

Many events rely on funding from national, regional or local government, grants from quangos (such as Sport England or the Arts Council), sponsorship or flexible credit terms from suppliers. However, using money from a third party is normally based on the simple assumption that the organisation's future returns will be sufficient to cover the borrowing or meet other objectives. Problems can occur when organisations fail to meet their financial obligations. Consequently, an organisation's ability to pay its debts as they fall due is usually the difference between financial success and financial failure. If event managers are to make effective plans and decisions, they need to control their organisations' finances.

Exercising sound financial planning and control is of fundamental importance in running a successful event. A lack of knowledge regarding the cost of the event will lead to almost certain failure. It is essential to plan, budget and monitor finances throughout the planning and execution of an event to avoid any implications with cost variation or changing economic conditions.

Before an event progresses too far into the planning process, it is essential to assess its financial viability. This will mean setting out a financial plan to balance the cost of running the event against any existing funds and prospective income. Several draft budgets may need to be compiled before producing the final version. Initially, the budget will be based on estimates, but it is important to confirm actual figures as soon as possible to keep the budget on track and to exercise something resembling financial responsibility (Running Sports 2007).

If the decision is made to go ahead with an event, this will be managerial and therefore rather subjective. However, such a decision can be informed by a thorough understanding of the finances involved and the ability of the event to meet its financial obligations. What is more, the decision that determines whether an event is financially viable will ensure that effort (and money) is not wasted. Earlier chapters have stressed the importance of project management and event design and production, and these stages are indeed vital for the operational success of an event. But they will yield success only if sufficient financial resources are available for them to be implemented.

CASE STUDY 6.1

The Cultural Olympiad

Location: Sheffield, UK

Event type: cultural event

Attendees: approximately 10,000

Background

Spread over four years, the Cultural Olympiad is designed to give everyone in the UK a chance to be part of London 2012 and to inspire creativity across all forms of culture, especially among young people. More than 975 events were staged across the UK – ranging from sports to art, and from dance to exhibitions – with 21 of them held in Sheffield. Each event featured a special challenge, and gave visitors the chance to try something new or take an existing skill to a new

level. More than 2000 people took part in the Sheffield events, with highlights including:

- Sheffield Try-Athlon – three types of Olympic-inspired street entertainment happening across the city centre over three days, including the city’s five torch-bearing Olympians.
- 2012-Metre Swimming Challenge, which saw dozens of participants at pools all over Sheffield swim a total of 2012 metres.
- 2012 Together – a national event featuring the Concord Youth Marching Band that involved 2012 musicians marching and playing at the same time at different locations all over the UK.

Sheffield has also used exhibitions such as ‘Extraordinary Moves’ – a project developed by Sheffield Hallam University’s Centre for Sport and Exercise Science, Huddersfield-based Chol Theatre and independent artists – to challenge perceptions of disability through an exploration of human movement. Its main aim is to utilise emerging technologies to enhance human abilities. Extraordinary Moves brings together young people, communities and artists to provide different ways to think about, experience and interpret the concept of disability in relation to competitive and expressive movement. As part of the IMOVE programme, Extraordinary Moves is at the heart of Yorkshire’s cultural ambitions leading up to 2012. The project will create and present installations, new writing, exhibitions, documentary photography, performances and debate across Yorkshire and beyond.

The 2011 event

In 2011, along with the rest of the UK, Sheffield participated in Open Weekend – the celebration of one year to go to the opening of the Olympic Games in London 2012. A variety of events took place across the city over the weekend of 22–24 July, with the central one occurring on Tudor Square and titled ‘2012 By Any Means’. This featured a fifty-metre athletics track surrounded by activity stalls and installations from creative organisations. Members of the public were challenged to come along and get from one end of the track to the other using any means or in any guise – with particular emphasis given to sports, physical activity, movement and creativity. All abilities were encouraged to participate, including those accompanied by companions, in wheelchairs, with guide dogs and so on. People turned up with many weird and wonderful forms of transport – from skis to broomsticks – and in all manner of fancy dress – from flamenco dresses to diving suits. The more creative, the better!

The Sheffield Steering Group commissioned local artists and arts organisations to engage people and help them take part in the challenge. These artists brought equipment and materials so that participants could make their own costumes or make/borrow forms of transport to get around the track. As well as laps taking

place throughout the day, creative workshop sessions run by professional arts practitioners combined creativity and physical activity – for example, dance workshops. The event was designed to allow people to be playful and lose their inhibitions and to encourage movement through creative activity, with each participant's lap of the track going towards a final distance covered throughout the course of the day, with the aim of totalling 297 kilometres – the distance between Tudor Square and Marshgate Lane, Stratford, the site of the Olympic Stadium.

This event, like most community-based events, had to generate funding through grants, local authority support and payments in kind. It also relied heavily on a volunteer workforce. A bid to Arts Council England for £10,000 was successful, and this amount was almost matched by Sheffield City Council. Moreover, the track was provided free of charge, and Sheffield Hallam University supplied volunteers and event evaluation. A summary of the full event budget can be found in Table 6.1.

Table 6.1 2012 By Any Means budget

INCOME

City Council Budget	£9,000.00
Arts Council Award	£10,000.00
Running Track	£12,000.00
SHU Student support	£1,200.00
Tudor Square	£1,200.00
City Council Officer Time inc event management	£1,200.00
Other earned income	£—
TOTAL INCOME	£34,600.00

EXPENDITURE

Artist Commissions x 6	£7,000.00
Confirmed commission	£1,000.00
FMTV	£2,000.00
Museums Sheffield Tent	£—
SHU Xpod	£—
Face Painting	£200.00
Staging/PA/Generator/Engineer	£500.00
Host fee	£250.00

Market Stall hire x 10	£400.00
Site Dressing	£600.00
Furniture (tables/chairs)	£300.00
Expenses/Water/Tape	£50.00
First Aid	£200.00
Lost Children support	£200.00
Signage	£50.00
Print	£750.00
Project & Event Management Fee	£5,000.00
Contingency	£500.00
Tudor Square hire (in kind)	£1,200.00
City Council Officer time (in kind)	£1,200.00
SHU Student Support (in kind)	£1,200.00
Running Track	£12,000.00
TOTAL EXPENDITURE	£34,600.00
TOTAL INCOME	£34,600.00
TOTAL EXPENDITURE	£34,600.00
BALANCE	£—

Some of the activity on the day reflected the culture (including the food) of international athletes who will be resident in the city during 2012 due to the international training camps that Sheffield will host. For instance, Sheffield residents and visitors were able to sample Brazilian Capoeira and Carnival skills; American line dancing and food; and Serbian music. Athletes and Paralympians were invited and grants of between one and two thousand pounds were made to a series of arts organisations to enable their participation. These groups collected stories about people and movement, ran digital art workshops, delivered circus skills or performances, showcased the talent of groups of young people with disabilities and so on.

Sheffield arts trusts were asked to contribute ideas and activities on the day. For example, Sheffield Theatres and Museums Sheffield and the Central Library hosted a variety of arts events and activities. Sheffield Hallam University's Extraordinary Moves Pod was available, as was the IMOVE Extraordinary Moves Pod.

The 'journey' down the athletics track was documented with time-lapse photography and relayed live on to a screen in Tudor Square. This footage was subsequently turned into an animation that showed each participant's contribution. The whole square was dressed and festooned with Olympic branded materials and had a very different feel to activity elsewhere in the city, where the annual Tramlines Festival was running on the same weekend.