

# Is the council letting Marketing Edinburgh slip away?

Councillor John McLellan revealed on Monday that a decision was made behind closed doors last October to disband the city's destination marketing organisation, Marketing Edinburgh.

This was immediately refuted by Cllr Kate Campbell the Convener of the Housing, Homelessness and Fair Work Committee, but Cllr McLellan's assertion was repeated by his Conservative Group colleague, Cllr Iain Whyte who was also at the meeting in October.

In response to persistent questioning by the two Conservative members of the committee this morning, the Director of Place, Paul Lawrence, apologised that he had not produced the required report for the Housing, Homelessness and Fair Work Committee, despite having agreed to do so.

Instead he had written a report of sorts which narrated the history of funding cuts to the body and the fact that there was a board meeting last Wednesday. The document also confirmed that the sixteen members of staff have moved out of their offices in Frederick Street and have moved into the office on George Street occupied by the Edinburgh Chamber of Commerce.

The document says that the board will continue to 'consider sustainable financial solutions' for two parts of the business – Film Edinburgh and Convention Edinburgh and that a further

board meeting would take place as soon as possible.

Cllr John McLellan reminded the committee what had been approved last time. He said : "At the previous meeting of this committee when we discussed Marketing Edinburgh, it was stated then that the Director of Place would meet with the relevant stakeholders to discuss the requirements and future proposals for delivery and bring back the report to the committee in January 2020 with findings of this work. Where is the report?"

Mr Lawrence addressed the committee saying : "It is primarily because that work is still ongoing and obviously has to be discussed by the board of Marketing Edinburgh before, as it were, it's remitted on to the council.

"So those discussions have been taking place intensively with other partners to see if the overall future position can be resolved. There has been one board meeting to discuss that recently and there will be another in the immediate future. So, in governance terms, until the board has seen that information and taken a view on it, I can't really bring it to this committee but that work is ongoing with a significant degree of urgency."

Cllr McLellan kept up the pace by asking whether Mr Lawrence thought perhaps nobody would notice?

The Director of Place was forced to apologise and said it has been 'a pretty fraught and difficult period when discussions have been taking place'. He replied : "The truth is there is not much to say because those conversations are still ongoing. I should have ensured that the report was fuller but discussions are ongoing between the staff, the new board and potential other stakeholders and these are simply not concluded but I should have set that out more fully."

At the committee meeting of 31 October 2019 the business plan proposed by the Marketing Edinburgh board led by Gordon Robertson was rejected by the council. Thereafter the entire

board of Marketing Edinburgh resigned en masse.

On 21 November 2019 three councillors – Kate Campbell, Mandy Watt and Claire Miller – were appointed to the board of Marketing Edinburgh.

The beleaguered organisation first faced cuts of 89% over two years at this time last year. Following that there was a reprieve of sorts in the council's budget when the cut was curtailed to £300,000 in the current financial year.

Cllr McLellan (who was now on a roll) asked for specifics about when the board met with staff and what communications there have been with members of the organisation since that time. But the council officer was not immediately permitted to answer this. Instead the Convener Cllr Kate Campbell, who is also a member of the board of Marketing Edinburgh, intervened.

Cllr Campbell replied : "The board will set out the board's position. There is a lot of work ongoing at the moment with meetings both formal and informal and these will continue. But I don't think it is appropriate to set out the position now. We will set out where we will be going in the future, and I think all board members are very keen that this process is done...we are committed to the process... and we will be very clear with this committee about it, but there is a process where the board has to do that work before reporting. So it will be reported in due course."

Cllr McLellan asked again about what he regarded as a 'straightforward question' – when did the board meet the 16 members of staff to tell them what is going on or what is not going on. Mr Lawrence replied that he and another council officer Lawrence Rockey had met the staff a number of times and the board met the senior management team 'some time ago'. He also said that he and Cllr Campbell had met all the staff last week and they will meet the senior management team in the 'coming days'.

The Edinburgh Reporter understands there is an immediate financial requirement of around £100,000 to keep the body going, but in any case funding will dry up on 31 March this year when the current budget year comes to an end.

The Conservative councillor then dropped the bombshell that actually a decision had already been made about Marketing Edinburgh's future last October – and that decision was to wind it up and make staff members redundant. The Convener immediately interrupted to reject the statement that such a decision had been made.

But Cllr McLellan continued and said that even so there is a significant risk of redundancy to staff and claimed that the first time that they were addressed about this was only last Friday. He said that the staff could be forgiven for thinking that this is a 'somewhat shambolic process' and that the council has bitten off more than it can chew.

After the meeting Cllr McLellan told us : "The reason that that item was taken on the B agenda last time round was because of concern for the staff. And the first time that the new board has been able to speak to staff directly was last Friday – one working day before this meeting, and I understand that that was only at the request of Marketing Edinburgh."

The Director of Place said to councillors that no decision has yet been made about the company, and pointed out it would be a board decision not one made by the committee in any case.

It could very well be that a decision is made by the board which is then not made known to the committee until they next meet sometime in March, possibly as early as next week according to what we have been told.

Cllr McLellan's colleague Iain Whyte questioned whether staff were a priority to the board. He said : "If staff are the priority then why did you not speak to them until last Friday? How is that prioritising them and why are we no clearer on

where things are going?”



Councillor Kate Campbell Convener of Housing, Homelessness and Fair Work Committee Photo The Edinburgh Reporter

We spoke to the Convener after the meeting and asked her in particular about the report last summer which confirmed that the return on investment for Marketing Edinburgh was 90:1. (So for every pound invested in the body they returned 90 to the city's economy.)

Cllr Campbell told The Edinburgh Reporter : “I mean, obviously, that's very positive. And I think and you know, if you speak to partners across the city, the work of Convention, particularly in terms of the knowledge economy and the value to the city for business tourism, it's really important work that Marketing Edinburgh does.

“We're in a place where there are a lot of very difficult decisions that we have to make and that's because we've had 10 years of austerity and public services are suffering.

“And so we have to take decisions that, frankly, people wouldn’t want to be making, but we have to make the difficult decisions. And I think asking Marketing Edinburgh to become financially self sustaining in that context was one of the less bad decisions that we’ve had to make. And particularly, I think, as well, when you put it in the context of the significant reduction in staff in our own Economic Development department, which has been obviously quite a difficult process as well.

“I mean, we’re really having to make sure we’re prioritising the services in the city that have the biggest impact on the largest number of people and are protecting the most vulnerable people in the city. So that does mean unfortunately, some quite challenging decisions that we have to make.”