

Corporate Policy & Strategy Committee

Tuesday, 16 April 2013

Funding Models for Tourism Promotion

Item number	7.8
Report number	
Wards	All

Links

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Greg Ward

Head of Economic Development

Contact: Steve McGavin, Service Manager

E-mail: steve.mcgavin@edinburgh.gov.uk | Tel: 0131 529 6237

Executive summary

Funding Models for Tourism Promotion

Summary

This report updates committee on discussions with the Strategy Implementation Group (SIG), a subgroup of the Edinburgh Tourism Action Group (ETAG) around funding models for tourism promotion.

Council agreed in October 2012 to further consultation with relevant sectors and stakeholders with a view to developing a preferred model by early 2013. This activity follows on from the completion of the earlier Capital Coalition pledge to consult further on the viability and legality of a transient visitor levy.

It has been agreed with ETAG SIG that no public/industry consultation should progress until further work has been completed and discussed at the next SIG meeting on 24 May 2013.

Research has been undertaken to assess a variety of funding models which could be used to generate additional funding for destination promotion activity and there are a number of possible models such as Tax Increment Financing (TIF) and a Tourism Business Improvement District (TBID) which could be applied. Marketing Edinburgh has secured seed corn funding from BIDs Scotland to progress the development of a TBID for the city. This information has been shared with the SIG and the following actions have been agreed.

A SIG subgroup comprising David Birrell and Gordon Dewar are to work with the Council to test options around what the additional funding could be used for.

To report back to Committee in December following the work being carried out by the SIG later this year.

Recommendations

1. To note that the SIG has formed a subgroup to agree the next steps including the form of any future consultations.

Measures of success

As one of the four programmes in the Council's economic strategy "A Strategy for Jobs 2012-17", the success of this programme is measured by using the three headline objectives, depicted and reported on in the paper, "[Investing in Jobs Key Performance Indicators](#)".

Financial impact

The activities undertaken to date have been met from the Economic Development Service budget 2012/13.

Equalities impact

As one of the four programmes in the Council's [Economic Strategy](#), a full [Equalities Impact Assessment](#) was carried out on the Economic Strategy in February 2012.

Sustainability impact

Tourism is a key sector of the City's economy demonstrating the need to work with tourism partners to help the sector grow and prosper.

Consultation and engagement

Consultation with ETAG is ongoing.

Background reading / external references

- [Policy and Strategy Report, 2 October 2012, Transient Visitor Levy](#)
- Funding mechanisms for destination promotion, Kyle Drummond November 2012

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Links

Coalition pledges [P21](#) - Consult further on the viability and legality of a transient visitor levy

Council outcomes [CO8](#) - Edinburgh's economy creates and sustains job

**Single Outcome
Agreement**

opportunities

[SO1](#) - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all

Appendices