

Edinburgh Festivals: Thundering Hooves 2.0

A Ten Year Strategy to Sustain the Success of Edinburgh's Festivals

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A Ten Year Strategy to
Sustain the Success of
Edinburgh's Festivals

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1. Executive Summary

Edinburgh is the undisputed world leader as a festival city. The continuous evolution and invention of the 12 major festivals that constitute Festivals Edinburgh has been critical to this success and the challenge now is how this momentum can be sustained and strengthened over the next decade.

Almost ten years ago the festivals and their partners looked at the future to determine how Edinburgh might retain its place as the world's greatest festival city. The resulting report, Thundering Hooves, set out a strategy with a series of recommendations about how this could be achieved and which set the course for the festivals up to this time.

In 2014, Festival and Events International (FEI) and BOP Consulting were commissioned to review progress on Thundering Hooves and to chart a new course for the next ten years. This Strategy brings together the results of:

- A review of the recommendations in Thundering Hooves – what has been achieved and what still needs to be addressed
- A situational analysis paper that considered what has changed, locally and globally, particularly in relation to cities and festivals and what trends are shaping their future
- Close collaboration and workshops with the Festivals Forum and Festivals Edinburgh, the two organisations that developed following Thundering Hooves.

The review of the recommendations in Thundering Hooves concluded that:

- The industry collaboration is often cited as a model of best practice
- The coming together of public funders within the Festivals Forum and the Thundering Hooves Steering Group is exemplary
- The Scottish Government's Edinburgh Festivals Expo Fund facilitated freedom to innovate which has been transformational

- The group successfully took on international promotion of Edinburgh, the festival city
- The festivals impact study is widely seen as a leading model of event evaluation.

The review of Thundering Hooves made clear how much the landscape has changed since its launch and indeed how so much of what has happened in that period could not have been anticipated, such as the exponential rise of new technologies, the global economic downturn and significant political and cultural changes in Scotland. Nonetheless, thanks to the continuing focus on programming excellence and sustained stakeholder investment, Edinburgh's place as the foremost festival city is, for the moment, secure.

The situational analysis went on to:

- Consider what has changed, locally and globally, particularly in relation to future trends
- Highlight issues and strengths of the Festivals
- Develop a series of propositions, factors that may affect the situation in the next period
- Profile four cities and their festival offers; Montreal, Austin, Venice and Manchester to provide further insights.

The situational analysis made it clear that the next ten years will be challenging. The thundering hooves have not disappeared but rather have focused into a series of key challenges to be addressed, including the potential consequences of the 'fiscal cliff' facing public investment and the digital revolution. The hooves are now, as then, a spur to action - to make sure that Scotland, the city and its festivals do not rest on their laurels and become complacent.

Through the process of research, review and discussion the following six themes emerged as the significant drivers of change and in total 38 recommended actions are identified and set out in summary below:

- **The Festival City** – how the city's infrastructure and operations can evolve to continue to provide an unrivalled experience for its citizens,

and the artists, audiences and opinion formers from across the world. The report recommends that the Festivals Forum takes a leadership role in influencing future infrastructure developments for accommodation, venues and transport integration and encourages joined up working across the City of Edinburgh Council whilst leading the drive to develop Edinburgh as a Green Festival City

- **Deep and Wide Engagement** – how the festivals can collaborate to support educational aims and social justice through participation, learning and belonging. The report recommends that quality engagement programmes including training, apprenticeships and volunteering are coordinated between festivals and that closer ties are developed with education at all levels
- **National and Global Positioning** – how forging strong international partnerships give the nation a voice on the world stage and how branding and marketing of the Festival City are integral to relationship-building and central to a new understanding of leadership for the city and the nation. The report recommends further developing international partnerships, continuing the joined up approach to marketing Edinburgh Festival City and for the festivals, their stakeholders and partners to work collaboratively on 70th anniversary programmes in 2017
- **Digital Ways and Means** – how new technologies must be embraced to connect across time and space in order to offer new ways to experience the festivals as well as a new means of creation and international brand building. The report highlights significant changes in the way people will access culture and entertainment in future, encourages the festivals to consider the balance between the live and digital experience, and supports the strategy for Digitising the Festival City through a range of partnerships across the public and the private sector
- **Investment and Enterprise** – how innovation in programming, enterprise and investment has successfully allowed the festivals to weather the economic downturn and the need for new forms of funding and business models to secure their sustainability and growth. The report recognises the significant challenges facing public finances but urges that funders maintain core and project funding

whilst alternative funding models are considered. It suggests a national Scottish approach to supporting the festivals whilst at the same time calling for the tourism sector and wider business community to invest in the festivals from which they so greatly benefit

- **Developing and Delivering** – how the structures need to evolve to embrace new opportunities and develop new partnerships and ways of working to take Edinburgh's festivals through the next decade. The Strategy outlined will require a powerful combined effort across the Festivals and the Festivals Forum to deliver on the challenges and opportunities outlined in the report. The report recommends ways for the festival stakeholders to improve the Festivals Forum by adopting new terms of reference and responsibilities, extend membership and set up task groups whilst at the same time ensuring that the festivals and Festivals Edinburgh have the capacity to deliver.

A new form of leadership is emerging in the city and the nation – a more open and collaborative approach, based on a fully engaged partnership across the private, public and voluntary sectors which is rooted in mutual respect and shared ambition. The festivals, with the support and leadership of the Festivals Forum, have a vital role to play in leading these new dialogues, developing new innovative approaches and in shaping this future.

Edinburgh is a small city but its festivals put it onto the world stage. This next ten years is about capitalising on this reputation and advantage, finding new ways of experiencing and investing in one of Scotland's greatest assets. To do this the Festival City must step up and look outwards, confident and bold in its ambition to take its world leading festivals forward for the decade hence.

2. Introduction

Thundering Hooves - Maintaining The Global Competitive Edge of Edinburgh's Festivals (TH1.0) was published in May 2006 following research into the 2005/6 Festival season comprising the 11 festivals that made up the then fledgling Festivals Edinburgh. By the time that this report (TH2.0) is published in full, ten years will have elapsed.

The Festivals Forum, the body of stakeholders with a shared interest in ensuring Edinburgh maintains and develops its position as the world's leading Festival city, commissioned Festival and Events International (FEI) and BOP Consulting in May 2014 to undertake a new study considering the future sustainability, success and development of Edinburgh's now 12 major Festivals.

Reflecting on progress following TH1.0, this new report reconsiders the opportunities and threats relevant to the future sustainability and development of the Festivals in order to inform a reinvigorated strategy and action plan. The study has been undertaken in four phases:

- A review of the Thundering Hooves Action Plan and achievements to date (Phase 1)
- A review and analysis of the local, national and international operating context for each of Edinburgh's 12 major festivals and for Edinburgh as a Festival City (Phase 2)
- A planning exercise to consider possible futures for the Edinburgh as a Festival City (Phase 3)
- The preparation of a robust development strategy incorporating an action plan comprising a prioritised list of approaches and ambitious joint initiatives (Phase 4).

As a result of discussions at the first Festivals Forum Workshops, six strategic strands were identified:

1. Festival City - experience for audiences, artists, influencers and citizens
2. Deep and Wide Engagement - participation, learning and belonging
3. National and Global Positioning - branding, marketing and leadership
4. Digital Ways and Means - to connect and create
5. Investment and Enterprise - sustainability, growth and innovation
6. Developing and Delivering – the structures for success

The review of the operating context included both a Situational Analysis and comparator City Profiles. A second Festivals Forum scenario planning workshop considered the Situational Analysis paper, an opinion piece intended to provoke workshop discussion.

The feedback and comments are reflected in the Phase 4 report, the Strategy and Action Plan, which was discussed in the third and final Festivals Forum workshop.

This final report sets out a Ten Year Strategy and accompanying Action Plan with the review of the original action plan and the current operating context included as appendices.

3. The Festival City - experience for audiences, artists, influencers and citizens

Edinburgh holds an unrivalled position as the world-renowned model for cultural festivals. The continuing focus on programming excellence and quality content by each individual festival, combined with sustained investment by stakeholders over nearly seventy years, has been at the heart of this success. Furthermore the city's history, architecture, topography and scale make the city itself a participant in the Festival experience for everyone who attends. Over recent years improvements in transport and the built environment have continued to better address the needs of both residents and visitors.

However, some of that which makes for a perfect festivals environment also places constraints both on the renewal of existing infrastructure and on new developments to refresh and update the festivals offer. There is also a tension between the needs of residents and of visitors sometimes exacerbated by a plethora of agencies and departments with differing priorities.

Many of Edinburgh's competitor festival cities are investing in infrastructure and resources aimed at challenging Edinburgh Festivals' success, and whilst they will never be able to replicate the city they are starting to expose some of the weaknesses of the Edinburgh offer. Addressing these weaknesses will also strengthen the City's year-round cultural and tourism offer.

3.1 Leadership

Action: Take a leadership role in influencing future infrastructure developments

Investment in infrastructure, particularly in a tough fiscal environment and with emerging political structures, requires a long term approach, possibly longer than the 10 year horizon of this strategy. However as a strategic partnership of those with a stake in maintaining the future success of the Edinburgh Festivals, the Festivals Forum is in a strong position to influence future infrastructure developments in the city. Members should ensure that the Festivals Forum plays a leading role both unilaterally and within other partnership structures in order to support the festival's needs.

3.2 Co-ordinated Action

Action: Establish formal structures to co-ordinate the festivals' needs across Council and Agency departments

Leadership is needed to overcome siloed thinking within and between departments and agencies. The Festivals Forum should encourage a co-ordinated approach across the City Council and other agencies around issues that affect the festivals including licensing, refuse collection, welcome points, parks, signage, policing and public order etc. The joined up approach used in the Edinburgh Event Planning and Operations Group and Glasgow's Major Events Forum should be seen as models. A formal structure and process should be established which ensures that the festivals' needs across agencies, council committees and departments are reviewed annually.

3.3 Transport

Action: Engage with transport providers to consider new routes and ticketing initiatives

International access through Edinburgh Airport has improved considerably and the Festivals Forum, led by the City of Edinburgh Council, Scottish Enterprise, VisitScotland and Marketing Edinburgh, should work to develop relationships with the airport with a view to the development of new routes to key festival markets.

Festival visitors are coming to expect a more integrated entertainment/ transport offer and Festivals Edinburgh should engage with Transport for Edinburgh, Scotrail and others to consider how a festival travel pass could be developed. This could be broadened to include consideration of service frequency and timetable to the suburbs, the City Region and key markets such as Glasgow, York, Leicester and Bristol.

3.4 Accommodation

Action: City of Edinburgh Council and others to develop an accommodation strategy

There are reportedly shortages at both the low-cost and luxury ends of the market and the very high occupancy rates which occur as a result of the tourism the festivals attract, can make it challenging for visiting artists to find suitable accommodation. Working with the Economic Development Service and other partners in the city, the Festivals Forum should act as a catalyst in helping to develop new accommodation capacity that matches the audience demographic of the festivals, and the world class quality of some competing cities.

3.5 Cultural Venues

Action: Promote new thinking around development and refurbishment of venues

The many and varied demands for new venues and the refurbishment of existing stock requires a new approach including, but not limited to, the City of Edinburgh Council. Whilst this will be led by a wider cultural group, such as *Desire Lines*, the Festivals Forum has a role to play in contributing to and promoting new thinking such as: encouraging philanthropic investors; an overarching cultural venues organisation with a long term investment role; and encouraging the tertiary education sector's involvement.

The Festivals Forum should consider supporting proposals for a range of new venues including a new Concert Hall, and a Digital Arts

Centre at the University of Edinburgh, connecting the academic excellence of the University with the excellence, quality and history of innovation of the festivals to reflect the principles of the enlightenment which resonate still in the city.

3.6 Digital and other Infrastructure

Action: Support the strategy for Digitising the Festival City

Festivals Edinburgh has had an important role in influencing and helping to promote the city's plans to use DCMS Super Connected Cities funding to provide free WiFi across key assets. The city and festivals will need to continue to increase the capacity not only for digital but even for something as seemingly mundane as plug-in technology and power points in new and existing public spaces to keep pace with other festival cities like Montreal's Quartier de Spectacles. There is a need not just for joined up thinking but mechanisms to coordinate delivery between the city's planning, IT, roads and culture divisions, and with the Business Improvement Districts.

Festivals Edinburgh's proposed strategy for digitising the Festival City presents a co-ordinated approach and the Festivals Forum should support the infrastructure and financial resources required to deliver it.

3.7 Environment

Action: Take a leadership role in environmental issues, working across agencies to lead the drive to develop and promote Edinburgh as a Green Festival City

Genuine environmental responsibility is increasingly important for audiences and funders, with Edinburgh having environmental commitments to the Scottish Government and Convention of Mayors, among others. Such commitments envisage a significant cut in carbon emissions and will require work across a number of spheres including transport to and within the city, energy use, waste, food and water, all of which are key inputs for and impacts of the Festivals. In addition, Creative Scotland's new carbon reporting conditions require the

festivals (as well as the cultural sector, nationally) to make broader commitments to the environmental agenda.

Delivery of this agenda varies across the festivals, with four working to achieve the international sustainable events management standard (ISO 2012) and others delivering at a less ambitious level. None the less, the festivals' ability to lead in this area is demonstrated by their environmental strategy and the creation of Creative Carbon Scotland, a ground-breaking initiative in terms of its inception and outcomes. The festivals should grasp the opportunity to lead the drive to develop and promote Edinburgh as a Green Festival City. Future work could focus on artist and audience engagement and deep rooted change in core practices and might explore environmental sustainability-related programming. Only genuine innovation in these areas is likely to secure additional funding and the festivals' imaginative use of the arts in addressing seemingly intractable issues could thus be a critical asset.

4. Deep and Wide Engagement - participation, learning and belonging

While the festivals are primarily recognised for their cultural significance, many have local engagement with diverse audiences at their heart, and all the festivals deliver outreach programmes that have an important and growing role in both education and promoting diversity, equality and social cohesion. One of the original Thundering Hooves recommendations, *'that additional collaborative projects should be developed that focus on audience and educational development'*, has not yet been fully followed through in relation to education. This whole area now needs to move up the agenda.

The Scottish Government's commitment to equalities and social justice, in both policy and practical terms, has been restated by the new First Minister. There is an opportunity for the festivals and the Festivals Forum to capitalise and build on their individual and collective approaches to this area of work and to have a clear focus on the potential for transformational outcomes from engagement work.

The Edinburgh Festivals Impact Study and other surveys reveal that Edinburgh's populace feels great pride in the festivals but this does not necessarily equate to engagement. Many of those expressing pride participate in any number of ways; but many, particularly those in the most deprived areas, do not. The gaps between pride, engagement and participation need to be closed.

Engagement also goes beyond social cohesion and education and the festivals should collectively and individually continue their efforts in developing closer links with a broad range of interests, both locally and across Scotland: from business, to the Universities, to the

wider cultural sector. The Festivals Forum has a role in supporting these efforts through networking and communications.

4.1 Quality Engagement

Action: Ensure quality engagement programmes are delivered and supported

All interaction with Edinburgh's festivals must represent an experience of the highest quality, whether through programming or social engagement. The festivals should ensure that they are offering quality access and programming depth rather than just the 'numbers game' that some stakeholders and media focus on. There is considerable potential for digital distribution to improve social engagement and access. This quality led approach needs to be supported and invested in.

4.2 Co-ordination

Action: Ensure engagement across festivals is coordinated and works effectively with existing city structures

Deep engagement is already taking place with much good work undertaken by individual festivals but there is a lack of co-ordination and potential for duplication, particularly regarding schools. Not every festival needs to do everything and there is a role for Festivals Edinburgh to co-ordinate activity - using existing structures to make connections across the city and beyond, working in partnership with other year-round cultural organisations in the city. Festivals Edinburgh should lead an active, joined up approach working with CEC Children and Families and other relevant services and also engage with the wider Community Planning Partnerships. Current siloed approaches represent an increasing threat in a time of funding constraint; but that sharpens the opportunity to exploit the mutual advantages of joint working as a more effective, efficient and economical way to deliver unique social, cultural and economic outcomes.

4.3 Tertiary Education

Action: Develop closer and deeper ties with an extended range of HE and FE institutions at Scottish and international levels

There is significant potential to deepen the engagement with higher and further education for mutual benefit and deliver positive impacts city- and nation-wide. The attractiveness of the city to students and staff is clearly enhanced by the festivals and there are already some related courses such as Edinburgh Napier's International Festivals Management degree, and Queen Margaret's Events Management degree. There is an opportunity to develop closer ties with the newly established Edinburgh College and a range of universities, similar to the Venice Biennale model. Festivals Edinburgh should explore the potential to build relationships with other national and international HE institutions regarding academic and other shared objectives such as infrastructure and digital development covered elsewhere in this report.

4.4 Training, Apprenticeships, Interns and Volunteering

Action: Ensure co-ordination of a cross festival approach to training, apprenticeships and volunteering

This is an area where the festivals could offer a gateway to allow a wider section of Edinburgh's population to access training, skills development and critically, employment opportunities. Festivals Edinburgh should consider a co-ordinated cross festival approach to training, including apprenticeships and interns and how the festivals can contribute to the Edinburgh Guarantee, a vision to ensure that every young person in Edinburgh will leave school with the choice of a job, training or further education opportunity.

The Olympic and Commonwealth Games showed the enormous appetite for volunteering and many of the festivals run their own individual schemes. Festivals Edinburgh should work with Voluntary Arts Scotland and social enterprise networks to consider how a better-coordinated and longer-term scheme might be taken forward.

Festival to festival knowledge sharing has been central to all areas of collaborative working, and Festivals Edinburgh's projects have created platforms for sharing practice in the wider cultural and tourist sectors. The festivals' internal knowledge resources are an asset that can be shared more effectively and extensively within the festivals, events and cultural sector in Scotland. This should mesh with the festivals' global knowledge brand development as well as connecting into the skills development agenda around training, apprenticeships, interns and volunteering.

5. National and Global Positioning - branding, marketing and leadership

Edinburgh's festivals are a truly international cultural brand for Scotland and the UK. No city in the world is so strongly identified with festivals, and their excellence. For a small city, Edinburgh punches above its weight: its cultural reputation, driven by its festivals, is uppermost in its global positioning.

Whilst not the only tourism brand for the city, the festivals are a major international tourism attractor with approximately 500,000 overnight visitors from outside Scotland each year. They are supported by the extensive media and PR operation mounted by the festivals with over 1,000 accredited media attending events at times when the city and the country are at their best.

Both nationally and internationally, there is increasing competition amongst cultural cities for audiences, world-leading artists, innovations in creative technology and scarce financial resource. The increasing focus on culture as a driver for economic, social and cultural change, innovation and regeneration is a phenomenon expressed most clearly through the global cities network, the World Cities Culture Forum.

5.1 International Links

Action: Engage with key Momentum partners, British Council Global Skills programme and Scottish Development International and other relevant partners to review and develop international working

Partnerships like Momentum, the Edinburgh Festivals International Delegate Programme, have successfully exploited the existing global positioning of, and relationships to, Edinburgh's festivals by developing

stronger international links with other countries and cities for the benefit of the festivals, the city and the wider Scottish cultural sector.

Throughout the year the festivals, individually and collectively, play an important role in developing international partnerships. This generous, sharing leadership model serves the city's national and global positioning well.

The Momentum partners (British Council, Creative Scotland, Festivals Edinburgh, and wider partners City of Edinburgh Council, EventScotland and the Scottish Government) should review, develop and build on this international work in innovative ways.

Festivals Edinburgh should lead an exchange of knowledge with other festival cities and assert and express its leadership role through the British Council Global Skills Programme.

Festivals Edinburgh, with Scottish Development International and CEC Economic Development and other relevant services, should build relationships to ensure that the lifestyle cultural benefits of investing or locating in Edinburgh and Scotland are fully understood and promoted. Edinburgh's festivals should also seek to access advice on the potential for international trade and global markets from UKTI and VisitBritain.

5.2 Scottish and UK Links

Action: Build national links to develop international cultural marketing and investment

The unparalleled international recognition factor and reputation attached to Edinburgh's festivals represent a unique asset in identifying, maintaining and building on comparative advantages for Scotland. Scotland's national marketing should recognise and take advantage of Edinburgh's reputation as a global Festival City. Edinburgh has worked successfully with VisitBritain, London 2012 and Glasgow Life around both the Olympic and Commonwealth games and this should be built upon. National marketing needs to make it clear that Edinburgh and Glasgow's positioning is complementary and the Festivals Forum should encourage the City Councils to develop a Memorandum of Understanding. The Festivals are an essential means by which

“Scotland, The Perfect Stage”, the national events strategy can be delivered and connections with the emerging Scottish Cities Network should be encouraged.

Edinburgh, as the Capital of Scotland, working with the Scottish Government and Westminster, should take advantage of the leadership position of the festivals to implement recommendations of Core Cities work in defining a programme of culturally-led transformational investments in the city’s infrastructure, cultural programmes and people. As with the proposition around Scotland’s national marketing, this is not a ‘beggar my neighbour’ approach but should project Edinburgh’s unique combination of a global festivals brand in a small city. Whilst Edinburgh can never expect to compete on the same grounds or with the same budgets as the major global cities, it is able to maintain a global reputation through its festivals that allows it to sit confidently alongside them.

5.3 Edinburgh Festival City

Action: Promote ‘Edinburgh Festival City’ and formalise marketing planning between partners

Festivals Edinburgh’s latest marketing Strategic Framework 2014-2019 is firmly focused on promoting the Edinburgh Festival City brand, reinforcing Edinburgh’s position as the world’s leading festival city and introducing new consumers to the festivals. This has been successful and should continue. Whilst Edinburgh Festival City is a sub-brand of wider Edinburgh marketing it is an important ‘attack brand’ and should be exploited.

The importance of high level strategic metrics and measurement cannot be overstated. Starting with a clear understanding of the current benchmarks for marketing reach and attendances across the festivals. It is not clear how effective the mechanisms are for collecting city visitor numbers and motivations and Festivals Edinburgh should encourage further work to be undertaken by the marketing partners and the academic sector, joining up insights and research.

Moves to align marketing planning at city and national level, through partnerships meetings of Marketing Edinburgh, Edinburgh Tourism Action Group, VisitScotland/EventScotland and Festivals Edinburgh are welcome and consideration should be given to formalising these with an MOU.

It may be that the Festivals Edinburgh marketing operation is trying to do too many things with limited resources and spreading itself too thinly. The Festivals Forum should receive annual feedback on the strategy.

5.4 70th Anniversary

Action: Work collaboratively on 70th anniversary programmes and create opportunities for investment

Edinburgh was born as a Festival City in 1947 to help rebuild the culture of post-war Europe. As the 70th Anniversary approaches there is an opportunity for Edinburgh’s festivals to mark this moment and renew their international ambition and purpose in response to twenty-first century global challenges.

The City and festivals should work collaboratively to initiate a sustained five year programme that emphasises the interdependency of the festivals, the cultural sector, the economic benefits presented by the Festivals to the city’s businesses, particularly in the visitor economy, but also in terms of a culturally rich quality of life that enhances Edinburgh’s attraction as a learning and business location. The successful programmes around 2012 and 2014 should be seen as a model.

Hull is the UK City of Culture in 2017 and the festivals should reach out to collaborate and offer support where appropriate, whilst asserting their own ongoing national significance. The Scottish Government Year of Heritage, History and Archaeology provides an additional cohesion and platform in this important year.

6. Digital Ways and Means - to connect and create

The festivals are behind the curve on digital innovation, and despite some important programmes and initiatives, like Innovation Lab and ProjectLab, risk being overtaken by others. Edinburgh's festivals must be a digital phenomenon as well as a physical one and need to be leaders in the digital sphere as well as the festival sphere; for a new generation the challenge is now from online video platforms. There is also considerable potential for digital distribution to improve social engagement and access.

The festivals are well placed to create both innovative content and powerful digital brand identity that can define positioning but this will require significant city and national partnership and investment.

Digital should be the next big area of growth in content distribution and audience development, across all festivals.

Whilst individual festivals will have their own operational digital developments which need to be supported, this is an area where Festivals Edinburgh, supported by the Festivals Forum can agree and act on areas of common interest. Festivals Edinburgh's proposed strategy defines four distinct areas: infrastructure, content, distribution and promotion.

6.1 Overall Strategy

Action: Support the emerging strategy for Digitising the Festival City

Festivals Edinburgh's proposed strategy for Digitising the Festival City presents a co-ordinated approach and the Festivals Forum should support the infrastructure and financial resources required to deliver it.

6.2 Infrastructure

Action: City of Edinburgh Council to scope a joined-up digital infrastructure strategy for the city

The Connected Edinburgh project will deliver Wi-Fi across festival venues, public spaces and transport; however the City and festivals will need to continue to work hard to increase the digital capacity of the public realm. This should include plug-in technology, dark fibre and digital capacity in key venues. The speed of the required digital transformation is hampered by the heritage and planning constraints in some important areas of the city. The Festivals Forum should encourage the City Council to scope a joined-up digital infrastructure strategy that links in the many stakeholders.

6.3 Content

Action: Encourage the creation of new work that uses digital technologies

The festival's digital ambitions should not be limited to digitisation of existing content and exploitation of any associated intellectual property rights, but include the creation of new and innovative forms in all of the festivals' disciplines and creative innovation in the territory that sits across live and digital domains. Digital should be used both to create new art and change the production of art at the festivals. Even though most are presenters as well as producers of work, the festivals have a role to encourage artists and creators to drive evolving practise in this area.

6.4 Distribution and Promotion

Action: Consider the long term balance between the live and digital experiences and agree an approach to digital platforms and digital branding

This is perhaps the area of greatest potential and greatest challenge. Improving and extending the festival experience, behind the scenes

content, online platforms, learning, engagement and interactivity through social channels should all be seen as natural, if expensive, progressions for the festivals that will also be dependent on the recording and distribution infrastructure.

However, the way in which audiences want to consume festival content may also change dramatically over the next 10 years. This could result in a shift of festivals' audiences, both in location and time, with 'attendees' experiencing the festival in their own homes, on their own devices whilst on the move, or in other remote venues, and all year round, rather than at the time of the 'live' event. SXSW festival in Austin Texas are leading the way in this area. This has implications for our environmental, national and global positioning and engagement agendas.

It will be important to ensure that young people, artists and audiences are at the heart of any developments.

The festivals, as creative platforms and innovators, should be supported to consider and define the long term balance of the relationship between the live and digital experience and need to agree an approach to digital platforms and the digital brand that may result. This is difficult territory for twelve organisations with different missions and of different scales, but it is both a huge opportunity and a threat that should not be ignored.

6.5 Business Models and Investment

Action: Make the case for additional public/private investment in digital initiatives and seek specific expertise in fundraising from research and innovation organisations

Central investment in innovative capacity through the Innovation Lab and the resulting programmes has paid significant dividends both to the festivals and the wider cultural and tourism sectors. Edinburgh's festivals now need a proposition to secure, and partnerships to unlock, longer term commitments for large scale content, distribution and promotion projects.

Given the complex nature of the individual festivals' business models it is unlikely that a commercial business model can be identified in the short term to fund these initiatives and the festivals' digital strategies will need to prioritise innovation, engagement and audience development over revenue generation. Over time the power of content, distribution and promotion and the associated brand development may create products that could derive a commercial value and this should be the ultimate aim.

Although there is little immediate opportunity for the festivals to profit financially from digital innovation, the potential impact is enormous. The festivals, and the Festivals Forum, need to be making the case for additional public and private investment to support leadership in this field and assert their proven ability to drive creative ambition and build global partnerships and reputation.

Funding for this may come from a range of public bodies with specific interests in research and innovation – such as Innovate UK, Arts & Humanities Research Council, Economic & Social Research Council, Engineering & Physical Sciences Research Council - and from private sector investors/philanthropists, particularly where there may be a long term shared commercial return. This funding search should not simply focus on the UK but, because of the global reach and impact of the festivals, should seek out international opportunities.

Specific expertise in fundraising from these types of organisations will be required both at operational and strategic level.

6.6 Partnership

Action: Build partnerships and extend membership of Festivals Forum to include digital experience from commercial and research sectors

Edinburgh is increasing in scale and reputation as a centre for digital innovation, including the University of Edinburgh's School of Informatics, tech incubator Codebase and the city's games developers, who are acknowledged world leaders in their field. The festivals should build on existing strong relationships to develop joint initiatives and innovations with a view to Edinburgh becoming a centre of excellence

for 'festival technology'. This will require strategic support and digital experience at the Festivals Forum and membership should be extended to include a relevant person or organisation, perhaps from a broadcaster.

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7. Investment and Enterprise - sustainability, growth and innovation

The combined income of Edinburgh's festivals in 2014/15 was £36m, a figure that could double if the value of Fringe company's ticket sales and investment was calculated and included; of this approximately £9m came from public funding, the rest being commercial earned income. In 2011 it was estimated that the festivals generated £261m of additional expenditure in the Scottish economy, a substantial return on public investment

Edinburgh's festivals are some of the country's strongest cultural entrepreneurs with commercial income accounting for 71% of combined turnover, and yet public funding, facing unprecedented challenges, remains essential to their business model.

The maintenance of core funding levels and transformative project funding through The Scottish Government Edinburgh Festivals Expo Fund and 2012 and 2014 project support has been critical to the festivals' ongoing survival and success.

This combination of ticket sales, private finance and public funding is at the heart of the festivals' success. The erosion of public investment is likely to have a disproportionate effect on earned income, with investment in innovative product and investor confidence affected.

Local Authority finances are reported to be facing a 'fiscal cliff'. Large scale, radical solutions are now needed to replace eroding public funding and these must include potential alternative funding models, even if they present their own constraints.

Financial challenges have catalysed collaborative initiatives and approaches through Festivals Edinburgh and funders who sit on the Festivals Forum, along with inventive responses from Festival Directors, in terms of both programming and operations – good ideas, delivered to

the highest standard, and in many cases taking advantage of innovations in technology.

7.1 Investment Priorities

Action: Public funding settlements should recognise and reflect the social, cultural and economic impact of Edinburgh's 12 major festivals

In 2014/15 the Festivals Forum funding partners invested £8.9m in the twelve Edinburgh festivals and Festivals Edinburgh. Investment priorities will undoubtedly change over the lifetime of a ten year strategy but in the medium term the following are the priorities for investment:

Action: Secure funding for ongoing initiatives:

- Core grant funding of individual festival programmes
- Scottish Government Edinburgh Festivals' Expo project funding
- Marketing "Edinburgh Festival City"
- International working
- Core funding of Festivals Edinburgh

Action: Secure funding for new initiatives for which investment is needed:

- 70th Anniversary programmes and collaborations as a national and international moment of collective focus
- Collaborative programmes for community, social and educational engagement
- Digital infrastructure, platform and content investment and digital development expertise
- Collective brand building at national and international level
- Support for Task Groups
- Training and skills development

In addition, this strategy proposes that individual stakeholders directly invest in a range of infrastructure initiatives.

7.2 Public Investment

Action: Maintain core and project funding whilst alternative funding models considered

The structure and workings of the Festivals Forum and Festivals Edinburgh have provided the organisational capacity and context in which the public sector partners have been able to continue to invest, and support increased individual and collective ambition through transformational project funding schemes like Expo, even through the recession. It is vital that this core and project funding is maintained.

Action: Provide regular updates of Impacts Study and evidence for support

There is a strong case for public funding, built upon the economic, social and cultural value of the festivals. Their innovative and collaborative approaches have enabled them to compete for and secure significant new public funding from a variety of sources in a period of extreme challenge. As well as making the cultural and economic case, the festivals will now need to provide regular updates and better evidence of their support for statutory functions within local government.

7.3 National and International Frameworks

Action: Identify key UK-wide and EU mechanisms to support the Festivals' ambitions and ensure that they are pursued. Ensure that the festivals needs and ambitions are embedded in wider UK and international bids for support and international frameworks

Action: Consolidate a joined-up national Scottish approach to supporting the needs and ambitions of Edinburgh's festivals across Scottish Government Departments and the public agencies with a national remit through the work of the Festivals Forum

Given the festivals' collective importance as both a cultural and economic driver for both Scotland and the UK, and the complexity of the policy and financial support landscape for the festivals, there is a need

for a joined-up approach to be developed for Scotland and the UK. The focus applied effectively to recent major events, including the Commonwealth Games and the Ryder Cup should also be applied to the Festivals as ongoing annual assets of equal scale and economic and reputation significance.

7.4 Alternative Funding Mechanisms

Action: Work with the tourism sector, the wider city business community, City of Edinburgh Council, the Scottish Government and key agencies to ensure that a solution is found to the proposed significant reduction in public funding, identifying new private sector investment streams for the investment priorities

If current investment into the world class programming of Edinburgh's festivals is not maintained, their Premier Division status is at risk of relegation. Public funding, whilst essential, is clearly going to reduce in the light of the overall changes in public finances and a long term stalemate exists around alternative mechanisms. New thinking and innovative solutions are required. The Festivals Forum with its established record of collaborative working and its mix of public and private sector representation is in a strong position to lobby for and support urgent exploration, development and adoption of new models of alternative finance for the festivals and the wider marketing and public realm of the city. These might include particular sector initiatives, business beneficiary contributions through business rates or potential adaptations of wider Scottish and UK tax regimes.

If, over time, public investment from existing sources needs to be replaced entirely some £10m a year will need to be generated from alternative funding mechanisms.

7.5 Enterprise

Action: Work together on a range of fundraising and enterprise initiatives

A range of interesting ideas at different scales have emerged during the consultations.

Individual festivals work hard to generate commercial sponsorship revenues and in some cases are competitors. There is potential for some central support from the Festivals Forum to develop partnerships at both senior corporate and, separately, at young entrepreneur level by instigating a series of annual cultivation and networking events and this should be explored via Festivals Edinburgh. There are also opportunities for private investment in digital initiatives as detailed in section 5.5 above and the Festivals Forum may have a role in brokering introductions.

The Festivals Forum members represent the largest and most powerful public sector organisations with substantial procurement budgets. The top ten suppliers should be identified and introductions made so either individual festivals can make sponsorship proposals or Festivals Edinburgh can make a case for central support, in which case issues of collateral need to be carefully considered.

Individual festivals rightly control their ticket pricing strategies, balancing commercial and access considerations, following in depth competitor and customer research. However there may be a central role for Festivals Edinburgh to provide cross festivals and cross sector intelligence to inform decision making and help optimise revenues.

On an individual giving level Festivals Edinburgh might give consideration to overseas fundraising from the Scottish diaspora in some collective effort to talk to them and raise donations. However individual festivals are already active in this market and as this group is expensive to identify and fundraise from, requiring additional specialist resources, careful consideration needs to be given before investing time to this area.

Some festivals, such as the Science Festival and the Tattoo, have already been successful in exporting their brand and intellectual property abroad. The potential to licence other individual festival brands to territories such as the Middle East, in the same way that the global museums and performing arts companies are starting to do, should be considered.

Individual festivals have successfully developed cultural tourism packages with the travel trade and experimentation has also taken place at a collective level through the Festivals Passport, but consideration should be given to exploring more niche cultural tourism package opportunities which could be attractive and profitable at an individual or collective festival level.

7.6 Economies and Efficiencies

Action: Consider economies of scale by closer working and shared services

The Edinburgh festivals are quite rightly, proud of their individual cultural identity, the autonomy of the festival director and the individual brands and organisations that have been built up, sometimes over many years. Furthermore the individual festivals are already effective and efficient operators, often on very limited resources in relation to their mission.

However, given the potential 'fiscal cliff' facing public sector finances and the still fragile economic recovery, it would be unwise not to consider if economies of scale could be achieved by the festivals working more closely together. Groups of arts organisations across the UK have been considering this approach and the festivals should convene a task group to look at the potential. The cost savings here are unlikely to be substantial and the initiative should also be driven by potential service improvements.

8. Developing and Delivering

The partnership structures and working, between the festivals, Festivals Edinburgh (FE), the Thundering Hooves Steering Group (THSG) and the Festivals Forum, has been very successful. The collective trust developed has ensured the successful development of Edinburgh's festivals over a challenging period.

These basic structures should be maintained during the life of this new strategy but the ways of working together need to be developed and improved. Seven recommendations were agreed from the Phase 1 report and these are reflected in the following actions:

8.1 Festivals Forum

Action: Adopt new Terms of Reference and Responsibilities of Members

The original terms of reference for the Festivals Forum in 2007 were basic. We suggest the following Terms of Reference and Responsibilities.

8.2 Terms of Reference

The Festivals Forum is a high-level strategic commission bringing together representatives of those with a stake in maintaining the future success of the Edinburgh festivals. Its main purpose is:

- To ensure that Edinburgh maintains its position as the pre-eminent Festival City delivering cultural, social and economic benefit to the city, the region and the country
- To agree the long term strategic development of the Edinburgh Festivals, working closely with the festivals, Festivals Edinburgh and the Thundering Hooves Steering Group
- To articulate and oversee the investment strategy required to sustain Edinburgh's position as the world's leading Festival City

- To support and encourage a positive working relationship between the festivals and their stakeholders
- To monitor and ensure the delivery of this TH 2.0 Strategy and Action Plan

The Festivals Forum has no legal constitution or executive responsibility for the festivals or Festivals Edinburgh; rather it seeks to use its influence to ensure the future success of the festivals.

8.3 Responsibilities of Members

Members of the Festivals Forum are either ex-officio representatives of particular organisations or independent members. All members agree:

- To ensure the implementation of the Thundering Hooves 2.0 Action Plan and monitor its progress
- To support the long term success of the Edinburgh festivals
- To act in the best interests of the Edinburgh festivals where possible, accepting that the interests of the organisation they represent may occasionally take priority
- To attend a minimum of two out of three Forum meetings a year, playing an active part in the Festivals Forum
- To lead and contribute to delegated task groups set up by the Festivals Forum
- To host occasional meetings of the Festivals Forum on a three yearly cycle
- To act as a formal conduit between their organisation and the Festivals Forum, feeding back relevant information to their organisations and bringing pertinent information to the Festivals Forum's attention
- Where applicable, to liaise with the officer delegated to represent their organisation on the Thundering Hooves Steering Group who will ensure implementation of the Festivals Forum's strategic objectives

8.4 Task Groups

Action: Set up five Task Groups to ensure delivery of this strategy and action plan

Initially Task Groups should be set up under the following headings:

- Festival City
- Engagement
- National and Global Positioning
- Digital
- Investment and Enterprise

These Task Groups are to champion the strategic issues around each area, both within the Festivals Forum and externally, and to liaise with the THSG, FE and the festivals who will be responsible for implementation.

These 'task and finish' groups, headed by a member of the Festivals Forum and including external expertise who would be invited at regular intervals to provoke and challenge current thinking, will report back on progress.

The task groups may require additional resources to take forward initiatives in each area.

8.5 Meetings, Agenda, Secretariat

Action: Adopt a new meeting timetable and administrative arrangements

The Festivals Forum should meet on the following timetable with standing agenda items:

- February – update on previous year's results; review and prioritise the Strategy and Action Plan
- June – progress report on key areas of the Strategy and Action Plan; update on winter/spring festivals
- October – update on summer festivals and annual meeting; festivals' assessment of own position and key issues

Each meeting should include a report from the Chair, reports from specific individuals delegated to oversee task groups and appropriate reports on Festivals Edinburgh initiatives.

Meetings should be held at organisation members' offices by rotation and exact dates set on a three year cycle to allow sufficient notice. Agendas and papers will be instigated and agreed by the Thundering Hooves Steering Group and circulated at least two weeks in advance of the meeting date. Administration of the Festivals Forum should be undertaken by the office of the Director of Festivals Edinburgh rather than rotated through THSG members, although this may have resource implications.

8.6 Membership

Action: Review and extend membership of the Festivals Forum

Membership of the Festivals Forum is non-executive and organisation members are ex-officio representatives. Whilst the Festivals Forum is not legally constituted and therefore not subject to specific governance requirements, it is recommended that the independent members should serve a maximum of three terms of three years making a total of nine years. There is no limit to the number of organisations that can be represented and new ones can be engaged as appropriate. However we recommend the following core membership of the Festivals Forum:

- Three independent members including the Chair to reflect wider sectors and international perspectives
- City of Edinburgh Council, Chief Executive
- City of Edinburgh Council, Festivals and Events Champion
- Creative Scotland, Chief Executive
- Scottish Government, Director of Culture, Europe and External Affairs*
- VisitScotland, Chief Executive*
- VisitScotland Events Director
- Scottish Enterprise, Chief Executive*

- British Council Scotland, Director
- Edinburgh Chamber of Commerce, Chief Executive
- Edinburgh Tourism Action Group, Chair*
- Marketing Edinburgh – Director
- UK Government, Director of Culture DCMS
- Voluntary Arts Scotland, Director
- University of Edinburgh, Vice Chancellor*
- Chair of Edinburgh Hotels Group
- Festivals Edinburgh, Director

** We recognise that in some cases organisations are currently represented by different officers or are new to the Festivals Forum. A period of transition may be required.*

We recommend that one of the independent members is a festivals and events industry specialist from outwith Scotland and that both digital and broadcast experience should be included. In addition to the above standing membership we recommend that the Festivals Forum recruit additional fixed term members with particular specialism as necessary, e.g. digital developments and city infrastructure planning, and for periods it deems appropriate.

8.7 Thundering Hooves Steering Group

This is the officer led group of the main funding stakeholders of the festivals. Current membership includes:

- City of Edinburgh Council
- Creative Scotland
- Scottish Government
- British Council
- VisitScotland

- Scottish Enterprise
- Festivals Edinburgh

THSG meets ahead of the Festivals Forum to plan agendas, brief member CEOs, elected members and politicians in advance of meetings.

Afterwards THSG is responsible for implementing any action agreed by the Forum, negotiating associated collaborative funding packages, acting as the panel for assessing specific project funding, closely monitoring the Thundering Hooves 2.0 Action Plan and identifying additional opportunities and threats.

8.8 Renewed Impetus

We have recommended above a refreshed membership of the Festivals Forum. It should be made clear that members are ex-officio and that, for continuity, only a single named deputy can attend in their place, such deputy to have the power and authority to act on behalf of their organisation. The Chair should make it clear that members are expected to attend a minimum of two out of three meetings a year. Members will want to feel that they are making a contribution to the success of the Festival City and regular updates on progress of this new Strategy and Action Plan should be made.

8.9 Succession

Action: Plan for succession of Chair and existing independent members

The existing Chair and two other independent members have been on the Festivals Forum since 2007 and, in light of the earlier recommendation, a plan should be made for their succession by 2016.

8.10 Communication

Action: Host annual festivals conference for all 12 festivals and their boards

We recommend that the Festivals Forum host an annual, invitation only, half-day festivals conference in October each year, attached to the Festivals Forum meeting. The purpose of the event will be to encourage a sense of common purpose and ownership particularly amongst the non-executive members of individual boards. It would give an opportunity for guest speakers to set Edinburgh and its festivals in an international context and for board members to learn from each other's organisation.

8.11 Festivals Edinburgh

Action: Review resources available to Festivals Edinburgh

It is of course the continuing focus on programming excellence and quality content by each individual festival that drives the collective success of the whole. However the creation of Festivals Edinburgh can be seen as transformational and the last ten years have arguably been one of the most successful periods in the seventy year history of the Edinburgh festivals.

As an expression of the twelve festivals' collective will, Festivals Edinburgh is a constantly evolving model, developing new priorities agreed by the group in a detailed business plan.

Apart from modest core grants, Festivals Edinburgh is largely project funded and is a small, nimble organisation. Increasingly challenging times should not result in the organisation 'chasing the money' to sustain its existence, rather it should be following members strategic priorities as agreed in its Business Plan.

As with the Festivals Forum, succession planning is an important consideration for Festivals Edinburgh with the current Director playing a pivotal role in the success of the organisation.

Many of the action points arising from this strategy will require additional or refocused resources and the directors of Festivals Edinburgh and the stakeholders on the Festivals Forum should be prepared to invest to 'grow and save' over the lifetime of this plan. Some of this activity should be undertaken by working in partnership with others in the city.

8.12 Capacity of the Festivals

Action: Keep under review the festivals' capacity to implement this strategy

The successful collaborative approach taken over the last ten years has in itself exposed significant challenges to individual festival organisation's capacity to focus and engage with broad strategic issues and policy development.

The issue of the festivals and Festivals Edinburgh's capacity in terms of both people and capability needs to be considered if this strategy is to be successfully implemented.

Nick Dodds – FEI
Josephine Burns – BOP Consulting
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