

**Finance and Performance Management
Overview and Scrutiny Committee,
9 October 2002**

Oxford Tourist Information Centre

Summary

The results of a review of Oxford Tourist Information Centre using the best value process is described. In addition arrangements for determining the future management arrangements for the new Broad Street TIC are outlined.

Introduction

Tourism is a significant component of the local economy. In 2000 there were an estimated 3.3M day visitors to Oxford spending £99M, and 618,000 staying visitors spending £128M. The panel assessing Oxford's bid to be European Capital of Culture 2008 focused persistently on Oxford's ability to cope with additional tourists in 2008 were we to be successful in our bid.

Best Value Review (BVR)

The BVR team met between September 2001 and October 2002: a summary report is attached for information (Appendix 1). In conclusion the BVR determined that the Oxford TIC is a high profile, flagship TIC, providing a valued service to visitors and residents, and with a high level of income compared to some other TICs. Independent research demonstrated that 98% of people using the TIC considered the service to be good or very good. Identified weaknesses include technology (IT and telephones), a lack of clear aims and an out-of-the-way location in Gloucester Green. Clearly the move to Broad Street is a significant opportunity for improvement, as well as to address the threats from factors such as terrorism and disease affecting the market, and the increasing use of direct accommodation bookings which will reduce income to TICs.

Budgets

2002/03 budgets are as follows:

TIC expenditure	£506,741
TIC income	£390,205
TIC move - capital	£200,000
Tourism Strategy	£82,579

Future management arrangements

A report to the Executive Board on 22 July (Appendix 2) gained authorisation to seek proposals for the Broad Street TIC management from both a partnership with the Southern Tourist Board (STB) and the existing in-house service. Proposals have been sought and received from both parties -- the

Instructions for Receipt of Proposals are appended (Appendix 3). The written proposals received will be circulated separately to Scrutiny Committee members. Additional information attached to allow scrutiny to be completed comprises a Business plan for the Broad Street TIC (Appendix 4) and the Tourism and Arts section of the draft Local Plan (Appendix 5).

Proposed activity and decision schedule

4 October	STB and in-house proposals to be sent to members of the BVR team and Scrutiny Committee, along with a framework for comparison and evaluation
9 October	Finance and Performance Management Overview and Scrutiny Committee
17 October	Portfolio holder to visit TICs managed by the STB
22 October	Formal presentation of both proposals to the Council
1 November	Approximate date of transfer of TIC to the new leisure business unit.
11 November	Executive Board to decide the future management arrangements for the TIC
18 November	The earliest projected date for practical completion of the Broad Street TIC.

Recommendations

Executive Board will be asked to determine the best arrangements for the management of the Oxford TIC at its meeting on 11 November

David Hill, Business Manager Strategic Policy and Research

**Report of the Steering Group Review
of the
Tourist Information Centre
Using
Best Value Principles**

Compiled By Jon Bilson

Contents

- a. Executive Summary
- b. Introduction
- c. Scope of report
- d. Challenge
 - conclusion of review on the purpose of having a TIC
- e. Compare
 - Baseline statement
 - SWOT analysis
 - Costs Data
 - Internal Comparison
 - External Comparison
 - STB - Historic Cities
 - BV Officers - Heritage Cities
- f. Consult
 - Customer Survey
 - Business Users
 - Key customer feedback - Guild of Guides
- g. Compete
 - The management Dilemma - reporting lines v strategic tie-ins
 - alternative options reviewed
- h. Service Delivery and Service Improvement Plans
 - Management Standards
 - Sustainability review of TIC
 - Disability Discrimination Act/ Equalities issues - physical improvements on Broad Street/ web access/ midicom?/translations?
 - Income Review
 - Notes on Broad Street Move?
- i. Conclusions
- j. Recommendations of Steering Group
 - which option
 - management line
 - service improvement plan

1. Executive Summary

1.1 The Review of the Tourist Information Centre (TIC) using Best Value Principles was commenced in September 2001 and undertook a rigorous and thorough review of the service.

1.2 The Review Group considered the reason for the provision of the service, together with the service it would seek to provide. This addressed the "challenge" aspect of Best Value.

1.3 The outcome of the review was the development of two worked options for the future management of the TIC and Tourism strategy for the council together with a detail action plan of improvements. This met the "compete" element of Best Value.

1.4 The Review Group gathered evidence of how the TIC compared to other TIC provision across the country as well as other services provided by the council. This addressed the "compare" element of Best Value.

1.5 The Review Group undertook consultation with service users both as visitor enquires and from local businesses. Results of the survey work showed that 98% of users of the centre were happy with the service. A separate survey of local businesses showed in the main that businesses were happy with the service, but would welcome the opportunity to develop closer and more mutually beneficial working arrangements with the centre.

1.6 This led to a number of service development issues. These were listed in the conclusion of this report.

2. Introduction

2.1 This report contains the findings of the Review of the Tourist Information Centre (TIC) using Best Value Principles.

2.2 Although not part of the council's formal Best Value Review programme the review was established at the request of the Strategy and Resources Committee at a meeting in September 2001. The terms of reference were established in the report presented to the committee (See Attachment 1).

2.3 A Steering Group was established which consisted of Councillors nominated from each party plus officers drawn from the service area, the tourism section, and other staff from Chief Executives. A membership list is attached.

2.4 The Steering Group meet on a regular basis to established a work programme and to monitor progress and conclude on the findings of research activity and performance monitoring. A timetable of meetings is attached.

2.5 During the period of the review the TIC commenced a relocation from Gloucester Green to Broad Street.

3. Scope of the Review

3.1 The overall purpose of the review was to;

“ Consider the operation and management of the TIC”

3.2 The detailed considerations were expressed in a committee report to the Employment and Economic Development Committee on 12th September 2001 (attachment).

Exhibit one ; Extract from the Committee Report to Employment and Economic Development Committee on 12th September 2001

Summary of the TIC review aims;

- To identify ways in which the TIC can contribute towards Oxford remaining competitive as a tourist destination
- to identify improved efficiencies and bring cost savings
- to provide a better service for visitors to improve their experience of Oxford
- to develop performance standards which encompass Tourism Management and the TIC and to ensure that these two functions are jointly monitored and reviewed

In addition the report identified the following management options for further consideration;

- TIC to remain within city Council Management
- Partnership with the Southern Tourist Board
- Privet/public partnership such as exists in Stratford upon Avon and Warwick (South Warwickshire Tourism)

3.3 These objectives were considered on the basis of the 4 Cs of Best Value, namely;

1. Challenge - To ask why a service is provided and by whom.
2. Consult - To ensure that users and non users views of the service and needs are known and understood
3. Compare - To find out how good the service is relative to other providers
4. Compete - To see what other options there are and ensure that the current provider offers a value for money service with the context of other issues

4. Challenge

4.1 The Steering Group reviewed the stated aims for the TIC. This role and purpose was drawn from four written sources as well as the discussions of the Steering Group.

4.2 A written statement for the purpose of the TIC was agreed by the Steering Group. (Attachment 5).

4.3 The purpose of the TIC was summarised as follows.

Exhibit Two; The Reasons why Oxford City Council seeks to provide a Tourist Information Centre

The provision of a TIC could be summarised in to the following broad reasons;

- Providing a TIC supports the objectives of the Tourism Strategy in particular through promotional activities, support of initiatives/activities for visitors and the provision of information for local resident/visitors
- Providing a TIC helps support the development of local tourist businesses and facilitates visits by local people to local attractions and other UK destinations
- Providing a TIC helps maintain Oxford as a key destination in the UK through pro-active marketing and the provision of a first class point of access to the tourism product
- Providing a TIC helps facilitate visitor management to the city and helps reduce the impact of visitor numbers
- Providing a TIC creates an income stream for the council to help offset the costs of provision of the service
- Providing a TIC demonstrates to local people and the business community that the council recognises the economic benefits of tourism and wishes to actively support and manage the effects of tourism locally

4.4 This statement was then used to help develop future development plans and to help develop the various management options for the Centre.

5. Compare - Our Baseline Statement

5.1 The steering group spent a considerable amount time gathering and reviewing comparison data.

Initially a SWOT (strengths, weaknesses, opportunities and threats) statement was prepared through discussion of the Steering Group.

The TIC manager also presented a written listing of the services provided by the centre.

The Steering Group also reviewed the costs and income of providing the centre.

Exhibit Three SWOT findings - identified by the review group

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> ◆ Broad Street – commercial opportunities ◆ Enthusiastic staff – eager to serve ◆ High profile destination – possibly subsidising other TIC in area ◆ Wide range of services, including things other TIC do not do ◆ Enable provision of income for others ◆ High number of customers ◆ Competitors? ◆ Important role in marketing reputation 	<p>Weaknesses</p> <ul style="list-style-type: none"> ◆ Phones / IT ◆ Staffing levels? ◆ Clear agreed aims? ◆ Poor links with University (through Guild of Guides) ◆ Lack of clear legal advice ◆ Poor financial information ◆ Lack of infrastructure and support ◆ Competitors ◆ Traffic problem ◆ Reputation
<p>Opportunities</p> <ul style="list-style-type: none"> ◆ Move to Broad Street ◆ Status of Oxford – Robust product ◆ Funding from other areas? / partnerships? ◆ Members more aware of tourism issues / B&B etc. ◆ Being in LA (some support services) ◆ Retail consultant ◆ More pro – active selling Oxford as a destination 	<p>Threats</p> <ul style="list-style-type: none"> ◆ Image too commercial ◆ Limited by number of beds ◆ Can infrastructure support more visitors ◆ Website 'hits' - unknown impact on direct bookings ◆ Loss of funding from City Council (non- – statutory function) – who would do the work? ◆ Lack of long term security ◆ Constraints of LA (poor support services)

Exhibit Four: Services Provided By the Oxford Information Centre as at November 2001

Service	Recipient/Client/Customer
Information on events/entertainment etc	Public
Local information – civic, domestic, 4000 clubs etc.	Public
Information on places to visit, things to do i.e. leaflets etc.	Public + attractions + university
Information sheets on local businesses	Local businesses + public
Local accommodation bookings	Public + Oxford accommodation providers
In-coming accommodation bookings	Public + Oxford accommodation providers
Out-going accommodation bookings	Public + accommodation providers elsewhere
Automatic response + individual enquiry email service	Public
Postal enquiry service	Public
Sale of information items e.g. maps, guides, informative booklets	Public + local organisations + conference organisers
Sale of souvenirs	Public + local photographers, publishers etc.
Collection of market fees	Public + Estates Department
Guided walking tours – agency for	Public + tour agencies + Guild of Guides + conference organisers
Bus and rail information	Public + Rail companies + 25 bus companies
Live telephone enquiry service	Public + local organisations and attractions
Total production of official Accommodation List for Oxford	Public + accommodation providers
Information to up-date OCC website	Public
Press/media and publications liaison	Press + media
Data collection and financial management associated with the above services	Public + Oxford City Council + STB
Until May 2001 Management of Carfax Tower	Public + OCC
Sale of concession space, wall-space + leaflet holders	Businesses + public + OCC
Management of Grade 2 Listed Building	Public + OCC
Poster display and events recorded on computer	Public
Faxback service	
Training visits to Oxford for staff from key TICs (either nearby or from major tourist venues)	Tourist attractions and businesses in Oxford + the public.

Exhibit five
Costs and Income Data

Expenditure	99/00	2000/01	2001/02
Employees	192,291.21	222,243.22	192,351.73
Premises	26,794.03	42,515.57	21,362.11
Transport	622.61	711.92	582.01
supplies and services	217,383.46	197,926.83	223,244.29
Third Party Payments	1,007.83		
Support Services	60,825.88	35,167.62	31,545.95
Miscellaneous	1,325.29		
Total Expenditure	500,250.31	498,565.16	469,086.09
Income	365,909.00	369,092.90	357,897.25
Deficit	134,341.31	129,472.26	111,188.84

5.2 Concern was expressed at the staffing costs of providing the centre. An analysis of costing data over the last three years was carried out. The Steering group noted that the centre had had difficulty in recruiting staff, in particular to seasonal vacancies.

5.3 The Centre had also reduced its full time staffing complement as part of the 2002/03 budgeting process.

5.4 Conclusion on costs data

The Steering Group concluded that;

- The income from the centre was good and that much of it arose from guided walk bookings.
- The TIC should always review the amount of resource needed to be spent to derive any income stream
- The TIC should carry out a review of other income developing options e.g. sales of transport, event or attraction ticket sales
- The TIC should seek to minimise the Net Expenditure

6. Internal Costing Comparisons

6.1 The costs of providing the TIC was prepared to the costs of providing the Customer Service Shops.

6.2 It was concluded that ;

- accommodation charges for Broad Street site and St. Aldates were broadly similar
- staffing costs were broadly similar
- the nature of the services offered by Customer Services Centres and by the TIC were radically different,
- footfall levels were extremely different, 373,663 in person callers to the TIC compared with 61,713 for all CSSs.
- the TIC had a strong commercial drive, and the need to maintain income which the CSSs did not have.

7. Compare -how Oxford TIC looks in comparison to other TICs across the country

7.1 The steering group also reviewed the performance of the Centre against the performance of other TICs. Two detailed independent studies were available to the group;

- A benchmark study conducted by the Southern Tourist Board.
- A benchmark study by the National Tourism Best Value Management Group.

7.2 A benchmark study conducted by the Southern Tourist Board. This provided a benchmark of 140 TICs across the country, as well as 11 TICs which were identified as historic visitor centres.

The historic cities group consisted of;

- Bath,
- Bristol,
- Chester TIC,
- Chester VC,
- Colchester,
- Lincoln,
- Norwich,
- Oxford,
- Portsmouth,
- Salisbury,
- Winchester

Comparisons were made between Oxford and a historic cities average as well as for all 140 TIC included in the study.

Exhibit six Summary of Southern Tourist Broad benchmarking study

Staffing issues

- Oxford TIC has more permanent staff than the historic cities
- Oxford TIC has less staff with either COTICC and NVQs
- Oxford TIC is open for more or similar days of the week than other historic TICs for the period April to October, but for slightly less days November to March
- Oxford's TIC is open for less hours than other TICs for nine months of the year. The difference is two hours at maximum.
- Oxford employees more seasonal staff than other historic TICs for six months of the year, July to January.
- Oxford TIC offers more staff hours per month than other TICs. Between 216 - 323 % on all TICs 140 and 194% on historic TICs.

Enquires

- Oxford's TIC receives more enquires than any other TICs.

Income

- Oxford's income is significantly higher than other historic TICs and all grouped TICs.

Comparing staff hours to income to enquires

- there seems to be little relationship between the three.

7.3 Further review was undertaken of the amount of seasonal labour used by the TIC. Seasonal labour was not recruited to the amount shown in the benchmarking study, due to budgetary restrictions and problems in recruiting suitable staff.

7.4 The benchmarking study also promoted a review of services offered and a statement was prepared by the TIC Manager on possible additional services that could be offered and the resources needed to deliver them. Not all TICs provided the same range of services, in particular the booking of guided tours which raised a significant percentage of Oxford's income.

8. National Tourism Best Value Management Group.

8.1 A group of Tourism officers working at a number of cities across England have been meeting to develop a set of comparison benchmarks for Tourist Information Centres (TICs). There are fourteen separate benchmarking groups. Oxford has joined a group of "small historic cities with a strong emphasis on heritage culture shopping and year round tourism"

Then cities referred to as the heritage group include;

- Bath
- Brighton
- Cambridge
- Canterbury
- Cheltenham
- Chester
- Durham
- Leamington
- Oxford
- Richmond- on-Thames
- Shrewsbury
- Stratford - upon- Avon
- Warwick
- Winchester
- Windsor

8.2 Metrics and Results

The group determined benchmarks for three main areas;

- activity measures
- income measures
- cost measures

8.3 The results are attached. Results for individual cities are not shown as these are confidential to the members of the group as part of the basis for sharing data.

However, results against the average for each score together with the top and bottom figures are shown.

8.4 Conclusions from the NTBVMG

8.5 Footfall

Oxford's TIC is not the busiest TIC in the heritage group, but in the top quartile. It is anticipated that this will change with the relocation to Broad Street which will lead to increased public footfall.

8.6 Telephones

Oxford's telephone enquires are amongst the lowest in the heritage group. This should be reviewed as it suggests there may be issues related to the level of resources and the ease of telephone access to the TIC. These results also need to look at these in the light of survey findings - it may be that customers prefer to deal face to face with the TIC, or through other media.

8.7 Postal enquires.

Oxford receives less correspondence overall than most TIC, who use both mailing in house and a fulfillment service.

8.8 A fulfillment service takes telephone enquires lists them and sends out standard requested data. Maintaining full records of all enquires for posted materials creates a customer database which can be targeted for other promotional materials.

8.9 There may be some scope in reviewing the use of fulfillment services to advance or replace in house mailing and thus free up staff resources for other activities, and helping to develop a larger customer database.

8.10 E-mail and fax

Oxford gets the largest number of faxed enquires and is amongst the busiest on e-mail enquires.

8.11 A review of the type of enquires may indicate whether or not alternative information sources, such as telephone support or web based data may help.

8.12 Funding

Oxford TIC has a large percentage of funding from commercial rents. This is also likely to increase if all of the possible additional units are taken up in the new premises in Broad Street.

8.13 Some TIC receive little funding from grants or office space rents. Further study is required to understand how this is achieved.

8.14 Income

Oxford is the highest achiever in income from income from sales of maps/books/trails/etc. (gross), commission from tours/excursions (gross), income from other sources (not internal charges) - commission on phonecards/stamps/films/events and attractions ticket sales/heritage passes/national express coach ticket sales/ display space within your TIC.

8.15 A review of income is required in the commission earned from accommodation bookings (gross), income from sales of gifts and souvenirs (gross). Spend per head on retail sales are low in comparison to other TICs.

8.16 It is anticipated that income from sales of gifts and souvenirs will increase following the move to Broad Street. However, like all business issues additional investment/resources maybe required to achieve income accommodation bookings. A review of the level of competition is also required.

8.17 There may also be some scope to review brochure arrangements across the various TICs to understand how some TIC are able to make large levels of profit from brochures.

8.18 Costs

Rent and rates

Not surprisingly Oxford is in the higher group for rents and rates.

8.20 Average Wage per hour

Excluding the Manager and Deputies wages per hour are in the top quartile. However, staff costs account for 41% of gross expenditure and are amongst the lowest proportionally.

8.21 Net costs per customer are in the bottom quartile.

9. Other comments made by the Steering Group on the findings of the heritage city benchmark study

9.1 The services offered by TIC are not uniform across the country. The benchmarking study had sort to "iron out " any other activities by providing definitions of allowable costs and activities.

9.2 The Steering Group were informed by the TIC Manager that the income from the Guided Tours varies across the country. Oxford enjoyed one of the highest recovery commissions (40%). Detailed costing had been undertaken to justify the source input to providing the service, and its was felt that no higher commission could be achieved. The guided tours supported a more environmentally friendly method of tourism and also encouraged people to extend there sty in the area and thus support the Tourism strategy.

9.3 The Steering Group was also informed by the TIC Manager that the Accommodation List made about £20,000 income which more than covered the production and staff costs. The entry fees charged to the accommodation provider were intended to contribute to the additional costs of providing a telephone/email/fax/postal accommodation enquiry service (as opposed to booking service) 7 days per week to which establishments included in the Guide are entitled. Committee had previously agreed that Increases in fees were currently limited to not more than 10% in one year and should be agreed with the Oxford Association of Hotels and Guest Houses. The fee level would also need to be market sensitive and seen as value for money to

accommodation providers if a suitably large number of providers were to take part.

10. Consult

10.1 The Steering Group prepared a Consultation Plan. (Attachment seven) The Steering Group reviewed the plan during the course of the review process and concluded that in light of the findings of the two surveys no further consultation work, such as a focus group, was required.

10.2 Two new pieces of consultation work were undertaken;

- A survey of TIC users
- A postal survey of Business users of the TIC

10.3 *The survey of TIC users*

Details of the survey design and findings are attached. (Attachment 8)
304 customers were interviewed by an independent and suitably qualified research company during February and March 2002

Exhibit seven

The main findings and conclusions of the Steering Group on the customer survey

Overall findings

The survey showed a high (98%) satisfaction level with the service offered by the TIC.

Other Issues

Website use is not a large percentage of customers there.
Website users are mostly in the 35 - 44 year old bracket.

This suggests that website users do not then need to come to the TIC once they have used the website

17% of customers already knew where the TIC was - mostly in the over 55 years

So publicity needed on the relocation issues as there appear to be repeat customers.

42% of customers find there way to the TIC using the signs - but 9% of customers said that the signs were not enough or well positioned.

A review sign posting for relocation to Broad Street is required. A audit of sign posts has already been undertaken.

10% of customers found the TIC difficult to find. But most customers had no problems finding the TIC, (This is not surprising as the survey was of people have come to the TIC!)

Exhibit eight

The main findings and conclusions of the Steering Group on the customer survey

49% of people were staying 3 or more nights. 61% in either hotels, Guest house or B&B.

This seems to support the strategy of encouraging longer term stays and trips.

52% who came by car used the Park and Rides - 41% of respondents came by car to Oxford.

This supports the strategy of using Park and Rides

98% of users were not coming as part of an organised trip

This is not perhaps surprising as organised trips are organised!

2% of customers were dissatisfied with the service. These were mostly under 34yrs of age.

It is common for younger people to be more open about being dissatisfied

The number of respondents who were dissatisfied was very small (7 out of 304). Issues were;

- did not have the information
- had to pay for map
- not very friendly.

11. A postal survey of Business users of the TIC

11.1 Methodology of business users survey

A random stratified sample of businesses was developed from various databases held by officers across the service areas involved in the TIC Review.

The stratified groups were;

- accommodation providers
- transport Companies
- restaurants
- educational centres
- entertainment centres
- other tourist information centres

11.2 These types of businesses were further sub divided to see if there were specific issues related to each type of business area. Some subgroups

were so small in sample size that the findings could be questioned. This is because the size of the market place (Oxford based businesses) were not substantial in each sub group, but the replies did provide an insight into business thinking in those areas.

11.3 A questionnaire was drawn up and agreed by the Steering Group with advise from expert staff in the Chief Executives department.

11.4 Business users

The response rate was reasonable for a self completion survey. Those companies who did respond used the centre and had a view of its service. Some business sectors had a variety of comments and suggestions of minor improvements, many business sectors would welcome greater and closer working relationships.

11.5 Response rates

Overall in each main type of business group the response rate was very reasonable for a self completion postal survey. A minimum response rate of 15% was achieved in each main group.

11.6 The response rates for subgroups were more varied.. The response rates in some areas made the results indicative rather than statistically valid.

Exhibit nine

The main findings and conclusions of the Steering group on the Business Users Survey

Contact period and frequency

- 81% of respondents used the centre throughout the year.
- 16% of respondents used the centre more than once per week,
- 36% contacted once per a month.

The degree of contact varied across the subgroups, accommodation providers contacted more frequently on the subject of accommodation booking ,although this varied across the type of accommodation provider (hostels contacted more frequently than guest houses).

Contact use

Most of the contact with the TIC was to promote the business, make accommodation bookings or to make telephone enquires

- 43% used for advertising their service
- 22% for display of materials)
- 25% contacted the TIC to advise of their own business changes
- 33% of all business contacted to make accommodation bookings
- 31% for telephone enquires

Exhibit 10

The main findings and conclusions of the Steering group on the Business Users Survey

Meeting the needs of other organisations

72% of respondents said the centre meet there organisations needs. However this varied across the type of business. Some accommodation providers had strong negative opinions of the TIC. 83% of travel business said the centre met their needs.

63% of entertainment businesses said the centre matched their needs. There was very positive comment about wishing to develop closer business relationships with this sector and some interest in renting the space in the new TIC.

Educational establishments would like to see improved links with the centre and were very encouraged about the relation. Although some reported that they experienced difficulty in contacting by telephone.

Additional services the TIC could provide

Respondents were asked if they would like the TIC to offer attraction ticket sales, public transport ticket sales, event ticket sales or other services

- 47% of all respondents would like to see the centre selling events tickets,
- 31% of all respondents would like to see sales of attractions.

The degree of interest in this service was stronger in some service areas than others, 64% accommodation providers wanted event ticket sales, 50% of entertainment business would like the centre to sell transportation tickets.

Exhibit eleven

The main findings and conclusions of the Steering group on the Business Users Survey

Tourist Information centres

The response rate was very low from those centres contacted.

The replies from this sector showed a failure in the network of TICs. This was demonstrated by a lack of knowledge by other Oxfordshire TICs about the work of the Oxford unit.

Other TICs outside Oxfordshire reported problems with availability and ease of telephone contact and problems related to booking accommodation through the BABA system.

Knowledge of the relocation to Broad Street

Knowledge of the pending move to Broad Street was not well know across the business community. Although knowledge was greater in some sectors, for example the University colleges who were very positive about the relocation and the opportunities for improve relationships and working.

12. Actions arising from Business Users Consultation

12.1 The Review Group concluded that both customers using the service and that those businesses that responded were those who have contact with the TIC. There was some negative comments about the service, but these were balanced by other positive comments.

12.2 The Business survey highlighted a number of issues for the Review group

12.3 Most respondents said that the centre meet the needs of their organisation. Some market sectors, notably the University Colleges and the events/attractions sector, would welcome more interaction and closer working. A number of other organisations also had positive suggestions to make about the service and closer working.

12.4 Key Action one;

Consideration should be given to developing those links, perhaps through direct contact with the organisations who responded about the points which they raised as well as through general discussion through the tourism forum. As part of this process consideration should also be given to contacting those organisations who responded negatively to help restore better working relations, were this will help achieve the objectives of the councils tourism strategy.

12.5 The TIC is primarily used by respondents as a method of advertising and boosting their own business trade, as well as being a point of contact for accommodation booking and enquires. Some business sectors, in particular the small independent retail/food sector seem to have no knowledge or contact with the TIC.

12.6 Key Action two

Consideration should be given to other methods and ways in which the TIC can support and boost local tourism business.

12.7 Key Action three

Consideration needs to be given to the methods used on accommodation booking now if the TIC is to maintain its market share of accommodation booking, given the trend in the market for direct booking through the web and other media.

12.8 Most respondents would like to see the TIC selling tickets for events and attractions. Some sectors, particularly attraction destinations, would like to see sales of public transport tickets.

12.9 Key Action four

Consideration needs to be given to developing sales. An estimation of the costs and revenue streams is required. Consideration should also be given to the use of IT to support such activities.

12.10 The networking process with TICs within Oxfordshire and other counties requires review. It is not clear that other TICs understand the relationship that they have with each other and the services which Oxford provides

12.11 Key Action six

The Council needs to improve its relationships with other TICs. Consideration needs to be given to the role STB has in facilitating this process.

12.12 Many respondents reported problems in accessing the TIC by telephone.

12.13 Key Action seven

The telephone system and capacity needs to be reviewed prior to the move to Broad Street. Consideration should also be given to the use of technologies and methods which help to stream and manage call volumes.

12.14 Many TICs reported problems in the use of BABA booking to Oxford

12.15 Key Action eight

A review of BABAs booking, in particular with the TIC should be undertaken.

12.16 Knowledge of the relation to Broad Street was not commonly shared across the local business community. Some local businesses showed interest in taking space within the new centre and helpful comments about the centre were also made by some businesses.

12.17 Key Action nine

Promotion of the councils intention to relocate the TIC should be undertaken prior to the move itself, to ensure knowledge and possible take up of space.

12.18 Key Action ten

Suggestions made by local businesses about the new centre should be reviewed and consideration given to auctioning those suggestions.

Key Customer Contact

The TIC income relies on money from guided tours. Local walking tours are arranged with certificated guides who are members of the guide of guides. The Guild of Guides is therefore a key customer of the TIC. Following on from the survey they contacted the Steering Group members with their views.

“The Guild of Guides greatly values the services offered to it by the TIC. However, in every working relationship there are issues that need to be addressed.

The Guild recognises that the staff in the TIC do their utmost, and are consistently helpful and patient despite the difficult conditions in which they have to work.

The root problem at the TIC is the repeated staff cuts have resulted in serious understating, which is particularly noticeable at busy times of the year.

The Guild is concerned that this will be exacerbated when the move to Broad Street takes place and there is an increased volume of visitors and business.

The guild finds that causal; staff, while releasing experienced assistants from other jobs, are naturally limited in what they can do. They are only seasonal and cannot be trained in a short time to do more than the most basic tasks.

The guild is very dismayed that no replacement will be found for Mrs. Vincent, who is responsible for arranging tours, until after she has left. This is a complicated task which needs someone to be trained up by Mrs. Vincent, who knows what is involved.

Note that nearly 38,000 visitors were taken round Oxford in 2001 on tours arranged through the TIC and led by members of the guild. Note also that tourism statistics used to be provided by Mrs Vincent's predecessor when there were more staff and that these now have to be worked out by the Guild from various papers supplied by the TIC. We hope that modern computer systems will be installed when the move to Broad Street takes place, and that figures will be automatically recorded.

It is difficult at times for tour operators and group leaders to get through on the telephone.

The guild would like to see the tours more actively marketed, especially at events taking place locally, but it is aware that the TIC has no publicity budget - why not?

13. Compete

13.1 This review set out to determine whether or not the TIC could be provided under a number of alternative arrangements, namely;

- TIC remains within the City Council Management
- Partnership Arrangement with Southern Tourist Board
- Private/public sector partnership such as exists in Stratford upon Avon and Warwick (South Warwickshire Tourism)

13.2 Options

A. TIC remains within the City Council Management

At present the TIC is part of the Chief Executive's Strategic Policy and Research Team. This is a result of the direct transfer of responsibilities for tourism as developed under the restructures arrangements of 1999. This enabled the Tourism Officer, an employee of the Southern Tourist Board to have a direct interface, via the same manager, with the staff and management team of the TIC.

13.3 The Steering Group concluded that given the new remit of the Strategic Policy and Research Team this reporting arrangement is no longer a suitable one. However, the Steering Group wanted to see a strong link between the TIC and the Tourism strategy work

13.4 Alternative reporting lines were considered by the Steering Group these included;

- City Centre Management Team
- Customer Service Shops
- Leisure Services

13.5 City Centre Management Team

Arrangements for a transfer to an independent organisation were well in hand. Adding a transfer of the TIC at this stage was not possible.

13.6 Customer Service Shops

There are differences in the remit of the service shops and the inclusion of commercial activities which would make this mix difficult.

13.7 Leisure Services

The service unit is without a service head. The service area used to manage the TIC, but the Tourism officer post reported elsewhere within the council. It was for this reason that the changed reporting line was made in the 1999 restructure.

14. Partnership Arrangement with Southern Tourist Board

14.1 The Southern Tourist Board (STB) has 65 centres in its regional network. There are 21 directly managed by STB in agreement with the local authority. Each council has agreed a local contract with the STB.

14.2 The basic provision is a Service Level Agreement (SLA) with the operational costs are funded to the STB by the council. The SLA would include the need to meet national network standards, including running centre if there are local staffing difficulties by moving staff from another TIC.

14.3 The assets , e.g. buildings, remain with the council, as do the costs of maintenance of the Building.

14.4 STB employees the staff and TUPE applies to any staff who may transfer across. Training and development of staff is included.

14.5 A management fee is negotiated separately , dependent on the finances of the local authority. The size of the fee is reviewed in negotiation with the Southern Tourist Board and is related to the costs structures and the overheads associated with the individual authorities TIC. Some local authorities have made savings by removing management level elsewhere in the organisation after transfers have occurred. Some find that the overheads allocated to the TIC budget have to be covered elsewhere and then refunded.

14.6 Separate agreements are reached on the revenue stream which can be shared by agreement. Again this is subject to individual agreement and negotiation with the STB.

15. Private/public sector partnership such as exists in Stratford upon Avon and Warwick (South Warwickshire Tourism)

15.1 Partnerships of this kind normally consist of independent organisations with appreciate membership structures and governance. This would normally consist of a board of directors made up of the principle funding sources, normally local authorities, TICs and private businesses.

15.2 Representation of businesses would be drawn from across different service sectors of the tourism industry.

15.3 Membership would incur a fee to individual businesses who would subscribe to different levels of service appropriate to their needs at a sliding scale of fees.

15.4 Participants agree the range of activities that the partnership would carry out in the year and the appropriate mechanisms for delivery as well as the measures to judge effectiveness.

15.5 Partnerships are not a route to reduce the amount of funding that the local authority would have to provide, but do provide a mechanism to attract private sector funding for activity.

15.6 Membership could be affected by a down turn in tourist activity.

16. Conclusions of the Steering Group

16.1 The Steering Group did not consider the current management reporting line to be suitable given the new remit of the Strategic Policy and Research team.

16.2 The Steering Group presented an interim report, in July 2002 to the Councils Executive Committee which asked for two detailed options to be developed. (Attachment 10)

16.3 Option One; a Partnership arrangement with the Southern Tourist Board
Option Two; a revised internal management arrangement.

17. Service Delivery and Service Improvement Plans

17.1 The Steering Group reviewed the TIC within the context of Sustainability issues, issues related to Disability Discrimination Acts and other statutory requirements.

18 Performance Management of TICs

18.1 The Councils TIC has a developed business plan. This document provides the rationale and explanation for the relocation of the TIC to Broad Street as well as a sound review of the market place and key objectives for the TIC for the forthcoming year.

18.2 The TIC has a framework of processes and operational activity to provide a sound management of the centre.

18.3 The TIC as a income handling centre is regularly audited by Internal Audit. The steering group also reviewed the report. The conclusion of the Steering group was that the TIC was satisfactory performing its duties and responsibilities with regards to income..

18.4 The Steering Group reviewed the National Standards for Networked Tourist Information Centres in England. See attachment

18.5 Conclusion

The Steering Group concluded that they would like to see developed a set of measurable local performance indicators for the TIC.

19. Sustainability

19.1 The TIC Staff completed a review of its operations in light of the councils policy on sustainability and completed a sustainability checklist. The Steering Group had a verbal report from the Sustainability Officer who was able to confirm that, on the evidence given, the TIC was working in a sustainable way and supporting the councils approach to sustainability.

20. Equalities Issues

report to follow

21. Move To Broad Street

report to follow

22. Income Review

22.1 The TIC Manager undertook a review of possible activities highlighted by the benchmarking activity and other service development options which were presented to the steering group as part of the options for changed management structures.

23. Conclusions

23.1 The Steering Group concluded the purpose for the TIC was as follows

- Providing a TIC supports the objectives of the Tourism Strategy in particular through promotional activities, support of initiatives/activities for visitors and the provision of information for local resident/visitors
- Providing a TIC helps support the development of local tourist businesses and facilitates visits by local people to local attractions and other UK destinations
- Providing a TIC helps maintain Oxford as a key destination in the UK through pro-active marketing and the provision of a first class point of access to the tourism product
- Providing a TIC helps facilitate visitor management to the city and helps reduce the impact of visitor numbers
- Providing a TIC creates an income stream for the council to help off set the costs of provision of the service
- Providing a TIC demonstrates to local people and the business community that the council recognises the economic benefits of tourism and wishes to actively support and manage the effects of tourism locally

23.2 The Steering Group wanted the service area to operate the following cost management principles ;

- The TIC should always review the amount of resource needed to be spent to derive any income stream
- The TIC should carry out a review of other income developing options e.g. sales of transport, event or attraction ticket sales
- The TIC should seek to minimise the Net Expenditure

23.3 The Steering Group concluded that they would like to see developed a set of measurable local performance indicators for the TIC.

23.4 The Steering Group wished to see the development of a service improvement plan which addressed the following Weaknesses and Threats and issues raised through consultation and comparison

Telephones

A review is to undertake to ensure that with the move to Broad Street there will be sufficient availability access and capacity to deal with the envisaged call volume. Consideration should also be given to call handling technologies and other means of handling call volumes.

Postal enquiries

A review of the use of fulfillment services to advance or replace in house mailing to see if this frees-up staff resources for other activities, and helping to develop a larger customer database.

E-Mail and faxes

A review of the type of enquires may indicate whether or not alternative information sources, such as telephone support or web based data may help.

Income

A review of income is required in the commission earned from accommodation bookings (gross), income from sales of gifts and souvenirs (gross).

A review of high spend-per-head on retail sales in other TICs is to be carried out. Benchmarking data available through the Best Value Tourism Management Group should also be reviewed.

It is anticipated that income from sales of gifts and souvenirs will increase following the move to Broad Street. However, like all business issues additional investment/resources maybe required to achieve income accommodation bookings. A review of the level of competition is also required.

A review of brochure arrangements across the various TICs to understand how some TIC are able to make large levels of profit from brochures.

As a result of the survey of customers the Steering Group want to see the following operational issues addressed

To heavily publicise the relocation of the TIC to ensure that repeat/regular customers know about Broad Street

to review sign posting across the city centre in preparation for relocation to Broad Street, and to use the Audit of current sign posts to assist in this work.

As a result of the survey of business users the Steering Group would wish to see the following issues addressed:

- *develop the links, with local businesses perhaps through direct contact with the organisations who responded about the points which they raised as well as through general discussion through the tourism forum. As part of this process consideration should also be given to contacting those organisations who responded negatively to help restore better working relations, were this will help achieve the objectives of the councils tourism strategy.*
- *Work with the tourism forum to seek other methods and ways in which the TIC can support and boost local tourism business.*

- *To review the methods used on accommodation booking to ensure that the TIC maintains its market share of accommodation bookings, given the trend in the market for direct booking through the web and other media.*
- *Consideration needs to be given to developing sales of transportation tickets, attraction tickets and events tickets.. An estimation of the costs and revenue streams is required. Consideration should also be given to the use of IT to support such activities.*
- *To work with the STB and other local TICs to improve the local TIC network.*
- *A review of BABAs booking, in particular with the TIC should be undertaken.*
- *Promotion of the councils intention to relocate the TIC should be undertaken prior to the move itself, to ensure knowledge and possible take up of space.*
- *Suggestions made by local businesses about the new centre should be reviewed and consideration given to actioning those suggestions.*

24. Recommendations of the Steering Group

The Steering Group recommend that ;

- the statement purpose of the TIC be approved by the Executive Broad
- the TIC operate to the cost management principles shown in paragraph 23.2
- the TIC develop a set of local measurable Performance Indicators
- the enclosed improvement plan be adopted and delivered by the TIC management team

TIC Best Value Officers Group - Heritage Cities results 2000/01

	Oxford	Group Average	Top	Bottom	Position (the lower the number the better the result)
Number of TICs at your destination	1	N/A.	N/A	N/A	N/A
total annual footfall at all tics	373,663	310,010	494,923	104,000	4 out of 11
total average telephone enquires at all tics	38,573	64,160	142,447	19,280	8 out of 11
how are the telephone enquires recorded	manually	N/A.	N/A	N/A	
total postal enquires recorded at the whole tourism service (if your TIC does the fulfilment of postal enquires include these here)	17,593	10,787	21,630	895	3 out of 11
postal enquires sent out by forfillment office		11,260	27,312	163	
total annual email enquires to all tics	2,398	2,922	6,135	1,655	7 out of 8
total annual fax enquiries to all tics	3984	140	199	30	1 out of 4
total enquires (footfall+telephone+postal+email+fax)	436,211	385,545	566,565	184,339	5 out of 11
grant/public sector funding for TICs (gross income) i.e. what % income is from office space charges/grants paid by council	30%				5 out of 10
commercial income for the TIC (%gross budget) - commercial rent					
annual rent for TICs	31,983	N/A.	9,000	91,495	5 out of 11
Annual rates for TICs	5,635	N/A.	N/A	N/A	N/A
Total rent and rates	37,618	46,921	113,949	9,475	7 out of 11
TIC staff average wage per hour(excluding managers/deputies)	6.43	6.85	10	4.95	3 out of 11
commission earned from accommodation bookings (gross)	44,410	33,298	67,197	6,040	5 out of 11
income from sales of gifts and souvenirs (gross)	46,690	59,276	119,700	5,250	4 out of 10

income from sales of maps/books/trails/etc. (gross)	79,683	35,989	74,895	7,200	1 out of 11
commission form tours/excursions (gross)	182,914	3,913	9,885	350	1 out of 7
income from other sources (not internal charges) - commission on phonecards/stamps/films/events and attractions ticket sales/heritage passes/national express coach ticket sales/ display space within your TIC	47,211	22,400	57,849	5,369	2 out of 11
total income from the 5 rows above	400,908	147,387	322,233	38,585	1 out of 11
total turnover (total income from all sources not just ticket sales)		295,326	783,403	86,335	
Value of internal recharges	34,008	66,657	154,286	14,384	3 out of 7
net TIC budget (i.e. the bottomline)	157,717	163,097	219,200	113,554	5 out of 11
Spend per head for your TIC using the % income rows above BUT excluding accommodation communications	0.95	0.36	0.61	0.8	1 out of 10
retail spend per head (gifts /souvenirs/maps/guides/books)	0.34	0.28	0.56	0.05	4 out of 11
net costs per customer(i.e. bottomline divided by total footfall)	0.42	0.7	2.11	0.27	6 out of 11
net costs per all customers	0.36	0.5	1.19	0.24	4 out of 10
staff costs as a % of gross expenditure	41%	49%	55%	36%	10 of 11
how many brochures did your destination produce?	2 guides Dreaming spires 150,000 and accommodation list(TIC production)15,000				
How much profit or loss did these brochures make	break-even				

APPENDICES 2 - 5 ARE NOT INCLUDED
COPIES ARE AVAILABLE FROM THE COMMITTEE CLERK