

Address:
110 George Street
Edinburgh
EH2 4LH

Telephone:
0845 146 1010

Website:
www.audit-scotland.gov.uk



Press release

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Important lessons to be learned from The Gathering

There are important lessons to be learned by all public bodies about using the private sector to help deliver their objectives following the losses incurred through the 2009 event The Gathering.

Audit Scotland has reviewed the public funding of The Gathering, an event held in Edinburgh in July 2009 as part of the Homecoming Scotland programme, and has published a report today, *The Gathering 2009*.

The Gathering aimed to attract people with Scottish ancestry and a love of Scotland to Edinburgh for a weekend of celebrations. The company delivering the event, The Gathering 2009 Ltd, received £670,500 in public grants and loans, and the project reportedly brought economic benefits of around £10 million to Edinburgh and Scotland in tourist spending.

Auditor General for Scotland Robert Black said:

“It has been widely reported that the private company delivering The Gathering event ran into financial difficulties. Despite public sector support and attempts to save the company, it has gone into liquidation with outstanding public and private creditors. The public sector invested £670,500 into the event, in the form of £490,500 worth of grants, and a Scottish Government loan of £180,000.

“There are important lessons to be learned from this about using the private sector to help deliver public sector objectives, and in particular how best to protect the public investment involved. There needs to be a clear understanding of the relationship between all parties. This includes clarity about the roles and remits of each partner and the expectations about reporting and financial monitoring. All of this needs to be underpinned by clear and regular communication.”

For further information please contact Simon Ebbett on 0131 625 1652 or Anne McCubbin on 0131 625 1653

Notes to editors

1. The Gathering event took place on 25 and 26 July 2009 and consisted of a clan gathering, highland games and a pageant. It was part of the Year of Homecoming programme, a Scottish Government initiative based on the 250th anniversary of the birth of Robert Burns and aimed at people around the world with Scottish ancestry and an affinity for Scotland.
2. The £670,500 of public sector investment in the event consisted of: EventScotland grant, £100,000; City of Edinburgh Council grant, £100,000; Scottish Enterprise grant, £100,000; Scottish Government grant, £100,000; Heritage Lottery Fund grant, £10,500; Homecoming Scotland grant, £80,000; and Scottish Government interest-free loan, £180,000.
3. An economic impact report by Ekos Ltd showed The Gathering generated net additional expenditure of £8.8 million in Edinburgh and £10.4 million in Scotland. Audit Scotland did not validate this study. The Gathering 2009 Ltd reported a loss of £516,000 following the event and unpaid creditors of £675,000. Four creditors were public sector bodies who have written off the following amounts: Scottish Government, £180,000; Scottish Ambulance Service, £11,738; Lothian and Borders Police, £27,204; and Historic Scotland, £73,565.
4. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. Audit Scotland has prepared this report for the Auditor General for Scotland.
5. The Auditor General is responsible for securing the audit of the Scottish Government and most other public bodies in Scotland, except local authorities. He investigates whether spending bodies achieve the best

possible value for money and adhere to the highest standards of financial management. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament.