

ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL

THURSDAY 20 JANUARY 2011 AT 10.00 AM

PRESENT: Councillor Mrs Rutherford (Chairman), Councillors Bowditch, Craig, Harid (as substitute for Cllr Watson), Mrs Luckley, Nedved (as substitute for Mrs Robson), Vasey.

ALSO PRESENT: Councillor Bloxham – Local Environment Portfolio Holder
Councillor Mrs Bowman – Economic Development
Portfolio Holder

EEOSP.01/11 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Hendry, Robson, Watson and Councillor Ellis, Performance and Development Portfolio Holder.

EEOSP.02/11 DECLARATIONS OF INTEREST

Councillor Harid declared a personal interest in accordance with the Council's Code of Conduct in respect of Agenda Item A.5 – Development of Carlisle's Visitor Economy. The interest related to the fact that he was a business rate payer.

Councillor Nedved declared a personal interest in accordance with the Council's Code of Conduct in respect of Agenda Item A.5 – Development of Carlisle's Visitor Economy. The interest related to the fact that he was a business rate payer.

EEOSP.03/11 MINUTES OF PREVIOUS MEETING

RESOLVED – That the minutes of the meetings held on 21 October 2010 and 2 December 2010 be agreed as a correct record of the meeting and signed by the Chairman.

EEOSP.04/11 CALL IN OF DECISIONS

There were no matters that had been the subject of call in.

EEOSP.05/11 REFERENCES FROM THE EXECUTIVE/OVERVIEW & SCRUTINY

EX.214/10 – Budget 2011/12 – Feedback from the Overview and Scrutiny Panels on the Executive’s budget deliberations

Minute Excerpt EX.214/10 was submitted setting out the decision of the Executive on 13 December 2010.

The Executive had decided:

“That the Overview and Scrutiny Panels be thanked for their consideration of the Budget reports and their comments, as detailed within the Minutes submitted, taken into account as part of the Executive’s deliberations on the 2011/12 budget.”

RESOLVED – That the Panel were grateful that the Executive had taken into account their views on the issue of purple sacks and were investigating the matter further.

EEOSP.06/11 OVERVIEW REPORT INCORPORATING THE WORK PROGRAMME AND FORWARD PLAN ITEMS

The Scrutiny Officer (Mrs Edwards) submitted report OS.03/11 providing an overview of matters related to the Environment and Economy Overview and Scrutiny Panel’s work. Details of the latest version of the work programme were also included.

Mrs Edwards reported that:

- The Forward Plan of the Executive covering the period 1 January 2011 to 30 April 2011 was published on 17 December 2010. One of the issues within the remit of the Panel was KD.001/11 Local Development Scheme 2011-2014. In agreement with the Chair the item would not be considered by scrutiny as a decision was made on the report at the meeting of the Executive on 19 January 2011. Since the publication of the report the Forward Plan covering the period 1 February to 30 June 2011 had been published. The Plan had two items relevant to the Panel – KD.003/11 Housing Design Supplementary Planning Document and KD.006/11 Energy Efficiency Supplementary Planning Document. The Chair had agreed to consider both of the reports to see if there would be any value in scrutiny considering them.
- a report detailing suggested changes to the Policy Framework had been discussed by all three Scrutiny Panels in November and December. Following a resolution by the Resources O&S Panel, a workshop, which was open to all Members, was held on 21 December 2010. At the workshop Members agreed that the Economic Development Strategy, the Homelessness Strategy and the Discretionary Rate Policy should be included in the definition of policies inside the Budget as part of the Corporate Charging Policy. Mrs Edwards advised that the report would be further considered by the Executive on 19 January 2011 before being referred to Full Council in March 2011.
- The agenda for the next meeting of the Panel had one matter schedule and Members were asked to consider whether they would like an update on the Transformation process.

- The Panel had decided in July that Councillor Bainbridge would undertake some research into the control of seagulls and report back to the Panel. Councillor Bainbridge had since resigned from the Panel following his appointment to the Executive. Mrs Edwards presented the findings of Councillor Bainbridge's research and asked Members to determine whether to continue with the work, cease the work or make recommendations to the Executive.

Members felt that there was a significant issue within Carlisle and in discussing the research agreed that work should continue on the issue. Members asked that within one year, some data on the scale of the issue in Carlisle be put together along with a policy of control and information for people who were affected.

The Local Environment Portfolio Holder reminded the Panel that there also needed to be further work on educating the public and businesses on how they can help in reducing the number of seagulls in the area.

RESOLVED: 1) That, subject to the issues raised above, the Overview Report incorporating the Work Programme and Forward Plan items relevant to this Panel be noted.

2) That the Chair would consider whether Forward Plan items KD.003/11 Housing Design Supplementary Planning Document and KD.006/11 Energy Efficiency Supplementary Planning Document would be of value to scrutinise by the Panel.

3) That the Assistant Director (Local Environment) collect data information on the scale of the issues with regard to seagulls within the City and report back to the next meeting of the Panel with the expectation of producing a Policy of control and information for people who were affected by the problem.

EEOSP.07/11 TULLIE HOUSE – THE IMPACT THAT TULLIE HOUSE HAS ON THE CARLISLE ECONOMY

The Assistant Director (Community Engagement) (Mr Gerrard) submitted report CD.01/11 which set out the background and position with regard to Tullie House museum, its role within the visitor offer for Carlisle and North Cumbria and some of the wider economic benefits that could be derived from that role.

Mr Gerrard recognised that Tullie House was a well respected part of the Civic and cultural background of Carlisle. The move to Trust status would change the relationship between Tullie House and the City Council and provide an opportunity for Tullie House to develop and grow and strengthen the relationship with the Council. Carlisle had a diverse visitor economy that had grown modestly over the past few years. He explained the importance of the development and promotion of the visitor economy in Carlisle and North Cumbria was widely recognised as an important part of the ongoing economic development and growth of Carlisle. In particular the role of promoting the rich heritage of Carlisle and its city centre and historic quarter were highlighted.

The Economic Development Manager (Mr Pearson) added that the report set out how Tullie House was part of the fabric of Carlisle and it had been recognised as an economic driver in the visitor economy. The new Roman gateway Project was underway and would provide an important step change in the historic quarter. He added that it was difficult to give exact figures with regard to the economic value of Tullie House but Tullie House did raise the profile of Carlisle and the benefits of that were immeasurable.

The Arts and Museum Manager (Ms Wade) explained that the Roman Gateway Project would be an opportunity to bring tourism into the City. The project was due to open in June 2011 and the build up to the opening would raise the profile of Carlisle but there did need to be some work following the opening of the project to keep momentum going. Ms Wade added that the new Roman Gateway Gallery would be a member of the British Museum Partnership and that would assist in raising the profile of Carlisle.

In conclusion Mr Gerrard advised that whilst it was not particularly straightforward to define precisely what economic benefits were derived from Tullie House it was clear that it played a substantial role in helping attract visitors to Carlisle. He believed that the overall visitor economy was substantial and generated and maintained employment throughout the district.

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

- *How would changes to funding and to the Carlisle Tourism Partnership affect Tullie House?*

Ms Wade acknowledged that the changes to the Tourism partnership would affect Tullie House as they had worked closely together for the opening of the Gateway Project. She was aware that there would be some changes and that the changes to funding and the Partnership would not help raise the awareness of Tullie House or of Carlisle.

- *Would the dissolution of the Carlisle Tourism Partnership affect the move to Trust status?*

Mr Gerrard confirmed that the matter would have to be looked at. There was a question regarding what would need to be done in terms of making Carlisle a more attractive place to live and invest in and Tullie House was major part of the deliberations. It was vital that Carlisle used what Tullie House had to offer but with fewer resources.

- *Members asked that whatever changes happened at Tullie House were carried out publicly and openly.*
- *Would there any provision for multi language signage for Tullie House?*

The Director of Carlisle Tourism Partnership (Ms Whitehead) responded that heritage trail leaflets were being produced in four languages. The leaflets included the history of Carlisle and information on attractions in Carlisle including Tullie House.

- *Carlisle received little or no coverage in tourism publications which were available through the rail network.*

Ms Wade explained that there was a limited budget for promotions. Carlisle recently received a lot of national and international publicity through the Crosby Garrett Helmet and as a result tourism increased before Christmas. She added that there would be a lot of publicity in the lead up to the opening of the new gallery. Ms Wade explained that coverage in the rail publications came at a significant cost and so the Partnership had worked closely with local rail providers Virgin rail and Network rail to increase the publicity of Carlisle within the train station and for events.

- *The signage bringing visitors into the city from the motorway was not clear and did not promote attractions available to visitors within the City.*

Ms Whitehead agreed that the signage did need to be improved but, especially in the current climate, there was an issue with funding. In terms of tourism for the City the signage was vital. The Partnership had improved their leaflets and the website and was working towards applications for Facebook and mobile phones to help guide visitors through the City.

- *A Member commented that the Roman Gateway Project was very welcome and asked if the museum was too focused on Roman history when the City had an interesting industrial heritage.*
- *A Member commented that many tourists to the City arrived by car and raised concerns that visitors would by pass Carlisle due to poor signage and a lack of easily accessible and cheap car parking.*

RESOLVED: That the report and responses to questions be welcomed.

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.

[The meeting ended at 12.55pm]