



SELECT SCRUTINY COMMITTEE

Tuesday, 14 March 2023

6.00 pm

**Committee Rooms 1 and
2, City Hall, Beaumont
Free, Lincoln, LN1 1DD**

- Membership: Councillors Calum Watt (Chair), Gary Hewson (Vice-Chair), David Clarkson, Jane Loffhagen and Hilton Spratt
- Substitute members: Councillors Liz Bushell
- Officers attending: Angela Andrews (Chief Executive & Town Clerk), Becky Scott (Legal Services Manager), Democratic Services, Simon Colburn (Assistant Director - Health and Environmental Services), Simon Walters (Strategic Director of Communities and Environment) and Steve Welsby (Communications Manager)

AGENDA

SECTION A

Pages

1. Declarations of Interest

Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.

2. Call In of Decision - Events and Culture in the City - Christmas 2023 and Beyond

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SCRUTINY CALL-IN REQUEST FORM

SCRUTINY PROCEDURE RULES (14-15)

(Must be completed by at least 2 Members)

All parts of this form must be completed.

1. DECISION

Title - EVENTS AND CULTURE IN THE CITY – CHRISTMAS 2023 AND BEYOND

Minute No - 81

Date Taken - Monday 20th February 2023

Decision Maker – The City Council Labour Executive

1. REASON FOR CALL – IN

Please identify the ground(s) and reason(s) on which you believe the decision should be Called In.

The list below may assist you to identify the areas where you believe there are defects in the decision making process.

- **That having regard to the nature of the decision and the circumstances in which it was made, the decision has been taken on the basis of inappropriate or insufficient consultation**
- **That the decision maker has failed to give adequate reasons for the decision**
- **That the decision maker has failed to take relevant considerations, or has taken irrelevant considerations into account, or has come to a decision which no reasonable decision maker, taking everything properly into account, could have come to**
- **That the decision is contrary to policy framework**
- **That the decision is contrary to or not wholly in accordance with the budget**
- **That the decision cannot be justified and is open to challenge on the basis of the evidence considered.**
- **That a viable alternative was not considered.**

ii) Re-allocate the existing budget provision for the Christmas Market to provide a wider events programme throughout the year, including a new “Christmas in Lincoln” offer

<u>The Ground(s) for Call-In is:</u>	<u>The reason supporting the ground(s) is:</u>
<p>That having regard to the nature of the decision and the circumstances in which it was made, the decision has been taken on the basis of inappropriate or insufficient consultation.</p>	<p>The process in which the decision has been made (to re-allocate the existing budget provision for the Christmas Market to provide a wider events programme throughout the year, including a new “Christmas in Lincoln” offer) by the Labour Executive has, even by Cllr Metcalfe’s own admission, been made without sufficient public discussion (I refer to Cllr Metcalfe’s monologue during the Executive meeting of 20th February).</p> <p>Opposition Councillors, and from what we understand, backbench members of the controlling group, were only notified of the plans to re-allocate the Christmas Market budget the day before the public announcement.</p> <p>The decision has been met both by residents (who this council proports to represent) and businesses with shock at the lack of public engagement regarding this decision.</p> <p>Despite a significant number of individuals signing the petition. The petition organiser was not offered the opportunity to address the Labour Executive – Cllr Metcalfe has previously allowed public speakers at the Executive. We recall this last being done at the Executive meeting where the decision was made to cut the council grant issued to the Drill Hall.</p>
<p>That the decision maker has failed to give adequate reasons for the decision</p>	<p>Whilst time was taken to explain why the council believes that the reallocation of funds is necessary, based on the events of the 2022</p>

	<p>Christmas Market, we believe that an adequate discussion of the alternative options have not properly been discussed and considered.</p> <p>This is with particular reference to the proposed options as provided by the Safety Advisory Group (see below for reference) -</p> <ul style="list-style-type: none"> - <i>explore utilisation of a much wider area, and/or</i> - <i>reduce the number of people attending (ticket event), and/or</i> - <i>operate over a longer period (which includes two Saturdays)</i> <p>Whilst limited anecdotal discussion has taken place in order to dismiss the 3 recommendations as unviable. No detailed data has been provided and no public consultation has been carried out regarding these 3 recommendations from the Safety Advisory Group.</p>
<p>That a viable alternative was not considered.</p>	<p>The decision (Re-allocate the existing budget provision for the Christmas Market to provide a wider events programme throughout the year, including a new “Christmas in Lincoln” offer) has not been taken with due regard to the possible alternative options. The City Council has essentially washed its hands of Lincoln’s Christmas offering and is now hoping that stakeholders pick up after the mess that has been made.</p>

SUGGESTING AN OUTCOME What recommendation to the Executive do you want to make?

- The City of Lincoln Council issue a full public apology for its poor engagement with local stakeholders, businesses and residents.
- The City of Lincoln Council review its decision making process, ensuring that decisions cannot be made in future unless engagement standards have been met.

- The City of Lincoln Council pause the decision to re-allocate funds away from the Christmas Market whilst it carries out a full public consultation and comprehensively consider alternative arrangements for the 2023 Christmas Market.
- Should the City Council formally make the decision to re-allocate funds to a wider events programme, this budget is fully protected from cuts for 5 financial years, commencing from 2024 (which is when an events programme is expected to commence).

CALL-IN SUPPORTED BY THE FOLLOWING MEMBERS (this should be at least 2 members)

Name - Councillor Thomas Dyer, Leader of the Opposition
Signature –

Name – Councillor Rachel Storer, Conservative Councillor
Signature –

Date 24th Feb 2023

81. Events and Culture in the City - Christmas 2023 and Beyond

Purpose of Report

To provide members with a review of the Christmas Market in 2022, reflecting on:

- The visitor experience,
- The financial cost,
- Predictions over increasing attendance numbers and the consequential health and safety concerns.

The Chair expressed thanks to Officers and emphasised that proposals had not been taken impulsively or without extensive consideration. Recognition was given to the affection that was held for the market as a much loved institution, however public safety was the most important consideration moving forward.

The Chair confirmed that detailed and extensive discussions had taken place with the multi-agency Safety Advisory Group and the advice received was that no revisions to the market event plan would safely deal with any increase in visitor numbers beyond those experienced in 2022. It was noted that if the market continued to grow at the current rate, the event would become unsafe. In addition, the visitor experience would be adversely affected and as such, there was a compelling case for changes to be made moving forward. Consideration was given to the wider context, it was agreed that Lincoln was a highly successful visitor and tourist attraction which provided a great base from which to consider a new “Christmas in Lincoln” offer and wider events programme.

Further to discussions between Executive members and Officers, the following points were noted:

- Public safety was the principal consideration moving forward. The market had won awards for safety, but the event would become unsafe in 2023.
- When considering the financial implications, contracts for services had break clauses built in and as such, contractors could claim only for costs incurred at the point of cancellation. There was a compelling case for cancelling early to prevent contractors incurring large costs for the 2023 market.
- Contracts awarded for providing services across all events would mean that many contractors would be retained for other events and in turn, costs would be mitigated.
- The cost of cancellation was anticipated to be significantly less than the £260K net cost of operating the market.
- Although the market generated £13m, only £2m stayed within the local economy.
- Proposals included the use of the full budget allocation of £260K per annum into a new events programme – the largest investment in cultural activity in the Council’s recent history.

- Consideration of a new events programme for the future would include work with local businesses from all sectors to ensure it had the desired impact and covered a range of events for both local residents and visitors from further afield.
- It was anticipated that other partners would step into this space and therefore increase and enhance provision which would create a much bigger ‘critical mass’ of activity – especially around the Christmas period.
- The economic benefit from 320,000 visitors could be distributed over a range of events across the full year and therefore, visitors may spend more if they had time to dwell and meander around the City centre and uphill areas to absorb the atmosphere which the history and heritage of the City offered e.g. the iconic Cathedral and Norman Castle which had both seen extensive investment in recent years.
- The replacement events programme would build content that would be marketed across the region and hence maintain the profile. There would be less of a national/international profile, as that would take the Council back to the issues experienced with crowding at the Christmas market. Lincoln did not have a large capacity events space.
- The Council did not market the Christmas market, and had not done so for many years, as its profile on social media had been sufficient. Therefore, the Council did not have a marketing budget and could not place a value on the equivalent exposure created from the market’s profile.
- Extensive yearlong discussions with the Safety Advisory Group every year always resulted in recommendations for a range of infrastructure to maintain visitor safety, the cost of which was £750K in 2022 for the Christmas market. If the event were to be spread over a range of venues across the city, there would be a requirement to spread resources over a wider footprint or more likely, lead to a much higher infrastructure cost (e.g. CCTV, stewards, lighting, power, public address system, barriers, toilets etc) across a much wider area. The Council would need to make provision for 320,000 visitors with no effective way of managing how visitors moved between these areas. All areas would require safety plans to tackle excessive crowding.
- Stall holders enjoyed the Christmas market as it brought over 250,000 people into a concentrated area over 4 days enabling them to accrue significant income. However, since Covid-19, the Council had struggled to attract the required level of stalls and was 50 stalls short in 2022. If the footprint were to be spread across the whole city centre and beyond, the attraction for those stall holders would reduce as the perception could be that a spread of visitor numbers resulted in less footfall.
- There would be a requirement to reduce stall fees to sell the space and therefore, the cost of the market would increase further resulting in a double impact of less income and higher costs.

Discussion concluded that a new vision for the future delivery of an events and culture programme in the city, which incorporated ‘Christmas in Lincoln,’ was now necessary.

Councillor Neil Murray motioned an additional recommendation for the creation of a mechanism to enable meaningful consultation with Lincoln residents, businesses and key stakeholders for both the creation of a new “Christmas in Lincoln” offer and the wider events programme. The motion was seconded by Councillor Sue Burke, voted upon and carried.

Decision

1. That the issues raised in this report be noted.
2. That the existing budget provision for the Christmas Market be reallocated to provide a wider events programme, working with partners, throughout the year, including a new “Christmas in Lincoln” offer.
3. That businesses, residents and key stakeholders would be consulted with widely to enable their views to be considered in the creation of a new “Christmas in Lincoln” offer and wider events programme proposal.
4. That Policy Scrutiny Committee be invited to review that new programme, once officers had further developed proposals.

Alternative Options Considered and Rejected

As detailed within the officer’s report.

Reasons for the Decision

If the success of the Christmas Market were to be simply measured in terms of attendance figures, then the market was hugely successful. This was by far the busiest market in its 40-year history.

However, success was not just measured by visitor numbers as there were many factors at work to create a broader barometer of success including:

- Visitor/resident experience
- Commercial success of the market itself
- The safety of those attending – the most important factor here

Whilst noting the success of the market in terms of its attraction to visitors across the wider region and beyond, as organisers of the event, the City Council must be cognisant of the escalating cost of putting the four-day event on, the emergence of a negative visitor experience due to visitor numbers at various times, and the predictions of increasing attendance volumes year on year in what was essentially a very constrained geographical footprint.

The officer’s report considered these elements in detail and ultimately concluded that after 40 years of successful operation, it was time for the Christmas Market to ‘bow out’ to make way for a new offer over the entire Christmas period in Lincoln together with a wider programme of events throughout the rest of the year to attract a wide variety of visitors and hence placing a far less intensive demand on the City’s infrastructure.

The 2022 Christmas market was exceptionally well planned and executed. The City Council deployed some of the most experienced staff/partners in the country to work on overseeing the market and the overall planning process was held up nationally as an example of best practice. Last year saw a significant uplift in visitor numbers from 2021 and whilst the plans for crowd control coped with this increase, they operated at near capacity. Visitors were not in danger, but the visitor experience suffered and hence the reputation of the market, as detailed within the report.

The graph in section 3.5 of the report confirmed that there was a general growth in numbers of people visiting the market year on year and as a result, the market had simply become so popular it has outgrown its current footprint and duration of event.

The City Council had sought the views of partners through the multi- agency Safety Advisory Group, who advised on the safe operation of events across the City. Their advice was that no revisions to the market event plan would safely deal with any increase in visitor numbers beyond those experienced in 2022. The only option was to:

- explore utilisation of a much wider area, and/or
- reduce the number of people attending (ticket event), and/or
- operate over a longer period (which included two Saturdays)

Officers had explored all these options, but none of them were viable in the current location. The event took place on open streets in commercial uphill Lincoln but was bounded by residential areas. The Council could not expand any further into these neighbouring streets without causing significant disruption and further complaints from residents. This resulted in the footprint remaining constrained.

In addition, roads had to be closed, causing disruption in the uphill area over the four days, preventing the City Council stretching the event over more days in the existing footprint. The cost of extending the infrastructure over two weekends (in an effort to spread visitor numbers over those two weekends) would be prohibitive.

The Council also had no control over how many people attended - this was a free to enter event and all were welcome. Ticketing the event in its entirety was impossible due to the many entry and exit points into the market footprint. Castle Square remained the hub of the market. Due to street design and hierarchy, many people either started their exploration of the market from here or arrived in this area quite quickly on their journey around the footprint. This was one of the main areas where crowds developed. By ticketing the Castle – it would limit numbers into the Castle and reduce volumes on the ramp at the exit – but it would significantly impact on crowding elsewhere as visitors would ‘back up’ into Castle Square and beyond. It took time to check tickets/ take payments/ answer queries at the gates – this impeded flow and would cause safety concerns at busy times. This was also the case at The Lawn entrance - ticketing here would lead to queues backing up the Castle ramp into the Castle.

The budget position for the Christmas Market was also explored within the officer’s report.

Officers’ professional advice was that the market was not sustainable moving forward. The cost of operating the market had escalated to in excess of £250K per annum putting pressure on the Medium-Term Financial Strategy. None of the options for crowd control with higher visitor numbers were viable and the visitor experience would start to deteriorate. In addition, the City’s reputation would suffer.

After 40 years the market's success had outgrown its footprint and had a business model that would not recover the infrastructure costs associated with hosting a regional/national event in a medieval setting, as magical as it was.

As indicated throughout the officer's report, the approach to 'Christmas in Lincoln' needed a rethink and this must take place with some urgency to enable the Council to extract itself from the market related contracts already in place and enable partners to step into the space to organise their own offers.

Officers were assessing Christmas in the City in a more holistic way to reflect the desires and ambitions expressed by many businesses and residents feeding back to the Council this year. Whilst further work was ongoing to develop a potential programme, the shape and structure would be moulded around a number of core aspects moving forward:

- Movement to a model of "Christmas in Lincoln"
- Utilisation of partners to also organise activity
- Investment in wider Christmas infrastructure
- Development and curation of a range of cultural events throughout the year
- To support a re-emergence of the Lincoln Cultural Arts Partnership (LCAP)

Note: Meeting adjourned at 19:10

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SUBJECT:	EVENTS AND CULTURE IN THE CITY – CHRISTMAS 2023 AND BEYOND
DIRECTORATE:	COMMUNITIES AND ENVIRONMENT
REPORT AUTHOR:	SIMON WALTERS, STRATEGIC DIRECTOR OF COMMUNITIES AND ENVIRONMENT

1. Purpose of Report

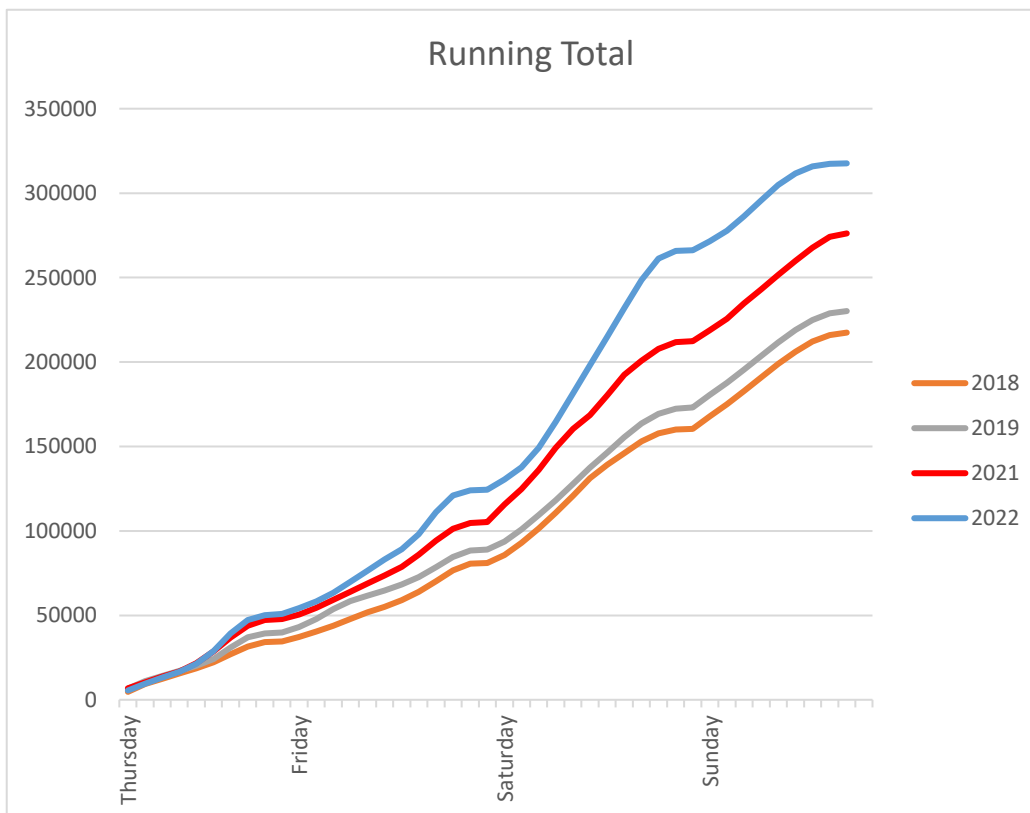
- 1.1 This report provides Members with a review of the Christmas Market in 2022, reflecting on:
- the visitor experience,
 - the financial cost,
 - predictions over increasing attendance numbers and the consequential health and safety concerns.
- 1.2 The report concludes that a new vision for the future delivery of an events and culture programme in the city, which incorporates ‘Christmas in Lincoln,’ is now necessary.

2. Executive Summary

- 2.1 If the success of the Christmas Market were to be simply measured in terms of attendance figures, then the market (in its 40th year) was hugely successful – Thursday and Friday were very popular (amongst the busiest ever), as was Sunday, and Saturday far exceeded all records for visitor numbers. This was by far the busiest market in its 40-year history.
- 2.2 However, success is not just measured by visitor numbers as there are many factors at work to create a broader barometer of success. These include:
- Visitor/resident experience
 - Commercial success of the market itself
 - The safety of those attending – the most important factor here
- 2.3 Whilst noting the success of the market in terms of its attraction to visitors across the wider region and beyond, as organisers of the event, the City Council must be cognisant of the escalating cost of putting the four-day event on, the emergence of a negative visitor experience due to visitor numbers at various times, and the predictions of increasing attendance volumes year on year in what is essentially a very constrained geographical footprint.
- 2.4 The report below considers these elements in detail and ultimately concludes that after 40 years of successful operation, it is time for the Christmas Market to “bow out” and make way for a new offer over the entire Christmas period in Lincoln together with a wider programme of events throughout the rest of the year to attract a wide variety of visitors and hence placing a far less intensive demand on the city’s infrastructure.

3. Background

- 3.1 Lincoln Christmas Market enjoyed its 40th year in 2022, having been established in 1982. The event received fresh branding this year (incorporating a new mascot -Bailey the Bear) and was widely publicised through a new strategic partnership with BBC Radio Lincolnshire.
- 3.2 Typically, the market in recent years has attracted approximately 250,000 to 270,000 visitors over the four days. This is viewed as the maximum attendance the market can accommodate without impacting on customer experience. Such volumes offer a good balance between being busy (to create a great atmosphere) but also allowing sufficient space for people to flow around the market in their own time, visiting stalls and hence being able to meander around the footprint.
- 3.3 Crowd volumes beyond this level very quickly start to detract from that visitor experience - the larger the crowd the quicker customer satisfaction drops away as people struggle to get to stalls (due to crowd density) and they are then subject to one way systems at various points around the market to thin crowds.
- 3.4 It should be noted that this is a free to enter event with multiple entry and exit points to the market footprint via public roads and footpaths. This is not like any other event where entry can be controlled according to crowd density. For the Christmas Market there is no control over access.
- 3.5 As can be seen from the graph below – whilst the ideal maximum attendance is 250,000 visitors, the pattern is one of escalating attendance figures especially when noting the steep increase between 2019 (last market prior to covid) and 2022. It is anticipated that this trend will continue into future years.



- 3.6 The scale of the operation to make the Christmas market a success is highlighted below in a range of facts and figures. This is a huge task drawing heavily on City Council financial and operational capacity for the week leading up to and after the market itself. It should be noted that the event has a dedicated team working on the market all year around.

The 2022 Christmas Market in numbers:

- Over 320,000 unique visitors attended
- Over 11,700 cars at the Park and Ride
- 577,000 people passed through Castle Square
- Over 100 stewards
- Over 200 stalls (cross council and partner sites)
- 88 medical incidents dealt with by 50 St John ambulance staff
- 19 different contractors to make the event happen
- Almost £750,000 in cost to erect, operate and take down the market infrastructure
- £13m (est) generated of which £2m stays within local economy
- Approx 60 city council staff involved in the market
- Approx. 120 police officer days were deployed across the 4 days

3.7 The 2022 Christmas market was exceptionally well planned and executed. The City Council deploys some of the most experienced staff/partners in the country to work on overseeing the market and the overall planning process is held up nationally as an example of best practice. Last year saw a significant uplift in visitor numbers from 2021 and whilst the plans for crowd control coped with this increase, they operated at near capacity. Visitors were not in danger, but the visitor experience suffered and hence the reputation of the market 'took a hit' as can be seen in section 4 below.

4. Overall Visitor Experience

4.1 The overall experience of visitors to the market on the Thursday, Friday and Sunday was very positive. Whilst noting it was busy, most people enjoyed the atmosphere and enjoyed the breadth of stalls and idyllic location for the market. However, some people did find the crowds even on these days too dense and hence they were anxious and concerned when queuing at places such as at the exit to the castle. This further emphasises how busy all days were.

4.2 However, from approximately 2.30pm on Saturday afternoon through until approximately 8.30pm the crowds increased. As a consequence, the overall visitor experience moved from positive to negative. This created a legacy of negative social media that continued into Sunday and beyond. The local media also started asking questions about overcrowding and how well prepared the market was for those volumes of people. Quotes from visitors (via social media feedback) so far has included:

- "Nightmare, 2-3 hour queue for park and ride – we walked....."
- "Too packed to see any stalls or move"
- "Shuffled around one way system, couldn't wait to leave"
- "What a disaster – worst place I have ever visited, moved like cattle"
- "Gave up after 3 hours seeing nothing other than the head of the person in front"
- "Not impressed and won't be going again"
- "Stuck like sardines in crowds"

More detailed social media feedback included:

- "Go to Lincoln Christmas market they said, it'll be fun they said, Oh No it Wasn't, over crowded, didn't get to see half the stalls, the one way system was stupid as they kept changing it, we were sent one way and friends not far behind us then sent another way so took nearly an hour to find them again Honestly it was awful "
- "Absolute chaos, too many people at one time and no chance to see the stalls. We came from Manchester and the security staff were telling us we couldn't walk up a particular streets because of a one way system on streets, I explained we came from Manchester and we needed to get to our car, and didn't have a clue where it was?. He didn't listen so it took a hour and forty five minutes to finally find our car. So Lincoln, NEVER AGAIN, spoilt our day"
- "We were sent up dark, unsigned back roads and round in circles. We used to enter the market via the castle then loop round out the other side of the castle walls towards the fun fair and cathedral. This year we wondered if we would ever get into the castle grounds as this seemed to be the end of the one way system. However, you still had to exit the castle walls at the other side meaning you were back where you had already been at the fair. We walked miles to get round the market unnecessarily..... there were not hundreds of happy people at the market this year, unlike what the tannoy announcer kept saying, we were frustrated, tired and disappointed

Post event, the team received letters of complaint from people who were concerned by the volumes of visitors particularly over the weekend.

- 4.3 Officers have commissioned Lincoln University to undertake visitor feedback questionnaires during the market to gauge wider views and feelings about the market. The evaluation of this information is unfortunately not yet available.
- 4.4 However, officers approached Bailgate Guild, Lincoln BIG and Visit Lincoln to help us engage with local businesses and gain their views on how the market operated in 2022 and how it could be improved. Initial feedback so far is:
 - Format and layout needs to change
 - Needs to be over a longer period
 - Keep roads and schools open/impact on the local area
 - Keep car parks open
 - Keep it in pedestrianised areas only
 - Remove fairground rides– out of step with the historic location/nature of a craft market
 - Extend into city centre to spread the impact
 - Can we encourage more people to come to the city centre/Cornhill and retain them for longer
 - Can we run a market over two weekends rather than one
 - Can we spread the market out further
 - More attractions in city centre esp. Cornhill

Feedback from traders themselves at the market was very positive with many traders responding having the strongest trading year yet – due undoubtedly to the sheer volume of passing trade.

5. Potential for Increased Visitor Numbers -Future Year Projections

- 5.1 The graph in Section 3.5 confirms that there is a general growth in numbers of people visiting the market year on year and hence the market has simply become so popular it has outgrown its current footprint and duration of event.
- 5.2 As covered earlier in the report, the market attracted 320,000 unique visitors and 577,000 people passing through Castle Square over 4 days in 2022. This is a free to access event predominantly taking place on the public highway with multiple entry points on public roads/paths. Added to this is the medieval setting – beautiful and atmospheric but also spatially very tight cobbled streets. This necessitates the use of one-way systems throughout the footprint.
- 5.3 Almost £750,000 was spent on infrastructure in 2022 to make the whole event safe. This covers things like stewarding, lighting, public address system, first aid, cabins, electricity, CCTV, traffic control etc. This is all put in place not only to ensure the market can operate, but also to keep people safe. However, the anticipated uplift in visitors in 2023 and beyond will overwhelm the physical capacity of the area and the current level of infrastructure the council puts in place. No amount of additional infrastructure will cope with any further increase in visitor numbers.
- 5.4 The City Council has sought the views of partners through the multi- agency Safety Advisory Group, who advise on the safe operation of events across the city. Their advice is that no revisions to the market event plan will safely deal with any increase in visitor numbers beyond those experienced in 2022. The only option is to:
 - explore utilisation of a much wider area, and/or
 - reduce the number of people attending (ticket event), and/or
 - operate over a longer period (which includes two Saturdays)

Officers have explored all these options, but none of them are viable in the current location. The event takes place on open streets in commercial uphill Lincoln but is bounded by residential areas. The council cannot expand any further into these neighbouring streets without causing significant disruption and further complaints from residents. This results in the footprint remaining constrained.

In addition, the fact roads have to be closed, causing disruption in the uphill area over the four days, prevents the City Council stretching the event over more days in the existing footprint. The cost of extending the infrastructure over two weekends (in an effort to spread visitor numbers over those two weekends) would be prohibitive.

The council also has no control over how many people attend -this is a free to enter event and all are welcome. Ticketing the event in its entirety is impossible due to the many entry and exit points into the market footprint. Castle Square remains the hub of the market. Due to street design and hierarchy, many people either start their exploration of the market from here or arrive in this area quite quickly on their journey around the footprint. This is one of the main areas where crowds develop. By ticketing the Castle – it would limit numbers into the castle and reduce volumes on the ramp at the exit – but it will significantly impact on crowding elsewhere as visitors will ‘back up’ into Castle Square and beyond. It takes time to check tickets/ take payments/ answer queries at the gates – this impedes flow and would cause safety concerns at busy times. This is also the case at The Lawn entrance -ticketing here would lead to queues backing up the castle ramp into the castle.

6. Budget Position

6.1 The budget set for the 2022 market was a deficit of £43k. This change from the break-even position of recent years to a deficit is primarily due to:

- Fewer stalls (150 stalls paying the City Council compared to previous allocations of up to 200 stalls) caused by the impact of covid and cost of living crises – many stall holders have moved onto other things or can't afford the stock levels required
- Higher contract costs – almost all the contracts required to deliver the market were re-tendered in 2022 and with inflationary factors, this has increased the base infrastructure cost for the market
- Park and Ride site – after ground condition issues at the site in 2021 (resulting in its closure on the Sunday) investment has been made to ensure the parking surface remains robust and that vehicles can exit the showground during busy times. This alteration was successful but came at a cost.
- General enhancements across the footprint of the market to keep it fresh and introduce some cultural elements to the offer – for instance, a performers stage in St Paul's Lane.
- Liability for business rates. The Valuation Office has determined that Lincoln Christmas market should be subject to NNDR from 2022 onwards, which has added a further £28k to the operating costs.

Overall budget for 2022 was:

	2022/23 Budgets	2022/23 Q2 Forecast	2022/23 Q3 Forecast	2022/23 Current Forecast
Expenditure	726,580	743,240	751,760	741,240
Income				
90300 Contributions	-4,400	-2,500	-2,500	-2,500
90310 Event Income	-26,900	-26,900	-30,500	-30,500
90500 Fees and charges	-640,910	-580,036	-615,770	-615,770
90800 Miscellaneous Income	-11,000	-15,000	-15,000	-15,000
	<u>-683,210</u>	<u>-624,436</u>	<u>-663,770</u>	<u>-663,770</u>
(Surplus)/Deficit	43,370	118,804	87,990	77,471
(Surplus)/Deficit against budget		75,434	44,660	34,141

6.2 It will be the end of February 2023 before the council has received and processed all outstanding invoices and hence have a full and accurate position. However, at this stage the outturn position is likely to show the market will incur a deficit of around £77k on the 2022 market.

6.3 Looking ahead, as the council has the costs from contractors confirmed over the next few years, a more accurate prediction on costs can be estimated. Forecasts included in the MTFS are as follows:

	Revised Budget 2023/2024	Revised Budget 2024/2025	Revised Budget 2025/2026	Revised Budget 2026/2027	Revised Budget 2027/2028
Expenditure	<u>884,660</u>	<u>913,660</u>	<u>936,210</u>	<u>959,480</u>	<u>983,400</u>
Income					
Contributions	-2,500	-2,500	-2,500	-2,500	-2,500
Event Income	-26,900	-26,900	-26,900	-26,900	-26,900
Fees and charges	-580,040	-597,450	-615,370	-633,840	-652,860
Miscellaneous Income	<u>-15,000</u>	<u>-15,450</u>	<u>-15,910</u>	<u>-16,390</u>	<u>-16,880</u>
	<u>-624,440</u>	<u>-642,300</u>	<u>-660,680</u>	<u>-679,630</u>	<u>-699,140</u>
(Surplus)/Deficit	260,220	271,360	275,530	279,850	284,260

6.4 Officers have worked hard over the last two years to try and procure specialist support to attract a corporate sponsor and hence offset some of the operating costs. The council has been to the commercial marketplace twice with a tender to bring a professional marketing company on board to then in turn attract corporate sponsorship. On both occasions the market did not respond to the offer. The issues with sponsorship appear to centre around:

- **Market duration** – The market is only four days and whilst it has huge numbers of visitors, this is too much of a condensed period for many corporate sponsors.
- **Attendance figures** – 320,000 visitors at the Lincoln market is a huge volume of potential customers– but Christmas markets in other cities tend to be located in their city centres -in the main shopping areas. Therefore, they are in place longer -typically 6 weeks – and benefit from the overall footfall into the city centre -so for a sponsor exposure runs into millions of visitors.

Two other factors also remain in relation to corporate sponsorship:

- Corporate sponsors will want a high-profile presence at the market. This will take even more space in an already constrained footprint.
- Corporate sponsors will want maximum exposure and so will advertise their association with the market on a wide geographical scale – this will bring even higher visitor numbers into the footprint of the market

7. Conclusions

7.1 Officers' professional advice is that the market is not sustainable moving forward. The cost of operating the market has escalated to in excess of £250kpa putting pressure on the Medium-Term Financial Strategy. None of the options for crowd control with higher visitor numbers are viable and the visitor experience will start to deteriorate -hence the city's reputation will suffer.

7.2 After 40 years the market's success has outgrown its footprint and has a business model that will not recover the infrastructure costs associated with hosting a regional/national event in a medieval setting, as magical as it is.

7.3 As indicated throughout this report, the approach to 'Christmas in Lincoln' needs a rethink and this must take place with some urgency to enable the council to extract itself from the market related contracts already in place and enable partners to step into the space to organise their own offers.

8. Evolving Way Forward - A Vision for the Future

8.1 Officers are assessing Christmas in the city in a more holistic way to reflect the desires and ambitions expressed by many businesses and residents feeding back to the council this year. Whilst further work is ongoing to develop a potential programme, the shape and structure will be moulded around a number of core aspects moving forward. These are:

- **Move to a model of "Christmas in Lincoln."** This will take place over the full 6-week period leading up to and including Christmas itself. This could see an offer across both the uphill area and city centre. Whilst this would not be a Christmas market, the final model will no doubt have a retail element to it, utilising key event spaces in the city, namely City Square, Cornhill and Castle Square. This will address two of the key criteria - delivering activity over a wider footprint to spread the crowds and over a longer duration.
- **Utilise partners to also organise activity** - The city benefits from some very active partners in the city who produce events and activities themselves throughout the year. These organisations have already been in discussion with the City Council wanting to develop more of their own offer during the Christmas period in the uphill area. Indeed, the market would have had to significantly change in 2023 anyway to accommodate their requirements. The new format will give them the space they have been looking for to develop their own full programme of activity. They will be approached to work with officers on a programme of activity for visitors and residents to enjoy across a range of sites and dates.
- **Invest in wider Christmas infrastructure** – Officers will also explore the extent to which the Christmas lights in the city centre can be refreshed and replaced over the next few years to create a new display and extend to areas now re-developed within the city centre.
- **Develop and curate a range of cultural events throughout the year** - Redeploy the Culture and Events team, who work primarily on the Christmas Market, to develop a new events programme for the city centre and uphill areas. The remit would be to develop and curate such activity to ensure a spread of attractions for visitors and residents alike throughout the year, supplementing (not replacing) the activity already undertaken by organisations such as Lincoln BIG, Cathedral, Lincoln Castle etc.
- **Support a re-emergence of the Lincoln Cultural Arts Partnership (LCAP)** - hence provide officer support to encourage and develop creative talent in the city who in turn will support the vitality of the city centre through that programme of attractive events all year around

8.2 However, this would not be a full Christmas Market attracting visitors from across the region as now. The City Council would effectively step away from organising/coordinating any large-scale activity and hence would not be putting any infrastructure (stewarding, lighting, first aid, etc etc) in place. Therefore, the collection of mini attractions would be re-oriented to attract a local audience of residents in and around the city. Communications issued by the City Council would make clear that the Lincoln Christmas Market is effectively 'bowing

out' after a run of 40 years. Without this strong message there is a danger that visitors will continue to arrive expecting a full market.

Initially in the early years, it will be a more intimate offer for local residents and the surrounding area, as 'Christmas in Lincoln' evolves into its new format.

9. Benefits of this Revised Approach

9.1 There are a range of benefits from this approach as detailed below:

'Christmas in Lincoln'.....

- Activity will be programmed in the city centre and uphill areas over the full 6 weeks of Christmas, not just focussed and concentrated into 4 intense days of the Christmas market
- All retail areas within the core city centre/uphill will be covered so footfall will be spread over a wider area
- It is anticipated that wider partners will become more involved. This is an opportunity to harness their expertise and assets to make Christmas appeal to a much wider local audience - creating a more diverse offer
- It will maximise the use of those City Council assets in the city centre that have been regenerated in recent years - places such as Cornhill and City Square
- It doesn't draw heavily on partner capacity such as Police, EMAS, ULHT, Fire and Rescue at what is a very pressured and busy time of year anyway for these organisations

Move to an annual events and activities programme.....

- The city will attract visitors to a range of events across the whole year. These visitors will be encouraged to make it a weekend stay in the city to enjoy all the city has to offer. This will benefit the retail, leisure and hospitality sectors.
- Social media exposure for the city will be across the whole year and hence will attract visitors at other times of the year, not just one weekend in December.
- The quality of the offer will be enhanced through a carefully integrated programme of activity in the city centre and uphill area so no one area is adversely affected by road closures etc, benefitting residents and businesses alike.
- Visitors will have longer to dwell and enjoy Lincoln at their own pace which will encourage repeat visits.
- It will support business and city centre vibrancy in a much more effective way and increase the associated economic spend.
- The city will experience fewer capacity issues be that available hotel spaces, parking, restaurant tables etc – the environment will be much more inviting & showcase our beautiful city with visitors spread through the year rather than concentrated over one weekend with the resulting elevated prices as demand outstrips supply.

- We will look to build charity opportunities across the full year of events so charities do not miss out on the opportunity to fund raise
- A diverse range of activity over the calendar year will provide greater value for money from the budget available, rather than it be spent on one 4-day event
- It will release significant staff capacity at all levels across the organisation. Approximately 60 staff are currently involved. The market takes a huge number of staff away from their day job -not just in the market period itself but in the weeks leading up to it and the week after the market. Use of large amounts of senior capacity at Director and Assistant Director level is a particular concern. Some of this will be re-deployed to areas of work currently under resourced such as events and culture activity more generally.

9.2 This is a very challenging issue to navigate a way through with many elements to consider and balance. The implications are very significant. The proposed way forward contained within this report is very positive. The key aspects to continually return to with this approach are:

- The council has listened to feedback and will create a much better visitor & business experience
- 'Christmas in Lincoln' will continue to evolve into a new a varied programme over a much longer period than 4 days
- The council will encourage a spread of visitors over an entire year through a great annual cultural programme of events and activities attracting a much wider/diverse audience
- The budget will be retained but will offer much better value for money for residents - funding lots of event activity for the same budget as the current single four-day event

10. Strategic Priorities

10.1 Organisational Impacts

It will release significant staff capacity at all levels across the council to work on other projects. Senior officers at Director and Assistant Director are not only involved during the market itself but across the entire year in the planning and preparation, attending Safety Advisory Group, tabletop risk workshops etc. This extends to a wide range of partner agencies as well. The opportunity cost associated with this commitment is significant and so releasing this back to the organisation/s enables other key projects to be properly resourced. An example would be the Events and Culture team, who work exclusively on the market currently, would be redeployed to deliver that wider events and cultural offer across the calendar year.

10.2 Human Resources

The whole team would be re-focussed on a wider culture and events programme of activity. This would provide the staff resources to develop and curate a wider annual cultural programme for the city.

10.3 Significant Community Impact

The economic and cultural impact of ceasing the Christmas market must be considered. As indicated within the report, the market is one of the biggest events in the East Midlands and brings visitors from across the region as well as nationally/ internationally. It has been a corner stone of the cultural and tourism offer in the city for 40 years.

Whilst some businesses and residents are critical of how the market operates, it does bring an estimated £2m into the local economy. A wider offer of 'Christmas in Lincoln' will help to mitigate some of that lost income, but any replacement will need time to build and arguably cannot become the size of the Christmas Market unless a more sustainable business model is placed behind it. Other partners are better placed to grow their own alternatives, and are keen to do so, which will enhance the overall 'Christmas in Lincoln' offer over the full six-week period.

10.4 Corporate Health and Safety Implications

The market cannot continue in its current form within the context of escalating visitor numbers. The risk of injury or worse at future events is simply too great. Major change is therefore required to spread and limit visitor numbers over a greater footprint and over more days.

10.5 Legal Implications

The City Council has approximately 19 contractors providing all the necessary infrastructure to enable the market to operate. All of these contracts were re-tendered prior to the 2022 Christmas Market. These are of varying durations ranging from one year to three years or more. Officers will therefore need to liaise with these suppliers to agree mutually acceptable termination terms.

10.6 Procurement Implications

Some of the contracts referred to in section 10.5 above cover other corporate events throughout the year as well as the Christmas Market. Therefore, there will be a requirement to reprocure or retain (as appropriate) some contractors for these.

10.7 Financial Implications

As per section 6 of the report above, the council's Medium Term Financial Strategy has a deficit built in of approximately £260k pa across the next five years. This budget allocation could be re-allocated to support both the new approach to 'Christmas in Lincoln' and also a wider culture and events offer at other key times during the year. However, any residual costs associated with terminating existing contracts for the provision for the Lincoln Christmas Market will need to be accommodated within the budget for 2023/24 and this will then determine how much budget is left to deliver both 'Christmas in Lincoln' and the wider cultural programme for 2023.

11. Risk Implications

11.1 (i) Options Explored.

This report evaluates the 2022 Christmas market from several perspectives. It recommends that the Christmas market ends after its 40-year run and replaced with a wider partner offer centred on a longer "Christmas in Lincoln" campaign of smaller more local events.

11.2 (ii) **Key Risks Associated with the Preferred Approach**

As articulated in the report

12. **Recommendation**

12.1 Executive are invited to:

- i) Note and consider the issues raised in this report
- ii) Re-allocate the existing budget provision for the Christmas Market to provide a wider events programme throughout the year, including a new “Christmas in Lincoln” offer
- iii) Invite Policy Scrutiny Committee to review that new programme, once officers have further developed proposals

How many appendices does the report contain?

zero

List of Background Papers:

none

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