

**Decision Session - Cabinet Member for
Leisure, Culture and Social Inclusion**

8th May 2012

Report of the Assistant Director (Communities, Culture & Public Realm)

Visit York Service Level Agreement 2012/15

Summary

1. This report is brought to the Cabinet Member to seek approval for a three year service level agreement to the 31st March 2015 with Visit York for the delivery of services detailed in the service level agreement at Annex A.

Background

2. Visit York has previously received their Annual Service Level agreements through the directorate of City Strategy. Following the Council organisational review this responsibility now sits within the Communities and Neighbourhoods directorate. The proposed agreement at Annex A has been produced following extensive discussions between the two directorates.
3. During the past year there have been significant changes within the regional and national tourism agencies. The abolition of Regional Development Agencies has resulted in a restructuring of Welcome to Yorkshire's services at a regional level. In line with changes at the DCMS, Visit Britain also has a new focus. Visit York will be taking the opportunity over the next 12 months to consider their role in supporting the visitor and job economy in the city.

Funding

4. Budget Council in February this year set the funding level for Visit York at a standstill level, £272k, for 2012/13 subject to agreement on service level provision. Within this three year agreement the future level of funding the specific service content may be renegotiated in line with the review being undertaken by Visit York Board and Chief Executive. The intention is for the City of York

Council to maintain funding value at current levels subject to satisfactory performance and agreement of key services rendered.

5. In return for financial support Visit York are asked to provide the services outlined in Annex A. The conditions set in the service level agreement build on those contained in the preceding agreements. Where new priorities have been added we discussed these fully with Council officers in City Strategy and have indicated our requirements to the Visit York senior management and Board. In summary these are to:
 - Work with the Council to jointly set the strategic direction for the development of tourism in York
 - Support the delivery of a world class cultural and heritage visitor offer
 - Increase the earnings from Tourism in the city by 5% per annum
 - Increase the number of jobs created in the Tourism sector by 2% per annum
 - Market York as a destination to the leisure and business visitor
6. These priorities reflect the expressed concerns of the Cabinet Member, the priorities within the City Plan and the draft Economic Strategy. In support of these requirements there are a series of grant conditions which are provided in Annex A.

Consultation

7. The Chief Executive and Board of Directors of Visit York have been briefed on the process and draft copies of the agreement have been made available for them to comment. The Chief Executive of Visit York has met with officers of the council from both directorates to discuss the service level agreement.

Options

8. The options available to the Cabinet Member are:
 - Option 1: Agree to the proposals set out in Paragraphs 4 to 6.
 - Option 2: To offer a different level of funding to that proposed in Paragraph 4.
 - Option 3: Suggest further and/or alternative requirements to those set out in Paragraph 6 and Annex A.

Analysis

9. Option 1 is recommended because this continues to provide support for Visit York, which is a vital component of our economic and cultural sectors in the city. Option 2 is not recommended as this may create greater financial uncertainty for the organisation during a period which already contains significant financial uncertainty. Option 3 is possible but would need further discussion with the organisation to check their capacity and ability to provide more or different services.

Council Plan

10. The actions set out in the report contribute to the following corporate priorities as set out in the Council Plan 2011-15:
 - Creating Economic Growth – by supporting the growth and development of the tourism and cultural sectors in York.
 - Building stronger communities - by encouraging and involving residents and users in the cultural life of the city. And, by supporting the voluntary sector and creating volunteering opportunities.

Implications

11. **Financial** – The funding level was set by Budget Council in February this year. It will provide financial stability for Visit York during a period of review and reorganisation.
12. **Equalities** – The context for this is the requirement of Visit York to deliver on the public sector duty, as outlined in the Equalities Act 2010, on behalf of the Council.
13. There are no Human Resources, Legal, Property, Crime and Disorder, or Information Technology implications arising from this report.

Risk Management

14. Failure to continue support Visit York could result in a blow to the support structure for tourism in York. Recent regional economic statistics sets the contribution of tourism to the local economy at over £443M annually with over 7M annual visitors supporting 23,000 jobs locally.
15. Through the service level agreement we have established the mechanism of quarterly meetings between the Chief Executive and

the lead officer to identify early any risks or deviations from targets outlined. The Council also has 3 Councillors on the Board of Directors of Visit York and the lead officer attends board meetings in a non voting role.

Recommendation

- 16. The Cabinet Member is asked to approve Option 1, to offer the Visit York a three year service level agreement as set out in Paragraphs 4 to 6 for the provision of services as detailed in Annex A.

Reason: To meet the ambitions of the Council Plan to promote a city of world class culture and secure the contribution of Tourism to the city economy.

Contact Details

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	Report Approved	✓	Date 26.4.2012
Specialist Implications Officer(s): N/A			
Wards Affected:			All ✓
For further information please contact the author of the report			

Background Papers:

Annex A Proposed Service Level Agreement CYC / Visit York 2012/13