

Shakespeare's England Board

2 Year SDC & WDC Funding Settlement

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5th May 2022

Summary

To seek approval for changes to Shakespeare's England membership structure and grant conditions as part of a 2 year increased funding settlement from Stratford-on-Avon District Council and Warwick District Council.

1 Background

- 1.1 Shakespeare's England was established in 2012 as a not for profit joint public-private sector partnership, with the expectation that by utilising a membership model it would become self-financing, thereby minimising dependency on the public purse.
- 1.2 Since 2012, both Stratford-on-Avon District Council and Warwick District Council have each funded Shakespeare's England £75,000 per annum, agreed through 3-year funding cycles. The latest funding cycle ends in 2022. Warwickshire County Council contribute £25,000 per annum.
- 1.3 There are three categories of membership with a total of 110 members, as follows:

Category	Annual Fee	No. Members	Income
Gold	£1,100	7	£8k
Silver	£475	40	£19k
Bronze	£175	63	£11k

2 Proposed Funding Settlement

- 2.1 The COVID-19 pandemic has had a devastating impact on the hospitality and tourism sector across South Warwickshire resulting in a significant impact on the local economy. Both Councils have worked hard to support the industry through the effective distribution of Government and voluntary COVID grant payments.
- 2.2 Acknowledging the great work that Shakespeare's England does as the accredited Destination Management Organisation for South Warwickshire, both councils have earmarked £75,000 per annum for the next two years in their respective budgets in order to continue to fund Shakespeare's England.
- 2.3 However, both Councils acknowledge that more needs to be done to rebuild the hospitality sector and strengthen the South Warwickshire local economy. To this end, the councils have each earmarked an additional £25,000 per annum for the next two years.
- 2.4 Acknowledging the need for a new approach in light of COVID-19, this proposed funding settlement is predicated on:

- changes to Shakespeare’s England membership structure
- fulfilment of a series of grant conditions

3 Proposed Membership Structure

- 3.1 In particular, both councils are keen to see the economic benefits of tourism spread more widely across South Warwickshire and for Shakespeare’s England to become financially self-sufficient. It is to this end that the following change is proposed to the membership structure.
- Free Listing (previously bronze)
 - Diamond Membership (previously silver)
 - Platinum Membership (previously gold)
- 3.2 The rationale for this change is twofold; firstly to help spread the Shakespeare’s England brand across South Warwickshire, in particular, attracting smaller businesses in less touristy areas through the introduction of a free website listing and communications from Shakespeare’s England. Secondly, it is hoped that by doing so, a greater number of businesses are encouraged to become fully paid members of Shakespeare’s England. This has a dual benefit to both the business in terms of benefitting from the experience and brand power of Shakespeare’s England as well as benefitting Shakespeare’s England by increasing the membership income it receives. In turn, this money can then be reinvested in improved member services.
- 3.3 By minimising the benefits of the free listing, it is hoped to encourage businesses to purchase Diamond or Platinum membership. All additional benefits including social media support, free access to the Quarterly Forums, attendance at Trade Shows, inclusion in Press or Trade Familiarisation trips, would only be available at Platinum or Diamond level.
- 3.4 One further benefit is that by automating the registration process it significantly reduces the administrative burden of servicing what were previously a high number of low-value (in membership income terms) members. This will allow Shakespeare’s England to deploy its limited staffing resources more effectively to not only drive forward the marketing of South Warwickshire but also to more expeditiously and expediently exercise its destination management functions.

4 Proposed Conditions

- 4.1 Councils are not immune to the financial constraints that businesses and residents are facing. Both councils have had to make difficult budgetary decisions and carefully consider how it can continue to deliver its effective and value-for-money essential and statutory public services. Given the importance of the hospitality and tourism sector, both councils were keen to continue to support tourism, despite destination management being a discretionary service.
- 4.2 To this end, it is proposed that the increased funding settlement is predicated on Shakespeare’s England fulfilling the following conditions. Successful achievement of the conditions will be beneficial in helping to secure the long-term future of Shakespeare’s England, including the post 2024 funding settlement, acknowledging that this could be in the context of wider DMO changes in light of the De Bois review.

- 4.3 The proposed conditions are as follows (targets benchmarked as at 31st March 2022 where appropriate):
- a) Replacing the 3 categories of membership with 2 fee paying membership levels and a free website listing category to include a photo image of the company, a short bio and a link to the company landing page.
 - b) By 31st March 2024, to have achieved a 30% increase in total members reported by District.
 - c) Full review and relaunch of the Shakespeare England website, including automated registration for free listings within 6 months of the start of the 2-year period from 1st September 2022.
 - d) Twice yearly reviews of the website with WDC & SDC officers to ensure content is up to date and relevant.
 - e) A review of the membership fees based on costs of administering Silver and Gold (Diamond and Platinum) members within 6 months from 1st September 2022.
 - f) Publication within 3 months from 1st September 2022, of a two year business plan setting out:
 - the main activities and campaigns Shakespeare's England will undertake over the 2 year funding period and how these will fulfil the aims and objectives of the DMO
 - Promotion of the 'hero' brands
 - Promotion of South Warwickshire as a place based on identification of core attractions
 - Promotion of towns and settlements in South Warwickshire that currently do not benefit from a share of the tourism 'pound'
 - Relationship and delivery of the Destination Management Plan
 - Promotion of South Warwickshire as a Green Tourism destination to align with the declarations of climate change emergencies
 - g) By 31st March 2024, to have increased followers on each of the three main social media platforms (Facebook, Instagram and Twitter) by a minimum of 40%.
 - h) Agreeing a measurable overarching goal for the 2 year funding period with quarterly reporting against progress.
 - i) Holding four annual tourism conferences (face-to-face or virtual) with two in each District over the funding period. In addition, regular tourism forums will be held to disseminate information and advice to members and provide networking opportunities.
 - j) Increasing the number of overnight visitors in South Warwickshire, reported by District by 5% year on year to the end of the funding period (based on 2019 figures).
 - k) Evidence of targeted marketing and promotion re business tourism e.g. digital creative industries, sports tourism, Commonwealth Games legacy, conferences, trade shows etc.
 - l) Evidence as to how Shakespeare's England will encourage visitors to travel using climate friendly modes and encourage businesses to reduce their carbon footprint.

- 4.4 These conditions seek to effectively monitor the continued success of Shakespeare's England, with a focus being on widening the benefits of tourism across South Warwickshire. Importantly, the conditions seek to link tourism with other economic sectors (e.g. the creative industries in Leamington) and build on other tourism markets (e.g., business tourism and green tourism) as well as help contribute to addressing the climate change emergencies declared by both councils. Such approaches dovetail neatly with the emerging South Warwickshire economic strategy. The conditions are applicable to Stratford-on-Avon District as well as Warwick District. Targets and monitoring periods are to be agreed.

5 Recommendations and Next Steps

- 5.1 Whilst the principle of the £100,000 per annum has been agreed by both councils, confirmation of the funding settlement is subject to further approval. As such, the recommendations of Shakespeare's England Board in respect of the funding settlement will be reported to the meetings of the respective Cabinets in May.
- 5.2 For the avoidance of doubt, the proposed conditions and changes to the membership structure relate to the additional £25,000 funding per annum from each council. If the Board was minded not to support this proposal, Shakespeare's England would continue to receive the £75,000 per annum from each council for the next two years. However, without prejudicing any future decisions of either council, there is the prospect that future funding beyond 2024 may not be supported.

Recommendation: That the Shakespeare's England Board support the proposed 2 year funding package including the change to the membership structure and proposed grant conditions.