New Public Management in Tourism: A Case Study of York

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Abstract

Issues concerning destination governance continue to engender much interest and debate in the development of more sustainable forms of tourism. This study explores the implications of a New Public Management approach to tourist destination governance in the historic City of York. Using secondary data, as well as drawing on interviews with a range of destination stakeholders, this study seeks to understand how market ideology is, via the notion of New Public Management, transforming tourism governance in the city. Rather than leading to greater levels of stakeholder engagement, the study demonstrates how the outsourcing of destination management functions to a private sector organisation has had the opposite effect, including a weakening of accountability and the widening of a democratic deficit. The paper provides a unique insight into how public policy discourses manifest themselves at the local level, with implications for tourist destination governance. A critique of New Public Management is offered which extends our understanding of tourism governance structures and stakeholder engagement, with implications for sustainable tourism development discussed.

Key words: tourism governance, destination management, New Public Management, stakeholders, accountability

Introduction

The history of tourism governance in the United Kingdom (UK) has witnessed ongoing change. Originally, public sector management substantively monopolised local service delivery (Thomas and Thomas, 1998). However, during the 1980s and early 1990s, the organisational structure of local government was transformed. It moved away from its traditional role of direct service provision to a more ‘hands-off’ facilitation of public services (Brooke, 1989a; 1989b; Beritelli, Bieger and Laesser, 2007; Kooiman, 1993; Stevenson, Airey and Miller, 2008), reflecting a wider move amongst policy makers towards a free market, neo-liberal approach to economic policy (Astleithner and Hamedinger,
This shift from government to governance and the adoption of a New Public Management approach to destination management resulted in the public sector working in collaboration with the private and voluntary sectors (Beritelli, Bieger and Laesser, 2007; Gansler, 2003; Kooiman, 1993; Ruhanen et al., 2010; Stoker, 1998; Tombs, 2002). Local authorities were encouraged to become more strategic, developing and implementing public policy through a range of public and private sector agencies (Connelly, 2007; Gansler, 2003; Stoker, 1998). The view that the private sector should take a greater role in the governance and development of the tourism industry in the UK continues today (Kennell and Chaperon, 2011). Notwithstanding national and indeed global discourses, Maitland (2006 p.1264) reminds us that regional and local policy arrangements are just as important as the national policy context, at least in relation to developing tourism strategies, although ‘institutions, rules and regulations at the national level form part of any explanation for changing local policy.’

In the 1980s tourism development began to be considered more widely in terms of its economic, social, environmental and cultural impacts (Richards, 1991), with local government agencies seeking to increase the economic potential of tourism through collaboration with the private sector. The extent to which local authorities regarded tourism as important frequently reflected underlying economic conditions. For example, in Cambridge, with its fast-growing, high-tech and research-based enterprises, the contribution and growth of tourism was of less concern than in York which has witnessed a strong decline in traditional industries (Maitland, 2006). This reorientation of local government facilitated new forms of tourism management (d’Angella, De Carlo and Sainaghi, 2010; Fyall and Garrod, 2005; Hall, 2011; Jeffries, 2001; Spyriadis, Fletcher and Fyall, 2013; Svensson, Nordin and Flagestad, 2005), as government at all levels assumed greater responsibility for and involvement in tourist destination planning and development (Ruhanen, 2013). Consequently, different types of tourism governance emerged (Beaumont and Dredge, 2010; Hall, 2011), and continue to change as those responsible search for more suitable or effective forms by adjusting to specific contexts and situations (Bramwell and Lane, 2011).

Studies of sustainable tourist destination development (Mihalič, Šegota, Cvelbar and Kuščer, 2016) and residents’ attitudes towards tourism development abound (Nunkoo et al. 2013). Within the host community, vested interests and political affiliations are the (Timothy,2007). Even leaving aside external interests (e.g. the tourists themselves, national governments, foreign operators) tourism governance is undoubtedly a complicated affair. However, there is a lack of research concerned with
the application of theory and its development as it relates to local governance structures (Dredge, 2006). Few studies exist which offer an analysis of issues within destination governance, specifically regarding local community involvement and representation (Beaumont and Dredge, 2010; Bramwell and Lane, 2000), or even in relation to their effectiveness in an era of increased competition between destinations (Maitland, 2006; Pechlaner et al., 2012). This paper, therefore, undertakes a case study analysis of an approach to tourism governance, itself couched within the broader macro-phenomenon of New Public Management (NPM), addressing the need to understand the implications for stakeholder representation and participation in these emerging governance structures (Scott et al., 2011). It heeds, therefore, Ashworth and Page’s (2011) call for more research in urban tourism that embeds a case study approach within a wider macro-context, as well as Hall’s (2007) contention that there have been few studies of how the neo-liberal discourse has affected policy making and implementation in tourism.

Following the decline of the railway and chocolate industries, tourism is now York’s biggest economic sector. As a major heritage visitor destination, the city welcomed an estimated seven million visitors in 2015, approximately 230,000 of whom were from overseas (Visit York, 2017). The sector supports approximately 20,000 jobs and contributes £608 million to the local economy (Visit York, 2017). The development of tourism in York has been widely documented (Ashworth and Tunbridge, 1994; 2000; Augustyn and Knowles, 2000), in particular by Meethan (1996; 1997) whose analysis offered three distinct phases and identified a number of significant external and internal factors in the development of tourism in the city. Latterly, Mordue’s (1998; 2005; 2007) review provided insights into the development of the First Stop York Partnership and concluded that the governance arrangements of tourism in York had resulted in stronger and more powerful structures in which elites dominated. However, in 2007 following a strategic review of the York economy by the Future York group, the significance of tourism for the city’s economy was again acknowledged. The resulting report identified that over 9,000 people were employed in tourism and hospitality, with the sector having experienced sustained growth from an increase of visitor numbers to four million and a 10% increase in income to £300 million (Future York Group, 2007). The report recognised the job opportunities and potential for the city to further develop its tourism offer, noting that ‘York’s tourism industry can, and should, consistently exceed Yorkshire Forward’s [the now defunct Regional Development Agency] 5% per annum tourism spend growth rate’ (Future York Group, 2007 p.24). An increasingly competitive market and the need for investment, particularly in the quality of product and the public realm, necessitated clear destination leadership. Recognising a lack of coordination of tourism activities, the report recommended that the ‘City of York Council strengthen its tourism partnership [First Stop York],
by having a single tourism partnership organisation’ (Future York Group, 2007 p.24). Subsequently, a private company Limited by Guarantee, Visit York, was established in April 2008 and assumed a tourism governance role. These developments represent a new chapter in tourism governance in the city, underpinned by the notion of New Public Management. This study seeks to evaluate these changes and thereby offer insights for tourist destinations more generally that choose to seek, or are driven by central government to seek, an approach to tourism governance based upon market principles.

**Literature Review**

In the past, in the UK, local government had a monopoly in many service areas (Thomas and Thomas, 1998). However, in Britain the New Right Thatcher government, initially elected in 1979, was keen to reorganise and restructure the local government system. Influenced by the ideological perspective of neoliberalism (Stevenson, Airey and Miller, 2008), the purpose was to change local authorities from a direct provider of services to an authority empowered with ‘stimulating, facilitating, enabling and monitoring’ local service provision and delivery (Brooke, 1989b p.8). As a result, local government became less involved with direct service provision and more concerned with local governance (Brooke, 1989b; Worrall, Collinge and Bill, 1998). The traditional centralised and bureaucratic approach of the public sector had changed to a decentralised and potentially more inclusive form of governance underpinned by a market systems approach (Astleithner and Hamedinger, 2003; Beritelli, Bieger and Laesser, 2007; Deakin, 1994; Stevenson, Airey and Miller, 2008). This hands-off, market systems approach largely continues today with the Department for Culture Media and Sport’s (DCMS, 2011) tourism strategy arguing a key aim was to ‘reduce the sector’s dependence on taxpayer funding’. This stance should be understood upon the backdrop of ongoing pressure on the public purse and a Conservative Government who, arguably, ideologically stand on the side of privatisation.

Following the May 2010 general election the Conservative-Liberal Democrat Coalition Government oversaw what may possibly be the largest single programme of reform of government agencies proposed anywhere in the world (O’Leary, 2015). The effects of the review of public bodies resulted in the abolition of Regional Development Agencies (RDAs were expected to contribute to policy on, amongst other things, tourism, culture and sport) and their replacement by Local Enterprise Partnerships. The review also resulted in what is commonly referred to as the ‘Bonfire of the Quangos’ where 106 such non-departmental public bodies were either abolished entirely or lost their status.
(Flinders and Skelcher, 2012). Further policy changes comprised a shift towards Localism (local authorities and their communities were to be given much greater freedom to organise services and much greater responsibility to decide which services to prioritise) and the promotion of the so-called ‘Big Society’. Part of the Localism agenda sought to provide local authorities with greater powers and to also strengthen community accountability (Lowndes and Pratchett, 2012).

*New Public Management and Public Sector Governance*

Unsurprisingly, the above-mentioned changes align closely with a neo-liberal ideology of curtailed state intervention. However, changes introduced went beyond greater levels of empowerment at a local level, and a hope for greater community engagement via the notion of the Big Society. Local governance sought to adopt further management principles known collectively as ‘New Public Management’ (NPM). The idea here was that local government would adopt characteristics more commonly aligned with the private sector such as competition, efficiency, quality, human resource management, and entrepreneurship (Gramberg and Teicher, 2000; Worrall, Collinge and Bill, 1998), as a means to improve the performance and financial efficiency of government (Astleithner and Hamedinger, 2003; Rhodes, 1997).

In addition to the adoption of management principles, NPM sought to facilitate the participation of the general public in decision making (Judge, Stoker and Wolman, 1995; Rhodes, 1997; Stokes, 2008). Again, we can see in the latter echoes of Localism and the Big Society agenda; more decision making powers at the local level, and more civic/community participation (Lowndes and Pratchett, 2012). NPM has also been described as advocating a ‘corporate approach’ to governance (Reid, Smith and McCloskey) in order to reduce local authority inefficiency and improve the effectiveness of service delivery (Carter et al., 1991), which sits comfortably with a policy backdrop of austerity.

The promotion of NPM has not gone uncontested, however. Stewart and Davis (1994 p.32) point to a ‘dangerous assumption that public services can be run as if they are businesses.’ Others, such as Astleithner and Hamedinger (2003) suggest competitive behaviour within the public sector could be damaging to the performance of collective tasks, leading to a loss of cooperation in community development initiatives. Lowndes and Pratchett (2012) likewise note the danger in the assumption that individuals will behave as consumers rather than as citizens, an issue that does not sit comfortably
with the notion and discourses surrounding the Big Society where the idea is that ‘we are all in this together’.

Gramberg and Teicher (2000) in turn argue that the adoption of private sector management principles within the public sector can undermine democratic accountability, with tourism partnerships potentially strengthening the interests of the most powerful partners (Mordue, 2007). Public accountability may be diluted as the market-orientated approach could favour opportunism and competitive behaviour (Astleithner and Hamedinger, 2003). Although for Godfrey (1998) the public sector is still key in driving increased participation in decision making, rather than these new arrangements ‘transcending inequalities in society, tourism partnerships could reinforce them by representing the interests of the most powerful partners more effectively’ (Mordue, 2007 p.449).

Shone, Simmons and Dalziel (2016 p.1687) argue that this has created ‘contested and divergent understandings regarding the legitimacy of local government intervention’, particularly with regards to ensuring that decision making is in the best interests of the wider destination community. It is not as though the public sector is openly denying citizens a voice, but the new governance structures are seen to make engagement for some sectors of society more difficult, raising concerns about decision making being in the best interests of the destination community as a whole (Shone, Simmons and Dalziel, 2016). Very concretely, we can talk of the emergence of a semi-privatised policy-making system whereby traditional functions of elected government have been transferred, to varying degrees, to non-elected trusts, organisations or public-private sector partnerships (Bahaire and Elliott-White, 1999; Greasley, Watson and Patel, 2008; Reid, Smith and McCloskey, 2008; Svensson, Nordin and Flagestad, 2005). Effectively, if certain stakeholders or stakeholder groups are being side-lined a democratic deficit is a possible result within these new governance structures.

**New Public Management and Tourist Destination Governance**

The notion of governance continues to engage tourism scholars (Beaumont and Dredge, 2010; Beritelli, Bieger and Laesser, 2007; Jamal and Watt, 2011; Hall, 2011; Ruhanen et al., 2010; Scott et al., 2011; Zapata and Hall, 2012). It offers a generally optimistic view as to governance’s capacity to improve democratic participation in tourist destination decision making (Dredge and Whitford, 2011; Moscardo, 2011). Destination governance itself has been defined as the active involvement of multiple stakeholders who are engaged in influencing local government policy (Jamal and Watt, 2011). Who has, or does not have, influence is a question of power and governance itself is essentially about power
From a normative perspective it has been argued that destination governance should provide a mechanism for the development of policies and strategies with all relevant organisations and stakeholders through a network approach (Nordin and Svensson, 2007; Zhang, 2011). There is widespread agreement that good governance should be transparent and therefore accountable (Dredge and Pforr, 2008; Midwinter, 2001) and that local government as a representative of the local community should place a key role in ensuring democratic accountability within existing government structures (Pratchett, 1999; Ruhanen, 2013). At a theoretical level, there are then grounds to question the extent to which market-orientated approaches to governance, specifically NPM, improve democratic practices and/or transparency in decision making (Beaumont and Dredge, 2010; Dredge and Whitford, 2011; Moscardo, 2011; Penny-Wan, 2013).

Destination management is widely considered the means by which complex strategic, organisational and operational decisions are made at a micro-level (Spyriadis, Fletcher and Fyall, 2013), with the main purpose to improve the development and management of tourism through the coordination and collaboration of relevant stakeholders (d’Angella, De Carlo and Sainaghi, 2010). In this sense it is in fact similar to destination governance. Indeed, the complex nature of managing a range of stakeholders, as found within the majority of tourist destinations, necessitates collaboration and facilitation of stakeholder engagement (Fyall and Garrod, 2005).

Destination Management Organizations (DMOs) are central figures in the governance of tourist destinations (Pechlaner, Volgger, and Herntrei, 2012) managing destination networks and fostering cooperation. On this basis, DMOs frequently assume a leadership role that goes beyond the marketing and promotion of a destination but also facilitates inward investment and product development (Howie, 2003; Spyriadis, Fletcher and Fyall, 2013; Svensson, Nordin and Flagstad, 2005). For Palmer (1998), the multifaceted and dynamic environment of many tourist destinations requires effective governance in order to successfully manage their complexity, particularly in the coordination and engagement of stakeholders. How the neoliberal, laissez-faire underpinnings of New Public Management sit within these complex arrangements, the extent to which it is able to co-ordinate interests and facilitate collaboration between different stakeholder groups, which is significant to destination success according to d’Angella, De Carlo and Sainaghi (2010), remains to be seen.

Admittedly, fostering a collaborative approach and ensuring meaningful stakeholder engagement is not an easy task. Although collaboration and partnerships in a broad sense are recognised as an
effective collaborative method of involving all, or at least the majority of relevant stakeholders in destination management (Carley, 2000; Greer, 2001), there can be difficulties in accommodating a wide variety of interests. The danger of collaborative initiatives potentially leading to the cultivation of conflict and power imbalances between stakeholder groups has been recognised (Bornhorst, Ritchie and Sheehan, 2010; Greasley, Watson and Patel, 2008; Hall, 2000; Mordue, 2007; Provan and Kenis, 2007; Svensson, Nordin and Flagestad, 2005). In fact, some (e.g. Timothy, 2007) acknowledge the at times naïve view that everyone can or in fact should have equal access to power in tourism development.

Certain stakeholders will have greater financial and social capital that they can use to their own advantage, which may run counter to the interests of the wider community. For example, Augustyn and Knowles (2000) highlight how a dominant private sector stakeholder may represent their corporate strategies and priorities more strongly than the key interests of the locale. It can be argued, therefore, that appropriate structures and representation mechanisms need to be in place to create a balanced perspective and effective representation of the destination community. Indeed, whilst the engagement of a range of stakeholders is evident within the ideals of destination management, in practice often management is centralised, typically around a public-private sector partnership, potentially prohibiting full engagement of all stakeholders (Beaumont and Dredge, 2010; Spyriadis, Fletcher and Fyall, 2013). It is for this reason that d’Angella, De Carlo and Sainaghi (2010) argue that certain features of a destination management organisation, such as the business model and the nature of stakeholder involvement in the management and activities of the organisation, need to be evaluated.

Public-private partnerships may also lead to a ‘closing-up’ of the policy process to a broad range of stakeholders (Hall and Jenkins, 1995), with Hall (2000) equally noting a distinction between corporate interests and public interest in collaborative public policy making. This view finds support from those who advocate the selection of key stakeholders who represent various community interests (e.g. Garrod, 2003; Getz and Timur, 2005; Jamal and Getz, 1995; Kimbu and Ngoasong, 2013; Timothy, 2007). In fact, Hall (2000) argues that partnerships need to be challenged by focusing on who is involved and who is excluded from the decision making process. Consequently, collaborative approaches to destination management need to be examined within broader ideas of governance, with an evaluation of the appropriate role of government and the changing relationships and expectations between government and local communities.
Moving from public-private partnerships to local government, it is recognised that as the democratic institution of the local community, it carries a burden of ensuring democratic accountability (Pratchett, 1999). Here, accountability refers to the extent to which actors acknowledge and take responsibility for actions and decision making (Huse, 2005). In other words, decision making should be transparent and accountable (Dredge and Pforr, 2008; Midwinter, 2001). However, while democratic accountability should be sought through local government (Bramwell and Sharman, 1999; Godfrey, 1998), Dredge (2006) argues that local government representatives often do not represent broader resident interests. This goes beyond a matter of principle and can have tangible impact at destination level. Significant social capital is to be gained from engaging residents in the governance of their own communities (Pratchett, 1999). For successful and sustainable tourism development, participation in the decision making processes is regarded as vital (Marzuki, Hay and James, 2012). Yet, not all community groups have equal opportunity to participate in tourism planning and decision making (Khazaei, Elliot and Joppe, 2015) and even if notionally the doors to participation are open we are reminded by Middleton et al. (2009 p.44) that ‘it is often very difficult to influence the sector through any of the existing processes of tourism policy consultation. Many (referring to tourism SMEs) prefer to be left alone and they are not natural ‘joiners’ of trade organizations.’

In summary, despite similarities with regard to their core roles and responsibilities, significant variations in tourism governance structures and stakeholder engagement mechanisms exist (Spyriadis, Fletcher and Fyall, 2013). We concur with Coles and Church’s (2007 p.2) view that while ‘the authority of government is brought to bear on the tourism sector, the complexities of the interactions between power and tourism remain elusive.’ At a theoretical level much has now been written about the perils and pitfalls of destination governance but few studies explore different governance models in practice. Specifically, there is a paucity of research that offers an analysis of destination governance concerning its impact on local community involvement and representation (Beaumont and Dredge, 2010; Bramwell and Lane, 2000; Zapata and Hall, 2012). As highlighted by Khazaei, Elliot and Joppe (2015), although there exists a substantive body of research on community participation, and there is widespread agreement in the literature that ‘the community’ should be represented in decision making, residents are among the least engaged in tourism planning and destination management. Despite governance playing such an important role in tourism planning (Costa, Panyik and Buhalis, 2013; Hall, 2011; Zapata and Hall, 2012), there still exists a degree of confusion as to what works and in which contexts (Beaumont and Dredge, 2010) which suggests the need for a deeper understanding of effective community engagement in governance structures. The
move in the historic tourist City of York to a new form of destination governance within the context of New Public Management provides an opportunity therefore to explore the impact of this approach on stakeholder engagement, co-ordination and collaboration.

**Methodology**

The underpinnings of the study’s methodology are interpretive in the Verstehen tradition (Rosen, 1991; Weber, 1949) in the sense that to understand social processes one needs to understand the social world of its participants. The interpretive approach is concerned with the notion of the people studied providing their own explanation of their situation or behaviour (Veal, 2011). Interpretive studies assume that people create and associate their own subjective and inter-subjective meanings as they interact with the world around them (Orlikowski and Baroudi, 1991). The goal of this research is to understand tourism governance structures while acknowledging that multiple interpretations and perspectives will exist. The researchers’ role is to reveal and understand socially constructed perceptions through accessing the meanings participants assign to them. The subject of this research does not readily lend itself to deductive hypothesis testing within a more positivist framework.

A case study was chosen as a suitable research approach because it allowed for the investigation of a phenomenon from different perspectives. Yin (2003, p.13) defines a case study as ‘an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident’. This relates very much to investigations of destination governance which cannot simply be separated from the context (temporal and cultural) in which it occurs. Through using a variety of data collection tools, including interviews, observations and documentary sources, case study research allows for a comprehensive and critical understanding of the circumstances and characteristics of a particular instance (Gomm, Hammersley and Foster, 2000; Yin, 2009). Following a review of the literature and an analysis of secondary data (including documentary resources such as policy documents, annual reports and strategic plans) on the case study destination, in-depth, interpretive interviews were conducted with a purposive sample of key informants. In total 26 stakeholder representatives across the destination were interviewed, including officials working at the local DMO (Visit York), executive officers from the city authority, local politicians, and tourism business owners ranging from large multinational corporations that operate in the city, through to small and medium sized tourism enterprises. Interviews were conducted until it was felt the study provided a robust insight into destination governance in the city. Moreover, when looking at issues surrounding power and decision making
‘there may not only be disincentives to undertake such studies but possibly even outright opposition’ (Hall, 2007 p.264). In light of this, the analysis of the interview data and the diversity of views expressed suggest we have been able to dive beneath a superficial veneer of harmonious collaboration.

All interviews were conducted between August 2010 and December 2013. A loose interview schedule was employed based around themes that emerged from the literature including the role of local government, approaches to tourism management, representation and participation of local stakeholders, and accountability. A key consideration underpinning the interviews was to allow for as natural a conversational flow as possible, thereby permitting the emergence of novel themes and the open and honest expression of views. The interview schedule also permitted the subsequent inclusion of themes that had arisen in earlier interviews, including attitudes towards tourism and strategic functionality. Interviews lasted approximately 60 minutes, were transcribed and later transferred to the Nvivo8 software package for analysis. A thematic approach was adopted in the analysis of the data which seeks to identify and describe patterns and themes within the data set (Braun and Clarke, 2006).

Ethical concerns are an important consideration (Bryman, 2012; Denzin and Lincoln, 2003) and before the fieldwork commenced ethical approval was sought from the relevant University Ethics Committee. All informants were asked to provide written consent before the research was conducted. This provided the opportunity for participants to understand the purpose, benefits, risks and expectations of the research (Bryman, 2012). At the start of each interview participants were reminded that they had the right to withdraw at any point during the study. This helped to create an atmosphere in which the participants felt relaxed and under no obligation to respond in a specific way, thereby removing some of the threat of a biased data set. At the end of the interview the researcher explained that the interview would be transcribed and a copy would be sent to the respondent for them to validate. The respondent was then given the opportunity to edit the transcript. In an attempt to ensure anonymity, no personal information was made available to anyone outside of the research team without prior agreement from the participants.

**Findings and Discussion**
A number of themes emerged from the analysis and, in conjunction with pre-existing themes, provide a structure to the discussion which follows. Firstly, an overall assessment of New Public Management on tourism governance in York is explored, providing context to the re-structure in York and the tourism governance approach which emerged. Subsequently, we review in greater detail how the adoption of a New Public Management approach affected tourism governance and the implications for stakeholder engagement, participation, and democratic accountability.

**Destination Governance in York: From Public Sector Management to New Public Management**

The first stage in understanding governance structures in York today is an appreciation of their historical foundations. Documentary analysis, previous work in this area (esp. Meethan, 1996), combined with insights from the interviews resulted in the identification of four key phases in the development of tourism governance in York. These four phases, outlined in Table 1, take into consideration both the internal and external factors that together shaped the development of tourism governance.

We focus here specifically on the latest phase ‘Destination Governance’, (a full description of the historical development of York as a destination covering phases 1-3 is not provided as this has been discussed elsewhere [Ashworth and Tunbridge, 1994; 2000; Augustyn and Knowles, 2000; Meethan, 1996; 1997; Mordue, 1998; 2005; 2007]). As a result of the significant decline of employment opportunities in the city, an independent strategic review of York's economy was conducted by the Future York Group in 2007. Tasked with looking “at the economy of York and how we could ensure York remained prosperous [...] to avoid a lack of confidence about York’s economy” (Executive Officer, City of York Council), the resultant Future York report made a series of recommendations leading to a significant change in the way the public sector engaged in tourism development. The report “criticised the Council for its ineffectiveness of its relationships with the private sector” (Board Member, Visit York) and recommended “better engagement between the public and private sector” (Executive Officer, City of York Council). Subsequently, the Council incorporated private sector representation within economic areas of the local authority which included the re-organisation of the Economic Development Board and the creation of an Economic Development Partnership that had “limited Council representation” (Executive Officer, City of York Council) and instead consisted of private sector representation.
representatives and a private sector chair. These changes in York are characteristic of the restructuring of local government and the adoption of a New Public Management approach to public sector management (d’Angella, De Carlo and Sainaghi, 2010; Svensson, Nordin and Flagestad, 2005) concerned with working in collaboration with the private sector (Fyall and Garrod, 2005; Hall, 2011; Jeffries, 2001; Spyriadis, Fletcher and Fyall, 2013).

Within the context of tourism, and as identified in the Introduction, the strategic review highlighted the significance of tourism for the York economy and recommended the formation of a single tourism partnership organisation. Subsequently, Visit York was established in April 2008 and Figure 1 provides a visual representation of the structure of the DMO. Visit York is funded in part through a contribution from the local authority and private sector membership. Rather than focusing on just place promotion activities, the new organisation was also tasked with promoting inward investment, product development and strategic leadership of tourism in York. This reflected the growing maturity of tourism governance arrangements in the United Kingdom, with the public sector keen to provide greater autonomy for the private sector in strategic economic decision making (Lowndes and Pratchett, 2012). As a private sector organisation, Visit York had a remit for tourism development and, despite being considered by some stakeholders as a “strategic organisation” (Executive Officer, City of York Council), continued to primarily focus on place promotional activities, inward investment and product development as outlined in the 2008 Service Level Agreement between Visit York and the City of York Council. The creation of a private sector organisation reflects the public sector perception that tourism organisations, such as Visit York, perform a technical function, which should remain independent of government, supporting the notion that tourism is not a public service in a traditional sense (Richards, 1991).

<Insert Figure 1: Structure of Visit York here>

A core feature of the setting up of this organisation was the public sector adopting a “more facilitative role” in tourism decision making with the private sector having “greater responsibility without public sector interference” (Executive Officer, City of York Council). There is a sense here then that the private sector would be better off without public sector intervention. That a DMO should, while taking into account others’ views, still advocate a private sector led, i.e. business focussed approach reflects what a number of commentators have advocated (e.g. Ritchie and Crouch, 2003). There are also clear
parallels here with Brooke’s (1989a) notion of an enabling organisation whereby local authorities are concerned with stimulating, facilitating and enabling local service delivery. It is furthermore quite possible, as Dredge (2006) suggests, that collaboration between the public and private sectors can contribute to regional innovation and competitiveness.

The idea behind a facilitative public sector passing the reins over to the private sector does hold some merit. Indeed, the formation of Visit York allowed for the sharing of knowledge and resources which traditionally were lacking. For example, the analysis suggests that prior to the formation of Visit York, private sector marketing and promotion of York and public sector investment and economic development in the city lacked any form of collaboration. One respondent noted that “there wasn’t any great linkage between the Council and the tourism industry” (Executive Officer, City of York Council). The private sector, in the guise of the York Visitor and Conference Bureau, led on the promotion and marketing of York as a tourist destination, “a role which many thought the Council should have done [...] there was a bit of chatter about how terrible it is that the Council’s doing nothing” (Official, Visit York). For Augustyn and Knowles (2000), a lack of communication between the public and private sectors was one of the reasons why York was not successfully marketed and thus why for a number of years tourism did not develop adequately and effectively in the city.

**New Public Management and Accountability**

Within the context of New Public Management, Yuksel and Bramwell (2005) suggest there is a need to consider whether the dispersal of state power involves a strengthening of democratic accountability. Traditionally, within government at a local level, accountability is sought through local elections. However, within organisations to whom local government have transferred responsibility, particularly to private sector organisations as apparent in York, there is the danger that accountability becomes diffused (Yuksel and Bramwell, 2005). There is a need, therefore, for clear mechanisms of accountability to ensure transparency for the decisions made. For Bramwell and Sharman (1999), democratic accountability should be sought through local government, due to the electoral system. Indeed, when asked how democratic accountability is maintained in Visit York, the Executive Officer, City of York Council described how “there is no lack of accountability. The organisation is accountable through the membership, the SLA [Service Level Agreement] and the three elected officials on the Board of Directors.” However, these public sector representatives appear to have been largely passive in their role, with one respondent noting that “there have been moments when the Visit York board
have been asked to comment on an economic development issue but the Council members have abstained.” This lack of active involvement is echoed by a private sector director of Visit York who described the Council representatives as being “the least vocal, least attending members of the board”, adding “it’s a complex industry and they have quite a struggle sometimes getting to grips with what’s being talked about.” It appears as though the shift to a private sector led organisation may not have gone far enough for some members of the board.

If, as suggested here, meaningful public sector representation is limited, however, the extent to which democratic accountability exists within Visit York can be questioned. There is some consensus that this accountability is best sought through the public sector due to the electoral system upon which it is based (Bramwell and Sharman, 1999; Elliott, 1997; Godfrey, 1998; Hall, 1999; Jeffries, 2001; Midwinter, 2001; Pratchett, 1999). A New Public Management approach may create efficiency in service provision (Worrall, Collinge and Bill, 1998), increase the capacity for collaboration with external organisations (Beritelli, Bieger and Laesser, 2007; Judge, Stoker and Wolman, 1995; Pratchett, 1999; Stoker, 1998), and provide scope for local government to encourage decisions to be made in the interest of the locality (Brooke, 1989a), but based on the evidence as it relates to York, concerns about accountability to the local community prevail.

A decline in accountability is accompanied by the promotion of vested interests. An increase in private sector representation in Visit York potentially leads to private sector interests becoming more prominent in the decision making process. We are not suggesting any deliberate attempt at perverting the decision making process, but it is reasonable to assume that reducing public sector representation, which at times seems perfunctory even (see above), will result in decisions being made that align more with the needs of certain stakeholder groups within the city. Indeed, this has been recognised also by others such as Dredge (2006) who argues that even where local government representation exists, it can be problematic in that often it does not represent broader resident interests. It does appear then that in York, as a consequence of changes to tourism governance in the City, Hall’s (1999) suggestion that a re-orientation towards the private sector of this nature can lead to the promotion of private sector interests and those of dominant elites, rather than in the interests of the destination as a whole. The difficulty in having one’s voice heard was noted by some in the interviews. For example, one official from Visit York claimed “unless you are a member of the organisation then it is difficult to have an active role in decision making.” As established, the rationale for Visit York was to provide relevant private sector stakeholders with greater control and responsibility for economic decision making in
As also described by an Executive Officer, City of York Council, the Council were establishing themselves as an enabling organisation and, as such, moved away from a “controlled focus approach, to a much looser private sector led Council facilitation approach,” where the City Council described itself as “handing much more to the private sector in terms of leading [...] particularly with regard to the economy” (Executive Officer, City of York Council). Certainly, Visit York may now be a leaner, more efficient, more focussed organisation; there are indications though that this has come at the price of democracy and accountability. We would argue the membership structure limits accountability and the engagement of a full range of stakeholders in decision making.

A less hands-on approach to destination management, rather a greater focus on the public sector as an enabler, working not solely in partnership with the private sector but providing it with a strategic function is clearly reflected in the formation of Visit York. Governance can be interpreted here as the public sector working in partnership with the private sector in the development and delivery of tourism policy. A potential danger mooted earlier and which was then evidenced in the interviews relates to a reduction of the democratic base underpinning destination governance. Specifically, the private-sector orientation may stymie efforts to engage a wide remit of relevant stakeholder groups. As mentioned above, the rationale for Visit York was to provide relevant private sector stakeholders with greater control and responsibility for economic decision making in tourism. Within this Urban Governance paradigm, the City of York Council was establishing itself as an enabling organisation and consequently “contracted out tourism to Visit York” (Executive Officer, City of York Council). According to a City of York Council representative, such an approach is “more effective, to transfer that responsibility to the private sector.” However, as Blower (1997 p.36) has previously noted, a democratic deficit may occur where there is a ‘dispersal of power to unelected quangos and business interests’. A similar point is made by Goodwin (1993), who described the handover of power from local authorities to unelected institutions, an issue similarly picked up by Hall (1999). There is a real danger then that as traditional functions of government are transferred, to varying degrees, to non-elected trusts, organisations or public-private sector partnerships (Bahaire and Elliott-White, 1999), as in the case of Visit York, a part publically funded organisation, the interests of the destination as a whole are potentially overlooked as private sector needs prevail.

**Engaging Destination Stakeholders**

The adoption of a New Public Management approach to tourism governance has important implications for stakeholder engagement. The approach identified in York has to a certain extent
provided a number of private sector representatives with a greater influence on tourism decision making. However, the analysis has shown that this has resulted in the exclusion of other stakeholder groups. The framework of tourism governance in York has been unable to ensure what Greer (2001) advocates as the potential of collaborative governance to involve a diverse range of interest groups. In particular, resident groups are excluded from the tourism governance organisation, with no direct representation and a lack of public sector engagement. Although one official from Visit York noted the importance of resident engagement, claiming how “residents have an important role to play,” their active engagement is imperceptible, another official from Visit York acknowledged s/he was “unsure how residents are engaged.” For one Visit York Board member “in terms of 100 residents off the street into Visit York with their views, they [the residents] are not represented at all,” adding “we ought to do more of that [resident engagement] really.” Consequently, York’s approach can be described as a growth coalition and echoes concerns raised by Hall (1999; 2007) about the dominance of private sector interests.

When Visit York was established the Council were keen that the new organisation maintained private sector membership in order to engage tourism businesses in skills development and training, and to develop and invest in advertising and promotional campaigns (City of York Council, 2007b). The membership model was also an important source of funding. As a representative from Visit York explained, “our membership is important to us and you need to be a member to be actively involved in our organisation.” However, this suggests that the membership structure adopted limits the engagement of a full range of stakeholders in decision making that should involve a wider range of interests. Indeed, the interviews revealed variations in (perceived) engagement with Visit York. For example, within the broader stakeholder category of accommodation providers Bed and Breakfast proprietors criticised their lack of engagement with the organisation, with one respondent noting that “we can’t afford to be members so therefore we are not involved” adding “there’s so little interaction with Visit York” (Bed and Breakfast Proprietor, York). Managers of large hotels on the other hand praised their level of engagement, commenting on how “we work together” with Visit York. It would seem that this can be attributed to these large hotel establishments in York being members of a private sector association which provided an effective mechanism for their engagement, and for their voices to be heard. Respondents who were involved in the York Hoteliers Association described a strong relationship with Visit York, noting an active involvement in decision making and the sharing of information and resources. These varying responses make the case very strongly that even within the business community there are groups of stakeholders who have a voice, and others who have very limited say, or in fact no say at all.
For the emerging public sector enabling organisation, adopting a governance approach involves the development of public policy, business strategy and the delivery of public services through engagement with a diverse and wide-ranging group of stakeholders and institutions (Beritelli, Bieger and Laesser, 2007; Judge, Stoker and Wolman, 1995; Kooiman, 1993; Tombs, 2002). This implies that governance is strategic (Stoker, 1998; Stokes, 2008) as well as emphasising local participation and consequently ownership of policy initiatives (Astleithner and Hamedinger, 2003). This constitutes for Bramwell (2004) effective governance arrangements. The case of York, however, raises a number of concerns regarding the extent to which the private sector, specifically certain stakeholder groups within the private sector, assumed control of destination management, encouraged as it was by the new tourism governance structures. Recently, concerns identified here regarding Visit York’s ability to engage with a wider range of relevant stakeholders appears to have influenced the City of York Council’s approach to the development of a new tourism strategy for the city. Rather than the DMO leading this strategy development, an independent steering group was established, with representation from a range of organisations, including the DMO and the local authority, and a year-long programme of consultation events initiated, designed to create an inclusive, rather than exclusive approach to tourism management and strategy development (Paddison and Biggins, 2017).

Conclusion

The purpose of this paper was to examine collaborative approaches to tourism governance in the historic City of York, UK. The study sought to investigate the extent to which a New Public Management-driven reorientation of the public sector, from that of a direct provider of public services to an enabling governance organisation concerned with facilitating service delivery, impacted stakeholder engagement and accountability in tourism governance. The case study illustrated how the interpretation of a New Public Management approach resulted in a managerial form of governance where tourism activities are centralised around a destination management organisation, Visit York. This approach indicated a structure that was far from participatory. In fact, we argue that this has resulted in a democratic deficit as the ultimate outcome pointed towards a ‘local elite’ dominating the decision making process. The implication of this is the development of tourism strategy and destination development that gives priority to economic growth over social factors and neglects to take into consideration how the benefits of tourism are distributed (Simpson, 2001). Moreover, even within the broader stakeholder group of private businesses a distinction needs to be made between
those who are ‘in’ and those who are ‘out’ (consortium of large accommodation providers versus small B and Bs and guesthouses, for example).

A consideration here is the extent to which there is a gulf between academics who identify the need for greater accountability within tourism governance structures, and local and central government politicians who do not appear as concerned. A possible explanation could be that those involved in tourism governance are simply so embedded within ‘the system’ that they are not fully aware and/or concerned about discussions around stakeholder engagement, transparency and accountability. Hall’s (2007) discussion of tourism governance and power indicates this could be the case, where, drawing on Lukes’ (1974, 2005) categorisation of approaches to the analysis of power, his three-dimensional view addresses how potential issues are kept out of politics, drawing on the concept of ‘manipulated consensus’. In essence, this goes back to invisible power and Gramsci’s view of hegemony, and Marxist thinking around false consciousness (Heywood, 1994). While this discussion could be extended, it would fall outside the scope of the current paper but certainly would merit further investigation within the context of tourism governance. We acknowledge here though the importance of education, particularly drawing on Tribe’s (2002) notion of the Philosophic Practitioner, or Belhassen and Caton’s (2011) call for critical pedagogy in tourism education, to create a greater awareness amongst future tourism professionals of different worldviews.

Thus, we are not suggesting there was necessarily a deliberate and calculated attempt to exclude certain stakeholder groups. The exclusion that occurred is ingrained in the system itself (although we also note the ambivalence towards the public sector representatives on the Board of Visit York). NPM’s private sector orientation has resulted in a ‘closing up’ of the policy process and calls into question the democratic mandate of the public sector within tourism governance. Stakeholder engagement is apparent, however, this is limited in its inclusivity and some private sector voices (though not all) seemed to want even less public sector involvement. Furthermore, the adoption of a membership model is preventing the involvement of all relevant stakeholders within the destination (again, a feature of the system, not the individuals who are part of it). This critique of membership models has been seen elsewhere, e.g. Beaumont and Dredge (2010).

Tourism development is frequently considered central to economic growth, particularly of undeveloped, rural and/or regions in economic decline. In these situations, success is measured by
the number of jobs created and the level of inward investment that is attracted (Connelly, 2007; Fyall and Garrod, 2005; Fyall and Leask, 2007; Howie, 2003; Spyriadis, Fletcher and Fyall, 2013). These imperatives are reflected in regional and sub-regional economic policies which frequently place tourism close to the top of the economic agenda. Tourism in this context may become appropriated by corporate interests, arguably leaving a democratic deficit in relation to the involvement of community stakeholders and their interests. As demonstrated here, tourism has played an important role as a substitution industry, replacing the manufacturing industries that have declined almost to the point of extinction over the last twenty years. The findings have highlighted how the City Council has been obligated through its economic development, inward investment and employment growth policies to find suitable alternatives, which has largely occurred through the promotion of York as an international tourist destination.

Within the emerging governance structures this has implications for host communities as the extent to which decision making is accountable becomes diffused. Notionally these interests would be represented through the membership of elected representatives on tourism development bodies, but as evident in York, these tend to be dominated by business interests, albeit in the form of a public-private sector partnership. But, as we have seen, having public sector representatives on the Board of DMOs does not guarantee stakeholder participation or accountability. In a sense, the local authority has abdicated its responsibilities for the direct management of tourism to the private sector, parts of which are all too keen to drive their own agendas. The goal of initiatives in tourism governance may be to reduce the democratic deficit with a broader range of local stakeholders actively involved in place decision making (Beritelli, Bieger and Laesser, 2007; Bramwell, 2004; Jamal and Watt, 2011). However, the implications of collaborative forms of destination management and their emphasis on democratic accountability remain largely untested. It is clear that different structures of tourism governance shape the nature of stakeholder participation (Kimbu and Ngoasong, 2013; Spyriadis, Fletcher and Fyall, 2013), as apparent in York.

Finally, we draw attention to a possible limitation of this study in that a single case study was chosen, albeit in order to provide a detailed insight into governance arrangements. While this has been provided, transference to other scenarios needs to be undertaken with caution. What we suggest, therefore, are further studies that while adopting a case study approach perhaps do so using a comparative case study method. The adoption of a neoliberal agenda in policy making circles is not
new (Chang, 2014) and it would be both interesting and useful to explore the implications of this on tourism governance in different contexts. Using the constructs outlined here, e.g. governance, accountability, New Public Management and democratic deficit we recommend the application to other scenarios.

This study has contributed to our understanding of the intricacies inherent in destination governance by drawing attention to some potential pitfalls of a New Public Management approach as enacted in the historic tourist City of York. Coles and Church (2007) note that the subtleties and complexities of the interaction between power and tourism remain elusive, hidden behind political rhetoric. This study has been able to break through some of the rhetoric as evidenced by the divergent views represented here. In fact, our findings in York align with Judd and Simpson’s (2003) view that public-private partnerships in tourism function as independent centres of power outside local government structures. The extent to which NPM has led to greater accountability and engagement of all relevant stakeholder groups is questionable at best. It is argued then that there is a need for collaborative structures of governance to enable a variety of interest groups to partake in decision making at the local level. This would facilitate Murphy’s (1981) notion of democratic citizenship through ‘participatory democracy’ in which local people engage in government. In exploring these issues in a major UK tourist destination, this paper has drawn attention to the inevitable political nature of tourism governance, how interests of certain groups are promoted on the basis of a market ideology, with direct implications for democratic involvement. Undoubtedly, given its importance to discussions of sustainable tourism, how to engage local stakeholders in tourism governance is an issue that will to continue to challenge tourism scholars and practitioners alike.

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