



## **Report to City of York Council Shareholder Committee**

**Monday 13<sup>th</sup> March 2023**

### **Introduction**

This paper provides an update of Make It York's (MIY) activities for the year April 2022 – March 2023. It also presents the final Budget Forecast against the Business Plan's base Budget 2022/23. The estimated forecast for 2023/24 and Business/Service Delivery Plan for 2023/24 are also included.

This year has been challenging for MIY with revenue streams impacted due to the slow recovery from Covid, but also due to the increase in the cost of living and pending recession. The year has been one of focusing on the financial stability of the organisation and looking at ways to be more effective with the resources we have. We have also worked hard to resolve concerns that have been raised by the Shareholder. There have been significant improvements made to the governance, financial management, event management and reporting procedures at MIY. More focus has also been given to the services that we deliver well, and a number of reviews have taken place. We have had key successes in the activities we deliver, and our media reach has grown.

Regular Client Meetings and reporting between MIY and City of York Council (CYC) have continued to take place. A Quarterly Narrative has also been produced in advance of each quarterly meeting.

### **Governance**

The MIY Board has recruited 3 new Board Members and these members have been ratified by the CYC Shareholder Committee.

We have established a Membership Advisory Board, consisting of 17 Members. This group will provide challenge, new ideas and an increased ambassadorial voice for the city. The group are currently discussing ideas for Christmas 2023 and the Membership Conference 2024. The forming of this group will ensure that we are more accountable to our Membership and provide what Members want.

There have been a number of staffing changes during the year. This has given us an opportunity to better match skills against our business needs and the projects and services we deliver, as well as being able to reduce overheads and expenditure. A number of new posts have been created to fill the skills gaps we require and these vacancies are now almost filled. The overall head count has been reduced.

We have strengthened our financial management and procurement processes and have a clear Scheme of Delegation with open and transparent tendering processes. These new processes have helped to reduce unnecessary costs, helped us to control expenditure and manage income projections much better and are in line with the Business Plan and teckel company arrangements.

We are committed to supporting York's ambition to be a net-zero carbon city by 2030 and will reduce our environmental impact. We have successfully achieved Good Business Charter status; all our supplier contracts include an environmental clause to demonstrate how they will impact on reducing carbon. We have appointed a sustainability champion to the organisation.

We have developed a more comprehensive Business Delivery Plan for 2023/24. We are developing Service Delivery Plans linked to the overall Business Plan to track progress, performance, and impact. These individual Service Plans will be completed during Spring. 2023.

We have developed a more transparent way of measuring our impact. A copy of the most recent Quarterly Performance Dashboard Report is included in the report pack. This report is stronger in terms of data reporting to show exactly how we are having an impact and the return on investment, which is wider than a financial return on investment. Sitting alongside these documents is a company risk register, which was updated this year.

### **Business Performance**

Below provides information on our business performance during April 2022 – March 2023 to demonstrate the impact and services MIY provides for the city, visitors, residents, stakeholders, members and customers.

### ***Marketing & Communications***

York Footfall was up by 17% in 2022 compared to 2021. Although footfall is still 15% down on pre-pandemic figures, recovery is slightly stronger than either the regional benchmark (down 19% vs. 2019) or the Springboard index for the UK (down 17%). The highest average weekly footfall in York in 2022 was seen in October, when the Haunted York campaign was running, with numerous events across the city celebrating York's status as the "Most Haunted City in Europe".

Although York footfall is still largely driven by domestic visitors, visitor survey results indicate that overseas visitors are increasingly returning to York. Only 6% of the visitor survey sample were from overseas in 2021, but this had increased to 21% in 2022. In 2022, the US was the leading nationality by far in terms of both the volume and value of inbound tourism to York, while high levels of Visa spending were also seen amongst nationals from Canada and Australia.

Overall, overnight visitors (both domestic and overseas) generate the most expenditure per head in the city, with survey data indicating an increase of 20% in overnight visitor spend per person per trip from £337 in 2019 to £406 in 2022 (including accommodation).

Working with City partners, a total of 10 marketing campaigns took place including Easter and Chocolate Festival, Vintage York, Summer in York, Taste York, Haunted York and Guy Fawkes, York & Beyond / Dark Skies and Christmas 2022.

We have launched our national campaign, headlined by London North Eastern Railway (LNER) which focusses on the London Go-Getter and family audiences.

Our international campaign has just been launched with familiarization trips. We attended the World Travel Market last year. The Britain and Ireland marketplace along with work with the 'groups' market continues. The Chinese Student Ambassador Programme is ongoing.

We produced 4 publications, totaling 800,000 copies which included our mini, summer autumn/winter, Christmas guides, as well as our Haunted and Ice Trail.

April 22 to January 23 has seen excellent social media, website engagement and PR coverage. Our key successes are:

- Visit York social media content was viewed 18.3 million times
- Our social media content is being received better than ever before, with year-on-year engagement increasing by 14%
- The most valuable engagement we can receive is a user visiting our website from a social media post and clicks from social media to the Visit York website have increased by 73.6%, demonstrating people are responding very well to our posts
- We gained 12,207 new social media followers on Visit York channels which brings our total up to 156,591, representing 15.8% YOY growth, far exceeding our target of 5%
- The number of users visiting the Visit York website increased 15% compared to 2019's pre-COVID levels and it's up 44% compared to 2018 figures
- The Visit York website is generating over 1.65 million visits to the website each year. The estimated annual cost to generate this traffic through pay per click advertising is £2.7 million
- Residents' Festival content was viewed more than ever before, with 77,084 page views, 12% higher than the previous record results from 2022 which saw festival content viewed 68,793 times.

Over the next 6 months we will be undertaking a further eight marketing campaigns, and we aim to increase our social media engagement by 5% and website engagement by 5%.

### **Membership**

Our current membership retention remains at 88%. Since April 22, 99 new members have joined.

26 member events have taken place (April 22 – January 23).

### **Visitor Information Centre (VIC)**

The Visitor Information Centre (VIC) relocated to a more central location with increased footfall on Parliament Street during December 2022. Since this time, we have been monitoring visitor and resident interactions and will be using this analysis to determine what merchandise we sell, with an emphasis being on locally produced items. We have installed two digital screens, which will be used to convey local information and offerings to residents and visitors alike. Our

excellent VIC ambassadors and volunteers are continually providing up to date and relevant information relating to our member offerings, attraction events and travel information etc. As we are now in a more central location, we will be looking at increasing ticket sales and associated offerings in the future. Signage and the physical space within the VIC will be updated within the next couple of months.

### **Events**

In May 2022 we produced our Event Planner for the year up to 2023. This was developed once we knew that Covid restrictions were being lifted. It was a challenging environment for the events activity in the early part of the year, as organisers were still cautious.

Since April 2022, 10 major events have been delivered including York Life, Chocolate Festival, Viking Festival (x2), Food and Drink Festival, Summer Festival, Halloween, St Nicholas Christmas Fair, Residents Festival, Visit York Awards and York Ice Trail.

Renting public spaces has been a major challenge this year as income levels have been affected. The reasons for this are costs, multiple uses of the spaces we manage, licensing restrictions and timescales/processes of some organisations we require permissions from.

### **Shambles Market**

Regular meetings take place with Shambles Traders to continue to develop a shared vision for Shambles Market to ensure its sustainability.

Work has taken place on individual trader commodities to ensure all traders have the same opportunity to trade and be supported with the right balance of commodities and ensuring that they are not overrepresented. This will make the market attractive to shoppers and more sustainable for traders and MIY. The next stage is to grow new trading opportunities, which will support both the local economy and employment whilst providing best value for money for MIY and Traders.

A rent reduction was implemented in 2022 to support traders in the current trading climate subject to signing up to direct debit option. This supportive approach during the current economic climate will reap greater rewards in the medium-term future as the trading community will then thrive and multiply after the cost-of-living crisis recedes.

We will be using the services of a shopper led expert who will analyse shopper behaviour journey, motivations, patterns, and trends and identify key actions to improve shopping experience and benefit the trading community.

Funding bids have been submitted to secure investment for the market and make improvements for traders and shoppers and further detailed proposals will be developed to secure this.

## **Culture and Wellbeing**

Make It York and York Civic Trust made a successful bid to the National Lottery Heritage Fund (NLHF) for York Trailblazers – how we make history, with £249,999 in funding granted to the project. Trailblazers will be an exciting and inclusive city-wide programme of events and activities across 2023 – 25, celebrating York’s heritage, shaped around significant anniversaries, which inspire residents and visitors on York’s collective history and empower new generations to shape our future together. The activities funded by NLHF will enable York Civic Trust, Make It York and partners to uncover lesser-known heritage stories of York through workshops, sculpture trail, community grant funding, partner events and marketing.

The York Culture Forum now has 160 members. In September, the Culture Forum elected their new Culture Executive, the first democratically elected culture group of its kind in the UK, to advise and together shape the future direction of York's Culture Strategy. MIY ran two grants programmes in spring and summer 2022, awarding a total of £80K in funding to the events and culture sectors. The Additional Restrictions Grant (ARG) fund £50k Events and Festivals Grants Scheme, a one-off grants programme funded through City of York Council’s Additional Restrictions Grants, and the £30k Cultural Wellbeing grants programme, which MIY runs alongside the council (with funding through the Better Care Fund). The two schemes supported the creative and arts sector, as well as charities, social enterprises and voluntary groups across York.

The Tourism Strategy is currently going through drafting stages, having come together through robust consultation, including through Group NAO’s research, input and direction from the city’s Tourism Advisory Board, feedback from city leaders and stakeholders, resident views through City of York Council’s Our Big Conversation, the Visit York Visitor Survey, and participation from the Cultural Leaders Group (now the York Culture Forum). It is anticipated that the strategy will be launched in summer 2023.

MIY continues to support the development of the UNESCO Creative City of Media Arts status, working closely with the Guild of Media Arts and City of York Council to promote the designation.

## **Budget Position April 2022 – March 2023 and profiled budget for 2023/2024**

The 2022/23 budget was based on the 2019/20 Budget for MIY. We have taken a cautious approach with the budget this year as we anticipated that there would be a slow recovery from the pandemic and global cost of living crisis. The profit from summer and Christmas activities covers market keepers' sessions and winter months. There was a saving this financial year due to a delay in staff recruitment. Office project costs will be finalised in Q4. Debtors and creditors are at their lowest level at the end of Q3. A healthy cashflow is forecast to start 2023/24. This cautious management of the budget has meant that we are now happy to report that MIY is expecting to return a profit of approximately £80k. The budget for 2023/24 shows an approximate £90k profit.

## **Conclusion**

Whilst recognising that the post-COVID world would be different, the road to recovery has been challenging. MIY is now a going concern as the 2023/24 budget demonstrates. The MIY team have worked hard to restore financial stability and strong management within the organisation and will continue to do so during 2023/24.