

<b>STRONG AND SUPPORTIVE COMMUNITIES SCRUTINY COMMITTEE</b>	<b>Agenda Item No. 8</b>
<b>26 MARCH 2014</b>	<b>Public Report</b>

## Report of the Chief Executive

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### Commercial Operations Service Plan 2014/2015

#### 1. PURPOSE

- 1.1 Included in the report is a Commercial Operations Service Plan for 2014/15 to provide members with an overview of:
- Commercial Operations Services
  - Their performance
  - Their expenditure/income & service costs
  - Staffing numbers and staffing issues within each service
  - Opportunities for each service
  - Service threats
  - Service Objectives for 2014/15

#### 2. RECOMMENDATIONS

- 2.1 The Committee is recommended to note and comment on the work of Commercial Operations and propose further scrutiny in relation to its business activities.

#### 3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

- 3.1 Peterborough's Sustainable Community Strategy is the plan for the future of our city and the surrounding villages. It sets the direction for the overall strategic development of Peterborough. Commercial Operations remit directly links to the council's strategic priorities;
- Creating Opportunities – Tackling inequality.
  - Creating strong and supportive communities.
  - Delivering substantial and truly sustainable growth.
  - Creating the UK's Environment Capital.

#### 4. BACKGROUND

- 4.1 Commercial Operations provides a framework for the day to day operations of the city and to focus strategic efforts to enhance the city and its region in the long term.
- 4.2 The services vision is to provide a high quality, safe and easily accessible environment that underpins commercial and social success. The following areas of business make up Commercial Operations:

- Car Parking
- CCTV
- Tourism
- Markets
- City Centre Management

4.3 These individual services are strategically aligned under one larger section to support sustainable growth and the commercial wealth of the City Centre. **Tourism** promotes visitation. **Markets** and the retail offer encourages it. **City Centre Management's** aim is to make the City a place people want to visit and do business in. **Parking** service facilitates visitation. **CCTV** helps ensure that visitors and residents are safe.

## 5. BUDGET

5.1 The budget for this service for 2013/2014 is as follows:

	Expenditure	Income	Cost (Surplus)
Car Parking	1,402,356	-3,557,471	-2,155,115
CCTV	461,142	-167,258	293,884
Tourism	568,137	-446,221	121,916
Market	287,555	-410,000	-122,445
City Centre Mgt	702,845	-228,690	474,155
	<b>3,422,035</b>	<b>-4,809,640</b>	<b>-1,387,605</b>

## 5.2 Staffing

Staff numbers within Commercial Operations are as follows:

Head of Commercial Operations	1
Car Parking	17
CCTV	10
Tourism	13 (2 full time, 11 part time)
Markets	2
City Centre Management	2
<b>Total</b>	<b>45 (34 full time, 11 part time)</b>

## 6.0 PARKING SERVICES

6.1 This service manages all of Peterborough City Council's City Centre Car Parks. It also manages Off Street parking (metered parking and illegal parking). A major objective of the service is to allow a good flow of traffic and easy accessible and affordable parking for visitors, businesses, workers and residents. The charging policy for this service is to change at a reasonable rate to encourage footfall to the city and at the same time to provide sufficient income to manage the service.

6.2 This service includes the operation of the camera car to ensure bus lanes and City roads are clear of obstruction and traffic is flowing efficiently. The service also manages Acland Street Coach park between 7am and 6 pm and after 6

pm cars may park in that car park to encourage night time economy.

### 6.3 Peterborough City Council's Car Parks:

	Spaces		Spaces
Dickens Street*	167	Pleasure Fair Meadow	396
Wellington Street	192	Car Haven	207
Regional Pool	197	Market multi-storey	703
Bishops Road	239	Brook Street	140
Riverside	164	Craig Street	120
Wirrina	400	Trinity Street	51
		<b>Total</b>	<b>2976</b>

### 6.4 Performance/Outcomes

After 47 weeks of the last financial year 2012/13 income from car parks stood at £1,809,611. By week 47 it stood at £1,835,598, an increase of circa £26,000 which is 1.5% growth.

### 6.5 Budget of Parking Services

Expenditure	£1,402,356
Income	<u>£3,557,471</u>
Net surplus of service	£2,155,115

### 6.6 Staffing

There are 17 full time staff (two managers, one City Centre Engineer and 12 Civil Enforcement Officers). There are two Civil Enforcement Officer vacancies. This service was restructured in 2013 to bring parking management together with civil enforcement. One staff member oversees, part time, city centre fountain maintenance.

### 6.7 Opportunities

There are many opportunities which need to be realised for this service set out below and which form the services main objectives for the next year.

6.7.1 The present way of issuing parking permits is labour intensive requiring visitation to Council offices and display of a paper parking permit. A paperless parking permit system allowing payment from home would reduce administration times and offer improved customer service.

6.7.2 The signage to Peterborough City Council's car parks can be improved to ensure visitors find car parks quickly that have parking spaces available.

6.7.3 The Council operates a flexible charging scheme to car parks that allows variation to support the needs of the City and promote business, an example being to reduce charges at the Market car park to encourage visitation to the market. This scheme could be extended.

6.7.4 Ringo was introduced to Peterborough City Council car parks in 2012 that

allows users to pay for and top up parking via their mobile phones. This excellent scheme deserves wider promotion.

6.7.5 There may be commercial opportunities to increase car park income from advertising in car parks to displaying adverts on the back of parking tickets.

6.8 **Threats**

As the City Centre develops there may be a need to move the car parks for new developments. In addition government changes to legislation regarding penalties and charges may adversely affect income.

6.9 **Summary of objectives for 2014-15**

- Introduce an improved system for issuing parking permits
- Investigate/implement improved signage to Peterborough City Council car parks
- Extend the flexible charging scheme to allow promotions to encourage visitation at certain times in support of business
- Increase promotion of Ringo to residents and car park users
- Investigate further commercial opportunities City Council car parks may allow

7. **CCTV**

7.1 This service comprises operation and observation of 144 cameras 24 hours a day covering the whole of the City. The service also deals with emergency calls for Peterborough City Council and out of hours calls for Axiom Housing on a commercial basis. The objective of CCTV improves the safety to residents, visitors to the City and security of City businesses. Recent capital investment has seen additional cameras installed using new technology.

7.2 **Performance/Outcomes**

This service provides significant detection and deterrence of crime as indicated in the table below:

	Apr 13 to Feb 14	10month average	Last year average	Increase
Requests from police to CCTV	2823	282	262	8%
Airwave information received	737	74	49	50%
Requests from CCTV to police	539	54	44	23%
Persons detained resultant of CCTV	555	56	53	5%

There has been a significant increase in detection of crime as a result of the capital improvements made in this service.

7.3 **Budget of CCTV**

Expenditure	£461,142
Income	<u>£167,258</u>
Net service cost	£293,884

#### 7.4 **Staffing**

There are ten full time staff, nine operators with one manager, who cover the service 24 hours a day for 365 days a year. There are currently no vacancies. This service operated without a dedicated manager for two years until one was appointed in August 2013.

#### 7.5 **Opportunities**

7.5.1 There are opportunities to provide additional CCTV services on a commercial basis to forthcoming redevelopments within the City which the service is currently looking into.

7.5.2 Some of the Civil Parking Enforcement Officers (CEO) are being trained/offered training to provide additional/emergency CCTV cover. This is good for the staff as it grows their skills set whilst ensuring the service has resilience in the event of staff absences and avoids the need to recruit temporary staff from specialist agencies.

7.5.3 With the advent of the City Fibre project there is the potential to improve the service and make the operation future proof. Costings have yet to be calculated but it is anticipated that there will be a saving.

7.5.4 The maintenance contract for CCTV is to be tendered in the next financial year (2014/15) with the aim of reducing costs overall.

#### 7.6 **Threats**

The growth of the City and future needs of CCTV may require consideration to relocating this service in the longer term.

#### 7.7 **Summary of objectives for 2014-2015**

- To reduce the running cost of CCTV through increasing commercial contracts.
- To train Civil Enforcement Officers to operate CCTV.
- To procure the CCTV maintenance contract in 2014/15.
- Investigate potential of service improvements and cost reductions as part of the City Fibre Project.

### 8. **TOURISM MANAGEMENT**

8.1 The Commercial Operations Service includes Strategic Tourism Management and The Visitor Information Service which operates two centres:

- The Visitor Information Centre in Bridge Street which manages tourism, providing information of residents and visitors, providing ticket sales for City events by operating Box Office services and promoting sustainable travel.
- Travel Choice Centre (TCC) at Queensgate Bus Station to service

transport enquiries and Sustainable Travel options in line with Council policies related to Environment Capital aspirations.

8.2 The Visitor Information Centre and Bus Station services are both open Monday to Saturday 9.30 – 5.00pm. Both sites sell a combination of the services:

- Bus Station tickets
- National Express tickets
- Railcards
- Bus Passes
- Holidays
- Maps
- Gifts and tickets to local events

### 8.3 **Performance/Outcomes**

8.3.1 The city has an estimated 2.59m day visitors and 572,000 staying visitors a year. The economic value of tourism to the Peterborough economy from visitors alone is over £200m pa (£109m day and £92m staying visitors). The wider economic benefit across the visitor economy with ancillary and supplier effects is estimated at £301m.

8.3.2 In 2013 there were 3.5million web page views to VisitPeterborough.com. This compares to 1.07million views in 2009.

8.3.3 The Visitor information Service has been restructured to help fulfil its extended, wider potential remit for Visitor Economy Development outlined above. Income has increased from a wider range of ticket sales and this will be set to increase again next year.

8.3.4 2014 has seen a totally new concept and change from “Discover Peterborough 2013” (accommodation guide) to the “Visit Peterborough Handbook 2014” (experiences and accommodation handbook). The new title is to reflect 2 things. Firstly its use literally as an information handbook of simple facts on what, where, how, when you can experience the key experiences of the city in a clear structure. Secondly to align the Visit Peterborough website and handbook titles as a basis for future development.

8.3.5 A marketing partnership for Peterborough has been set up with Vivacity, Opportunity Peterborough, Corporate Marketing, Events and Tourism facilitating a £5,000 Government’s Regional Growth Fund grant to be received.

### 8.4 **Budget of Tourism Management**

Expenditure	£568,137
Income	<u>£446,221</u>
Net service cost	£121,916

8.5 **Staffing**  
There are 14 staff within this section – The Strategic Tourism Manager, the Visitor Information Service Manager, a Team Leader and 11 part time Visitor Information and Travel Choice Advisors.

8.6 **Opportunities**

8.6.1 A Visitor Economy Strategy (VES) 2014-24 will seek to encompass all relevant organisations and their strategies that are relevant to the VES. It will be driven by the City Council to develop the strategic potential of its economy, its environment and its people.

8.6.2 A Destination Management Plan (DMP) 2014-17 will create a flexible strategic framework that will allow inclusion, innovation and cross-working partnerships to develop and flourish. It will help create the One Vision for Peterborough, through the creation of a single Visitor Economy Strategy.

8.6.3 Increasing ticket sales through the Visitor Information Centre could raise further income for the service.

8.6.4 Creating Visitor Economy networks to establish future needs for joint marketing that can facilitate promotion of the City at no cost to the budget will be progressed.

8.7 **Threats**

8.7.1 Face-to-face service to residents and visitors at the Travel Choice and Visitor Information Centres is a key part of the service provision. All steps are being taken to raise all incomes possible within this core remit to reduce the level of subsidy. However the free elements of the public service are time-consuming and cannot be charged for directly.

8.7.2 The budgeted income expectation has been increased by £95,000 with no increase to expenditure budgets for goods and services for resale. It may be possible to generate some new revenues from existing expenditure but these will take time to develop. Revenues are up and costs are being driven down but it is felt that the £95k income improvement aspiration over one year is unachievable.

8.8 **Summary of objectives for 2014-2015**

- Produce a Visitor Economy Strategy (VES) 2014-24
- Produce a Destination Management Plan (DMP) 2014-17
- Increase ticket sales through the Visitor Information Centre
- Develop the VIC to be the prime high street outlet for the emerging Peterborough Gift range
- Create Visitor Economy networks

9. **GENERAL MARKET**

9.1 The General Market supports local business and creates significant employment in the city. Managed by Commercial Operations, it is an integral part of the local community, providing an assortment of goods, from furniture

and clothing to fresh fruit and vegetables.

## 9.2 **Performance**

9.2.1 There are 55 individual licence holders occupying 112 market stalls providing approximately 150 jobs.

9.2.2 The Market is open Tuesday to Saturday 8.30am - 4pm. The potential for development and promotion of the market will be an issue that will be strategically addressed as part of the emerging Visitor Economy Strategy.

## 9.3 **Budget of General Market**

Expenditure	£287,555
Income	<u>£410,000</u>
Net service cost (surplus)	(£122,445)

## 9.4 **Staffing**

There are two posts within this service – The Market Development Manager & Markets and Commercial Trading Officer.

## 9.5 **Opportunities**

9.5.1 The market is not currently operating to full capacity. This service does not have a dedicated Marketing and Promotional budget and has not had any marketing or promotional campaigns to increase trader numbers and in doing so raise income to the Council from this service.

9.5.2 The market could accommodate a Food Quarter – providing and promoting locally sustainably sourced food as well as providing outlets for the selling of food from different cultures.

9.5.3 There are a number of walls and areas within the market which may allow opportunities for increased advertising/sponsors logos to be displayed within the market.

9.5.4 The perimeter of the market is unattractive and we wish to replace exterior security railings to encourage shopping at the market.

9.5.5 The service, traders and customers could benefit from review and changes to current lease arrangements so new Lease documentation is to be produced.

9.5.6 The food hall roof could accommodate solar panels to reduce energy consumption, improve the environment and reduce costs.

## 9.6 **Threats**

The market looks tired and may need investment if occupation and visitation is to be maintained or increased.

## 9.7 **Summary of objectives for 2014-2015**

- To carry out a marketing and promotion campaign of the market to potential traders to facilitate fuller occupancy
- To investigate / introduce a food quarter
- Investigate increased advertising and sponsorship opportunities within the market
- Improve perimeter fencing and appearance of the market
- Improve current lease arrangements and its documentation



- Investigate energy efficiencies, particularly whether solar panels could benefit the Market from installation to its roof.

## 10. CITY CENTRE MANAGEMENT

10.1 City Centre Management aims to protect and develop the vibrancy, vitality and viability of Peterborough's offer. City Centre Management aims to make the City a better place to live, visit, work and do business in.

This is done through:

- Business engagement, working with private and public stakeholders
- Organising or facilitating events and attractions to encourage visitation
- Promoting the City Centre and its events and attractions
- Providing a vibrant, clean, attractive and safe City Centre

10.2 The value of the visitor economy will be assessed through the analysis of economic retail data and footfall within the emerging Visitor Economy Strategy 2014-24 and Destination Management Plan 2014-17.

### 10.3 Budget of City Centre Management

Expenditure	£702,845
Income	<u>£228,690</u>
Net service cost	£474,155

### 10.4 Staffing

There are five staff within this section – Head of Service, the City Centre Manager, City Centre Officer, Events and Traffic Officer and administration staff.

### 10.5 Business Engagement

City Centre Management work closely with retail and City Centre Businesses to improve the City Centre economy. City Centre Management host a business forum for local businesses every month, at which businesses and or city centre stakeholders attend to discuss issues, including marketing plans and overall performance of the city.

### 10.6 Licensing & Enforcement

City Centre Management license concessions, outside seating, street trading and visiting markets. It also controls enforcement of illegal street trading, begging and rough sleeping.

### 10.7 Public Realm

City Centre Management strive to make the City centre a beautiful place to visit. This is done through initiating or inputting in to redevelopment projects (such as current improvements to St Peters Arcade) through to maintenance of fountains and the installation of hanging baskets/planters display.

## 10.8 **City Centre Events**

- 10.8.1 Commercial Operations / City Centre Management organise (or facilitate through partnership working - often with local community groups to celebrate cultures) a number of events that add to the vibrancy of the City and encourages visitation. It is a proven fact that events can provide huge economic benefits to a City through creating direct trading and employment opportunities at the events and from what's known as the "ripple effect" or multipliers in that those visiting events will spend money at car parks, on retail, in cafes & bars. Consequently these businesses benefiting create employment and receive income that may be spent locally. There are also significant positive social and cultural impacts from hosting such events.
- 10.8.2 For those directly organised this service takes full responsibility for every element of events from sourcing to producing. Facilitating events includes licensing them, contracting use of spaces, providing infra-structure, providing or advising on risk assessment, liaison with emergency services, traffic management and organising road closures.
- 10.8.3 **The Perkins Great Eastern Run:**  
Is directly promoted/produced by Commercial Operations/City Centre Management. The Head of Commercial Operations is The Great Eastern Run Race Director. In 2014 there was a 25% increase in race numbers over 2013 – a significant increase bringing additional revenues to the run/service. 8,000 runners took part in the Fun Run or Half Marathon.
- 10.8.4 **The Tour Series:**  
This national / TV covered road cycle race is brought to the City via Commercial Operations/City Centre Management. This did not take place in 2013 but has been secured for 2014 by CCM via funding from Travel Choice sustainable transport planning funding paid for by Central Government.
- 10.8.5 **Christmas Lights & The Christmas Light Switch On:**  
The lighting display and the switch on itself is organised by Commercial Operations/City Centre Management. The lighting display required alteration in 2013 given health & safety concerns. The light switch on, which was a minor event a few years ago, now draws thousands to Cathedral Square to witness it.
- 10.8.6 **The Italian Festival:**  
This festival is growing bringing thousands of people to the City Centre Cathedral Square. The event is staged in partnership with the Italian Association.
- 10.8.7 **Diwali Festival:**  
This new festival was introduced to Cathedral Square in 2013 and given its success will be repeated in 2014. This was brought to the City in partnership between the Diwali committee and Commercial Operations/City Centre Management.

- 10.8.8 **The Willow Festival:**  
This festival was resurrected in 2012 and 80,000 festival goers were clicked in over a 3 day period to this free event in 2014 – a significant increase. Commercial Operations / City Centre Management provided some funding to this event in 2013, liaised with the organisers to ensure the event was safe & successful.
- 10.8.9 **Other Embankment Events**  
This service oversees, licences and helps administer a diverse range of events on the Embankment including Fun Fairs, circuses, the beer festival and vintage car rallies. In 2013 Commercial Operations / City Centre Management worked in partnership with the promoters of Olly Murrs to stage this concert on the embankment raising significant income for the service from doing so.
- 10.8.10 **Events in Car Parks**  
This service also provides car parks and management support to car boot sales in Wellington Street car park, raising significant income to the Council. These were introduced in 2013.
- 10.8.11 **Civic Events**  
Commercial Operations also help facilitate Civic events providing advice, production, infrastructure and marketing support as it is able.
- 10.9 **Opportunities**
- 10.9.1 Whilst Commercial Operations work closely with Vivacity there could be even stronger partnership working with Vivacity & other cultural providers (including the Cresset and Peterborough Arena) not least to ensure economic impact from events can be secured in addition to social impacts.
- 10.9.2 The Head of Commercial Operations is on the Board of Directors for St Johns Church. A vision for the Church is to play a greater role within the City Centre particularly in the presentation of arts/classical music events.
- 10.9.3 Investment for more ‘hard standing’ areas for the Embankment will enable more use to be made of the area, which at present is very susceptible to weather conditions.
- 10.9.4 The regeneration of Long Causeway due start date March 2014 will present opportunities of joint working and encouraging visitation to the City. A Portuguese and Latvian Festival are being planned for 2014.
- 10.9.5 The current car boot sale is currently operating to capacity so could operate from a bigger or secondary car park raising income for the service.
- 10.10 **Threats**
- 10.10.1 Many events staged by this service rely on Sponsorship. This can never be guaranteed.
- 10.10.2 Staffing numbers of City Centre Management are low and they are therefore reliant on other team members within Commercial Operations team to deliver

events and services.

10.10.3 Budget pressures have necessitated reduced spending on events even though they support a £0.5 billion retail economy.

10.10.4 The Perkins Great Eastern runs income budget has been increased by £50,000 and this may not be achieved.

10.11 **Summary of objectives for 2014-2015**

- Ensure closer partnership working with Vivacity and other Cultural providers to achieve economic benefit to the City.
- Assist with the ambitions of St Johns Church in increasing its Cultural offer
- Transfer responsibility for City sponsorship budgets along with a marketing post to Commercial Operations
- Produce a City Centre Early Evening Economy Strategy
- Invest in hard flooring/tracking for the Embankment facilitating greater use in wet conditions
- Contribute to the redevelopment of Long Causeway and investigate partnership opportunities
- Help Introduce a Portuguese Festival through partnership working
- Help introduce a Latvian Festival through partnership working
- Expand car boot sales in Peterborough Car Parks if possible
- Oversee the Tour cycle series in 2014
- Further increase participation to the Great Eastern Run

**11. SUMMARY OF OBJECTIVES FROM THIS SERVICE PLAN**

- Introduce an improved system for issuing parking permits
- Investigate/implement improved signage to Peterborough City Council car parks
- Extend the flexible charging scheme to allow promotions to encourage visitation at certain times in support of business
- Increase promotion of Ringo to residents and car park users
- Investigate further commercial opportunities City Council car parks may allow
- To reduce the running cost of CCTV through increasing commercial contracts.
- To train Civil Enforcement Officers to operate CCTV.
- To procure the CCTV maintenance contract in 2014/15.
- Investigate potential of service improvements and cost reductions as part of the City Fibre Project
- Produce a Visitor Economy Strategy (VES) 2014-24
- Produce a Destination Management Plan (DMP) 2014-17
- Increase ticket sales through the Visitor Information Centre
- Develop the VIC to be the prime high street outlet for the emerging Peterborough Gift range
- Create Visitor Economy networks

- To carry out a marketing and promotion campaign of the market to potential traders to facilitate fuller occupancy
- To investigate / introduce a food quarter
- Investigate increased advertising and sponsorship opportunities within the market
- Improve perimeter fencing and appearance of the market
- Improve current lease arrangements and its documentation
- Investigate energy efficiencies, particularly whether solar panels could benefit the Market from installation to its roof.
- Ensure closer partnership working with Vivacity and other Cultural providers to achieve economic benefit to the City.
- Assist with the ambitions of St Johns Church in increasing its Cultural offer
- Transfer responsibility for City sponsorship budgets along with a marketing post to Commercial Operations
- Produce a City Centre Early Evening Economy Strategy
- Invest in hard flooring/tracking for the Embankment facilitating greater use in wet conditions
- Contribute to the redevelopment of Long Causeway and investigate partnership opportunities
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- Help introduce a Latvian Festival through partnership working
- Expand car boot sales in Peterborough Car Parks if possible
- Oversee the Tour cycle series in 2014
- Further increase participation to the Great eastern Run

## 11.1 **Redevelopment**

11.1.1 Urban design determines the very shape of the streets and public spaces which make up our city. It influences how easy and pleasant it can be to move from area to area. During 2014, Long Causeway will be redeveloped.

11.1.2 The proposed works provide an opportunity to emphasise the character of Long Causeway and help revitalise this commercial area of the City. It is envisaged that we will help to bring some of the open space element of the scheme alive by expanding the events, street market and trading offers to both schemes.

## 11.2 **IMPLICATIONS**

Securing sponsorship for projects and events during the current economic climate could prove challenging but we look to maximise opportunities.

## 11.3 **CONSULTATION**

Over 80 city centre businesses and stakeholders have been consulted via City Centre Business Forum.

## 11.4 **NEXT STEPS**

Any recommendations from the Committee for changes should be referred to the Cabinet Member Tourism, Business and International links.

#### 11.5 **BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985