Ltd working closely to support Lytham Festival as part of our commitment to events, tourism and support to the local economy. The Festival is the major event in the annual calendar with the data provided in Appendix 1 to the report includes evidence of the impact from the Festival. The format of Lytham Festival over the last two years has proven to be a success with year on year improvements in the logistics, the quality of the offer, the number of people attending and the reputation of the event as well as the local area.

IMPLICATIONS	
Finance	The Council has an arrangement with Lytham Proms Ltd in respect of the 'Proms' event whereby the Council receives commission on ticket sales. If admissions numbers increase as a consequence of an extension to the Proms event it is anticipated that the level of commission will also increase. Although it is not possible at this stage to predict the extent of any such changes to the Council's commission income, these will be reflected in future updates to the Financial Forecast as and when they are known.
Legal	The legal implications of variations to the licence are included in the report
Community Safety	Public liability insurance will be increased to £10 million to account for an increase in the number of events on the Green
Human Rights and Equalities	There are no equality or human rights implications
Sustainability and Environmental Impact	There are no direct sustainability or environmental implications from the report
Health & Safety and Risk Management	There are no direct health & safety or risk management implications

LEAD AUTHOR	TEL	DATE	DOC ID
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LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection

Attached Documents

Appendix 1: Lytham Festival Impact