

# Nottingham City Council Delegated Decision



Nottingham  
City Council

Reference Number:

1847

Author:

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Department:

Development

Contact:

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Subject:

Implementing plans for a new Place Marketing Organisation

Total Value:

35,000 (Type: Revenue)

Decision Being Taken:

To approve funding of £35,000 to implement plans to create a new Place Marketing Organisation (PMO) for Nottingham and Nottinghamshire, with an enhanced budget for campaigns to promote the city which includes the sum of up to £20,000 for consultant fees.  
To extend the appointment of the consultant managing the transition process to the new PMO.  
To authorise dispensation from Contract Procedure Rule 5.1.1 in accordance with Financial Regulation 3.29 for the consultant appointment.

Reasons for the Decision(s)

Nottingham and Nottinghamshire are currently marketed separately as destinations for inward investment and for visitors, 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:

- Invest in Nottingham (IIN) - responsible for encouraging inward investment and advising on growth for indigenous businesses.
- Experience Nottinghamshire (EN) - responsible for destination marketing for tourism and advising on the visitor economy.

The place marketing activities of inward investment and tourism marketing feature strongly in the Nottingham and Nottinghamshire Growth Plans and the visitor economy is a priority sector in the D2N2 LEP Strategic Economic Plan.

In April 2014, the City and County Councils set out their joint intention to work towards the creation of a new, unified Place Marketing Organisation (PMO) for Nottingham and Nottinghamshire, encompassing both inward investment and visitor economy functions. A new approach to marketing Nottingham and Nottinghamshire will aim to deliver:

- An increase in both foreign and domestic direct investment, leading to growth in jobs, productivity improvements, innovation opportunities, technology transfer, and an increase in trade and export opportunities;
- An increase in visitors to the area, and a consequent increase in spend in the local economy, through the active promotion and marketing of the city and county as a visitor destination;
- Increased investment in tourism facilities to meet the demands of growing visitor numbers, through public and private sector partnerships;
- Support for the growth of local companies in order to retain jobs within the local area, increase Gross Value Added (GVA), and improve potential supply chain opportunities.

It is considered that a step change is needed to deliver these benefits as current arrangements will not do so. Marketing messages are currently fragmented across different organisations and for different audiences. A new, independent, not-for-profit PMO representing Nottingham and Nottinghamshire's public and private partners would bring together the functions undertaken by IIN and EN to:

- create a single centre of place marketing expertise and build a new confidence around a coherent Nottingham and Nottinghamshire offer; with a single recognisable 'brand' encompassing clear strategic messages that can be tailored for and coherently targeted at different audiences;
- lever in additional resources from the private sector, Government and D2N2 / Sheffield City Region Local Enterprise Partnerships (LEPs) to support improvements to the physical offer and maximise the reach of limited public sector resources;
- deliver efficiencies through economies of scale;
- bring together a wider set of businesses and stakeholders to drive and support the combined offer.

In May 2014, funding was approved (delegated decision ref. 1438, published 22/4/14) to engage consultants to develop: a detailed project plan, an agreed vision for the PMO, options for the operating model of the new organisation, and a detailed transition plan. A Steering Group was established in May 2014 to oversee the transition process, and it engaged consultants to undertake the work described.

Good to Great funding has been earmarked to support the establishment of a new, unified PMO that will support inward investment and the visitor economy, and promote the city nationally and internationally, with an enhanced budget to support campaigns to promote the city. In the short term, funding is now required to support the transition process towards a unified PMO that will underpin and deliver the longer-term goals, and includes an extension to the consultants' contract to a value of up to £20,000 (£19,250 fixed cost plus £750 contingency) to provide project management support for the implementation of transition plans, Steering Group costs, the commission of external legal advice and pensions advice.

Other Options Considered:	<p>A new, integrated PMO is the preferred option, and detailed options for the operational model of this PMO are currently being developed.</p> <p>Other options consider (and rejected) are:</p> <ol style="list-style-type: none"> <li>1. Do nothing. Experience Nottinghamshire and Invest in Nottingham would continue to operate as separate entities, and the opportunity to create and exploit the synergies, efficiencies and benefits arising from a joint approach would be lost.</li> <li>2. Creating an agency for Nottingham City only. Rejected, as investors and tourists generally do not recognise administrative boundaries, and decisions to invest in or visit either the City or the surrounding area are likely to benefit both.</li> </ol>
Background Papers:	none
Published Works:	<a href="#">Delegated decision ref. 1438 (published 22 April 2014)</a>
Affected Wards:	Citywide
Colleague / Councillor Interests:	Cllr Gibson and Cllr Wood are Board members of Experience Nottinghamshire. Cllr Nick McDonald and Chris Henning (Director, Economic Development) attend Board meetings in an observer capacity.
Use of Consultants	<p><b>Number of Days:</b>35</p> <p><b>Rate per Day:</b>550</p> <p><b>Total value:</b>19250</p> <p><b>Start date:</b>01/01/2015</p> <p><b>End date:</b>30/06/2015</p>
Reason for using a consultant:	<p>Consultants were engaged in May 2014 to develop a project plan, engage with stakeholders to agree a vision for the new PMO, develop an agreed operating model for the new PMO, and develop a transition plan.</p> <p>The consultant is now required to implement the transition plan, ensuring the seamless transfer of existing inward investment and destination management functions to the new organisation by April 2015. The consultant will continue to provide support following transfer until June 2015.</p>
Other options considered:	Not engaging a consultant. Not recommended because of the need to manage, and be seen to manage, a transparent and impartial process towards the establishment of the new PMO, and because it would delay the establishment of the PMO.
Name of consultant:	Wallace Fife
Reason for selection?	Wallace Fife were contracted to deliver the initial consultant's brief in May 2014. The selection of Wallace Fife would ensure continuity and maintain momentum as we move into the implementation phase of the project.

Has the consultant previously completed work for the City Council?	Yes - see above.
Specific activities to be undertaken by the consultant are:	Implementation of the transition plan in order to deliver a new, fit for purpose PMO
Period of engagement:	January to June 2015
By what process was the consultant selected?	As part of the tender process we asked bidders to quote for the implementation of the transition plan as an additional piece of work. It was stipulated in the tender process that the selected consultant could be engaged to carry out this additional work.
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	n/a
Equality:	EIA not required. Reasons: Not required as there are no changes to policies, services or functions.
Decision Type:	Portfolio Holder
Subject to Call In:	Yes
Call In Expiry date:	17/02/2015
Advice Sought:	Legal, Finance, Procurement, Human Resources
Legal Advice:	This report raises no significant legal issues as it relates to funding of the work necessary to undertake the transition to the new PMO. The value of the consultant appointment is below the EU applicable threshold. The substantive decisions to create the new PMO will be the subject of a separate report. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 16/01/2015.
Finance Advice:	The report requests approval to spend £50k in 2014/15 on creating a new Place Marketing Organisation. Of this sum £20k is to extend the contract of the existing consultancy approved in April 2014 (delegated decision 1438). The balance of £30k will be spent on Steering Group costs, legal advice and the development of a marketing and branding strategy. The total cost of £50k can be met from Good to Great budgets earmarked for this purpose, and be financed from reserves.  Advice provided by Jim Driver (Finance Service Partner) on 09/01/2015.

Procurement Advice:

The proposal is to approve funding of £50,000 to create a new Place Marketing Organisation (PMO) for Nottingham and Nottinghamshire, but this is not broken down specifically.

Upon speaking to the report author, they have confirmed that this total figure will largely relate to transition costs including restructuring, but £20,000 of the total £50,000 requested is to extend the scope of the existing contract 'Consultancy for the creation of a Place Marketing Organisation' CPU ref 1332. This potential extension and value was outlined in the original tender document, to a maximum of the £20k. As such, value for money was secured during this tender process and a compliant procurement process has already been conducted.

On the basis that my advice is only required for £20,000 of the total £50,000 requested in this proposal, I have no significant procurement concerns. Advice provided by Rosalie Parkin (Category Manager) on 05/01/2015.

HR Advice:

The report is supported as it will ensure the plans to create a PMO are progressed appropriately. It is important that HR advice is sought throughout this process as it is likely that TUPE regulations will apply in given scenarios.

Bridget Donoghue (HR Business Partner) 12/01/2015. Advice provided by Noel McMenamin (Constitutional Services Officer) on 19/01/2015.

Signatures:

Jon Collins (Leader of Nottingham City Council)

SIGNED and Dated: 10/02/2015

Nick McDonald (Portfolio Holder for Jobs and Growth)

SIGNED and Dated: 26/01/2015

David Bishop (Deputy CE, CD for Development and Growth)

SIGNED and Dated: 22/01/2015