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Purpose of this short presentation is to report to you on the 18/19 event and a look forward to this year's events.

Copies of the annual report are here

We actually think it's important to recognise the positive impact of the winter events – culturally, commercially, socially – given the recent, localised press focus on Edinburgh's Christmas.

Last year was Underbelly's 6th year producing Edinburgh's Christmas and 2nd year producing Edinburgh's Hogmanay FOR City of Edinburgh Council and we're very proud of the developments and changes that we've made to both events on behalf of you, the city and the council. Proud of the creative and culturally changes that we've made to the events, proud of the creative collaborators that we've brought on, proud of the collaborations with existing Edinburgh festivals like EIF, Book Festival and Art Festival and very proud of the enhanced community and free events.

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In terms of popular success, we really do believe that the figures are compelling.

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- Edinburgh's Christmas attracted a footfall of 4.2 million people to its sites in Princes St Gardens, St. Andrew Square, George St and Festival Square. We welcomed 900,000 unique visitors and sold 771,000 tickets to shows, rides and attractions. Importantly, over 186,000 of these were EH postcode discount tickets, showing that 31% of our total visitors were local Edinburgh residents.

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- Edinburgh's Hogmanay attracted just under £184K visitors to events, with just over 88K tickets sold and 25% of these sold to Edinburgh and Lothians residents.

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- The independent survey conducted by BOP in 2017 found that 96% of locals said Edinburgh's Christmas was an important reason for visiting the city centre and 58% of non-locals said it was their main or only reason for coming into the city centre. For Hogmanay, 71% of visitors said Hogmanay was their main reason for visiting Edinburgh. What do these percentages and figures prove? They prove that these events are hugely popular with local Edinburgh residents as well as visitors to the city.

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- It is also worth **re-highlighting** the results of the 2017 Independent Economic Impact Report, again provided by BOP, that showed an economic impact of £39.2M for Hogmanay and £113M for Edinburgh's Christmas. To be clear, what this means is that an extra £152M is being spent in Edinburgh at the times of these events and as a result of these events.

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Myself, Charlie and our team at Underbelly have made great effort and taken huge pride in how we have tried to develop the community engagement and benefits aspects of both events. There are two important sides to this; commercial and economic benefits and social and cultural benefits and we take each equally seriously.

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- On the commercial side, the total costs of these community benefits in 2018/19 were £642K for Hogmanay and £534K for Christmas. To clarify, these are our cumulative costs to delivery free events, including artistic programming, staffing, production and also the face value cost of free tickets given away and other charitable donations. Last year at Edinburgh's Christmas we gave away more tickets– 26,741 to be precise - than ever before to local charities, community groups and food bank users.

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- The other commercial aspect to the community benefits that I think we've been very bad at highlighting is the **actual** cost to Underbelly (as opposed to event funders like CEC). So for instance Light Night in 2019 will cost Underbelly £168K. It's, very rightly, a free event with no commercial income and no funding. It's also not a contractual requirement for us to deliver the event on the scale and quality that we do. But we do, at our cost, for the city, because we think it's a vital part of Edinburgh's Christmas and a vital local community event for families.
- Message from the Skies, the city wide free event we have created for Hogmanay will cost £168K this year, £18K of which will be unfunded at our. And our new free event for Christmas this year, Community Christmas, will be at a cost to Underbelly of £23,000. ALL of these events we want to do. So this is by no means intended as a sob story. But it is important to highlight it.

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- From a cultural and social benefit point of view, our free community events have given children a platform to exhibit their art in iconic parts of their home city (Winter Windows), allowed hundreds of young people and community groups to perform on stages in front of thousands of people (Light Night), given locals and tourists alike the opportunity to explore iconic buildings and locations in Edinburgh (24 Doors of

Advent) and brought world famous Scottish authors (from Val McDermid to William Dalrymple to this year Irvine Welsh) together with dramatic and famous Edinburgh locations in Message from the Skies. And this year, with the launch of Community Christmas, we're bringing live projection, choirs and celebration to 12 local Edinburgh communities on 12 different evenings in 12 free events outside the city centre before Christmas.

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As we hope you are all aware, the current contract with us to deliver both events provides a material and significant reduction in Council funding and expenditure. To put this into perspective, Edinburgh Hogmanay's budget has increased to £4M as we've made major improvements to the event, invested more in content and expanded the programme from the previous operators – and we've managed to do this with 38% less public funding than in 2016/17.

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The Council receives a saving of £1M per year compared to the previous event contracts.

- There is a net saving of £815K in fees / subsidy paid per year. This accounts for fees paid by CEC to Underbelly as the contractor but also now fees paid by Underbelly to the Council.
- There is an increase of £33K in site rental fees paid by Underbelly per year
- And there is a £167K saving to the Council by transferring the cost of licensing and police costs to Underbelly / The Contractor.

This is all very positive and we believe it should be celebrated and championed by the council. Edinburgh gets two world class events, with envious cities looking on (and believe me they do) and yet makes a saving of £5M over the five years of the contract. We think this is great!

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But we also think it's important to highlight, as we have done previously, the fragility of the contract. Hogmanay runs at a deficit to Underbelly. It makes no money, it loses money. It represents an investment made by Underbelly. This investment has reached £322K over two years.

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We'd also like to highlight the increased artist and artistic spend on both events, which have helped to develop the culturally vibrancy of the events.

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This year, Edinburgh's Hogmanay will spend £850K on artists, from bands to DJs to the street performers. This is actually an increase of £330K, or 64% on the 2017 event. We are hugely grateful to the PLACE fund additional funding of £136,000 which does contribute to this. And on top of the spend on actual artists, we now spend £900K on artistic and broadcast production for the Street Party, be it the revamped lighting design, sound design and live broadcasting to all areas of the Street Party on more screens than ever before.

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And both events are of course substantial employers in the city,

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with 297 directly employed staff for Christmas, 521 for Hogmanay and a further 1,621 indirectly employed people excluding emergency services. All of our employees, as they always have, continue to receive the National Living Wage regardless of age with no zero hours contracts.

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And finally, we must just highlight the media and social reach of these two extraordinary events.

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Last year, Edinburgh's Christmas achieved 247 pieces of print coverage and 390 online articles. It was unanimously mentioned in ALL of the myriad of 'Best Christmas' rounds ups in national papers and magazine and the website received over 5M page views.

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Hogmanay received even more coverage, with 1630 pieces of print and 1,885 online articles. And as the Edinburgh Evening News highlighted in September, Edinburgh's Hogmanay recently came No.1 in the Top 50 Best Festivals in the World as chosen by travel industry bible, Big Seven.

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