

Report of Director of City Development

Report to Executive Board

Date: 22 June 2016

Subject: Growing the Leeds Visitor Economy

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Tourism is a significant and growing sector of the Leeds economy and a major contributory factor to the success of the city benefitting everyone who lives and works here. Leeds currently attracts around 27 million visitors a year, generating £1.15 billion of economic benefits, and supporting around 18,500 jobs. We are the 6th most popular visitor destination for overnight visitors in the UK and the 6th most popular UK conference destination. In 2014, Leeds attracted over 54,000 conferences and meetings, providing a £447m boost to the city's economy. The top five comprise: London, Birmingham, Manchester, Edinburgh and Glasgow. Visitor numbers and tourism spending in Leeds is growing rapidly, at a faster rate than the national average.
2. Our ambition is to build on this success by working collaboratively as VisitLeeds with a number of organisations such as Welcome to Yorkshire and VisitEngland, who will continue to promote Leeds as a destination, secure new conference and leisure tourism business, and to develop the offer for visitors. This report sets out the plan and priorities for this work over the year ahead and how we will achieve our objectives.
3. Recent success has been achieved in developing a more professional and targeted approach to tourism promotion by capitalising on new visitor destinations such as the first direct arena, Trinity Leeds, and Victoria Gate, and in attracting and hosting major events such as the Grand Depart in 2014, the Tour de Yorkshire, the World Triathlon Series, British Art Show, MOBO Awards and the West Indian Carnival.

The plan helps support the council's 'Strong Economy' ambition as set out in the 2016/17 Best Council Plan and the specific council priorities on 'Supporting economic growth and access to economic opportunities' and 'Hosting world class events in Leeds' related breakthrough project.

4. The growth of the Leeds visitor economy is crucial to the development of the wider Leeds economy. The Council aims to continue to support and drive this growth by maximising the opportunities in the leisure and conferencing sectors, and delivering the forward plan discussed in this report.
5. VisitLeeds (the visitor economy function) transferred from Leeds and Partners to Leeds City Council, (LCC) in April 2015. Since then, the team have worked with the stakeholders to secure funding and to take forward actions to attract more visitor spending to Leeds and create jobs.
6. VisitLeeds adds significant value to the LCC core investment through direct contracted conference income and the subsequent economic benefits this brings, in addition to the local, national and international funds that it continually levers with a match cash and in kind model for the inclusion or direct allocation to Leeds.
7. There is a strong strategic stakeholder and cross boundary approach at a local, regional, national and international level and VisitLeeds is central to this with commitment to deliver from 2016 onwards, supporting the Leeds European Capital of Culture 2023 bid.

Recommendations

8. Executive Board is recommended to approve:
 - i) The strategic approach and forward plan for the Leeds visitor economy function set out in this report (including the cross-boundary, partnership-based approach aimed at attracting visitors in national and international markets) and delegate detailed delivery to the Chief Officer of Economy and Regeneration, in consultation with the relevant Executive Member;
 - ii) The approach to working with other destinations and Welcome to Yorkshire on joint promotional campaigns, and to endorse the focus on attracting visitors from outside Leeds City Region, who spend more and support more jobs than local visitors;
 - iii) The approach to attracting additional funding by applying for and delivering external investment and commercial match funding (including in-kind support) to ensure Leeds is a lead destination and included when the function has the capacity to do so;
 - iv) That VisitLeeds continues horizon scanning for strategic developments and opportunities, new approaches to funding, mutually beneficial collaborative partnerships including working more closely and effectively with LCR destination management organisations, funding opportunities and responds to them appropriately in consultation with the Chief Officer of Economy and Regeneration;

- v) That the recommendations within this report be exempted from the Call In process, for the reasons detailed within paragraph 4.5.2.

1 Purpose of this report

1.1 This report highlights the success of the transition of VisitLeeds to LCC from April 2015. It gives an overview of the current approach and the mid to long term forward plan and how this aligns to the core budget, brings in external funding whilst exploiting cross boundary collaboration opportunities. It seeks approval for conclusions and recommendations in implementing this continued approach and forward plan.

2 Background information

2.1 Context

2.2.1 The value of a visitor economy is defined as 'The importance of tourism and the wider set of individuals and organisations which drive the success of a destination'. It includes all things that attract a visitor including the infrastructure, attractions, retail, culture and the arts, sport, food and drink and accommodation. At the core is the economic impact derived from a successful visitor economy which drives growth and creates employment for a destination. Visit Leeds focuses on initiatives that drive value and impact in target national and international markets and sectors to maximise the sector contribution.

2.2.2 The 2015 STEAM economic impact study demonstrates that Leeds attracted 26.83m visitors in 2014, (7.8% increase on 2013), resulting in £1.151bn in economic impact, (+7.4% on 2013). The industry sustains approximately 18,500 full time equivalent jobs, (+5.3% on 2013). The city is ranked 6th as the most popular overnight visitor and UK conference destination in 2015. This is in the context of major capacity UK conference centre destinations of London, Birmingham, Manchester, Edinburgh and Glasgow. In 2014 the city attracted over 54,000 conferences and meetings, delivering value of £447m into the local economy.

2.2.3 Results from the International Passenger Survey showed a 24% increase in international visitors to Leeds between 2013 and 2014. Spain, Netherlands, France, Germany and the USA were the top five destinations of visitor origin.

2.2.4 In 2015 the city's hotel sector continued to perform in alignment with regional UK data. In particular, the city centre accommodation portfolio performs well in terms of average occupancy and daily rate on a regular basis Monday to Saturday.

2.2.5 This growth has significant implications on the additional economic impact experienced by businesses and organisations located in Leeds including but not limited to hotels, venues, retail, attractions, food and drink, transport providers. Meetings and conferencing bidding is aligned to sector and inward investment strengths. Current and future growth predicted for the Leeds visitor economy is a critical consideration for visitor economy inward investment including hotel, attraction and retail developments who typically investigate the investment in the destination visitor economy function as a consideration.

2.2.6 Leeds has successfully hosted major events such as the MOBO Awards, BBC Sports Personality of the Year, Tour de France Grand Depart and Rugby World

Cup. And this has provided significant potential for the visitor economy on national and international levels. This has also enabled us to capitalise on the extensive positive impacts including destination profiling, providing even more reasons to visit Leeds which results in a wider economic impact.

2.2.7 The Executive Board report Review of Inward Investment in Leeds City Region December 2014 approved that Leeds and Partners be discontinued as a separate organisation to deliver a saving to LCC of around £1m. It concluded that the visitor economy function be transferred to LCC from 1 April 2015. It supported proposals for consideration over the longer term of a future city region or cross boundary approach. The transition process was the responsibility of the Chief Economic and Regeneration Officer and was completed successfully including all dealings with relevant legal, financial, staffing, funding, stakeholder and industry associations.

2.3 External Funding 2015/16

2.3.1 April 2015 to March 2016 has seen VisitLeeds manage short term annual funding due to transition into LCC and the impact of external organisation reviews, in particularly the outcomes of the November 2015 VisitBritain and VisitEngland triennial review. It has continued the approach of raising external funds through a system of collaboration, co-ordination, ambitious funding applications and successful leveraging of commercial cash and in kind match to release these funds.

2.3.2 **VisitEngland's Regional Growth Fund (RGF), 'Growing Tourism Locally' programme 2013-15** – National leisure marketing and PR campaigns for Leeds delivered through a £585k private sector match fund. To date delivered circa £1m match funds, £25,774,861 in incremental visitor expenditure, equating to 479 jobs in the visitor economy. Evaluation was concluded by VisitEngland in March 2016.

2.3.3 Visit England's Northern Growth Tourism Fund (NTGF) 2015/16

- £10m RGF with £10m match funding to boost the visitor economy of Northern England by markets;
- Focus in the North America, China, Germany, Netherlands and Australia markets.
- The program was set to achieve £177m incremental visitor expenditure and over 3000 new jobs.
- It aimed to deliver world class consumer marketing, press and media work, raise conference profile and drive pipeline, capacity build visitor experience, product development and trade engagement.
- The program established collaborative working across over 30 Northern visitor destinations. Success and legacy has been delivered in particular across conferencing where Leeds worked in partnership with Newcastle Gateshead, Manchester and Liverpool as four critical Northern conferencing destinations.

- VisitLeeds ensured Leeds was one of the 11 lead destinations who worked in collaboration across over 20 work streams, making significant contributions to business planning and ensuring Leeds was included in all. In addition, VisitLeeds was the lead and delivery body for two business visits and events and leisure/connectivity work streams.
- The fund is now entering the monitoring and evaluation stage and will be regularly reported on over the next financial year.

2.3.4 GREAT UK Challenge Fund 2015/16 – Partnership working with the Leeds City Region, (LCR) Local Enterprise Partnership, (LEP), universities and destinations in LCR. VisitEngland, VisitBritain and UKTI £100k fund secured with a £150k match to drive a platform to engage Chinese alumni, driving investment, trade, visitor economy and educational links and establish a market entry platform for India. To date the fund is delivering two in-destination inward investment, education and visitor economy sales missions, alumni networks, press and media, trade engagement, marketing and communication campaigns and conference bids. The fund is now entering the monitoring and evaluation stage and will be regularly reported on over the next financial year.

2.3.5 Leeds Business Improvement District (LeedsBID)

- VisitLeeds has worked closely with LeedsBID in its first year introducing visitor economy projects which have been successful in securing support. In addition the Head of Visitor Economy and Inward Investment sits on the LeedsBID steering group.
- VisitLeeds has supported induction and roll out of the LeedsBID Welcome Ambassador team which enhances the visitor experience in Leeds
- VisitLeeds worked in partnership as ConferenceLeeds with Leeds Hotel and Venue Association, (LHVA) to secure a £62k fund matched to over £65k to deliver hosted buyer events over a two year period. October 2015 saw the Leeds Big Sleepover hosting over 50 critical conference buyers to showcase the conferencing city proposition.
- Provided guidance on developing a potential conference and events subvention fund.
- Worked with stakeholder partners to secure financial support to ensure The Conference and Hospitality show expands and remains in Leeds for the next three years.
- Most significantly VisitLeeds has worked in partnership with LeedsBID to replace the £100k core funding gap left by the conclusion of the VisitEngland “Growing Tourism Locally” RGF, to enable delivery of year 2 of the city wide stakeholder winter partnership programme MagicalLeeds. The Head of Visitor Economy and Inward Investment raised over £150k in match funding this year and aims to exceed this in year 3.

2.4 Core Funding 2015/16.

2.4.1 The visitor economy function continued to be staffed at a similar level with the shared marketing and communication resource transferring to the LEP and supporting the visitor economy team on a project basis via a service level agreement, (SLA). The Associate Director of Visitor Economy has transitioned and harmonised as an LCC employee to Head of Visitor Economy and Inward Investment, and has taken on a strategic marketing and communications remit in directing this SLA and in delivering additional projects whilst working closely with LCC communications team.

2.4.2 A core budget of approximately £562k was set with approximately £275k of this spent on delivery with a £25k income target to be achieved and reinvested as part of the £275k to deliver the following.

2.4.3 ConferenceLeeds / Conferencing City Proposition

- This is a business tourism national and international deliverable to raise the profile and increase the economic impact to Leeds as a conferencing city.
- This work stream includes a strategic and operational marketing and communications programme, industry stakeholder engagement, national and international sales missions programme, hosted buyers programme, proactive business development role and city conference bid pipeline, continued refinement of city conference desk operations, delivery of the university ambassador programme, membership of International Congress and Conference Association (ICCA), Meetings Industry Association (MIA).
- There is particular focus on the industry and inward investment sector strengths of the city to attract high value multi venue residential, national and international conferences to Leeds over a 1-5 year time line. In 2014/15 ConferenceLeeds responded to stakeholder engagement to focus on transacting in this size of business, passing on smaller one day national and regional enquiries direct to hotels and venues to service. This adds value to industry directly but also forfeits direct income.
- 2015/16 ConferenceLeeds directly transacted over £540k in conferencing venue and accommodation bookings at a 30% conversion bidding rate over achieving the direct commission income target of £27k.
- At May 2016 the proactive pipeline is at a value of approximately £3.3m conference business to convert and take place over the next five years.

2.4.4 VisitLeeds / Leisure Proposition.

- The main objective of VisitLeeds is to raise the quality and depth of the Leeds visitor offer in markets where we can influence visits and potential spend is higher, primarily from overnight national visits from outside an hour's drive time to Leeds and international visits. Attracting these visits as a short break, touring or hub and spoke itinerary, driving new and repeat visits with increased length of stay.

- This is achieved through amplifying the impact of high profile events, proactive engagement with travel trade, marketing and communication campaigns, advertising, media engagement, in market representation, partnership and content delivery through national and international tourism organisations including VisitEngland, VisitBritain, ETOA and UKInbound.
- 2015/16 delivery highlights were continuing to build on the legacy of the Tour de France and delivering the Tour de Yorkshire campaign, “Truly Madly Rugby” Rugby World Cup 2015 campaign, Leeds Bradford Airport British Airways Kids Fly Free summer campaign, Leeds Food Month program, GREAT China Welcome, MagicalLeeds winter campaign, in market trade missions across all international target markets and ExploreGB American, Canadian and Germany trade buyer familiarisation trips.

2.4.5 **Visitor Economy Dashboard** - VisitLeeds measures the status of the Leeds visitor economy using best practice monitoring recognised by local and national stakeholders including Core Cities and VisitEngland. Outputs include intelligence on hotel performance, international passenger trends, day and overnight visits, conferencing impact and other sector specific impacts delivered by the Leeds visitor economy. This is shared internally and externally to key industry stakeholders and is a new function introduced and much valued. This was initiated in 2014/15 and critically produced the Leeds STEAM visitor economy economic impact reports for 2013, 2014 in May 2015, enabling Leeds to be effectively benchmarked against other UK core cities.

2.4.6 **Digital footprint** – The strategy is to deliver mobile optimised best practice VisitLeeds and ConferenceLeeds web platforms, drive increased social media engagement, blogs, third party affiliates, and optimise digital footprint to support all work streams. Outputs have included significant upgrade and modernisation of the platform, integration of third party software, increase in types of channels, digital destination toolkits, growth in reach and quality of information for target B2C and B2B audiences. Consideration is being given to a tourism app. However the current website is mobile optimised, and can be used fully by people accessing if on mobile devices (in fact 50% of people use the website in this way). Current annual reach is over 1.14m users with a social media reach of 45k users, which rapidly increased by 57% to the previous year.

3 **Main issues – Forward Plan for Visit Leeds**

3.1 **Overview**

3.1.1 The proposed forward plan is based on the following main principles:

- A cross boundary approach, working in collaboration with other agencies and destinations to ensure Leeds is critical to the promotion of Yorkshire, the north of England and England and the UK;
- Continue to increase leveraging in external funding to enable Visit Leeds to punch above its weight and have a positive impact that is for greater than its direct resources;

- Focusing core funding and staff time on a series of campaigns and programmes aimed at targeting business and leisure markets; and
- Adding value to the wider work of the Council and the city to attract inward investment, secure, host and maximise the benefits from events.

3.1.2 The target markets for VisitLeeds are the UK beyond Yorkshire (visitors that are not local spend more, stay longer and support more jobs) and overseas, China, North America and continental Europe (with a specific focus on route development with Leeds Bradford Airport).

3.2 Cross Boundary Approach

3.2.1 Visitors do not recognise the boundaries that visitor economy functions work to in England. The Leeds visitor economy function is currently operating across a number of geographies and partnerships to leverage external funding, drive collaboration, co-operation and maximise the opportunities to position Leeds in multiple work programs layered across the Leeds metropolitan area, West Yorkshire, Yorkshire, Northern England, Core Cities, England and Great Britain.

3.2.2 In doing so it is working with a matrix of destination management organisations and local authorities and their visitor brands including but not limited to VisitBradford, VisitYork, VisitHuddersfield, VisitLiverpool, VisitManchester, VisitNewcastle Gateshead, VisitSheffield, Welcome to Yorkshire, VisitEngland, VisitBritain.

3.2.3 Legacy of the NTGF is that the core conferencing destinations of Liverpool, Manchester, Newcastle Gateshead and Leeds will continue to work internationally in collaboration successfully leveraging the Northern Powerhouse agenda as evidenced in recent endorsing editorial coverage in the Financial Times and Conference News. Collaboration is currently being formalised and will include options for additional Northern conferencing destinations to collaborate at differing levels.

3.2.4 VisitLeeds and other LCC functions work successfully and collaboratively with Welcome to Yorkshire, (Welcome to Yorkshire) to enhance the impacts delivered for Leeds by this effective regional DMO. Examples include delivering press visits, trade familiarisation visits, profile raising of events in particular Tour de France, Tour de Yorkshire and the Yorkshire Festival, working alongside Welcome to Yorkshire as another lead destination in funding streams such as NTGF. Digital content is regularly shared and we continually supply relevant and up to date Leeds content for Welcome to Yorkshire platforms and campaigns. VisitLeeds is complimentary to W2Y in that it is not membership organisation and has a different level of resource.. Critically it i add value to Welcome to Yorkshire activity in that it has the core deliverable of conferencing and business tourism. 3.2.5 In addition VisitLeeds is working with a wider range of cross boundary organisations including but not limited to universities within LCR, LCR LEP, UKTI, International Congress and Conference Association, , Meetings Industry Association, UKInbound, European Tour Operators Association, travel trade buyers, conference buyers, train operators, airline operators, Heathrow Airport, Leeds Bradford Airport and Manchester Airport.

3.3 External Funding

Core cities recognise there are significant current and future challenges with regards to funding and ability to deliver tourism and place marketing functions. Initiatives for Tourism Business Improvement Districts, (TBIDS) have been unsuccessful in other cities and Leeds has now voted in a single business improvement district from April 2015 for five years. Currently seventeen European Union countries implement a type of tourism tax but none exist within the UK. Core cities are key drivers in attracting and dispersing visitors and therefore may choose to consider this further as a collective longer term and in the context of any legislative changes.

In November 2015, the triennial review of VisitEngland and VisitBritain results were announced and this has delivered longer term funding for English destinations and renewed funding commitments for Great Britain from 2016-19. This is a shift from the annual funds the function has accessed in 2015/16 and gives longevity and stability for planning. In addition, both organisations have been restructured and more closely aligned.

3.3.1 Discover England

- The 2016 £40m Discover England fund will deliver world class bookable tourism products joined up across geographies and/or themes; including integrated transport and technological solutions to provide an end to end visitor experience. Driving growth in international tourism and benefitting the domestic market.
- Year 1 quick win bids are to be submitted mid- May 2016 for approval early June, followed by consecutive monthly bid submissions. NGTF lead destinations and core cities have collaborated on a number of initial bids to be submitted which include Leeds and VisitLeeds as a key partner destination or lead.
- Year 2 onwards bid submission starts in July 2016 to be awarded with delivery from March 2017 onwards.

3.3.2 GREAT Campaign

- Since 2011, VisitBritain have been running a four-year £100m match funded marketing programme, and a multi-million pound GREAT image campaign, working with Government and a vast range of partners, including UK Trade & Investment (UKTI), Foreign & Commonwealth Office (FCO), the British Council and the Department for Culture, Media & Sport, (DCMS).
- July 2015 saw continued commitments and funding to GREAT as central government announced the 5 point plan to boost tourism across the UK, committing not only to promote the UK as a GREAT place to visit for international visitors, but also to expand and develop the offer to tourists to spread the benefits of its growth across the country. The 5 points are a better co-ordinated sector, skills and jobs, common sense regulation, transport and an improved welcome.

- Results to date include £2.5 billion in additional visitor spend, £8.9 billion in advertising equivalent value, £62.5 million in partner funding and Britain ranking as 5th in world competitive destinations.
- VisitLeeds levers many of the GREAT campaign outputs and will continue to maximise opportunities as they arise in the form of supplying world class content, imagery and film, engaging in sales missions, working closely with target market country managers, hosting international buyers and tactical campaign engagement.
- The Head of Visitor Economy and Inward Investment met with the Director of GREAT Campaign PMs Office with leads from LCR LEP and universities early May in Leeds. As a result of the collaboration and industry leading approach demonstrated by this LCR partnership to the 2015/16 GREAT challenge fund project, the team have been invited and encouraged to submit an early bid submission for the soon to be launched GREAT Global Challenge Fund. This new fund once again will cross cut visitor economy, trade and investment and education.
- The triennial review has resulted in VisitBritain taking on a role in driving growth in international conferencing, business visits and events. It has newly appointed a Head of Business Visits and Events with new funding of circa £1.6m to support a work program which is currently being devised. The Head of Visitor Economy and Inward Investment has met with this new appointment in Leeds and alongside other core cities aims to ensure Leeds is included and optimised by this fund.

3.3.3 LeedsBID

- The function is currently working with LeedsBID to deliver year 3 of Leeds the national leisure campaign and city wide stakeholder winter partnership programme MagicalLeeds. The function aims to raise over £150k match funding for the third consecutive year, apply core resource and platforms. The function will also co-ordinate campaign activity with LCC in footprint initiatives.
- ConferenceLeeds will deliver year two of the national business tourism fund in partnership with LHVA to complete the Leeds hosted buyer program.
- The Head of Visitor Economy and Inward Investment is a member of the City Marketing Group. A current initiative from this group is to develop and supply constant content for a new LeedsBID funded digital portal designed to tell the story of Leeds cross sector centrally and consistently.
- The Head of Visitor Economy and Inward Investment is a member of the LeedsBID steering group and will continue to provide support and guidance with regards to initiatives that are relevant to the Leeds visitor economy as they develop. It is anticipated this will include but not be limited to the welcome ambassadors, retail, food and drink, seasonal activity, night time economy, fashion initiatives, conferencing city and the Leeds welcome in footprint.

3.4 Core Funding

- 3.4.1 The LCC core funding budget will continue at a similar level in 2016/17 from the previous year, and will continue to support the delivery of the external funded work streams outlined in point 3.2 and the function's core activity outlined in point 2.4.
- 3.4.2 The LEP SLA support for marketing and communications is being replaced with funding from the core budget for a PO6 internal LCC marketing and communications business partner resource to start late May 2016. This will further cement the working relationships between the visitor economy function and LCC central communications team. The core delivery team will remain as 1.5 FTE Conference Officers, 1 Business Development Officer, 1 Business Tourism Officer, 1 Visitor Economy Executive, 1 Head of Visitor Economy and Inward Investment.
- 3.4.3 VisitLeeds regularly engages national and international external organisations to facilitate delivery, boost reach and also enhance internal capacity. This includes but is not limited to media buying opportunities, advertising options, marketing and communications agencies, sales and exhibition opportunities, specialist research organisations.
- 3.4.4 It should be noted that we also aim to regularly engage at a fast pace with Leeds stakeholder work streams and high profile events to amplify delivery of core activities. Recent examples are:
- Working with Leeds Bradford Airport to support route development, delivering airline press trips, supplying content and collateral, World Routes sales missions, enhancing the welcome of key conference and event visits arriving at the airport, for example Columbia Threadneedle World Triathlon Leeds for June 2016.
 - Delivering conference business to a plethora of venues including but not limited to first direct arena, University of Leeds, Leeds Beckett, Royal Armouries International, Northern Ballet, The Tetley, Leeds Town Hall, Leeds Civic Hall, Leeds City Museum, Leeds Art Gallery, Leeds United, The Carriageworks, West Yorkshire Playhouse, Aspire and the range of hotels within and across the Leeds metropolitan area.
 - Leeds Indie Food Festival and the breadth of independent retailers. Support has included leveraging and running social media competitions, web and social media presence, competitions, facilitating press trips, national media advertising.
 - Northern Ballet Leeds to London sales mission May 2016, mutual national advertising support for the VisitLeeds summer campaign and Northern Ballet 2016/17 season, and delivering conferencing bids for the venue.
 - VisitLeeds is supporting the Columbia Threadneedle World Triathlon Leeds 2016 including but not limited to assisting in initial bidding documentation to enhance selling the city, major events sales mission attendance, trade

engagement, national advertising, national and international press activity, support across web and social media, venue finding support, hotel sponsorship negotiations and athlete welcome at Leeds Bradford and Manchester Airports.

- MagicalLeeds engages over 22 stakeholder organisations in the campaign who all contribute cash and/or in kind. Partners include but are not limited to Trinity Leeds, Victoria Quarter, The Light, The Merrion Centre, first direct arena, The Carriageworks, The Royal Armouries, Leeds City Museum, The Arts and Craft Centre, Opera North, Northern Ballet, West Yorkshire Playhouse, Leeds International Film Festival, Leeds International Concert Season, Kirkgate Market, Christmas German Market, The Tetley, Weetwood Hall and Hotel, The Queens Hotel, The Doubltree by Hilton, The Hilton City Hotel, The Met Hotel and Woodhall Hotel and Spa.

- 3.4.5 2016/17 will see the core function support and deliver a new in destination visitor survey in addition to delivery of the annual updates to current metrics and research. This is working in partnership with the LCC Capital of Culture team as one strand of supporting initial bid work.
- 3.4.6 The ConferenceLeeds work stream has an income target of £25k per annum. This was exceeded in 2015/16 and it is currently forecasted to be reached and potentially exceeded in 2016/17. This is accrued through commission on accommodation and venue hire for conferences directly transacted as it takes place. As conferences are booked between 1-5 years in advance there is often a significant lead time between business contracted and commission received.
- 3.4.7 Both the ConferenceLeeds and VisitLeeds work streams regularly engage with Leeds stakeholders to accompany the function on national and international sales work at a fee which varies dependant on the opportunity and is reinvested in the core budget.
- 3.4.8 The Head of Visitor Economy and Inward Investment leads on match funding both cash and in kind to enable all external funds discussed in this paper to be released and spent and to add value and amplify the LCC core fund.

4 Corporate Considerations

4.1 Consultation and engagement

- 4.1.1 Discussions and engagement has been held with Northern lead destinations, English core city destinations, LCR LEP, VisitEngland and VisitBritain.
- 4.1.2 Industry associations including but limited to ICCA, MIA and ETOA are engaged.
- 4.1.3 National and international media outlets including but not limited to Conference News, Meetings and Industry Trade, Conference and Industry Trade, Hospitality North and Business Desk are engaged and proactively planning editorials this year for Leeds.
- 4.1.4 National and international travel trade and conference buyers are engaged.

- 4.1.5 Within Leeds, numerous stakeholders from retail, culture, attractions, hotels, venues, transport, food and drink, event organisers are regularly consulted and engaged.
- 4.1.6 Leeds stakeholder groups including but not limited to Leeds Hotel and Venue Association, City Marketing Group, Leeds City Centre Partnership Board and LeedsBID management and steering group are regularly consulted and engaged.
- 4.1.7 In LCC the Chief Officer for Culture and Sport, Capital of Culture team, Head of Communications and Marketing and team, Heads of Department and Chief Officer for Economy and Regeneration have all been recently consulted and engaged.
- 4.1.8 The Leader, Chief Executive and Deputy Chief Executive of LCC were consulted as the function transitioned in 2015 and where appropriate are consulted and updated on function activities.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 To be a successful international visitor destination, it is critical that the infrastructure and services that cater for our visitors are accessible to all. Promotionally, the material produced to promote our tourism offer will need to recognise the diverse background of the audience we are aiming to reach and attract.
- 4.2.2 The Visit Leeds Team will endeavour to harness this diversity to support product development in the local visitor economy and in all approaches taken to promote the city.
- 4.2.3 Equality and diversity, cohesion and integration considerations will be picked up at various stages of implementation.

4.3 Council policies and best council plan

- 4.3.1 The objectives for VisitLeeds are in line with the priorities in the LCC Best Council Plan including supporting economic growth and economic opportunities, supporting a resilient, inclusive cultural and creative sector, and the breakthrough project of world class events and a vibrant city centre that all can benefit from.
- 4.3.2 This plan builds on recent progress in developing a more professional and targeted approach to tourism promotion, and the city's success in developing new visitor destinations such as the first direct arena, Trinity Leeds, and Victoria Gate, and in attracting and hosting major events such as the Grand Depart in 2014, the Tour de Yorkshire, the World Triathlon Series, British Art Show, and the West Indian Carnival. The plan helps support the council's 'Strong Economy' ambition as set out in the 2016/17 Best Council Plan and the specific council priorities on 'Supporting economic growth and access to economic opportunities' and 'Hosting world class events in Leeds' and related breakthrough project. .

4.4 Resources and value for money

- 4.4.1 The recommendations in this report will enable VisitLeeds to continue to attract cash and in kind match funding against relevant funding streams to deliver critical value add. As of May 2016 for this financial year it is currently predicted to be

approximately £200-250k match based and approximately £200k funds on projects already confirmed.

- 4.4.2 The Discover England fund is now open for bids of a value up to £250k requiring similar levels of match and it is anticipated VisitLeeds will bid with other destinations to secure quick wins for delivery to commence June 2016.
- 4.4.3 The GREAT LCR partnership team are re grouping in June to consider submitting a new bid and match fund into the Global Challenge Fund, value yet to be determined.
- 4.4.4 A core LCC budget for 2016/17 has remained at similar levels to 2015/16 at approximately £580k of which £249k will be spent on delivery with a £25k income target to be achieved and reinvested as part of the £249k.

4.5 Legal Implications, access to information and call In

- 4.5.1 This is not a key decision and there are no legal or access to information implications.
- 4.5.2 A decision may be Exempt from Call In if the decision taker considers that the decision is urgent (i.e. that any delay would seriously damage the Council's or the public's interests). It is requested that this decision is exempt from call-in due to the time sensitivity of external funding applications the function is currently bidding for, in particular the Discover England fund where if the function is successful, it will be awarded funds to commence delivery early June 2016.

4.6 Risk management

- 4.6.1 A risk was identified in the Inward Investment Cover Report Dec 2014 of uncertainty around future arrangements for the visitor economy function being a distraction from the continuing good work to promote Leeds as a major destination for both business and leisure tourism. This was mitigated by the function transferring smoothly from Leeds and Partners by April 2015.
- 4.6.2 The Head of Visitor Economy and Inward Investment has led on increasing momentum in delivery in 2015/16 attracting significant new funding streams and implementing broader and significant stakeholder engagement within and outside of Leeds based on the current approach and plan. To alter or reduce this would put funding streams at risk and damage stakeholder engagement and reputation.
- 4.6.3 An immediate funding consideration is the Discover England Fund which opened for quick win bids mid-May for first round awarded end of May. The function is currently bidding and any change particularly to capacity would impact on the functions ability to honour their commitments and deliver funds it anticipates will be awarded.
- 4.6.4 The function is continually bidding and delivering multi venue residential national and international conferences for Leeds hotels and venues. Should the approach or capacity change it would put at risk the ability for the function to deliver contracted activity to take place and would put current proposals which are in the bidding process at risk.

- 4.6.5 The Head of Visitor Economy and Inward Investment is currently engaging with several potential hotel investors and developers particularly with regards to statistical research. They have been assured of the continued approach and commitment of LCC in the Leeds visitor economy and function.
- 4.6.6 Smaller visitor economy functions of LCR destinations including Wakefield and Bradford are currently under review and at risk. These functions are focused mainly in providing visitor information centres and some national and regional promotions. VisitLeeds is supporting these destinations ensuring they are represented and covering delivery in some core and external work streams.
- 4.6.7 ConferenceLeeds works closely with Harrogate International Centre in delivering conferencing bids of a size which may not be accommodated in a Leeds venue but is of significant economic benefit to retain in the LCR.

5 Conclusions

- 5.1 The Leeds visitor economy function has successfully transferred and embedded into Leeds City Council, (LCC) from April 2015 and as such has maintained and increased stakeholder engagement in the function within and outside of Leeds.
- 5.2 The Leeds visitor economy is experiencing growth which supports and is critical to the wider Leeds economy. The function is succeeding in its targets to drive this growth via the leisure and conferencing deliverables, approach and forward plan discussed in this report.
- 5.3 The function is succeeding its value add approach of amplifying the LCC core investment through direct contracted conference income and local, national and international funds and commercial match fund.
- 5.4 The function is succeeding its remit to deliver strategic stakeholder and cross boundary approach at a local, regional, national and international level and as such has industry buy in and commitment to deliver from 2016 onwards, going hand in hand with the Leeds European Capital of Culture 2023 bid.

6 Recommendations

- 6.1 Executive Board is recommended to approve:
- i) The strategic approach and forward plan for the Leeds Visitor Economy function as set out in this report (including the cross-boundary, partnership-based approach aimed at attracting visitors in national and international markets) and delegate detailed delivery to the Chief Officer of Economy and Regeneration, in consultation with the relevant Executive Member;
 - ii) The approach to working with other destinations and Welcome to Yorkshire on joint promotional campaigns, and to endorse the focus on attracting visitors from outside Leeds City Region, who spend more and support more jobs than local visitors;
 - iii) The approach to attracting additional funding by applying for and delivering external investment and commercial match funding (including in-kind

support) to ensure Leeds is a lead destination and included where relevant, and when the function has the capacity to do so;

- iv) That VisitLeeds continues horizon scanning for strategic developments and opportunities, new approaches to funding, mutually beneficial collaborative partnerships including working more closely and effectively with LCR destination management organisations, funding opportunities and responds to them appropriately in consultation with the Chief Officer of Economy and Regeneration;
- v) That the recommendations within this report be exempted from the Call In process, for the reasons detailed within paragraph 4.5.2.

7 Background documents¹

7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.