

REPORT TO: CITY GOVERNANCE COMMITTEE - 27 FEBRUARY 2025

REPORT ON: CITY MARKETING BUDGET

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 75-2025

1.0 PURPOSE OF REPORT

To outline the savings proposal in relation the City marketing Budget and seek approval to implement this change from 1 April 2025.

2.0 RECOMMENDATIONS

Committee is asked to approve the removal of the City marketing Budget at the end of the current financial year.

3.0 FINANCIAL IMPLICATIONS

This would result in savings of £40,000 being made from financial year 2025/26.

4.0 MAIN TEXT

- 4.1 A City Marketing budget was established in 2019/20. The purpose of the initial £100,000 per annum funding was to help encourage more visitors to stay in the city. The funding allocation was also intended to foster a more joined up pro-active approach to city messaging and destination marketing.
- 4.2 The fund is held within the Communications Service. Working with colleagues in City Development, and through the structure of the Dundee Tourism Leadership Group (TLG), the funding is used to deliver marketing campaigns which benefit the whole city. It augments the tourism/place marketing activity undertaken by the One City, Many Discoveries campaign.
- 4.3 The funding has primarily supported the delivery of Put Dundee on Your Map, a multi-channel marketing campaign which has targeted other Scottish population centres and areas elsewhere which have direct flights to the city. More recently, the campaign has evolved under the slogan Do It All In Dundee and is more focused on video-driven content.
- 4.4 Although challenges remain, there are positive signs for the tourism sector after the pandemic. The most recent analysis showed that tourism contributed more than £290million to the Dundee economy last year. Total annual visitors to Dundee have increased by 10% on the last pre-Covid year to 1.35million, including a 27% rise in people staying overnight.
- 4.5 There was a 20% (£20,000) reduction in City Marketing funding in 2023/24 leaving £80,000, and a 50% reduction in 2024/25 leaving £40,000. In recent years, the entire budget has been allocated to campaign activity. This included both creative work and media buying and allowed for between two and three “bursts” of activity per year.
- 4.6 In recent years, the industry locally (initially through VisitDundee and latterly through the Tourism Leadership Group) has been able to secure external funding and deliver marketing activity aligned to local and national priorities. The growth of that activity could allow co-ordinated city marketing to continue without this funding, maintaining the city's high profile in the tourism marketplace.

- 4.7 In addition, marketing of the city as a tourist destination by the Council will continue as part of the One City, Many Discoveries campaign. This includes social media channels and the recently revamped Dundee.com website.
- 4.8 As part of the Budget Consultation views were sought regarding this discretionary expenditure. There were 3182 responses in relation to this option with the average impact rating suggested as low (1.98/5.0). More detailed narrative feedback was received from 1146 people and common themes included.
- The importance of marketing to attract tourists, boost the local economy and maintain Dundee's profile as a tourist destination.
 - A view that the budget could be reduced or reallocated without significant negative impact. Alternative funding sources could be explored, and local businesses and cultural organisations could promote the city effectively.
 - There was a view that more creative or cost-effective approaches could be explored including using social media to reduce marketing costs and collaborating with local institutions or commercial partners on promotional activities.

5.0 POLICY IMPLICATIONS

This report has been subject to an Integrated Impact Assessment to identify impacts on Equality & Diversity, Fairness & Poverty, Environment and Corporate Risk. An impact, positive or negative, on one or more of these issues was identified and is noted within Appendix 1. An appropriate senior manager has checked and agreed with this assessment. A copy of the Integrated Impact Assessment showing the impacts and accompanying benefits of / mitigating factors for them is included as an Appendix to this report.

6.0 CONSULTATIONS

The Council Leadership Team were consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

None.

GREGORY COLGAN, CHIEF EXECUTIVE

7 FEBRUARY 2025

STEVEN BELL, SERVICE MANAGER – COMMUNICATIONS AND TRANSFORMATION

Integrated Impact Assessment

Committee Report Number: 75-2025

Document Title: City Marketing Budget

Document Type: Other

Description: To request Committee approval for a savings proposal in relation to the City Marketing budget.

Intended Outcome: The Committee is asked to give approval for the removal of the City Marketing budget at the end of the current financial year. This would enable savings of £40,000 to be made from financial year 2025/26 and will contribute towards the Council meeting its legal requirement to set a balanced budget.

Period Covered: 27/02/2025 to 01/04/2025

Monitoring: The proposal will be monitored through the budget process.

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Equality, Diversity and Human Rights

Impacts & Implications

Age: No Impact

Disability: No Impact

Gender Reassignment: No Impact

Marriage & Civil Partnership: No Impact

Pregnancy & Maternity: No Impact

Race / Ethnicity: No Impact

Religion or Belief: No Impact

Sex: No Impact

Sexual Orientation: No Impact

Are any Human Rights not covered by the Equalities questions above impacted by this report? No

Fairness & Poverty

Geographic Impacts & Implications

Strathmartine: No Impact

Lochee: No Impact

Coldside: No Impact

Maryfield: Negative

North East: No Impact

East End: No Impact

The Ferry: No Impact

West End: No Impact

Negative Impact:

The removal of the City Marketing budget may reduce the number of visitors coming to Dundee, the majority of whom will visit and stay in the City Centre area. This is where the majority (though not all) of the city's attractions and larger hotels are located. Any decline in visitor numbers will have an economic impact in this area.

As mitigation, in recent years the industry locally has been able to secure external funding and deliver marketing activity aligned to local and national priorities. The growth of that activity could allow co-ordinated city marketing to continue without this funding, maintaining the city's high profile in the tourism marketplace. This was reflected in the Budget consultation - respondents said cost-effective approaches could be explored including exploring other funding sources, involving local businesses in

promoting the city, utilising social media more effectively to reduce marketing costs and collaborating with local institutions or commercial partners on promotional activities.

Household Group Impacts and Implications

Looked After Children & Care Leavers: No Impact

Carers: No Impact

Lone Parent Families: No Impact

Single Female Households with Children: No Impact

Greater number of children and/or young children: No Impact

Pensioners - single / couple: No Impact

Unskilled workers or unemployed: Negative

Any decline in visitor numbers may result in opportunities for employment in the tourism and hospitality industries being reduced. As mitigation, in recent years the industry locally has been able to secure external funding and deliver marketing activity aligned to local and national priorities. The growth of that activity could allow co-ordinated city marketing to continue without this funding, maintaining the city's high profile in the tourism marketplace. This was reflected in the Budget consultation - respondents said cost-effective approaches could be explored including exploring other funding sources, involving local businesses in promoting the city, utilising social media more effectively to reduce marketing costs and collaborating with local institutions or commercial partners on promotional activities.

Serious & enduring mental health problems: No Impact

Homeless: No Impact

Drug and/or alcohol problems: No Impact

Offenders & Ex-offenders: No Impact

Socio Economic Disadvantage Impacts & Implications

Employment Status: No Impact

Education & Skills: No Impact

Income: No Impact

Caring Responsibilities (including Childcare): No Impact

Affordability and accessibility of services: No Impact

Fuel Poverty: No Impact

Cost of Living / Poverty Premium: No Impact

Connectivity / Internet Access: No Impact

Income / Benefit Advice / Income Maximisation: No Impact

Employment Opportunities: Negative

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to secure external funding and deliver marketing activity aligned to local and national priorities. The growth of that activity could allow co-ordinated city marketing to continue without this funding, maintaining the city's high profile in the tourism marketplace. This was reflected in the Budget consultation - respondents said cost-effective approaches could be explored including exploring other funding sources, involving local businesses in promoting the city, utilising social media more effectively to reduce marketing costs and collaborating with local institutions or commercial partners on promotional activities.

Education: No Impact

Health: No Impact

Life Expectancy: No Impact

Mental Health: No Impact

Overweight / Obesity: No Impact

Child Health: No Impact

Neighbourhood Satisfaction: No Impact

Transport: No Impact

Environment

Climate Change Impacts

Mitigating Greenhouse Gases: Not Known

Any decline in visitor numbers may result in a reduction in emissions through travel, although these journeys may be dispersed elsewhere.

Adapting to the effects of climate change: No Impact

Resource Use Impacts

Energy efficiency & consumption: No Impact

Prevention, reduction, re-use, recovery or recycling of waste: No Impact

Sustainable Procurement: No Impact

Transport Impacts

Accessible transport provision: No Impact

Sustainable modes of transport: No Impact

Natural Environment Impacts

Air, land & water quality: No Impact

Biodiversity: No Impact

Open & green spaces: No Impact

Built Environment Impacts

Built Heritage: Not Known

Any decline in visitor numbers may impact on the viability of built heritage attractions.

Housing: No Impact

Is the proposal subject to a Strategic Environmental Assessment (SEA)?

No further action is required as it does not qualify as a Plan, Programme or Strategy as defined by the Environment Assessment (Scotland) Act 2005.

Corporate Risk

Corporate Risk Impacts

Political Reputational Risk: Not Known

The removal of this fund could impact on Dundee's reputation as a visitor destination. It is governed through the Tourism Leadership Group, which has indicated support for the fund continuing. It is noted that the fund was not considered to be among the highest priority by over 3000 respondents to the Budget Consultation. While the importance of maintaining Dundee's profile as a tourist destination was mentioned by many and it was felt that cutting the budget would be short-sighted, other respondents felt that the marketing budget could be reduced or reallocated without significant negative impact. Some indicated that other funding sources could be explored, and that local businesses and cultural organisations could promote the city effectively.

Economic/Financial Sustainability / Security & Equipment: Negative

The removal of this fund will provide a benefit to the Council's budget, but it may result in a reduction in visitors to the city and consequent impact on the local economy. As mitigation, in recent years the industry locally has been able to secure external funding and deliver marketing activity aligned to local and national priorities. The growth of that activity could allow co-ordinated city marketing to continue without this funding, maintaining the city's high profile in the tourism marketplace. This was reflected in the Budget consultation - respondents said cost-effective approaches could be explored including exploring other funding sources, involving local businesses in promoting the city, utilising social media more effectively to reduce marketing costs and collaborating with local institutions or commercial partners on promotional activities.

Social Impact / Safety of Staff & Clients: No Impact

Technological / Business or Service Interruption: No Impact

Environmental: No Impact

Legal / Statutory Obligations: No Impact

Organisational / Staffing & Competence: No Impact

Corporate Risk Implications & Mitigation:

There are moderate levels of risk associated with the subject matter of this report. However, having undertaken a full analysis of the upside and downside risks there is a clear benefit in what is proposed, and we are satisfied that adequate controls are available to mitigate the downside risks. The downside financial exposure to the Council is less than £250,000 and this together with other areas of risk can be effectively managed.