

Written evidence submitted by Deva Fest Limited

The future of UK music festivals – Submission of Evidence

Context

Deva Fest is a family friendly music, food and lifestyle festival based in Chester. 2019 was our first full event taking place over a weekend in 2019 (there having been a test event in 2018). We had around 5,000 attendees over the weekend in 2019 and were forecasting nearly double that for 2020 following very positive feedback. The 2020 event has been postponed until 2021. We are a growing event which does not yet run at a profit. We forecasted prior to 2020's postponed event that we would break even by 2021.

Economic Impact

Deva Fest cost £150k to stage in 2019, and the anticipated budget of the event for 2021 is approximately £200k. This are the monies spent on the simple visual elements of the event such as staging, Big Tops, artists, security and infrastructure.

In reality the economic benefits to the region of Chester and Cheshire extend to hundreds of nights of hotel accommodation booked, regional and national migration to the city for the event, marketing expenditure, the support of local freelance performers, technicians, producers, street artists, stall holders, bar operators, amusement ride providers, bus operators, taxi companies and the likes employing hundreds of staff for the event. We estimate that the benefit to the economy based on 5,000 attendees over our first weekend in 2019 including on and off-site expenditure as a direct result of the event was in excess of £1m.

Clearly a failure to run the event removes this benefit to the economy.

We were forecasting this to be at least 50% higher for the postponed 2020 event. We have rescheduled that event to the weekend of the 13th-15th August 2021.

Impact of Postponement

We took the decision not to attempt to run the 2020 event as soon as we realised that Covid would not allow us to safely run the event (April 2020). The reality is that we did that for two reasons – most importantly for the safety of our guests, performers & staff and secondly because given the uncertain position both in terms of public health & consumer confidence we faced in Spring 2020 there was no way we could have made an event run against that background a commercially viable one.

Establishing a music festival is a costly experience – we lost the best part of 100k on our first event in 2019 – we expected to do so and treated this as an investment, as we wanted to put on a well-received show to establish the event.

We launched our ticket sales for the 2020 renewal three weeks before the pandemic became headline news and sales were really strong – when Covid hit us the sales stopped.

When postponing we knew we had to try and get as many of the people who had already bought tickets in that strong three weeks of sales to keep them and not request refunds. In order to pro-

actively encourage this, we added further content to the event by way of additional headline artists to each day for the rearranged 2021 event (in addition to all of the content already announced for 2020). This naturally adds to the budget, but we forecasted that if we could get 75% of buyers to “keep their tickets” for 2021 with the enhanced line-up it would be more economical to do this than to have a run-on refunding ticket holders.

The effect on those who rely on us and other similar events to survive is simply devastating. As you would imagine we receive approaches every day from the likes of artists, production companies, agents etc trying to get involved with what we do. Those became (in some cases) desperate pleas for work or contracts as it was clear that people couldn't put food on the table as their sectors had been closed down. This was a failing of the selective support mechanisms put in place by way of the Government's financial Covid response – the likes of musicians, artists, performers etc are the ultimate embodiment of the “gig” economy and support for them clearly was inadequate, too slow or in some cases non-existent.

We are just one of many events, attractions, outlets or operations who have been prevented from trading, thus damaging the local economy. We would have created more than the £1m that we did for that economy in 2019. There is an opportunity cost to that being lost, plus an impact on the event's own finances in that the Directors have had to keep supporting via personal investment, which cannot be infinite given that those Directors have other businesses in the events and hospitality sectors which also require significant support.

Risks

The risks are fairly simple to quantify and almost impossible to mitigate at this stage:

Public health – will it be “safe” to attend anything – let alone a music festival – in August 2021?

Consumer Confidence – even if it is safe will people feel confident to attend?

Health Logistics & Screening – will event organisers be expected to pick up the tab for any additional health and safety requirements which need to be satisfied in order to allow attendance. Many events – especially those such as ours which is being established are not economically robust enough to cover additional costs of testing etc

Insurance – already a large cost due to the likes of potential terrorism or extreme weather events. Will festivals be insurable against Covid risks? Who would want to price for such a risk?

Financial – how is it possible to sensibly plan a safe and fulfilling event with any degree of certainty at the moment? If there is still a backdrop of risk come August 2021 the event could be cancelled by the authorities by way of restriction or a lockdown at short notice. See note on insuring against this risk above.

Event Logistics – we spend all year planning for the event. If decisions need to be made on postponement or otherwise, they really need to be made four-five months in advance of events. Failure to do so will cause issues to attendees (in terms of needing to make arrangements to attend, find accommodation and the likes) and our expenditure on marketing and infrastructure.

We completely understand the need to keep the public safe and that these are challenging times for everyone, but it is difficult to justify the time and expense of planning and making financial

commitments knowing that the landscape could change at short notice. Organisers could lose everything through no fault of their own.

Measures for Safe Attendance

There are only two fairly basic measures which will be workable – one some form of temperature check on the way into the event and two common sense and self-management from attendees.

Clearly, we will operate within the overall confines and framework of the prevailing public health advice of the day, but anything other than basic checks and tests to gain entry will be difficult to administer in volume.

In terms of social distancing if this is a requirement in any way, shape or form we cannot run our event: firstly, festivals thrive on people and interaction to provide atmosphere, secondly, we cannot police it (we would need staff literally everywhere), and lastly if social distancing is still required it is because there is a real threat of infection still being spread by human contact and we would not put our staff, artists and guests at risk of being a catalyst for the virus' growth.

VAT Cut, Culture Recovery Fund and Measures to Re-establish Confidence

The VAT cut is of course welcome but could prove irrelevant. Our sales have fallen off a metaphorical cliff as (understandably) customers do not have the confidence in such difficult economic times to part with money. Our 2021 event is on sale – this of course being the planned, postponed and rolled over 2020 event in disguise. Sales were reasonable during the relative normality of August of this year (despite the rearranged event being twelve months distant at that stage), but understandably sales have slowed significantly with the second lockdown and a subsequent hit to consumer confidence. Confidence may return enough for the coming months for us to benefit, but at the moment that is impossible to forecast. Realistically we will not be in a position to make a call on 2021's event definitively proceeding until a time beyond the VAT benefit ending in March 2021. Ideally the cut would be extended to assist us in our recovery.

The Culture Recovery Fund is an utter red herring to the festival industry and was of absolutely no assistance whatsoever. We – like many other festivals – applied and were turned down. Whilst we qualified (technically) the convoluted, cumbersome and highly time-consuming application process was geared only to arts organisations who needed the funding to survive until 31st March 2021. Our event happens once a year in August. Deva Fest Ltd had an income of precisely zero in 2020 – a fact deemed irrelevant by an application process so hideous that it took weeks to complete.

The fund clearly was not intended for festivals as a quick look at the list of successful beneficiaries showed a tiny handful of successful festival recipients.

To place event operators running a once-a-year focal point in the same beauty parade as cultural institutions operating in the grass roots community every day of the year highlights a flawed process and a lack of understanding of the nature of festivals. The Arts Council of England compounded the process with a disjointed, theoretical and utopian application process and rounded matters off with a pompous rejection letter which declared that we were a cultural void and unworthy of assistance.

More worryingly there was no Plan B.

Should the pandemic ease suitably for the Festival season to return in 2021 the government should consider a “Seat out to Help Out” style scheme to subsidise tickets for attendees along the line of the assistance afforded to the hospitality sector during August 2020. Customers need to come out and help us by their attendance and be given the confidence of a government backed scheme to do so

Given that zero help was afforded to the sector by the Culture Recovery Fund a round of funding needs to be put in place to help festivals given that they were proactively excluded from the first round. Preferably not via the Arts Council England though since their systems, pathos and decision-making process leave a great deal to be desired. Should 2021 be “cancelled” this will be an urgent requirement or the sector will cease to exist in terms of independent events.

UK Festival Market

The UK festival scene is diverse. We are not Glastonbury or the Isle of Wight Festival, and in some ways, we are a festival for people who don't do music festivals. Somewhere safe and suitably family friendly for you to bring your children to introduce them to the music you grew up with. 75% of our lead bookers are female and over half of our bookings include children.

We include all of our fairground rides within the admissions charge and work with the local community to encourage applications from local artists, traders and freelancers.

We see this as the way ahead in a fragmented and competitive market. Consumers now have a greater choice than ever (at least they did until 2019) of events which cater specifically for their genre, needs and lifestyle. This needs to be protected or independent organisations such as ours striving to provide genuine quality, innovative, safe and well-structured experiences will be forced to leave the market leaving it open to exploitation a lack of consumer choice.

In terms of those who derive their living from the industry what remains after this is over is anyone's guess. Event promoters will hopefully adapt and survive, but musicians, artists, stall holders, technicians and the likes are the embodiment of the gig economy and we fear that talent will be lost to the sector.

Environmental Impact and Drug Use

Our event is a family one, and so whilst we would not be so dismissive as to say this could never be a problem for us attendance at Deva Fest and drug use are unlikely to go hand in hand. That being said we do search bags on entry and have a zero-tolerance policy.

Environmentally we provide a free shuttle bus from surrounding towns and villages to encourage guests to use public transport to reach us. This is provided by us free of charge. We have committed in 2021 to try and eliminate the use of single use plastics. All of our waste is taken away and recycled. Any tents or camping equipment left on site is donated to a local charity.

In summary

Support has been negligible up to this point and without adequate notice, financial aid and co-operation our event and many independent ones like it will cease to exist. We cannot operate should any form of social distancing still be required – basic temperature checks or the likes can be provided but convoluted or expensive entrance requirements will not be conducive to our being able to operate. Support in the form of a stable operating environment, access to appropriate

insurance, the extension of the VAT break and a “Seat Out to Help Out” scheme or similar will give us a chance to survive. Should 2021 be inoperable a round of grants will be needed to support the sector through to 2021 (see notes on the unsuitability of the Arts Council to administer this above) – the money will be repaid with dividends by way of economic benefit and tax return in future years.

Phil Marston, Managing Partner, Deva Fest Ltd, November 2020