

Gloucester City Council

Meeting:	Overview and Scrutiny Committee	Date:	28 November 2016
Subject:	Marketing Gloucester Performance Monitoring		
Report Of:	Cabinet Member for Culture and Leisure		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Jonathan Lund, Corporate Director		
	Email: jonathan.lund@gloucester.gov.uk	Tel:	396276
Appendices:	None		

FOR GENERAL RELEASE

***Note:** The special circumstances for non-compliance with Access to Information Rule 5 and Section 100B (4) of the Local Government Act as amended (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were to ensure that thorough consideration was given to all relevant factors.*

1.0 Purpose of Report

1.1 This report presents a review of the performance and effectiveness of Marketing Gloucester.

2.0 Recommendations

2.1 Overview and Scrutiny Committee is invited to note this report.

3.0 Background and Key Issues

3.1 Marketing Gloucester Limited (MGL) was established in 2008. The company was set up as a limited company with a board to promote the city and establish a new brand. Prior to the setting up of MGL, the marketing and promotion function for Gloucester was fragmented across the City Council. MGL was set up to pull functions together and achieve co-ordination and resilience, and to bring a private sector 'entrepreneurial' ethos to the task of promoting the City as a great place to live, work, study, visit and invest. Marketing Gloucester is the Destination Management Organisation for the city recognised by Visit England and Visit Britain.

3.2 Over time the remit of the organisation has widened and it has also become responsible for the City Council's highly successful events programme from the Carnival through to the Tall Ships Festival and has been responsible for either launching or supporting the launch of a number of new festivals including SoMAC, a new classical music festival, Art in The City and Gloucester Goes Retro.

- 3.3 The company continues to be strongly managed and financially stable. Marketing Gloucester has been very successful in drawing in external funding, sponsorship and commercial income on an ad hoc basis to enable events to progress and to be extremely popular. For the year 2015/16 this sponsorship, funding and commercial income amounted to a contribution of an additional £442,000 from sources outside the City Council. This is the highest amount achieved to date and was delivered through increased sponsorship and successes in seeking funding from other bodies such as Arts Council England. MGL expect similar success in financial year 2017/18. An element of the increase came from the new approach to funding the Tall Ships event. Gloucester is one of the first cities to successfully convert a previously free major event onto one that is paid for. This achievement was cited at the 2015 Local Authority Event Organisers Group conference as a model for other destinations to follow.
- 3.4 Latest provisional data from independent research organisation *The South West Research Company Ltd* points to the success Gloucester has had in attracting tourists to the city since 2013. In 2015 Gloucester overtook Cheltenham for the number of visitors and visitor spend. Some of the highlights of the report include:
1. Total visitor spend in Gloucester in 2015 exceeded £200 million a massive 68% increase from 2013 and an increase of £81m.
 2. £24 million of economic activity (GVA) generated by the Rugby World Cup in 2015, as evaluated by E&Y
 3. Over 4100 jobs are supported by tourism in Gloucester equivalent to 7% of total employment in the city with an additional 1,300 jobs created since 2013.
 4. A massive jump in day visitors to 3.1 million a year in 2015 from 2 million in 2013
 5. 11% growth in hotel bookings over the period
 6. Gloucester showing fastest growth in tourism for the whole county and an all-time peak in visitors
- 3.5 A new Marketing Gloucester website launched at the end of 2015 and a completely new www.thecityofgloucester.co.uk visitor website was launched in 2016. MGL has increased public relations activity and press coverage has been secured through more than 120 stories being covered by local, regional and national media, including press, online media and TV. The result has been positive news stories directed at millions of people about Gloucester and the events taking place in the city. Of particular note was widespread TV, press and social media coverage in China of the Beatrix potter Trail and of the Henry III re-enactment <http://www.kankanews.com/a/2016-06-23/0017575995.shtml>. As a result of negotiating low rates on advertising MGL has been able to invest in paid for media promotion of the city and its events throughout the South West, Midlands and nationally promoting Gloucester's brand to millions of readers. Facebook statistics indicate that Marketing Gloucester has one of the largest social media impacts in the city. MGL produces in house the 'Gloucester Visitor Guide' which is financed through advertising and produces a number of other guides, maps and leaflets using the same self-funding model and achieving a total distribution of over 300,000.
- 3.6 Marketing Gloucester continues to actively promote the city to coach tour operators and group leisure organisers through financing and organising familiarisation trips

for these tours of the city and through attendance at exhibitions. The team at Marketing Gloucester work closely with the team at the Tourist Information Centre on this and in the active direct marketing to coach tour operators and group leisure organisers.

3.7 Marketing Gloucester continues to excel in the events and promotions field. During 2016 MGL contributed to or directly delivered a significant programme of events which helped contribute significantly to raising of the profile of the city, this included:

- **SoMAC** – Summer of Music Arts & Culture with over 300 events
- **Gloucester Free Classical Music Festival**
- **Sea Shanty Festival**
- **Gloucester Comedy Festival**
- **Henry III re-enactment**
- **Art in The City**
- **Beatrix Potter Trail**
- **Summer Fireworks**
- **Rhythm & Blues Festival**
- **Gloucester Carnival**
- **Gloucester Goes Retro**
- **Gloucester History Festival**
- **Christmas Lantern Procession**

These festivals brought a huge number of visitors into the city, with the Beatrix Potter trail attracting approximately 36,000 people, including many foreign visitors who were visiting the region.

3.8 These achievements come as a result of the work put in by the team at MGL in partnership with others including Gloucester City Council and private sector organisations. Marketing Gloucester maintains good relationships with the managers of the shopping centres in the city centre who share their footfall figures to help gauge the positive impact of MGL's activities. Events such as Gloucester Goes Retro and Art in the City typically show an increase in footfall of 20%. This year's carnival showed an eight year record high trading for some retailers

3.9 To facilitate monitoring of performance and to plan ahead an annual, budgeted, programme of events is submitted to and considered by Cabinet. As part of this process the preceding year's activity is evaluated to ensure that successful activities are built upon or learned from, for example:

Gloucester International Rhythm and Blues: MGL worked on the promotion of the Blues Festival and funded a programmer to coordinate and book acts for the various venues. The event was well attended. The Blues Festival was a regional event with visitors coming mostly from the South West and South Midlands.

SoMAC festival: The two month Summer Festival was launched to enable, coordination, joint marketing and promotion of over 300 events across the city. This approach was widely hailed as a success and enabled Marketing Gloucester to generate sponsorship for the whole summer programme. Information on this event can be found here > <https://vimeo.com/181094543> and a full independent evaluation is currently being completed.

Art in the City: This event was organised by MGL and the GCC Guildhall team. The city centre was filled with over 120 artists, and over 400 people took part in workshops around the city. Artists came from all over the country to join in on the event.

- 3.10 During the course of 2016/17 the Audit and Governance Committee commissioned an audit of the governance and management arrangements between MGL and Gloucester City Council. In response to the recommendations in that report work is nearing completion to finalise a revised set of governing instruments (Memorandum and Articles of Association, Members Agreement and Contract for Services including a Performance Management Framework and the annual Business Plan for 2017/18). The Audit and Governance Committee will consider a further report in March 2017 on the progress towards meeting the report's recommendations and are planning to commission a Value for Money Audit of the MGL service during the course of next year.

4.0 Asset Based Community Development (ABCD) Considerations

- 4.1 Marketing Gloucester works hard to contribute towards ABCD. It aims to set the context, through the events programme, to enable many of our independent and mainstream retailers to benefit from marketing activity. A good example is the Gloucester Residents' Card which is funded through a partnership between the three major shopping centres in the city and coordinated by Marketing Gloucester in collaboration with a large number of independent retailers. The card aims to encourage people into the city and to support our business, most of whom employ local people. Marketing Gloucester has helped to leverage nearly £100,000 of external investment from Innovate UK which will be used to further develop the Resident's card and 12 fully funded digital information units which will be launched early 2017 in partnership with retailers and attractions in the city.

5.0 Alternative Options Considered

- 5.1 Not Applicable.

6.0 Reasons for Recommendations

- 6.1 To enable the Overview and Scrutiny Committee to consider the performance of Marketing Gloucester.

7.0 Future Work and Conclusions

- 7.1 Consideration will be given to how the monitoring process for Marketing Gloucester will be developed in the future.

8.0 Financial Implications

8.1 The City Council currently contributes to the costs of Marketing Gloucester as follows:

Overhead contribution	235,000
Events budget	160,000
Staff seconded to MGL	69,000
	£464,000

8.2 MGL is required to account for its costs and shares the burden of finding budget savings. As part of the development of the budget for 2017/18 MGL is examining ways to generate additional revenues or reduce operating costs to reduce its reliance upon the annual City Council grant.

(Financial Services have been consulted on this report).

9.0 Legal Implications

9.1 There are no direct legal implications in this report.
(One Legal have been consulted on this report).

10.0 Risk and Opportunity Management Implications

10.1 There are no risk and opportunity management implications arising from this report.

11.0 People Impact Assessment (PIA):

11.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

12.0 Other Corporate Implications

Community Safety

12.1 There are no community safety implications arising out of this report.

Sustainability

12.2 There are no sustainability implications arising out of this report.

Staffing and Trade Union

12.3 There are no staffing or trade union implications arising out of this report.

Press release drafted/approved

12.4 No press releases have been drafted.

Background Documents: None