

# **Executive Committee**

## **9 August 2016**

### **West Dorset Tourist Information Centres**

### **Service Review**

#### **For Decision**

#### **Portfolio Holder(s)**

Councillor M Penfold (Enabling Champion)

#### **Senior Leadership Team Contact:**

M Hamilton, Strategic Director

#### **Report Authors:**

Nick Thornley (Head of Economy, Leisure & Tourism)

Matt Ryan (Tourism & Events Manager)

#### **Statutory Authority**

Local Government Act 1972.

#### **Purpose of Report**

- 1 To consider the transfer of the Bridport Tourist Information Centre service to Bridport Town Council;
- 2 To consider the public consultation requirements in relation to the options for Dorchester and Bridport Tourist Information Centres;
- 3 To provide an update on Sherborne and Lyme Regis Tourist Information Centre reviews.

#### **Officer Recommendations**

- 4 (a) That Bridport Tourist Information Centre is transferred to Bridport Town Council by 1<sup>st</sup> April 2017;
- (b) That a sum of £150,000 from the Council's reserves be paid to Bridport Town Council in association with the transfer of Bridport Tourist Information Centre;
- (c) That the ability to operate the Bridport Charter market is provided to the Town Council and that the annual fee is waived;
- (d) That Bridport Tourist Information Centre is transferred without public consultation;
- (e) That, for Dorchester TIC, the options of relocation to Dorchester Library or replacement of the existing service with an unstaffed Tourist Information Point (TIP) are presented for public consultation,

with the results informing a report to be considered at the December Executive Committee meeting.

## **Reason for Decision**

- 5 To progress the future delivery options identified for Bridport and Dorchester TICs, ahead of concluding discussions regarding the future of Sherborne and Lyme Regis TICs.

## **Background and Reason Decision needed**

### **Background**

- 6 West Dorset District Council operates four Tourist Information Centres (TICs) in Bridport, Dorchester, Lyme Regis and Sherborne at a current total annual operating cost of approximately £353K, excluding central recharges of £221K.
- 7 The Council started a review of the Tourist Information Service in 2014 with the aim of achieving £300K savings from the operating costs which are managed by the Economy, Leisure & Tourism division.
- 8 As part of the Service Review programme, extensive stakeholder engagement was undertaken in June 2015, in the form of a widely-available survey that was extensively promoted and drop-in sessions for the public, with the results informing options for future service delivery.
- 9 A commitment was made to full public consultation both on the engagement survey and in press releases, once options had been evaluated.
- 10 A Scrutiny working group was established by the former Efficiency Scrutiny Committee in order to undertake a scrutiny exercise for the Service Review of West Dorset Tourist Information Centres.
- 11 It had been hoped that the options for future TIC service delivery would all be presented for public consultation and progression at the same time, but as each is now at a different stage of development and Bridport and Dorchester options could be progressed at an earlier stage than the other two, dealing with them separately would be the most appropriate way forward.
- 12 The Overview and Scrutiny Committee received the report of the scrutiny working group following the scrutiny exercise of the Service Review of West Dorset Tourist Information Centres – Bridport Tourist Information Centre – on the 12<sup>th</sup> July 2016. The Committee supported the proposal for Bridport; agreed to the report of the scrutiny working group being the formal response of the committee and confirmed the equality impact assessment. The Committee minute extract relating to this item, along with the formal report of the committee is attached at Appendix 1.

## **Bridport TIC**

- 13 Bridport TIC relocated from commercial premises to the Town Hall, owned by Bridport Town Council, in January 2012 following a major restoration project.
- 14 The TIC operation was reviewed prior to the move and a business model adopted that was deliverable in the reduced floor space available; retail sales were reduced to a minimal level and income generation focussed on ticket sales. Information is available through leaflet racking and digital means and continued face to face service.
- 15 The TIC currently welcomes approximately 110,000 customers per annum and is open Mon-Sat year round (0900-1700 April - October, 1000-1500 November - March).
- 16 Despite the loss of profit from retail sales, operating the TIC from the Town Hall has reduced operating costs and enabled the TIC to work in partnership with the Town Council to allow public access to the building and its historic interior six days a week, year round.
- 17 The 2016 -17 budget for Bridport TIC is approximately £60K, excluding £51K of central recharges.
- 18 The service review has focussed on the transfer of the service to the Town Council, as the Town Council expressed interest in taking over the management of the TIC early in the review process.
- 19 Bridport Town Council has submitted a formal proposal for taking over the management of the TIC and a report from the Town Clerk was presented to the Town Council's Finance and General Purposes Committee on the 15<sup>th</sup> June 2016. Members agreed the recommendations.
- 20 The report outlined the proposed transfer arrangements and requested that the Committee agrees the terms of the transfer of the TIC in order to allow the Town Clerk to conclude discussions, subject to WDDC's Executive Committee approval on the 9<sup>th</sup> August.
- 21 The Town Council is confident that it can maintain the existing service level, while implementing initiatives to enhance services and income, but requires some funding to assist with transitional arrangements.
- 22 A transfer of the service to the Town Council would involve a TUPE transfer of existing TIC employees. Information and consultation requirements with employees and unions under TUPE legislation will result in a 12-week period of consultation.
- 23 The terms of the transfer would also include the gifting of existing IT equipment.
- 24 Currently, Bridport Charter market is run by Bridport Town Council under licence from the District Council. The Town Council pays a fee to the District Council. The District Council is budgeted to receive an income of £18,893 for 2016-17 although the 10 year average payment is

approximately £13,500 per annum (based on the performance of the market). The Town Council has requested that this arrangement be reviewed as part of the TIC review, that the power to run the Charter market is devolved to the Town Council or a revised agreement is provided and that the annual fee is waived.

- 25 A phased funding agreement was discussed with officers but discounted in favour of a one-off payment of £150K, as well as the waiving of the Charter market licence fee, to enable the Town Council to implement its business plan and increase income.
- 26 The financial agreement will ensure that the Town Council delivers the service for the foreseeable future and there will be an exchange of letters to support this.
- 27 This would leave the District Council with a zero operational cost for Bridport TIC in 2017/18, excluding recharges which were not part of this review.
- 28 The Bridport TIC business case is attached at Appendix 2. The business case sets out the detail of the proposed transfer arrangements and the rationale in support of this.

## **Dorchester TIC**

### **Background**

- 29 Since 1995, Dorchester TIC has operated from large commercial town centre premises in Antelope Walk. It currently welcomes approximately 170,000 customers into the centre and deals with over 7000 telephone enquiries per annum.
- 30 The 2016-17 budget for Dorchester TIC is approximately £153k excluding internal recharges of almost £71K, the main costs being budgeted employee costs (£141K) and premises costs (£48K).
- 31 Income is generated through retail sales, commission from ticket sales and rental of display space within the premises. Net income is approximately £40K per annum.
- 32 A comprehensive service is provided to visitors and local residents, including free information provision in person, by telephone and email, ticket sales for events and transport, accommodation bookings, shopper's parking permits as well as real-time information provision through social media.
- 33 The TIC is open Monday - Saturday year round and employs a part-time manager, a full time assistant manager and six part-time tourism assistants
- 34 During the service review, a variety of options for Dorchester TIC have been considered to meet the savings required by the service review process, including integrating the service into the new Shire Hall attraction, relocating to SWH reception or Dorchester Library and taking a more

commercial approach within the existing premises. Discussions were also held with an operator of a private Dorchester attraction, the County Museum and Dorchester Town Council.

- 35 Further information on each option considered is included in the attached draft business case at Appendix 3, but in summary, relocating the TIC into Dorchester Library is the most viable option identified for future service delivery. The alternative would be closure of the existing service, with tourist information being offered through unstaffed Information Points, though this is not the preferred option of officers or the scrutiny working group members.

### **Option 1 – Integration into South Walks House reception**

- 36 Relocating the TIC service into SWH reception would generate an annual financial saving of approximately £96k in the long term, however a move is not feasible within the current financial year, necessitating an extension to the Antelope Walk lease and ongoing costs in the 17/18 financial year. There would also be a one off cost of approximately £60k associated with the relocation.
- 37 Some redesign of the reception area would be required, but a combination of a reduced face to face service, leaflet racking and digital information/online access could be offered in SWH.
- 38 Integration into the Council's main reception has been discussed with the Customer Services Manager and the significant challenges that this would present have been identified and are outlined in the attached draft Business Case.
- 39 Relocating the TIC service into SWH reception has been discussed extensively with the scrutiny working group and due to the service implications (e.g. no Saturday opening), timescales for implementation and the lack of synergy between the Council's customer services and the TIC service, it is not seen as a feasible option.

### **Option 2 – Integration into Dorchester Library & Learning Centre**

- 40 As part of Dorset County Council's 'Forward Together' transformation programme, a report was presented to People's and Communities Overview and Scrutiny Committee on the 16<sup>th</sup> June 2016, outlining a proposed 'Community Offer for Living and Learning' initiative.
- 41 Key elements of this include the integration of services which can best be delivered from buildings, as opposed to exclusively online, into 'Living and Learning Centres'. These will be strategically located in the most flexible, efficient and accessible buildings.
- 42 This community offer has been developed as a positive proposition for local communities and service users, maintaining access to services in the future within the context of funding cuts. It will require working in partnership with community organisations and other public services.

- 43 Dorchester is not one of the assigned pilot areas to develop this approach, however Dorchester Library & Learning Centre is seen as a key building for the future and has already successfully incorporated a Dorset Police Contact Point and Skills & Learning BDP (Bournemouth, Dorset and Poole) into the building.
- 44 Relocating the TIC to the ground floor of the library presents the following opportunities:
- Working alongside other similar customer focussed frontline community services in partnership with DCC
  - A cost effective and sustainable solution for future service delivery
  - The ability to relocate within the current financial year
  - An estimated overall saving of approximately £99K per annum (excluding recharges). Although a one off cost of approximately £50k would be associated with the relocation.
  - Retention of core services with an opportunity to develop and adapt as the centre evolves
  - Monday - Saturday opening
  - An accessible location, in the town centre, adjacent to a large car park
  - Long term opportunity of combining staff resources and further reducing costs
- 45 Streamlining the service to an appropriate level would impact on existing TIC employees and is likely to result in redundancies.

### **Option 3 – Integration into Shire Hall Dorset**

- 46 Relocating or integrating the TIC service into the new Shire Hall attraction has been discussed extensively.
- 47 The Shire Hall (Development) Trust (SH(D)T) has received Heritage Lottery funding for the project as well as significant investment from the District Council, both in financial terms and in officer time dedicated to the project. The Trust aims to open the attraction to the public in 2018.
- 48 The Trust's Business Plan and HLF submission has always included the stated aim of relocating Dorchester TIC into the building, in order to benefit from its footfall. The Trust has previously stated that the loss of the TIC to the project would have a significant impact on the attraction's profitability and ability to operate successfully.
- 49 However, its proposal for the inclusion of the TIC does not offer a feasible solution in the short term and the Trust cannot commit to take on and integrate the service into the attraction in the long term, providing no guarantee of any significant financial saving or sustainable future for the TIC.
- 50 The Trustees of the Shire Hall Development Trust (SH(D)T) considered the housing of Dorchester Tourist Information Centre at Shire Hall on 14<sup>th</sup> June 2016 and below is the decision of the Trustees:

In August 2015 a heritage consultant was commissioned to conduct research into the potential for the operation of the Dorchester TIC within Shire Hall. The report analysed the current state of the Dorchester TIC, compared it with other TICs in the region and conducted a cost-benefit analysis of housing the TIC in Shire Hall. It was clear from the report that no analysis had been conducted to show what percentage of TIC visitors would become Shire Hall visitors if the TIC were in Shire Hall as opposed to in another location.

Taking all of the available documentation and cost/benefit analysis into account, and having consulted with a variety of stakeholders, the view of the Shire Hall Dorchester Trust (SHDT) is that, although not a clear-cut issue, on balance the costs of housing the TIC in Shire Hall outweigh the benefits to SHDT. The consultants report showed that in financial terms, there would be a net cost to SHDT of around £50,000 per year. This did not include issues such as, for example, TUPE agreements. Furthermore, the uncertainty about the current and future WDDC funding of the TIC means that housing it at Shire Hall would represent a significant financial and reputational risk to the Trust.

The SHDT Board of Trustees has therefore decided that the TIC should not be located at Shire Hall.

- 51 In summary, the decision by the SHDT Board of Trustees is partly because of the financial insecurity of funding of a TIC, but there are other factors that informed the decision, including no clear benefit from TIC footfall and financial and reputational risk.
- 52 Members of the scrutiny working group and officers have been mindful about keeping the Shire Hall option under review as the attraction develops in the future.

## **Sherborne TIC**

- 53 Sherborne TIC has operated from its existing premises since 1995 and currently welcomes approximately 55,000 customers per annum.
- 54 The 2016-17 budget for Sherborne TIC is approximately £69k excluding internal recharges of almost £47K.
- 55 The current preferred way forward for Sherborne TIC is to continue operating the TIC in its current premises until relocation and transfer of the service can be progressed or, if this cannot be realised, that the TIC continues to be operated by WDDC for a period of up to 3 years.
- 56 Option 1 was to relocate the TIC to the refurbished Digby Hall and transfer the service to Sherborne Town Council.
- 57 WDDC has provisionally allocated £500K to the refurbishment of the Digby Hall on condition that it delivers the outcomes it requires, one of which is the inclusion of a reduced TIC service.

- 58 The Town Council set up a working group on this and District Council officers were invited to discuss a way forward for the TIC with this group. The working group expressed concerns about the inclusion of the TIC in the Digby Hall project, as well as wider concerns about the feasibility of progressing the Digby Hall project overall in light of the changing plans of other groups with similar aims (Sherborne House, SCACT, Sherborne School for Girls).
- 59 The recommendation from the Town Council's working group was supported by the Town Council at a meeting on the 20<sup>th</sup> June; that the Town Council does not enter into formal discussions with WDDC regarding the relocation of the TIC to the Digby Hall.
- 60 The Town Council has therefore confirmed that the discussion regarding the inclusion of the TIC into the Digby Hall has ended and acknowledges that this decision means that the £500k is no longer available for the Digby Hall.
- 61 Option 2 is to relocate the service to the proposed new Arts Centre and transfer the service to the Sherborne Community Arts Centre Trust (SCACT).
- 62 Officers have met representatives from SCACT and are awaiting a proposal from the Trust by the end of September.
- 63 In the event of neither option being feasible, an alternative would be to close the service and replace it with an unstaffed Tourist Information Point (TIP), though this is not officers' preferred option.
- 64 It should also be noted, that the engagement survey in Sherborne prompted the highest number of responses. Local residents account for a high percentage (70%) of Sherborne TIC's customers and this option of a TIP will not fulfil their requirements nor reflect the findings of the engagement survey.

## **Lyme Regis TIC**

- 65 Lyme Regis Town Council (LRTC) is proposing a holistic approach to linking service reviews with assets and other services' discussions. LRTC has written to WDDC outlining its position and their proposals are being discussed with the Strategic Director responsible for functions including assets and infrastructure. This includes the future delivery of some form of information service.
- 66 The 2016-17 budget for Lyme Regis TIC is approximately £71k excluding internal recharges of almost £51K.
- 67 The current preferred option is to continue to operate the TIC service in its existing premises until discussions are concluded with the Town Council or, should agreement not be reached, that the TIC continues to be operated by WDDC for a period of up to 3 years. The alternative option is to close the TIC and establish an unstaffed Tourist Information Point (TIP), though this is not officers' preferred option.

## **Implications**

### **Financial**

- 68 The transfer of Bridport TIC to Bridport Town Council will incur a one-off cost of £150K from the Council's reserve, set aside for the devolution of services to alternative providers and an income reduction of £18,893 per annum that the District Council has budgeted to receive for the operation of the Bridport Charter market.
- 69 The recommended option for relocating Dorchester TIC into the library will generate significant savings, in the region of £99K per annum, excluding recharges and one off costs associated with the move.

### **Legal**

- 70 The Council has a statutory duty to consult on proposals relating to the delivery of functions exercised by the Council in relation to their continuous improvement (section 3 LGA 1999).
- 71 There could be a risk of challenge by not undertaking public consultation for the transfer of the Bridport TIC to the Town Council, however as this is the only available option and the service will remain in its existing location providing a similar service with existing employees, with only a change of management organisation, this is perceived as an acceptable level of risk.
- 72 In addition, an extensive stakeholder engagement survey was carried out in June 2015. Over 2100 responses were received, with 353 respondents identifying Bridport as their 'usual' TIC to visit. Of these 353, 94% rated the staff/customer service as the most important aspect of the service, followed by a town centre location, the provision of free information and ticket sales. All the main findings from the survey will continue to be provided under the Town Council, thereby meeting the public's expressed feedback.
- 73 The Council will carry out public consultation on the options for Dorchester Tourist Information Centre to inform future deliberations.

### **Equalities**

- 74 An equality impact assessment has been prepared for the transfer of the TIC to the Town Council and the TUPE transfer of employees. In summary, the Partnership recognises the importance of supporting employees through the TUPE process and monitoring equality issues. There is no evidence of any detrimental impact on customers.

### **Economic Development**

- 75 The operation of the West Dorset TICs generates an economic benefit by influencing visitor spend.

- 76 TICs make a contribution to the local economy by providing a welcome to visitors, encouraging them to spend more time and money in a locality and improving the chance of a return visit.
- 77 There is likely to be no change in the economic benefits derived from Bridport TIC given that the service under the Town Council will broadly be the same as now, but in Dorchester where fewer customer numbers are predicted in a new location there is likely to be a reduction in the benefits derived for the local economy from the TIC service; at least in the short term.
- 78 However, WDDC's investment in the development of visitdorset.com, the tourist website for Dorset, which is operated in partnership with other Dorset councils and receives over 2 million visits per annum, is seen as a more efficient and modern way to ensure that visitor information is provided to the widest possible audience and that visitor spend is generated by securing bookings and through the extensive marketing of the area.

### **Risk Management (including Health & Safety)**

- 79 The risks associated with the transfer of Bridport TIC to the Town Council are seen as low although members are asked to note the risk of challenge by not undertaking public consultation within the legal section of this report above.
- 80 The current major risk identified for the proposed Dorchester option is the limited support for relocation in general from stakeholders.

### **Human Resources**

- 81 The transfer of Bridport TIC will require the TUPE transfer of the current employees assigned to that activity to the Town Council.
- 82 The proposed option for Dorchester TIC will require a re-structure and streamlining of current staffing.
- 83 Employees and Unions will be consulted as part of the transfer arrangements.

### **Consultation and Engagement**

- 84 The Unions have recently been updated on the service review and the Dorset Councils partnership branch of Unison has provided the following comments:

The branch recognises the immense amount of work being put into this project to continue to provide a valued service to the people and visitors to Dorset.

The branch is fully supportive of the plans for the Bridport TIC as long as staff that are subjected to the TUPE transfer are not disadvantaged in their

terms and conditions. The branch would expect to be fully involved in that process.

We are disappointed with the options available for the Dorchester TIC as it seems inevitable that it will result in redundancies and have a significant impact on the lives of several employees. If there has to be a selection process for the few remaining posts we would hope that an offer of voluntary redundancy on compulsory redundancy rates would apply.

The branch hopes that the Sherborne TIC and the Lyme Regis TICs can be saved and a fully staffed alternative be found to avoid potential redundancies and to provide Sherborne with an equal service.

- 85 Extensive stakeholder engagement was carried out in June 2015. Over 2100 responses were received and the key findings are included in the attached draft business case.
- 86 It is proposed that no public consultation takes place with the transfer of Bridport TIC to the Town Council. Please refer to rationale within paragraphs 71 and 72 above.
- 87 The proposed options for Dorchester TIC are subject to Public Consultation for an 8 week period starting August 2016. The results of the consultation would inform the deliberations of the Scrutiny working group and the Overview and Scrutiny Committee; and a further report to the Executive Committee for consideration in December.

## Appendices

- 88 Appendix 1 – Overview and Scrutiny Committee Bridport TIC minute and formal report of the committee
- 89 Appendix 2 – Business Case (Bridport TIC)
- 90 Appendix 3 – Draft Business Case (Dorchester TIC)

## Background Papers

- 91 Documents include the Service Review project scope, initiation document, risk assessment, research into alternative delivery models, Equality Impact assessment and the proposal from Bridport Town Council.

## Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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