

Mayor and Councillors
COUNCIL

08 AUGUST 2019

Meeting Status: **Public**

Purpose of Report: For Decision

KĀPITI ECONOMIC DEVELOPMENT STRATEGY: 2019 / 20
MAJOR EVENTS FUND ALLOCATION

PURPOSE OF REPORT

- 1 To report on the outcomes of major events supported by the 2018 / 19 Kāpiti Coast Major Events Fund allocation.
- 2 To provide recommendations for the allocation of funding under the 2019 / 20 Major Events Fund.

DELEGATION

- 3 The Council has the authority to make this decision.

BACKGROUND

- 4 In December 2015, the Council adopted a Kāpiti Coast Events Plan as an action under the 2015/18 Kāpiti Coast Economic Development Strategy. The strategy identified the visitor economy as having the potential to accelerate the vision of a thriving, vibrant and diverse economy and that a strong events portfolio would help achieve this.
- 5 A total of \$160,000 per annum was made available to support events in the district for the period up to 30 June 2019. Within the \$160,000; funding of \$24,000 was made available to assist with feasibility assessments.
- 6 Over the last three years, the Major Events Fund has supported the delivery of seven events, with one event receiving feasibility funding. This is shown in table 1 below.

Table 1: shows the 8 events that were funded over a 3-year period through the Major Events Fund.

Event	2016/17	2017/18	2018/19
Māoriland Film Festival	\$55,000	\$48,000	\$50,000
Ōtaki Kite Festival	\$35,000	\$24,000	\$20,000
Kāpiti Food Fair	\$15,000	\$12,000	\$10,000
Coastella	\$55,000	\$36,000	\$50,000
Ōtaki-Māori Racing Club Farmers' Market		\$15,000	
Kāpiti Coast International Jazz Festival		\$15,000	
Kāpiti Coast Festival		\$10,000	
FFFLAIRE – Feasibility funding only			\$30,000*
TOTAL	\$160,000	160,000	160,000

*Council allocated an extra \$6,000 feasibility funding in addition to the existing \$24,000 available

Funding amount

- 7 On 27 June 2019, the Council approved the Kāpiti Coast Major Events Policy for the period 1 July 2019 to 30 June 2022. There was also approval to increase the amount of the fund to \$200,000 per annum. Of this \$200,000, \$25,000 per annum was made available for feasibility funding. A copy of the policy is attached to this report, Appendix A.
- 8 Feasibility funding will be available to assist with economic impact studies, business case development and feasibility testing of potential events.
- 9 Event funding will be available to fund the following activities:
 - direct event costs including venue, stage, lighting and performance costs;
 - health and safety costs;
 - waste minimisation and management costs;
 - event management and personnel costs to secure additional sponsorship;
 - event signage, advertising and promotional costs.
- 10 Should the fund amount not be fully allocated in the initial funding round, the Council at its sole discretion may choose to hold a separate funding round for any residual funds. Unallocated funding for feasibility assessments may be allocated at any time throughout the year at the sole discretion of the Council.
- 11 For level 2, major events, a cap has been placed on the amount of funding available to a maximum of \$50,000 per event per annum, with no less than four major events funded each year.
- 12 For level 1, signature events, the amount of funding available can be higher than \$50,000. A maximum of two signature events can be funded in any one year.

Multi-year funding

- 13 Under the policy, applicants have the opportunity to apply for multi-year funding for up to three years. Those events that receive multi-year funding will be required to provide annual event reports to Council and confirm delivery of pre-agreed event outcomes.
- 14 The failure of an event to deliver the pre-agreed outcomes in any one year, may mean that any future funding allocation would need to be reviewed. This will be at the discretion of the Council, who would have the ability to either reduce or withdraw any future funding to the applicant for the event.
- 15 Funding of multi-year commitments may not be at the same levels each year, future funding levels may be at either a higher or lower level. Successful multi-year applicants that have received event funding at lower levels than requested in subsequent years could request additional funding in the applicable year. However, this would be subject to review along with other events applications in that year. A separate application would need to be made for additional funding.
- 16 Ideally we will be able to stagger multi-year funding arrangements going forward, which would avoid a situation where there are no arrangements in place with any events in future years. This would also help provide capacity to enable multi-year arrangements to be established with new or growing events as they are developed.

2018 / 19 Major Events Fund Results

- 17 In October 2018, the Council approved the allocation of funding to a total of five events, which included preapproved multi-year funding for three events. Funding allocation shown in table 1.
- 18 All recipients of the event funding are required to submit an annual event report to confirm economic impacts, with an economic impact report created for each event.
- 19 The economic impact report is generated through a data analysis tool which is provided by Infometrics Limited. The report determines the return on investment and economic impact based on data received by the event organisers.
- 20 2018/19 fund allocation economic impact assessments were conducted for the following four events: Māoriland Film Festival, Ōtaki Kite Festival, Kāpiti Food Fair and Coastella Music Festival. The results are shown in table 2 below.

Table 2, Shows the estimated Economic Impact and ROI Results from 2018-19 Fund allocation

Event	Council funding	Attendee numbers (A=Actual E=Estimated)	Visitor attendance		Return on investment (ROI)	
			Kapiti	Outside district	Visitor value added	ROI
Kapiti Food Fair	\$10,000	20,379 (A)	64%	36%	\$160,448	16:1
Māoriland Film Festival	\$50,000	12,683 (E)	58%	42%	\$393,321	8:1
Ōtaki Kite Festival	\$20,000	22,000 (E)	44%	56%	\$431,098	22:1
Coastella	\$50,000	3,091(A)	51%	49%	\$142,938	3:1

- 21 All of the events except for Coastella exceeded the Council's 5:1 return on investment (ROI) threshold. The organisers of Coastella, which is in its fourth year, have advised that there were a number of contributing factors to this result:
 - the weather during the week of the event was stormy and was predicted to continue all weekend, deterring people from coming to the event.
 - there were two crashes on SH1 on the day of the event, which caused significant delays and resulting in attendees turning around and returning home, and
 - the Major Event Fund allocation occurred late in the year. This had an effect on ticket sales, which were due to commence in October 2018. Not knowing if funding was available meant that ticket sales were delayed as the event organisers were not able to confirm which musician's would be participating in the event.
 - increase in regional events such as Eminem, which was held in March 2019, one week after the festival.

- 22 Both the Kāpiti Food Fair and the Ōtaki Kite Festival showed an improvement in their ROI when compared with previous years. There was a reduction in the ROI for Māoriland Film Festival, which was primarily attributable to a reduction in the average spend by event attendees. This reduced from \$50 per attendee the previous year to \$20 per attendee. It is not clear what caused this change however there were a lower number of survey respondents and this may have meant that a number of external visitors did not have their information captured.
- 23 The highest average spend per person was Coastella (\$72.71), followed by Kāpiti Food Fair (\$59.30) and Ōtaki Kite Festival (\$45.71). The average spend per person is based on survey results from attendees at the individual events.
- 24 The results indicate that the Ōtaki Kite Festival received the highest number of visitors as well as the largest percentage of visitors from outside the district. However, it is noted that this is an estimate, not an actual number.
- 25 The overall result shows that based on the Major Event Fund allocation of \$130,000, the four events had the following impact on the district for the period of 2018 / 19:
 - an estimated 58,153 attendees, with 46% or 26,497 attendees estimated to be from outside the district.
 - the overall added value of visitors to the district \$1,127,805 and an overall ROI of 8.7:1.

Event reports are attached in Appendix B.

- 26 A feasibility report has been submitted by the event organisers of FFFLAIR. This report has been received and is part of the event application for the major events fund 2019/20.

2019/20 Major Event Fund Recommendations

- 27 The application period for the 2019/20 Kāpiti Coast Major Events Fund commenced on 28 June 2019 and was open for a four-week period, closing on the 24 July 2019. A total of five applications were received.
- 28 A summary of applications for the major events fund 2019/20 can be seen in table 3.

Table 3, Shows a summary of applications for the Major Events fund 2019/20.

Event	Description	Funding request	Attendees
XTERRA Wellington	XTERRA Wellington is an event festival of off road running, mountain biking, swimming and combinations of all three. Its main purpose is to provide experiences and create memories by using New Zealand's natural landscape to create exceptional events that take your breath away.	\$36,000	Total - 2,681 Local – 820 Wellington region – 1,230 National – 610 International - 21
Māoriland Film Festival	Māoriland is a cultural and arts event that presents the perspectives and stories of Indigenous peoples. Always looking to surprise and delight as well as grow audiences. Māoriland Film Festival 2020 will include, award winning films, Māoriland Rangatahi film festival, Toi matarau, emerging technology exhibits, native minds discussion, Key note address, Industry events, Native slam, wellbeing experiences, Māoriland red carpet party.	\$75,000	Total - 15,400 Local – 8,090 Wellington region – 3,100 National – 3,060 International – 1,150
Kapiti Food Fair	A showcase of New Zealand packaged food and beverage, other related food and beverage products and the united nations of ready to eat food to enjoy on the day. The fair will be accompanied by a celebrity guest, bar licence, an entertainment programme featuring talented local and regional performers and an awesome kid's zone.	\$26,459	Total - 20,000 + Local – 13,140 + Wellington region – 4,608 National – 2,731 International – unknown
FFFLAIR	The purpose of this event is to deliver a high profile event of national significance on the Kāpiti Coast. The main objective of the FFFLAIR event is to provide a forum each year for New Zealand's horticulture producers, suppliers, and consumers to come together to promote, connect, collaborate and network. It aims to serve as a catalyst for creativity, positive change, and growth within the industry, and will promote diversification by bringing together stakeholders from related fields.	\$115,000	Total - 35,000
Ōtaki Kite Festival	As a result of a very successful first event and the Ōtaki Kite festival is in its 8 th year involving members of the New Zealand Kite Association, primary schools in the district to encourage creativity with children in designing their own kite and international kite flyers. Thought to be a great way to attract visitors and the local community down to the beach front	\$25,000 Multi-year funding	Total – 22,098 Local – 9,553 Wellington Regional – 8,815 National – 3,693 International – 37

29 A Major Events Fund Assessment Panel was brought together to review the applications and make recommendations for the funding. The panel consisted of a mixture of industry specialists and council staff. These application scores are available as Appendix C of this report.

30 The members of the panel were:

- Rob MacIntyre, Destination Planning Limited.
- Tiana Rakete, Major Events Attraction Manager, WellingtonNZ.
- Darryn Grant, Economic Development Manager, Kāpiti Coast District Council.
- Tania Parata, Manager Connected Communities, Kāpiti Coast District Council.
- Helene Davis, Acting Iwi Relationship Manager, Kāpiti Coast District Council.

- 31 The members of the panel were tasked to access each application against the event criteria and a scoring system has been applied to rate each application. The scoring system the applications were accessed on is shown in the table 4 below.

Table 4, Shows the scoring system use to access applications.

Criteria for Major Events Applications	Score
<ul style="list-style-type: none"> • be a level 1 or 2 event as classified in the decision making support tool 	0 – 3
<ul style="list-style-type: none"> • showcase the Kāpiti Coast and build the profile of the Kāpiti Coast and its community 	0 – 3
<ul style="list-style-type: none"> • highlight the Kāpiti Coast as a destination for visitors, business and residents 	0 – 3
<ul style="list-style-type: none"> • have long-term economic benefits for the district 	0 – 3
<ul style="list-style-type: none"> • are able to generate at least a 5:1 return on Council's investment 	0 – 3
<ul style="list-style-type: none"> • meet Tāngata whenua and community aspirations 	0 – 3
0 = does not address criterion, 1 = fails to meet criterion, 2 = meets the criterion, 3 = exceeds criterion	

- 32 Each event has been weighed against a decision-making matrix. The matrix was used to understand the strengths and opportunities of an event and categorise them to determine the type of event, it's benefits and economic and community impact. The matrix is designed to be used as a framework for prioritising Council investment in event development. This matrix can be seen in the Kāpiti Coast Events Fund Policy, Appendix A.
- 33 There is a total of \$200,000 available for funding in 2019/20, including \$25,000 available for feasibility assessments. Events also have the option to apply for multi-year funding. Of the five applications received, an overall funding total of \$277,459 has been requested.
- 34 The following table 5, shows the number of events, projected number of attendees, the funding that has been applied for and the proposed funding allocation.

Table 5, shows an overview of all event that are being considered for Major Event Funding in 2019/20.

#	Event Name	Level	Attendees (projected)	Application amount	Panel recommendation	Funding conditions
Event funding applications						
1	XTERRA Wellington	Level 2 Major Event	2,681	\$36,000	\$20,000 To support Waste Minimisation initiatives, Prize money and provision of shelter and entertainment	Funding is conditional on receipt of <ul style="list-style-type: none"> A marketing and promotional plan, including confirmation about how the Kāpiti Coast will be promoted and how Council and other partners will work with the event organiser to promote the event. Event to provide a selection of approved high resolution digital event photographs, film and b-roll for KCDC's use as needed for reporting, event and destination promotion. Confirmation about how the event survey will be completed to ensure that necessary data is captured for post event reporting and analysis. Event Health and Safety Plan, including confirmation of traffic management for the event. <p>These are to be satisfactory to the Council in all respects</p>
2	Māoriland Film Festival	Level 1 Signature Event	15,400	\$75,000	\$55,000 To support Technical costs, Outdoor screen, Venue hire, marketing costs and transport costs to improve access for attendees. Multi-year funding of \$40,000 is supported for years 20/21 and 21/22.	Funding is conditional on receipt of <ul style="list-style-type: none"> A marketing and promotional plan, including confirmation about how the Kāpiti Coast will be promoted and how Council and other partners will work with the event organiser to promote the event. Event to provide a selection of approved high resolution digital event photographs, film and b-roll for KCDC's use as needed for reporting, event and destination promotion. Confirmation about how the event survey will be completed to ensure that necessary data is captured for post event reporting and analysis. Event Health and Safety Plan. Proposed alternative transport options for event attendees <p>Multi-year funding is conditional on receipt of</p> <ul style="list-style-type: none"> Post event report confirming event outcomes, including growth of

						<p>visitors from outside of the Kāpiti District and an improvement in the annual economic contribution of the event.</p> <p>These are to be satisfactory to the Council in all respects.</p>
3	Kāpiti Food Fair	Level 2 Major Event	20,000 +	\$26,459	\$25,000	<p>Funding is conditional on receipt of</p> <ul style="list-style-type: none"> • A marketing and promotional plan, including confirmation about how the Kāpiti Coast will be promoted and how Council and other partners will work with the event organiser to promote the event. • Event to provide a selection of approved high resolution digital event photographs, film and b-roll for KCDC's use as needed for reporting, event and destination promotion. • Confirmation about how the event survey will be completed to ensure that necessary data is captured for post event reporting and analysis. • Event Health and Safety Plan, including confirmation of traffic management for the event. • Confirmation of opportunity to provide local start-up food and beverage businesses with the opportunity to be part of the event. <p>Multi-year funding of \$15,000 is supported for years 20/21 and 21/22.</p> <p>To support tactical marketing activities, waste minimisation initiatives and provision of increased shelter.</p> <p>Multiyear funding is conditional on receipt of</p> <ul style="list-style-type: none"> • Post event report confirming event outcomes, including growth of visitors from outside of the Kāpiti District and an improvement in the annual economic contribution of the event. <p>These are to be satisfactory to the Council in all respects</p>
4	FFFLAIR	Level 2 Major Event	35,000	\$115,000	\$50,000	<p>Funding is conditional on receipt of</p> <ul style="list-style-type: none"> • A marketing and promotional plan, including confirmation about how the Kāpiti Coast will be promoted and how Council and other partners will work with the event organiser to promote the event. • Event to provide a selection of approved high resolution digital event photographs, film and b-roll for KCDC's use as needed for reporting, event and destination promotion.

						<ul style="list-style-type: none"> Confirmation about how the event survey will be completed to ensure that necessary data is captured for post event reporting and analysis. Event Health and Safety Plan, including confirmation of traffic management for the event. Partner and Stakeholder engagement plan, including confirmation of engagement with the local rural and horticulture community. <p>These are to be satisfactory to the Council in all respects</p>
5	Ōtaki Kite Festival	Level 2 Major Event	22,098	\$25,000 Multi-year funding	<p>\$25,000</p> <p>To support kite flyer related costs, entertainment, stage and sound related costs and the hire of additional portable toilets.</p> <p>Multi-year funding of \$20,000 is supported for years 20/21 and 21/22.</p>	<p>Funding is conditional on receipt of</p> <ul style="list-style-type: none"> A marketing and promotional plan, including confirmation about how the Kāpiti Coast will be promoted and how Council and other partners will work with the event organiser to promote the event. Event to provide a selection of approved high resolution digital event photographs, film and b-roll for KCDC's use as needed for reporting, event and destination promotion. Confirmation about how the event survey will be completed to ensure that necessary data is captured for post event reporting and analysis. Event Health and Safety Plan, including confirmation of traffic management for the event. <p>Multiyear funding is conditional on receipt of</p> <ul style="list-style-type: none"> Post event report confirming event outcomes, including growth of visitors from outside of the Kāpiti District and an improvement in the annual economic contribution of the event. <p>These are to be satisfactory to the Council in all respects.</p>
Overall total of funding requested for Major Events in Kapiti Coast 2019/20				\$277,457	\$175,000	

- 35 Out of the five events that have applied for the funding, one event, Māoriland Film Festival, was recommended as a signature event. The remaining four events, Kāpiti Food Fair, Ōtaki Kite Festival, XTERRA Wellington and FFFLAIR, were recommended as a Major Event.
- 36 The panel recommended that funding conditions, tailored to each event are to be put in place for receiving the event funding. In addition, the panel have put in place guidelines for what the funding should be used for. The conditions have been noted in Table 5.
- 37 Three of the five events have been recommended for multi-year funding, to the total amount of \$75,000 for the next 2 years. The recommended multi-year events are Māoriland Film Festival, Ōtaki Kite Festival and Kāpiti Food Fair.
- 38 Two new events, FFFLAIR and XTERRA Wellington, have been recommended for funding, to support a creative diverse event portfolio.

CONSIDERATIONS

Strategic and Policy considerations

- 39 The Major Events Fund strategically contributes to the Long Term Plan's goal of, 'a positive response to our distinct district identity'.
- 40 The 2016-18 Economic Development Strategy provides the strategic structure for event development and growth in the district. This has been supported in the draft 2019-22 Economic Development Strategy which is currently in development.

Legal considerations

- 41 Work with legal to ensure appropriate agreements are put in place for the event funding.

Financial considerations

- 42 Funding for the 2019/22 Major Events Fund is fully allocated from the approved Economic Development budget. There will be no additional funding required from approval of the recommendations in this report.

Tāngata whenua considerations

- 43 Ensuing Tāngata whenua aspirations are met is a key requirement for all events to meet.
- 44 Council's Acting Iwi Relationship Manager was a member at this year's major event panel to provide advice on Tāngata whenua considerations and provide support to event organisers where needed.

SIGNIFICANCE AND ENGAGEMENT

Significance policy

- 45 This matter has a low level of significance under Council's Significance and Engagement Policy.

Engagement planning

- 46 No engagement is required with respect to this report.

Publicity

- 47 The Council will publically notify which events have been funded through the Major Events Fund.
- 48 The Economic Development and Communications Teams will work with the event organisers to support the marketing and promotion activities of the funded events, utilising council communication channels and other promotional opportunities.
- 49 A representative from WellingtonNZ has been included in the recommendation panel and to help support awareness through WellingtonNZ communication channels.

RECOMMENDATIONS

- 50 The Council notes the results of the 2018/19 Major Event funding round.
- 51 The Council notes the applications received for the Major Event Fund 2019/20.
- 52 The Council notes that all applicants have been assessed by the panel using the agreed criteria set out in the Major Events Policy 2019 / 22.
- 53 The Council allocates the recommended event funding across the events listed in table 6.
- 54 The Council holds the feasibility funding until later in the year when a suitable application is submitted.

Event name	Panel recommendations
Event funding	
XTERRA Wellington	\$20,000
Māoriland Film Festival	\$55,000
Kapiti Food Fair	\$25,000
FFFLAIR	\$50,000
Ōtaki Kite Festival	\$25,000
Total	\$175,000
Remaining	\$25,000 feasibility funding

Reports must be approved by TWO Group Managers

Report prepared by **Approved for submission** **Approved for submission**

Orlaith Maher

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ATTACHMENTS

- 1 Appendix A - Major Events Policy 2019/22
- 2 Appendix B – Event reports for 2018/19
- 3 Appendix C - Major Event Fund application panel scores 2019/20