

TOWN CLERK BRIEFING NOTE**56c) RYE HERITAGE CENTRE/TIC**

I was invited to a meeting with the RTS Board on 6 October, at which I was informed that RTS intended to withdraw formally from the Heritage Centre – and the Rye TIC contract - on 31 October. The decision is technically a breach of contract: at the time of writing the other party (Rye Town Council) has not agreed to an earlier termination date. However, regardless of the possible consequences the RTS Directors appear determined that they should no longer have responsibility for the Centre from the end of this month. It is clear that the Directors are de-motivated and I am advised that this decision is a response to lack of support and perceived unreasonable criticism from a number of individuals – including its own shareholders and Town Councillors. No doubt the resignation of the HC Manager with effect from 1 November was also a relevant factor.

A suggestion was made that RTS could continue to play some form of a supporting role from 1 November – including passing the RDC grant funding to RTC to pay its staff – however, I indicated that a ‘clean break’ was preferable (a view supported later by the Head of Regeneration). The Directors have offered to do all they can to ensure a smooth handover (including delaying the date by a few days if necessary).

Following this meeting I immediately began preparations (without making any commitments) for a return of the HC/TIC to the Town Council on 1 November and undertook to refrain from publicizing the decision until discussions had taken place with RDC. These took place on 9 and 13 October.

The Head of Regeneration has accepted that RTS will be vacating the HC on 31 October and that it has no desire to run Rye TIC from alternative premises. At the last Cabinet meeting (prior to learning of RTS’s decision) he was authorised to work with RTC and RTS to explore a temporary solution and to commence a formal tendering process. At the same meeting, Members expressed a hope that RTC would tender. The plan is to have the successful bidder in place by Easter 2009. I have asked if the invitation to tender documentation could mention that suitable premises may be available by separate negotiation.

I met with 3 out of 4 of RTC’s HC staff during the evening of 14 October to advise them of the situation and am currently arranging a date for another meeting of the Heritage Centre Working Group. It is clear that the complaint about RTS has had a substantial impact on staff emotionally – they can never be certain whether telephone enquirers are genuine or whether the conversation is being recorded for the purpose of ‘evidence gathering’. This has dented their confidence. They consider they have had a difficult year what with the complaint, working through the refurbishment and the ‘adverse publicity’ surrounding the Centre.

Handover

The Head of Regeneration is happy to recommend that the Rye TIC contract be transferred to RTC until a permanent arrangement is in place. The £30,000pa

grant would therefore be paid to RTC. The downside is that we are entering a period of limited trading revenue.

(Depending on the recommendations of the HC Working Group) RTC could find that it has been 'caretaking' the Centre for 5 months. If RTC decides not tender itself it will need to ensure it has presided over a viable business if it is to attract a commercial operator – it could prove to be counter-productive if RTC took the conscious decision to run the stock right down to keep costs to a minimum.

The Town Hall staff do not have sufficient time to manage the HC fully during the interim period. However, it might be possible if the book keeping and payroll functions were contracted out to the Council's accountants (who are familiar with the Centre and performed this function when the Centre was opened). Gibbons & Mannington provide this service to others for around £320 a month but have suggested this could be reviewed after 3 months, once the actual work required had been determined.

I have arranged also for a stock take on 31 October (estimated cost: £150). We will need to compare this figure with the opening stock when RTS took over on 1 April 2005. We will also need to address the matter of outstanding creditors.

Obviously there are a considerable number of practical issues to address for the handover – most of these are in hand and ready to be commissioned.

14.10.08

CS Stc



15 OCT 2008

RYE TOWN SERVICES

RYE LODGE HOTEL, HILDER'S CLIFF, RYE, EAST SUSSEX TN31 7LD
TELEPHONE: 01797 226643 • FAX: 01797 223585 • EMAIL: rts@rye.org.uk

AS/mb/rts/rtc
13th October 2008

Richard Farhall
Town Clerk
Rye Town Council
Town Hall
Rye

Dear Richard,

Re: Rye Heritage Centre

We write to advise that, after very careful consideration, the Directors of this Company have resolved unanimously that, notwithstanding the fact that the Company has already given formal notice to terminate their contract in July 2009, as the contract provides for termination at any time by mutual consent, the Board now formally requests that, in view of recent developments which have undermined confidence in our Company and the general uncertainty of your Council's plans for the Centre, the date of termination be brought forward to 31st October 2008. The background to this decision is set out in detail in the attached Statement which it is intended to issue to all interested parties

As you are aware, the grant by Rother District Council does not cover the running costs of the Heritage Centre and it is to the retail side including the Town Model and Audio Tours that one must look to generate funds to cover running costs. The Centre has shown an operating surplus each month since March this year but the drop in visitor numbers to TICs experienced nationwide, changes in booking patterns brought about by increased booking on line and the worsening economic climate have continued to make trading conditions ever more difficult. The forecast for the future cannot be anything but uncertain and to continue into the winter months may well require additional capital. The directors do not believe that the injection of further funds can be justified at this time.

RYE TOWN SERVICES LIMITED

Directors: Kerry de Courcy FHICIMA Chairman and CEO, Rita Cox BA (Hons), Geraldine Bromley, Robert Bromley, Alison Simmons (Secretary)
Registered in England at Rye Lodge Hotel, Hilder's Cliff, Rye, East Sussex TN31 7LD. Registered No. 5372649

www.rye.org.uk

We very much regret that circumstances dictate that we cease to manage the Centre with effect from 31st October but, as we have already told you, the directors, individually, will assist you in any way that they can to ensure a smooth handover of the Centre.

Yours sincerely,

For RYE TOWN SERVICES LTD

A handwritten signature in black ink, appearing to read 'Alison Simmons', written in a cursive style.

Alison Simmons
Director & Secretary

STATEMENT

This statement is issued, jointly and severally,
by all members of the Board of Directors of
RYE TOWN SERVICES LIMITED

Since the Company was incorporated in 2005, to operate the Heritage Centre on behalf of Rye Town Council and the Tourist Information Centre on behalf of Rother District Council, the Board of Directors have worked in unison with energy and enthusiasm. The sole aim of all directors has been to ensure the continuation of the Tourist Information Centre which was considered vital to the town and surrounding area and to market the area for the benefit of all. The directors all have their own businesses and are busy people who nevertheless were prepared to give their time freely for the benefit of the town. At no time, has any director sought to obtain any special advantage for their own business – in fact quite the contrary - in some cases, their own businesses have suffered due to time being spent on RTS business.

The Directors are proud that, as a direct result of their efforts, the following have been achieved.

- A new 5 yr contract to operate the TIC was negotiated and agreed with Rother District Council.
[Something that Rye Town Council had been trying to achieve, without success, for many years].
- A Grant of some £12,000 was obtained through The Rye Partnership allowing for the obsolete and unserviceable audio tour handsets to be replaced with modern ‘state of the art’ handsets for the Rye Town Audio Tours.
- A new commentary was written by RTS directors and recorded locally by Rye Shakespeare Company and Rye Singers
- The Heritage Centre has been completely redesigned, updated and refurbished.
- The unique Town Model has been dismantled, overhauled and cleaned.
- Over £25,000 has been invested in the advertising and marketing of Rye over the last three and a half years.
- Accolades for the town’s TIC have been received from, Visit Britain, Enjoy England, Tourism Southeast and Rother District Council, culminating in the award of the coveted Partnership Status for Rye TIC.

However, despite all of the above, we have not received the local support we expected to receive. Our original vision was that all residents, accommodation providers, retail shops, public houses, restaurants, tearooms etc., would actively support us and encourage all their guests, visitors and customers to visit the Centre, see the unique Town Model

Sound & Light Show and take an Audio Tour of the town. Sadly, this has not happened and, in view of the outcry when it was thought that the Centre might close, this has surprised us. The Board are very sad that they have not received the local support which was so vital if they were to achieve their vision of the Centre becoming a commercial success and generating income for the Town Council and prestige for the Town.

Added to this, although a number of Town Councillors, individually, have been very supportive, the Town Council, as a body, has been less so with a number of Councillors making irresponsible, ill informed and ill considered statements in public meetings which have resulted in misleading press reports which have been damaging to our Company and detrimental to the business of the Heritage Centre. The staff at the Heritage Centre, who are Town Council employees, have all worked hard and given us their enthusiastic support. However, recent criticisms and complaints which have resulted in a formal investigation by Rother District Council, have naturally had an adverse effect upon staff morale even though the Board and all management and staff are confident that they will be completely exonerated. Even during the last week two more anonymous, malicious and totally unfounded complaints have been made against the management and staff of the TIC.

So much damage has been done and the situation has now become so bad that the Board feel that no useful purpose would be served by their continuing to operate the Centre. The lack of confidence displayed at the recent Annual General Meeting by a small but significant group of shareholders and the lack of local support generally, has persuaded the Board that they should review the future of the Management Contracts. Apart from anything else, these matters have become very time consuming and, as all members of the Board have their own businesses to run, they are unwilling to spend any more of their time dealing with complaints, which they see as unwarranted, malicious, totally without foundation and unproductive.

Although the drop in visitor numbers, changes in booking patterns in favour of the internet and the worsening economic climate have continued to make trading conditions ever more difficult, the Board is pleased to confirm that the Centre has operated at a profit throughout the summer months. The Board would like to pay tribute to the efforts of all staff at the Heritage Centre and thank them for their loyalty and hard work. The Board would particularly mention the Manager, Laura Simmons, who has borne the brunt of malicious and totally unwarranted complaints and allegations of corruption at the Centre. She, and all the staff, have, and have always had, the full confidence of the Board. The Board would also like to record their appreciation of the unstinting support that they have received from our MP, Michael Foster, and from Graham Burgess and Emma Oldham of Rother District Council.

Notwithstanding that the Board, in accordance with the terms of the contracts, has already given formal notice of their intention to terminate

the contracts in July 2009, the Board has now advised all parties of their intention to cease their involvement on 31st October 2008. The terms of both contracts allow for termination by agreement at any time, and the Board has sought negotiations with both Rye Town Council and Rother District Council, to ensure the smoothest possible transition.

It should also be mentioned that the Board recognised the urgent need for a co-ordinated marketing plan for the town and surrounding area, and put forward detailed plans early this year. These plans were received with enthusiasm by Rother District Council, the main funders, and by 1066 Country Marketing Campaign, but received with less than enthusiasm by others who criticised but failed to put forward any practical alternative plans for marketing. Rother District Council have offered financial support but, not unnaturally, feel that Rye Town Council should also contribute. The Town Council have still to decide whether or not they will support a marketing scheme but it is now too late to arrange any public relations activity or further advertising for 2008. Although the Company has already invested money in advertising and promoting the town in anticipation of support from Rother District Council for the Marketing Plan, it is now felt that the reputation of the Company has been so damaged that it would be impractical for it to head a marketing campaign for the town which would require positive input from the whole town to ensure success. Accordingly, the Company is now formally withdrawing its offer to co-ordinate and implement the Marketing Plan.

Finally, as this statement has been drawn up jointly and approved by all the directors, it has been specifically agreed that no individual directors, or the Company itself, will make any further comment on these matters.

Signed by Geraldine Bromley:

Robert Bromley:

Rita Cox:

Kerry de Courcy:

Alison Simmons:

Rye. Monday, 13th October 2008.