
Economic Development Partnership Board

13 March 2007

Report of the Director of City Strategy

York Tourism Strategy and Action Plan

Summary

1. This report outlines the proposed new Tourism Strategy for the City of York, which has been developed by the York Tourism Partnership. The report highlights objectives and priorities for tourism in York over the next few years, based on the fundamental principle of increasing visitor spending and length of stay. This is founded on identifying, meeting and where possible exceeding customer expectations. The report explains how these objectives are to be delivered and identifies key actions. Members are asked for their comments on the Strategy and to endorse these objectives and actions. A report on new organisational structures to deliver these objectives (see paragraph 4) will be brought back to the Economic Development Partnership Board later in the year.

Background

2. Tourism is very important to the York economy. Tourism spending by visitors has risen by 52% since 1993 (to £311.8mn in 2005), and employment has risen by over a thousand jobs in the same period to 9,561 jobs (2005 figures). The value of tourism, or the “visitor economy”, includes both the direct contribution that tourism makes to the economy (in accommodation, attractions, entertainment, shopping, eating out etc) and also the multiplier effect that tourism has in such sectors as printing, publishing, professional services, financial services, food, beverage, construction, laundry/cleaning services etc. Tourism therefore has a big role to play in many people’s livelihoods in York, which is why the First Stop York tourism partnership was founded in 1995 to facilitate, deliver and grow tourism services through public-private sector partnership. This is led by the Council, York Tourism Bureau, the York Hospitality Association and the regional partners Yorkshire Forward and the Yorkshire Tourist Board. Hitherto the First Stop York tourism partnership has been a unique body in tourism service delivery in the Yorkshire Region.
3. Over the past few years there has been considerable discussion on the future direction and organisation of tourism, starting from national government policy (highlighted in the Department for Culture, Media and Sport’s 2004 paper “Tomorrow’s Tourism Today”) which has given a greater role in tourism in recent years to Regional Development Agencies. In the Yorkshire region this review of delivery processes has been led by Yorkshire Forward but with

significant input from the local authorities (including York) and the regional tourism board and has led to the establishment of six sub-regional tourism delivery partners in the Yorkshire region. These will lead on the delivery of a range of tourism services, particularly in the areas of product development, business engagement and marketing of local areas. Yorkshire Forward have set a series of targets and aspirations for the local delivery partners, in return for additional funding starting in 2006-07, with the key overall target for the region being a 5% growth in tourism earnings per annum up to 2010.

4. The partnership in York is based on the First Stop York tourism partnership, but with wider and more formal responsibilities as one of six sub-regional agencies in Yorkshire. A review of the organisation and management of the York tourism partnership, to best deliver actions and objectives, will be the subject of a further paper later in the year, but is likely to lead to the creation of a single tourism delivery organisation in the city, rather than through separate partners as at the moment. This will provide a single voice for tourism in the city and a more visible leadership to champion York. Discussions have been taking place on the governance and structure of such an organisation and further information and confirmation of the way forward will be presented later in the year. In the meantime a number of key activities, including the development of an initial strategy for the tourism in York, can be progressed.
5. One of the first requirements from Yorkshire Forward is the establishment of a tourism strategy for each of the sub-regional partnership areas. Annex 1 forms the draft strategy for the York area, designed to reflect the specific circumstances of tourism in York, as well as ensuring that the city can contribute towards regional tourism targets – the principal one being the 5% per annum growth target. As the Council is a principal partner in developing tourism in York, it is important for the Council to discuss and agree the key objectives and principles.
6. The attached Tourism Strategy outlines the current strengths of tourism in York – very much a success story in the York economy, as demonstrated by the 52% increase in visitor spending from 1993-2005, the growing festivals and cultural offer and substantial commercial investment, especially in the retail, bars and limited service hotel sectors. The Strategy however recognises that in a competitive environment the city needs to be able to respond to internal and external pressures:
 - Recent trends showing falling hotel occupancy in 2006
 - The long term decline in overseas visitor numbers (from a third of York's visitors in 1995-96 to a fifth today)
 - A change in visitor characteristics in the past 2-3 years which reflects an older and less affluent visitor profile (even though visitor spend has continued to increase)
 - Changing visitor expectations and opportunities (through external developments such as low cost flights, alternative leisure spending opportunities etc)

- 7 The Strategy puts forward a series of key objectives for York to aspire to in order to be able to deliver sustainable economic growth through increased visitor spend and length of stay. These objectives include:
 - 7.1 To put the customer at the heart of its activities, establishing what the actual and potential visitors want and ensuring that the city's product is appropriate to their needs
 - 7.2 To have a vibrant and successful visitor economy, with businesses able to deliver the best possible product, marketing and service to the visitor
 - 7.3 To increase the value of tourism earnings in York by 5% per annum to 2010
 - 7.4 To deliver through targeted marketing and promotion the high spending/longer stay visitors that will increase tourism earnings to the city and the region – promotion that reflects the quality of place, product and people in York
 - 7.5 To ensure that the future needs of visitors and residents are taken fully into account in developing the needs of present-day visitors
 - 7.6 To provide on demand up-to-date customer-focused information on York and the region to visitors
 - 7.7 To seek quality, world class investment, innovation and product development in terms of attractions, accommodation, retail, conference facilities and the public realm – paying attention to both the city's daytime and evening offer
 - 7.8 To enhance the quality of existing attractions, building on events and festivals and investing in York's distinctive cultural tourism offer, in conjunction with [York @ Large](#) and other partners
 - 7.9 To promote York as an exemplar in sustainable tourism
 - 7.10 To address the specific skills and training needs of tourism businesses and their workforce, in conjunction with other partners
 - 7.11 To further develop York's influence as a gateway to the rest of the North Yorkshire sub-region and the Yorkshire region as a whole, working with partners to ensure the widest possible benefits from a successful York tourism economy
 - 7.12 Ensuring that the York Tourism Partnership, responsible for driving the Strategy forward in conjunction with the business community and other partners, is "fit for purpose" in delivering that role.
- 8 The strategy proposes a number of measures to achieve these objectives, building on the key elements that the Partnership has pursued since 1995, namely targeted leisure and conference marketing and public relations, market research activity to learn the views of visitors and their economic impact, running the Visitor Information Centres at the Station and De Grey Rooms, and a range of product develop-related activity, led by the Council with partners,

linked to investment in lighting and interpretation projects, support for events and Festivals (including the Festival of Food and Drink and St Nicholas Fayre/Yuletide York Christmas promotion), website development and support for skills development and training.

9 These activities are being augmented by a series of new activities, supported through Yorkshire Forward funding (£666,700 over the next four financial years) which in addition to helping secure the desired organisational changes is being used to:

- identify new market segments (to target marketing resources better)
- identify product needs required to grow our share of these markets (for instance improving the evening economy and increasing investment in interpretation in order to increase the opportunity to lengthen visitor stay and increase spending)
- identify marketing opportunities (to, for instance, business/conference visitors, European visitors and those who use York as a gateway to the rest of Yorkshire)
- work with partners such as Business Link to ensure that York businesses can benefit from and service these new markets.

10 Finally the Strategy identifies a number of longer term activities which will give a greater impetus to the growth of York's "visitor economy" (all the business associated with tourism, both directly and indirectly). These activities include:

10.1 A strategic long-term investment framework, designed to renew and enhance York's visitor offer and encourage the high-spending, long-stay visitor by adding value to their visit. Lead responsibilities rest with a number of bodies, including the York Tourism Partnership but also with other parties. Components will include (though this list is not exclusive):

- Major investment propositions – The Minster East End, York Central, St Mary's Precinct and the Cultural Quarter, Terry's, Castle-Piccadilly etc
- High quality, innovative Visitor Information Centre provision in a better city centre location
- Support for events and festivals as a means of bringing new and returning longer stay visitors to the city – with particular reference to the 2010 York Mystery Plays and activities in the run-up to the 2012 Olympics (contributing to proposals from the Yorkshire region)
- Investment in the quality of place through creative installations, lighting and interpretation, thereby encouraging visitors to stay longer (into the evening and overnight) and spend more money in the city on accommodation and in attractions, shops, restaurants etc. The quality agenda is crucial in encouraging the higher spend visitor – and in addition creates the right environment for residents to enjoy, and

encourages business investment in linking York to vibrancy and success.

- Corridors and linkages between the key attractions, leading to a holistic approach to city centre tourism investment and thereby giving the best prospect for sustainable tourism
- Generating high quality hotel development that will employ additional staff and will service the longer stay visitor

10.2 Ensuring that the marketing and promotion of such investment priorities is taken fully into account, and that the overall marketing of the city, appropriately resourced, is able to promote York to the benefit of all businesses in the city to clearly identified target markets, complementing regional and national marketing activities. The York Tourism Partnership will lead on this.

11 The Strategy is not a document that is set in stone. It acts as a roadmap to a series of objectives, and in highlighting short and long term actions it does highlight areas where, for example, bids may be made through the Sub-Regional Investment Programme or through other agencies and programmes, such as the Heritage Lottery Fund or through encouraging private sector investment. These actions are not exclusive, however, and indeed an important lesson over the past eleven years (since the original First Stop York tourism partnership was established) is how the tourism industry and responsible partners have had to adapt to changing circumstances, whether due to the impact of exchange rates or terrorism, or alternatively social changes such as low cost airlines, the internet or mobile personal technology.

12 The crucial issue is that the York Tourism Strategy is designed to be supported and used by the tourism industry and the city at large. While the York Tourism Partnership has specific service delivery responsibilities, many other organisations, partnerships and businesses will have key roles to play in delivering support to tourism businesses and visitors. The Strategy therefore creates the environment for other organisations and partners, including the commercial sector, to invest in and grow their business activities in York.

13 Related to this, the York Tourism Partnership will work with the wider City of York Council, partnership agencies in the city, such as York @ Large, the City Centre Partnership, Science City York, york-england.com and others to maximise investment and support for improving the quality of the city's visitor experience.

Consultation

14. This strategy has been consulted upon with key tourism businesses in the city, through sub-groups of representatives on marketing and product development activities which are part of the present mechanism for dealing with tourism issues. There has also been consultation within the Council, especially with York Leisure Office, and with the regional agencies Yorkshire Tourist Board and Yorkshire Forward. Results of that consultation are available.

Options

- 15 Members are asked for their comments on the Strategy and to endorse the key objectives in 6 above.

Corporate Priorities

- 16 Tourism in York is a major generator of economic benefits, with one in ten of the local workforce (9,561 people) employed directly or indirectly in tourism in 2005-06. Two of the Council's Corporate Aims are relevant here – Objective 7 “work with others to develop opportunities for residents and visitors to experience York as a vibrant and eventful city” and Objective 3 “strengthen and diversify York's economy and improve employment opportunities for residents”. Strengthening the visitor offer with judicious investment in new products, improved services and better marketing and promotion gives the best chance for York to achieve these goals. The Strategy also reflects the importance of tourism as a generator of economic benefits in the City Vision and Community Strategy 2001-2024, where strategic aims within the “York – The Thriving City” objective include:

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.

Implications

- 17 The implications of the Strategy on a number of areas of work have been considered:

- **Financial**

The Strategy has been produced assuming no net increase in tourism expenditure by City of York Council. Increased activity levels is based on additional resources received through Yorkshire Forward at the moment (£666,700 in total from 2006-07 to 2009-2010) and proposals to be brought forward through the Sub-Regional Investment Programme.

- **Human Resources (HR)**

None as yet. The future organisation of the York Tourism Partnership will require consideration of human resource issues, but this will be the subject of another paper later in the year.

- **Equalities**

None. Tourism is very much an industry that welcomes visitors of all characteristics, and future investment (especially capital investment) will be DDA-compliant – this is especially important regarding investment in enhanced visitor information services.

- **Legal**

None as yet. The future organisation of the York Tourism Partnership and its relationship to the City of York Council will require consideration of legal issues, but this will be the subject of another paper later in the year.

- **Crime and Disorder**

This has been considered. Investment in lighting and in the evening economy creates genuine opportunity to improve safety in the evenings by having more people in the city centre, preventing no-go areas. Police and Safer York representatives have been consulted on the formulation of actions to enhance the city's evening offer.

- **Information Technology (IT)**

The new Visitor Information Centre will require high standard ICT connections and there will be continued investment in web-based information services. Funding from a range of sources will be sought for this investment.

- **Property**

Discussions are already taking place with Property Services re: the city centre Visitor Information Centre operation. There are no other property implications at this stage.

Risk Management

18. The final Strategy will contain a risk management assessment, to be completed when the deliberations on a possible new organisational structure are completed. That risk assessment will be brought to a future meeting of the Economic Development Board along with recommendations on the structure. In the meantime the existing partnership will be able to continue to deliver activity, as outlined in paragraphs 8-10 above, as it has done for the past twelve years.

Recommendations

19. The Economic Development Partnership Board is asked to:
 - 1) Make comments on the draft York Tourism Strategy
Reason: This will allow the tourism partners to prioritise actions in future years by setting the context for activity.
 - 2) Endorse the objectives 7.1-7.12 above
Reason: This will enable the tourism partners to best prepare tourism proposals to be put forward into the Sub-Regional Investment Programme
 - 3) Support in principle the establishment of a single tourism organisation to deliver actions subject to a further report on the details of this.

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Report Approved **Date** *Insert Date*
26 Feb. 07

Specialist Implications Officers: None

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

All

For further information please contact the author of the report

Background Papers:

Earlier drafts of the York Tourism Strategy, and responses to earlier consultation, are held at the Economic Development Group offices in George Hudson Street

Annexes

1. The York Tourism Strategy and Action Plan – Draft (February 2007)