

Gloucester City Council

Meeting:	Cabinet	Date:	15 July 2020
Subject:	Report into the Future Marketing of Gloucester		
Report Of:	Cabinet Member for Culture and Leisure		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. The Future Marketing of Gloucester		
	2. GCC Budget for Destination Marketing		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To present the report (Appendix 1) conducted into the future marketing of Gloucester that the City Council commissioned following the liquidation of Marketing Gloucester Ltd in Feb 2020 and
- 1.2 To consider the recommendations of the Overview and Scrutiny Committee meeting on 10 March 2020 in relation to the former Marketing Gloucester Ltd (see paragraph 3.12)

2.0 Recommendations

- 2.1 Overview and Scrutiny Committee is asked to consider the information contained in the appended report and make any recommendations to the Cabinet.
- 2.2 Cabinet is asked to **RESOLVE** that:
 - (1) the appended report be noted and the recommendations are accepted
 - (2) the Head of Culture be authorised to set out and finalise the Terms of Reference for a Gloucester Marketing Steering Board in consultation with Cabinet Member for Culture and Leisure (as in 3.9(2) of this report and 6.2 of Appendix 1)
 - (3) the budget identified in Appendix 2 is approved for this work to commence
 - (4) the response to the recommendations of the Overview and Scrutiny Committee held on 10 March 2020 are as set out in paragraph 3.13 of this report.

3.0 Background and Key Issues

The Future Marketing of Gloucester

- 3.1 On 15 January 2020 the Cabinet considered a report on Marketing Gloucester following receipt of independent reports from Melanie Sensicle Associates and Grant Thornton. One of the recommendations in the 15 Jan report was the urgent appointment of an interim Managing Director to work with the Board to determine the Company's vision, mission and purpose, its business plan, its staffing structures, skills needs and budgets; and for this to include a review of best practice nationally and locally, including Marketing Cheltenham. Mr Steve Brown was appointed to the interim role later that month.
- 3.2 Events subsequently resulted in Marketing Gloucester Ltd going into liquidation in February 2020 but Mr Brown was retained with a revised brief to prepare a report for the City Council on the future marketing of Gloucester given his experience in the place and destination marketing sector and his good understanding of the needs of the city's marketing requirements and knowledge of the key officers and partners in the city.
- 3.3. The Future Marketing of Gloucester report was received by officers in April 2020 and is attached at Appendix 1. Since that time work has begun to understand the financial implications of operating a Destination Marketing function from within the city council, a key finding recommended in his report and identifying the required job roles.
- 3.4 The city has continued to be supported by a Destination Marketing team of staff formerly of MGL who were appointed to the city council on a temporary basis. The team have been working on maintaining social media presence and providing business support and information to the visitor economy sector, as well as supporting the covid recovery activity within the council and beyond.
- 3.5 The staff that were employed by the city council in February 2020 have had their initial fixed-term contracts extended to ensure continuity of service to the benefit of the city.
- 3.6 Job descriptions for three posts in an "in house" Place Marketing function within Cultural Services have been drafted and are undergoing job evaluation in readiness to implement as soon as possible, should the recommendations be accepted.
- 3.7 Research and advice has been sought from other Destination Marketing organisations and experts on the best approach to take in developing a city brand narrative and a risk register and action plan produced to support and implement the recommendations.
- 3.8 Many of the remaining recommendations arising out of the January 15 Sensicle/Thornton report have been overtaken by events and the demise of MGL however it should be noted that the City Council has continued to engage with GFirst LEP in connection with the UK Digital Retail Innovation Centre; closer working relationships are being built with the Gloucester BID and a broader partnership of city organisations is engaged with planning and delivering the City's

festivals and Events (albeit that the programme has been significantly disrupted by the Covid-19 Pandemic).

3.9 The recommendations as set out in section 6.1 to 6.10 of the Brown report are as follows;

- (1) Appoint a small but highly focused 'place marketing' team within Gloucester City Council for an initial period of at least two years.
- (2) Set up a high-level Gloucester Marketing Steering Board to advise and work alongside the new place marketing team.
- (3) Invest in creating a compelling brand identity for the city with a narrative that key stakeholders, including residents, can help create and coalesce around.
- (4) Prioritise developing a much stronger digital presence to promote the city and its narrative
- (5) Strengthen other aspects of the city's marketing collateral
- (6) If it goes ahead, embrace and help to shape the 'Visit Gloucestershire' initiative being championed by the GFirst LEP
- (7) Further develop 'history and heritage' as a key USP of the City and ensure it is at the heart of Gloucester's narrative
- (8) Curate and further develop a really strong events and festivals programme that reflects and builds the City's new narrative
- (9) Start to integrate the inward investment challenge into the place marketing agenda
- (10) Launch a Gloucester Business Ambassador Scheme

This report recommends that the Head of Culture is authorised to set out and finalise the Terms of Reference for Gloucester Marketing Steering board (as described in the Brown report, section 6.2) in consultation with the Cabinet Member for Culture and Leisure.

3.10 Appendix 2 describes how a budget of £180,000 would be used to deliver an in-house Destination Marketing function.

Overview and Scrutiny Committee – 10 March 2020

3.11 At a meeting on 10 March 2020 the Overview and Scrutiny Committee met to explore issues relating to Marketing Gloucester Ltd. Submissions were made and questions were answered by the two former Chairs of Marketing Gloucester Ltd, Councillors Paul James and Jennie Watkins and by Councillor Steve Morgan, the City Council's Managing Director and both Corporate Directors and Mr Steve Brown (who had been initially engaged to provide interim leadership at MGL prior to the Company going into administration, and who was then retained to prepare a report on the future Marketing of Gloucester) (see previous paragraphs and appendix 1)

3.12 At its 10 March meeting the Overview and Scrutiny Committee made the following recommendations for consideration by Cabinet:

1. Once the liquidation proceedings have been concluded, a report is brought before the Committee detailing how grant money was spent by MGL and accounted for.
2. Cabinet reviews the Council's whistleblowing procedure particularly in relation to Teckal companies.
3. Cabinet reviews existing Service Level Agreements and performance management frameworks for existing contracts currently in place.
4. Cabinet reviews the role of Councillors on the Boards of the Council's partner companies and organisations.
5. The report which is being prepared by Steve Brown is brought before the Overview & Scrutiny Committee for consideration prior to the report going to Cabinet. This report should also detail the Terms of Reference for the new Destination Management Organisation, if any, and the budget to be allocated for this.
6. When the Council enters into any arrangement with partner organisations there are access to information policies between the organisation and the Council.
7. When the Council enters into any such future arrangements there are clear guidelines and expectations for reporting to the Overview & Scrutiny Committee.

3.13 In order to respond to the O&S Committee's recommendations Cabinet may wish to consider the following:-

- a) Agree to receive a report on how emergency grant money provided by the city council in Autumn 2019 was spent and accounted for by MGL following the conclusion of the liquidation proceedings;
- b) Authorise Officers to undertake the reviews recommended in 2, 3 and 4 and make recommendations to the General Purposes Committee as appropriate;
- c) Recommendation 5 has been/will be addressed by submission of this report and attachments to the Overview and Scrutiny Committee.
- d) Instruct officers to ensure that recommendations 6 and 7 are addressed in all future arms-length company arrangements.

4.0 Social Value Considerations

4.1 Communication of social and cultural activity with the wider community will bring benefits to the residents of Gloucester, such as instilling local pride and by supporting people's emotional well-being. Supporting the city's businesses will ensure that the economy can begin to recover, which will provide opportunities for people to be active and engage with cultural activities in the city as lockdown eases. The continued need for a marketing function for Gloucester will be key to positive impact on residents and visitors to the city alike.

5.0 Environmental Implications

5.1 The small destination marketing team promotes all aspects of the city's cultural offer as well as encouraging green forms of travel. There will be some limited impact on the environment, however, as increased tourism and movement of people will

increase emissions. This is not specific to this industry and is a wider societal issue. However, the team will develop stronger environmental messaging, whilst the Marketing function remains within GCC as it will benefit from the support of other council departments and policies.

6.0 Alternative Options Considered

6.1 The report explores a number of options and these are laid out clearly within the report.

7.0 Reasons for Recommendations

7.1 The recommendations are laid out in the report.

8.1 Future Work and Conclusions

8.1 Recruitment of the recommended Destination Marketing team roles commences as a matter of high priority to establish a team to take this work forward.

9.0 Financial Implications

9.1 Appendix 2 to this report provides detail of the net budget requirement for the financial years 2020/21 and 2021/22.

9.2 The budget requirement has been met by the residual council budgets to support Marketing Gloucester of £66.2k plus the agreed draw down from the Marketing Reserve of £100k per annum.

9.3 The reserve balance is £200k and will therefore provide support to the revised destination marketing function for two years. Once this has been exhausted either additional funding sources will need to be identified or the level of service will need to be reduced accordingly.

10.0 Legal Implications

10.1 None directly arising from this report.

(One Legal have been consulted in the preparation of this report.)

11.0 Risk & Opportunity Management Implications

11.1 Risks of not accepting the recommendations – will result in the city not having an effective Destination Marketing function. This will disadvantage the city when compared to other areas of Gloucestershire and damage the visitor economy. Gloucester is a destination that supports a regional visitor economy worth over £110m GVA per annum (according to Growing Gloucester's Visitor Economy, published 2015).

11.2 An effective and functioning Destination Marketing organisation attracts not only tourists, but supports businesses and attracts inward investment. These benefits

would be to maintain the visibility and viability of Gloucester as an attractive destination to visit, meet and invest.

- 11.3 The city will benefit from a collaborative centralised destination marketing and management function being held within the city council during the current challenging situation caused by coronavirus epidemic. The city can provide leadership and co-ordination when it would be high-risk to create a new organisation at this time.

12.0 People Impact Assessment (PIA) and Safeguarding:

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

13.0 Community Safety Implications

- 13.1 None

14.0 Staffing & Trade Union Implications

- 14.1 None

Background Documents: Growing Gloucester's Visitor Economy, 2015
https://www.gloucester.gov.uk/media/1371/growing_gloucesters_visitor_economy.pdf