

Cabinet

7 October 2014

**Report of Cabinet Member for Leisure, Culture and Tourism and
Cabinet Member for Finance and Performance**

**Delivering Marketing, Culture, Tourism and Business Development –
Stage 3**

1. Summary

- 1.1. This report follows reports to cabinet in November 2013 and July 2014, in which members agreed the need to develop a new approach to delivering marketing, culture, tourism and business development in the city. Later members agreed the business case for the new organisation and agreed in principle to progress the framework for establishing the new company.
- 1.2. This report asks cabinet to agree the outline of the draft business plan, as a basis for onward commissioning negotiations. To work towards establishing the legal framework of the company. It will also update members on progress made to date.

2. Background

- 2.1. By way of reminder, objectives for this new way of working are:
 - To achieve a stronger co-ordination and promotion of the city's profile and cultural offer.
 - To deliver greater inward and indigenous investment from business, and thus market share for York and its key growth sectors, particularly life science-related industries, high-tech industries and business services.
 - To increase the value of the visitor economy through promoting innovation and higher quality in the existing offer, encouraging high value visitor economy investment and attracting higher spending visitors.
- 2.2. Specific outcomes sought are:

- Develop a National/International profile of high quality cultural events
- Increase in business investment in the city – as measured by growth in existing business and inward investment by companies locating into the city
- Increase in spend by tourists – as measured by increase in average length of stay and average spend per visitor
- Increased profile for the city as a destination for living, visiting, studying, and doing business

2.3. Progress to date includes:

- Work is underway to establish the legal framework for the wholly owned company. It is expected that this will be in place from November, 2014.
- The chair for the new organisation was appointed through an open recruitment process in January 2014.
- The chair is leading a process to establish a new board of directors, the directors will be drawn from the relevant sectors and it is proposed that there will be two nominees from the council to the board.
- Council teams that are working on Culture and Leisure, Events and Festivals and City Centre and Economic Development will be seconded into the organisation. Once established, the team will be based at 1 Museum Street.
- The council became the sole owner of Science City York in early August.
- Further engagement with stakeholders has taken place in July and August.
- An SLA is in place for the transitional funding to support the new organisation becoming established.
- A recruitment process is underway to appoint a new Executive Director led by the Chairperson.
- The Board of Visit York have agreed to work towards Visit York becoming a part of the new organisation.

3. **Development of Business Plan**

- 3.1. The high level specification for the commissioning the new company was agreed at Cabinet in July 2014. A process has been underway led by the Chairperson of the new organisation, to develop a business plan. An early outline of the draft business plan is now available (Appendix A), the detailed full business plan will be

developed with input from the teams to be seconded to the new company.

- 3.2. The process has engaged the Council, Cabinet Members and officers as the commissioning organisation. This process needs to continue over the next 6 months until the new commission is finalised.

4. **Council Plan**

- 4.1 The new agency will bring together a number of services, organisations, and partners and will work at arms length across the wider York area to improve the delivery of Marketing, Culture, Tourism and Business Development. This supports achieving the ambitions set by the Council Priority 'Create Jobs and Grow the Economy'.

5. **Implications**

6. **Financial**

- 6.1 The business plan for the New Company will take into account latest financial plans for Science City, Economic Development, City Centre teams as well as Visit York. These need to be consolidated into one business plan that can show the ongoing financial viability of the company. The plan also needs to take into account the new cost base of the company as well as savings already assumed in future council budgets. It is anticipated that the final costed business plan will be completed by the spring.

7. **Human Resources**

- 7.1 There are ongoing discussions and consultation with Council staff who are affected by the outlined proposals, and with trade union representatives.
- 7.2 The proposed staffing implications will be implemented in accordance with Council policies and guidelines.
- 7.3 Science City York senior management is undertaking discussion and consultation with their staff, in line with their policies and procedures.
- 7.4 Visit York will consider a review of its staffing structure in preparation for a merge with the new company in line with its policies and procedures.

8. Equalities

- 8.1 A Community Impact Assessment has been completed and is kept under review as part of the progress. The new agency is expected to play a role in the delivery of city wide equality priorities.

9. Legal.

- 9.1 Legal Services will prepare the Shareholders Agreement and the Articles of Association in accordance with the proposed governance arrangements and the requirements of company law.

10. Recommendations

Members are recommended to:

- i Approve the outline of the draft Business Plan (Annex A), as a basis for further negotiation.
- ii Agree to establish a shadow board and governance body.
- iii Require the Director of Communities and Neighbourhoods and the Director of Customer and Business Support Services, in consultation with the Cabinet Members for Leisure, Culture and Tourism and Finance and Performance to progress the full governance process to completion. The commissioning process will be led by the Chief Executives office
- iv The final Business Plan will be reported to Cabinet in Spring 2015.

Reason: To progress the new approach to delivering marketing, culture, tourism and business development in the city to help in achieving the ambitions set by the Council Priority to 'Create Jobs and Grow the Economy'.

Contact Details

Author:	Cabinet Members and Chief Officer responsible for the report:										
<p>Charlie Croft Assistant Director Communities Culture and Public Realm Tel No.01904 553371</p> <p>Co-Author's Name Katie Stewart Head of Economic Development Tel No.01904 554418</p>	<p>Cllr Sonja Crisp, Cabinet Member for Leisure, Culture and Tourism and Cllr Daf Williams, Cabinet Member for Finance and Performance</p> <p>Chief Officer: Sally Burns Title Director of Communities and Neighbourhoods Chief Officer: Sarah Tanburn Title Interim Director City and Environmental Services</p>										
	Report Approved	√	Date 26/09/2014								
<p>Specialist Implications Officer(s) <i>List information for all</i></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Implication ie Financial</td> <td style="width: 50%;">Implication ie HR</td> </tr> <tr> <td>Name Patrick Looker</td> <td>Name Janet Neeve</td> </tr> <tr> <td>Title Finance Manager</td> <td>Title HR Business Manager</td> </tr> <tr> <td>Tel No.01904 551633</td> <td>Tel No.01904 551661</td> </tr> </table>				Implication ie Financial	Implication ie HR	Name Patrick Looker	Name Janet Neeve	Title Finance Manager	Title HR Business Manager	Tel No.01904 551633	Tel No.01904 551661
Implication ie Financial	Implication ie HR										
Name Patrick Looker	Name Janet Neeve										
Title Finance Manager	Title HR Business Manager										
Tel No.01904 551633	Tel No.01904 551661										
Wards Affected: All			√								
For further information please contact the authors of the report											

Annexes – Annex A – Draft Business Plan