

7.3 CA/050/15 HEMEL HEMPSTEAD AMBASSADORS – START- UP FUNDING

Decision

That Cabinet recommend Council to approve a supplementary estimate of £140,000, funded from the Dacorum Development Reserve, in order to finance the Ambassadors programme for two years

Reason for Decision

To request £140k to support the Hemel Hempstead Ambassadors initiative for a 2 year period. The Ambassadors is a continuation of the reputational work to raise the profile of the area to potential investors. The aim is that after the initial 2 year period the Ambassadors will be self-financing through its membership scheme.

Implications

Financial

Funding of £140,000 to cover the start up costs and the employment of a 'Place Manager' for 2 years, to support the development of the Hemel Hempstead Ambassadors.

Value for Money

Numerous economic and reputational benefits at low additional cost to the council. It is the intention that the Ambassadors will self-fund after the initial 2 year period.

Risk Implications

Reputational – Failure to get the scheme to self-fund after the 2 years seed funding.

The Council would become a member of the company (limited by guarantee) being established to run the initiative and would appoint a minority of the Directors of the company but would have no ongoing liability. A report will be brought to a future Cabinet meeting to seek authority for this.

Corporate Objectives

The Ambassadors programme supports the corporate objectives of Regeneration and Building Community Capacity through its purpose; to raise the profile of and to promote Hemel Hempstead, and by association the rest of Dacorum, as a great place to invest, to attract businesses, developers and talent (among others) into the area resulting in a thriving local economy.

Rebecca Oblein introduced the report advising that the ambassadors programme will continue the reputational work that was started in the last 2 years through the Dacorum Look No Further programme, for which funding finished in March of this year. She went on to

advise that the ambassadors scheme is about place making and place shaping, so in essence about raising the reputation and profile of Hemel Hempstead as a place to invest, as a place to bring your business and to come and live and to come and visit. It's a membership scheme, so the business community will be paying in to the scheme, and so we are looking for a 2 year underwriting by the Council, at the end of which we are hoping that the scheme will fund itself, so the report is requesting 2 years of funding, to pay for a place manager to run the scheme and to provide it with some seed funding to provide some of the up-front marketing materials we need whilst we are building the membership with aim of it being self-funding by year 3.

Councillor Mrs Margaret Griffiths enquired as to what Rebecca Oblein thought the chances were of finding someone who will understand that role.

Rebecca Oblein advised that these schemes are currently running in about 10 places around the country and that they have been working closely with the place manager for Coventry & Warwick. We have understood what makes the right kind of place manager and it is someone who is really good at partnership working, who can sell a bit but has a passion for the place and the area. She further added that one of the essential criteria on the Person Specification is a passion for Hemel Hempstead and a passion for this area. She went on to advise that what has been seen happening in other areas is that once they have started, the ball starts rolling and people actually approach us to join the club, rather than having to sell it , and then the managers role is to work with the place board, use the funding that is coming in to take part in things like MIPIN UK to promote the area or to go and hold an investors conference in London, or whatever the place board think is the best way to invest the money to raise the profile.

Councillor Harden enquired as to whether they would be an employee of the Council.

Rebecca Oblein advised that they are going to be employed by the Council as we have the procedures and processes for employment in place, but that the aim is to set up a company that will run the ambassadors scheme, so it will be its own separate entity. The businesses didn't want to be paying their money over to Dacorum Borough Council. They want it to be paid into the Hemel Hempstead Ambassadors Scheme. However following discussions at the last meeting regarding the fact that a company hasn't been set up yet, it was agreed that the Council would employ the place manager but that the employee would be working at arms-length from the Council.

Councillor Harden enquired as to whether they would be employed for the whole 2 year period.

Rebecca Oblein advised that they are looking to offer a 2 year contract and then after that time when we have a clearer understanding of the viability of the scheme and the funding position, we hope to transfer that position into the new company.

Councillor Harden referred to the risk implications and asked if there were any concerns regarding businesses not buying into it.

Rebecca Oblein advised that the businesses they have been working with can all see benefits of being involved. She went on to say that the bigger businesses will be paying £3,500 per year to be a part of this and there have been conversations with some of the bigger businesses that are on the board and they can see the benefits as basically they are investing in the future of their economy by attracting more investment and businesses here. They can also see the benefit of the advertising in regard to recruitment, so by getting the high quality marketing materials that will be being put together that will be something that will be part of their recruitment packs and if that helps them to recruit then they have saved their

£3,500 in one recruitment. So far there has been a very positive response from the businesses that we have spoken to.

Councillor Mrs Margaret Griffiths enquired as to who the line manager would be.

Rebecca Oblein advised that that needs to be bottomed out and as they were initially a part of the Council there would probably be a dotted line into the Economic Wellbeing team, as it is part of their inward investment set of tools, but there are conversations with the place board, which has senior members from the business community, including the HR director of Bourne Leisure who is going to help with the recruitment process.

Councillor Mrs Margaret Griffiths advised that she was more concerned in the case of something going wrong and who would be monitoring that they are doing what they are meant to be doing.

Rebecca Oblein advised that that would be picked up by Strategic Housing.

Councillor G Sutton enquired as to whether the interest could be quantified.

Rebecca Oblein advised that if the companies who are on the board paid in, they would secure approximately £18k, but added that it is all about those businesses selling it as well.

Councillor G Sutton referred to the map on Page 82 and enquired if that was the area we hope to capture.

Rebecca Oblein advised that Hemel Hempstead was to be the 'economic hero' and that there was a 10 mile radius which becomes a zone of influence. However administrative boundaries are not being taken into account and advised that Warner Brothers Harry Potter World is an asset that would be claimed. She further added that there are businesses from Tring and Berkhamsted on the board who can all see that by Hemel Hempstead being successful it works well for them as feeders.

The recommendations were noted and agreed.

Councillor G Sutton wished to congratulate the team on the press coverage in the Gazette this week as it had been very positive.

Consultation

There was no consultation.

Voting

None