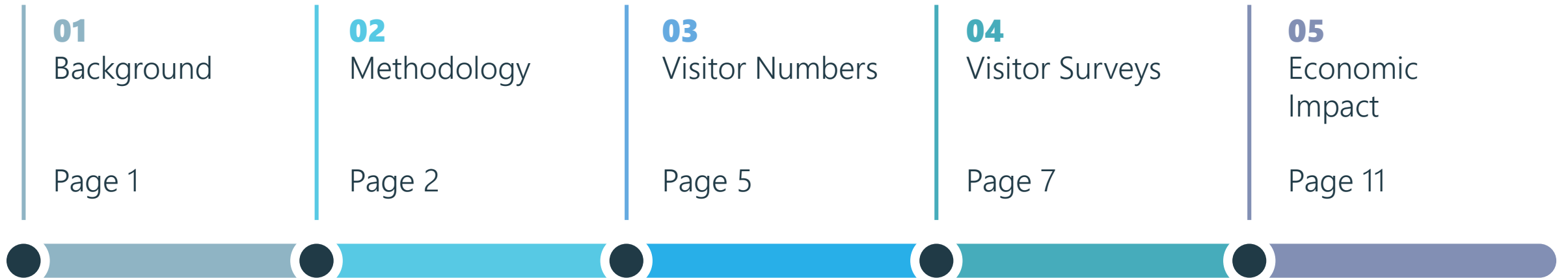




Kirklees Events Economic Impact Update

Prepared For: Graham McKenzie, on behalf of the
Music Development Group in Kirklees
Prepared by: Anthony Phillips, CEO, Spirul Ltd

The rest of this report is set out as illustrated below and overleaf.



06

Assumptions
and Conclusions

Page 23



This report has been prepared to update an Economic Impact Assessment conducted in 2007. The findings within this report are based on data gathered in annual visitor surveys conducted by festival organisers and secondary data supplied on ticket sales and festival organiser budgets.

The original report included the following festivals:

- Cleckheaton Folk Festival
- Huddersfield Carnival;
- Huddersfield Contemporary Music Festival (HCMF);
- Imbolc;
- Marsden Jazz Festival; and
- Moonraking.

This report will update the findings for:

- Cleckheaton Folk Festival;
- HCMF; and
- Marsden Jazz Festival.

In addition it has been requested that consideration is given to Kirklees Concert Season.



The evaluation has been informed through an assessment of the following information sources:

Cleckheaton Folk Festival

- Visitor survey data and summaries for the years 2015/2016/2017;
- Ticket sales data for the years 2015/2016/2017; and
- Participant and audience data for the years 2015/2016/2017; and
- Festival budget projection for 2018.

Huddersfield Contemporary Music Festival

- Visitor survey data for the years 2015/2016/2017;
- Audience Finder report for the years 2015/2016/2017;
- Ticket sales postcode report for the years 2015/2016/2017; and
- Festival budget breakdown for the years 2015/2016/2017.

Marsden Jazz Festival

- Visitor survey data for the years 2015/2016/2017;
- Festival budget breakdown for the years 2015 -2017;
- Audience Finder Postcode data for 2015.





Kirklees Concert Season

- Postcode data for concerts on 04/12/2017 and 21/12/2017;
- Ticket sales postcode data for 2017/2018;
- Ticket sales report for 2015

The information provided will be used to provide a comparison, as much as is possible, with the economic impact assessment conducted in 2007. It should be noted that information sources between 2007 and this update differ and therefore comparisons are being made with data that is not like for like and this may limit the direct comparability of the figures within this report.

The economic impact assessment within this report has been conducted using the same analysis principles as used in 2007 and incorporating the same figures used to measure the economic impact of the festivals and events in that study and set out below:

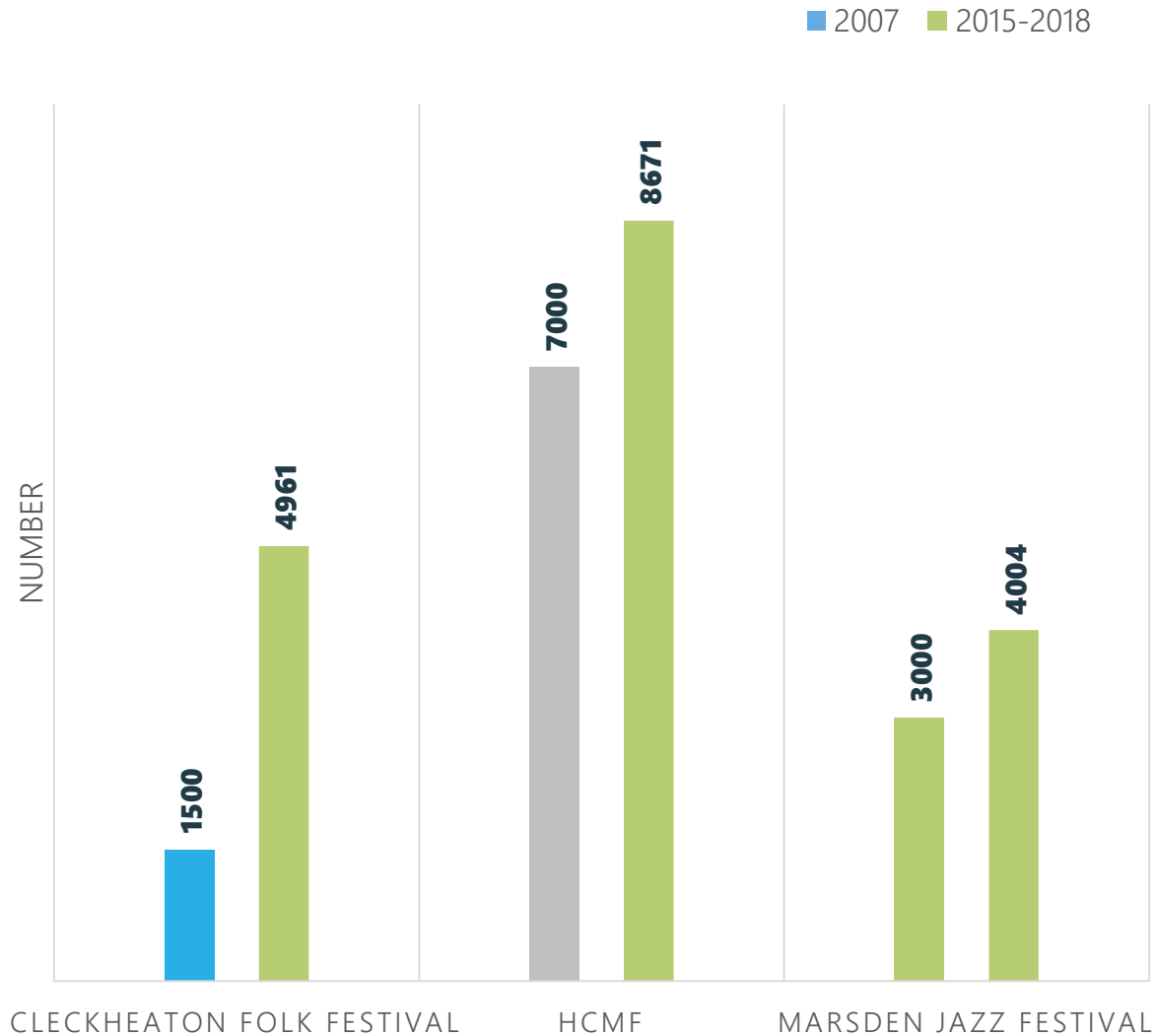
- Ancillary expenditure of the audience. These figures were collected as part of the visitor surveys conducted by Cleckheaton folk Festival and Marsden Jazz Festival from 2015 to 2017. HCMF conducted visitor surveys in this period but no spend data was recorded;
- The expenditure by the festivals or events themselves; and
- An economic multiplier for induced impact.

The inclusion of multipliers in the original report was used to consider how money is 'recycled' in the economy, for example a member of staff spending money in a local shop and, in so doing, helping to provide employment in that business. The guidance on the multipliers used in the original assessment was developed by Experian and for the purposes of providing a direct comparison we have used the same values.

The assessment of the economic impact when considering employment levels was done using an average weekly wage for Kirklees of £396.64. This has now risen to £488.70. For the purposes of this evaluation we will provide a comparative figure based on the 2007 figure and an up to date assessment.



VISITOR NUMBERS



The visitor numbers portrayed in this report have been calculated using the following assumptions:

- Cleckheaton Folk Festival – in 2007 the festival organisers reported visitor numbers of 1,500. In the period 2015 to 2017 the festival has experienced considerable growth in visitor numbers with reported figures of:
 - 2015 – 3,758
 - 2016 – 5,019
 - 2017 – 6,107
 - 3 year average – 4,961
- HCMF – In 2007 an estimated 7,000 visitors was reported and used in the economic impact assessment. The audience figures have grown since then. The known figures are taken from the Thrive report which reported the followed figures:
 - 2008 – ticket sales 4,503, overall audience 9,578;
 - 2009 – ticket sales 4,411, overall audience 10,309
- Over the 2 years reported ticket sales represented an average of 45% of the total audience.



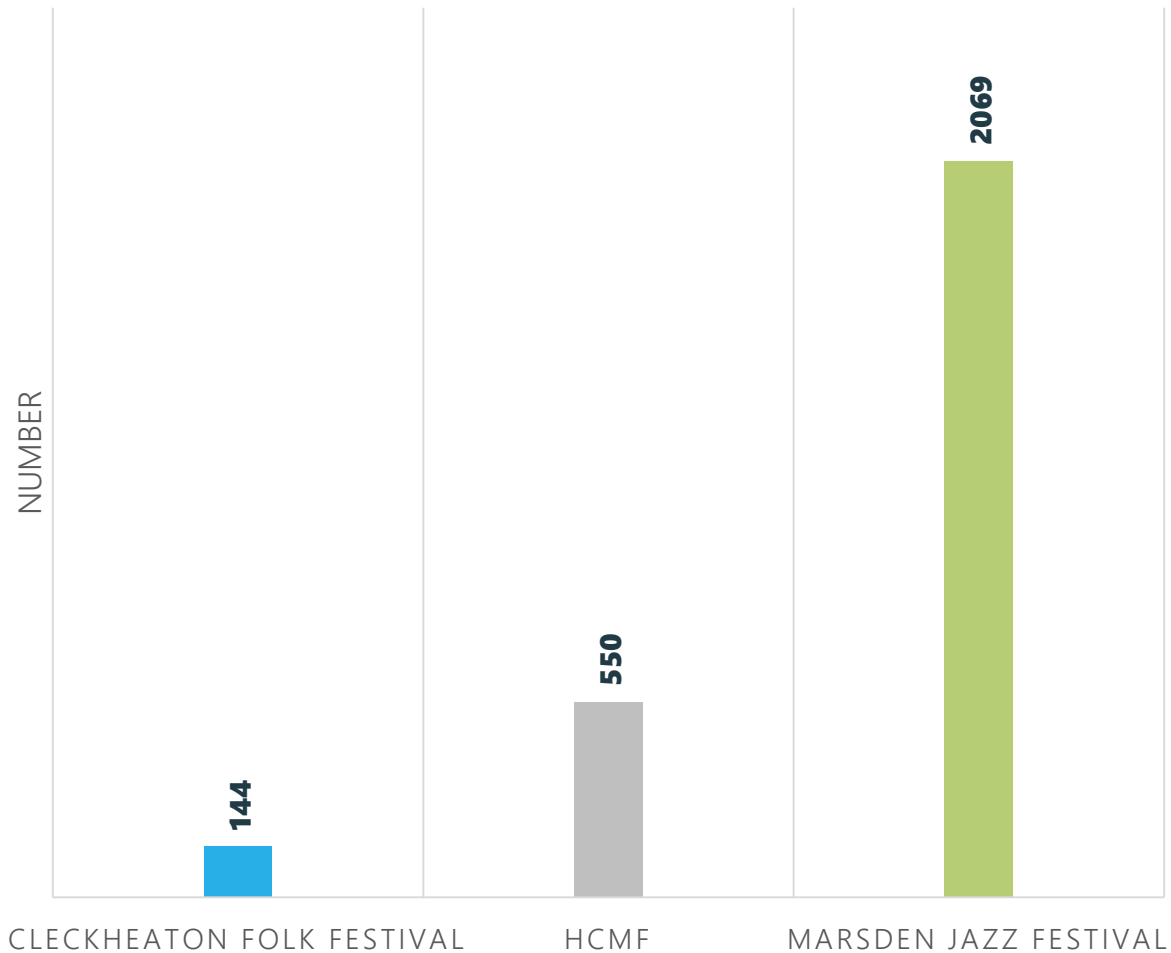
Extrapolating the ticket sales data for HCMF taken from the Audience Finder reports we have made the following assumptions in relation to the total audience size:

| Year | Ticket Sales Number | Ticket Income (£) | Ticket sales as % of audience | Overall Audience | Income per ticket (£) |
|------|---------------------|-------------------|-------------------------------|------------------|-----------------------|
| 2008 | 4,503 | 34,564 | 47% | 9,578 | 7.68 |
| 2009 | 4,411 | 36,066 | 43% | 10,309 | 8.18 |
| 2015 | 3,559 | 32,209 | Assumed 45% | 7,909 | 9.05 |
| 2016 | 4,017 | 25,178 | Assumed 45% | 8,927 | 6.27 |
| 2017 | 4,130 | 28,863 | Assumed 45% | 9,178 | 6.99 |

Based on the data in the table we have assumed a 3 year average attendance figure of 8,671 for HCMF in the period 2015 – 2017.

- Marsden Jazz Festival – in 2007 the festival organisers reported visitor numbers of 3,000. In the period 2015 to 2017 the festival has experienced some growth in visitor numbers with reported figures of:
 - 2015 – 4,074
 - 2016 – 4,465
 - 2017 – 3,474
 - 3 year average – 4,004

NUMBER OF RESPONSES



Each of the festival organisers has conducted visitor surveys in the period 2015 – 2017.

| | 2015 | 2016 | 2017 | Total Responses |
|---------------------------|------|------|------|-----------------|
| Cleckheaton Folk Festival | 48 | 43 | 53 | 144 |
| HCMF | 143 | 151 | 256 | 550 |
| Marsden Jazz Festival | 941 | 389 | 739 | 2,069 |

The visitor surveys are short and ask limited questions. Cleckheaton Folk Festival have collected spend data in 2 categories:

- Food cost and general spending.

Marsden Jazz Festival also collected spend against 2 categories:

- Festival tickets and merchandise;
- Everything else (food and drink, transport, shopping, accommodation etc).

HCMF did not collect spend data on their visitor surveys.

An analysis of the postcode data for Cleckheaton Folk Festival from the 3 years of the surveys shows that 28% of the visitors are resident in Kirklees and 72% are resident elsewhere. Cleckheaton Folk Festival estimated the distance travelled by taking a baseline distance from Cleckheaton Town Hall to the postcode on Google maps.

| | 2007 | 2015 - 2017 |
|------------------|------|-------------|
| 10 miles or less | 35% | 15% |
| 11 to 50 miles | 30% | 30% |
| 50 miles + | 35% | 55% |

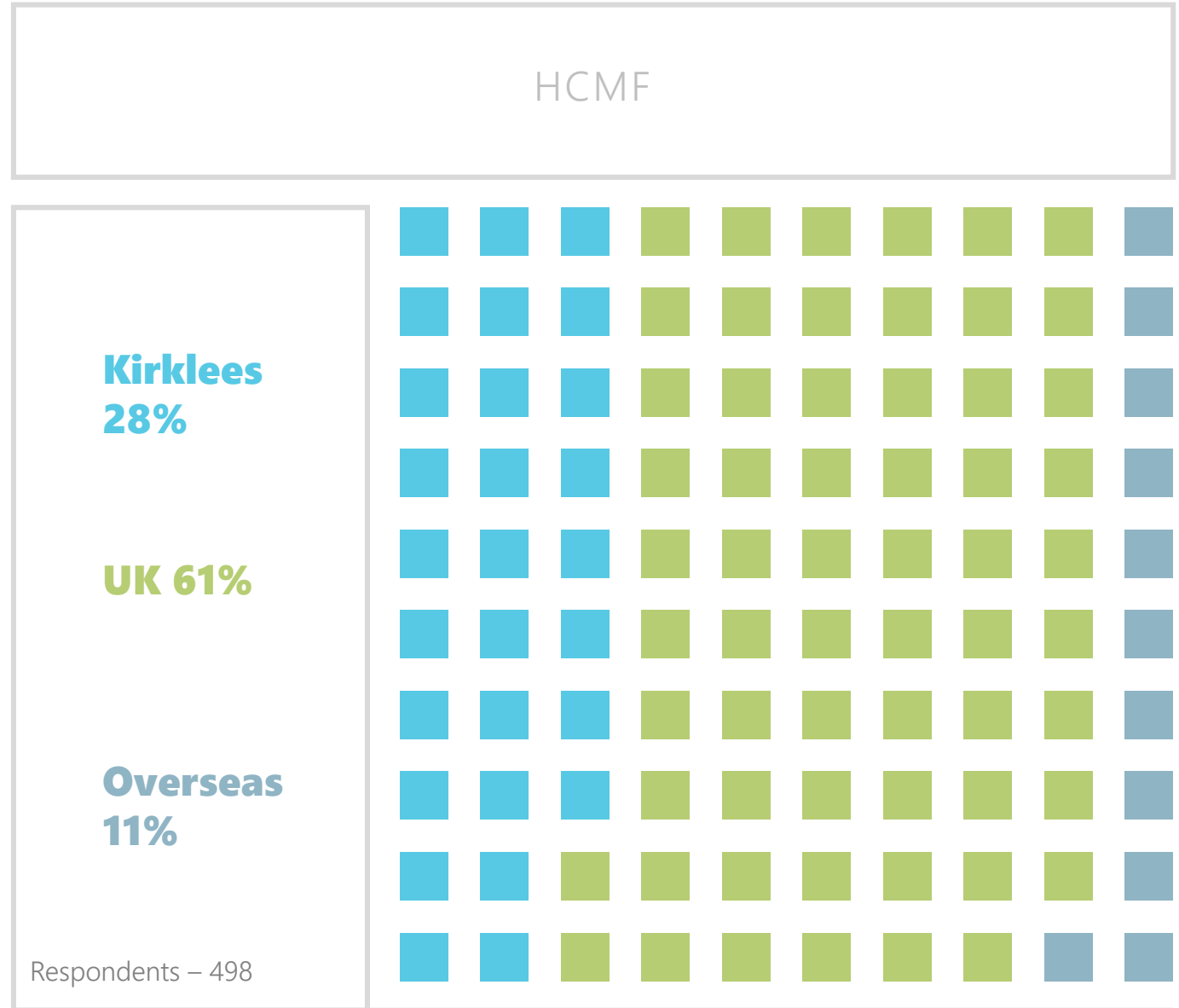
In comparison to 2007 the visitors to the folk festival are travelling further, with 85% travelling 11 miles + compared to 65%. With the growth in visitor numbers this is a positive in respect of economic impact. The 2015 – 2017 figures are based on a small sample size.



An analysis of the postcode data for HCMF from the 3 years of the surveys shows that 28% of the visitors are resident in Kirklees, 61% are resident elsewhere in the UK and 11% are resident overseas which reflects the international nature of the festival. Within the visitor surveys an estimate of distance travelled was asked and the results are set out below:

| | 2007 | 2015 - 2017 |
|------------------|------|-------------|
| 10 miles or less | 34% | 24% |
| 11 to 50 miles | 23% | 20% |
| 50 miles + | 43% | 56% |

In comparison to 2007 the visitors to the festival are travelling further, with 56% travelling 50 miles + compared to 43%. Certainly with 11% of visitors travelling from overseas this is to be expected.



An analysis of the postcode data from the 3 years of the surveys shows that Marsden Jazz Festival has a more local audience with 53% of the visitors resident in Kirklees, 46% are resident elsewhere in the UK and 1% are resident overseas. Within the visitor surveys an estimate of distance travelled was asked, although the distance categories differ from those asked in 2007. The results are set out below:

| | 2007 | | 2015 - 2017 | |
|------------------|------|------------------|-------------|--|
| 10 miles or less | 26% | 15 miles or less | 67% | |
| 11 to 50 miles | 41% | 16 to 60 miles | 22% | |
| 50 miles + | 33% | 60 miles + | 12% | |

In comparison to 2007 the visitors to the festival are travelling less distance, with 67% travelling 15 miles or less compared to 26% travelling less than 10 miles in 2007.



The analysis of the data supplied by the festivals has shown that there is positive growth in the visitor numbers since 2007. There is no doubt that music festivals attract significant numbers of visitors and this in turn realises significant economic impact within the local economy.

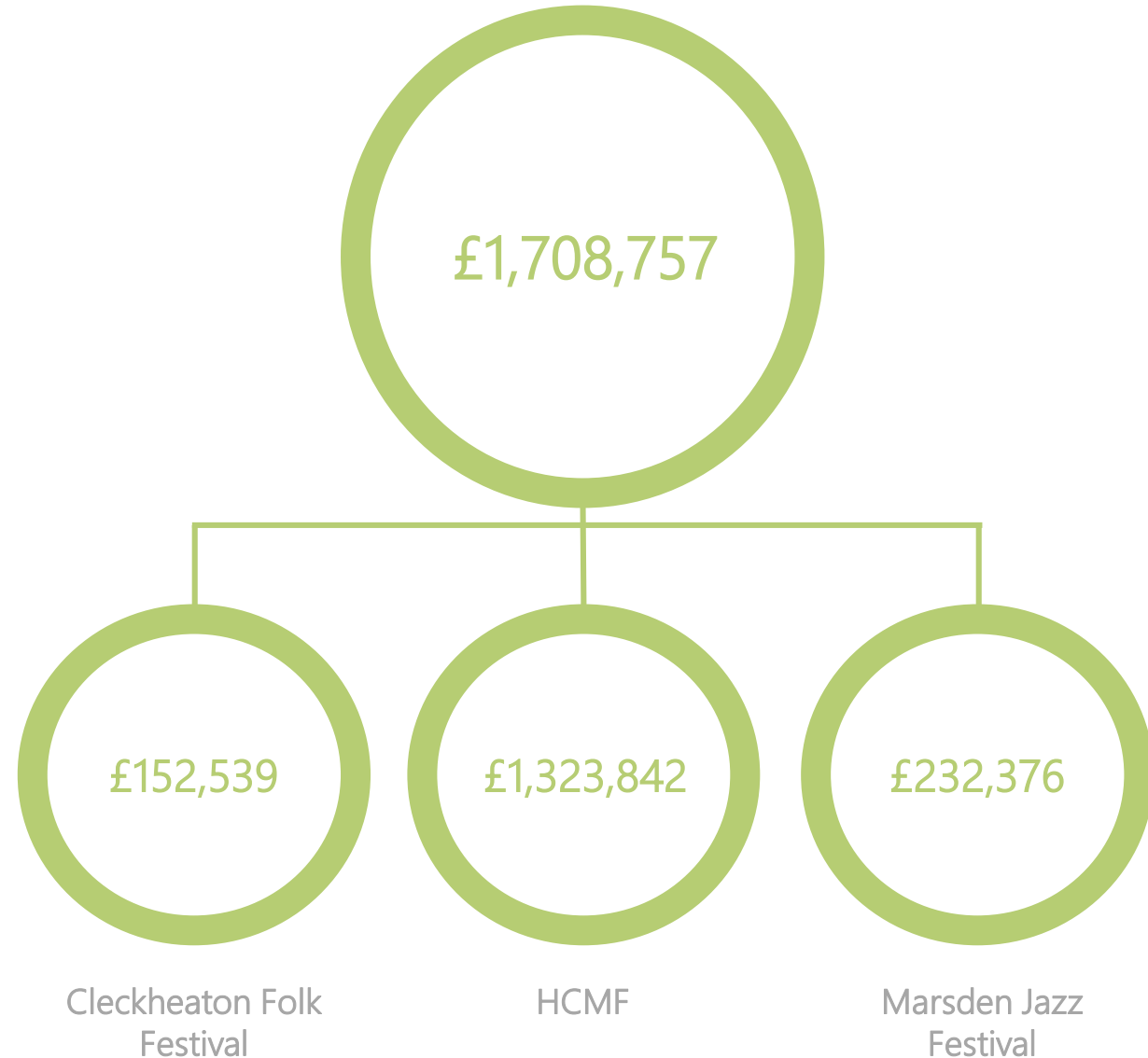
The 3 festivals that have formed part of this study represent a snapshot of the wider Kirklees music ecology. There is comment on the Kirklees Concert Season within this report, another of the significant music related events that provide a major opportunity for Kirklees to develop a music strategy that will create economic development and bring communities together.

What this report demonstrates is the significance of music festivals in economic impact terms. There are challenges for the festivals in sustainability and ongoing funding. The economic impact outlined within this report occurs within the local economy and is not direct funding for the organisers. It does, however, provide evidence of the additional impact that is created and the importance that the festivals have on their local communities.



2007

Overall



So what was the position in 2007. Collectively the overall spend for the 3 festivals was estimated to be £1,708,757.

The largest of the festivals in economic impact and audience size is HCMF and this represented 77% of the overall economic impact due to the average spend and distance travelled by the visitors.

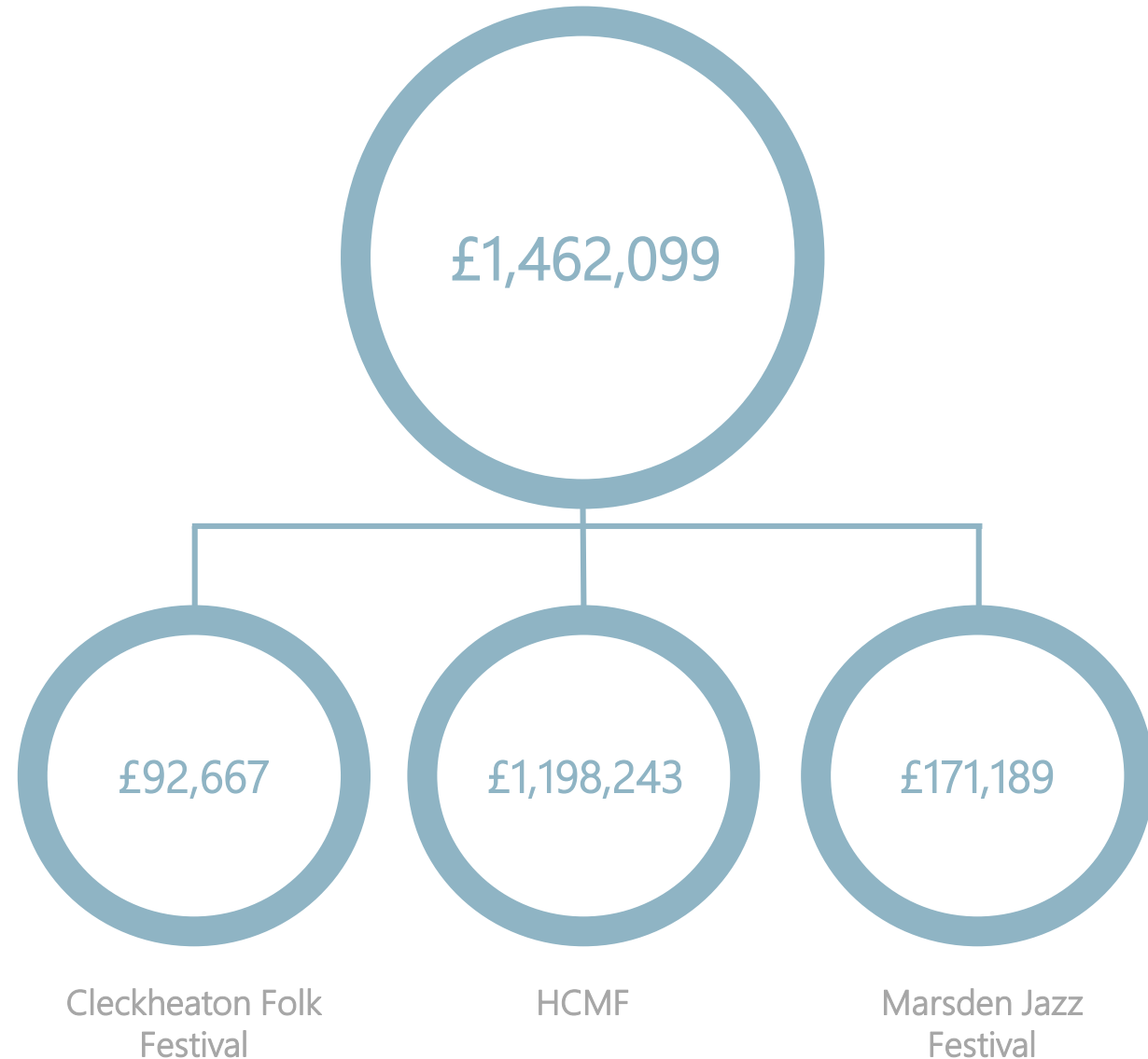
The total spend figures have incorporated an economic impact multiplier of 1.59 for induced impact. This is a measure included in the 2007 report and is included by economists to allow for the induced impact of money being 'recycled' in the local economy.

| | Spend (£) | Induced impact (£) | Festival Spend (£) | Total Estimated Spend (£) |
|---------------------------|-----------|--------------------|--------------------|---------------------------|
| Cleckheaton Folk Festival | 81,167 | 47,889 | 23,483 | 152,539 |
| HCMF | 621,199 | 366,507 | 336,136 | 1,323,842 |
| Marsden Jazz Festival | 146,149 | 86,227 | Not Known | 232,376 |

The total estimated spend figures in the table above include expenditure by the festival organisers into the Kirklees economy.

2007

Adjusted

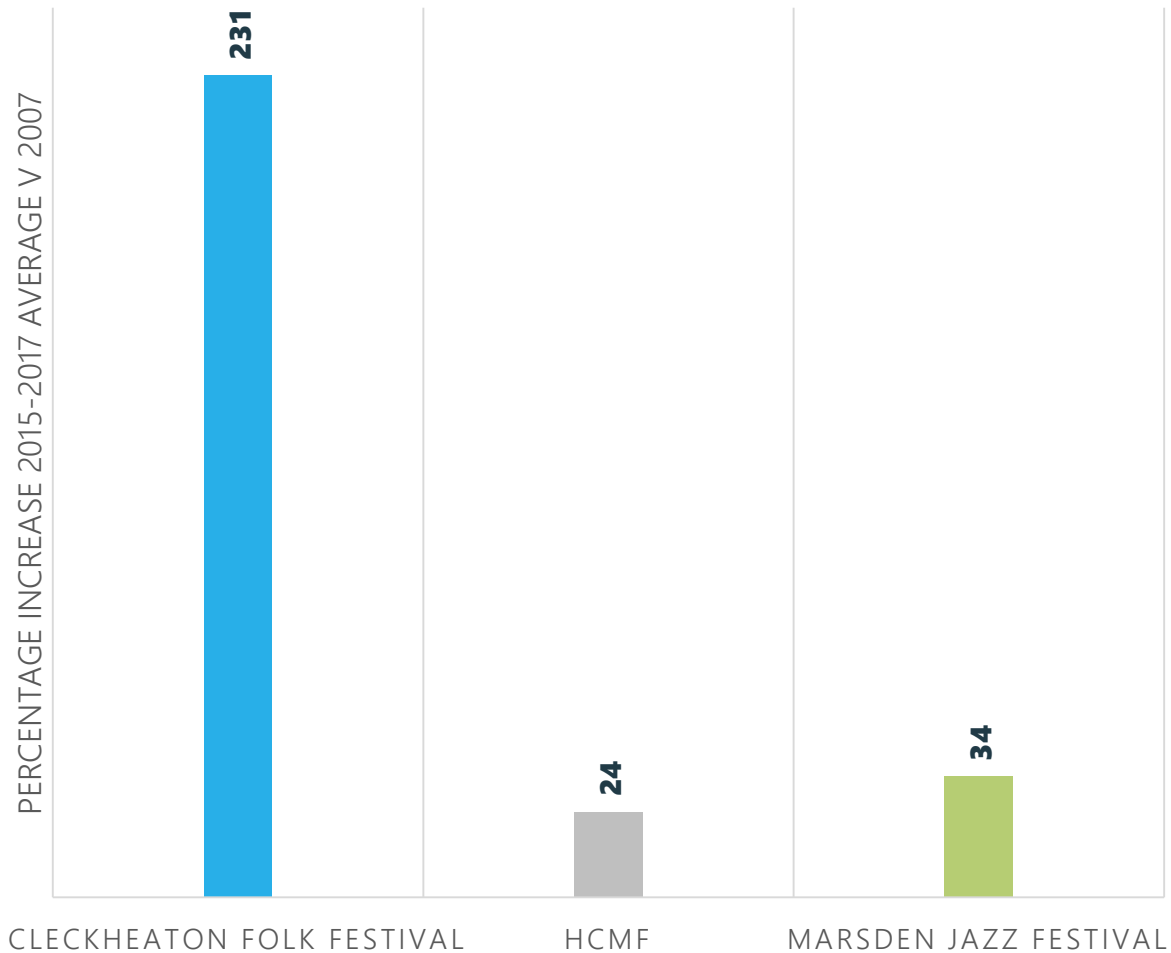


The figures on the previous page represent the total estimated expenditure created in the local economy. Economic impact is intended to be a measure of the additional expenditure created in the local economy. As a measure to account for this the 2007 analysis assumed that visitors from within a 10 mile radius would normally spend their money within the local economy anyway and this could therefore not be considered as creating additional expenditure.

The table below shows the figures for additional spend when taking this factor into account which create an estimated overall economic impact of £1,462,099.

| | Spend (£) | Induced impact (£) | Festival Spend (£) | Total Estimated Spend (£) |
|---------------------------|-----------|--------------------|--------------------|---------------------------|
| Cleckheaton Folk Festival | 43,512 | 25,672 | 23,483 | 92,667 |
| HCMF | 542,206 | 319,901 | 336,136 | 1,198,243 |
| Marsden Jazz Festival | 107,666 | 63,523 | Not Known | 171,189 |

VISITOR NUMBERS



Before establishing what the economic impact of the festivals is estimated to be in 2018 it is useful to consider the factors that will influence it.

The visitor number figures provided strongly suggest that the popularity of the festivals is increasing year on year. Cleckheaton Folk Festival has reported significant annual increases. The 3 year average of 4,961 visitors is a 231% increase on the estimated 1,500 visitors in 2007.

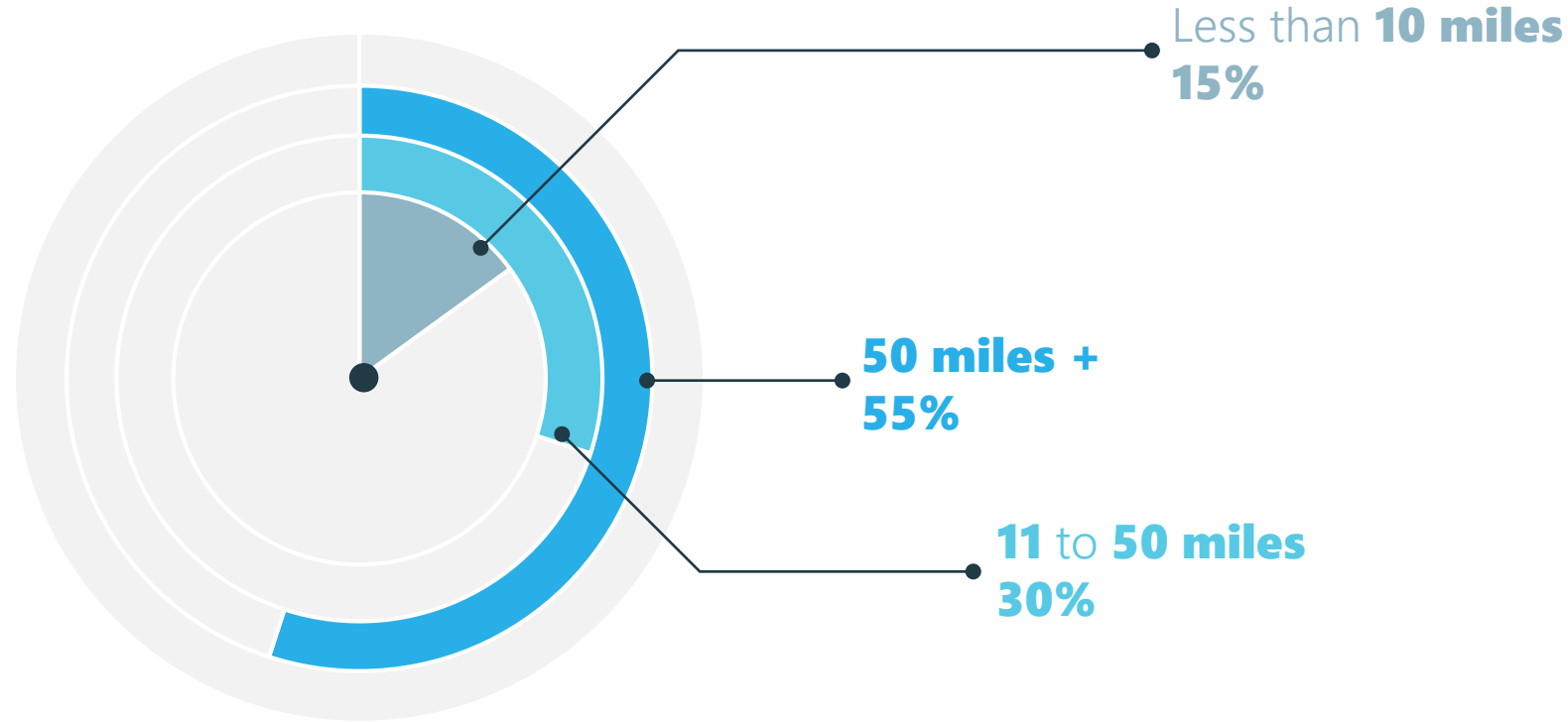
- 2015 – 3,758
- 2016 – 5,019 up 34% on 2015
- 2017 – 6,107 up 22% on 2016
- 3 year average – 4,961

The visitor numbers for HCMF recorded in 2007 were 7,000. With an estimated 8,971 3 year average this suggests that HCMF have experienced a 24% increase. This does not however tell the whole picture as 2008 audience numbers were at 9,578 and have fluctuated around that figure in the years, where we have figures, at around that level. What this does demonstrate is the ongoing appeal of the festival and its longevity in attracting significant levels of visitors.

- Marsden Jazz Festival has also reported significant annual increases. The 3 year average of 4,004 visitors is a 34% increase on the estimated 3,000 visitors in 2007.
 - 2015 – 4,074 up 36% on 2007
 - 2016 – 4,465 up 10% on 2015
 - 2017 – 3,474 down 22% on 2016
 - 3 year average – 4,004 up 34% on 2007



CLECKHEATON FOLK FESTIVAL

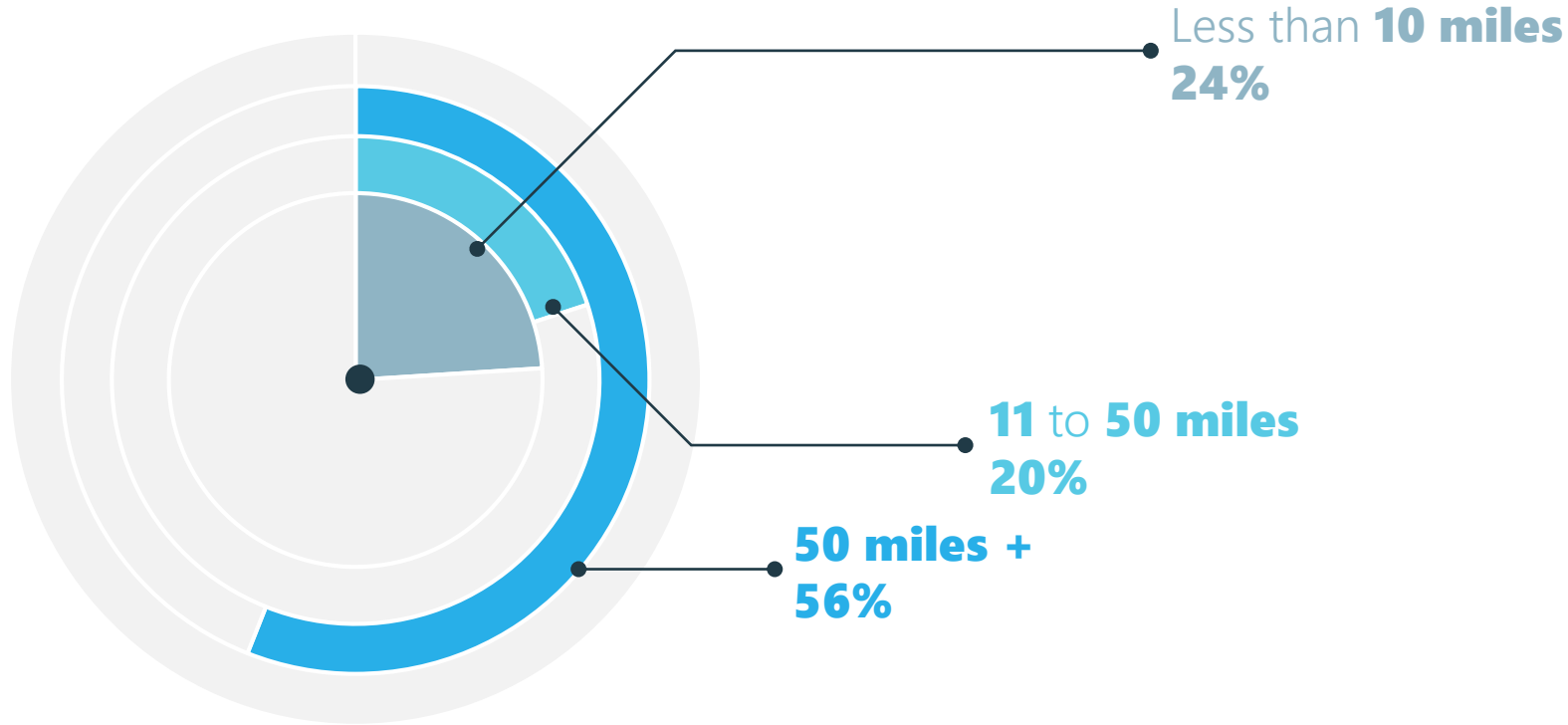


10 miles or less
 11 to 50 miles
 50 miles +

- In comparison to 2007 Cleckheaton Folk Festival has attracted an audience from further afield in the period 2015-2017.
- Translated into visitors the visitor survey results suggest that in 2007 the festival attracted 525 visitors who travelled 50 miles or further.
- The proportion of visitors travelling over 50 miles has increased to 55% and with a 3 year average attendance of 4,961 this translates to 2,729 visitors.

| | 2007 | 2015 - 2017 |
|------------------|------|-------------|
| 10 miles or less | 35% | 15% |
| 11 to 50 miles | 30% | 30% |
| 50 miles + | 35% | 55% |

HCMF

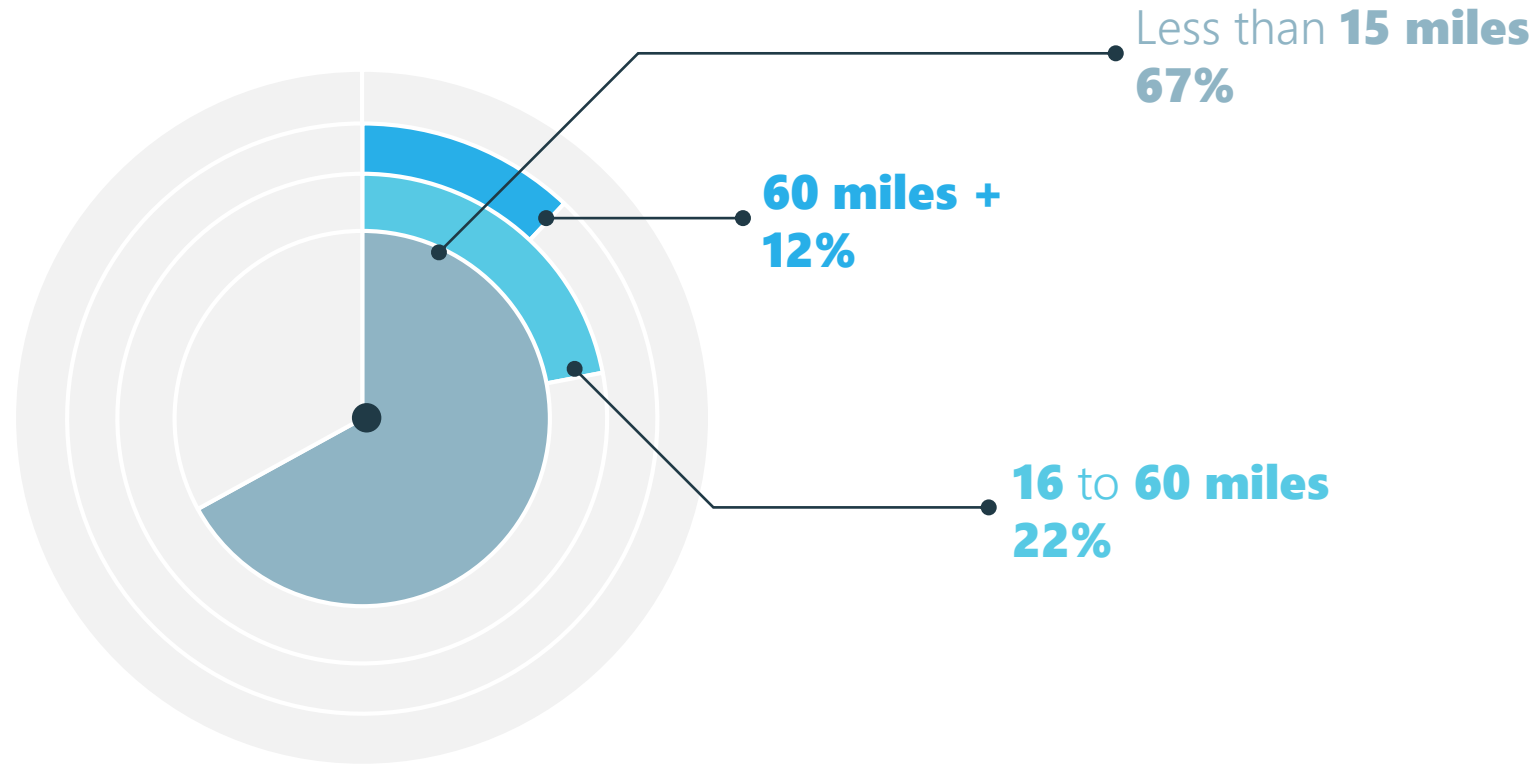


10 miles or less
 11 to 50 miles
 50 miles +

- In comparison to 2007 HCMF has also attracted an audience from further afield in the period 2015-2017.
- Translated into visitors the visitor survey results suggest that in 2007 the festival attracted 3,010 visitors who travelled 50 miles or further.
- The proportion of visitors travelling over 50 miles has increased to 56% and with a 3 year average attendance of 8,671 this translates to 4,856 visitors.

| | 2007 | 2015 - 2017 |
|------------------|------|-------------|
| 10 miles or less | 34% | 24% |
| 11 to 50 miles | 23% | 20% |
| 50 miles + | 43% | 56% |

MARSDEN JAZZ FESTIVAL

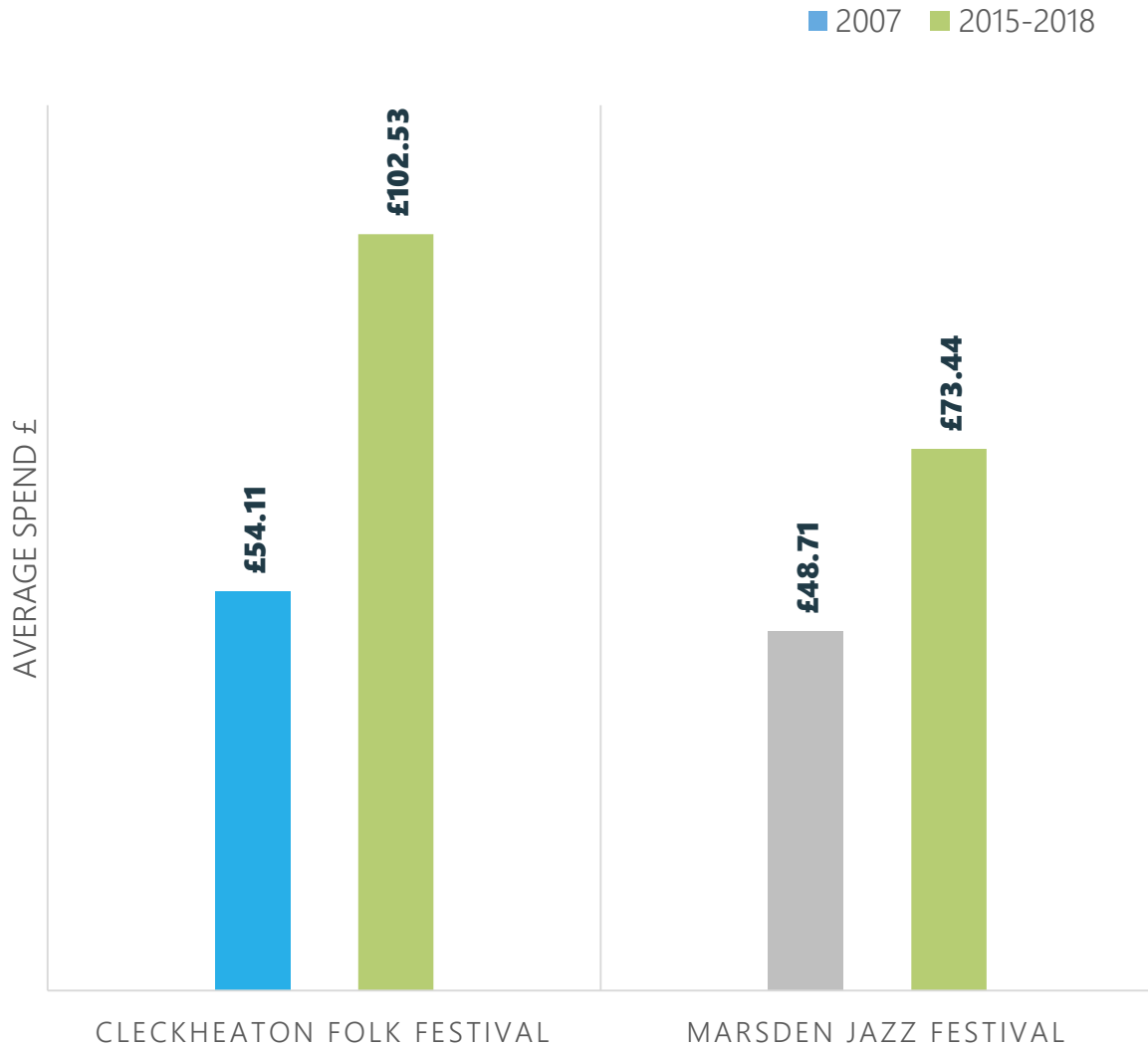


15 miles or less
 16 to 60 miles
 60 miles +

- A direct comparison with 2007 is not as easy in relation to Marsden Jazz Festival as the visitor surveys used different distance categories in the survey.
- However, in contrast to the other 2 festivals, Marsden Jazz Festival has seen a significant increase in the number of local visitors.
- With a total three year average audience of 4,004 and 12% travelling over 60 miles, this translates to 480 visitors travelling a significant distance.

| | 2007 | | 2015 - 2017 |
|------------------|------|------------------|-------------|
| 10 miles or less | 26% | 15 miles or less | 67% |
| 11 to 50 miles | 41% | 16 to 60 miles | 22% |
| 50 miles + | 33% | 60 miles + | 12% |

AVERAGE SPEND

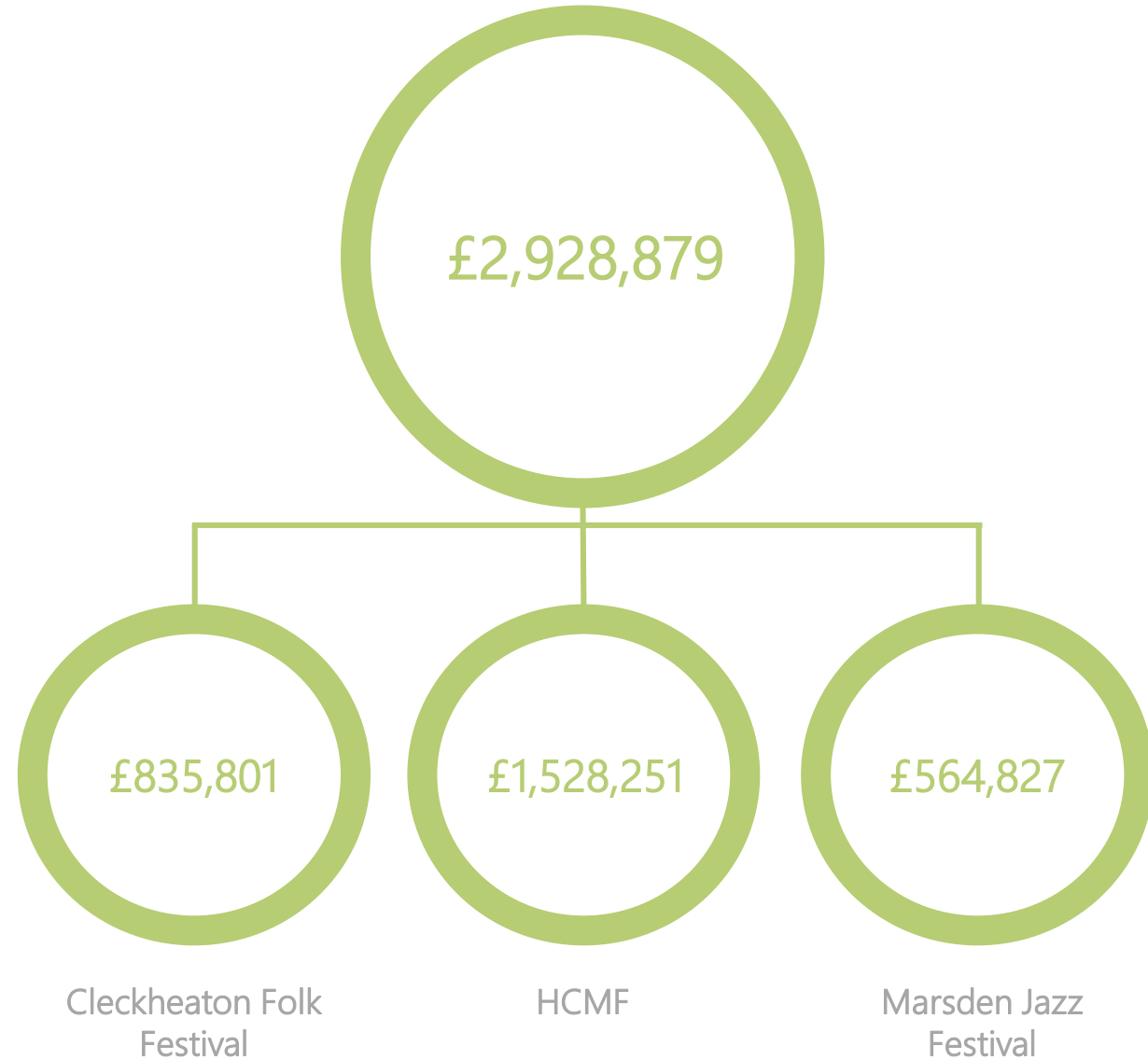


The analysis of the spend figures in the visitor surveys for Cleckheaton Folk Festival and Marsden Jazz Festival suggests that visitors are spending more when they are at the festivals.

- Cleckheaton Folk Festival has experienced a 89% increase in the average spend per visitor, from £54.11 per visitor in 2007 to £102.53 average spend visitor in the period 2015- 2017.
- Marsden Jazz Festival has experienced a similar average spend per visitor increase of 51%, rising from £48.71 in 2007 to £73.44 in the period 2015 -2017.
- HCMF did not collect visitor spend data in this period.

2015-2017

Overall



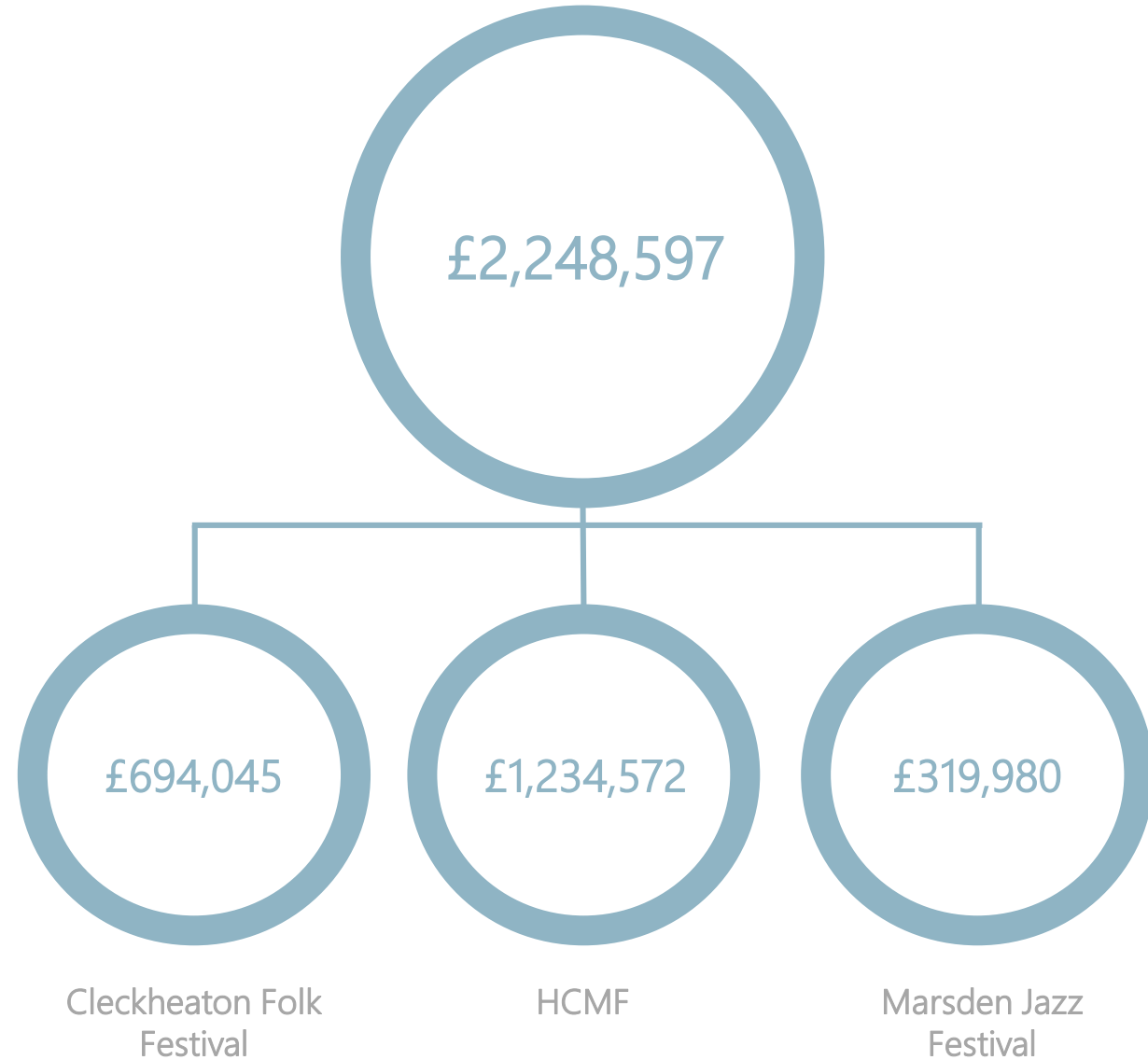
Having established that average spend has increased, at the festivals where figures are available, and that visitor numbers are higher than the 2007 estimates, what does this mean for the economic impact created?

The final figure in the 2007 report is that of the organiser spend in the local economy. Cleckheaton Folk Festival reported a total spend of £30,699 in 2007 and a local spend of £23,483. This represented 77% of the overall spend on delivering the festival. In 2018 the overall spend on the festival had increased to £35,300 and assuming a similar level of local spend i.e. 77%, this would be £27,000. HCMF were able to analyse their expenditure with supplier locations and extrapolate that they spend £304,751 in the local economy. Marsden Jazz Festival reported an average organiser spend of £126,303 over the 3 years 2015-2017. This is the total spend but if we apply a similar ratio to that of Cleckheaton Folk Festival, 77%, we can extrapolate a local spend figure of £97,253.

| | Spend (£) | Induced impact (£) | Festival Spend (£) | Total Estimated Spend (£) |
|---------------------------|-----------|--------------------|--------------------|---------------------------|
| Cleckheaton Folk Festival | 508,680 | 300,121 | 27,000 | 835,801 |
| HCMF | 769,497 | 454,003 | 304,751 | 1,528,251 |
| Marsden Jazz Festival | 294,072 | 173,502 | 97,253 | 564,827 |

2015-2017

Adjusted



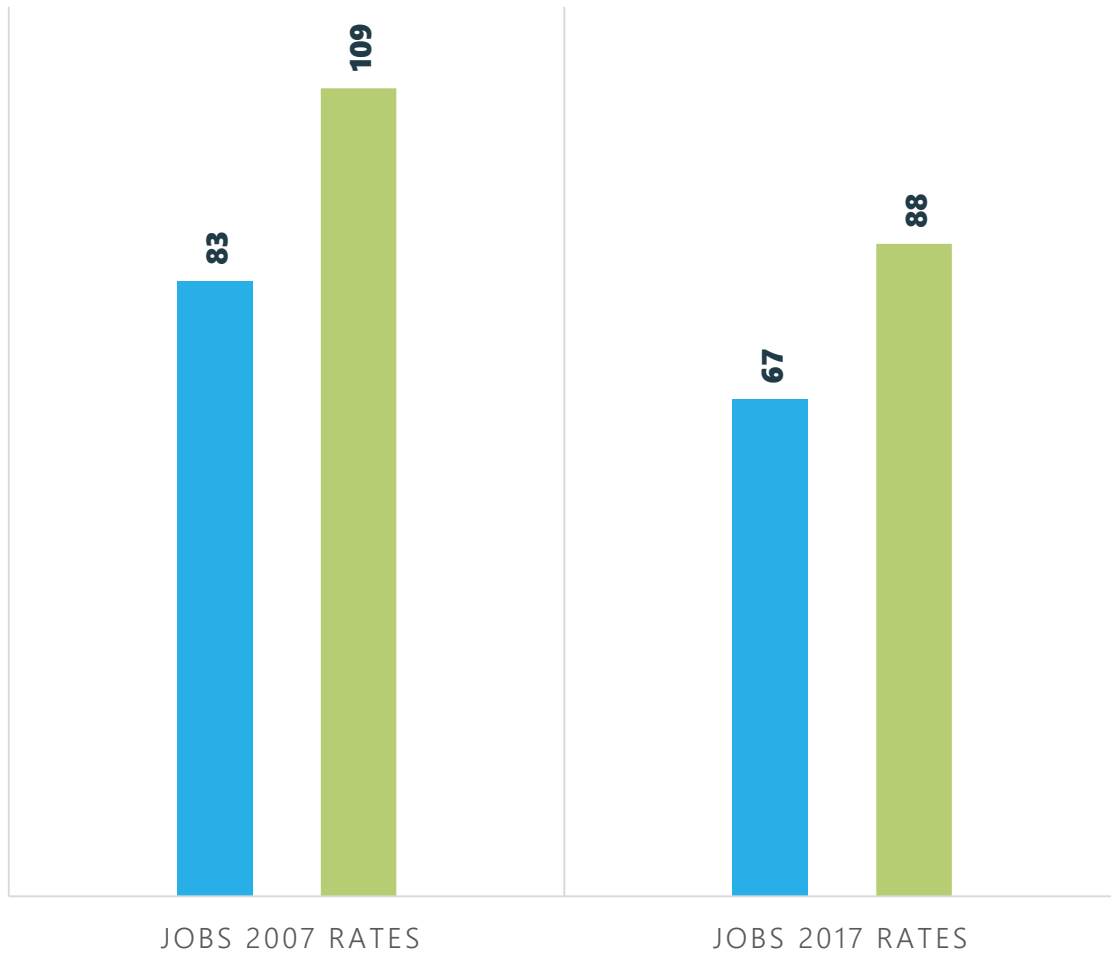
The figures on the previous page represent the total estimated expenditure created in the local economy. Economic impact is intended to be a measure of the additional expenditure created in the local economy. As a measure to account for this the 2007 analysis assumed that visitors from within a 10 mile radius would normally spend their money within the local economy anyway and this could therefore not be considered as creating additional expenditure and we have conducted the same analysis for this update.

The table below shows the figures for additional spend when taking this factor into account which create an estimated overall economic impact of £2,248,597.

| | Spend (£) | Induced impact (£) | Festival Spend (£) | Total Estimated Spend (£) |
|---------------------------|-----------|--------------------|--------------------|---------------------------|
| Cleckheaton Folk Festival | 419,525 | 247,520 | 27,000 | 694,045 |
| HCMF | 584,793 | 345,028 | 304,751 | 1,234,572 |
| Marsden Jazz Festival | 140,080 | 82,647 | 97,253 | 319,980 |

FULL TIME JOBS SUPPORTED

■ 2007 ■ 2015-2017



In 2007, with a Kirklees average wage of £396.64*, the adjusted economic impact created by the 3 festivals supported 83 full time equivalent jobs. Based on the same average weekly wage this would now be 109 full time equivalent jobs.

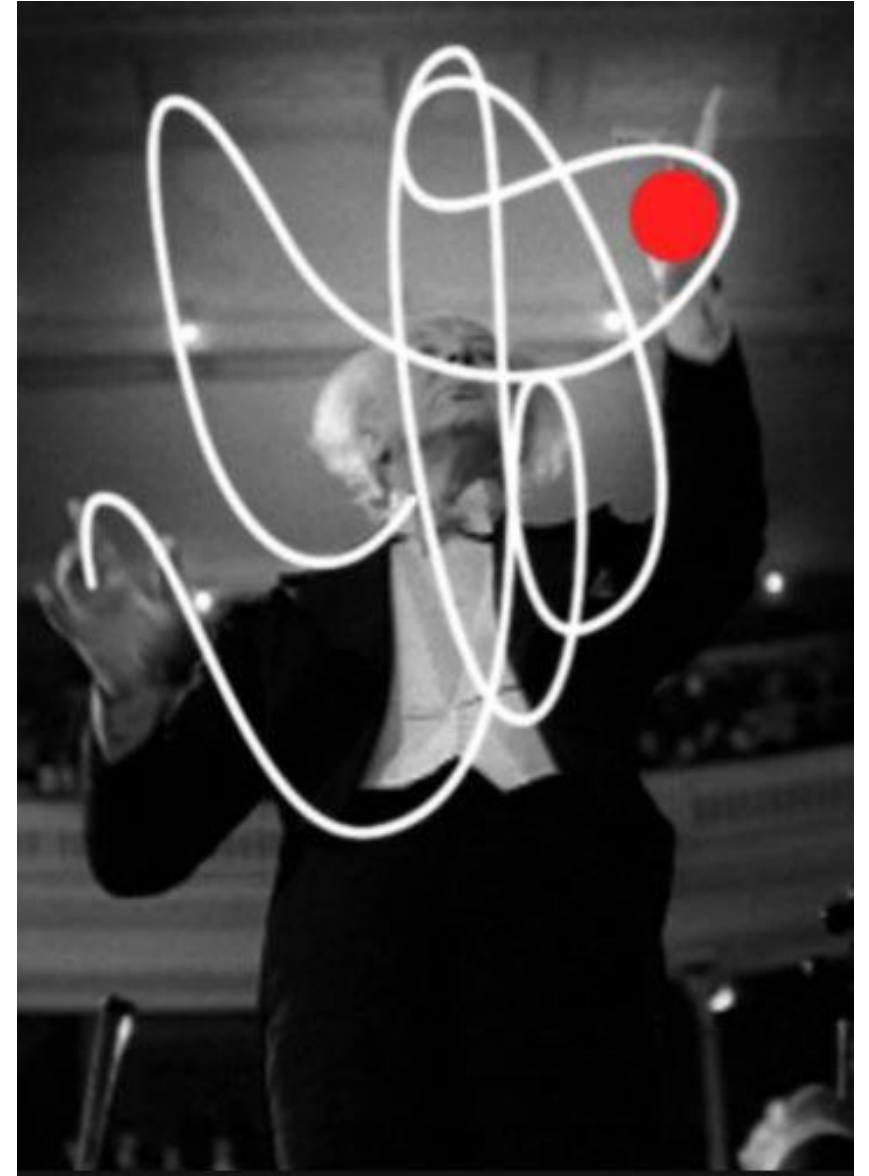
The average weekly wage in Kirklees in 2017 is £488.70 and at this level the comparison with 2007 is 67 full time equivalent jobs supported by the economic impact created by the 3 festivals rising to 88 in 2017.

The figures within this report are based on data collected by festival organisers or secondary data sources. The 2007 analysis was based on primary data collected by Spirul at the festivals and therefore, whilst direct comparison has been made, it should be noted that the data was collected using different methodologies and Spirul has not tested the robustness or reliability of the data provided.

This report has conducted an analysis on the same basis as 2007, where that is possible. Some assumptions have had to be made in order to achieve a comparison with the previous report as set out below:

- Cleckheaton Folk Festival provided a breakdown of income and expenditure for the festival in 2018. For the purposes of this report we have assumed that expenditure within the local economy has remained at the same proportion as in 2007 i.e. 77%;
- HCMF – in the absence of visitor spend data we have assumed that the average spend per visitor has remained at the same level as 2007. Whilst Cleckheaton Folk Festival and Marsden Jazz Festival have experienced an increase in average visitor spend level we have erred on the side of caution so as not to over estimate the economic impact;
- Marsden Jazz Festival – in the absence of an organiser expenditure breakdown we have assumed that expenditure in the local economy is at a similar level to that of Cleckheaton Folk Festival i.e. 77%..

Taking these factors into consideration the analysis suggests that the 3 festivals have seen an increase in overall visitor expenditure and induced impact from £1,708,757 to £2,928,879. The biggest contributory factors are:





- The increased visitor numbers to Cleckheaton Folk Festival – the estimated visitor numbers in 2007 were 1,500 and these had increased to 6,107 by 2017, a 307% increase. For the purposes of this report the analysis has been done using a 3 year average of 4,961 so potentially the economic impact in 2017 would be larger than the reported figures.
- The other major factor in the increased economic impact created by Cleckheaton Folk Festival is the average spend per visitor. This has risen by 89% since 2007. Some caution needs to be exercised as the sample size is small but it does reflect a trend noted in other festival analysis. The combination of increased visitor numbers, average spend per visitor and drawing its visitors from further away have increased the adjusted economic impact by 648% to £694,045.
- HCMF is at a similar level of economic impact as created in 2007. This is based on the assumption that average spend per visitor has remained at the same level and, given the increases in average spend per visitor at the other 2 festivals, it is not unreasonable that the visitor spend at HCMF may similarly have increased. Nevertheless HCMF continues to make over £1million contribution to the local economy.
- The economic impact of Marsden Jazz Festival in 2017 has had a similar increase to that of Cleckheaton Folk Festival with a 92% increase. This is down to 2 factors. Firstly visitor numbers have increased and this increase has accounted for a small proportion as the visitor surveys for 2015-2017 suggest that the audience profile has become more local. The second factor, which was not available in 2007, is the inclusion of organiser spend data. As a like for like comparison, excluding this expenditure, there has been a 30% increase.

With Kirklees recognising the importance of its music ecology this analysis, of only a part of it, reinforces the contribution that music makes to place making and creating economic benefit.

The three festivals contribute over £2 million into the local economy and draw approximately 18,000 visitors into Kirklees annually, based on the visitor numbers reported for 2017.

The challenges for the festivals remain securing the funding necessary to continue to run them. Cleckheaton Folk Festival in 2018 had a 22% drop in funding in 2017 compared to 2007 and was in deficit with its expenditure. Similarly HCMF has seen its funding fluctuate from £471,431 in 2015/16 compared to £651,924 in 2017/18. In 2007 the figure was £507,230 and in 2010/11 it was £562,608. The festivals rely on public sector funding, grants and donations and these are under constant pressure.

These 3 festivals represent only a portion of the music ecology. There are other significant events, venues and organisations in Kirklees. An example of this is the Kirklees Concert Season which reported audience figures (including subscribers) of 9,768 in 2017/18.

Continued support of the music ecology can make a significant economic impact to Kirklees and support jobs and encourage visitors to the area.

