

**11 February 2013****Agenda Item: 7****REPORT OF GROUP MANAGER, CORPORATE STRATEGY****NOTTINGHAMSHIRE – VISITOR ECONOMY ACTIVITY****Purpose of the Report**

1. The purpose of this report is to:
  - a. provide an update on the Nottinghamshire Visitor Economy
  - b. set out what is currently being done by the County Council and partners to support and promote the Visitor Economy in Nottinghamshire and
  - c. outline future plans to develop and consult on the County's tourism offer and investment priorities for the sector.

**Information and Advice****The Visitor Economy in Nottinghamshire**

2. The Visitor Economy is the direct delivery of tourism – including hotels, restaurants, museums and cultural attractions together with activities around sports and cultural events and festivals which individually or collectively attract and meet the needs of domestic and international business and leisure visitors.
3. The sector in Nottinghamshire directly employs over 16,000 people<sup>i</sup> and the visitor economy is valued at £954m with visitor numbers of 31m in 2011. Of these 29.6m were day visitors with an average daily spend of £31.49. In addition the sectors supply chain supports employment within Nottinghamshire.
4. Attractions on the whole are free and there is a good range of outdoor/country park activities as well as unique offers such as Creswell Crags. Accommodation is split, serviced and non-serviced with the former comprising hotels located mainly in the city or along the M1 corridor with B&Bs, budget and 2-3 star hotels dominating the county's offer. Non-serviced provision tends to be self-catering, camping and caravans (including niche offers at Clumber Park) and Center Parcs.
5. Businesses in the sector tend to be micro or small / medium sized, and there are many examples of commercial diversification, particularly in rural areas. There are a few key players in the county such as Center Parcs and some growth businesses. As with the sector nationally, employment is seasonal and fluctuates accordingly and the public sector remain key influencers in delivery and provision.

6. In this context, the Visitor Economy sector is regarded nationally, and across D2N2, as a key sector in terms of its economic contribution and job growth potential.
7. The bulk of visits are day visits generated from within the region and the top visitor attractions are Rufford Abbey and Country Park and Sherwood Forest Country Park being placed one and two respectively in the most visited Nottinghamshire attractions.
8. The key asset to the sector in Nottinghamshire is the Robin Hood “brand” but the current quality of the offer is limiting growth potential. Opportunities to attract and disperse visitors to encourage longer stays, overnight visits and higher rates of spend have not always been maximised or deliverable.
9. Strategic opportunities to grow the sector are set out in the second part of the report. (paragraphs 35-42 refer)

### **County Council’s role in developing and delivering aspects of the Visitor Economy in Nottinghamshire**

10. Members will be aware that the County Council undertakes limited direct tourism delivery other than that related to its assets, statutory responsibilities or, historically, to key events. This reflects current priorities and resource availability. Responsibility for operational management of much of this work sits with Culture Committee given the work areas that are under that Committee’s remit.

### **Sherwood Forest/Discovery Attractions**

11. A key priority for the County Council is to develop the visitor offer at Sherwood Forest to realise its full potential both as an attraction in its own right and in its contribution to the wider economy. To this end the Council continues to work with Discovery Attractions (DA) as its preferred bidder in support of their proposal to develop a world-class visitor attraction showcasing Sherwood Forest and the Robin Hood Legend. 450,000 visitors pa are projected by DA should the development be delivered, with the facility also anticipated to act as a base for the 250,000 pa visitors to Sherwood Forest itself. The aim is to improve the attractive pull of Sherwood Forest, providing a nationally recognised tourism attraction to underpin an internationally recognised “brand” - encouraging more visitors (day and overnight) and expanding the area from which they are drawn (including international) and creating more opportunities to increase visitor spend for the benefit of local businesses and communities.
12. DA continues to develop its £12.5m funding package, including making an approach to the D2N2 Local Enterprise Partnership’s (LEP) Growing Places Fund. Officers have offered advice on the approach and a decision is pending.
13. The County Council has also approved and set aside £1.65m for the cost of the remediation of the existing site and the provision of a road crossing, which are ancillary items considered necessities, both under its statutory designation as a Special Area of Conservation and for the commercial delivery of the DA proposal.
14. If the DA proposal cannot be delivered due to funding shortfalls, alternative options would need to be considered to deliver the changes and impacts described in paragraph 13 –

given that the Sherwood offer is recognised as the lynchpin to supporting and growing the Nottinghamshire visitor economy.

15. It should be noted that in lieu of future developments, the Council continues to offer a full programme of activities and services at Sherwood Forest – including the annual Robin Hood Festival, which last year achieved record numbers of visitors. There is a full programme of events throughout the year which complement and add value to the on-going management of Sherwood Forest enabling visitor interpretation and education about the natural environment and use of the way marked trails. The supporting work of the County's Communications and Marketing Service has also been key in the success and growth of the Robin Hood Festival.
16. In addition to the activities at Sherwood, the County also manages a series of Country Parks with associated ranger, interpretation and events provisions. These include Bestwood, Sherwood, Rufford and Cotgrave which form the cornerstone of the county's green tourism offer.

## **Conservation and Heritage**

17. The Council recently recruited a fixed term Senior Practitioner for Heritage and Tourism. The post is working closely with external partners to look at project feasibility and opportunities to support and enhance the County's Heritage Tourism offer. A framework is being developed for the main heritage tourism assets of the County and emerging themes include industrial heritage; traditions and customs; natural heritage; origins (early history); spiritual heritage; rebellion, conflict and freedom; sporting heritage; and literary and artistic heritage. In taking forward projects to enhance the heritage tourism offer under these themes, the Council will work closely with a wide range of partners and stakeholders, including further education colleges, with a view to providing employability training. Support will also be provided to the development of the National Civil War Centre and the Pilgrim Fathers' Offer, with a view to ensuring that the wider economic benefits can be realised.
18. More generically the Conservation Team supports the statutory and best practice requirements to conserve, interpret and make accessible the natural and built heritage of the County - which is a key component of the current and future tourism offer. It also provides opportunities for communities to engage with their heritage through projects, events and training.
19. The Conservation Team is currently working with a wide range of conservation and heritage partners from both the statutory and voluntary sectors to develop and submit a £3m Landscape Partnership Scheme funding bid to Heritage Lottery by the end of May 2014. The application will include projects to enhance the natural and historic environment of the historic Forest of Sherwood, providing for community engagement, training and the enhancement of the heritage tourism offer.

## **Creswell Crags**

20. The County Council provides core funding, advice and shared governance and technical expertise (including conservation) along with its counterpart in Derbyshire to support the continued operation of Creswell Crags as a visitor attraction, education centre with associated outreach programme. This attraction was included on UNESCO Tentative World

Heritage Site list in 2013. This represents its historical importance and unique status and underpins its potential to attract more visitors through designation and links to other significant sites and attractions in both the D2 and N2 areas.

## **Experience Nottinghamshire**

21. Experience Nottinghamshire (EN) is the County's recognised Destination Management Organisation (DMO). A report was received by Committee at its meeting in October 2013 outlining its responsibilities, structure and performance.
22. Members will be aware that the County Council sits on EN's Strategic Board and Finance and General Purposes Committee. The County financially supports EN through a three-year Service Level Agreement to fulfil its role as Nottinghamshire's DMO. The funding is the subject of a proposed reduction under the current budget challenge, which would see the funding to EN reduced from £218,000 pa to £118,000 pa.
23. As the DMO, EN's main functions include raising awareness of the City and County as a visitor destination and promoting and marketing the current offer. The County is one of 14 "Attract Brands" awarded RGF funding through Visit England after a successful application from EN.
24. EN also seeks to raise awareness with local, regional and national bodies on the current and potential value of the city and county's visitor economy. In 2014 a Destination Management Plan (DMP) will be produced that will set out a strategic path for the Visitor Economy sector in Nottinghamshire. The DMP will be critical to establishing just how important tourism is to the area and how the collective (public, private and third sector interests) will develop and manage the offer.

## **Economic Development**

25. The Council's Economic Development Service directly and indirectly supports the Visitor Economy in terms of :
  - a. Strategic development – working with key partners such as D2N2, EN etc
  - b. Management and support of the EN SLA
  - c. Direct support to businesses and
  - d. Work with partners to help the development of sustainable tourism activity under new rural programmes that will be managed through Defra and the LEP.

## **Partner Bodies and Collaborative Work**

26. The Districts are leading on key project development in their areas – for example the National Civil War Centre and Pilgrim Fathers. In terms of the latter, Bassetlaw District Council is actively engaged with the Pilgrim Fathers Origins Association and plans are being developed that will coincide with the 400<sup>th</sup> anniversary of the Pilgrim Fathers' sailing in 2020.
27. Districts also directly deliver other provisions e.g. Bassetlaw Museum, Food and Marketing trails, Tourist Information Centres (Newark and Sherwood and Bassetlaw). Other Districts deliver on line and other visitor services and selected Districts (as reported to EDC in

October 2013) contribute to EN in terms of core funding or subsidies to support EN membership in their administrative areas.

28. The City is a key partner and funder of EN and is active in attempts to develop the sector – including re-submission of its HLF bid to develop the Castle and work to develop the Lace Market among various other activities.
29. The D2N2 Local Enterprise Partnership has established a Visitor Economy Advisory Group (VEAG) with representation from all principle authorities and the relevant DMOs.
30. The 2 key areas of work for VEAG have been to:
  - i. Source LEP support for the DMOs to purchase industry data to better enable the understanding of the economic performance and developing trends of the sector and
  - ii. Undertake a pan D2N2 study on the Visitor Economy led by Colliers, a consultancy firm with expertise in the sector
31. Members have previously indicated a desire to better understand the performance of the sector – the purchase of STEAM and other industry specific economic data will allow EN and partners to better interpret trends and needs and direct activity and resources accordingly. In terms of the Colliers work, this will help set out the future, proactive approach to developing the sector.
32. The Colliers study has been in 2 parts:
  - i. Stage 1 provided a baseline assessment of the existing tourism offer whilst
  - ii. Stage 2 (currently in draft) identifies gaps and makes recommendations about investments that could improve the visitor offer and thereby the performance of the wider sector.

## **Future Opportunities**

33. The Colliers work will be important for the development of the Destination Management Plan and to the LEP, which is developing Sector Action Plans to identify where its investment support will be focused through its Single Growth Fund monies. Key areas of focus will be the provision of tailored business support services, supply chain development, networking and opportunities to support innovation within its growth sectors. Capital investment in the Visitor Economy will be prioritised on the basis of the Colliers Study and the relevant investment plans of partner agencies.
34. D2N2 is currently consulting on its Strategic Economic Plan (SEP). Within the draft SEP it references 3 key themes within the Visitor Economy. These are:
  - a. 2014 – Year of Cycling
  - b. 2015 – Year of Culture (Grand Tour)
  - c. 2016 – World Class Heritage – 250 years of innovation
35. In relation to the Strategic Economic Plan, D2N2 is also undertaking preliminary work towards developing Sector Skills Plans for each of its key sectors. In the context of the Visitor Economy, employer led groups will be established to help prepare plans that help

shape skills provision going forward – providing a skilled workforce that can meet and drive growth aspirations.

36. With a number of different strategies and emerging development work for the Visitor Economy, it is essential that the VEAG, the LEP and key partners are effective in joining everything up in a consistent way and, where appropriate, adding value to the work.
37. To this end, the Colliers work (paragraph 34 refers) has identified several potential “game-changer” projects. In respect of Nottinghamshire, these include:
  - a. A more coherent strategy to support events and festivals in the Nottinghamshire area – to cover delivery, quality, programming, marketing, funding and development
  - b. Development of the Nottinghamshire’s Industrial Heritage theme
  - c. Development of the County’s Local History theme and
  - d. Development of a Sherwood Forest Visitor Attraction and development of a City based Robin Hood themed attraction (to complement the Castle development proposal and Sherwood Forest project)
38. There is recognition of the need to undertake greater feasibility work – including the analysis and demand for current and future hotel accommodation and the identification of sites to meet future needs in the County and to look at demand for a purpose built Conferencing Venue in the City.
39. Furthermore, there is a need to move visitors around the county – attracting and dispersing and ensuring that key market towns are strategically developed as destinations and visitor hubs in their own right.
40. It is the intention of VEAG that these concepts will be further refined along with other aspects of the wider D2N2 Stage 2 Report and prepared for partner consultation in February/March 2014 and thereafter for wider industry consultation in the format of a Sector Action Plan for the Visitor Economy. It would be intended to request Committee’s response to this consultation as and when it is launched.

## **Reason for Recommendation**

41. The Report is provided in response to Committee’s request in November for an overview of the Visitor Economy in Nottinghamshire with particular reference to County Council and D2N2 activity.

## **Statutory and Policy Implications**

42. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Financial Implications**

43. None.

## **RECOMMENDATION/S**

It is recommended that Committee:

- (a) notes the work of the Council and its partners to date to develop and deliver key aspects of the Visitor Economy; and
- (b) notes forthcoming consultations on the draft D2N2 Visitor Economy Sector Action Plan and Destination Management Plan for Nottinghamshire.

## **Report of the Group Manager, Corporate Strategy – Celia Morris**

**For any enquiries about this report please contact: Mandy Ramm Ext 72685**

### **Constitutional Comments (SLB, 28.01.2014)**

This report is for noting only.

### **Financial Comments (SEM 28.01.2014)**

There are no specific financial implications arising directly from this report.

## **Background Papers and Published Documents**

### **Electoral Division(s) and Member(s) Affected**

All

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<sup>i</sup> STEAM 2011