

ELT REPORT



Report Name	Business Case for Culture and Tourism Funding from 2026/27	ACTION	
Report to ELT	ELT	Decision	X
Date of Meeting:	23 September 2025	Noting	
Author & Role title:	Tom Winters (Senior Economic Development Officer), Sarah Elghady (Cultural Producer) and Geri Panteva Senior Economic Development Officer)	Discussion	
Directorate:	Place	Assurance	
Presenter:	Andy Wood	Confidential	

Executive Summary

The UK Shared Prosperity Fund (UKSPF) programme funded by central Government will end in March 2026, with no replacement likely to benefit East Devon. Without future funding, there is a high risk that the momentum which has been generated in the delivery of the [Cultural Strategy](#) and [Tourism Strategy](#) will stall. The impact of both programmes has been far reaching in supporting local business growth, community cohesion and a significant boost to the Council's reputation as an 'anchor enabler' in these sectors.

To continue this work, the Portfolio Holder has instructed officers to prepare a business case for internal funding from 2026/27 onwards. In addition to meeting core Council Plan objectives, the business case demonstrates financial benefits to supporting these sectors. This will help the council to protect the business rates revenue already collected. Increased revenue to EDDC is also expected, through car parking and increased usage of our cultural assets and green spaces.

Recommendation(s)

That ELT support the following request for two rolling budgets beginning in 2026/27, and that these be presented to members for consideration as part of the budget-setting process:

1. A budget of £37,500 to continue delivery on the Cultural Strategy
2. A budget of £30,000 to continue delivery on the Tourism Strategy

Strategic Case

The Council Plan sets out two key actions relevant to this report:

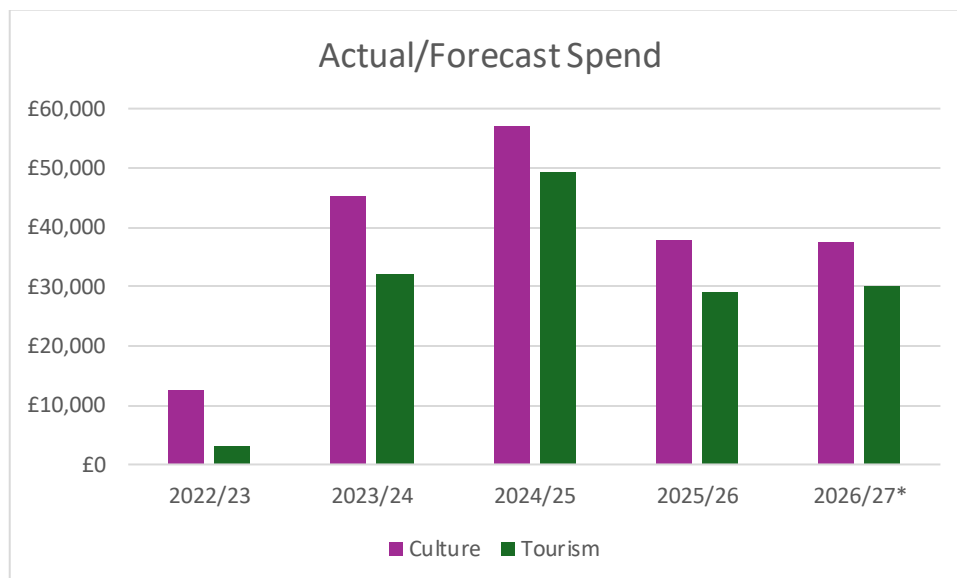
- *HC37: Deliver the Culture Strategy 2022-31 and action plan to improve access to cultural events for our residents*
- *RE11: Implement the Tourism Strategy and the Culture Strategy to ensure development of high quality, inclusive, and sustainable culture and tourism offers.*

The delivery of these strategies since 2022 has been aided by the deployment of East Devon's UK Shared Prosperity Fund (UKSPF) allocation. The [evaluation](#) of the UKSPF funded cultural programme and sustainable tourism programme shows that in the previous three years, these programmes have been delivered to a high standard:

*"The [sustainable tourism programme] was **effective in supporting local events** and bringing together businesses to collaborate and share best practice"*

*"For the small budget awarded, the Cultural Programme was able to **overachieve on output targets** and deliver a huge number of impacts. The [Creative East Devon Fund] in particular **demonstrated great value for money** as the benefits of each project were significant in comparison to the small amount of funding awarded."*

Between January 2023 and March 2025, 153 cultural organisations and 528 volunteering opportunities were supported, and 217 people attended training courses through the Cultural Programme. 32 organisations were awarded grants through the Creative East Devon Fund (CEDF), engaging over 7,000 people, supporting 28 local events, and creating 11 roles in the arts and culture sector. This was achieved with modest budgets and a single lead officer.



* Requested budget for 2026/27

Given the continued delivery of these two strategies are key corporate priorities, there is a clear strategic case for providing small rolling budgets for these activities. This case only amplifies once past delivery has been taken into account, with overachieving targets and good value for money observed.

A [recent report](#) by the Great South West showed that creative industries in the South West are outpacing those in London. Helping to nurture this sector further could help the longer-term growth narrative of the region. An ongoing budget also contributes to LGR readiness, by maintaining strategic commitments and sector resilience during a time of uncertainty.

Economic Case

In addition to the clear strategic case, there is a clear economic case to be made for supporting these sectors.

The current state of the tourism sector paints a clear picture in terms of the need for continued public support. UK Hospitality [recently announced](#) that half of the UK job losses since the last Autumn Budget have been in the hospitality sector. The state of the South West's tourist sector largely mirrors these national trends, with the Director of the South West Research Company confirming that "*tourism performance has been down year on year for sometime*".

Tourist spend in East Devon in 2024 performed slightly better than in 2023, but we have been advised that this is likely to be linked to inflation rather than people buying more on their visits. Day visits are down 6% and estimated employment in the sector is down 13%. Staying visitors nights have reduced 10% from 2022 to 2024, indicating that accommodation providers are among the most impacted tourism businesses.

2023		2024P	24P V 23 CHANGE
616,000	Staying visitor trips	603,000	-2%
3,030,000	Staying isitor nights	2,991,000	-1%
£175,321,000	Staying visitor spend	£176,979,000	1%
3,255,000	Day visits	3,054,000	-6%
£144,708,000	Day visitor spend	£144,399,000	0%
£320,029,000	Direct visitor spend	£321,378,000	0%
£11,249,617	Other related spend	£11,455,150	2%
£331,278,617	TOTAL VISITOR RELATED SPEND	£332,833,150	0%
5,740	Estimated actual employment	5,012	-13%
4,275	FTE employment	3,752	-12%
9%	Proportion of all employmen	7%	-2%

Table provided by the South West Research Company

Data from the South West Research Company shows that East Devon's tourism economy has still not recovered from pre-pandemic levels. Adjusting for inflation, total spend in 2024 would need to be £258,405,000 just to keep pace with the 2015 figure. Actual spend in 2024 was 31% lower than this. Trips made and nights stayed in East Devon declined between this period, despite a 6% increase in the UK population which should have led to increased demand.

East Devon	Trips	Nights	Spend
2015	821,000	3,767,000	£193,658,000
2024	603,000	2,991,000	£176,979,000

The total rateable value of East Devon properties in the tourism sector comes to around £122m. This does not include retail, food and drink providers and other sectors which rely on the tourism sector, along with those in the creatives industry. If the sector continues to decline, **there is a risk that business rates income to the council could decrease**, as businesses close and either remain vacant or are converted to residential uses, where

EDDC's share of Council Tax is lower. Income from car parks, our commercial estate and other EDDC assets may also decrease if these trends continue.

With the majority of UKSPF investment in culture and tourism taking place this year and last year, we hope to see a positive uptick in the tourism data for 2025. With continued investment, we hope to build on this work, helping to turn the tide.

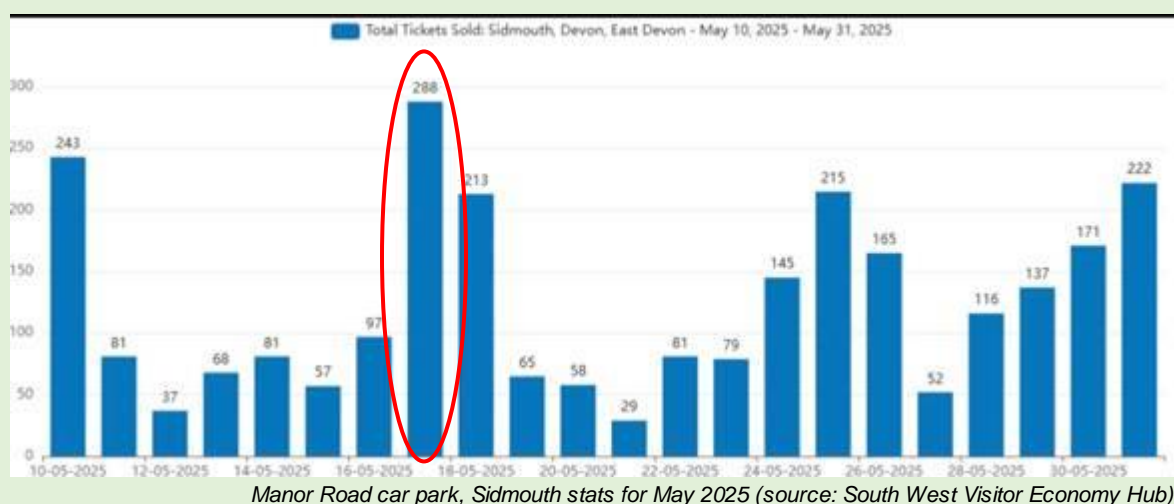
In addition to protecting the income we already receive, there are financial incentives for the council for promote growth in the cultural and tourism sectors. This is shown visually below:



Small rolling budgets for cultural and tourism should be regarded as investments, to help secure additional income whilst protecting the existing revenues already generated. We have seen clear examples where specific events has yielded additional income to the council.

Case Study – Parking Income from Sidmouth Sea Fest

EDDC benefits from increased income from car park during peak tourism season, but also during events that attract audiences from further afield. The graph below shows significant spike in tickets sold at Manor Road Car Park next to Connaught Gardens on the day of Sidmouth Sea Fest (17th May 2025).



The footfall measured via mobile phones in Sidmouth during the Sidmouth Jazz Festival was 28,482, while the same period the week before and after measured 21,732 and 18,989 respectively. This too would have likely led to increased car parking income before and after the festival.

In addition to car parking income, Streetscene receive income from events on council land. Since April 2025, 10 festivals have taken place, along with 12 other cultural events and 7 filming licenses issued. By supporting additional festivals and events, this income can grow further.

There is also an opportunity to tie in tourism marketing with cultural assets. For example, promoting theatre-themed weekend breaks could help to increase ticket sales at the Manor Pavilion Theatre. A similar link could be established with Thelma Hubert Gallery and art-themed getaways.

Supporting Screen Devon will be a key part of increasing income received from filming on council assets. We have seen a [significant increase](#) in large productions in East Devon over the last few months. Screen Devon has been pivotal, either in landing those filming opportunities or supporting film crews (landed by others) once they have arrived in the local area.

Estimated production spend data in East Devon District is limited, although figures from Screen Devon for two recent quarters is outlined below. These are attributed to a Bollywood production (2024/25) followed by a large Amazon MGM Studios Feature filming at Beer Quarry Caves (2025/26):

2024/25 (Q3)

- Feature Film – Medium Budget > £10m+ - **£759,000** (inc prep/strike dates)

2025/26 (Q1)

- Feature Film – High Budget > £60m+ - **£3,132,250** (inc prep/strike dates)

Case Study – Bollywood Film: House Full 5, Beer & Sidmouth, October 2024

The events team charged £35,000 for the filming in Beer and £11,151 for hire of the Sidmouth car park and EDDC Officer time spent. After expenses, including vehicle hire and further staffing expenses, the **total clear profit for EDDC from the filming was £23,093.82.**

Screen Devon provided us with a breakdown of expenditure from the production company that totalled £687,112.74 spent at local Devon based businesses with an estimated 40% (approx. £275,000) of the total spend going directly to East Devon based companies, specifically hotels and restaurants.

In order to continue to ensure East Devon is a well promoted film and TV location for production companies, we need to continue to invest and support Screen Devon. This will no doubt lead to continued income for EDDC and the wider tourism industry as evidenced in the Bollywood case study.

There is a clear economic case to continue investment in cultural and tourism related activity. With these small investments, we can not only protect the income we already generate but help to grow these sectors further.

Financial Case

An indicative 2026/27 activity plan has been articulated for both proposed budgets. Each activity has a specific purpose, budget and linked inputs, processes and outputs relating back to the Economic Case.

Cultural Budget Activity (Proposed, 2026/27)

Culture Budget Request	Proposed Activity 2026/27	Request for 26/27
£37,500	Arts and Culture East Devon Network	£2,500
	Creative East Devon Fund	£20,000
	Villages in Action	£5,000
	Screen Devon	£10,000

Arts and Culture East Devon Network:

- **Activity:** Provides a central platform to engage and promote arts and culture across the region. Inviting industry leaders to share best practice and funding opportunities.
- **Input:** Residents and tourists
- **Process:** Improve the quality of existing cultural assets and events
- **Output:** Increased income from EDDC car parks, green spaces and cultural assets

Creative East Devon Fund:

- **Activity:** To offer small grants for arts, culture, and heritage organisations and activities which align with the Cultural Strategy
- **Input:** Residents and tourists
- **Process:** Improve the quality of existing cultural assets and events and quantity of new cultural assets and events
- **Output:** Increased income from EDDC car parks, green spaces and cultural assets

Villages in Action (Cultural Top-Up):

- **Activity:** Bringing live performance, arts and cultural events to rural communities across Devon.
- **Input:** Residents
- **Process:** Improve quantity of cultural assets and events in rural areas
- **Output:** Increased income from cultural assets

Screen Devon:

- **Activity:** To attract and facilitate film and TV productions to stimulate economic activity in Devon as well as support training and talent development in the region.
- **Input:** Tourists
- **Process:** Increased number of visitors to tourist attractions and local retail and hospitality providers
- **Output:** Increased income from car parks and sustained business rates income from tourist/hospitality providers

Tourism Budget Activity (Proposed, 2026/27)

Tourism Budget Request	Proposed Activity 2026/27	Request for 26/27
£30,000	East Devon Tourism Network	£10,000
	Festival & Events Support	£10,000
	Cultural Tourism Map Marketing	£5,000
	South West Visitor Economy Hub	£5,000

East Devon Tourism Network

- **Activity:** A platform for local tourism businesses to share best practice and encourage collaboration across the wider sector, focussed on sustainability, accessibility and quality.
- **Input:** Tourists
- **Process:** Increased number of visitors to tourist attractions and local retail and hospitality providers
- **Output:** Increased income from EDDC car parks and sustained business rates income from tourist/hospitality providers

Festival & Events Support

- **Activity:** To promote festivals and events through a small grant fund and to appoint a marketing agency to promote festivals and events featured on our Cultural Tourism Map
- **Input:** Tourists
- **Process:** Increased number of visitors to tourist attractions and local retail and hospitality providers
- **Output:** Increased income from EDDC car parks, green spaces and cultural assets and sustained business rates income from tourist/hospitality providers

Cultural Tourism Map Marketing

- **Activity:** To continue the distribution and promotion of the [Cultural Tourism Map of East Devon](#)
- **Input:** Tourists
- **Process:** Increased number of visitors to tourist attractions and local retail and hospitality providers
- **Output:** Increased income from EDDC car parks, green spaces and cultural assets and sustained business rates income from tourist/hospitality providers

South West Visitor Economy Hub

- **Activity:** A revolutionary new online tool presenting key sector and visitor trends through intuitive visuals and graphics.
- **Purpose:** helps EDDC to gain valuable insight into different data, to monitor progress against Tourism Strategy objectives

As the indicative spend plan shows, there is a clear link between the proposed activity and the inputs, processes and outputs relating back to the Economic Case. For the next three-year period, lead officers will observe progress and tweak activity where necessary to maximise the value of this funding.

Management Case

The delivery of the Cultural Strategy will continue to be led by the Cultural Producer, whilst the Senior Economic Development officer will continue to utilise a third of their time on the Tourism Strategy. This approach was effective during the delivery of the UKSPF funded programmes and should be continued if internal funding is secured.

We will continue to work with external partners, such as Screen Devon and East Devon Excellence to ensure that future delivery remain grounded in the two respective sectors, with the council playing an 'anchor enabler' role.

Monitoring of high level success will be possible through the data provided via the South West Visitor Economy Hub and statistics available internally. Monitoring of car parking data, income from assets and business rates are examples of this. Qualitative data will also be important, with the ACED Network and East Devon Tourism Network being physical feedback mechanisms for the success of these programmes.

Political Considerations

The Portfolio Holder for Culture, Leisure, Sport and Tourism has provided a clear steer to officers that he expects a budget request to be made for these activities. This indicates a strong political desire for this work to continue which is worth noting at this stage.

Links to further information

- [Cultural Strategy](#)
- [Tourism Strategy](#)

Financial implications

2.1 The recommendation is for this funding request to be presented to members as part of the budget setting process, this will be decision for members to consider alongside the necessary reduction in spending to balance the exiting identified budget gap for 2026/27. (SD)

Please add initials after the comment so ELT are clear who has added them

Legal implications

3.1 There are no substantive legal issues to be added to this report.

Please add initials after the comment so ELT are clear who has added them

HR implications (if applicable)

4.1 [none]

Resource, asset and climate implications (if applicable)

5.1 [aiding climate change awareness is a core part of the CS and TS]

Equality Impact Assessment outcomes (if applicable)

6.1 [diversity and inclusion are core parts of the CS, with accessibility a priority for the TS]

Next steps

Add in Mark and Louisa's comments

Speak to Louisa re expectations

Should be put forward to members to make the decision

That a proposal be put forward for the 2026/27 budget setting process.

Director approved date:

ELT Approved: Yes but to be put to members

ELT approval date: 23 September 2025

ELT Approved – after actions completed:

Not Approved:

Ready to be shared with SLT:

Additional information required