

Annex A NEWCO Outline Draft Business Plan

Background

The creation of Newco as a company follows a report to City of York Council in November 2013 in which Cabinet members agreed to develop a new approach to delivering marketing, culture, tourism and business development for York and its economic area.

Through a process of engagement and consultation with key stakeholders a number of change drivers emerged:

- the city is not capitalising effectively on its assets, i.e. its cultural heritage, and its fast growing, cutting-edge creative and cultural industries
- the perceived opportunity to capitalise on recent inward investment success and a perceived lack of an inward investment prospecting capability
- the need to grow high value aspects of the visitor economy which have remained static in recent years, i.e. international visitors and business tourism
- a commitment from the tourism sector to double the *value* not *volume* of the visitor economy
- the perceived need for a more co-ordinated and thus more effective approach to marketing and business development for “Brand York” connecting the city’s cultural, visitor and business experience
- the need to find new ways of working as the Council’s priorities change and funding reduces.

This business plan describes how Newco will operate in order to address these challenges.

Mission & Key Objectives

Its mission: to improve York’s competitiveness and effectiveness for the benefit of its citizens, communities and businesses.

Its key objectives are to:

- capture more value for the City of York, and its functioning economic area, by providing a market-facing organisation promoting York, in a joined up way, to residents, visitors, businesses and students

- promote and sustain collaborative working, avoiding duplication of effort, across York's stakeholders, aligned around a shared interest in the success of York.

Newco will operate to a set of core values:

- Innovative – Newco will rely on its ability to innovate to develop new revenue streams that will help ensure it can deliver on its mission
- Inventive and creative – Newco will put creativity at the heart of the organisation. Newco will make the most of opportunities provided by super-fast connectivity, Gigabit City and Digital York
- Building on strengths – Newco will make the most of York and the area's strengths: our location and connectivity by road and rail and air; our history of social reform; our entrepreneurship; our excellent retail offer; our heritage and cultural organisations
- Quality and Excellence – Newco must promote the highest standards of service and delivery if it is to gain the trust and support of all its stakeholders
- Collaboration – at the heart of Team York is the ability for all York's stakeholders to collaborate for the benefit of the area and its citizens. Newco must lead by example and demonstrate the collective benefit of effective collaboration

The Business Model

Newco will deliver and capture value through three business streams: *innovate*; *operate*; and *align*.

Innovate – innovating new products and services, leveraging additional revenue for the benefit of York and its environs. A key focus will be on identifying organisations, both public sector and commercial, who would invest in York as a means of furthering their objectives. This could include: government agencies (UK central, local and EU); inward investors (UK and foreign); other organisations which would benefit from a more competitive and effective York; and organisations that could partner with Newco and share the benefits of collaborative working.

Operate – delivering the routine 'business as usual' marketing and business development services. This includes most of the existing scope of Visit York, the Council Economic Development Unit and Science City York, plus those areas of activities that are proven to have a York-wide sustainable benefit. Many (but not necessarily all) successful propositions

emerging from the *Innovate* stream will end up being supported through this business stream.

Align - a service provided by Newco helping ensure that all Team York stakeholders are focused on mutually beneficial ends. These stakeholders include: York St John and the University of York, York College and Askham Bryan College; Visit York members (who currently pay membership subscriptions); York Economic Partnership, who set the economic strategy for the city; York @ Large (who currently represent the cultural focus of the city); Both York, North Yorkshire and East Riding and Leeds City Region Local Economic Partnerships; Science City York; cultural organisations who deliver the majority of York's cultural programme; and business support and network organisations (e.g. Chamber of Commerce, Federation of Small Businesses, York Professionals). Newco will also need to work within context of Without Walls, the Local Strategic Partnership and York's Strategic Economic Plan.

The ability to rapidly assemble stakeholders to align around and address specific issues and/or opportunities will be a core capability of Newco.

Organisation & Governance

Newco will be led by an Executive Director (recruited through an open process, to be in post before the end of 2014, if possible). It will be organised in alignment with the business streams, i.e. innovate, operate and align.

Newco will, in its formative stage, have a staff group of approximately 45 brought together from the Council, Science City York and Visit York.

Newco will be wholly owned by the Council and the Council will appoint an appropriate shareholder Body.

The Newco Board will have around 11 -13 members (finalisation required), with a quorum of 5. Board roles will include: a Chairman; two nominations from the City Council; and the new Newco Executive Director. In the first instance, the Chairman will make all other Board appointments, in consultation with the Council shareholder representatives. The intention is to have a mixture of 'corporate' and 'non-corporate' members selected for skills and breadth of reach.

The first Board meeting will take place in November 2014, with subsequent meetings every two months. The AGM will take place at appropriate Cabinet meetings (e.g. October or November). Newco's financial year will be aligned with that of the Council.

Transition

Newco's first year will be transitional. The new Executive Director and Board will work, alongside the Council and partners, to deliver the work of the new company. The approach as laid out in this plan will be reviewed and adjusted through experience to ensure the new company can effectively and efficiently deliver on its mission.

Once the Executive Director starts, s/he will work with the Board to hone the draft business plan working towards final approval in Spring 2015