
**Decision Session - Executive Member for
Culture, Leisure & Tourism**

23 July, 2018

**In Consultation with the Executive Member
for Economic Development & Community
Engagement**

Report of the Director of Children, Education &
Communities and the Director of Economy &
Place

The Council's Service Level Agreement with Make it York

Introduction

1. This paper proposes a new Service Level Agreement (SLA) between the council and Make it York (MIY) for the period 2018-21.

Recommendations

2. The Executive Members are asked to approve the SLA which comprises the three documents set out in Annexes A - C.

Reason: To contribute to the stronger promotion of York's profile and cultural offer, articulating York's brand regionally, nationally and internationally and driving the delivery of relevant outcomes within the York Economic Strategy.

Background

3. In March this year the council's Executive agreed to enter into a new contract with MIY for the period 2018-21. The Executive asked that further work be undertaken to develop Schedule 1 of the contract (commonly referred to as the SLA) which contains:

- Part 1: Objectives
- Part 2: Service Specific Requirements
- Part 3: Service Levels

and that these documents be brought back to the Executive Members for Economic Development & Community Engagement and Leisure, Culture and Tourism for approval.

4. The new contract between the council and MIY provides for:
 - A recalibrated relationship between CYC and MIY in the area of economic development to ensure that:
 - The council plays the strategic leadership role that its place-making role demands
 - The respective responsibilities of the council and MIY are well understood by partners in the city and by those interested in investing in the city
 - A strengthening of MIY's primary role as a builder of partnerships and project animator
 - A £100k reduction in the council's financial contribution to MIY from April 2018 (following a reduction of £100k in 17/18) with MIY being asked to identify the potential for further subsidy reduction over the life of the contract
 - A strengthening of MIY's governance arrangements

The SLA

5. The proposed SLA reflects the council's lead role in a new economic and cultural model which will involve the council in:
 - Co-ordinating shared strategic ambition / vision, action and partnerships
 - Addressing areas of market failure
 - Creating a conducive business environment

At the same time it will give MIY complementary delivery capacity to act as a conduit to assist the council in the above roles as well as to facilitate and deliver day to day activity on behalf of the city.
6. The council's internal economic function will be responsible for:
 - Setting the overall strategic direction, working with the Corporate Management Team and the Executive procuring specialist advice as necessary.
 - Leading operational relationships with key delivery partners (e.g. LEPs, BID) using its limited revenue budget to leverage in third party funds.
 - Coordinating economic policy and investment opportunities where they relate to council functions, e.g. supporting Local Plan, Major Projects, economic input into Local Plan; transport; major projects

- Supporting council services' engagement with businesses
 - Assembling business cases for a city investment pipeline of priority projects
 - Identifying required interventions to address the big issues e.g. graduate retention, inclusive growth, sectoral interventions, university led growth, lobbying for investment
7. MIY's role will be to add value to this by animating sector-led activity or bringing together partners to develop proposals and business cases. This approach will make best use of resources, harnessing the significant expertise, ability and willingness of people and organisations in the city to achieve outcomes otherwise not possible. The Ambassadors programme is a good example of this, and it is hoped that more can be done in this way.
8. MIY's staff capacity in the areas of business development, Science City, culture and events will be responsible for:
- Taking the adopted city strategies such as the Economic Strategy and determine with the sectors as appropriate subordinate strategies such as Culture, Creative Industries and Tourism including delivery plans and mechanisms to facilitate the agreed strategic objectives
 - Facilitating cross-organisational activity around agreed strategic priorities
 - Signposting of business enquiries to the Council / city
 - Brokerage and 'making sense' of business support from a range of sources (part funded by Growth Hub)
 - Identifying and agreeing interventions to address agreed strategic objectives e.g. graduate retention, university led growth, lobbying for investment
 - Promoting inward investment into York in accordance with agreed strategic objectives and priorities, generating leads through Ambassadors programme, and targeted intermediaries
 - Web-based promotion of the city in accordance with strategic objectives and the business and inward investment offer
 - Facilitating the strategically important key account relationships across the City, and inward investment leads

Options

9. It is open to the Executive Members to approve the new Schedule 1 or to propose amendments.

Analysis

10. The SLA has been drawn up after extensive discussion between the council and MIY and it is considered that, in its current form, it appropriately reflects the council's requirement to see to see a strong focus on partnership building and tactical interventions. It will see MIY leading in putting together the necessary coalitions to make things happen, co-ordinating partnership activity, and assembling the necessary funding. It recognises that many of the outcomes desired will only be achieved through the efforts and inputs of others beyond the council and Make it York, such as the universities, Chamber of Commerce, business support organisations, LEPs, funders, businesses and cultural organisations. It calls for MIY to spearhead the drive on the strategically agreed priorities, translating them into detailed operational plans and projects.

Monitoring and Review

11. The key elements with respect to monitoring of the SLA are:
 - A strong and proactive client relationship convened by the Assistant Director (Communities & Equalities) but closely involving the Head of Economic Growth through monthly client meetings. MIY will provide a quarterly narrative on their activity against the SLA to support this (in addition to a quarterly report on key account management relationships)
 - A strengthened relationship between MIY and the Executive Members with quarterly meetings as part of the client relationship and a formal annual sign-off of the SLA
 - Annual review of the specification and MIY's performance against it

As well as providing performance information, these arrangements will facilitate a regular flow of information between the council and MIY with regard to activities and business intelligence so that the two parties are able to work closely and effectively together. They will be supplemented by regular engagement between MIY and the council's corporate management team.

12. MIY will propose updates to their business plan in October each year in respect of the following financial year. This will structure a

discussion within the client meetings with regard to update of the SLA for the following year.

13. Existing arrangements will remain and be strengthened whereby:
 - The Shareholder Committee exercises a general oversight of MIY's performance and approves the annual business plan. As a sub-committee of the Executive, the Shareholder Committee represents the council's interests as the sole shareholder, scrutinising the affairs and performance of MIY and maintaining an element of control of the business without affecting the operational management.

Meetings of the Shareholder Committee will normally be held in the spring to approve the business plan and in the autumn to review progress.
 - MIY reports to the two relevant scrutiny committees twice each per year on its performance
14. The council will continue to appoint two board members to the MIY board of directors.

Implications

15. **Finance:** The council's funding of MIY over 2018-21 will be £299k per annum, a reduction of £100k compared to 2017/18. The contract will require MIY to identify further scope for reduction in Council subsidy over the life of the contract.
16. **Legal:** The new Schedule 1 will be implemented through a variation to the existing contract.
17. **One Planet Council:** The Better Decision Making tool has identified positive impacts from this proposal. The evaluation phase has identified the potential for further engagement around the diversity and accessibility of the city's tourism offer and cultural product.

Council Plan

18. MIY contributes to the Council Plan priority of "A prosperous city for all".

Risk Management

19. In compliance with the council's risk management strategy the main risks arising from this report have been identified. These risks are mainly ones that could lead to the inability to meet business

objectives (Strategic) and to deliver services (Operational), leading to financial loss (Financial), non-compliance with legislation (Legal & Regulatory), damage to the council’s image and reputation and failure to meet stakeholders’ expectations (Governance).

20. Measured in terms of impact and likelihood, the risk score has been assessed at 14. This “medium” risk level is acceptable but means that regular active monitoring is required.

Annexes:

- A. Contract Schedule 1, Part 1: Objectives
- B. Contract Schedule 1, Part 2: Service Specific Requirements
- C. Contract Schedule 1, Part 3: Service Levels

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		Report Approved	✓	Date	4 July 18
Specialist Implications Officers:					
Wards Affected:				All	✓
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Background documents:

None