
Gambling and Licensing Acts Committee

5 October 2007

Report of the Assistant Director, Economic Development and Partnerships

TOURISM PROGRESS REPORT AND UPDATE

Summary

1. The report informs the Committee of current issues affecting the tourism/visitor economy. It outlines key points in the Tourism Strategy and Action Plan, adopted in 2007, and the key findings of an Evening Economy report which was endorsed by the Council's Executive in July 2007. It emphasises the desire for a high quality and varied visitor offer in order to maximise the economic benefits arising from tourism.

Background

2. This is the note of key tourism issues as required under the current Licensing Policy to be presented to the Gambling and Licensing Acts Committee. It is based on part of a report on key issues which is given at the Economic Development Partnership Board, and on other reports presented to the Council earlier in the year.

Consultation

3. The report is being provided for information and there are no recommendations with financial consequences. There is no consultation necessary for this report.

Options

4. This report is for information only and therefore does not present options for decisions by Committee members. Where decisions are necessary specific reports on those issues and options will be presented. However, Committee members are invited to comment on the information provided.

Analysis

5. As stated in the paragraph above, options have not been presented therefore there is no need for appraisals.

Corporate Priorities

6. Tourism issues are firmly embedded within the Council's corporate objectives, the Community Plan and the Economic Development Service Plan
 - The Corporate Strategy 2006-2009 has two relevant priorities:

- The Safer City - Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York

Reason: Addressing the evening environment in the city, as part of the evening economy consideration, includes offering more non-alcohol based alternatives which will change the ambience of the city centre and make for a safer atmosphere

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

Reason: Partnership working will be strengthened and deepened as part of the drive towards a Single Tourism Organisation. The evening economy proposals will identify activities where with better co-ordination it will be possible to encourage a more inclusive evening experience with a more exciting and diverse range of evening activities for residents as well as visitors to enjoy, thereby creating a more successful evening economy for the city, more job opportunities for local residents etc

- The “Thriving City” theme of the WOW Community Plan has the following strategic objectives

“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”

This clearly will raise the quality threshold of the city’s visitor offer with potentially positive benefits to the quality of licensed premises and events in the city. The intention is to link the quality of York’s visitor offer with the quality of York’s marketing and promotion in order to attract more staying and high-spending visitors, but also provide enrichment for residents as well.

- The Economic Development Service Plan sets identifies a number of corporate priorities:

- to generate business growth and start-ups in science and technology industries, tourism and other key business sectors in order to maintain existing jobs and provide higher quality, sustainable and higher paid jobs.

- to create a vibrant city through a proactive partnership approach to visitor management and by increasing investment.

Implications

7. As this is a general report on the progress of key issues there are no financial, human resources, equalities, legal, crime and disorder, IT or property implications.

Matters Arising

8. There are no matters arising.

Tourism Update and Progress

- 9 The context for the Gambling and Licensing Acts Committee is that the tourism industry remains a successful part of the York economy, and is striving to improve the quality of the city's visitor offer, and the way the city is promoted. Licensed businesses, and events and festivals where specific licenses are awarded, clearly and positively influence visitor spending.

Of greatest relevance to the Committee are two reports which have been adopted by the Council, on the Evening Economy, and on York's Tourism Strategy.

The evening economy

- 10 A report to the Council's Executive on 24 July, produced by the York Tourism Partnership and based on research with a variety of stakeholders, highlighted the social, economic and environmental benefits to the residents of York of the managed development of a healthy evening economy. It has the potential to greatly increase the value that the city receives from tourism. Improving the visitor experience of York after dark will improve the city's ability to attract valuable overnight visitors. While only 16% of visitors to York stay overnight, they account for 58% of the impact of tourism on the local economy (i.e. £180 million per annum out of total visitor spend of £333mn). This implies that a focus on improving the evening experience of York will be very effective in boosting the evening economy and increasing tourism revenues overall.
- 11 The research suggests that the most appropriate focus for the York evening economy is towards a more inclusive evening experience with a more exciting and diverse range of evening activities, a higher amenity value and a higher perception of safety in the city centre. The research also highlights the need for co-ordination of activity in the evening economy to allow for greater communication and cooperation between the stakeholders involved including retail, hospitality, entertainment, accommodation and the local authority.
- 12 To complete the scope of the York After Dark report, a survey of the opinions and attitudes of residents into the evening economy took place in June via the Council's TalkAbout panel. The results showed that 60% of residents visit the city centre in the evening at least once a month and the most popular activities included visiting a restaurant, bar, pub or the theatre. There are high levels of expenditure amongst residents with a mean spend per person of approximately £40. Outdoor theatre/music, a larger music venue and evening shopping were all identified as events which would encourage residents to use the city centre in the evening more often however concerns about both groups drinking alcohol and personal safety were identified as the main barriers preventing visits into the city centre in the evening.
- 13 The Council Executive agreed to support in principle the development of a vibrant and diverse evening economy in York, and asked for a further costed action plan to support the development of the evening economy in the city centre.

Tourism Strategy and Action Plan

- 14 The recently adopted York Tourism Strategy and Action Plan emphasises the importance of the tourism industry to York, and seeks to create a successful and sustainable visitor economy for the benefit of visitors, residents, businesses and employees. A number of the specific objectives are relevant here, based around the city's interest in attracting the higher spend, longer stay visitor who makes the greatest contribution to the visitor economy:
- 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
 - To have a vibrant and successful visitor economy, with businesses able to deliver the best possible product, marketing and service to the visitor
 - To increase the value of tourism earnings in York by 5% per annum to 2010
 - 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
 - To ensure that the future needs of visitors and residents are taken fully into account in developing the needs of present-day visitors
 - To seek quality, world class investment, innovation and product development - paying attention to both the city's daytime and evening offer
 - 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
 - To promote York as an exemplar in sustainable tourism

This Strategy provides the overall context for tourism development in the city.

Other tourism news and developments over the past few months

- 15 The most highly publicised news in the past few months has been the award of "European Tourism City of the Year" at an Awards ceremony in Athens in June. The Award was presented by European Cities Marketing (ECM), a membership network representing 130 cities from 30 countries across Europe. Members include Berlin, Dublin, Lisbon, Madrid, Paris, York and Vienna, and York was accepted as a member in 2005. The city was judged on the quality of its product, the visitor experience, its social, environmental and cultural performance as well as its marketing activities.
16. Plans are now well advanced for the creation of a Single Tourism Organisation in York by April 2008. Discussions have been taking place between the Council and York Tourism Bureau regarding the Memorandum and Articles of Association for the new company. Once agreed an EGM of York Tourism Bureau will be arranged to wind up the present company and to adopt the new Mem and Arts. Interviews

will be held to appoint a Chair and new Directors of the Company. This new body will seek to build on the achievements of the First Stop York tourism partnership in such areas as marketing and promotion, development of the quality of the product, improved market intelligence, better visitor information service provision etc – whilst at the same time safeguarding and ultimately growing the scale of private and public sector investment in tourism activity. Establishing a new and improved organisation has included discussion of issues concerning governance, staffing and structures, funding and outputs, operational relationships and the communications of activities to the tourism sector in York, and progress has been made on these issues.

17. In the meantime the current partnership continues to develop new and improved activities, with additional support from Yorkshire Forward, which has pledged £666,700 of support to the Partnership for a combination of organisational and structural change, and enhanced investment in marketing, market research and product development activity. This investment (of which £155K has been available in 2006-07) has supported such activity as:

- Some of the legal and other costs incurred so far in establishing the new tourism company.
- Forward planning for the 2007 Illuminating York project, which will be taking place from 26 October – 3 November. The event will showcase cutting edge outdoor artwork, exhibitions and tours, including performances in the Museum Gardens, York Art Gallery, Theatre Royal, York Minster and in shops, restaurants and cafes in Gillygate and is a great opportunity to further grow the city's evening economy.
- Market Research – completion of research from 2006-07 has included conference research, which identified that over 25,000 business related events took place in York – over 22,000 of them were conferences and meetings, and they generated an estimated £98.4mn of direct value to venues in York in 2006. Two thirds of this value from residential events, about a third from non-residential. There were an estimated 917,000 delegates attending events in York – generating an estimated 1.6mn delegate days. Peak months for conferences in 2006 were the autumn (especially October), and Spring (especially June).
- Enhanced marketing activity. This has included more conference marketing activity, including an enhanced presence at UK and European business shows, and a new PR campaign which is showcasing Cultural York – highlighting cultural events (music, lighting, film and art), visitor attractions and galleries which reflect York's vibrancy and high-quality appeal.

18. Core activity through the partnership continues., including marketing activity (attendance at trade shows, PR stories, the maintenance and further development of the website), as well as support for key events. The Festival of Food and Drink (21-30 September) will showcase local and regional food and drink, and highlights include the Ghurkha Curry Night (24 September) and demonstrations by Raymond Blanc. The Christmas promotion is Yuletide York (80,000 marketing materials have already been circulated to national and regional contacts) and highlights will include

the ever-popular St Nicholas Fayre (29 Nov to 2 Dec) and the German Christkindlesmarkt (6-22 December). Thanks are due to colleagues in the Licensing and Regulation Unit for their assistance with a number of events and festivals in York this year.

- 19 After extensive research and deliberation a proposal for the relocation of the city centre Visitor Information Centre has been agreed by the Council. A council-owned building on the corner of Blake Street and Museum Street has been identified as suitable for a building that can meet the ambitious service requirement of providing “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”. The building is capable of conversion into a ground floor VIC facility, including accommodation booking, event ticketing service, call centre and managers’ office, a retail unit and display area to showcase regional produce with space on the first floor for offices for the newly established Single Tourism Organisation, or a public facility.

20 Tourism Trends 2006-07

The full results from the Visitor Survey and Economic Impact Model for York for 2006-07 have been published. These showed progress on all fronts:

- Visitor spending up by £21mn to £333mn
- Employment associated with tourism up by 400 to 9,970 jobs
- Visitor numbers up by 339,000 people (especially day visitor numbers) to 4.18mn.
- Average length of stay of staying visitors up to 3.31 days

The Visitor Survey showed continuing strong support for tourism – 79% of visitors had been to the city before, and the great majority have no dislikes of York, and enjoy York more than other destinations that they visit. History and heritage continue to be the key draw – but there was a significant increase (from 20% to 30%) in respondents who like York’s shopping facilities. This in turn was matched by spending on shopping (within the £333mn total) which rose from £93mn to a record £105mn. Another area where spending increased was on food and drink – this rose from £44mn to £53mn, and this may link to an increase (from 50% to 60%) in the proportion of evening visitors who had a meal or generally ate out. York very much appeals to the older visitor – 42% of York’s visitors are over 55 compared to just 15% who are under 35.

There are some features reflected in the visitor survey where York could do better: only 15% of visitors are from overseas (down from 19% in 2005-06 – they were a third of visitors in the mid 1990s), and only 26% of overseas visitors were from North America (this was over half of overseas visitors in the mid 1990s). York is more popular with European visitors though – 47% of overseas visitors were from Europe in 2006 compared with 34% in 2005. York is not getting the ratio of highest spending visitors that it did some years ago,. Today 53% of visitors are in the highest income groups compared with 74% in 2000.

The overall message is that tourism in York continues to perform strongly, and at a time of job losses elsewhere in the York economy this is extremely encouraging. It is great to see the continuing, very positive response of people who come to York.

The exciting thing is that the results also show that York tourism has the potential to grow even more. If the City can persuade a younger group of visitors, more overseas visitors and a more high-income group of visitors to come to the city then there is the potential to grow the value of tourism in York even more. The city's marketing strategy is designed to do just that .

21 Latest tourism trends.

Hotel occupancy trends in 2006 calendar year were down 2-3% for bed and room occupancy, but the 2007 figures (to July) have so far been better than for 2006, taking into account the different period of Easter each year). As ever individual monthly figures need to be treated with caution because of sample size variations.

22 High Speed 1

The 186mph route from St Pancras through the Channel Tunnel (High Speed1) is to begin operation on November 14th. St Pancras immediately adjoins Kings Cross station and the transfer between ECML trains and Eurostar services will be made much easier. Through trains from continental Europe to the North will not feature. The new services open up new marketing possibilities for York (both for leisure and business travel) with through ticketing to a host of destinations on the growing European high-speed rail network also coming on stream. The new London - Paris journey time will be 2 hrs 15 minutes.

Risk Management

23 In compliance with the Council's risk management strategy. There are no risks associated with the recommendations of this report.

Recommendation

24 The Committee's comments on this paper, which has been presented for the first time, will be welcomed to ensure future papers cover key tourism issues of interest.

Reason: To help shape the effectiveness of future action.

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Specialist Implications Officers - None

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

Progress on key issues report to the Economic Development Board, 25 September 2007

Report to the Executive on 24 July 2007 on the Research Findings on the Evening Economy in York

Report to the Economic Development Partnership Board on 13 March 2007 on the York Tourism Strategy and Action Plan

Other tourism reports and statistics are available from the Council's Tourism Manager at 9 St Leonard's Place

Annexes: None