

SUPPLEMENTARY INFORMATION: 31 03 2017

This additional information relates to an original Business Justification Case set out on 17 01 2017.

The Head of Tourism discussed the original paper with the Corporate Director, the Assistant Director for Economy and Prosperity and the Assistant Director for Estates and Regeneration and it was agreed that the proposal should be presented to Members with the following adjustments:

1. That the options selected are:

a. to look to refurbish the existing tourist information centre in Winchester Guildhall with a view to its refurbishment offering a 'test of concept' for the various elements of the proposal around:

i. Improving retail income and servicing the needs of a retail function via an effective stockroom

ii. Establishing a box office for the District (with Guildhall Winchester)

iii. Establishing an area that is more professional and conducive to hosting business meetings and serving the needs of the group travel and cruise industries

iv. Presenting the area in a way that strongly reflects Visit Winchester brand and providing electronic advertising and information display to showcase advertisers' product and generate income for the Council

b. in the longer term to consider the establishment of a purpose built information centre as part of the Central Winchester Regeneration Scheme that serves the needs of residents, businesses and visitors

The original paper benefitted from research conducted with Visit Scotland, Visit Birmingham and Visit Bath. Over the last two months, the Visit Winchester team has conducted further research with Cheltenham, Bournemouth and Salisbury Tourist Information Centres. The Guildhall Manager has also been working with various digital ticketing agencies and Salisbury Guildhall. A revised brief based on these findings was submitted to local architect, AR Design Studio in order to create architectural drawings and a general indication of cost that test the original budget.

This information is presented in a revised Business Justification Case (29 03 17 Tourism Business Justification Case (BJJ).doc) which sets out the present case for renovation with revised costings in an associated spreadsheet (31 03 17 FINAL Tourism BJC.xlsx). All previous iterations of both documents remain available if required. Additional information included architect's sketches and a detailed 'worst case scenario' breakdown of all associated costs if all areas were developed are also provided. If Cabinet approve various elements of the proposal below in principle, officers will look to provide a more detailed cost breakdown for those particular elements.

BUSINESS JUSTIFICATION CASE (BJC)

1. Executive summary

Please provide a concise and comprehensive overview of the BJC's content, key conclusions and principal recommendations.

With a developing regeneration programme in place in Winchester, and a growing number¹ of day and overnight visitors coming to the city, the nature and location of a Council-supported information service in the short, medium and long term is worthy of consideration.

The city is set to undergo major change. A Supplementary Planning Document is currently being prepared for the Central Winchester Regeneration Scheme, developments are planned for Station Approach and longer term considerations around cultural hubs and business accommodation (including the Council's own offices) are being discussed. The timespans of these projects vary – with 5+ to 20 years being estimated as the completion dates for those developments that might sensibly house a welcome/information hub. The main recommendation of this paper focuses on improvements and augmentations to the existing customer facing tourist information centre (TIC), with a view to its being relocated in the longer term in an alternative city centre development, preferably in a high footfall arrival point, in 5+ year's time. The medium to long term future of the service can then be looked at as part of regeneration projects as appropriate, and elements of the recommendations set out below are designed to ensure the service is able to flexibly develop – potentially with manned portable information pods in multiple locations. All recommendations are based upon research into the latest models for information provision (conducted by the Head of Tourism with Visit Scotland, Visit Bath and Visit Birmingham).

Officers are urgently looking to modernise both the functionality and appearance of the current space², support the service via increased revenue generation³ and maximise the potential of the area as a professional orientation and welcome hub.

One priority is to dovetail the on/offline experience for visitors (meaning that the Visit Winchester 'brand' is better reflected in the face-to-face environment of the present TIC), and thereby create a slicker showcase for the 130 businesses that now use the current service as a shop window⁴.

In terms of functionality the 'face-to-face' space would be utilised in a different

way, with less counter based interaction⁵ and a more customer friendly, modern approach using wi-fi enabled tablets at stand alone mobile information hubs⁵ in the area.

In terms of appearance, the back office digital marketing platforms would be better represented in the space using interactive tablets, AV screens showing films (both Visit Winchester's ten films and advertisers' own footage) and dynamic digital events displays. The general backdrop of the centre would be image-led with displays that made more of the heritage, open spaces and events that are driving visitors to the destination. These displays could also derive income for the Council via sponsorship from destination management partnership members and advertisers. The space could be a physical hub for the 'digital city' innovations currently under discussion, streaming live information services for residents, tourists and visiting businesses.

To sustain this initiative and the service underpinning it financially, officers propose to radically increase the revenue from retail and box office functions. It is projected that these income streams would pay for the development in six years.

In terms of retail - improved merchandising and the promotion of local produce and events would also develop the core brand values for the destination – increasing the awareness of what the Winchester District has to offer. We recommend that servicing the needs of a retail function, including online shopping fulfilment is addressed via the transformation of various existing back office areas to provide storage spaces, and the proposal below also includes the cost to hire a retail consultant to advise and train the team.

One of the more successful elements of the tourism development strategy over the last 8 years has been to encourage return visits by this demographic by accenting the vibrant culture of the city, supporting and promoting the increasing number of high profile events locally⁶. The success of this strategy has led to an increase in local residents using the tourism service for pre-event information and ticket purchasing. With event organisers referencing a lack of opportunities to effectively showcase their product, there is an opportunity to serve both demands by establishing a local ticket office based in the TIC. Officers have been working with Visit Bath and Salisbury Guildhall to project the income from this project.

This paper also explores creating a more effective off-counter service that is tailored to business needs. Potential opportunities to use the redeveloped space as a subtly screened off, soundproof meeting space hub for the many businesses and agencies⁷ who approach Winchester City Council's various professional services are also discussed and the proposal encompasses:

A dedicated cruise and travel enquiry 'back office' desk to relay itineraries and provide advice for both these growing, lucrative markets. A modest revenue

investment to allow the team to attend UK trade exhibitions has been included in order to support this activity.

A bookable meeting area that would better serve the needs of the organisations which are looking to invest in the area and those that make enquiries to various Council departments about developing their own businesses, events, client services and individual employees. The professional image of the Council could be enhanced by the provision of a bookable drop in area for businesses in this highly visible area of the city.

2. Purpose

Please note that the primary purpose of the BJC is to:

- set out the aims and purpose of the capital project

Note: The aim of this capital project is to generate income so in this case both revenue and capital breakdowns are provided

- establish the size and scale of the project, as well as resources required to deliver it

Note: Following advice from colleagues in Finance we have explored the impacts of the main recommendation in detail and provide cost breakdowns for this. Further cost breakdowns are available for various alternative iterations discussed and can be provided by the Head of Tourism.

- provide its strategic context

Note: See item 3 below.

3. Strategic case

3.1 Organisation overview

Please provide a snapshot of the organisation or geographical area to which the proposed project applies.

The project applies to the tourism team which sits within the Operations Directorate. The Assistant Director for Economy and Communities oversees the service and officers report to the Head of Tourism.

Winchester Tourist Information Centre (TIC) occupies an area that is approximately 75m² on the ground floor of Guildhall Winchester. Currently approximately 120,000 people visit the centre each year for advice on Winchester's attractions, to purchase tickets for Guildhall and corporate events, book accommodation and onward travel tickets, and view exhibitions relating to Council projects.

This proposal outlines the use of the existing high profile location of the TIC to drive business growth and enhance the professional reputation of the Council as an approachable, listening organisation engaged in ongoing conversations with businesses. The approach is a 'test of concept' for a new, more generalised 'Winchester Information Centre' that is business focussed could offer an opportunity to showcase all the valuable activities that promote growth and enhance the District's cultural and economic wellbeing using one professionally presented area.

This proposal acts as a discussion paper that sets out ways that Winchester City Council can adopt a more commercially-minded approach to use its existing resources to better enable various audiences to retrieve information and use this to enhance their business prospects or enhance their private leisure interests. By investing in the successful public facing destination brand we can focus on driving the various services forward, ensuring that they are future-proofed and can more readily adapt to the needs of the developing city centre.

As the sole remaining tourist information service in Hampshire that is situated in dedicated premises the centre could potentially broaden the scope for sponsorship from larger businesses across the whole county whose needs are met by information provision. Effecting continued engagement with key destinations across the county will ensure the relationships with other public sector bodies are maintained. Operating across a county-wide footprint would also more neatly dovetail the remit of the information service with the work of Hampshire Cultural Trust.

The suggested project to extend the remit of the TIC by providing a bookable meeting area acknowledges a shift in the customer footfall. The present TIC focuses primarily on visitors while the proposed development's end users are residents and local and investing businesses in addition to tourists. The business sectors who would benefit from the progression of the main recommendation include tourism businesses (retailers, restaurants, accommodation providers, event organisers and attractions) looking for marketing support, planning advice and accreditation advice. Other services that could benefit from the provision of a meeting area are the drop-in clients from District businesses who approach the present desk for information about all areas of the Council's business. Start-up business, small businesses looking for advice on environmental health issues or event management, LEADER grant applicants and cultural grant applicants also could meet in the space. The SOVA mentoring service clients and apprentices could also hold one-to-ones in the professional environment of the new look TIC.

As well as being a way to generate revenue, the centre's box office could pay a critical role in supporting the delivery of a programme of high quality events and festivals across the District. It offers both a shop window to the public as an information hub, and a ticket sales outlet that can provide a modern ticketing system that the Districts' event organisers identify as necessary.

Taken as a whole, the elements described in the main recommendation enable officers to better engage with the private and public sectors and improve the service to all footfall entering the space and increase the number of customers. The model is based on evidence and feedback from the local business and residential communities regarding the need for an events hub and improved professional impact.

3.2 Investment aims

Please provide an overview of the project, together with the specific investment aims for the project for which approval is being sought.

The aims of the project are:

1. To employ an entrepreneurial approach that makes the TIC 'work harder' for the Council in terms of income generation via retail, accommodation booking, ticket sales and advertising subscriptions;
2. To deliver a more modern and impressive welcome for visitors in the Centre, that brings the online and offline experience closer together for visitors and provides a more professional first impression for businesses and a more coherent package for the group travel and cruise industries.
3. To improve our customer service to local businesses⁷ by more effectively promoting their product, thereby increasing the economic impact of tourism by encouraging visitors to do more and stay longer.
4. To better reflect the way in which visitors access information when arriving at a new destination by making better use of mobile phone technology, film and interactive screens – this is intended in the long term to create an efficiency saving as we migrate more information to these channels, the new centre being a test hub for elements of the new Digital Strategy – and could play a part in the trialling and development stages of various strands within this. In the longer term, AV screens could relay essential information across multiple sites as further developments in the city are completed;
5. To develop Winchester's reputation as a vibrant, creative cultural hub by providing a digital and face-to-face box office for the District.
6. To offer a professional welcome to a broad range of business enquirers, by creating a drop in centre for new businesses, grant applicants, accreditation and planning enquirers and people looking for support in employment via the SOVA scheme.

3.3 Existing arrangements

Please state what the existing arrangements are in relation to the project for which approval is being sought.

At the moment the Tourism full budget, including staff costs, site costs and marketing and TIC running costs stands at approximately £415k per annum. The service has two arms – the TIC front desk service and the marketing back office service. Each arm of the service generates approximately £75k of income. The marketing service is focusing on developing a new Visit Winchester website for 17/18 in order to improve information relay, better support businesses and raise higher levels of income. This paper sets out various options for improving the performance of the current TIC in terms of income generation, but also touches on other possibilities under discussion.

The tourist information centre currently focuses mainly on the relay of destination information to visitors, and recently has become more of an events and consultation hub for residents.

The centre is based on the ground floor of Guildhall Winchester. Two ancillary spaces are also used;

The space formerly occupied by the 'Bean Café' is used to store bikes hired via the Council's Bikeabout bike hire scheme (part of WCC's commitment to encouraging alternative methods of transport to the private car); and to host an annual 6 week 'pop-up' shop for the voluntary Winchester Charity Christmas Cards team;

A 'tourism back office' that is used by the TIC team leader to deal with paperwork, create reports on the till and box office systems and for TIC and marketing staff to support with website, edit pdfs and carry out financial tasks that require concentration away from the busy counter area.

Additionally, two stores are also in use by the team, referred to as the 'marketing store' and the 'TIC stockroom' in the Guildhall. The current stores are at full capacity with leaflet and stock storage.

3.4 Business needs

Please state what the current and future business needs are in relation to the project

The current needs in terms of resourcing and roles are set out in Appendix 2. The Head of Service is suggesting that a trial matrix arrangement serves the refurbished centre for a on month period, and a restructure is implemented from April 2018. A long term personnel review for future purpose built premises would benefit from this exercise's role as a 'test of concept' for a long term, general purpose, Winchester information hub solution.

3.5 Potential scope and service requirements

In relation to the above needs, please outline the potential scope for the proposed project and associated service needs.

1. We explore the possibility of:

a. Redesigning and refurbishing the main centre to improve the appearance and link more closely to the Visit Winchester brand. Using vinyl window and wall fronts and implementing colour scheme and modest structural work we are looking to modernise the appearance of the space, using 'zoning' techniques to create distinct areas. Improved showcasing of advertisers and use of AV across the area, slicker poster display and modern 'dynamic' information stands will make the area more 'browseable' and the heritage more accessible.

b. gaining revenue from retail by:

i. transforming the ex-Bean Café into a fully operational retail showcase focusing on local produce and souvenirs (supported by a back end trading account with essential stock storage in the space currently used as the 'tourism back office'); Based on research into other TICs we are suggesting that we focussing on local produce and souvenirs, working with the WCC Solutions Mail Room to fulfil online deliveries for a limited number (up to six) of lightweight, pre packaged stock lines

ii. creating a box office service for events that can be manned by either TIC or Guildhall staff in a matrix style rota system

3. Re-location, siting the service in a stand-alone information relay site in the city centre and vacating the current Guildhall location, has also been mooted. This discussion paper focuses on utilising the existing site as a test of concept prior to a more ambitious model in the area currently being discussed via the Central Winchester Regeneration Programme. This obviously has the advantage of saving WCC the mooted interim investments but precludes us from modernising the welcome, generating vital income to keep the tourism service running going forward, and reaching more customers, further building on the economic impact of tourism and events locally. The growing brand 'disconnect' that is building between the physical space and the online brand also places us at risk of reputation damage with both visitors and businesses. Pressing forward now is sensible as we are about to relaunch the brand via a new website, and it also offers the opportunity to conduct a test of concept that could help us to minimise risk if a more ambitious welcome service was created in the medium term to operate in one or more of the new developments.

4. Co-location, an approach that merges all WCC reception areas into one zone – Customer Service, Parking, Guildhall Reception and Tourism - has also been discussed over the years. It was previously felt that the different customers needed very different approaches. The timing of the City Offices project is key in respect to taking this approach, so this discussion paper reflects the 'known' elements of the medium term.

5. Doing nothing – this saves a capital investment of £168K and the increase in revenue expenditure that is required to generate income. This does, however, come with a risk of reputation damage as the current centre is not a functional platform for advertisers or for customers to interact digitally with evolving online brand.

Additionally:

Officers are developing a restructure of the tourism team to serve the needs of the options under discussion, including the creation of an events focussed post and the redeployment of front desk TIC staff to focus upon back office enquiries. Depending on the degree of change we opt for, further changes could need to be considered the current thinking is to test the

The closure, on 31 March 2017, of the New Forest TIC means that Winchester Tourist Information Centre is the only one remaining in Hampshire apart from the service operating in Petersfield Library. The Head of Tourism has discussed the idea of the Winchester TIC becoming a 'Hampshire-wide' hub with officers at Hampshire County Council. Although there is agreement that it makes sense, at this juncture procuring financial support from authorities looking to support their various local destinations looks unlikely.

3.6 Benefits, risks, dependencies and constraints

Please set out the main benefits and risks associated with the delivery of the project, together with any dependencies (between this and any other related projects) and constraints.

The main benefit of this project would be the derivation of income that in the medium to long term could future proof a service which is valued by residents, tourists and businesses alike.

The project could act as an entrepreneurial flagship for the Council – and also a test case for various strands of the emerging Digital Strategy with online and mobile phone delivered services becoming pilot projects for other services that rely on similar information relay.

There are associated risks around:

The income/investment ratio, namely:

1. Failure of the centre to pull in sufficient income;
2. Stock not moving and incurring storage costs;
3. Lack of retail experience of key officers – a retail consultation in addition to the review of case studies that is currently underway is advised and provision for an external retail consultant to mentor the team in the first months is advised.

4. Ensuring the right balance between the various remits of the service, whether we succeed in becoming a more generic information hub for Winchester we will still have a core customer base of visitors looking for bespoke information in the usual way.

Business satisfaction, leading to reputation damage, namely:

1. A change in business model is likely to disturb some of the more traditional business subscribers and cause some time consuming challenges as officers seek to reassure them individually. This occurred with the move to online booking in 2009. The creation of a meeting area would offer a private space to work with these customers professionally.

2. Retailers, who despite being the most lucrative sector in terms of gaining direct revenue from tourism (an estimated £104m was spent by visitors in Winchester city centre shops in 2015 vs £29m for both attractions and accommodation providers), would in some quarters potentially:

a. See an investment in the sector as being a move to encourage 'yet more footfall' – a past criticism. A potential counter argument is we are working on a year round welcome by creating a more efficient shop window for all sectors;

b. See what we are selling in retail terms as competition. One way of working around this is by creating a general Winchester souvenir hub – one does not currently exist in Winchester (the cathedral's gift shop and the City Museum shop are the nearest approximation and both heavily tailor merchandise to reflect solely their venue's product);

4. Economic case

4.1 Critical success factors

Please list the criteria (critical success factors – CSFs) against which you will assess the evaluation of options for how the project will be delivered and also against which you will assess the successful delivery of the project.

Income increased – retail, box office, accommodation bookings

- End of year balance

Income increased – business subscriptions

- Measured against targets based on performance of case study TICs

Business satisfaction improved

- Annual questionnaire satisfaction levels; number of complaints received

Customer (resident and visitor) satisfaction improved

- Measured in centre using instant feedback portal

Reputation enhanced

- Local press, business feedback, national standing (inclusion in campaigns etc)

4.2 Main options

Please list and evaluate the main choices (or options) for the successful delivery of the potential project.

Options

Having explored projected capital investment costs scaling up £249k, a more modest plan based around a full programme of various changes to purpose for the centre – totalling changes at £132k is presented in this revised paper. This uses a more superficial approach that may still have relatively solid returns for the Council in terms of income generation and also the creation of a solid evidence base for a future service in an alternative city centre location.

The timeframe of the investment programme for capital expenditure is one year – revenue expenditure and income has been projected over 5 years. Previous iterations of the project, at all levels of investment are available for a timeframe of up to 8 years.

Officers have discussed various levels of refurbishment, and also outline the financial case for creating low key improvements using vinyl fronts on existing furniture and windows. A local architect has provided sketches based on the current preferred option and the full estimated cost of implementing the model outlined can be costed, line by line if we look to progress the project at this level.

Presently un-costed options that also may play a key part in the future delivery of services to this business sector and visitors may also be a preferred option. These plans include a co-location option - creating a single reception for the Council (merging Customer Services, the Guildhall and Tourism). This plan would require consideration in the City Offices refurbishment project and at present too many variables existed to create a meaningful case.

Similarly, officers are keen not to discount the relocation of the service into a suitable location in Central Winchester, the Bus Station area or an alternative new cultural hub. These options are listed but as yet un-costed as timeframes and scope are variables that are as yet unclear. For that reason this paper presents a test of

concept at a moderate investment level that could be scaled up to a more significant development as various Major Projects evolve.

Main recommendations are starred * in the final column, preferred options are presented in bold black text, others in grey italicised text.

Option	Benefits	Costs	Progress (Y or N) * an asterisk in this column and black text denotes that the item is a preferred option C - Capital R - Revenue
1.a. Moderately redesigning and refurbishing the present public facing areas of the Centre. Includes modernised welcome area, retail area, meeting area and back office area, improved information display and leaflet racking.	Enables income generation via retail and advertising sponsorship, improves reputation, increases footfall Reputation enhancement	£132k one off investment (Based on data from Visit Scotland funds to be recovered with revenue investment over 6 years via income generation, then future proofing service costs.)	* C
1.b. Introduction of mobile (ie relocatable) information pods,	Improves service delivery – making more personable, efficient Enables solo operated outreach TIC for District –wide venues and events. Improved information at travel hubs and in public spaces.	£5k one off investment (Based on Visit Birmingham costs/desktop research)	* C
1c. Using the vacated ‘tourism back office’ as a retail stock and packaging store. In terms of stock we are looking to focus on local produce and souvenirs, working with the WCC Solutions Mail Room to fulfil online deliveries.	Research on lines needed: eg. Jane Austen Centre Bath takes all profit from online sales of simple merchandise to US/Asian markets	Shelving costs £3.2k. [TBC – internal Estates budget?] Mailing fulfilment costs [TBC –internal recharge]	* C

		Staff – Jane Austen Centre Bath has 1FTE retail specialist and 1 x FTE online sales packager. Could the latter be fulfilled by Solutions? Head of Tourism has costed in £14k for an external retail consultant..	* R
1.d. Creating a workable digital box office for Winchester	£8-15k p.a. building income Y1-5	£10k upfront Y1 investment – on costs	* R
<i>3. Longer term relocation. Continuing with the status quo and waiting until the Station Approach/Central Winchester/Cultural Hub are in place then relocating the service.</i>	<i>Failure to milk assets (proven that income can be generated in location)</i> <i>Failure to improve service to business customers and visitors until a new site is identified/reputation damage</i>	<i>As status quo</i>	C
<i>4. Co-location</i>	<i>Failure to improve service to business customers and visitors until a new operating system for all three service areas (Tourism, Customer Service, Guildhall) is developed</i>	<i>TBC (High)</i>	C

And then in relation to the investment aims and CSFs:

Critical Success Factor	Advantages	Weaknesses	Project required
Income - increased business subscriptions plus retail performance that is measured against targets based on case study TICs	Businesses see TIC as key 'shop window' Demonstrated 50% retail profit margin	Proliferation of local platforms - BID, Apps, Magazines, vying for sponsorship and subscription revenue/ Lack of retail skills at present	Retail feasibility consultation (consultation and 14 day team shadowing at launch)
Business satisfaction improved	Reputation enhancement	Unreachable /Intractable audiences	Realistic target setting in terms of selling packages to different sectors - work commenced Feb 18
Annual business questionnaire & no. of customer complaints received	Business engagement/ continuous service improvements		One-to-one visits, build tourism presence on High Street/in rural areas Joint work with BID presenting benefits for independent retailers/eateries of engaging with brand (this ins in PH Plan 2017/18)
Footfall (resident, business and visitor) satisfaction)	Improved profile of business engagement in a professional space Building Council outreach into community with improved reputation as an local events hub	Time consuming business customers if dissatisfied may impact on atmosphere for tourists in centre	Soundproof the meeting room, mask with opaque wall
Performance of digital transactions and recording of in-Centre customer satisfaction	A 'test of concept' platform for elements within WCC Digital Strategy		Instant feedback mechanism by door (happy face/sad face/unmoved face)

General destination reputation enhanced nationally	Maintain increase of inclusion in Visit Britain campaigns, profile of Winchester nationally raised Statistics can be used to counteract negative feedback about visitor numbers in high season in local media etc		
Local media coverage	Continued roll out of positive news stories to local media - maintain our friendly resident hub reputation (charity events, consultation space etc)	Centre may get crowded if community hub-style events are too frequent	Consider bespoke area for exhibitions
Do nothing	Save initial investment	Centre becomes dated and damages impression of destination and WCC. Income remains the same – not underpinning service costs and limiting efforts to future proof the front of house tourism service. Loss of test of concept opportunity to inform larger scale information centre that could potentially be a part of CWRS.	

4.3 Preferred way forward

Please state the preferred way forward in relation to the options identified for the successful implementation of the project.

The preferred way forward for the purposes of this discussion paper is to progress a moderate, but still ambitious development in the existing Centre.

In addition to the costs set out above this project would require the reorganisation of the back office and front desk functions of the service using existing staff skills – but in at least 2 cases creating roles that are approximately one grade higher in the organisational hierarchy in order to better service the online presence that the new Centre would showcase.

The project would be procured using the processes outlined on the pages of the WCC Intranet, in compliance with advice from the procurement expertise within the Finance and Legal teams. The project would be contracted to a delivery schedule that penalised late fulfilment and the project manager would be responsible for selecting and managing contractors etc.

Background studies **could commence in April 2017** (for example more detailed case study and retail feasibility work). The devising of a detailed implementation framework could commence in April 2017, and the site build commence from Jan 18 onwards for completion over a 10 week period using phased works that moved the front desk to various sites in the Guildhall and in other partner locations (we currently have a TIC 'pop up' in the Discovery Centre for example and an early investment in portable information pods could see them as providing a useful interim solution).

This should outline:

Financial resources required:

- **Staff resources required (include support services such as Project Office, Finance, Legal and Estates teams and any other significant impacts on specific teams including planning):**

There is a move to redefine the duties of the existing TIC team so their shifts divide into back of house support for business and trade customers, visitors and retail/box office functions. This would be undertaken in consultation with the TIC team and also any other teams who might share the workload, for example the Guildhall team members.

The main recommendation explores the need for an online sales fulfilment functionality, conversations with other heritage destinations have identified this as a main income driver for both attractions and tourist information centres. This can be undertaken as either part of the digital box office platform or as a separate development in Y2 of the Visit Winchester website build.

The Finance and Legal teams would be required to deliver assistance around procurement and contracting issues arising from a refurbishment project. And the Project Office's expertise would be called upon to help create an implementation framework and monitor its progress.

- **Procurement process anticipated and how it fits with WCC Procurement Guidance:**

The procurement process would be undertaken following advice from the Finance and Legal Services officers.

- **Timescales:**

Feasibility studies could commence in April 2017. An implementation framework could be developed from January 2018 and a procurement exercise to apportion delivery of elements of this framework begun in June 2017. Subject to delivery timescales and the success of the procurement exercise, the project could be ready for implementation Spring 2018. A soft launch prior to fiscal 2018/19 would inform the best staffing structure to deliver the service.

- **Financial Costs & Benefits, including any additional leveraged funding:**

If all variables in the enclosed first sketches are adopted, over 5 years the project is projected to recoup 81% (£369k) of the projected combined capital and revenue expenditure (£408k). The capital investment (£132k) is fully paid off by Y3. If we look to recoup the full investment **there is scope to remove a series of elements in the plan that can reduce cost significantly – adopting shorter glass lengths for the partitions, using IKEA furniture rather than high end furnishings and storage solutions, adapting plans around the door ways to negate the need for planning applications and heritage planning advice, using in house design expertise, etc. What we retain and remove would be subject to consultation with both the industry and Members.**

Reducing the TIC in size via relocation and maintaining its original purpose as information relay hub for visitors without an increased focus on business engagement and retail would eventually minimise ROI over time and reduce the service considerably as the visitor numbers to the city continue to rise.

5. Management case

5.1 Project management arrangements

Please outline the project management arrangements, including your governance framework (i.e. roles and responsibilities of project team members), strategy for dealing with stakeholders and customers, and outline project plan.

Project Leader - Head of Tourism

Project Officer – TIC Team Leader

Project Advisors – Finance, Legal, Projects office

Wider Project Steering Group – Grants, Economy and Arts, Environment team

Full project plan to follow depending on decision.

The project must have a Project Sponsor, a senior manager who takes ownership of the project and is responsible for its direction.

Project Sponsor – Assistant Director for Economy and Communities

5.2 Project milestones

Please outline the main project milestones.

April 17	Project Approval
May – June 17	feasibility study and national case studies review
July 17	implementation framework devised
August 17	procurement exercise commences
December 18	delivery agencies selected, interim arrangements for TIC during build made
Jan 18	phased work programme commences with temporary front desk in place
March 18	new centre opened ready for Easter+ high footfall period.

Footnotes

1. Winchester city area has seen an unprecedented growth in tourism footfall (a 28% rise since the establishment of the destination management partnership in 2011) and this is in contrast to other destinations in Hampshire and the South East. The impact of this rise in footfall has been to generate £358m in direct and indirect revenue from tourism – a growth of 49% from its pre destination management total of £240m in 2011). These statistics show that the rate of spend is increasing at double that of the rate of footfall growth which is positive news for a city that struggles to cope with peak (Christmas) season due the compact nature of the medieval centre and its infrastructure.

In terms of who is coming to the city - by far the majority (an estimated 80%) of this footfall is made up of domestic tourists and a large proportion of those (up to 60%) are day-trippers from 20-40 minute's drive away. However, the changes in exchange rates in various currencies against sterling have led to a marked rise in spend from overseas visitors staying overnight (a 9.6% increase in 2015). Staying visitors are more lucrative for the city and they typically require more face to face interaction in the tourist information centre and this is where the critical ROI for attractions and accommodation providers that advertise with the service typically occurs. However as the number of day-trippers is still so high, consolidating the role of the tourism service as a orientation hub for both the staying and day trip tourism markets is worth factoring into any forward plan for the city's development.

2. 130 businesses engage with the Visit Winchester and heart of Hampshire destination management partnership as members or advertisers - the number rises by between 5-15% per annum.

3. Winchester Tourist Information Centre (TIC) was last refurbished in 2009 at a cost of £75k. Since this refurbishment the Visit Winchester brand has evolved considerably in terms of national profile and visual identity and the adjoining Guildhall has been extensively refurbished meaning that there is a sense of downscaling when entering the centre from the Guildhall.

4. Due to the current location of the centre on the Broadway, and the strong performance of a seasonal pop-up event for Charity Christmas Cards (generating £65k in a 7 week period for local charities), officers have concluded that there is an untapped potential for income generation that could be achieved via retail, box office, industry enquiry and business interface functions. In addition to £75k income generated via retail and accommodation booking in the centre, the marketing channels of the Visit Winchester and Heart of Hampshire destination brand generates £75k in sponsorship, advertising subscriptions and membership fees.

As well as increasing the retail income by investing in improved showcasing and more efficient stock purchasing and storage arrangements, the attractiveness of the tourism service to business subscribers could be significantly enhanced by modernising the present centre's functionality and appearance in order to make the advertising and sponsorship revenue streams more robust. For example, AV displays could more effectively utilise the online information from adverts, film and social media, leading to an improved conversion rate from advertising and increasing DMP member and advertisers' ROI.

5. These developments would support local businesses by providing them with a more effective channel to market while helping to end a growing on/offline 'disconnect' that has developed due to differences between the manner in which the Visit Winchester brand is publicised via websites, social media and film and the corresponding experience of the centre's 120k annual visitors upon arrival. Officers have focussed on providing information dynamically online to meet visitors' pre-visit expectations, in line with consumer trends, but it is felt that the present centre lacks the 'sense of place' that a more up-to-date treatment could effect.

6. During the Tourism Thinktank Day in October 2016 (see Appendix 1), officers were keen to change the space to focus on one to one interaction in the area, removing the large, high counter as it creates a barrier to customers. The Head of Team is supportive of either removal or reduction in the extent of desk based interactions in favour of efficient more mobile team stations and a revision of the rota system is being considered that would to bring staff off the front desk and into more business focused back office activities. These portable Wi-fi pods, based on a

project introduced by Visit Birmingham, are also more flexible in terms of outreach as they can be taken into other locations and manned by a single staff member at exhibitions and events. Their presence could become a feature during busy periods, stationed at the Buttercross, by the entrance to Abbey Gardens for busy periods for coach arrivals, or by Winchester Railway Station during major events.

7. With a marked increase in the number of festivals and high quality cultural events across the District (5 Festival in Winchester large scale events in 2008, 25 in 2017) the Centre is being increasingly used as an events information hub – particularly for residents and regular day-trippers. Income generating opportunities around this exist in terms of both event advertising from businesses and ticket sales to the community. Bath Tourism now derives half its service income (120k) from ticket sales, £800k in tickets are sold annually. There is dissatisfaction among the 23 Festivals in Winchester major event organisers with current provision from the existing operators in the city area.

8. Our core tourism businesses include retailers, restaurants, attractions, accommodation provider, local produce artisans/craftspeople and event providers. The present Centre is increasingly engaging with both entrepreneurial and established businesses who look to the Council for advice on accreditation, grants, and as a first port of call for issues arising from planning, congestion. Officers have begun to debate how the current tourist information centre may need to evolve to provide the right information in the right place for the next generation of visitors, business enquirers, travel trade representatives, shoppers and local residents.

Appendices

Appendix 1

Tourism Thinktank Day.ppt - Overview of suggestions from full team away day in October 2017 focusing on opportunities around income generation, business engagement, service improvements and reputation enhancement for WCC

Appendix 2

TOURISM PRESENT BUSINESS NEEDS AND STAFFING 2017.ppt

Appendix 3

Costs tailored to the case outlined in this paper - 31 03 17 FINAL Tourism BJC.xlsx

Appendix 4

TIC Revisioning.ppt - Selection of images created by AR Design Studio using sketch software, 29 March 2017

Appendices 5 & 6

Tourist Information Centre Refurbishment Cost Breakdown 1.pdf

Tourist Information Centre Refurbishment Cost Breakdown 2.pdf