

Marketing Edinburgh assets not yet transferred to the council

The council is to discuss Marketing Edinburgh at Thursday's Finance & Resources meeting, and particularly the financial context of the winding up of the company.

But a note produced for councillors raises a couple of important issues.

Firstly, the figures mentioned in the note do not tell the whole story behind the council's shuttering of the destination marketing body. The figures shown amount to £331,000, but we have reported before that the whole cost to the council is in the order of between £1.2 and £1.6 million. We reported [here](#) that the council had spent over £1.6 million on the ending of the body responsible for destination marketing.

As at October 2019 the council had a plan proposed to it by the then board. Had they accepted this plan and acted upon it then it would have cost the council £450,000 to put in place. Importantly, the city would have had an experienced marketing body to find a way for the city to exit the pandemic – whether that is as heavily based on tourism as before or not.

We also understand that when the previous board resigned en masse the company was solvent and could meet all of its liabilities such as redundancy payments.

The council had awarded the body core funding of £890,834 during its final year of operation.

But importantly there is a second point apart from the money.

Secondly, the note shows that notwithstanding the passage of time, the assets owned by Marketing Edinburgh – which is an arms length external organisation and a limited company – have not yet been transferred to the council. These assets are mainly digital such as the website and social media accounts associated with the successful This is Edinburgh campaign which Marketing Edinburgh managed. These are to be transferred 'at fair value' according to the company accounts. They are assessed at just under £65,000 in the notes to the financial statements lodged at Companies House.

The company accounts were eventually filed on 21 August 2020 referring to record revenues achieved during the year to 31 March 2019.

We are sure that these will be some of the questions which may be asked by members of the Finance & Resources Committee on Thursday. The current directors of the company are Cllr Kate Campbell, Cllr Claire Miller and Cllr Mandy Watt.

You can watch the live meeting on the council's webcasting platform [here](#).

Conservative Councillor Graham Hutchison said: "The fiasco surrounding the demise of Marketing Edinburgh continues to be source of ongoing embarrassment for the council. Since the previous directors resigned en-masse following the SNP led administration's decision to pull the plug on our successful destination marketing organisation, the situation has descended into farce, with a characteristic lack of transparency and still no apparent end in sight. Despite payment of £0.331m during the current financial year it is still not clear when the transfer of assets and liabilities will be completed.

“Edinburgh is now one of the few cities in the world without a destination marketing agency to work on post-Covid recovery and Edinburgh’s economic revival will far slower as a result of the SNP/Labour administration’s short-sighted, anti-business agenda.

“This is not hindsight because we repeatedly warned at the time how damaging it was likely to be and officers now freely admit it was a wrong decision.”



This is Edinburgh was a campaign run by Marketing Edinburgh which achieved a ninefold return on investment