

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:-	Cabinet Member for Tourism and Culture
2.	Date:-	4th December 2012
3.	Title:-	Welcome To Yorkshire
4.	Directorate:-	Resources

5. Summary

This report outlines Rotherham Borough Council's links with the destination management organisation, Welcome to Yorkshire, and the wider context within which tourism and destination management will be delivered in the future.

6. Recommendations

Cabinet Member for Tourism and Culture is recommended to:

- a) note the contents of the report
- b) seek a further detailed report on the issues at section 7b iii)

7. Proposals and Details

a) Context

- i) The Government published its Tourism Policy in March 2011, positioning tourism as a central and integral part of generating local economic growth. The strategy advocates a structure of stronger, more focused tourism bodies and positions Local Enterprise Partnerships (LEPs) and Destination Management Organisations as providing strategic leadership over destination marketing and management.

Over time, the strategy advocates a move away from DMOs' reliance on public sector funding towards funding through sustainable commercial partnership marketing and sponsorship deals with tourism industry firms.

However, it accepts that in the short-term there is a legitimate, if temporary, role for the state to *"fill the gap in promoting destinations while we create and grow the structures and organisation for the sector to organise and fund its own collective marketing in future"*.

- ii) The structured outlined in the strategy includes:-

- A re-focused Visit Britain, responsible for marketing the UK to the rest of the world— researching, creating and delivering marketing campaigns to bring visitors to the UK.
- Visit England – the national body for English tourist firms and destinations – developing and promoting English tourism in parallel with Visit Scotland, Visit Wales and the Northern Ireland Tourist Board.
- Industry-led local tourism bodies - Destination Management Organisations, or DMOs, working with local tourism firms, led by and increasingly funded through the tourism industry itself. These should be defined by visitor economies and attractions, rather than local government boundaries. To achieve the right kind of influence and partnership with local authorities, DMOs will have a strong shared vision with the local community about what they want their destination to be. The strategy states:- *"Good DMOs should speak for both the visitor and the visitor economy and will be listened to with influence and respect from local authorities and LEPs if the importance of tourism within the wider economy is understood. It will be for LEPs and DMOs to develop their own working arrangements, based on their analysis of local conditions, challenges and opportunities"*

As their title suggests, effective DMOs will concentrate on destination **management** rather than simply **marketing** – attractive public realm, effective brown signage, well-maintained public spaces, for example, are all issues which ought to fall within their consideration, as well as simply building and marketing individual attractions and locations.

- iii) The Sheffield City Region LEP has set up four sector groups to identify opportunities for economic and job growth and any barriers to achieving that growth, one of which focuses on Sport, Leisure and Tourism. Early work identified a general acceptance that the economic success of the tourism sector directly correlates to the scale and reputation of its marketing and promotion of the region, through the Peak District brand, the Yorkshire brand, the major events programme, visitor attractions in the region and, to a lesser extent, the city brands. However, the multiplicity of brands and diversity of marketing functions was identified as an issue for its future prosperity.

The SLT strategy has yet to be formally approved by the Sheffield City Region LEP Board.

b) Welcome to Yorkshire

- i) Launched in 2009, Welcome to Yorkshire is the official destination management organisation for Yorkshire (the UK's largest county), responsible for championing tourism in Yorkshire, which is worth an estimated £7 billion annually and as an industry employs almost a quarter of a million people.

It is widely acknowledged that WTY's ambitious marketing campaigns – including ads in New York taxi cabs, sponsorship of a Chinese football team and a bid to host a leg of the Tour de France - have played a major role in recent significant year-on-year increases in international visitor numbers, length of stay and spend. Figures to for the nine months to September 2011 showed international visits to Yorkshire were up 12 per cent on the previous year, compared with four per cent nationally, and an average year on year increase of almost 40 per cent on lengths of stay, with international tourist spending up 29 per cent compared to seven per cent nationally. Accolades received by WTY include the World Travel Award for the World's Leading Marketing Campaign

ii) Accountability and Links to Local Government

Councillor Peter Box, Vice Chair of Local Government Yorkshire and the Humber, has been the appointed local government representative on the Welcome To Yorkshire Board since the LGYH Annual General Meeting in July 2011 and following a further review in July 2012. His role is to ensure that the future direction of tourism within Local Government Yorkshire and the Humber reflects the genuine needs of councils and tourism businesses at local level and provide a positive link between the work of Welcome to Yorkshire and the growth of complementary DMOs at local level.

Welcome to Yorkshire has also established a South Yorkshire Tourism Advisory Group, formerly chaired by WTY's former Regional Director for South Yorkshire. Membership of the group included representatives of private sector hospitality/accommodation providers; tourist attractions; infrastructure organisations eg Robin Hood Airport and local authorities (officers).

Its objectives were identified as follows:-

- To create an effective and more streamlined tourism structure within South Yorkshire with appropriate engagement of partners at all levels in order to drive and direct tourism development forward within South Yorkshire by ensuring its alignment to the region's strategy led by Welcome to Yorkshire, the region's lead tourism marketing agency
- To provide professional insight and advice about the performance of the tourism sector within South Yorkshire for the benefit of all stakeholders and partners
- To shape and direct the development of tourism locally by steering the strategic approach, priorities and influencing future planned activity*
- To identify a small number of specific and significant tourism opportunities to be prioritised for project development/implementation that will be worked on collectively across South Yorkshire (everything else remains local issue for local implementation)

The group, now chaired by WTY's Commercial Director, last met in June 2012 and is due to meet again in February 2013.

iii) RMBC Position

A decision was taken on 14th December 2010 (Cabinet Member for Culture, Lifestyle, Sport and Tourism) to continue the RMBC subscription to Welcome to Yorkshire as the remaining element of RMBC's tourism provision, along with associated strategic representation at regional/sub-regional level (see bii above).

Benefits of membership include:-

- Benefits of association with major national/international marketing campaigns
- Opportunities to contribute locally-focused editorial content to This is Y magazine
- Opportunity to benefit from networks, expertise, established links and credibility – eg Gallery Town and links to Hepworth Gallery
- Access to market intelligence
- Website translated into Chinese, German, Dutch, Italian, French and Spanish
- Potential to buy into regional campaigns

However, there are a number of challenges for RMBC in maximising these benefits:

- Maintaining increased membership subscription when budgets are tight
- Limited funds to participate in relevant campaigns
- Capitalising on the wider Yorkshire brand – this capability may be enhanced if the proposed multi-million pound Visions of China project comes to fruition, with an estimated half million visitors each year
- No dedicated officer tourism function within the council and a need to define a way forward for the marketing and promotion of the borough as a whole.

A more detailed report to Cabinet Member on these areas is recommended.

8. Finance

Following its establishment in 2009, Welcome to Yorkshire received core funding from Yorkshire Forward, as well as other income, including funding from local authorities across the Yorkshire and Humber region.

The annual membership subscription has varied between authorities. In 2011/2012, Rotherham MBC paid a subscription fee of £7,206.

However, 2011/2012 was the final year of Yorkshire Forward funding and WTY has faced a significant period of challenge and change in become entirely self-financing through its membership subscriptions and other revenue. The organisation has also actively targeted commercial organisations for subscriptions as part of the new business model.

Local authority subscription fees have been increased, and for the year to March 2013, Rotherham MBC is paying a subscription fee of £15,000

9. Risks and Uncertainties

See b iii) above.

10. Policy and Performance Agenda Implications

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