

Mayor and Councillors
COUNCIL

25 OCTOBER 2018

Meeting Status: **Public**

Purpose of Report: For information

KĀPITI MAJOR EVENT FUNDING 2017/2018

PURPOSE OF REPORT

- 1 This report provides background information, performance data and concludes 2017/18 funding pre-allocated to three multi-year events for the final year of Major Events Fund 2016-18.

DELEGATION

- 2 The Council has the authority to consider this matter.

BACKGROUND

Kāpiti Events Plan

- 3 Major events development has been identified as a key driver in achieving long term economic development for the Kāpiti district. In December 2015, the Kāpiti Events Plan 2015-2018 (Appendix A) was adopted as an action plan for supporting and leading major events that bring economic benefits to Kāpiti.
- 4 The Kāpiti Events Plan is an outcome focussed approach to event development to help develop and grow signature events on the Kāpiti Coast. It identifies five actions for transforming Kāpiti into a district that offers a vibrant and exciting portfolio of events that realise economic and community outcomes. This included the establishment and management of a major events fund and event development programme targeting signature events. The 2017/18 focus was to build towards a good return on investment and support the growth of iconic Kāpiti events.
- 5 The goal is to build a diverse calendar of events that attract visitors, add vibrancy to our communities, and provide a return on investment for the local economy.
- 6 A total of \$160,000 per annum is available. The Major Events Fund criteria (Appendix B), for the overall funding period, outlines conditions for the fund and allows for:
 - Multi-year funding (up to 3 years)
 - Up to \$24,000 for feasibility and economic impact studies for events.
 - Up to \$160,000 per annum for event funding and development that meets the criteria and outcomes of the Kāpiti Events Plan (including feasibility and economic impact studies for events).

Major Events Fund History

- 7 In September 2016 (Report SP-16-2006), the multiyear funding of \$160,000 was allocated as outlined in table 1.

TABLE 1: Summary of 2016-17 Multi-year Funding Awards

Event	Funding awarded 2016/17	Funding awarded 2017/18	Pre-allocated Funding 2018/19
Māoriland Film Festival	\$55,000	\$40,000	\$30,000
Ōtaki Kite Festival	\$35,000	\$20,000	\$10,000
Coastella	\$55,000	\$30,000	
Kāpiti Food Fair	\$15,000	\$10,000	\$5,000
TOTAL	\$160,000	\$100,000	\$45,000
Remaining Balance	Balance \$0.00	Balance \$60,000 for contestable process	Balance \$115,000 for contestable process

- 8 In October 2017 (Report SP-17-338), funding was allocated with the addition of the remaining balance for 2017/18 allocated to the multi-year funded events as outlined in Table 2

TABLE 2: Events funded 2017/18 year

Event	Funding awarded 2017/18	Pre-allocated Funding 2018/19
Māoriland Film Festival	\$48,000 (+\$8,000)	\$30,000
Ōtaki Kite Festival	\$24,000 (+\$4,000)	\$10,000
Coastella	\$36,000 (+\$6,000)	
Kāpiti Food Fair	\$12,000 (+\$2,000)	\$5,000
Ōtaki-Māori Racing Club Farmers' Market	\$15,000	
Kāpiti Coast International Jazz Festival	\$15,000	
Kāpiti Coast Festival	\$10,000	
TOTAL	\$160,000	\$45,000
Remaining Balance	Balance \$0.00	Balance \$115,000 for contestable process

Major Events Fund Results 2017-18

- 9 All recipients of funding in the 2017/18 year are required to submit a post event report to ascertain the economic impact and district benefits of the event.
- 10 For the Māoriland Film Festival, Ōtaki Kite Festival and Kāpiti Food Fair the 2018/19 funding is subject to a satisfactory performance on the 2017/18 event. This is to ascertain that each event met, and will continue to meet, the criteria.
- 11 To close out the 2017-18 year an Economic Impact report is created for each event.
- 12 An Economic Impact report is generated through inputting data into an online tool from Infometrics which estimates the economic impact of events using data pertaining to attendees;
 - origin
 - attendees length of stay
 - average expenditure.
- 13 The information and data input into the Infometrics online tool is from event owners and attendee survey results. A multiplier analysis, a commonly used approach for measuring economic impacts, is then used to estimate the full economic impacts for the district.
- 14 In addition to information from the Infometrics tool, each event is analysed to assess its economic impact and delivery against the Major Event Fund key criteria. A combination of scoring gives each event an overall score out of a possible 15.
- 15 Each application assessment was against the 'Primary Criteria' of the priority matrix:
 - Has a distinct Kāpiti Coast flavour.
 - Showcases the District's positive attributes.
 - Has long term economic benefits.
 - Meets tāngata whenua and community aspirations.
 - Meets or exceed the return on Council dollar investment threshold of 5 to 1.
- 16 A combination of scoring gives each event an overall score out of a possible 15. The Major Events Fund criteria total score shows which events met or exceeded the criterion.
 - 0 = does not address criterion
 - 1-5 = fails to meet the criterion
 - 6-10 = meets the criterion
 - 11-15 = exceeds the criterion
- 17 Economic Impact assessments for the seven events are included in Appendix C. Table 4 provides a summary of the estimated economic impact and Return on Investment (ROI) for every Major Event Fund dollar invested in each event for 2017-18.

TABLE 3: Estimated Economic Impact and ROI Results from 2017-18 Fund allocation

Event	Council funding	Attendee numbers (A=Actual E=Estimated)	Survey feedback	Visitor attendance		Return on investment (ROI)		Overall Score
				Kāpiti	Outside district	Visitor value added	ROI	
Kāpiti Food Fair	\$12,000	15,380 (A)	95%	90%	10%	\$126,293	10:1	13/15
Māoriland Film Festival	\$48,000	12,000 (E)	100%	64%	36%	\$843,797	17:1	15/15
Ōtaki Kite Festival	\$24,000	10,000 (E)	95%	73%	27%	\$157,350	6:1	14/15
Coastella	\$36,000	3,841 (A)	100%	47%	53%	\$494,276	13:1	14/15
Kāpiti Farmers' Market	\$15,000	3,150 (E)	NA	60%	40%	\$20,757	3:1	11/15
Kāpiti Coast International Jazz Festival	\$15,000	150	NA	150	0	\$0	NA	11/15
Kāpiti Coast Festival	\$10,000	6,000 (E)	96%	66%	34%	\$82,679	8:1	12/15

NA = Not available

- 18 All multi-year funded events met, or exceeded, the criterion in that they:
- had a distinct Kāpiti Coast flavour,
 - showcased the District's positive attributes, and
 - Had long term economic benefits.
 - Met tāngata whenua and community aspirations.
 - Met or exceed the return on Council dollar investment threshold of 5 to 1.
- 19 All events are acknowledged for their contribution of encouraging local pride and promoting the District's liveability. All events connected to the events criteria and Kāpiti Events Plan 2015-2018.
- 20 The data shows that Māoriland Film Festival had the highest economic return (based on a five day event) and drew on an international market, while Coastella had the highest percentage of visitors from outside the district.
- 21 Each major event supported by Council, contributed to the Council's vision of growing a vibrant and diverse Kāpiti events portfolio while drawing on the visitor economy which is identified as a critical part of economic success for the District.
- 22 All successful applicants are required to submit a post event report to ascertain the economic impact of their events. Information formatting has not been mandatory, and this has proven problematic in establishing robust data for measurement in some cases. Changes to the way successful applicants track

and record data will be made for the 2018/19 year, and clear reporting requirements will be mandatory.

- 23 Funding for three multi-year events (Kāpiti Food Fair, Māoriland Film Festival and Ōtaki Kite Festival), although already approved, is subject to council receiving report back showing they successfully met the criteria. Multi-year events are invited to present to the Council on 25 October to report on the success of their events.

CONSIDERATIONS

Policy considerations

- 24 The Kāpiti Events Plan 2015-18 (Appendix A) provides an outline for the Major Event Fund.

Legal considerations

- 25 There are no legal considerations.

Financial considerations

- 26 Funds for the Major Event Fund are available as included in the Long Term Plan (LTP).

Tāngata whenua considerations

- 27 Tāngata whenua aspirations were a key consideration for the allocation of the Major Events Fund for 2017/18.

SIGNIFICANCE AND ENGAGEMENT

Significance policy

- 28 This matter has a low level of significance under council policy.

Engagement planning

- 29 No engagement is required with respect to the content of this Report.

Publicity

- 30 There is no publicity required in relation to this report. It is expected the result of the 2018/19 Major Event Fund will require publicity, which will include the success of the multi-year events.

RECOMMENDATIONS

- 31 That the Council acknowledges all 2017/18 event organisers for their contribution of encouraging local pride and promoting the District's liveability.
- 32 That the Council notes the satisfactory performance outcomes of the post economic impact assessments and report evaluations of three events outlined in the table below.

TABLE 4: Events that meet satisfactory performance

Event	Council funding	Attendee numbers (A=Actual E=Estimated)	Survey feedback	Visitor attendance		Return on investment (ROI)		
				Kāpiti	Outside district	Visitor value added	ROI	Overall Score
Kāpiti Food Fair	\$12,000	15,380 (A)	95%	90%	10%	\$126,293	10:1	13/15
Māoriland Film Festival	\$48,000	12,000 (E)	100%	64%	36%	\$843,797	17:1	15/15
Ōtaki Kite Festival	\$24,000	10,000 (E)	95%	73%	27%	\$157,350	6:1	14/15

- 33 That the Council notes:
- 33.1 The Environment and Community Development Committee committed to a total of \$45,000 as outlined in table 2 of this paper to the Māoriland Film Festival, Ōtaki Kite Festival and the Kāpiti Food Fair (ECD 16/07/209 refers) subject to satisfactory result in terms of the economic benefit to the District of each event.
- 33.2 That resulting funding available in 2018/19 for distribution is therefore \$115,000.

Report prepared by	Approved for submission	Approved for submission
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Rebecca Martin

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Strategy & Planning**

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ATTACHMENTS

Appendix A: Kāpiti Events Plan 2015-18

Appendix B: Event Plan Criteria (Major Events Fund) 2017-19

APPENDIX A

KĀPITI EVENTS PLAN

2015-2018

THIS PLAN SETS ACTIONS FOR SUPPORTING AND LEADING EVENTS THAT BRING ECONOMIC BENEFITS TO KĀPITI OVER THE NEXT THREE YEARS.

Events & economic development

The Kāpiti Coast District Council adopted an Economic Development Strategy in December 2014, as an overarching strategic framework for guiding council's activity. The strategy identifies a number of drivers to achieve economic development growth and success. The four focus areas are: open for business, building capability, leadership and responsiveness, and positioning Kāpiti. Council's investment in events will add value to the positioning Kāpiti outcomes, which are to:

- develop a more cohesive identity and inspire a sense of collective pride and belonging
- differentiate ourselves and cut through a crowded market
- improve public perception and build reputation
- attract investment
- make it easier for our partners to work with us because we can articulate who we are, where we fit, what we stand for and what we have to offer.

There are many ways events can deliver immediate economic benefits that contribute to the outcomes defined in Positioning Kāpiti.

Events:

- attract visitors who spend money in the Kāpiti district
- source income from outside the district, resulting in additional business to business spend
- can have a significant impact on the district's image and can be an effective way of promoting Kāpiti to a wider audience
- can make districts more vibrant and diverse and often bring communities together
- can give focus to council priorities and outcomes.

POSITIONING KĀPITI

- FOCUS AREA**
- Positioning Kāpiti**
- Tell the Kāpiti Story (including digital presence)
 - Visitor attraction
 - Business attraction
 - Event development

- Improve perception and build reputation
- attract investment
- make it easier for partners to work with us because we can articulate who we are, where we fit, what we stand for and what we have to offer.

A priority in this focus area will be to develop a strong position and articulate our story. These elements will be used to inform business and visitor attraction initiatives.

Positioning is an integral element of economic development and is broader than just promoting what we have to offer. Good positioning will allow us to understand who we are, what we have to offer, where we fit and what we need to improve - enabling us to differentiate our services.

Effective positioning underpins good story telling. We are a district with an evolving and multi-layered story - each of our townships boasts a distinct character: we are a coastal haven and retreat; a burgeoning and growing suburb of Wellington; a group of satellite towns with opportunities to be a great place to work and do business. We need to capture these layers and then tell our stories in a cohesive and compelling way to cut through a crowded market place.

The outcomes of this focus area will:

- develop a more cohesive identity and inspire a sense of collective pride and belonging
- differentiate ourselves and cut through a crowded market place



Outcomes-focused approach to events development for Kāpiti

The Kāpiti Coast District Council's support for events contributes to the council's vision of a vibrant, diverse and thriving district. The council has identified the visitor economy as being critical to economic success for the district. Events are a key attractor to the visitor economy.

This plan sets out a way forward for determining the type of events that have long term economic development benefits and meet tāngata whenua and community aspirations. A number of outcomes have been established to help Kāpiti grow its portfolio of events that:

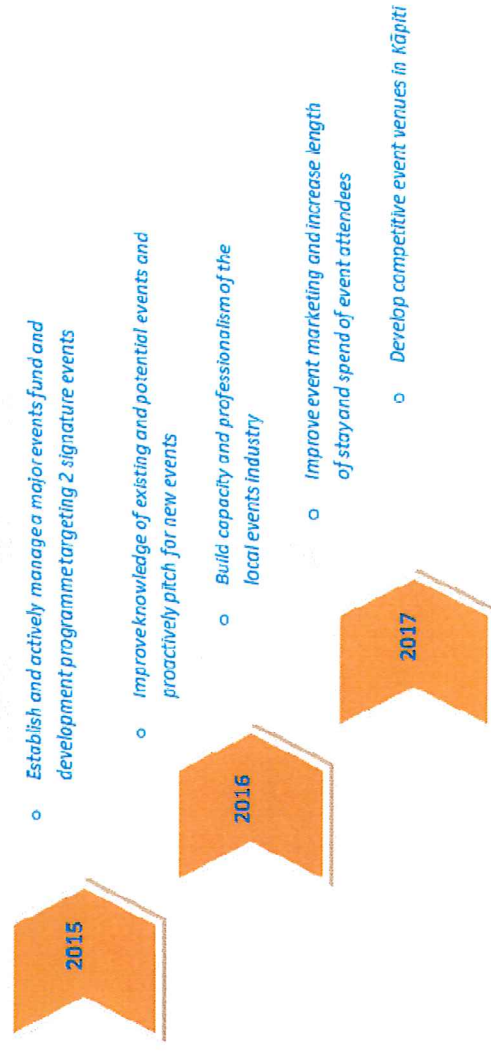
1. attract visitors to the district - creating visitor spend that contributes to economic success
2. showcase the district's attributes - creating a positive media profile of the district
3. are consistent with community and tāngata whenua values and aspirations.

To assist the council to achieve these outcomes a set of actions shape the plan for creating a vibrant events portfolio over the next three years.

OUTCOMES-FOCUSED APPROACH

The district offers a vibrant portfolio of events that:

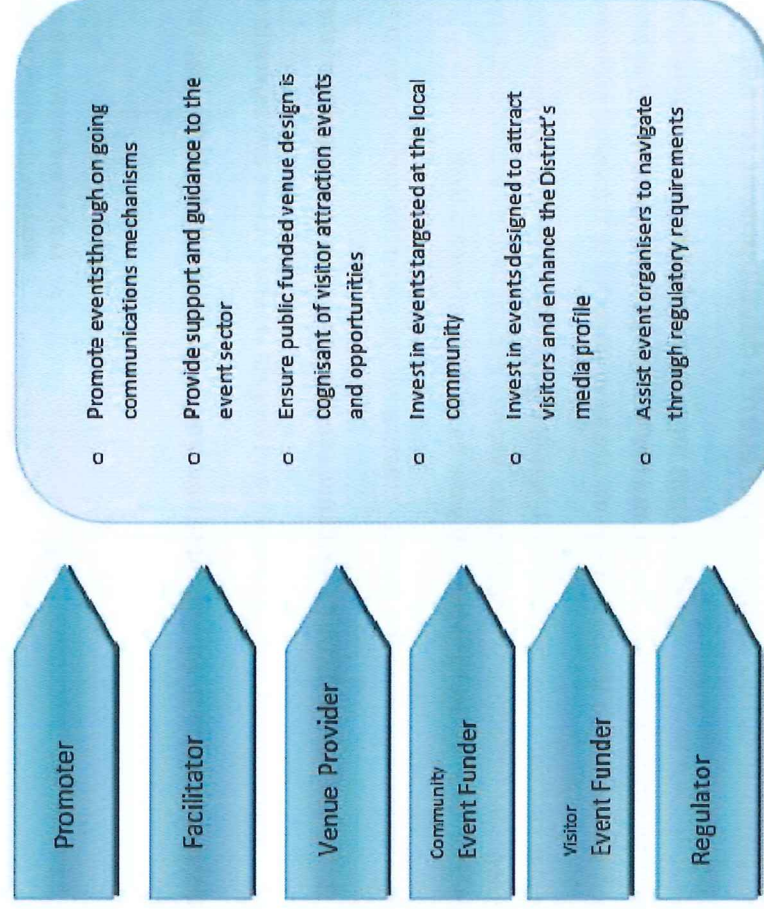
1. *attract visitors to the Kāpiti District*
2. *showcase the district's positive attributes*
3. *are consistent with community and tāngata whenua values and aspirations.*



Council's role in events

Fostering an event-friendly approach to infrastructure and regulatory processes will make the business of event development easier. Working with the regional council and transport agencies may also be required to deliver events outcomes. The following diagram shows council's role in events development.

Council's role in events



Building a portfolio of events requires Council supported events to be:

- distinctively Kāpiti and must build on the district's positive attributes
- show potential for self-sustaining funding (without council's funding after three years).

Measuring progress

A set of action orientated indicators have been established to monitor success and progress in events development. These actions are to:

- support two or three major events, that generate more than \$500,000 economic benefit to the District, in place by 2018
- support one new major event per annum (by 2018)
- report all media coverage and estimated advertising value (EAV) of major events
- capture changes in spend – compare spend with previous dates (market view spend reports)

- report on leisure packages created around events and the level of uptake
- measure growth in overall visitor numbers
- measure traffic to web-based events information.

Actions for progress

This plan enables a systematic approach to event development that has good economic and social returns. Robust information and evaluation is required to make sound investment decisions in building a vibrant events portfolio for Kāpiti, this can be achieved by:

1. establishing a protocol and tool kit for event funding implementation
2. establishing a 'whole of council' event-friendly approach (develop systems that help event organisers navigate through regulatory requirements)
3. ensuring that major events and their associated benefits are acknowledged and supported by all parts of Council.

Implementing these three key actions will ensure good economic and social returns for major council-supported events in the district.

APPENDIX B

KĀPITI EVENTS PLAN CRITERIA

2017-2019

SUPPORT FOR EVENTS THAT BRING ECONOMIC BENEFITS TO KĀPITI OVER THE
NEXT YEAR.

Events fund 2018-19

Information covered

- fund level, frequency and process
- criterion (request for applications)
- matrix (a decision making tool)
- measuring success and reporting.

Funding levels

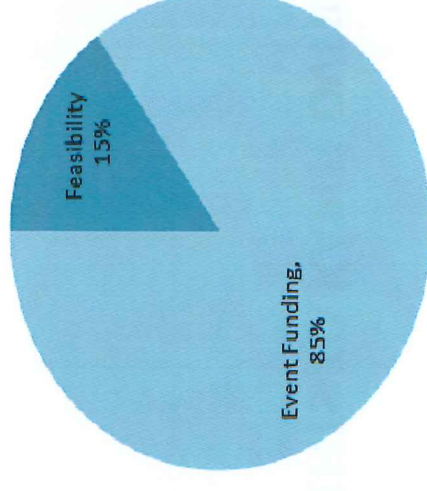
A total of \$160,000 is available through the economic development activity funding for creating a vibrant events portfolio in the Kāpiti District. Events play a significant role in helping the district achieve its long-term economic outcomes. Funding will be allocated in the following way:

1. Up to \$24,000 per annum will be available for feasibility, business case development and economic impact studies for event opportunities. This will provide decision making confidence and minimise risk.
2. Up to \$160,000¹ per annum will be available for event funding and development that meets the criteria and outcomes outlined. This fund is aimed to support a small number of significant/major events per annum.

Frequency

Funding allocation decisions will be made annually.

Some significant events will require public sector and other funding outside of Council support. Council funding should be used to leverage sound economic outcomes for Kāpiti.



1. \$136,000 less feasibility amount – if feasibility is not used the total will remain \$160,000 available for events. For 2018 – 2019, \$45,000 is already committed, leaving \$115,000 available.

Funding process

In September 2016, events could be funded for up to three years where there was a sound business case to enable long-term strategic development. Of the \$160,000 available in 2017-18, \$100,000 was already committed through this multiple year funding and in 2018-19, \$45,000 is already committed. Applications in August/September 2018 may be made for one year on this basis. The next multi-year funding decision will be made as part of the 2019-2021 Major Events Fund strategy.

All applications for the balance, \$115,000 in 2018-19 will go through a robust decision-making process based on criteria met. Funding decisions will be made by Council on or before 25 October 2018.

Criteria & eligibility

The Council is committed to sound economic outcomes that meet its vision of a district that is vibrant, thriving and diverse.

Consideration will be given to major events that:

- have a distinct Kāpiti Coast flavour
- showcase Kāpiti Coast's positive attributes so media outside the district can include these in any articles about the events
- have long-term economic development benefits (are likely to generate a 5:1 return, at least, on Council's investment)
- meet tāngata whenua and community aspirations.

To be eligible the event must:

- take place in Kāpiti
- have already secured at least 30% of its total cost (not applicable to feasibility applications)
- shows potential for self-sustaining funding
- not coincide with another major event in the Wellington region, unless compatible
- not have already occurred in the district.

Preference may be given to events which:

- attract visitors in the off season (late March to October)
- can demonstrate successful financial support from other funding sources
- show potential to be self-sustaining without Council funding after three years.

Activities that will be considered for funding include:

- event management and personnel to secure sponsorship
- event signage, advertising and promotional material, as well as other direct costs
- feasibility studies including economic impact studies.

Parties interested in delivering within the scope of this request are invited to submit applications and proposals by **7 September 2018** to:

email: **events@kاپiticoast.govt.nz**
deliver: **Kāpiti Coast District Council, 175 Rimu Road, Paraparaumu**
post: **Major Event Fund, Kāpiti Coast District Council, Private Bag 60601, Paraparaumu 5254**

For other enquiries relating to the Kāpiti Major Event Fund, contact Council on 04 296 4700.

All applications should include (where applicable):

- Completed application form
- Introduction of your organisation and its primary business purpose, your experience and areas of expertise.
- Certificate or documentation of proof that your organisation or business is a legally incorporated entity, Trust or business recognised under the Companies Act).
- A detailed description of the event or feasibility study proposed (including expected economic outcome).
- Risk assessment of any proposed event/feasibility study.
- A project timeline detailing what activities would be undertaken.
- A budget and a detailed and marketing/promotional breakdown.
- A communications plan including specifications detailing acknowledgement of Council's contribution.
- How your organisation typically manages and works on ensuring low environmental impacts and implementation of general environmental sustainability values, such as waste minimization.
- Your understanding of the economic outcomes of events in relation to a thriving, vibrant and diverse Kāpiti District.
- Business plan showing three-year self-sustaining funding approach.
- Track record of previous work in relevance to this proposal.
- References for similar projects undertaken.

Up to \$115,000 ex GST is available for achieving the outcomes which are expected to be completed by 31 October 2019:

- Up to \$24,000 is available for feasibility activities.
- Up to \$115,000 is available for event development (this total is subject to amount used for feasibility).

The decision to fund a major event is at the discretion of the Council.

Decision-making tool: Classification for event support matrix

A classification system is used to understand the strengths and opportunities of an events portfolio for the Kāpiti District. The matrix below is designed to order events into categories to determine the type of event, its benefits and economic and community impact. The matrix below is designed to be used as a framework for prioritising Council investment in events development. Any grading should help with determining the type of event to help funding decisions.

A prerequisite for Council support in events is that all events must:

- have a distinct Kāpiti flavour and build on the district's positive attributes
- show potential for self-sustaining funding (without Council's funding after three years)
- be consistent with community and tāngata whenua values and aspirations.

Impact Level	Level 1	Level 2	Level 3
	Major events (1) (5,000-10,000 attendees) National showcase event where 20% of attendees are visitors to the District.	Regional events (2) (2,000- 5,000 attendees) Regional showcase event where 10% of attendees are visitors to the District..	Local events (500-2000 attendees) Events that are driven and lead by local communities. Mainly local residents attendees
Primary	<ul style="list-style-type: none"> o Event that attracts visitors overnight stay o Event that attracts visitors from outside the District o 5:1 return on Council investment o Generate media profile for the regions visitor o Enhance the District's liveability o Increase international exposure 	<ul style="list-style-type: none"> o Event that attracts visitors from outside the District o 5:1 return on Council investment o Generate media profile for the regions visitor o Enhance the District's liveability o Increase international exposure 	<ul style="list-style-type: none"> o Encourages local pride and social outcomes o Provides paid or free entertainment opportunities to the community o Provides social benefits such as fund raising for local organisations o facilitates cross cultural awareness o Promotes environmental suitability and community engagement
Secondary	<ul style="list-style-type: none"> o Assist skill development for a particular field of events that provide exposure of local talent o Creates opportunities for local businesses to regionally export products and services o Aligns with regional industries (as to the EDS) 	<ul style="list-style-type: none"> o Assist skill development for a particular field of events that provide exposure of local talent o Creates opportunities for local businesses to regionally export products and services o Aligns with regional industries (as to the EDS) 	<ul style="list-style-type: none"> o Assist skill development for a particular field of events that provide exposure of local talent o Creates opportunities for local businesses to regionally export products and services o Aligns with regional industries (as to the EDS)
Tertiary	<ul style="list-style-type: none"> o Encourages local pride and social outcomes o Provides paid or free entertainment opportunities to the community o Provides social benefits such as fund raising for local organisations o facilitates cross cultural awareness o Promotes environmental suitability and community engagement 	<ul style="list-style-type: none"> o Encourages local pride and social outcomes o Provides paid or free entertainment opportunities to the community o Provides social benefits such as fund raising for local organisations o facilitates cross cultural awareness o Promotes environmental suitability and community engagement 	<ul style="list-style-type: none"> o Event that attracts visitors overnight stays o 5:1 return on Council investment o Generate media profile for the regions visitor o Enhance the District's liveability o Increase international exposure

* Because economic events have the ability to deliver social, community and tangata whenua outcomes, it is important these facets are recognised in developing an events portfolio for Kāpiti.

Measuring success and reporting

All successful applicants are required to submit a post event report to ascertain the basic and intermediate economic impact. Long- term economic impacts will be required for events that run for longer than two years

Report backs will include:

- robust analysis of economic impact
- full financial report
- inventory of marketing/promotional achievements
- attendance figures including breakdown of visitor origin.

