
Meeting of the Executive Members for City Strategy and Advisory Panel

10 September 2007

Report of the Assistant Director Economic Development and Partnerships

York's Visitor Information Centre service: future options

Summary

1. This report updates Members regarding the prospective relocation of the De Grey Rooms Visitor Information Centre (VIC) in order to provide substantially improved services for residents and visitors to York and the region, and commends the corner offices on Blake Street and Museum Street for more detailed consideration by officers

Background

2. There are currently two Visitor Information Centres in York – one at the Station and the other at De Grey Rooms. There is also a “pod” (kiosk-style operation) in Coppergate for part of the year. VICs are part of a national network providing information services to visitors, a facility for booking accommodation and other services including retailing of merchandising, selling of tickets for events, attractions, excursions, transport etc. The main facility is at the De Grey Rooms, and includes a call centre operation as well as counter services. Even in an era of extensive online information provision VICs are important services, highly valued by visitors, and in York some 240,000 visitors used the De Grey Rooms VIC in 2006-07, with on average 1,200 people a week (peaking at 1,800) using the call centre service. There is every potential for this to grow in a better location, and with better physical access to the service – and this is important given that tourism is a major employer in the city (9,970 jobs in 2006) and a major contributor in other ways to the York economy (£333mn total visitor spend in 2006). Improvements would also encourage residents to make more use of this service as they – and friends and relatives staying with them – also find the service is valuable.
3. The VIC service is presently run on behalf of the York Tourism Partnership by York Tourism Bureau – it will be integrated into the new Single Tourism Organisation next year. The Council currently makes a financial contribution to the service, via the Partnership, of £55,000. The De Grey Rooms is leased from York Conservation Trust – the lease expires on 31 March 2008 but in any case the location is not satisfactory for a 21st century VIC as it has no disabled access and no prospect of this without significant investment and listed building consent; it is away from peak visitor flows; and with only one entrance into the public area it is restricted on space for retail sales, important in terms of the net cost of the operation.
4. For a few years now the Council and tourism partners have been looking at alternative locations for the city centre VIC. This process has been difficult as retail

buildings are expensive to buy or rent, and other available city centre buildings have been “listed” or are otherwise historic in nature and have either small rooms or poor disabled access or are just in the wrong location for optimum footfall. Progress has now been made following the commissioning of a Feasibility Assessment into the relocation of the De Grey Rooms VIC through consultants Continuum with the brief of considering Council-owned premises which can be adapted to this purpose.

5. The Feasibility Assessment outlines a number of principles and objectives which York needs to adopt is assessing a location for the VIC service. The fundamental intention is to:

“Develop a successful and sustainable Visitor Information Centre for York with wide appeal that also acts as a showcase for the region to promote further the twin aspects of tourism and regional diversity”

The service needs to:

- be accessible for all
- act as a portal through which visitors, residents, shoppers and businesses can discover more about the region through products, services and information
- be a showcase for York and Yorkshire
- be sustainable financially
- significantly increase the customers that use the service
- contribute to the city’s over-riding aspirations to increase the length of stay of visitors and the value of tourism to the city’s and region’s economy
- help increase attendance at events and festivals

Finally, the Feasibility Assessment also took account of Yorkshire Forward’s desire, as expressed in the Strategic Framework for the Visitor Economy, to see the region provide:

“state of the art information services that are able to offer customers the right information in the right format at the right times in their entire decision-making and visiting cycle”

Yorkshire Forward therefore sees the provision of information to visitors as a major priority for the visitor economy and tourism.

Consultation

6. There has been extensive consultation within the Council and outside. A VIC Strategy Group has been established, involving the Director of City Strategy, the Assistant Director of Economic Development and Partnerships, representation from Resources and Property Services, tourism partnership (York Tourism Bureau) representatives and regional agencies the Yorkshire Tourist Board and Yorkshire Forward.

Options

- 7 The Strategy Group has been specifically looking at two possible solutions – both in the city centre, but quite different from one another.

Parliament Street

- 8 The site of the former city centre manager's office and public toilets in Parliament Street, right in the pedestrian and retail heart of the city, has been identified for a completely new, iconic two storey building which would house:

- A ground floor Visitor Information Centre with state of the art information technology investment
- Separate accommodation booking and event ticketing service
- A deli-style retail operation showcasing the best of Yorkshire produce
- A rooftop "destination" restaurant operation,
- A Yorkshire regional showcase, with exhibition space, plasma screens etc, linked to the VIC and retail operations
- Street cafe

These functions would be housed in a modern glass-based landmark structure with a completely new and contemporary feel.

The proposed building would be 677 sq.metres gross internal area plus 175 sq.metres lettable external area extending into the Parliament Street performance area

The existing toilets are programmed to be relocated to Silver Street.

With extensive consultation required on financial, planning and design issues this facility would not be available for occupation until March 2010 at the earliest.

Blake Street

- 9 The conversion of former Council offices in a three storey Victorian building on the corner of Blake Street and Museum Street, within sight of the Minster. The building is now vacant. The Council intends to sell the property as part of a package of property disposals to contribute towards the funding of the Administrative Accommodation project. It is possible to have an option to sell the property and for the Council to lease it back and grant a sub-lease to the Tourism Partnership. Negotiations on this basis have started with a potential purchaser. The building is capable of conversion into:

- A ground floor visitor information facility, including accommodation booking, event ticketing service, call centre and managers' office
- Limited open area/outbuildings space inside the curtilage of the property which could be used for storage or public facility
- A retail unit/display area to showcase regional produce.
- First floor offices for the newly established York Tourism Partnership, or a possible public facility (subject to further investigation)

The building will be 398 sq.m over three floors.

The building could be ready for occupation as a VIC by the end of 2008.

Analysis

- 10 As outlined previously these two options are quite different to one another, giving a genuine choice.

A summary of the advantages and disadvantages of each proposal follows – though both have advantage over De Grey Rooms:

- Both propositions will offer better services to customers (visitors and residents) than De Grey Rooms
- Both offer scope for full disabled access
- Both meet the strategic objective of Yorkshire Forward in providing an opportunity to provide “....state of the art information services that are able to offer customers the right information in the right format at the right times in their entire decision-making and visiting cycle”
- Both will provide extended opening hours into the evening (as a minimum at peak visitor periods) to help contribute to the evening economy
- In the case of either option the service will be more heavily promoted to residents, who will also find this a valuable service.

- 11 Parliament Street

Advantages

- Very high profile, iconic building will be a high quality showcase for York and Yorkshire and will raise the bar of quality in the city
- Provides an opportunity for synergy between the VIC service and commercial operations (restaurant, deli, café)
- Genuine opportunity to use York as a gateway to the rest of the region
- In the retail heart of the city centre – can maximise commercial opportunities
- As a bigger facility will be able to serve more customers.

Disadvantages

- It is a high risk venture – building costs will be substantial for an iconic building that would need to meet high planning and design standards
- The commercial case is risky, dependent on a favourable response of commercial operators who will still need to work within the parameters of showcasing specialist Yorkshire food produce. This will inevitably need some testing in the market place and it's not possible to do this fully until the project is green-lighted.
- Ensuring that the building and the running costs of the project are sustainable for the partners is considered a very high risk
- The building will take at least three years to bring to fruition – and that is on the most optimistic scenario. It is likely that resolving all of these issues will subject the project to further delay

12 Blake Street

Advantages

- The building already exists and is available now for refurbishment – so will be ready for occupation much sooner than Parliament Street (important when the present facility is not satisfactory)
- The majority of the refurbishment and conservation works will be the responsibility of the new owner
- More prominent location than De Grey Rooms – on the tourist route from the station to the Minster
- The property is capable of housing an enhanced VIC and enough space for a retail unit-cum-showcase facility to perform a genuine regional gateway function.
- Next to the city's proposed Cultural Quarter (the stretch of the city from the National Railway Museum, via the Ouse, the Museum Gardens, Yorkshire Museum and Art Gallery through to the Minster) – a real opportunity to act as a gateway to this proposed investment
- Close to disabled parking space

Disadvantages

- Building is smaller than Parliament Street proposal and therefore will not contain the breadth of commercial users possible in Parliament Street
- Limited space for restaurant/café use (subject to further investigation)
- Will lack the iconic stature that a new building would have
- Lower footfall anticipated than Parliament Street – not as prominent a location for the city overall, though it will have a greater footfall than the De Grey Rooms

- 13 The financial risks attached to the Parliament Street option are considered by officers to be too great and opportunities for the substantial level of external financial support needed for this to work – both capital costs and ongoing revenue requirements – are extremely limited. Taking on board this analysis the VIC Strategy Group has agreed to progress the Blake Street option, and is asking that the Council pursue a lease-back arrangement in the sale of the property. The Strategy Group is drawing up a detailed specification of requirements for the VIC service to be worked on by architects, in conjunction with the Council's Property Services team.

Corporate Priorities

- 14 The Corporate Strategy 2006-09 identifies improved organisational effectiveness within the Council as one of its priorities. It seeks to:

- Improve our focus on the needs of customers and residents in designing and providing services

and

- Improve the way the Council and its partners work together to deliver better services for the people who live in York.

The new VIC service will achieve this by providing a wider range of services to visitors and residents in a cost-effective manner, showcasing York and the region to a wider customer base and contributing towards the regeneration of the city centre

15 Community Plan

The current City Vision and Community Strategy 2004-2024 (York – A City Making History) states that York should “celebrate our historic past whilst creating a successful and thriving future” and commends, among its strategic aims:

“To be ranked as an international quality leisure and business visitor destination”

“To provide a strong and distinctive cultural sector, enriching the lives of residents and visitors”

“To play a full regional and sub-regional economic role”

The improved VIC service will meet all of these objectives. It will substantially improve the visitor information services in the city, emphasising the quality of York as a visitor destination, and building on the city’s award as European City of the Year 2007. The VIC is an essential service for helping to promote the city’s cultural offer, in terms of its museums and attractions, and its growing events and festivals offer. Finally the VIC will showcase York and the region – already a third of York’s visitors (some 1.3mn people) go on to other parts of Yorkshire during their current visit so York is a genuine gateway to the rest of Yorkshire – improved services can only build on this, to mutual advantage as it gives strength to York that the city is so close to the countryside and coast, for instance.

16 York Tourism Strategy and Action Plan

The Strategy and Action Plan specifically sets as an objective the need :

- To provide on demand up-to-date customer-focused information on York and the region to visitors

The proposed VIC service will achieve this objective through a combination of new technology, extended opening hours into the evening (tied to customer demand) and better facilities for users of the service in terms of the layout and functionality of the operation.

Implications

17. The initial implications of the proposals have been considered, but in recommending further consideration of the Blake Street option, further discussion will be taking place on all of these issues prior to a final report to Members.

- **Financial** There has been representation from Resources on the VIC Strategy Group and the financial considerations of these alternatives has been assessed. Providing commercial support to the VIC operation is crucial so examination of income streams as well as expenditure issues has been taking place, and this has revealed concerns about the commercial and financial risks associated with Parliament Street. Further work on the Blake Street option in particular will be needed, including bidding through the CRAM bid process for the fit-out costs. Revenue costs of the service are currently taken into account by the existing

Tourism Partnership and this will need to be followed through by the new single tourism organisation. A fully worked up business plan will be produced identifying all capital and revenue costs, funding sources and providing funding options for any identified gap in available resources. It is critical that the Strategy group identifies any possible gap in funding and secures the necessary resources to close that gap as soon as possible. The Council must avoid signing up to a lease with the risk of the project failing and no sub-tenant.

- **Human Resources (HR)** There are no HR implications for the Council from this project, as all staff working at the VIC are currently employed by York Tourism Bureau or will be employed (from 1 April 2008) by the new Single Tourism Organisation, which is currently being established.
- **Equalities** There are no staff equalities implications for the Council from this project. There will be a substantial improvement, however, for customers, as both alternative propositions will be DDA-compliant, thereby addressing a long-standing weakness in the current service.
- **Legal** The legal implications for the Council have been taken into account, for example in identifying ownership of land in Parliament onto which a new building could be extended. The legal implications of actions on Blake Street will be taken into account as they arise.
- **Crime and Disorder** Both proposals will encourage some evening usage at busy/peak periods. This will add to the activity taking place in the city centre which is widely seen as an advantage in terms of safety by preventing no-go areas..
- **Information Technology (IT)** There are no IT implications for the Council from this project. There are, though, great opportunities to enhance York's profile through either of the proposals, including wi-fi capability, plasma screens for information etc.
- **Property** Property Services have been closely involved throughout this project and will have a key role in the on-going discussions on Blake Street.
- **Planning** The Assistant Director of Planning and Sustainable Development, and the former Head of Environment and Conservation have been closely involved in this project since 2005 and in particular offered guidance during the production of the feasibility study into the Parliament Street VIC. There will also be planning issues associated with Blake Street in terms of the conversion of internal rooms, and signage issues, and an analysis of those needs is currently taking place.

Risk Management

18. Risk management and risk consideration has been closely taken into account in this project. As far as the Parliament Street option is concerned there are substantial risks associated with:
 - Covering the development costs – no certainty of support through Yorkshire Forward and limited prospects of achieving the repayment terms through prudential borrowing

- The running costs of the operation. With the building far larger than needed for a VIC (in order to attract commercial income), there is nevertheless risk attached in securing that commercial income
- Planning and design issues in an especially sensitive part of the City

19 Regarding Blake Street the financial risks are considered to be far more manageable:

- Conservation and refurbishment costs will be largely the responsibility of the new owner
- Resources will be identified to close any funding gap
- Planning and design issues are far more straightforward than with a new-build operation
- The leaseback arrangement should not jeopardise obtaining a market value for the building

Recommendations

20. That the Executive Member for City Strategy be advised :

- 1) To approve that the principles identified in paragraph 5 of this report regarding the future aspirations of the York city centre Visitor Information Centre be adopted;

Reason: These principles confirm the importance of the service to the city, and set the key fundamental principles for any proposals to relocate the service.

- 2) That the analysis of the two alternative options currently identified (in paragraphs 10-12) be accepted;

Reason: This enables officers to progress a single option for the future delivery of this service

- 3) To seek the support of the Administrative Accommodation Project Board to pursue the Blake Street option, as put forward in paragraph 13.

Reason: This is the most appropriate and sustainable solution to VIC provision in the city

- 4) To approve that a further report on the sale of the Blake Street property, including a business plan, will be reported back to this meeting.

Reason: To report to members the successful conclusion of negotiations and to confirm that an enhanced VIC service for residents and visitors in York has been secured.

Contact Details

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Report Approved ✓ **Date** 24/08/07

Specialist Implications Officer(s)

Property
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Wards Affected: *Guildhall*

All

For further information please contact the author of the report

Background Papers:

All relevant background papers must be listed here.

Feasibility Assessment, York Visitor Information Centre (by Continuum)
Minutes of VIC Strategy Group meetings (since end of 2005)

This information is housed in the EDU offices at 20 George Hudson Street