



Call to protect the future economic growth of Edinburgh

You will be aware of draft budget cuts by the City of Edinburgh Council, announced last week (18th January). As part of these cuts, it is proposed that £567K (64%) in 2019/2020 and a further £223K in 2020/2021 is taken from Marketing Edinburgh's current grant of £890K which equates to 89% cut over two years. This will be by far the deepest of all reductions outlined in the draft budget plan – and would have serious consequences for the city's economy.

Removing over £0.5M from Marketing Edinburgh's financial plans would leave Scotland's Capital as the only major city in the developed world without a Destination Marketing Management Organisation, which includes Edinburgh's Marketing Team, Convention Bureau and Film Office.

Without a body that unites public and private sectors in the city's promotion and economic development, we will severely compromise the city's ability to attract talent, conferences, business and visitors – while our ability to talk to those who live and work in the city, as consumers, will cease. These are all critical pipelines to a successful future Edinburgh and we sever them at our peril.

Most immediately, these cuts would **damage the £72M** created by business tourism and the **£16M delivered by the film economy**. It would remove the ability for Marketing Edinburgh to **rally the private sector, ending the significant financial contribution** they currently make to city campaigns. It would also halt momentum and growth across all of our digital platforms; our campaigns, including Edinburgh.org, the authoritative 'Official Guide to Edinburgh', have **reached an audience of 80.1M worldwide** in just one calendar year.

With the uncertainty currently faced by the UK, we should be doing everything in our power to safeguard our economic future, rather than leaving it vulnerable.

The latest European Cities Marketing annual survey showed that **Marketing Edinburgh's funding is already amongst the very lowest** in Europe, with all comparable cities receiving significant multiples of Edinburgh's income. The proposed cuts would mean that even cities with much smaller populations, such as Darmstadt, Aalborg or Ljubljana receive more promotional funding.

This is frustrating for many reasons, not least that Marketing Edinburgh has proven its effectiveness by **creating £99 for the city's economy for every pound it spent in 2017/18**, from its already restricted budget.

Marketing can be viewed as a seemingly easy target when it comes to budget cuts. However, whilst I fully understand the huge fiscal burden on the Council, perceptions need to be reframed. We champion the city, ensuring Edinburgh retains its rightful prominence on a national and global scale, as a world leading destination in which to live, work, study, visit and invest. Marketing Edinburgh brings the city demonstrable value, while also playing a critical role in managing issues such as over-tourism.

In short, we both create and manage success. **The question that must be asked now is not simply what the city can afford, but also what it cannot afford to lose.**

Without Marketing Edinburgh, a dangerous gap would exist, one that our inception was rightly designed to fill. Our demise would see Edinburgh take a significant backwards step, with city promotion, management and economic development becoming increasingly fragmented.

We believe there has to be another way. We suggest that the draft cuts are phased differently so to afford Marketing Edinburgh the time in the short term to create a different model. In tandem, we also recommend and commit to working in collaboration with you and the wider Council to find an alternative funding model and plan.

Edinburgh has always been an innovative, progressive and enlightening city and it will pay a heavy price, at both an international and local level, if it is forced into becoming inward-looking and insular, which I believe could be the result of these cuts.

Taking the above into consideration, I ask that you:

- Challenge the proposal at the Finance Resource committee meeting on 1st February
- Should this proposal be passed, I ask that you stand against the cuts at the Council Budget meeting on 21st February and work with us to find an alternative solution – it is our intention to deliver a counter proposal that delivers fiscally without placing the city at a disadvantage

As Frank O'Donnell, Editor in Chief of the Scotsman Group, has publicly stated: "*Marketing Edinburgh has proven itself to be a valuable part of the Capital, helping to manage areas including the 2050 vision, business tourism and film tourism, all driving vital revenue. The council must reconsider.*"

I am hopeful of your support. Thank you for your time.

Yours sincerely



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