

South Ayrshire Council

**Report by Director of Communities and Transformation
to South Ayrshire Council
of 26 June 2025**

Subject: International Ayr Show – Festival of Flight

1. Purpose

1.1 The purpose of this report is to update the Council on the financial position in relation to the International Ayr Show 2025 and to seek approval to access funding from uncommitted reserves.

2. Recommendation

2.1 It is recommended that the Council:

2.1.1 notes the estimated budgetary position for the International Ayr Show in 2025; and

2.1.2 approves access to funding from uncommitted reserves of a maximum sum of £590,000 for the International Ayr Show in 2025 as outlined in Sections 4.3 to 4.5.

3. Background

3.1 In January 2025, a report to Service and Partnerships Performance Panel provided information on the cost to deliver the air show in 2024.

3.2 The allocated budget was £395,000 (£250,000 core air show budget and £145,000 from other events budgets). We received £154,000 from sponsorship income and £200,000 was drawn down from the UK Shared Prosperity Fund to support local traders. Further costs were offset by income totalling £193,000. This left £243,000 of unbudgeted costs which was covered by over-recovery of payroll turnover within the Directorate. The overall cost to deliver the air show was therefore £1.185m.

3.3 It should be noted that some minor adjustments were made to costs coded to the airshow as part of the 2024/25 year-end close down process, resulting in a reduced overspend of £227,000 compared to the projected overspend identified as part of the Service and Performance Panel report earlier in the year. As stated above the overspend is being met through the over-recovery of payroll turnover within the Directorate.

3.4 It was also reported that the cost to deliver the 2024 air show was higher than initially projected and that this was attributed to: significant increases in supplier costs; the site was larger with more infrastructure requirements; and the introduction of new charges which were not included in 2023.

- 3.5 On 10 June 2025, a paper was presented to Service and Partnerships Performance Panel setting out the high level findings from the economic impact assessment which was carried out on the 2024 air show. The final assessment indicated an estimated total gross expenditure for the 2024 air show to be £7.9m. An increase on the previous year of £0.7m.

4. Proposals

- 4.1 In 2023, income received from sponsorship and income generated through the event amounted to £256,325. In 2024 this increased to £347,000. Whilst the increase was positive these remain variable amounts and could be subject to significant fluctuation in either direction.
- 4.2 In addition, although £200,000 UK Shared Prosperity Fund (UKSPF) has been drawn down for the event in 2025, this cannot be relied on for future years as the funding itself, or the eligibility criteria for the funding, may be subject to change.
- 4.3 The balance between the allocated expenditure budget, inclusive of the UKSPF allocation (£595,000) and the estimated expenditure, based on last year (£1.185m) is £590,000. It is proposed to earmark this as a maximum amount that can be drawn from uncommitted reserves.
- 4.4 It should be noted that the proposed draw from reserves does not take account of the potential income that may be generated through sponsorship and income generated through fees and charges on the actual days of the event. Given that the level of income can fluctuate, as evidenced by the differences between the income generated in 2023 and that generated in 2024, and that any income generated on the day will be heavily impacted and influenced by the weather, it is considered prudent to de-risk this element of the event by providing a commitment from reserves that excludes the netting off of income generated.
- 4.5 By agreeing to a commitment of £590,000 from uncommitted reserves it is fully expected that the final draw will be significantly less once the income generated through sponsorship and general event income is netted off. Only the net expenditure balance that is required will be drawn down after offsetting sponsorship income and general event income.

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 As identified in paragraphs 4.3 to 4.5 the proposal requests a maximum commitment of £590,000 from reserves but is subject to the netting off of any future income generated. By way of an example, if this approach were applied using the actual income generated in 2023 then a draw of circa £334,000 would be required, whereas if the same levels of income as 2024 were achieved then only circa £256,000 would be drawn from the uncommitted reserve.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There are no risks associated with adopting the recommendations.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 The risks associated with rejecting the recommendations is that the event net expenditure may exceed the current budgets held for the Airshow within the directorate and will require to be found from underspends elsewhere within the Directorate to offset the overspend.

9. Integrated Impact Assessment (incorporating Equalities)

9.1 Our Integrated Impact Assessment (IIA) considers the following areas:

- Public Sector Equality Duty, Human Rights and Fairer Scotland Duty;
- United Nations Convention on the Rights of the Child (UNCRC);
- Sustainability, climate change and biodiversity;
- Potential impact on older people;
- Rural communities;
- Health and wellbeing;
- A trauma informed organisation; and
- The Promise.

9.2 The proposal is in relation to day-to-day operations or maintenance of existing assets therefore an Integrated Impact Assessment is not required.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priority 2 of the Council Plan: Live, Work, Learn: Work and Economy and Priority 3 of the Council Plan: Civic and Community Pride: Pride in South Ayrshire.

13. **Link to Shaping Our Future Council** Yes No

13.1 Not applicable.

14. **Results of Consultation**

14.1 There has been no public consultation on the contents of this.

14.2 Consultation has taken place with Councillor Alec Clark, Portfolio Holder for Tourism, Culture and Rural Affairs, and the contents of this report reflect any feedback provided.

15. **Next Steps for Decision Tracking Purposes**

15.1 If the recommendations above are approved by Members, the Director of Communities and Transformation will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
On financial close of the Air Show, report to Service and Partnerships Performance Panel on the total amount drawn down from uncommitted reserves	April 2026	Director of Communities and Transformation

Background Papers **Report to Service and Partnerships Performance Panel of 14 January 2025 – [The International Ayr Show – Festival of Flight 2024](#)**

Report to Service and Partnerships Performance Panel of 10 June 2025 – [The International Ayr Show – 2024: Economic Impact Assessment](#)

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