

Board Papers



Agenda Virtual Board Meeting Thursday 11th February 2021– 8am

Time		Item	Lead	Reference
08:00am	1	Welcome and Apologies	ТВ	
08:05am	2	Declarations of Interest	ТВ	
08:10am	3	Minutes and matters arising from Board Meeting held on 12 th November 2020	ТВ	
08:20am	4	Chair Introduction	ТВ	
08:50am	5	Chief Executive Report/Briefing note	JM	(Board Paper 229)
09:10am	6	Company Finances	DW/JM/JL	
09:50am	7	A.O.B		
10:00am	8	Close		

CWTB NO. 5067662

Minutes of a Virtual Meeting of the Board Thursday 12th November 2020 – 8am

Present: Angie Robinson ("AR") (Chair)

Joe Manning ("JM")

Marketing Cheshire Steven Broomhead ("SB")

Directors Adrian Bull ("AB")

Andy Lyon ("AL") - part meeting

David Walker ("DW") Eleanor Underhill ("EU") Mark Goldsmith ("MG")

Sarah Callander-Beckett ("SCB")

Rupert Collis ("RC")
Gemma Davies ("GD")

In Attendance: Trevor Brocklebank ("TB") (observer)- part meeting

Philip Cox ("PC") (observer) Nicola Said ("NS") – part meeting.

Apologies: Clare Hayward ("CH")

1. Opening by the Chairman and Welcome

AR thanked the board for joining the call and welcomed Gemma Davies, Cheshire West and Chester Council to her first Board meeting. AR also advised that Trevor Brocklebank, Deputy Chair of the LEP will be joining the meeting after the Chair recruitment discussion.

AR congratulated Professor Steven Broomhead on his MBE

AR advised that it was also Adrian's last meeting and thanked Adrian for his commitment to the board and for his support as Deputy Chair.

2. Declarations of Interest

Please advise Sharon of any changes to your Declarations of Interest

3. Minutes and Actions from the last Meeting

The Board confirmed that the minutes from the meeting on the 31st July 2020 were correct, and AR signed them accordingly.

AR confirmed that a communication had been sent out to Board members regarding recruitment for the role of Chair and a discussion around this follows in the next agenda item.

4. Board Matters

AR advised that following discussions a paper was circulated to board members putting forward Trevor Brocklebank as the preferred candidate to take over the role of Chair of Marketing Cheshire. It was felt that Trevor's appointment would strengthen the relationship between MC and the LEP.

All board members present unanimously agreed to the appointment of Trevor Brocklebank as Chair of Marketing Cheshire, and to advise the LEP accordingly.

5. Board Briefing Note / CEO Report

JM referred Board members to the report circulated within the Board pack and highlighted the key areas for discussion at today's Board meeting.

- JM referred to the current economic picture and the challenges in Chester and Warrington due to Covid-19 and the rise in unemployment in the area particularly in the hospitality industry.
- We did see an increase in consumer demand in the Summer and a number of sectors in C&W are doing well including the logistics, life sciences and chemicals industry.
- Warrington Town deal has gone through and this will be important for promoting the visitor economy, culture, and heritage in Warrington.
- The paper refers to Covid19 rates still rising in the Northwest, however since writing the paper the rates have now started to flatline and even drop in areas such as Warrington and there is good news around the development of a vaccine.
- Covid-19 response work undertaken by MC includes: -
 - Strong collaborative work with the LEP particularly on the jobs and skills agenda
 - Working with University of Chester on the Accelerate programme
 - Business support we continue to hold webinars, keeping businesses updated on the help that is available to them
 - Rolled out £1M support fund programme to help businesses hardest hit by the pandemic
 - We can turn this around campaign, the communications are now based around promoting shop local and we continue to work with the business support districts to tailor the campaign around changing restrictions.
- Place Marketing work has not progressed as quickly as hoped due to current circumstances, but we have had conversations on how we make sure it builds on the distinctive strengths within C&W.
- We are working on a new approach to inward investment and growth of existing businesses to interlink with place marketing work.
- We are working on refreshing the destination management plan and are working with the cultural economy in partnership with the local authorities and cultural businesses.
- There is a need to find time to review the strategic direction of MC and to look at our priorities going into the next year.

AR welcomed Trevor Brocklebank and congratulated him on being appointed Chair of MC.

SB stated that the LEP and Marketing Cheshire have done a really good job in response to COVID-19 and with the recovery plan. When considering the bigger picture, the LAs have also put in a lot of financial support which has gone to the hospitality industry as well as other sectors. The Business Improvement Districts and DCMS have also supported businesses and visitor attractions and sporting clubs. Ongoing partnership will be important.

JM reiterated SB's point regarding the importance of partnership working and collaboration with the Business Improvement Districts

MG advised of the footfall survey carried out in Cheshire East in October via mobile phone signals, footfall is down in most areas, however, footfall in Macclesfield and some of the smaller secondary towns remains high, showing that people are shopping local. Knutsford council are launching their own local currency, this could be rolled out to other councils.

Referring to the Warrington Town bid and Chester activity EU questioned on how we could best serve the whole area allocating our efforts across the different towns we serve.

JM advised that we need to take a hard look at our budget for next year to make sure we can deliver on our strategic priorities. We will report back to the board to identify our strategic intent and agree whether we are set up financially to deliver on these objectives.

Action JM/NS

JM confirmed that there is more work to do to understand the data behind where our tourist areas are. It was suggested that we could develop an environmental scan document to underpin our business planning.

GD advised that with regard to the wider place activity outside Chester there is data gathering we need to do around the towns, CW&C have carried out a study and have come up with a framework with key principles that will be adopted locally. This study will be in the public domain next week and will be shared with MC.

GD advised that grants are live this week and CW&C are currently dealing with a huge number of applications. The challenge is that not all businesses will be eligible for these grants. CW&C do, however, have the ARG grant and need to discuss use of this grant collectively across the sub region.

PC stated that MC has a much wider role to play above being the DMO for Cheshire and Warrington, however, emphasised the importance of tourism within the place marketing work. The Increased integration between MC and the LEP will mean additional funding for MC from the LEP.

SCB stated that it is really important that we acknowledge success of the proactive messaging undertaken by MC over the past months, one of the key things this will have achieved is to maintain the loyalty of MC members who may have otherwise fallen away.

TB advised it is a huge privilege to be asked to Chair the board of MC and thanked Angie for her role as Chair. TB stated he is very passionate about Cheshire and Warrington and is very keen to hear from Board members. Trevor stated that he will make sure we have a clear strategy going forward as we have a critical role to play in C&W to lead the place agenda.

2020/21 Q2 Financial Report AR introduced DW to report on the company finances.

DW advised the Board that our Finance Manager, Debbie Bland, has made the decision to leave the company following a period of ill health. DW stated that DB has done a fantastic job and wanted to extend thanks on behalf of the Board to DB for her hard work and commitment, particularly in this difficult time. SP to write a letter from Board to thank Debbie.

Action SP

DW advised that DB is currently helping our Temp Finance Manager, to produce the management accounts.

As DB is leaving the business, we are required to change the signatories on the bank mandate, removing DB and appointing Joe Manning and Nicola Said as signatories. The resolution to change the signatories on the Bank Mandate was approved unanimously by the Board.

As a result of DB's absence the audit group at their meeting on the 21st October were only able to review draft financial statements for Q2. These figures were restated upon DB's return to the business. To avoid confusion the minutes from this audit meeting were not circulated with the pack. It was agreed that these minutes can now be distributed to board members for review.

Action SP

DW referred Board members to the Q2 report included within the board pack and ran through the key elements of the report advising that the Audit Committee are comfortable with the reported loss in the current circumstances and that our reserves, which are above our required wind-up costs, were sufficient to cover this loss.

DW reiterated AR's thanks to AB who has also served on the Audit Group, DW thanked AB for a brilliant job working on the Audit committee and stated that we are now looking for 2 new members to join the audit committee. JM confirmed he has approached members of the board regarding joining the audit committee.

SB volunteered to join the Audit Committee.

Action SP to send invites.

DW advised that we will be asking Juliette to conduct a detailed review of our costs and to produce a 7 plus 5 reforecast including a review of our wind-up costs. This works should be completed within the next month.

Action JL

There has also been a realignment of the work of MC employees, transferring 2 partnership roles temporarily to work in the Growth Hub therefore these employee costs will be covered by the LEP.

7. Cashflow

JM advised that it is now unlikely we will be bringing in commercial income in Q4, due to Tier 2/3 restrictions and national lockdown. Looking at the first quarter of next year one of our assumptions is to introduce commercial partnership income, we will have to assess as a Board if this is the right thing to do. If we do not, we will have to look at different income sources or bring forward cost reductions.

NS advised that we have extended the cash flow report to cover the first quarter of 2021/22 and have released ringfenced money for MIPIM to cover COVID-19 response and recovery work in this financial year.

Full payment of all deferred VAT is included within this year's cashflow.

Conservative estimates for activity within the cash flow, with the intention to go out for partnership income in Feb / March, 50% of what is achieved in a normal year.

We anticipate that we will be able to apply for further grant funding from Government in the final quarter.

Assumed LEP income the same as this year, however this could be increased, and we will work closely with the LEP to streamline business planning and management account for the next financial year.

NS advised that the core income refers to income from the LEP.

JM confirmed that we will be reviewing income sources and costs. We will clearly identify options and funding streams going forward, to ensure clear transparency for the Board in both strategy and budget setting.

8. Any Other Business.

Angie thanked the Board for their support over the years and to Joe and Sharon for their support and to the wider MC team for all their hard work and support.

Next meeting

The next meeting will be held on the Thursday 11^{th} February 2021 - via Microsoft Teams

ignature (Trevor Brocklebank, Chair)
Date

11th February 2021

Chief Executive update Paper 229

1. Summary of economic picture

The focus of the Marketing Cheshire business members and network is the ongoing impact of Covid19 and a third national lockdown. Many have found it particularly difficult to deal with the very short notice they have been given of change in restrictions and movement between different tiers. This has created significant uncertainty and further hit business and consumer confidence.

The Chancellor announced additional grants. Many are reporting that these grants do not cover the cost of the stock they had bought in and then had to destroy. To mitigate this for the future, they have asked for a clear timetable for the roll out of the vaccines and open and transparent reporting of progress against it. This will help them judge when to begin preparations for re-opening. Others are increasingly concerned about the level of debt they have taken on to survive the last year and the potential for significant redundancies if the furlough scheme is not further extended. Business owners are also starting to report that they are mentally exhausted and feeling very alone. CW&C has launched a programme to provide mental health support to business owners, as have the Federation of Small Businesses (FSB). We have written to the Prime Minister's office setting out these issues. The letter is attached as an annex to this report.

The flooding in Northwich has also had a devastating impact on the town centre and its retail, hospitality and visitor offer. We are in discussion with Cheshire West and Chester on how we can provide further support to the businesses affected and promote the town's reopening and recovery.

Despite the incredibly challenging conditions Cheshire and Warrington has a fantastic offer, with a resilient and innovative business base. In the short term we will continue to promote our shop local message whilst being careful to ensure we respect the current "stay at home" message. The vaccine roll-out provides light at the end of the tunnel. We are hopeful of pent-up demand for staycations, day visitors, and residents enjoying the offer on their doorstep. We will promote the sub-region through the website, through social media and through a monthly two page spread in Cheshire Life. We are developing guides to what's on where and the events that are being planned by partners for the summer.

2. Communications and marketing

With many events cancelled in December, our Christmas visitor communications were focused to support food and beverage and retail providers. We responded to the cancelled Chester Christmas Market by creating a virtual space on Facebook where traders could showcase product and process sales online through either delivery or click and collect. Content centred around core messages of 'festive menus in Cheshire', 'let's be dependent on our independents' and 'shop local online'.

Between October-December we secured 26 pieces of media coverage. Most notably, the virtual shopping hub we created on visitcheshire.com featured in The Guardian's national Christmas Gift Guide, with an estimated impact of 24m readers. The virtual hub hosted direct links to businesses offering a delivery/click and collect service, in addition to inspirational gift blogs and encouragement to 'pay it forward' with gift vouchers and pre-booked experiences.

Additional standout coverage in the autumn and winter included:

- Sunday Express: Explore the legacy at Britain's top 5 roman sites.
- The Guardian: 20 of the best autumn gardens in the UK
- Daily Telegraph: UK holiday calendar: Glorious breaks to get you through the next 6 months.
- Mail Online: Eleven of the best NEW places to stay in England in 2021.

Our approach to social media continues to evolve in step with Government guidance. Changes in December to Covid-19 restrictions in Cheshire and Warrington proved challenging to the tone of our message output, despite this however our consumer channels still delivered strong growth and engagement. Our twitter feed achieved a reach of +83%, Instagram gained an additional 300 followers, and a targeted 'shop local' Facebook advert reached an audience of 68,000. This success continued in January, with an additional 500 Instagram followers and a total reach of 344, 781 users across social media. Further detail is included as an annex to this report.

Our letter to the Prime Minister was picked up by Granada, where we had a feature alongside interviews with Jamie Christon, Chief Operating Officer of Chester Zoo and Steven Hesketh of the Hospitality Association. The press release was also picked up by Radio Merseyside and with online and print media locally. Last week we worked with the Growth Hub and Business Representative Organisations through the Cheshire Business Group to remind businesses of the need to continue to follow Covid19 guidance and the support available locally.

The Marketing Cheshire team is also leading on rebranding and corporate website redesign for the LEP. This project is intended to simplify the LEP's offer for local business and communities, and to fully integrate the sub-region vision for a 'healthy, sustainable, inclusive and fast-growing' economic recovery.

Across the wider LEP agenda, the team seconded to the Growth Hub continue to support with enquiries and signposting. As well as Covid response, we are delivering marketing campaigns to support EU Transition, Exporting and Sector Support. We are also undertaking market research to better understand business challenges.

With the Pledge programme, which matches employers with local school students, Marketing Cheshire has played a key role supporting the national Careers and Enterprise Company campaign to recruit Enterprise Coordinators for schools and run virtual Careers Events. We have successful generated twice the national average of leads.

3. Economic response and recovery

Approximately £280 million worth of grant support has been provided by government and distributed to over 15,000 businesses through Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council. The LEP has also provided targeted support. The Cheshire & Warrington Recovery & Restructure Grant offered an 80% grant up to £5,000 to support eligible Cheshire & Warrington businesses adjust to the Covid-19 outbreak. Around 50% of the LEP funding is being directed towards the region's hard-hit visitor economy, targeting tourism, hospitality and retail businesses with support. The balance will be allocated to SMEs in the wider economy.

We are developing proposals to be included in the LEP's economic recovery strategy. These proposals will be developed in partnership through our Destination Chester and Destination Cheshire networks. This will include reopening campaigns, events, and we are also working with local authorities to consider PR activity in support of a soft launch for Cheshire Day in late March.

The purpose of Destination Chester is to lead the development of Chester city and cluster as a major tourism destination, by attracting more visitors, improving visitor experience, dwell time and spend. Destination Chester will be the single umbrella organisation and streamline activity with key local stakeholders. Current membership includes major attractions such as Cheshire Oaks, Chester Cathedral and Chester Zoo, as well as smaller promoters and events organisations, such as Taste Cheshire and We Love Good Times Ltd. Cheshire West and Chester Council and CH1 BID are also founding members of the network.

Destination Cheshire is currently focused on developing a marketing strategy for a regional reopening campaign. We intend to formalise the role of the network, expand its membership, and ensure full geographical coverage for the region. This will allow it to take a strategic approach to economic recovery and future destination development and promotion. It is important that both Destination Chester and Destination Cheshire are regarded as independent and we will look to appoint a private sector chair to represent the networks. Marketing Cheshire will provide the secretariat in line with our organisational objectives.

4. Operations and staffing

The Marketing Cheshire team worked remotely throughout autumn / winter 2020 and will continue to do so. The Visitor Information Centre in Chester was open in December until the latest lockdown was introduced, and although footfall was down it reported strong sales particularly of the Chester Gift Card. We have introduced flexible working patterns in response to the national lockdown for those staff with home schooling or other caring responsibilities. We have frozen all recruitment and have continued with our position to not furlough staff given that Marketing Cheshire has received most of its funding in 2020/21 from the public sector. This has also allowed us to continue delivery of marketing support for all the LEP programmes set out above alongside our core Destination Management offer. We have worked with YouthFed to provide staff wellbeing workshops and established a digital way of working group to share best practice.

5. **Board recruitment**

We have had significant interest in Board positions for both Marketing Cheshire and the LEP. The Marketing Cheshire board interviews will take place on 15th February. The panel will be chaired by Steve Broomhead, Chief Executive of Warrington Council. Eleanor Underhill will represent Marketing Cheshire, and Nicola Dunbar, a LEP board member, will be our independent panel member.

Joe Manning, Marketing Cheshire, 03/02/2021



Marketing Cheshire Riverside Innovation Centre 1 Castle Drive Chester CH1 1SL

Friday 15th January 2021

The Rt. Hon Boris Johnson MP Prime Minister 10 Downing Street Westminster London SW1A 2AA

Dear Prime Minister,

Cc, Chancellor of the Exchequer, Secretary of State for Digital, Culture, Media and Sport,

As with the rest of the country, the Covid19 pandemic has had a devastating impact on communities across Cheshire and Warrington. We are hugely grateful to all our NHS staff and frontline care workforce who have worked tirelessly over the last year. We recognise and support the need for continued measures to limit the impact of the virus. At the same time, we must take steps to secure economic recovery.

We wanted to draw your attention to the ongoing challenges faced by the hospitality, tourism, events, and retail sectors. Across our region these sectors have an economic impact of £3.8 billion, create significant local employment, and are at the heart of our towns, cities, and rural areas. The region receives approximately 70 million visits annually. Chester Zoo is the most visited attraction outside of London with 2 million visitors in 2019. We look forward to the opportunities of 2021 and beyond and are ready to welcome back our communities and visitors as soon as we can safely do so but are very concerned about business survival over the coming weeks and months.

The UK Government support to date, through the expanded Job Support Scheme, additional restrictions grant funding for local government, and national loan schemes has been welcome, as has the additional support that has been made available by the Chancellor for the third lockdown. However, the current package will not be sufficient to meet the scale of the challenge faced by many businesses.

Businesses in Chester, for example, had an incredibly difficult 2020. Chester's unique position as a global heritage city on the North Wales border means it was disproportionately impacted due to both international travel restrictions and travel restrictions between Wales and England. Many

significant events had to be cancelled from Chester Races, to business conferences, or the annual Christmas Market. The situation was compounded by restrictions throughout the summer and autumn that have limited visits from Greater Manchester and Merseyside.

Many businesses have had to take on significant levels of debt just to survive and the latest lockdown will make this situation worse. We also have significant concerns about the toll that ongoing closures and debt levels are having on the mental health and wellbeing of business owners, our workforce, and those in the wider supply chain who are all concerned about their livelihoods. We have provided anonymised case studies in the annex to this letter that set out the challenges in further detail.

Therefore, we ask that you work with us on solutions to support us and help business cashflow over the weeks and months ahead, considering for example:

- A long-term replacement for Bounce Back Loans and Coronavirus Business Interruption Loan Scheme, including an extended payment holiday until 31st March 2022 and consideration given to the extension of the current 6-year payment plan to a 10-year payment plan.
- Extension of business rates relief and VAT at 5% for tourism, hospitality, and retail sectors until at least 31st March 2022.
- Continuation of Job Support Scheme for tourism, hospitality, and retail beyond 31st April to allow businesses to gradually reopen and to protect jobs as the visitor economy begins to recover.

We are also supportive of proposals for a Minister for Hospitality that were the subject of a Westminster Hall debate earlier this week. It is critical that Government continues to provide joined up leadership for those sectors that have been hit hardest by the pandemic. We ask that Government brings forward a full recovery plan, and we would welcome a future Ministerial visit to show how we can lead that recovery.

We are a pro-active and collaborative region and are working in partnership to develop ambitious proposals for the future of our cities, towns, and rural areas. We are in a strong position given all that we have to offer locally, but our businesses need more help to survive in the short-term so they can plan for a brighter future.

Yours sincerely,

- Chester Business Improvement District
- Cheshire & Warrington Local Enterprise Partnership
- Cheshire West and Chester Council
- Destination Chester
- Marketing Cheshire
- Chester Hospitality Association
- Chester Attractions Partnership
- Taste Cheshire
- We Love Good Times Ltd

ANNEX 1 - Case studies

Large visitor attraction

A large attraction which at this time last year employed 174 people, is now employing 102 people of which 99% are on furlough. Monthly overheads are £50,000 when not open. The attraction has received £11,576 in grants however debt has increased from £1.8m to £2.4m during the year. In 2019 footfall was 778,000 compared with 220,000 in 2020. This is a 72% reduction.

Small visitor attraction

A small attraction employs 7 people with 85% of staff on furlough. Fixed monthly overheads are £5,000 when not operating, and despite grants received of £10,000, debt has increased from £130,000 to £290,000 within the year.

Small Hotel

A 30-bedroom hotel, which employs 25 people and has 80% of staff on furlough. Monthly overheads are £25,000 when not open. The hotel has received £33,000 in grants; however, debts have increased from £30,000 to £105,000 during the year. When Cheshire West & Chester went into Tier 4 from Tier 2, the hotel lost £2,100 in stock which had been ordered for the Christmas period. The hotel was able to get a rent discount of £20,000 during the first lockdown but has advised that they are unable to receive any further discounts from their landlord.

Large Hotel

A regional hotel group with three hotels, employs 110 staff and has 90% of staff on furlough. Monthly overheads are £28,000 when not open which does not include deferred rent. Debt has increased from £100,000 to £190,000 within the year. When Cheshire East went into Tier 4 from Tier 2, the hotel lost £5,000 in stock which had been ordered for the Christmas period. Occupancy across the three hotels dropped from 80% average for 2019, to 5% for 2020. Turnover dropped from average £140,000 a month to average £12,000 a month.

Restaurant Group

A regional restaurant group which employs 850 people and has 98% of staff on furlough. Overheads are £500,000 even when not open. The group has received £157,000 in grant; however, debt has increased from £7.6m to £10.9m during the last year. When Cheshire West & Chester went into Tier 4 from Tier 2, the group lost £10,000 in stock which had been ordered for the Christmas period. The group is receiving no income at this current time and landlords are insisting on payment of rent. They had furloughed 835 employees, but this continues to cost the company £50,000 in national insurance and pension payments.

Retailer

A small city retailer employing 4 people of which 75% are on furlough. Monthly overheads are £4,000 when not open. The retailer had no debt in March 2020 and now has £10,000 and has received £10,000 in grants to date.



SOCIAL MEDIA REPORT

January 2021

PERFORMANCE OVERVEW

CHANNEL	FACEBOOK		VISIT CHESTER TWITTER		VISIT CHESHIRE TWITTER		INSTAGRAM	
MONTHLY COMPARISON	Last Month	This Month	Last Month	This Month	Last Month	This Month	Last Month	This Month
NEW FOLLOWERS	27	255	9	22	3	2	305	466
TOTAL FOLLOWERS	21,453		18,569		36,574		9,590	
TOTAL REACH (ORGANIC + PAID)	46.4k (+ 60.7k paid)	75.8k	104.4k	93k	83.6k	68.4k	66.4k	107.6k
AVERAGE POST REACH	3.3k		2k		1.3k		5.6k	
NUMBER OF POSTS	23		45		51		19	
NOTES	All organic		All organic		All organic		All Organic	

VISIT CHESHIRE FACEBOOK

TOP PAID POST



n/a

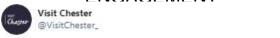
TOP ORGANIC POST



44k organic reach 2211 engagements

VISIT CHESTER TWITTER

TOP POST ENGAGEMENT



Which well-known #Chester landmark is missing from this painting of Eastgate?

Clue: the painting dates back to 1800.









TOP POST REACH



19.5k reach

VISIT CHESHIRE TWITTER

TOP POST ENGAGEMENT



Beautiful snowy scenes at #MacclesfieldForest.

Thanks to @ForestGin for this fantastic photo **





TOP POST REACH



Beautiful snowy scenes at #MacclesfieldForest.

Thanks to @ForestGin for this fantastic photo **



8.8% engagement rate 3k reach

VISIT CHESHIRE INSTAGRAM



TOP POST



10.6k reach 798 likes