Determining the Event Budget

By

Iain Morrison

15th July 2026

A client signs off a budget. That number becomes the truth of the event. Everything after gets measured against it. And for most producers, that signed number is where the trouble starts, because it gets treated as the cost of the event when it is only ever the cost of the event you could see coming.

I have watched budgets get signed off as a fixed figure for 35 years. Council, festival, brand activation, civic celebration. The client lands on a number, everyone shakes hands, and it goes on the contract like it is settled. Then delivery starts, and the costs that were never in the spreadsheet begin arriving one at a time.

They are almost never the obvious ones. Nobody forgets the stage or the headline fee. Those are in the first draft. It is the overlooked lines that hurt. Waste removal. Ground repair and reinstatement, after the trucks have chewed the site up. The extra overnight security shift you did not think you needed until the build ran late. The water you have to truck in because the site mains burst under a stray truck on load-in. The generator you sized for the plan you had in March, not the plan you are actually delivering.

None of those made the budget. Not because anyone was careless, but because they are invisible at sign off. You cannot cost ground reinstatement when the ground is still a car park on a drawing.

This is a different problem to a budget getting cut. I wrote about cuts a while back, where a client pulls a chunk out of an agreed number and nobody rewrites the risk plan. This is the opposite. Nothing got cut. The budget was simply never complete. It looked finished because the big lines were all there and the total added up. Finished and complete are not the same thing.

Here is why it matters, and why it is worse than it looks. When a cost lands that has no line to draw from, it does not vanish. It gets absorbed. Sometimes out of your own margin, quietly, because you would rather eat it than go back and admit the number was light. Sometimes out of something that was already in the plan, and now you are trading a budgeted item for one you missed. Half the time the thing you trade away is a safety line.

None of this is really a template problem. We solved our own version of it, and a better template was part of that, but the template was never the point. It is a systems problem. Most people have neither the system to catch the invisible lines nor the experience to run it.

It starts with walking the delivery end to end before you cost it. Not the run of show, the delivery. How the site gets built, powered, watered, kept clean, secured overnight and handed back in the condition you found it. That walk is how you find the invisible lines while you can still see the whole picture, because in March you have time and leverage, and in show week you have neither.

Then cost those lines off real numbers, not guesses. The trap is the figure you invent to fill a gap. I reckon the fencing is about $26,000. You do not reckon. You send the fencing contractor the actual fencing plan, you get it quoted, and you add money on top for the variances a quote never quite covers. Everything you can quote, you quote.

What is left is the genuinely unknowable, the fuel and consumables nobody can quote this far out. Those you ballpark, and you name them on the page as exactly that, assumptions sitting on top of quoted figures. Not a whole budget built on a guess. A few honest assumptions on top of real numbers.

And this is where most people reach for contingency, as if a percentage on the end fixes a shaky start. It does not. Contingency is a pot for variance, for the prices and the conditions that move once you are underway, whatever comes. But it is a percentage of the base, and a percentage of a wrong number is still a wrong number. Ten or twenty per cent bolted onto a budget you guessed at is not cover, it is a padded guess. Get the base right and contingency does what it is for. Skip the base and it just inherits every mistake underneath it.

The test I keep coming back to is simple. The number the client signs is not the cost of the event. It is the cost of the event if nothing you forgot to budget for happens.

Something you forgot always happens. The only question is whether it lands on a line you planned for, or on you.