

Bath & North East Somerset Council		
MEETING:	Cabinet	
MEETING DATE:	12 <sup>th</sup> October 2011	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2280
TITLE:	Tourist Information Centre Refurbishment	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		

## **1 THE ISSUE**

- 1.1 The Bath Tourist Information Centre (TIC) is the second most heavily used such facility in the UK. The facility is badly in need of refurbishment as little has been done to the interior of this Bath and NE Somerset owned building for over 13 years.
- 1.2 The capital cost of improvements is £186k, which includes transferring the Festivals Box Office from its current site in Abbey Green into the TIC premises.

## **2 RECOMMENDATION**

The Cabinet agrees that:

- 2.1 To enable Bath Tourism Plus, a controlled company of the Council, to progress the refurbishment of the TIC on behalf of the Council this capital project is approved.
- 2.2 That the Council's annual borrowing costs should be met by reducing the annual fee to Bath Tourism Plus by an equivalent amount.

### 3 FINANCIAL IMPLICATIONS

- 3.1 The capital cost of this project is £186k which will be paid as a capital grant to Bath Tourism Plus. The cost will be funded by Council borrowing. Interest is charged at 5% on of the borrowing costs. Repayments are £24k per annum over ten years, plus an interest only payment of £5k 2011/12. The borrowing costs will be met by reducing the grant paid to Bath Tourism Plus for the following ten years or such shorter period as necessary.
- 3.2 Once the refurbishment works have been completed a further review will be undertaken in light of the new operating arrangements of the festivals box office, including the reversion of the current Abbey Green site to the Council, to identify further revenue savings and additional income opportunities in subsequent financial years.

### 4 CORPORATE PRIORITIES

These proposals will help to “Make Bath & North East Somerset a better place to live, work and visit” and will impact positively on the achievement of the Council's priorities, specifically.

- *Improving transport and the public realm*
- *A dynamic economy*
- *World class arts and culture*

### 5 THE REPORT

- 5.1 The Tourist Information Centre (TIC) is a key element within the local tourism economy. In 2009 it was the busiest TIC in England, recording 536,000 visitors. It reaches between 1 in 4 of all visitors to Bath.
- 5.2 The TIC is operated by Bath Tourism Plus, a Council controlled company.
- 5.3 Income generated by the TIC reduces the subsidy paid by the Council to finance tourism, marketing and promotion of the Bath and NE Somerset area by Bath Tourism Plus.
- 5.4 Refurbishment of the ground floor of the Council owned building will refresh the Tourist Information offer to visitors and will incorporate the transfer of the Festivals Box Office from its premises in Abbey Green, with consequent revenue savings and increased income generating opportunities.
- 5.5 The investment would be made via a capital grant to Bath Tourism Plus with the debt charges financed over a ten year period via a reduction in the annual fee paid to that company.
- 5.6 BTP have identified a project manager and established a Board Sub - Committee to monitor progress, risk and budget and report back to Board. The Sub – Committee will monitor the achievement of milestones and oversee the

appointment of contractors. A working group, including a Property Services representative, will monitor detailed delivery.

- 5.7 Over the last 4 year period the ability of the Tourism Company to charge for the provision of services has been widened and the trading platforms within the computer systems improved in order to improve their ability to generate enquiries and deal with accomadation bookings. This has improved their trading position however the number of customer service desks within the TIC is restrictive (leading to long que at peak periods). Tickets for events and festivals are presently sold from a different location. Bringing these two service locations together is intended to improve the service for visitors to B&NES and residents alike.
- 5.8 The visitbath web site that supports information services and accomadation transactions received 2 million enquires in the last complete year of trading. This resulted in accomadation booking by value: £1,566,630 of which £270,000 were taken over the TIC counters. Bath Tourism Plus's earning from these transactions is £91,000. The opportunitiy to increase the overall income level is available as a consequence of this development.

## **6 RISK MANAGEMENT**

- 6.1 The report author and Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.
- 6.2 The key risk identified was that delays might occur due to listed building issues. This risk has been mitigated by early consultation with listed building officers and redesigning the scheme to exclude items that could cause complications.

## **7 EQUALITIES**

- 7.1 The refurbishment has regard to the needs of non-ambulatory people. Sight issues are being addressed by the utilisation of contrast and different materials and hearing loops are to be provided to assist those with hearing loss.

## **8 RATIONALE**

- 8.1 The recommendations made in section 2 will enable work to progress on a refurbishment of the TIC that is badly needed. The work will refresh the offer to visitors and will incorporate the transfer of the Festivals Box Office from its premises in Abbey Green, with consequent revenue savings and increased income opportunities.
- 8.2 The costs will be recovered via a reduction in the annual fee paid to Bath Tourism Plus.
- 8.3 The consequence of this decision is that one of the Council's buildings is improved. Should Bath Tourism Plus cease to occupy this building then it will return to the Council in an improved state of decoration and functionality.

## 9 OTHER OPTIONS CONSIDERED

- 9.1 Investing in refurbishment excluding the festivals box office was considered. This was rejected because it would not allow cost savings and efficiencies to be generated.
- 9.2 A 'do nothing' option was considered. This would result in a decay in the service offered to visitors to Bath and a failure to take advantage of an 'obvious' commercial opportunity.
- 9.3 Borrowing on the commercial markets was also considered however the companies status as a controlled company of the Council and the lack of certainty over the occupation of the building (this is restricted to a 4 year rolling occupation based upon the signing of the Service Level Agreement with the Council) precludes this option.

## 10 CONSULTATION

- 10.1 *Ward Councillor; Cabinet members; Staff; Other B&NES Services; Service Users; Community Interest Groups; Other Public Sector Bodies; Section 151 Finance Officer; Chief Executive; Contract Monitoring Officer; Future Bath Plus*

## 11 ISSUES TO CONSIDER IN REACHING THE DECISION

- 11.1 *Customer Focus; Property.*

## 12 ADVICE SOUGHT

- 12.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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<b>Sponsoring Cabinet Member</b>	<i>Councillor Cherry Beath</i> <i>Councillor David Bellotti</i>
<b>Background papers</b>	<i>Designs and Cost Analysis – Bath Tourism Plus</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	