

Make It York: Appointment of Head of Commercial and Revenue Generation

Summary

1. This paper proposes salary and bonus levels for the new post of Head of Commercial and Revenue Generation within Make It York.

Recommendations

2. The Shareholder Committee is recommended to agree to Make It York offering a salary of £60k and a self-funding bonus scheme up to a value of £20k in respect of the appointment to the post of Head of Commercial and Revenue Generation.

Reason: To facilitate successful recruitment to the post whilst complying with the Council's constitution and the Make It York's Articles of Association.

Background

3. Make it York is a company limited by shares wholly owned by the Council. It has the following objectives:
 - Increased profile for the city as a destination for living, visiting, studying, and doing business
 - Increased business investment in the city – as measured by growth in existing business and inward investment by companies locating into the city
 - Increased visitor spend – as measured by increase in average length of stay and average spend per visitor
 - A National / International profile of high quality cultural events, driving the development and implementation of the city's cultural strategy and promoting cultural wellbeing
4. The Council's Constitution sets out the terms of reference of the Shareholder Committee. With respect to Make It York, these include provision to: "Determine the remuneration of Directors and any senior managers as identified in the specific scheme of

delegation and agreeing any performance related bonus payments to staff.”

5. Make It York’s articles include amongst the matters reserved to the Shareholder: To agree to remunerate (by payment of fees, the provision of benefits-in-kind or otherwise) any officer of or consultant to the Company at a rate in excess of £50,000 per annum or increasing the remuneration of any such person to a rate in excess of £2,000 per annum.
6. The Managing Director of MIY, has recently restructured the business into five key areas:
 - Business, Networking and Inward Investment
 - Culture and Wellbeing
 - City Centre Management and Markets
 - Communications and Marketing
 - Commercial and Revenue Generation
7. This restructure, funded within existing budgets, led to three vacant senior manager posts needing to be recruited to. Alex Green has been recruited as Head of Business and Helen Apsey as Head of Culture and Wellbeing.

The Recruitment of Commercial and Revenue Generation

8. This new post of Head of Commercial and Revenue Generation, which completes the structure, has been established by MIY with the objective of increasing MIY’s revenues over time such that the company can, in the first instance, become self-funding (relieving the council of its ongoing financial contribution to the business) and, beyond that, increasing the sums available to reinvest in the city.
9. MIY attempted to recruit to this role at a salary of £50k. The response to the job advertisements was generally weak with a smaller number of applicants than normally received. 2 candidates were interviewed, although both indicated that the salary was lower than they would accept. One of the candidates was discounted after interview. The other candidate indicated interest in the position if the compensation package could be improved. He had 2 other offers – one with his existing employer in Leeds at a basic salary of £75k plus bonus of up to £30k and one in Bristol at £65k basic. Ultimately, he decided to stay with his existing employer, although with regret as he was genuinely interested in the opportunity with MIY.

10. It has been noted through the recruitment process and during discussion with the MIY Board, that incumbents of commercial sales/ revenue generating roles expect a (self-funding) commission element to their compensation. Although the position is difficult to benchmark, there are 3 broadly similar roles currently advertised in the region:
- Head of Business Development – Charity in Leeds, up to £80k
 - Commercial and Procurement Manager (to report to the Head of Commercial) – York, £60-70k
 - Head of Commercial Finance – Yorkshire, £60-80k
11. As the current approved levels for salaries were set at £50k in 2015, when MIY was established, it is perhaps not surprising that they no longer facilitate market-rate recruitment in all cases.

Options and Analysis

12. It is open to the committee to accept or reject the proposal. Should the committee accept the proposal it is anticipated that it will be possible for MIY to conduct a successful recruitment process. Should the committee reject the proposal it will not be possible to proceed with this post. This will jeopardise MIY's progress towards becoming self-financing.

Council Plan

13. Make It York contributes to a number of Council Plan themes including Well-paid jobs and an inclusive economy, and Safe Communities and culture for all.

Implications

14. There are no additional implications beyond those set out in the report.

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Wards Affected:				All	✓