

## **REPORT OF THE GROUP MANAGER CORPORATE STRATEGY**

### **A Place Marketing Organisation for Nottingham and Nottinghamshire**

#### **Purpose of Report**

1. This report seeks:
  - (a) in principle agreement to the establishment of a Place Marketing Organisation (PMO) for Nottingham and Nottinghamshire
  - (b) approval of a £10,000 contribution towards project management support for the establishment of the PMO.
  - (c) approval of a £20,000 contribution in 2014/15 to the Invest in Nottingham activity undertaken in conjunction with Nottingham City Council

#### **Information and Advice**

2. A PMO undertakes a unified approach to marketing of place to potential investors, visitors and residents through a common brand and approach.
3. The place marketing activities of inward investment and tourism marketing feature strongly in the Nottinghamshire and Nottingham Growth Plans and the visitor economy is a priority sector in the D2N2 LEP Strategic Economic Plan.
4. This report details the current approach to place marketing in Nottingham and Nottinghamshire; proposals for a new approach to this work; the options for delivering this; and the next steps.
5. Nottingham and Nottinghamshire are currently marketed separately as destinations for inward investment and for visitors. They are marketed both to an international and a UK audience and to businesses and individuals. This marketing is currently done in the main by two separate bodies
  - a. *Experience Nottinghamshire (EN)* – responsible for destination marketing for tourism and advising on the visitor economy. EN is the recognised Destination Management Organisation for Nottinghamshire by Visit England and was established in 2004 as a not for profit partnership between the public and private sectors.

- b. *Invest in Nottingham* (IIN) – responsible for encouraging inward investment and advising on growth for indigenous businesses. The IIN service is run as part of the City Council and is supported in this activity by the Invest in Nottingham Club which comprises Nottingham and Nottinghamshire businesses committed to supporting growth.
6. These bodies and their functions are described in more detail in **Appendix A**.
7. This Council has maintained a consistent and active role in both inward investment and tourism marketing activity for many years. Both IIN and EN are primarily funded by the City and County Councils with additional support from other public and private sector organisations. This Committee provides funding of £118,000 pa, recently reduced from £218,000 pa to EN, and has provided £25k per annum towards the work of IIN as well as a half time post. In addition management support and input is given on inward investment enquiries by the council's economic development service. It should be noted that several of the District Councils also fund and deliver tourism and inward investment marketing activities in their areas.

### **Proposal for a new approach to Place Marketing**

8. A new approach to marketing Nottingham and Nottinghamshire and the activities associated on delivering on the marketing promise could raise the area's reputation and deliver significant economic benefits to the area. Consensus on and commitment to a unified brand and approach to marketing which builds confidence in partners and the business community whilst enabling activity to be delivered that is geographically specific should drive:
- a. An increase in both foreign and domestic direct investment, leading to growth in jobs, productivity improvements, innovation opportunities, technology transfer in, and greater maximisation of export / trade opportunities that this will generate
  - b. An increase in visitors to the area with the aim of increasing spend in the local economy, by active promotion and marketing of the city and county as a visitor destination
  - c. Increased investment in tourism facilities to meet the demands of growing visitor numbers, through public and private sector partnerships
  - d. Supporting the growth of local companies in order to retain jobs within the local area, increase GVA and again, improve potential supply chain opportunities.<sup>1</sup>
9. It is considered that a step change is needed to maximise the benefits outlined above and that current arrangements cannot deliver this. It is proposed therefore that a new, independent, not for profit, Place Marketing Organisation representing Nottingham and Nottinghamshire's public and private partners is established bringing together the

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<sup>1</sup> Support for local businesses is not a function of either Invest in Nottingham or Experience Nottinghamshire, but is delivered by a range of public and private sector organisations. However, this activity can be supported by successful marketing.

functions undertaken by IIN and EN. This will be based on combining existing resources to:

- a. create a single centre of place marketing expertise and build a new confidence around a coherent Nottingham and Nottinghamshire offer
  - b. lever in additional resources from the private sector, Government and D2N2 / Sheffield City Region LEPs to support improvements to the physical offer and maximise the reach of limited public sector resources, and
  - c. deliver efficiencies through economies of scale
  - d. bringing together a wider set of businesses and stakeholders to drive and support the combined offer
10. Creating a Place Marketing Organisation has particular challenges. As detailed earlier in this report there are other stakeholders/funders involved in both organisations and their engagement and buy in to the benefits of the creation of this new PMO would be required. In addition the historical focus of inward investment on the 'Greater Nottingham' area and of tourism on the City and certain Districts (e.g. Newark and Sherwood) has led to a perception that existing organisations favour these particular geographies. In developing a new PMO both of these challenges would need to be addressed.
11. There are a wide range of activities which would need to take place during the next year to achieve the transition to a PMO which could be effective from March 2015. This would include the development of:
- An agreed vision for the PMO with local authority partners, EN and IIN Club stakeholders and members
  - An agreed design and operating model for the new organisation including legal status; funding position and effective geographic coverage
  - A detailed transition plan including effective communication and stakeholder engagement
12. Initial consultations have been held with partner organisations, Invest in Nottingham Club and Experience Nottinghamshire, on this proposed approach, but detailed work as outlined in paragraph 11 will be required. It is therefore proposed to set up a Steering Group to manage the process of creating a PMO with membership from the relevant Councils together with EN and the Invest in Nottingham Club. It is also proposed that a consultant be appointed to project manage the process of establishing a new PMO, specifically to develop the operating model and manage stakeholder relationships through the development and transition period. This would support the management of a transparent and impartial process. The estimated cost of this consultancy work would be £35,000 with the County Council contributing £10,000 and the City Council funding the remaining £25,000. The actual cost would be determined by the outcome of the process of seeking three quotes which would be undertaken by the City Council.
13. A report would be brought back to Committee later this year outlining more detailed proposals for the new PMO and seeking approval to this Council's support for this. During the 2014-15 transition period it is proposed to continue support for inward investment activity through a £20,000 contribution to Invest in Nottingham.

## **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described in the report.

## **RECOMMENDATIONS**

It is recommended that Committee:

- a. Gives in principle agreement to the creation of a Place Marketing Organisation for Nottingham and Nottinghamshire
- b. Considers more detailed proposals on the vision, operating model and legal status of a Place Marketing Organisation for Nottingham and Nottinghamshire at a future meeting
- c. Approves a £10,000 contribution towards project management support for the establishment of the PMO.
- d. Approves a contribution of £20,000 in 2014/15 towards inward investment activity to be undertaken by Invest in Nottingham.

## **Report of the Group Manager, Corporate Strategy**

For any enquiries about this report please contact Celia Morris, ext 72043

## **Constitutional Comments (SLB 27/03/2014)**

Economic Development Committee is the appropriate body to consider the content of this report.

## **Financial Comments (SEM 27/03/14)**

The financial implications are set out in the report.

## **Background Papers**

None

## **Electoral Division(s) and Member(s) Affected**

All