

Report of the Assistant Director Economic Development and Partnerships

## **Update on the establishment of a Single Tourism Organisation for York**

### **Summary**

1. This report updates members on current progress on establishing a Single Tourism Organisation (with a working title of Visit York) for the city and requests endorsement for the actions taken so far.

### **Background**

2. At the Economic Development Partnership Board meeting in March, Members were advised that a new Tourism Strategy and Action Plan was adopted by the York Tourism Partnership, and that a review was to take place of the organisation and management of tourism in York, which would be reported back to the Board. This review has now taken place, and a process has started which should lead to the establishment of a Single Tourism Organisation (working title "Visit York") by 1 April 2008. This will build on the success of the existing tourism partnership, which has seen the York economy benefit from a 62% growth in visitor spend since 1993 and almost 1,600 additional jobs.

### **Consultation**

3. Discussions have been taking place throughout the year on the shape and form of the Board and structures for Visit York. Essentially Visit York will be a public-private sector company limited by guarantee, with responsibilities for leading the continued development of tourism in York and the surrounding area. It will lead on defining and securing investment to develop the quality of the York product, and market York as a destination to the leisure and business visitor, including domestic and overseas markets. The ultimate target is a 5% per annum growth in tourism earnings, contributing to regional growth targets.
4. Consultation has included the existing York Tourism Bureau membership and other key stakeholders including Yorkshire Forward, the Yorkshire Tourist Board and Council members and officers. An initial report on the development of tourism in York was taken to City Strategy Executive Member Advisory Panel in July, while the principle of establishing a Single Tourism Organisation was also commended by the Future York Group.

## **Options**

- 5 As this report is for information only, and Members of the Economic Development Partnership Board in March had already endorsed the principle of a single tourism organisation, there are no options required for consideration.

## **Analysis**

- 6 The specific activities of the company, subject to final confirmation by the newly appointed Chair and Board, are likely to include:
- Setting the strategic direction for the development of tourism in York – led through the Chair and the Board, but with strong input from the Chief Executive
  - Aiming to encourage and facilitate transformational enhancements to York's visitor attractions, improvements to accommodation and hospitality provision within the city and influencing inward investment
  - Defining and securing public and private sector investment to develop the quality of the York product (including championing investment in the public realm), and its marketing and promotion
  - Maintaining and building on the current level of income from the private and public sector funding in order to carry out its core functions – raising funds from the private sector and maintaining investment and commitment from the Council and other public funding agencies
  - Specific Marketing activity that delivers business to the city of York and the surrounding region through destination marketing, and directly to businesses through VIC services, hotel bookings, the visityork website etc
  - Engagement and communication with stakeholders, businesses and service providers. This also includes representation on many outside bodies as determined by the company's Board
  - Seek to enhance the marketing and packaging of signature events and festivals and evening activities that will bring additional staying and high-spend visitors to York
  - Pursuing a sustainable, green tourism agenda for the city and its businesses
  - Encouraging the take up of employer-focused business support, skills development and training activities and working with the industry and partners on the promotion of careers in the tourism industry
  - Commitment to performance management for the benefit of the company's Board and for reporting to stakeholders and businesses

- Ambassadorial function – acting as the voice of tourism for York. Influencing national, regional and local strategies and opportunities for external funding, and working with regional and sub-regional agencies.

The forward strategy of the company will be to continue to grow and develop the private sector engagement with the partnership, increasing the level of support, to continue to secure significant investment from the public sector (through City of York Council), and to seek external funding for specific projects, through Yorkshire Forward or other bodies, that will secure the long-term future of York as a premier visitor destination.

- 7 Good progress has been made on establishing the Board. The Chair, John Yeomans, was appointed in October by a Nominations Committee following an open recruitment process and five other Directors have been appointed in the same way – Michael Hjort, Keith Wood, Mark Wray, Stephen Noblett and Janet Barnes.
- 8 The role of Non-Executive Directors, including the Council directors, is to provide a creative contribution to the Board by providing ideas and insight, objective and constructive criticism and support to the executive team in implementation of agreed strategies and specific actions.

In conjunction with the Chair and Chief Executive, the Non-Executive Directors are primarily responsible for:

- Determining the company’s strategic objectives and commercial viability.
- Monitoring progress towards achieving the objectives and policies.
- Overseeing the company’s activities.

- 9 The other directors will be three nominees each from the current Bureau Board and from City of York Council. The final Board appointee will be the Chief Executive.
- 10 The constitution of the new company has been the subject of discussion and negotiation between the Council and the current Bureau Board, given that the responsibilities of the new company are much wider than those of the existing Bureau. The Memorandum and Articles of Association (Mem and Arts) of the new company have been agreed, subject to final approval at a Bureau AGM in December. The Mem and Arts confirm the company’s strategic and operational roles, and a Service Level Agreement (SLA) is being finalised between the Council and the new company. This covers what the Council expects the new company to deliver, and ensures proper accountability for public funding. The Council will be asked to agree the Service Level Agreement at an Executive meeting on 18 December.
- 11 Yorkshire Forward has formally endorsed York’s approach so far. In its final (12 month) benchmark assessment the York Tourism Partnership has been assessed as “green” – the most positive ranking for progress towards a “step change” in tourism support. They state that:

“The current tourism partnership arrangements in York clearly demonstrate a proven ability to increase the prosperity of the city’s tourism industry and promote York as a major destination. During the last twelve months York tourism partners have undertaken a strategic review of the existing tourism partnership arrangements, and this exercise has also taken into account the findings of the Future York Group report. Tourism partners in York are capitalising on the current structural change process with the objective of developing a single tourism organisation for the city by 1 April 2008”

## **Corporate Priorities**

12. Tourism in York is a major generator of economic benefits, with one in ten of the local workforce (9,970 people) employed directly or indirectly in tourism in 2006-07. 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, and these are all aspirations of the new company. The new company’s objectives also reflect the importance of tourism as a generator of economic benefits as set out 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**

- 13 The following implications have been considered in establishing the new company:

- **Financial**

The development of the company is based on the assumption of no net increase in tourism expenditure by City of York Council but the SLA will seek to secure a commitment from the Council for a three year rolling programme of funding

- **Human Resources (HR)**

There will be staff seconded from the Council’s tourism team (within the Economic Development and Partnerships group) into the new organisation, subject to a Secondment Agreement. HR issues for Bureau staff will be considered by external consultants.

- **Equalities**

There are no consequences on the staffing side. Tourism is very much an industry that welcomes all visitors and future investment (especially capital investment) will be DDA-complaint – this is especially important regarding investment in enhanced visitor information services.

- **Legal**

Advice has been obtained from Civic Democratic and Legal Services on the content of the Mem & Arts and the Service Level Agreement, co-ordinating with the partners' legal teams.

- **Crime and Disorder**

No implications of organisational change, though the activities of the new organisation will create genuine opportunity to increase safety in the evening by encouraging more activity in the evening.

- **Information Technology (IT)**

The IT requirements of Visit York will be handled by the new company.

- **Property**

Currently the partnership operates from separate offices in George Hudson Street (Bureau), Scarcroft Road (Hospitality Association), St Leonard's Place (CYC tourism) and the De Grey Rooms (Visitor Information Centre offices). It is proposed to combine those offices in Blake Street, following the recent decision to explore the relocation of the VIC to a property on the corner of Blake Street and Museum Street. The VIC would be on the ground floor, and the company's offices on the first floor. The property in question is currently owned by the Council but is to be sold to another party and leased back.

## **Risk Management**

- 14 Issues of risk have been minimised by preparing and agreeing new Mem and Arts for the company, and a Service Level Agreement between it and the Council, following legal advice. Though the company will be a new one, essentially the organisations joining it have been delivering activity for some twelve years now, so actions to achieve the key goals of growing the value of tourism earnings will be continuous and seamless.

## **Recommendations**

- 15 That the above report be noted and that actions taken so far be endorsed.

Reason: To provide additional support from the wider business community for the contribution that tourism makes to the wider economy in the city

## Contact Details

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**Report Approved** ✓ **Date** 14 Nov 2007

*Bill Woolley*  
*Director City Strategy*

**Report Approved** *tick* **Date** *Insert Date*

### Specialist Implications Officer(s)

Implication - Financial

Name Patrick Looker

Title Finance Manager, City Strategy

Tel No. ext 1633

Implication - Legal

Name Brian Gray

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### Wards Affected

All ✓

For further information please contact the author of the report

### Background Papers:

Memorandum and Articles of Association of Visit York  
The Draft Service Level Agreement between the Council and Visit York  
Minutes of York Tourism Partnership Executive meetings

All are held in the City Strategy offices at 9 St Leonard's Place

**Annexes:** None