

Title: Future funding for Warwick Visitor Information Centre

Lead Officer: Joanne Randall – Strategic Economic Development
Officer

01926 456015/ 07887 684059

Joanne.randall@warwickdc.gov.uk

Portfolio Holder: Councillor Liam Bartlett

Wards of the District directly affected: All

1. Summary

- 1.1 To consider the Business Plan provided by Warwick Visitor Information Centre (VIC), in conjunction with Warwick Town Council, which sets out the ambition, aims and objectives for the period 2023 – 2026.
- 1.2 Having considered the Business Plan, for Cabinet to continue ongoing financial support to the Warwick VIC for the period 2023-2026 enabling the centre to continue to provide a valuable visitor experience and support the local visitor economy in the town of Warwick and the wider district.

2. Recommendation(s)

- 2.1 That Cabinet notes the contents of the new Business Plan for the Warwick VIC and its aspirations for the period 2023 – 2026.
 - 2.2 That Cabinet approves the continued funding of the Warwick VIC to the amount of £25,000 per annum for a further 3-year period from 2023/24 to 2025/26.
 - 2.2 That Cabinet agrees that officers work in conjunction with Warwick Town Council to assist with, and monitor, the outcomes and objectives as set out in the Business Plan and that relevant support and guidance is provided as part of the Council's ongoing liaison with Warwick VIC.
 - 2.3 That Cabinet agrees that a formulation of a grant agreement between WDC and Warwick Town Council be drawn up with delegated powers of authority for sign-off to be given to Head of Place, Arts and Economy in conjunction with the Portfolio Holder for Place, Arts and Economy.
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3 Background/Information

- 3.1 Warwick VIC is the primary one-stop shop for visitors to Warwick from both regional, national, and international tourist markets.
- 3.2 The VIC offers advice to tourists and visitors on the wide range of attractions in the town centre and the district, including entertainment, food and drink offerings to supplement the tourist hot spots such as Warwick Castle and the Lord

Leycester Hospital.

- 3.3 The aim of the VIC is to be on hand for visitors through the telephone, email and face to face promoting local attractions, businesses, events and selling tickets to a range of attractions. As well as providing tips on 'hidden gems' within the area, which do not have a strong online presence.
- 3.4 Warwick VIC has received grant funding from Warwick District Council over several years. Over the previous funding period from 2020–2023 Warwick District Council has provided £25,000 per annum toward the cost of the service. Warwick VIC is seeking a continuation of the 3-year grant of £25,000 per annum with no uplift.
- 3.5 At the Executive meetings in January 2017 and February 2020 it was resolved that the Head of Development Services, in consultation with the Portfolio Holder, be delegated authority to re-negotiate and agree the payment of the Tourism Grant to Warwick Town Council as a contribution to the running costs of Warwick VIC up to a maximum of £25,000 per annum.
- 3.6 Following that meeting in 2017, the original funding was reduced from £40,000 per annum (which included £15,000 per annum for staffing resources in relation to the Leamington VIC), to £25,000 per annum. As part of the negotiations, Warwick VIC produced a 3-year Business Plan designed to outline their use of the Warwick District Council grant along with the financial breakdown of other contributions to the associated running costs of Warwick VIC.

3.7

4 Alternative Options available to Cabinet

- 4.1 Not to approve the continued financial contribution of £25,000 and utilise this internally to provide an alternative method of support for tourism in the town of Warwick. This option is not supported as it is recognised by Visit England, the national Destination Management Organisation, that the existence of tailored, physical, and bespoke tourism information within major tourist location sites one the most vital components in terms of the visitor experience, essential to most if not all overseas tourists. Whilst there is an increase in on-line tourism and tourism related activity, the existence of face-to-face local expertise remains a valuable asset to the industry on a local basis.

5 Consultation and Member's comments

- 5.1 Consultation has taken place between WDC Economic Development Officers and Warwick Town Council Economy and Tourism Committee, Warwick Town Clerk and the Manager of Warwick VIC.

6 Implications of the proposal

6.1 Legal/Human Rights Implications

N/A

6.2 Financial

- 6.2.1 The current level of funding to Warwick VIC is already provided for in the tourism budget. There is no current expiration of the ongoing budget allocation. As stated above, funding for Warwick VIC has been in place for several years. This is therefore not a request for new or additional funding, rather than the existing funding that is in place to be continued for the life of the revised Business Plan. No uplift is being sought by Warwick Town Council despite current high levels of inflation, cost of living crisis in particular the energy crisis caused mainly by

the war in Ukraine.

6.3 Council Plan

- 6.3.1 In respect of Warwick District Council Business Plan, it must respond to the headings of **People** - Health, Homes, Communities, **Services** - Green, Clean, Safe, **Money**- Infrastructure, Enterprise, Employment, People - Effective Staff, Services - Maintain or Improve Services -and Money - Firm Financial Footing over the Longer Term.
- 6.3.2 Fit for the Future (FFF) The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.
- 6.3.3 The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
Given the reciprocal nature of the intended policy, benefits for the wider community should be felt. Here, the increase in the overall tourism offer in terms of activities spearheaded by the Warwick VIC	The operation of the VIC also aims to provide visitors, residents, and businesses with a safe a secure environment in which to enjoy the experience of the town.	Successful implementation of the recommendations will contribute to these outcomes by incentivising and supporting business to increase their performance and their headcount. It seeks to support a more diverse workforce and tackle long-term unemployment issues.
Internal		
Effective Staff	Maintain or Improve	Firm Financial Footing

	Services	over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered, and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services Focusing on our direct needs of customers at the VIC and the tourism industry to support the economy through effective support from WDC officers	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
None	None	None

The proposed Policy would directly support Fit for the Future, by encouraging and supporting the local tourism economy.

6.4 **Environmental/Climate Change Implications**

N/A

6.5 **Analysis of the effects on Equality**

N/A

6.6 **Data Protection**

N/A

6.7 **Health and Wellbeing**

N/A

7 Risk Assessment

The key risk to the recommendations not being supported is that Warwick VIC as it currently stands may cease to operate. Additionally, the revised Business Plan, which is designed to increase and improve on the visitor numbers and their overall experience, may not be viable in the absence of continued financial support from WDC.

8 Conclusion/Reasons for the Recommendation

8.1 Reasons for Recommendation 2.1

- 8.1.1 As the current Business Plan expires at the end of this financial year, 2022-23, officers have requested a new Business Plan to support the aspirations of Warwick VIC and the financial contribution from Warwick District Council going forward. The Business Plan is attached at **Appendix 1** to this report.

8.1.2 Following huge success of the hosting of the B2022 Commonwealth Games Men's' and Women's Road Cycle Races in August 2022 and the hosting of a Festival Site in Market Square, Warwick – Warwick was well and truly put on the national and global tourist destination market. The town welcomed thousands of visitors over the period and was televised live across the world. The BBC state they had 57.1 million online streams, 28.6 million viewers in the UK and 1.6 billion viewers worldwide making the coverage of the Games six times higher than any other previous Games.

8.1.3 There is significant development of the tourism offer in Warwick either planned, or currently being undertaken, which will enhance Warwick's reputation as a credible and desirable tourist destination and as such greatly supports the need for an active and effective VIC. Notable development within the town (set out in **Appendix 2**) briefly listed here:

- The Lord Lycester Hospital -
- Warwick Castle Hotel Development
- Collegiate St Mary's Church
- Fusiliers Museum
- St Mary's Lands Masterplan
- Railway Station improvements
- Racecourse improvements

8.2 **Reasons for Recommendation 2.2**

8.2.1 Financial support for Warwick VIC has been in place for many years to ensure that there remains a positive visitor experience and to ensure the future of tourism activities in Warwick Town, recognising that Warwick is a major tourist destination within the District.

8.2.2 The revised Business Plan (attached at **Appendix 1** to this report) sets out the financial breakdown in terms of the overall operating costs for the Warwick VIC, demonstrating the dependency of the Warwick District Council contribution currently set at £25,000 per annum. Consideration has also been given to the fact that, as a District, we are a more expensive location to be based within and, in offering this grant funding, we seek to ensure that we remain competitive and clearly appear to be 'business-friendly' and 'welcoming.'

8.2.3 The withdrawal of the current grant would present Warwick Town Council with a financial pressure in terms of future operation of Warwick VIC, and this would pose a significant threat to the ongoing operation of the VIC. The SWOT Analysis within the Business Case (Appendix 1, page 6) states that the reduction in funding would detrimentally impact service delivery.

8.2.4 Tourism is a major contributor to the economy in the district, generating in 2021 more than £208 million (including multiplier effect) spent in the local area and supporting 3,891 jobs, both for residents and those living nearby. By comparison in 2019 tourism contributed £315 million to the local economy and supported 5,400 jobs in the sector. The industry is still below 2019 trading and currently faces additional challenges. The tourism and hospitality industry has been particularly adversely impacted by the effects of Brexit, Covid-19 and the current cost of living / energy crisis and visitor numbers have still not returned to the pre-Covid levels of 2019. The work of Warwick VIC is more vital now more than ever in supporting the local visitor economy to recover.

- 8.2.5 Warwick VIC provides a valuable service to visitors to the town. Footfall and other visitor usage of the VIC data over 2019 and 2022 to date are shown in the tables in **Appendix 3**. 2020 and 2021 figures are available but not used as a comparison due to the negative impact of Covid-19 pandemic, the restrictions on travel and social distancing during the lockdown periods.
- 8.2.6 Since the last review Warwick VIC has successfully introduced its Town Ambassadors Programme. The Ambassadors greet and assist visitors, directing them to local attractions and local businesses. The service has been very well received particularly in the re-opening of the 'High Street' after the Covid-19 pandemic.
- 8.2.7 Collaboration with Warwick Chamber of Trade has seen great success in creating a dynamic social media presence through #Buyin2Warwick and enhanced by a public relations campaign for the town as part of the Welcome Back Funding has driven much trade to the town.

8.3 **Reasons for Recommendation 2.3**

- 8.3.1 There is an ongoing working relationship between officers of Warwick District Council and Warwick Town Council and Warwick VIC, specifically through the Strategic Economic Development Officer, the VIC Manager and Town Clerk. This ongoing dialogue has proved successful in creating a meaningful collaboration between the different stakeholders.
- 8.3.2 This ongoing liaison and monitoring will ensure that the funding is being utilised with specific aims of improving the visitor experience and sustaining the economic benefits of the tourism industry in the Town of Warwick.
- 8.3.3 Officers have continued to work in close liaison with Warwick VIC, and Warwick Town Council throughout the period of the previous Business Plan to provide advice, support, and guidance (where needed) in improving the visitor experience at Warwick VIC and to monitor footfall in terms of visitor numbers.

8.4 **Reasons for Recommendation 2.4**

- 8.4.1 Delegated authority to the Head of Place, Arts and Economy and the Portfolio Holder for Arts and Economy to re-negotiate and to agree a continuation of £25,000 per annum grant funding to Warwick Town Council in contribution to the running costs of Warwick VIC. There has been no uplift in grant funding since 2017 and Warwick Town Council is not requesting an uplift for this 3-year period of 2023-2026.
- 8.4.2 Given that a considerable level of financial support to Warwick VIC is being provided, it is felt prudent that WDC officers continue to meet on a regular basis with the VIC manager and the Town Clerk to review progress against the Business Plan, and any Grant Agreement if authority is given to do so, to provide relevant advice, assistance, and signposting to other organisations to optimise the use and effectiveness of the VIC.
- 8.4.3 Whilst there are no specific KPIs being put in place, as this could leave the Council open to a procurement challenge on the basis that the funding arrangement could constitute a formal contract for services, the purpose of the grant funding is that it will be utilised in relation to tourism and visitor activities provided by the Warwick VIC and the ongoing liaison and monitoring

processes will ensure this is the case which would be enhanced by a Grant Agreement if given authority to do so.

Background papers:

Tourism Economic Impact Assessment for Warwick District 2021 **(available on request)**

Supporting documents:

Appendix 1: Warwick Visitor Information Centre Business Plan 2023-2026

Appendix 2: Tourism Development with Warwick

Appendix 3: Warwick Visitor Information Centre Visitor Statistics

Report Information Sheet

Please complete and submit to Democratic Services with draft report

Committee/Date	7 th December 2022	
Title of report	Future funding for Warwick Visitor Information Centre 2023-2026	
Consultations undertaken		
Consultee *required	Date	Details of consultation /comments received
Ward Member(s)		All
Portfolio Holder WDC & SDC *		Cllr Liam Bartlett
Financial Services *		Andrew Rollins
Legal Services *		
Other Services		
Chief Executive(s)		Chris Elliott
Head of Service(s)		Philip Clarke
Section 151 Officer		Andrew Rollins
Monitoring Officer		Andrew Jones
CMT (WDC)		Chris Elliott/ Andrew Jones
Leadership Co-ordination Group (WDC)		
Other organisations		BID Leamington
Final decision by this Committee or rec to another Ctte/Council?		Recommendation to: Cabinet / Council
Contrary to Policy/Budget framework		No
Does this report contain exempt info/Confidential? If so, which paragraph(s)?		No
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?		Yes
Accessibility Checked?		No N/A