

CABINET

16 September 2009

PRINCIPAL SCRUTINY COMMITTEE

21 September 2009

SUPPORT FOR WINCHESTER CATHEDRAL CHRISTMAS EVENTS

REPORT OF HEAD OF ECONOMIC AND CULTURAL SERVICES

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RECENT REFERENCES:

CAB1321, 11 October 2006 - Local Authority Business Growth Initiative (LABGI)
Allocation to Economic Action Plan Projects – Monitoring Report

CAB1815, 18 March 2009 - Use of Local Authority Business Growth Incentive
(LABGI) Receipts for Recession Support for Local Businesses, and Transfer to
Property Fund

EXECUTIVE SUMMARY:

The Christmas market and ice rink held in the Inner Close since 2006 have quickly established themselves as an important tradition for people living in and around Winchester. They attract large numbers of people into the city centre at a time of year when footfall is critical to the performance of retailers and eateries alike. The media coverage attracted by these events is now reaching a wider audience and helping to generate additional tourism visits at what has traditionally been the off peak season.

Winchester City Council has supported the Christmas events in cash and in kind, and has encouraged the Cathedral to develop them in view of their positive effect on the local economy. As the Christmas market extends once again this year to a 24 day run, and plans to welcome around 400,000 customers, the Leader has proposed a one-off grant to support marketing activity. This report provides more detail about the Christmas events.

The report also seeks Member approval to release £7,500 of the Local Authority Business Growth Incentive (LABGI) reserves already ring-fenced for recession support measures to provide a grant to the Cathedral for 2009. At its meeting on 22 April 2009, Council approved a number of initiatives in support of businesses at a total cost of £300,000, with a further £100,000 ring-fenced but not allocated to specific projects at that time (CAB1815 refers). It was agreed that this would be used to fund additional recession measures, to be implemented by Cabinet and in consultation with Principal Scrutiny Committee.

RECOMMENDATIONS:

That, subject to the views of Principal Scrutiny Committee, Cabinet approves a grant of £7,500 to be funded from LABGI reserves already identified in support of recession measures, to assist the development of Winchester Cathedral's Christmas events in 2009.

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- 1.1 Winchester Cathedral staged its first Christmas market and ice rink in 2006. The events met with immediate success, and have continued to grow in popularity and scope each year since then.
- 1.2 Around 40,000 skaters booked tickets in 2008, and an estimated 250,000 visitors passed through the Inner Close during the 17 day market. Market stalls are booked by many independent retailers and craftspeople from the Winchester and the surrounding areas, and the level of return bookings reflects the excellent trading opportunity presented by the market in spite of the adverse weather which has frequently dogged the markets.
- 1.3 Local retailers support the Cathedral's Christmas events because they generate increased and often new footfall in the city centre. National media coverage – including a distinctive photo of the choirboys on ice – has stimulated visitor interest in the city at what is traditionally a very quiet time for tourism. Hits to the tourism website increased by 185% in December 2008 compared with December 2006. These are very positive impacts for the retail community at a time when the nation is increasingly turning to the Internet and away from the high street for much of its traditional Christmas shopping.
- 1.4 The Cathedral took a significant financial risk in 2006, on the anticipation that there would be an overall contribution to its funds building over future years and reaching a plateau at around £100,000 after four years. However, costs have been higher than expected and sponsorship less available, so the return to the Cathedral has been modest in spite of a major outlay of staff time at an already very busy season.
- 1.5 Winchester City Council invested £15,000 of Local Authority Business Growth Incentive (LABGI) reserves in the Christmas events in 2006, taking the form of an enabling grant to pay for essential infrastructure costs such as cabling. In 2007 a further £2,000 was awarded by the Council to support the development of a comprehensive new *Christmas in Winchester* promotional

booklet. Other support has taken the form of joint marketing activities, brochure distribution, free parking for stallholders and events support. Officers were also involved in facilitating extended hours for the Park and Ride service in 2007, although take-up was not significant enough to be repeated in 2008. The Cathedral has acknowledged this assistance, and has been encouraged to keep developing the events to meet growing public expectations.

- 1.6 Last year saw the introduction of a lantern procession from the Great Hall to the Cathedral, culminating in the blessing of the Christmas tree in the Christmas Market Food Court. The Christmas Market grew from its original 40 chalets to more than 90, and was extended from 10 days to 17. It also included a festive Food Court, British Crafts Village and Father Christmas Grotto.

2 Plans for 2009

- 2.1 This year will see an extended Christmas market, lasting 24 days (subject to planning approval) from 27 November to 20 December. This is a direct response to public demand, as the market is considered an essential part of the experience in the Inner Close. The ice rink continues to 3 January as previously.
- 2.2 The Cathedral is expecting to welcome in excess of 400,000 visitors for its 2009 events, with increased marketing to attract and manage groups coming by coach. Its small staff team is working with the City Council's tourism service to ensure that local businesses benefit from the events, including accommodation and eating places on its dedicated website. The lantern procession – which is linked with the Naomi House charity – is growing in scale, with additional community workshops around the city's venues and in local schools. More charities are being invited to get involved, through opportunities with the ice rink; complimentary charity chalets in the market, and a new nativity display in the Crafts Village.
- 2.3 The significant rise in planned visitor numbers will have an extremely beneficial effect on the city's shops, eateries and visitor accommodation. This is particularly welcome as the economic downturn persists and there is continued anxiety about trading performance across the country.
- 2.4 In view of the positive impact of the Christmas events, the Business Improvement District has offered the Cathedral £5,000 in funding this year and the Leader – who has the portfolio for economy and tourism – is keen for the City Council to 'match' this with a further £7,500.
- 2.5 The proposed grant would be used to enhance the *Christmas in Winchester* publication, improving the branding, print run and scale of distribution. It will also incorporate additional information about other Christmas shopping opportunities around the District, and about green transport to the events and post-Christmas recycling. The brochure will reinforce links with local

businesses, and adopt the modern new branding for Winchester launched earlier this year.

OTHER CONSIDERATIONS:

3 SUSTAINABLE COMMUNITY STRATEGY AND CORPORATE BUSINESS PLAN (RELEVANCE TO):

- 3.1 The Cathedral's Christmas events directly support a key outcome in the Sustainable Community Strategy relating to economic prosperity, in particular: *“Winchester exploits its reputation as a cultural stronghold, using this as a means to stimulate a modern and creative approach to business, by ... marketing Winchester as a world-class tourism destination...”*
- 3.2 Under its wellbeing power, the Council is legally entitled to deliver services which benefit local businesses after considering how this supports the aims of the Sustainable Community Strategy. S2 Local Government Act 2000 is the general well-being power and enables the Council to do anything which is likely to achieve the promotion or improvement of the economic, social or environmental well-being of the area. There is nothing in other legislation or in the statutory guidance which would prevent the use of the power as set out in the report.
- 3.3 The Christmas events also increase participation in arts and cultural activities; celebrate the power of volunteering (through their charity partnerships) and seeks to inspire and engage young people. All of these are important elements of the City Council's 2012 Framework.

4 RESOURCE IMPLICATIONS:

- 4.1 In March this year, Members approved the proposal (CAB1815 refers) to ring-fence a sum of £400,000 from previously unallocated LABGI reserves for measures to support local businesses during the recession. Projects which were approved for expenditure totalling £300,000 with a commitment that officers would present further proposals for the remaining £100,000 in due course, to be implemented by Cabinet in consultation with Principal Scrutiny Committee.
- 4.2 Members are now asked to approve a grant of £7,500 towards the Cathedral's Christmas event, to be funded by a release from this earmarked LABGI reserve of £100,000.
- 4.3 A more detailed report on the total recession support fund will be brought to Cabinet in November. However, this grant proposal together with other proposals being considered elsewhere on this agenda (CAB1872), will bring the total amount allocated from the remaining £100,000 to £51,500, leaving £48,500 still to be allocated.
- 4.4 Other than the grant expenditure, there is no additional impact on existing revenue budgets, and – given the extensive nature of the Council's officer

involvement in the events already – only a negligible increase in staff time required to administer the grant.

5 RISK MANAGEMENT ISSUES

- 5.1 There are few risks associated with this funding. The key risk is to the reputation of the Council should any misuse of public monies occur, and these are managed through the standard corporate practice of issuing a letter of agreement with tailored conditions to be met, along with regular monitoring meetings between officers of both organisations to assess progress in meeting these conditions.

BACKGROUND DOCUMENTS:

Cathedral Christmas Market website www.winchesterchristmasmarket.co.uk

APPENDICES:

None