



## Report to Policy Committee

**Author/Lead Officer of Report: Lisa Firth**

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**Report of:** Director of Parks, Leisure and Libraries

**Report to:** Charity Trustee Sub-Committee

**Date of Decision:** 4<sup>th</sup> March 2024

**Subject:** Tramlines Festival

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	X	No		
If YES, what EIA reference number has it been given?    2101					
Has appropriate consultation taken place?	Yes		No	X	
Has a Climate Impact Assessment (CIA) been undertaken?	Yes		No	X	
Does the report contain confidential or exempt information?	Yes	X	No		
<p>If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-</p> <p><b>Appendix 3 to this report is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended): information relating to the financial or business affairs of any particular person (including the authority holding that information).</b></p>					

**Purpose of Report:**  
 The Charity Trustee Sub-Committee is asked to consider the contents of this and previous reports and make a decision as to whether to grant Tramlines Events Limited (TEL) a licence for the use of Hillsborough Park for hosting the Tramlines Festival, noting the Heads of Terms of the licence (at Appendix 1), and the fee (at closed Appendix 3), as being on balance, in the best interests of the Hillsborough Park charity.

**Recommendations:**

The Charity Trustee Sub-Committee is asked to:

1. Agree that hosting of the Tramlines Festival in Hillsborough Park represents a positive and beneficial use of the park bearing in mind the Hillsborough Park Charity objectives.
2. Approve the license agreement Heads of Terms set out at Appendix 1.
3. Approve the income to the Charity as set out in the fee schedule at closed Appendix 3 on the basis that it represents and supports positive and beneficial use of Hillsborough Park, having regard to the Charity's objectives, and will benefit the Hillsborough Park Charity.
4. Agree to £10,000 of the annual fee being used to improve, replace, or install equipment or facilities to improve the park for the benefit of park users, which would not have otherwise been possible using the Council's revenue grant to the Hillsborough Park Charity.

**Background Papers:** Briefing to Communities, Parks and Leisure Policy Committee – Tramlines Festival, 25<sup>th</sup> September 2023; pages 79-92.

[\(Public Pack\)Agenda Document for Communities, Parks and Leisure Policy Committee, 25/09/2023 14:00 \(sheffield.gov.uk\)](#)

<b>Lead Officer to complete: -</b>		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Adrian Hart
		Legal: Robert Parkin/Rita Collins
		Equalities & Consultation: Ed Sexton
		Climate: Kathryn Warrington
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>SLB member who approved submission:</b>	Ajman Ali
3	<b>Committee Chair consulted:</b>	Cllr Ian Auckland
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Lisa Firth	<b>Job Title:</b> Director of Parks, Leisure and Libraries
	<b>Date:</b> 23 <sup>rd</sup> February 2024	

## 1. BACKGROUND

1.1 Hillsborough Park is a charity, and the sole Trustee is Sheffield City Council.

1.2 The Charity Trustee Sub-Committee is a standing sub-committee of the Strategy and Resources Policy Committee. It is established to take all decisions of the Council as charitable trustee, including but not limited to:

- i. Disposals of and other dealings with charitable land
- ii. Matters about which the Charity Commission must be contacted.
- iii. Matters of which charitable trustees should be aware in accordance with Charity Commission Guidance
- iv. Use of charitable assets by the Council for purposes that do not directly meet the charitable aims.
- v. Any other matter that has a significant impact on the use of a charitable asset for the charitable purposes for reasons of duration, area of the asset impacted, or other restriction.
- vi. Matters relating to land that is not itself charitable and other incidental matters which depend on or are directly related to a decision that must be made by the Charity Trustee Sub-Committee.

In making this decision, the Charity Trustee Sub-Committee is discharging its duty in respect of point v.

1.3 Maintenance of Hillsborough Park is the responsibility of the Council's Parks and Countryside service (P&C). Management and administrative decisions which are not decisions of the Council as Trustee, may be made, in accordance with the Council constitution delegations, by the Executive Director of Neighbourhoods, the Director of Parks, Leisure and Libraries, or the Head of Parks and Countryside.

The charitable objects of the Hillsborough Park charity are:

- the provision and maintenance of a public park and recreation ground in Sheffield for the use of members of the public resorting thereto with the object of improving their conditions of life.
- for use by the people of Sheffield for the purpose of being used as public walks and pleasure grounds.

1.4 In 2018, Tramlines Events Limited (TEL) was granted a premises licence to hold the event known as the Tramlines Festival (the Event) in Hillsborough Park (the land). The premises licence grants permission to carry out licensable activity on the land, conferred under the Licensing Act of 2003. The premises licence is ongoing until it is revoked by the Council following a formal legal process. There is a standard licence application fee of £70 for large scale events and a multiplier fee is added dependent on the scale of the event. The multiplier for the Event is £8,000 and so TEL pays a total of £8,070 for its premises licence each year. This fee must be retained by the Council's licensing service.

1.5 A premises licence does not give an automatic right to occupy and use the land. The right to occupy and use the land is granted further to a different type of

licence known as a licence to occupy. Under this licence to occupy, the Council, acting in its capacity as charity trustee (as Licensor) will grant TEL (the Licensee) the right to occupy Hillsborough Park for a period and for a specific purpose (i.e. for staging the Event). In return TEL will pay the Hillsborough Park Charity a licence fee. For ease, this report refers to the licence to occupy as the 'the licence agreement'.

- 1.6 The licence agreement covers standard terms and conditions such as, licensee obligations (including ground protection, health and safety, security and reinstatement of the site), liability, termination, force majeure and fees. The licence agreement sets out various rights for the Council should TEL breach any terms of the licence and vice versa.
- 1.7 The current licence agreement was granted in 2018. Following a review that started in 2022, coupled with the issues experienced with adverse weather in 2023, a comprehensive review of this licence agreement has taken place.
- 1.8 This review included strengthening clauses and processes for protecting the park in the event of severe weather (or other force majeure) and how decisions around cancelling the event will be taken and by whom. Further details on these commitments are set out in Appendix 1.
- 1.9 The revised licence agreement includes a new fee schedule (set out in closed Appendix 3) for the next 5 events in Hillsborough Park (from 2024).
- 1.10 The last published fee paid by TEL for hire of Hillsborough Park was £33,500 in 2021. The new fee has been negotiated on a commercial basis and in consideration of other similar events. In recent months, we have benchmarked our music event charging structure at a local and national level. In 2023, the LGA ran a nationwide local authority event staging fee benchmarking survey, to allow authorities to compare their staging fees for music event promoters. We used this survey and confidential discussions with other event promoters and considered them in conjunction with the experiences of the Council's Major Events team, and we now have a stronger and more robust understanding of what the competitive market will stand. This understanding gives the reassurance that the TEL fee gives us the best market value. We are confident we have set our fees for Tramlines (and other events) at the right level to gain best value for the Hillsborough Park Charity.
- 1.11 The cost of running the park is funded by the Hillsborough Park Charity. The charity's annual revenue expenditure is generally greater than the income it receives, and the variance is borne by the Council by way of a grant to the charity. The charity's annual expenditure will remain higher than income, despite the increase in the fee received from TEL.
- 1.12 TEL has requested that the Hillsborough Park Charity Trustees allocate a portion of the increased fee to improve, replace, or install equipment or facilities to improve the park for the benefit of park users that would not have otherwise been possible through general management and maintenance revenue grants. The allocation will amount to £10,000 and will be referenced in the Hillsborough Park Charity annual accounts.

- 1.13 TEL will offer its customers an option to make a voluntary contribution on top of the cost of their festival ticket, to be donated to the Hillsborough Park Charity and used solely for improvements to Hillsborough Park (not regular maintenance). This donation is in addition to the agreed license fee to be paid by TEL.
- 1.14 TEL will donate £500 per annum to Friends Groups working in Hillsborough Park or the Walled Garden of Hillsborough Park to help volunteers to continue their valuable work in the park.
- 1.15 The Council cannot disclose (in the public report) the fee paid by TEL to the Hillsborough Park Charity because this has been deemed commercially sensitive information by the Information Commissioners Office on 31<sup>st</sup> January 2023.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 Events are important for building Sheffield's brand and reputation. They enhance the city's image, show the world what Sheffield does well and bring in audiences that might not otherwise experience Sheffield. Events are animators of destination attractiveness but more fundamentally they are key marketing propositions in the promotion of places e.g., for our city break campaigns. They provide much needed positive media profile, as seen with the recent press coverage and community enthusiasm for the MOBO awards and fringe events which were hosted in Sheffield in February 2024.
- 2.2 Tramlines Festival is one of the UK's longest running, city-based music festivals and a highlight in Sheffield's year-round calendar of events. It has been held successfully in Hillsborough Park five times since 2018 (except for 2020 during the coronavirus pandemic). In 2021, it was part of the Government's Events Research Programme, allowing a full capacity audience to attend the event in Hillsborough Park and contribute to research which helped other events to go ahead safely across the UK.
- 2.3 If Tramlines wasn't held in Hillsborough Park, it would move out of Sheffield and would relocate to another site in another city. The rationale for hosting Tramlines in Hillsborough Park was set out in the report to the Communities, Parks and Leisure Policy committee in September 2023. Hillsborough Park is the only city park with the capacity to host an event of this size and nature. The reasons for this are threefold; a) the main field can host an audience of around 35,000. b) transport links; the park's proximity to both the Supertram network and several bus routes and the fact attendees can walk into the city centre (3 miles) at the end of each show day and c) the park's proximity to wrap around facilities such as Hillsborough Athletics & Sports Arena (which is now used to support a festival stage) and Sheffield Wednesday Football Club; both of which play key parts in the viability of Tramlines and access to emergency facilities.
- 2.4 The Tramlines Local Resident Ticket Scheme was open to 3900 households in 2023, up from 1500 in 2021. In 2023, 1614 free or discounted tickets were distributed, an increase of 16% from 2022, at a cost of £171,440 to the festival. Since it's move to Hillsborough Park, TEL has donated over £560,000 worth of tickets to Hillsborough residents.

- 2.5 Of the customers who attended the 2023 event, over the 3 days, 16.5% had an address registered in the S6 area; this is in addition to those who received tickets through the resident's scheme, meaning over 8,000 people attended from the Hillsborough area.
- 2.6 Since 2018 TEL has made a conscious effort to ensure the festival adds benefit to the wider Sheffield community, including:
- Fundraised over £210,000 for local Sheffield charities.
  - Donated over 500 free tickets to key workers, charities, and carers.
  - Hosted 68 work placements for local university students.
  - Offered 226 paid local emerging artists slots.
- 2.7 The introduction of the Tramlines Trust in 2022 has allowed smaller, grass roots organisations to receive funding from the festival. Since 2022, the trust has awarded grants of over £61,800 to a total of 69 Sheffield and South Yorkshire organisations.

### **How does the event contribute to the Hillsborough Park trust?**

- 2.8 It is acknowledged that running the Tramlines event involves closure of parts of the park for a period before, during and after the event. The map in Appendix 2 shows which areas of the park are closed. However, there are several benefits to the Hillsborough Park charity of hosting the event. These include the licence fee, the donations, and optional uplifted donations, which will fund improvements to the park. More generally, the publicity of the Tramlines event and opportunity of those attending to visit the park will introduce many new people to the park, and promote its enjoyment for recreation, walks, and enjoyment beyond the event itself.
- 2.9 Years of austerity have resulted in cuts to the Council's general revenue funding, and this has in turn resulted in budget reductions for services such as Parks & Countryside. Certainty of income for the charity is now more important than ever and fees from events held in parks, such as Tramlines, provide additional security for the park charity. This will enable the council to continue to provide a high-quality City Park and maintain Green Flag accreditation.

### **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 There has not been any consultation specifically regarding this report and the Tramlines income.
- 3.2 Each year, TEL undertake consultation both with park stakeholder groups and individual residents (using face to face drop-in sessions and via Tramlines on-line resident survey). The Friends of (volunteers) Hillsborough Park, people from across Sheffield, festival goers and strategic partners are all invited.
- 3.3 The drop-in sessions are held twice a year in the Autumn (de brief from that year's festival) and in the Spring (planning for the upcoming festival)

3.4 The November 23 drop in had 39 attendees (held at HASA), several general issues were raised (parking, noise, ASB, this year of course damage to the park). In general, all felt the session was worthwhile and in the main positive. There is normally a higher turnout of attendees for the spring drop-in session.

#### **4. RISK ANALYSIS AND IMPLICATIONS OF THE REPORT**

##### 4.1 Equality Implications

4.1.1 There are no equality implications from this briefing report. The price per ticket is not impacted by the amount of fee that Tramlines pay for their licence. They have a 4-year budget cycle that takes account of this.

##### 4.2 Financial and Commercial Implications

4.2.1 The cost of running the park is funded by the Hillsborough Park Charity. Annual revenue expenditure is generally greater than income and any deficit is borne by the Council by way of a grant to the charity. In the 2021/22 accounts for the Hillsborough Park Charity, the revenue grant to the Hillsborough Park Charity was £224,092 and in the 2022/23 accounts for the Hillsborough Park Charity, the revenue grant to the Hillsborough Park Charity was £174,933.

4.2.2 The increased fee will generate additional income for the Hillsborough Park Charity. Providing there is little change in the level of expenditure, then the grant contribution from Sheffield City Council for the maintenance will be reduced, by the level of additional fee income achieved (subject to Trustees agreeing to a restricted sum of £10,000 for improvements noted in paragraphs 1.13 and 1.14).

##### 4.3 Legal Implications

4.3.1 The land that is to be used for the Tramlines Festival event is held on charitable trust by the Council. As such the Trustees have a general obligation to achieve the best value that can be reasonably obtained under the licence agreement. The transaction proposed is by way of a licence and as such does not constitute a property transaction, nor does it engage the requirements relevant to disposals of land under sections 117 to 121 of the Charities Act 2011. It is noted that the Tramlines Festival event fits within the objects of the charitable trust that affects the land to be used and occupied.

4.3.2 In January 2023, following a Freedom of Information request, the Information Commissioner's Office agreed that disclosure of TEL's fee information was commercially sensitive. This was decided to protect the Council's and TEL's commercial interests.

4.3.3 The proposed licence agreement contains adequate provisions to mitigate against any potential loss or reputational risk to the Council, including but not limited to: licensee obligations to protect the site and to use it only in accordance with the conditions of use imposed by the Council, to indemnify the Council against certain risks, to hold adequate insurance and to act on the advice of the

Safety Advisory Groups and Emergency Services where applicable and reasonable to do so.

4.3.4 The licence agreement is for a rolling period with the ability for the Council or TEL to be able to terminate on notice.

#### 4.4 Climate

4.4.1 Tramlines sustainability achievements in 2023 include:

- Fuelling their generators with renewable diesel (HVO), a fossil-free alternative to mineral diesel which drives down greenhouse gas emissions by 90%.
- Using low consumption/hybrid generators where back of house power is required.
- Diverting all waste away from landfill towards recycling or energy production.
- Actively seeking out local suppliers and staff to reduce the impact of personnel and infrastructure transport.
- Offering a range of lower-impact vegan and vegetarian food options both front and back of house.
- Strongly discouraging driving to the festival in pre-event communications. (Responses from the post-show survey show that 55% of customers walked or used public transport when travelling to the festival).

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 A 10-year agreement was considered. However, it was felt this was too long a period to set out fees for the use of Hillsborough Park and was deemed not to be in the best interests of the charity.

5.2 A fee structure that included inflationary increases was considered. However, TEL requested the certainty of a fixed fee and as this would also provide income certainty for the Hillsborough Park Charity, a fixed 5-year fee structure was agreed. This fixed fee is approximately the same amount as would have been received if we had agreed to a lower annual fee and annual inflationary increases of c5%.

5.3 There was an option to do nothing and not enter into a revised licence agreement with TEL. However, this would not provide the Council or Hillsborough Park Charity with the protections derived from the revised licence agreement, nor the financial certainties of the fee structure.

### 6. **REASONS FOR RECOMMENDATIONS**

6.1 The licence agreement provides protection for the Hillsborough Park Charity and considers the best interests of the park.

6.2 The fee schedule provides best value and income certainty for the Hillsborough Park Charity.

6.3 Sheffield will continue to benefit from the social, cultural and economic benefits derived from hosting Tramlines.



## **Appendix 1** **Tramlines Licence Agreement**

In September 2023, a report to Community Parks and Leisure Policy Committee set out the Council's commitment to learn lessons from the 2023 Tramlines festival and the significant impact the severe weather had on the park and park users. This led to several questions from Hillsborough residents, the Friends of Hillsborough Park, Hillsborough Park users and others who have an interest in Tramlines and Hillsborough Park.

Improvements have been made to the pathways that were particularly impacted and plans are underway to further improve drainage in the park. All work to restore the park has been funded by Tramlines, as have the improvements to pathways. The drainage work will be funded by Tramlines and SCC.

The revised licence agreement considers the events of 2023 and the lessons learned and revised Heads of Terms have been agreed.

### **Heads of Terms**

**Licensee obligations:** including but not limited to producing an event plan to cover health and safety, security, site protection (including an obligation to repair).

**Term:** The term of this Agreement shall commence from the date of signature and continue indefinitely unless terminated by written notice. The Agreement will govern the 2024 event.

**The event fee:** The Event Fee will be set by the Licensor for a period of 5 (five) years. The Licensor shall review the event fee every 3 years and will set the event fee for the subsequent five years following that review. In the event of an increase in the event fee, the Licensor will give the Licensee 2 years' written notice, following which the Licensee can either continue or terminate the License by giving notice.

**Additional income and fee stipulations:** The Licensor will apportion £10k of the annual fee received from the Licensee as a restricted donation to the Hillsborough Park Charity. This donation will be used to improve, replace, or install equipment or facilities to improve the park for the benefit of park users.

The Licensee will offer their customers an option to make a voluntary contribution to the Hillsborough Park Charity and the Licensor will assign this income as a restricted donation to improve, replace, or install equipment or facilities to improve the park for the benefit of park users.

The Licensee will donate a minimum £500 per annum to the Friends of Hillsborough Park (or other volunteer group working in Hillsborough Park) to help volunteers to continue their valuable work in the park.

**Termination on Notice:** The Council and TEL have a right to terminate the licence agreement at any time on written notice. If either party terminates between the end of an Event and 30<sup>th</sup> September in the same year, TEL are entitled to hold 2 further Tramlines Festivals. If either party terminates after 30<sup>th</sup> September and before the next

Tramlines Festival, then TEL are entitled to hold the next scheduled Festival and a further 2 Festivals.

The licence agreement can also be terminated immediately where there has been a 'material' breach. Whilst the drafting of the definition of material breach is being negotiated between the parties, it has been agreed in principle that any breach of the: Event Safety Management Plan or Premises Licence, duty to procure and maintain appropriate insurance, prevention of bribery obligations, payment obligations (i.e. payment of event fee of sliding scale of cancellation fees), duty to provide appropriate termination notice, duty to protect the park and administer the Ground Protection Plan, duty to repair any damage, duty to remedy any breaches in the appropriate timescales are considered material breaches.

**Cancellation or Postponement of an Event:** TEL have the discretion to cancel an Event for specific reasons (i.e. the Event is no longer commercially or operationally viable or on the advice of the Safety Advisory Group). In doing so, TEL will be liable to pay a sliding scale of fees depending on the amount of notice provided on cancellation/postponement. (Note this cancellation or postponement does not relate to cancelling an event that is already in progress or cancelling an event due to Force Majeure).

<b>Period of notice before cancellation</b>	<b>% of Event Fee in respect of cancelled Event payable</b>
7 - 12 months before the first day of the Hire Period for the relevant Event	25%
5 - 6 months before the first day of the Hire Period for the relevant Event	50%
4 months or less before the first day of the Hire Period for the relevant Event	100%

**Liability:** TEL are liable for any direct losses suffered by the Council arising because of any negligence or wilful default by TEL or any breach of the licence by TEL. This liability is capped at TEL's insurance cover or the event fee for the year in which the liability arises (whichever is greater). We are also seeking to limit SCC's liability under the licence agreement to a commercially reasonable amount.

**Protection for Hillsborough Park:** As part of their event planning guidance, Tramlines will submit an Event Plan which will include a ground protection plan. This document will contain an overview of their plan in the 2 months prior to the event, including the provision for high footfall areas and what resource will be in place. This must be approved by the council.

1. Meeting 2 months prior to review submission of the ground protection plan outlining current provision on hold / standby for the event (including utilising long term weather forecasts).

2. Meeting 1 Month prior to discuss actions from previous meeting and next steps.
3. Meeting 2 weeks prior to event to discuss if the full ground protection plan is needed.
4. Meeting 1 week prior to event to discuss if the full ground protection plan is needed.
5. Meeting Thursday of the event to assess ground condition and any further work required to open.
6. Meeting Friday 8am to review ground condition and any further work required to open.
7. Meeting Saturday 8am to review ground condition and any further work required to open.
8. Meeting Sunday 8am to review ground condition and any further work required to open.

All meetings will be minuted with decisions justified and subsequently shared with all parties.

It should be noted that the event planning guide considers not only severe wet weather, but other extreme weather such as heatwaves. The guide also includes references to procedures in the event of force majeure and considers the current UK terrorism threat level.

**Cancelling the Event due to severe weather:** The decision to cancel the event due to severe weather, in the week prior to, or during the festival weekend, is the responsibility of Tramlines. However, this decision (as set out in points 5,6,7 and 8 of the Ground Protection process) will be taken in full consultation with, and following the advice of, the Council's designated officers, Sheffield's Safety Advisory Group representatives and Tramlines' Health and Safety representatives. The decision will consider the health and safety of all festival personnel, the weather outlook according to the UK Met Office Forecast and Met Office Weather warnings.

**Condition of Site:** In respect of each Event, the Licensee shall agree in writing with the Licensor the condition of the Site at the commencement of the Build Period ("Schedule of Condition") and at the end of the Strike Period (by reference to the Schedule of Condition) for the purposes of ascertaining whether any damage has occurred since the start of the Build Period and whether any repair works may need to be carried out by the Licensee. Following the inspection of the Site at the end of the Strike Period, the Licensor shall evaluate the cost, if any, of reinstating and restoring the Site to its previous condition in accordance with the agreed Schedule of Condition, and shall within 14 days of the inspection provide the Licensee with a written report of its findings together with the costs of reinstatement of the Site into the condition it was in prior to such damage by reference to the Schedule of Condition ("Repair Costs") including all relevant quotes which have been obtained by the Licensor.

**Other Large-Scale Events in the Park:** SCC may hold no more than 1 other event in a 5-year period and not more than 2 in 10 years. Large scale events are defined as around 40,000 capacity event with a single stage and with one headline act and no more than 4 support artists. No more than 2 show days will be allowed (plus set up and take down).

Appendix 2

# TRAMLINES PARK ACCESS MAP 2023

