

**Executive**

**26 November 2020**

Report of the Corporate Director Economy and Place

## **City of York Council's relationship with Welcome to Yorkshire**

### **Summary**

This paper seeks to:

- review the role of Welcome to Yorkshire (WTY) in promoting York and Yorkshire to potential visitors,
- outline the current funding arrangements in place for Welcome to Yorkshire and the request from WTY for funding to replace that sought previously through the West and North Yorkshire Business Rates Pool
- present to Executive the Welcome to Yorkshire recovery plan and strategic support offer as part of their request for additional funding
- set out proposed governance, monitoring and review arrangements to underpin any funding provided.

### **Recommendations**

Executive are asked to approve:

1. A contribution of £55,378 to Welcome to Yorkshire, funded from the Council's share of the estimated final surplus balance from the 2019/20 North & West Yorkshire Business Rates Pool, to support delivery of the Welcome to Yorkshire short-term business plan in 2020/21 and the outputs, outcomes, governance and monitoring arrangements set out in the attached service level agreement (Annex B).
2. The proposal to further strengthen partnership working and better reflect the pivotal relationship between York and Yorkshire in tourism promotion.

3. Note that York's Tourism sector relies on both Welcome to Yorkshire and Make it York to promote the city, and that the two organisations are mutually dependent in their work to promote York and Yorkshire to potential visitors.

## Background

4. Welcome to Yorkshire, and its predecessor organisation the Yorkshire Tourist Board, has a long track of promoting York and Yorkshire beyond the County boundary. There is a long-lasting relationship between the Council and Welcome to Yorkshire, albeit one that has come under considerable pressure in recent years.
5. Welcome to Yorkshire estimate that tourism contributes £9bn per annum to the region's economy, with Visit York valuing the contribution to York at £765m. Across Yorkshire there are 225,000 jobs in tourism and in York 24,000. Yorkshire's brand is instantly recognisable, with York's brand strength (as a beautiful city for heritage tourism) widely recognised and understood both nationally and internationally<sup>1</sup>. York represents 11% of the region's total value and 9% of the workforce, despite being only 3% of population of Yorkshire. According to Tripadvisor, the National Railway Museum is the top visitor attraction in Yorkshire, with Royal Armouries Museum second.
6. Welcome to Yorkshire's role is to market Yorkshire outside of the region and continue to build the Yorkshire brand as a conduit to attract more visitors, investment and interest in the county. It has a very similar role to Visit York focused at a county rather than city level. Similar to Visit York, the brand value of Welcome to Yorkshire is purely within the sector rather directed at the consumer/visitor market – we want consumers and visitors to know about York and Yorkshire, rather than the organisations responsible for marketing the areas.
7. Following a difficult year, Welcome to Yorkshire has approached all the Yorkshire local authorities and National Parks, including City of York Council, for replacement funding to enable it to continue trading. This replacement funding includes £1m previously requested from the West and North Yorkshire BRP<sup>2</sup>.
8. Welcome to Yorkshire's issues are well documented. A change in Board and leadership took place in January 2020, just prior to the pandemic,

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<sup>1</sup> <https://www.york.gov.uk/YorkNarrative#consultation>

<sup>2</sup> <https://www.leeds.gov.uk/your-council/performance-and-spending/business-rates-pool>

which has severely affected the tourist sector across the county. The organisation's recovery plan is provided at Annex A, and represents a significant changes in approach with the aim of recasting their relationship with Local Authorities.

9. Wakefield Council and Hull City Council have publicly announced that they will not provide this replacement funding. It is understood that Welcome to Yorkshire has received £1.16m of the £1.4m requested from Local Authorities and National Parks in the region
10. Anecdotal feedback from York's tourism sector suggest that although the past relationship between Welcome to Yorkshire and Make It York has not always been mutually beneficial, there are significant benefits for commercial businesses being members of Welcome to Yorkshire, such as business support and to amplify marketing.

## **Recovery tourism**

11. Welcome to Yorkshire's "reopen, recover and rebuild recovery plan" for the tourism sector was launched on 19 June 2020 (see Annex A). It sets out a framework and an action plan that aims to deliver:
  - A co-ordinated, cohesive approach across the industry both locally, regionally and nationally as a loud voice representing tourism in Yorkshire
  - A voice for all partners to amplify business views and messages to government
  - An Industry support programme to shape good practice and new ways of working with Welcome to Yorkshire members
  - Demonstrate value to partners
  - Deliver new and ongoing relevant business resources
  - Amplify guidance, insights and resources from Government, Visit Britain, tourism bodies and industry experts through our platforms and connections
  - Consumer campaigns - appropriate messages at the right time based on the right insights in a respectful way to the right audiences
12. The Council and Make It York's tourism recovery plan was approved in July's Executive. Throughout the development and delivery of York's own tourism marketing, Welcome to Yorkshire has supported Make It York and the tourism and leisure sector as they adapted to the new

environment, particularly around safety measures, audience insight and Visit Britain's "Good to Go" quality mark<sup>3</sup>.

13. York's tourism recovery strategy<sup>i</sup> is focused on meeting immediate economic recovery targets – increasing footfall and spend.
14. Welcome to Yorkshire has focused on supporting businesses and the sector to adapt, whilst promoting a consumer message about "welcome back to Yorkshire", framing Yorkshire as a safe place with open spaces to visit and enjoy. Their approach during Covid-19, and where social distancing and lockdown allows, has focused on targeting consumers mainly within a 2 hour drive time of Yorkshire, supported with £300k of Government investment, and relying on local content provided through the regional network of Destination Management Organisations (DMOs) like Visit York.

### **Consumer campaigns**

15. Both Make It York and Welcome to Yorkshire have launched consumer campaigns aimed at encouraging visitors to return, currently on hold in the November 2020 national lockdown.
16. Welcome to Yorkshire's "Enjoy Summer Safely Campaign" aimed to achieve 40m impressions/engagements, with 24m of those through social media. They received £300k from Government to spend on media to promote Yorkshire to consumers mainly within a 2 hour drive time. The "welcome back to Yorkshire" video has helped contribute to Yorkshire as being the CNTraveller's 2<sup>nd</sup> best place to visit in the world.
17. Make it York's Best of York video has been viewed 153k times and has helped contribute to York being Travel Lodge's number one staycation destination.
18. Both campaigns complemented each other with the Welcome back campaign preceding Make It York's Best of York video. The Welcome to Yorkshire tourism recovery plan is in Annex A.

### **Digital reach**

19. Both Make It York and Welcome to Yorkshire have similar marketing models, predominately using digital channels, with some offline

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<sup>3</sup> <https://www.visitbritain.org/business-advice/were-good-go-industry-standard>

publications and delivery of high-end events and experiences. Welcome to Yorkshire's marketing is recognised as an exemplar, with several marketing campaigns winning industry awards.

20. The below compares digital reach:

	Twitter	Facebook	YouTube Subscribers	E-newsletter	Home page
Make It York	51.1k	9m	1.76k	4.5k	1.4m pa
Welcome to Yorkshire (including customer, industry and event specific)	433k	19.9m	3.2k	100k	11m pa (88% uk)

### Visitor economy

21. Tourism is a key part of York's economy and culture, with 20% of employment in our city depending on visitors and the money they spend. Despite the current uncertainty about the timetable for short term recovery, in the medium and longer term, we will still need visitors to come to York, and our retail, hospitality and cultural industries will rely on their spend for the sustainability of their businesses.
22. Key target audiences for York's tourism recovery marketing strategy are those that both live in the region and those that plan to stay in York as a base to explore the region. These audiences are the target of both Welcome to Yorkshire and Visit York, with the former relying on local content to complement their generic messages about the county.

### Working in partnership

23. By working more closely, Make It York and York can benefit from the reach, marketing expertise and connections Welcome to Yorkshire provide. To effectively promote York to a national audience however, Welcome to Yorkshire is reliant on local content being developed and shared by Make it York, and it is important that this interrelationship and the mutual benefits that partnership working can bring is recognised.
24. Welcome to Yorkshire has spoken of their desire to work much more closely with the City of York, and have appointed a new area manager to

oversee this partnership. They have also spoken of their desire to work with City of York on joint tourism marketing campaigns, with funding available from Welcome to Yorkshire for the creation of promotional material (e.g. videos).

25. Recognising the need for a new way of working with partners, Welcome to Yorkshire has developed a strategic support package (Annex B). This sets out the activities they will undertake in partnership with local authorities and destination management organisations to be the global marketing agency for Yorkshire.
26. In addition, each local authority is encouraged to use this agreement as the basis for developing a bespoke offer which quantifies partnership objectives, for example social media mentions, inclusion in campaigns etc.
27. City of York Council has also been approached by Welcome to Yorkshire for an Officer from the Council to sit on its Yorkshire Tourism Recovery Task Group, a public and private sector task group that will guide, oversee and ensure the delivery of their Tourism Recovery Plan. Helen Apsey (Head of Culture and Wellbeing, Make it York) has been nominated as City of York's representative.
28. It is important to emphasise that working with the only agency with the mandate to market the whole county – namely Welcome to Yorkshire - would provide some certainty during this economically uncertain period.

### **Additional funding request**

29. The Council has been a subscriber to Welcome to Yorkshire throughout the existence of the organisation, with the subscription fee of £50k per annum paid in recent years through the Business Rates Pool. That Pool also made additional funding allocations to Welcome to Yorkshire, which were planned to include £1m in 2020/21.
30. The recent troubles of Welcome to Yorkshire have been covered in detail in the local and regional media and do not need further consideration here. Welcome to Yorkshire are currently heavily reliant on public sector funding, and, beyond annual subscriptions, have requested a further £1.4m contribution from Local Authorities and National Parks in Yorkshire to enable them to continue trading through the current year. In part, this would replace the £1m funding from the Business Rates Pool.

31. On this basis, the request to City of York Council is for £55,378 for the current year, with a supporting service specification and a Recovery Plan which seeks to establish a new and more positive relationship with Local Authorities, while reducing the cost of the organisation to the public purse.
32. Elsewhere in West and North Yorkshire, unspent Business Rates Pool funds which have been returned from the pool have been used to fund the contribution.
33. Wakefield Council and Hull City Council have declined to pay their requested additional contribution for the current year. A renegotiation of the level of funding provided through annual subscriptions and grants by all Local Authorities to WTY is being undertaken in preparation for the next financial year.
34. It is recommended that £55,378 is provided to Welcome to Yorkshire to deliver the services set out in the attached Service Level Agreement, which includes a framework for governance. This would be funded from the Council's share of the estimated final surplus balance from the 2019/20 North & West Yorkshire Business Rates Pool. The contribution would be paid in two instalments, the first in January and the second in March, in order to ensure the funding is only approved following active assessments of performance against the Service Level Agreement. These assessments would be carried out by officers, using the SLA to measure performance. The Corporate Director for Economy and Place will have delegated authority to approve or delay the instalments.

## Council Plan

35. This proposal contributes to the one year economic recovery strategy and council plan priorities – Well paid jobs in an inclusive economy.

## Implications

- **Financial** The additional cost of £55,378 can be funded from the Council's share of the estimated final surplus balance from the 2019/20 North & West Yorkshire Business Rates Pool. This assumes that this is a one off cost and any future funding requests would need to be considered separately.
- **Human Resources (HR)** None
- **Equalities** Welcome to Yorkshire own equalities process apply
- **Legal** none
- **Crime and Disorder** none

- **Information Technology (IT)** none
- **Property** none
- **Other**

## **Risk Management**

36. As discussed above, Welcome to Yorkshire is facing many of the challenges that the Tourism sector is experiencing in the pandemic, with reduced incomes leading to reduced payment of Membership fees. There is a risk that, despite our support, Welcome to Yorkshire cannot trade through the crisis. The commitment recommended in this paper is for the current financial year only, with the funding coming from returned contributions from the Business Rates Pool. The progress of Welcome to Yorkshire will be monitored through the arrangements set out in the Service Level Agreement.
37. Should the recommendation not be followed by Executive, there will be a greater risk of business failure at Welcome to Yorkshire. This would impact on tourism marketing for York, putting greater emphasis on Make It York as the city's Destination Management Organisation. In the current climate, having two organisations working at different levels on similar work spreads our risk as a city, and funding both organisations is a positive approach to risk management.
38. There is a risk that Welcome to Yorkshire and Make It York duplicate efforts, reducing the impact of our funding on marketing York's visitor economy. Beyond the Service Level Agreement with Welcome to Yorkshire, we will also seek to broker a clearer relationship between MIY and WTY to minimise such duplication, and will consider appropriate commitments for the new SLA which is being renegotiated with Make It York.

## **Contact Details**

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**Report  
Approved**



**Date** 18 November 2020

**Specialist Implications Officer(s)**

None

**Wards Affected:** List wards or tick box to indicate all

**All**



**For further information please contact the author of the report**

**Background Papers:**

**Annexes**

Annex A: Welcome to Yorkshire tourism recovery plan

Annex B: Welcome to Yorkshire/CYC service level agreement

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<sup>i</sup> <https://democracy.york.gov.uk/documents/s141121/Annex%204%20-%20Tourism%20marketing%20strategy.pdf>