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**EXCERPT FROM THE MINUTES OF THE  
ENVIRONMENT AND ECONOMY  
OVERVIEW AND SCRUTINY PANEL  
HELD ON 20 JANUARY 2011**

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**EEOSP.08/11**

**DEVELOPMENT OF CARLISLE'S VISITOR ECONOMY**

The Strategic Director (Mr Crossley) submitted report SD.03/11 which provided Members with an overview of the outline proposals to bring together the Carlisle Tourism Partnership and the City Centre Partnership to form a new 'not for profit' company limited by guarantee. The proposals would see the development of the new company during the spring/summer 2011. The role, structure, time plan and potential funding arrangements for the proposed venture were detailed within the report for Members' consideration.

Mr Crossley gave a brief presentation to the Panel. He stated that the report would draw Members attention to the current position of the Carlisle Tourism Partnership and the City Centre Partnership Steering Group and would present the 'outline proposals' to members of the Council for developing a new Community Interest Company (CIC) and would explain the future potential of the CIC and the possibility of developing a Business Improvement District (BID). He stressed that the proposal was outline and was out to consultation.

The Director of Carlisle Tourism Partnership (Ms Whitehead) gave an outline of the Carlisle Tourism Partnership. She explained that she had been employed by the Carlisle Tourism Partnership which had been funded by the North West Development Agency (NWDA). The NWDA had ceased funding and so all staff would be made redundant from 31 March 2011.

She explained that the Partnership had a strong Board with a three year action plan and had no plans to dissolve. The next meeting of the Partnership was scheduled for 6 March and it was hoped that some funding had been secured.

Ms Whitehead outlined the organisation of the Partnership and informed the Panel of the wide range of high profile activities the Partnership held in the City Centre. The main goal had been to raise the profile of Carlisle as a visitor destination. The Partnership had received a grant of £90,000 from the Council and had been able to grow the grant to £455,000. The Partnership had also had Carlisle included as a member of the British Heritage Cities and was represented in the British market Place in Canada and New York. The Partnership had also trained 150 people in Welcome to Carlisle and had begun work with the taxi drivers.

Mr Crossley then gave a brief overview of the City Centre Partnership. He then outlined the new partnership roles and set out the proposed key roles of the newly incorporate company:

- Delivering of marketing, city branding and promotional campaigns and activity
- Management of an annual events programme
- Delivery of Tourist Information Services
- Management of city wide community activity
- Business advice and support for tourism, retail, hospitality and catering
- Partnering work with education providers to improve retail, tourism, hospitality and catering skills
- Advocating and lobbying on city centre development activities

Mr Crossley explained that a Business Improvement District (BID) was a partnership between the local authority and local business to provide improvements to a specific area and potentially additional services. The BID would levy an additional non-domestic rate in a specially designated area and could only go ahead if those affected voted yes. This would be by a majority of ratepayers and the aggregate of rateable values. The BID could levy additional rates for a maximum period of 5 years before a new ballot and the CIC would be the management body for the BID.

In considering the report Members raised the following comments and questions:

- *Why had there been a fall in retailing and wholesale employment in the City Centre?*

Mr Crossley explained that the data for the report had been taken from an economic assessment that was currently being completed. The economic recession would have impacted the retailing and wholesale business and the fall in employment was another reason to look at new partnership proposals.

- *The proposed Company showed some correlation of how the Carlisle Tourism Partnership was currently working.*

Mr Crossley agreed that there was some similarities between the Partnership and the new proposals but the objectives of the new Company would be broader than the Partnership and it would be a Company in its own right, registered at Companies house.

- *If businesses did not vote for the levy would they still have to pay it?*

Mr Crossley confirmed that if the vote had an overall majority in favour of the levy then all businesses within the designated footprint would have to pay the levy.

- *Some of the BIDs that were used as examples in the report were not successful following the second vote, how were BIDs disbanded in this situation?*

Mr Crossley responded that the CIC could still operate without a BID in place although it would be a difficult format as there would have been five years funding by that point.

Mr Pearson added that in researching this he had found that BIDs had a stronger voting rate if the management of the BID had been strong and successful.

- *How far had the Council committed to moving forward with the proposals given the short timescale?*

Mr Crossley agreed that the timescale was challenging but felt it was necessary to retain the momentum that had begun with the Carlisle Tourism partnership. He explained that the report had been to Executive and was out for consultation. The document had helped to prepare a bid for the Regional Growth Fund which had to be submitted by midnight on 21 January 2011 and the result would be known by April. Discussions had also taken place with partners to explain what the proposal was.

- *Had the seed funding been agreed?*
- *Had any consideration been given to the residents within the City Centre and what affect the proposals would have on them?*

Mr Pearson acknowledged that residents had not been involved in the work of the City Centre Partnership to date in considering the BID, and any research into development of BIDs in other areas would need to consider the interests of city centre residents.

- *Had there been any research on what made a strong BID and what was the cause of weak BIDs?*

Mr Crossley informed the Panel that the Consultant, GJR Consulting, had looked at the issues that retailers had and identified weaknesses. The retailers' issues had included the lack of communication and issues regarding ownership of properties. There was a section of the report regarding weakness and the proposals were an opportunity to recognise them in a formal format. It was the role of the Board of the CIC to produce a business plan, however consideration would be given to how other areas had produced their plans.

- *Members congratulated the Carlisle Tourism Partnership for their outstanding work.*
- *Parking issues were a major part of the success of the BID so it was important that Cumbria County Council, as the highway authority, was involved in the consultation.*

Mr Crossley confirmed that the County Council would be involved in the process and reminded the Panel that the Local Transport Plan 3 would provide an opportunity for organisations such as the CIC to have input into how Plans worked.

- *If the evening economy was separated from the day time economy for the bid it may raise issues if the day time economy businesses were paying a levy and the evening economy businesses did not have to.*
- *The report set out the streets that would be covered by the BID but Botchergate and the Viaduct were not on the list.*

Mr Crossley explained that the document had been prepared for the Carlisle City Centre Partnership which covered a small area of the City Centre. The Consultant had felt that if Botchergate had been included it may take too long to achieve targets. Mr Crossley agreed that the bigger the footprint for the BID then the more challenging it would be but he felt that the day time and evening economies fed in to each other.

The Economic Development Portfolio Holder commented that there had been representatives from Botchergate on the Steering Group and they had been supportive of the proposals.

- *Members had serious concerns regarding the closure of the Carlisle Tourism Partnership and the cut to funding.*
- *If the BID and the ballot were unsuccessful what were the alternative options?*

Mr Crossley explained that the CIC could still continue without a BID but it would be a challenge. If everything was unsuccessful then the Council would be in the same position it would be in April which was a low budget to market tourism. He added that the Council would be pragmatic about the CIC and the BID and would focus on the potential output. The time period for a vote was still undecided and before it could happen the Council would have to demonstrate the potential value to businesses. He reminded the Panel that if the BID was successful then the CIC could make plans for 7 years.

Ms Whitehead added that a CIC could still raise funding and would be much more resource heavy, a BID would ensure that the programme was focussed.

- *A Member drew the Panels attention to the Executive Summary that stated that over 30 retail businesses had been interviewed and had indicated that better amenities, including car parking, would be welcomed. The Member was concerned that there was no emphasis on easily accessible car parking and it could lead to tourism migrating to other areas.*

The Economic Development Portfolio Holder reminded the Panel that people did visit other areas over and above their nearest town centre because of the services and activities on offer, Carlisle had a vibrant City Centre and it was attracting visitors.

Ms Whitehead added that the Partnership was looking at how to direct people into the City and which car parks were best for tourists. She acknowledged that better signage

and better maps were required and it should be emphasised that Carlisle was a contemporary historic City. She reminded the Panel that one of the reasons Carlisle was so popular was because the main area was pedestrianised and therefore safe for tourists and families. She informed the Panel that there was some funding to be accessed from the Northern Development Route (NDR) and it was hoped this could go to signage.

*Who would apply for funding and go for available pots of money, such as the NDR money, when the Carlisle Tourism Partnership was disbanded?*

Mr Crossley stated that it would not be possible for the Partnership to apply for all available in future.

- *Who would be accountable?*

Mr Crossley responded that in terms of a capital expenditure then the accountability would be a collective agreement. Opportunities around tourism may be more difficult. The CIC would be set up with stakeholders so accountability goes back to the board directors and the City Council would have a member on the board.

- *If the CIC entered into contractual or financial arrangements and found themselves in financial difficulties what would happen?*

Mr Crossley explained that the CIC would be subject to the same standard arrangements as other companies.

- *If the City Council had a member on the board would they be liable?*

Mr Crossley responded that the members of the board were non executive members so would not be liable but legal advice would be taken before the board was set up.

- *To what extent would the Council draw on the experience from other BIDs?*

Mr Pearson responded that the consultant was very experienced and contacts had been made with other areas that had BIDs and they had offered to host fact finding visits from Carlisle.

RESOLVED: 1) That Carlisle Tourism Partnership be thanked for their enthusiasm and excellent work;

2) That the Panel recommended that officers explore how other areas had approached successful Business Improvement Districts (BID) and identify what the issues were;

3) To improve the evening economy businesses should be encouraged to consider later opening times, the Panel would therefore encourage the potential CIC to address this

issue. The Panel also wished to thank the businesses that currently opened later in the evening.

4) That consideration be given to the residents living in the City Centre and how the Community Interest Company (CIC) or BID would affect them;

5) That further consideration would be given to the footprint of any potential BID at a future meeting of the Panel;

6) That there was a need for better signage to direct visitors to the available car parks within the City and a need to improve the links between the car parks and the City Centre and the Panel would like to see this addressed in the future;

7) The Panel were disappointed that the Carlisle Tourism Partnership had lost their funding and expressed concern that the budget available for all tourism and events for Carlisle had been reduced and would result in minimal marketing activity and the loss of the city centre events programme.

8) That the Panel looked forward to an update on the new partnership proposal at their next meeting in April.

9) That the Panel looked forward to receiving the End of Project report from the Carlisle Tourism Project at a future meeting.