

REVIEW OF TOURISM IN DERBYSHIRE

**Report of Derbyshire County Council's Improvement and Scrutiny
Committee - Places**

March 2017

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Acknowledgements

The Chair and the Members on the review working group are extremely appreciative of the expert guidance and challenge provided throughout the course of this review by Dr Sarah Rawlinson (Head of Hotel Resort and Spa Management) and Tim Heap (Principal Lecturer in Tourism) of the University of Derby. In addition the working group would also like to thank the following people for their involvement in the review:

Derbyshire County Council

- Cllr Ellie Wilcox - Deputy Cabinet Member for Health and Communities
- Joe Battye - Service Director, Economy and Regeneration Division
- Frank Horsley - Head of Economic Regeneration,

Cumbria Tourism

- Sarah Ross -Executive Committee Member & Members' Committee Chair.

Marketing Peak District & Derbyshire

- Jo Dilley - Managing Director,
- Lindsay Rae - Industry Engagement Manager

Peak District National Park Authority

- Sarah Fowler - Chief Executive
- Simon Malcolm - Director of Commercial Development and Outreach

East Midlands Chamber

- Scott Knowles - Chief Executive

Summary

Derbyshire has much to offer the domestic and international visitor. To the north, the Peak District National Park attracts 10 million visitors per year. Running along the centre of the county is the Derwent Valley World Heritage Corridor, the birthplace of the factory system. There are several stately homes and numerous historic buildings to enjoy, for example Chatsworth with over 600 thousand visitors per year is a much admired destination. Chesterfield's "Crooked Spire" is a renowned landmark at the heart of Derbyshire's busiest town and positioned throughout the county are many other picturesque market towns and an eclectic mix of dedicated tourist attractions. To the south the National Forest is a comparatively new initiative which draws over 7 million visitors to the region. There is great potential to grow the visitor economy but, to maximise the benefits, partners must act to improve the connectivity of the rich seam of attractions in and around Derbyshire.

We recognise that the tourism "arena" is complex. In Derbyshire many partners play an important role in the development and ongoing strategic management of the sector. It is acknowledged that Derbyshire County Council is not the lead authority in terms of tourism but that it is well placed to influence and shape the visitor economy. Therefore this report is directed at the County Council and the role that it plays. The report does not seek to scrutinise the work of partners, although of course we hope that it will generate discussion and that the opportunities put forward will be welcomed and considered in the spirit in which they are given.

Our enquiries and conversations with partners have pointed to the need for more in-depth and up-to-date data about visitors to Derbyshire. To grow and keep pace with visitor preferences businesses need to base their decisions on current research and intelligence. We have learnt that some areas in the UK have established ways of capturing and disseminating such information and Derbyshire could learn from this.

Witnesses contributing to the review consistently highlighted the need for strong strategic leadership to connect and manage destinations across the whole of Derbyshire. The Council is well placed to play a leadership role and create the right conditions for the visitor economy to thrive. However in the current economic climate with challenging financial constraints being imposed on local authorities, the Council needs to consider its role in relation to

tourism. If the growth of the visitor sector is a priority, the Council's vision for tourism needs to be more clearly defined.

We feel that more could be done to link individual tourist attractions in terms of collectively promoting the tourist offer in different areas of Derbyshire and also making it easier for visitors to access attractions, particularly when visitors do not have their own transport. A number of contributors to the review spoke about branding opportunities for Derbyshire. It was suggested that strong themes should be developed so that Derbyshire becomes synonymous with “wellbeing” and “experiential opportunities”. A network of businesses making it easy for people to enjoy new activities and interests would attract visitors, and importantly provide them with reasons to stay and explore the county further.

In our view Derbyshire would benefit from an improved accommodation offer and much could be gained by building the county’s reputation of having good places to eat. Now is an opportune time to explore the benefits or otherwise of encouraging national hotel chains that, to many visitors, provide reassuringly consistent accommodation standards, branding and price. Opportunities to promote careers in tourism and support skills development also need to be considered in a strategic way.

Cllr Kevin Gillott

Chair of the Improvement and Scrutiny Committee - Places

1. Introduction

In the current financial climate, more than ever the Council is committed to capitalising on all opportunities to drive local growth. Support for the visitor economy has the potential to deliver considerable community benefits including skills development, job creation and flourishing local businesses.

Areas within Derbyshire have individual strengths. They have different physical landscapes, heritage, attractions and activities to offer. Across the county there is untapped growth potential and Derbyshire as a whole needs to increase the productivity of its offer through delivering the higher quality services and attractions that visitors now expect, ensuring convenient transport to get visitors to where they want to go and making sure potential visitors know what is on offer locally. Working alongside partners the Council is well placed to help connect Derbyshire's unique local identities and help showcase them as great places to live, work and visit. The aim of this review was to identify opportunities to galvanise under-realised local growth potential of the visitor economy.

The review considered the Council's current role in supporting Derbyshire's visitor economy and the role of other key partners. It explored the desirability, or otherwise, of the Council adopting a stronger and more strategic leadership role to act as a conduit for local partnership working to drive growth, and it looked at lessons that could be learnt from best practice in other parts of the UK. It is anticipated that the recommendations from this review will help to unlock the growth potential of Derbyshire's visitor economy.

The Review Process

The Places Improvement and Scrutiny Committee, at its meeting on 14 July 2015, approved a scoping report for a review of tourism in Derbyshire. A working group was appointed and the Members were Cllrs Gillott (Chair), Cox, Booth, Atkins and Hart. In addition two expert advisers from the University of Derby (Dr Sarah Rawlinson - Head of Hotel Resort and Spa Management, and Tim Heap - Principal Lecturer in Tourism) assisted the working group in the review process.

The main objectives of the review were:

- To understand the scale of tourism in Derbyshire in terms of the contribution it makes to the county's economy and jobs market.
- To ascertain what Derbyshire County Council does currently to support the tourism sector and what lessons can be learnt from other local authorities.
- To identify opportunities for the Council to work (in partnership) with public, private and voluntary sector organisations to support tourism businesses, create jobs and secure additional investment in the county.

The working group held a series of meetings to gather evidence for the review. Conversations were held with:

- The Council's Deputy Cabinet Member for Health and Communities
- Officers from the Economy and Regeneration Division
- Cumbria Tourism
- Marketing Peak District and Derbyshire
- Peak District National Park Authority
- East Midlands Chamber

Background information about each organisation is provided below

Cumbria Tourism

Cumbria Tourism is the Destination Management Organisation (DMO) for Cumbria. It was invited to speak with the working group as it is recognised as an example of good practice. The organisation considers that its role is to manage the destination, not just to market it. Its driving ethos is to link destinations, link transport and link themes. To achieve this it has built a strong evidence base to inform investment decisions and encourage businesses to the region.

Marketing Peak District and Derbyshire

Marketing Peak District and Derbyshire DMO, commonly known as the tourist board, is the destination marketing and management organisation behind the Peak District & Derbyshire visitor destination. It is a private sector led organisation with commercial and public sector partners. The

private sector members act as industry champions and bring a wealth of business experience of operating in the visitor economy. Their expertise helps to shape marketing campaigns that attract and disperse visitors and work to meet the needs of the industry.

As the lead partner in developing and delivering tourism activity in the county, the DMO considers its primary role is to market the area on a national and international basis through advertising and promotional campaigns aimed at attracting visitors and encouraging them to stay longer, bringing about economic benefit and growth. The stated mission of the DMO Board is to “develop and grow a successful and sustainable tourism economy, working closely with a wide range of partners to make the Peak District and Derbyshire the destination of choice regionally, nationally and globally.”

The Peak District brand includes the entire geographic area of the Peak District National Park. Principally the area covered falls within Derbyshire, but the coverage also includes areas of the park in Cheshire, Staffordshire and South and West Yorkshire. In terms of membership, 75% of members are within the Peak District, and of those 65% are within the Derbyshire part of the Peak District.

Peak District National Park Authority (PDNPA)

The Peak District National Park Authority has two core purposes: To look after the National Park (by caring for the landscape and the community) and to promote understanding of the National Park (by connecting visitors and residents to the park)

The PDNPA has 3 distinct functions: A regulatory role as the planning authority dealing with applications relating to property, minerals, listed buildings and tree preservation; an advisory role (advising partners how to look after the park); and a delivery role undertaking activities to restore and maintain the landscape.

East Midlands Chamber

The Derbyshire, Nottinghamshire and Leicestershire Chambers merged to form the East Midlands Chamber in 2013 and is now the leading business organisation in the East Midlands. It has a membership of approximately 4,000 members. It is the second largest chamber of commerce in the country and membership is still growing. The Chamber offers its members networking opportunities, training and a range of discounted services; it participates in the D2N2 Local Enterprise Partnership to support and encourage economic growth in the region and works in close partnership with many communities, political and funding organisations. It is also the accountable body for Marketing Peak District and Derbyshire.

Across the three counties there are approximately 500 members who run tourism related businesses, about 250 of these are based in Derbyshire. The Chamber's tourism members tend to be relatively large companies whilst smaller businesses are more likely to be members of the Destination Management Organisation.

2. The scale of tourism in Derbyshire

Officers from the Council's Economy and Regeneration Division provided the working group with the following overview of the scale of tourism in Derbyshire and commented on future areas for development.

The visitor economy is an important sector across Derbyshire. Between 2009–11 the number of day visitors rose from 32.7m to 35m per year.

The total spend in 2011 for day visitors was £1.016 billion which equates to £29 per head. For the same year, there were 3.9m overnight staying visitors spending a total of £599 million, a spend per head (£153) five times higher. The difference in spend per head clearly demonstrates the importance of attracting overnight visitors to the region.

Visitor spend for 2014 (the latest annual data available) was £1.918bn supporting a sector that employs over 27,000 jobs. In addition, it has been calculated that every £1 visitor spend generates 39p in Gross Value Added (GVA) to the local economy which amounts to £401.9m direct GVA produced in the county.

Strengths

In terms of a tourist destination Derbyshire's strengths include: Cultural assets of global repute (such as Chatsworth House and the Peak District National Park); Access to nearby "gateway" cities and towns; Popular market towns and villages and a growing reputation in relation to sporting activities, notably cycling.

Weaknesses

Derbyshire's weaknesses include: Poor public transport links to aid dispersal (especially within the National Park); Variable quality of retail outlets and restaurants; Inconsistency of branding, and poor hotel stock (especially a paucity of national operators).

Future Opportunities

Key future investments include the Peak Resort; Buxton Spa Hotel; the cycling and trails network and the continued development of “Building 17” at Cromford Mill. These developments have benefitted from a combination of private sector investment supported by significant cash injections from the public sector – notably £2m grant by Derbyshire County Council at Buxton to ensure the Crescent development comes to fruition.

Marketing through on-line channels and social media is an area where further development is required. Tourist Information Centres are no longer the main source of promotion, with more people using the internet to find out about the areas they are visiting. Therefore it is important to maximise the opportunities of new technology to create an improved and increasingly customised visitor journey through quality information and mapping.

The development of the festival and event economy is also seen as an area of growth. Recent examples around cycling include Eroica Britannia, the Women's Tour of Britain and the Grand Tour 2016.

Challenges

To inform the debate during the review the expert advisers from the University of Derby outlined their assessment of Derbyshire as a tourist destination and identified current challenges for the visitor sector. The major points raised are described below.

- The region under-performs compared to similar destinations in the UK. For example, visitor spend in the destination is significantly lower than equivalent rural destinations for both visitors and staying visits.
- A key factor in the region's poor performance is that the depth, range and value of tourism products on offer are not as strong as other destinations.
- Tourism in the region is typified by small independent businesses working in silos in a disjointed way.
- The Peak District and Derbyshire is a mature destination at the top of its life-cycle supported by iconic brands e.g. Peak District National Park

(PDNP) and Chatsworth House. It is a destination that requires rejuvenation through product and service expansion, differentiation, market penetration and product diversification.

- A major challenge is that there is a lack of distinctiveness and identity for the region. It is not clear to the visitor what the region has to offer, beyond the Peak District itself and Destinations need quality products and visitor experiences, including food and drink, attractions, outdoor activities, and unique events to entice them to stay longer in the destination and spend more.
- In the region the focus is on key players and iconic attractions such as the Peak District National Park and Chatsworth. The rest of the sector is mainly micro businesses and SMEs, that operate independently as opposed to working in a collaborative and co-ordinated way.
- The marketing strategy is based on promoting products and suppliers and does not create reasons to visit.
- There is a lack of focus on the tourism infrastructure including planning, development, transport, traffic flows and management.
- The tourism offer, including accommodation, cuisine, attractions and retail is not of a consistently high quality and there is a lack of investment in skills development and promoting careers in tourism and hospitality.

3. The Council's current role and approaches adopted elsewhere

The Council's desire to play a leading role in the growth of the tourism is expressed in the 2016/17 Council Plan where it is stated that a priority for the Council is to "support the further development of the visitor economy in Derbyshire". The responsibility to deliver this priority rests primarily with the Council's Economy and Regeneration Division. The work is led by the Service Director and the Head of Regeneration and supported by an economic development officer (part time).

The Council works collaboratively with various partner organisations, at a strategic level, to support the visitor economy. On behalf of D2N2, the Council has been given lead responsibility for developing the visitor economy. A strategic review and assessment commissioned (in 2013) by D2N2 Local Economic Partnership has shaped current thinking about capital investment and key strategy documents including: the D2N2 Visitor Economy Action Plan: The Derbyshire Economic Strategy Statement (DESS) and the D2 Combined Authority Visitor Economy Development Plan. These strategies set out the priorities of the relevant partners and bring together their growth objectives to maximise the potential of the visitor economy.

The Council has committed £150,000 to the "Growing and Developing the Visitor Economy Sector within Derbyshire" project. This joint initiative, approved by the Department for Communities and Local Government in September 2016, will support the capacity of small and medium sized enterprises (SMEs) in the visitor economy sector (and the relevant supply chains) to grow in regional, national and international markets. It will do this by providing enterprises with support through business advice and guidance, expertise and knowledge needed to access new and emerging markets. The Councils specific role will be to deliver the "Supporting Market Towns" and the complementary "Promoting Derbyshire Products" strands of the project.

The Council has a service level agreement with the DMO (Marketing Peak District and Derbyshire) and in 2015/16 contributed £150k to its core revenue budget. The DMO recently (in 2014) underwent an organisational review which focused on reducing the burden on local authority financial resources, increasing private sector income and providing a more sustainable future for the organisation. The organisational review resulted in a 35% reduction in core costs.

The DMO has adopted a new “two brand” model to address concerns that, previously, there was too much focus on the Peak District and not enough on the rest of the county. The aim is to encourage the dispersal of visitors around Derbyshire by promoting the wide range of assets across the county.

Evidence from Contributors

Contributors to the review were asked to comment on the Council’s current and future role in supporting tourism in Derbyshire. They also reflected on the role of the DMO and approaches adopted in other regions.

a) Deputy Cabinet Member for Health and Communities

Cllr Ellie Wilcox, the Deputy Cabinet Member for Health and Communities explained that the Council’s vision for tourism is quite broad and fits in with the Council’s wider economic vision of increasing spend and jobs within the county. The Council’s role is to deliver the strategic thinking. It coordinates the County’s infrastructure (e.g. Transport) and works with a variety of organisations to attract investment (including the Chamber of Commerce, District and Borough partners, the Arts Council and the Heritage Lottery Fund)

Since 2013 the Council has formalised the arrangements with the DMO and improved accountability. Whilst it was acknowledged that the Peak District was an important UK destination the Council had concerns that the DMO focused solely on the National Park and that it did little to promote and support other parts of Derbyshire.

Council officers have supported a review and restructure of the DMO. In light of the planned reduction in the Council's financial support for the DMO a plan has been developed for the organisation to become more self-funding. The core funding that the Council gives to the organisation has been reduced and in 2016/17 the Council will contribute £150K to the operation of the DMO.

Cllr Wilcox has been advised that one of the challenges for the DMO is that funding from VisitEngland tends to be very prescriptive and the work of the organisation is driven by the national agenda. This means it is difficult for the DMO to access funding for initiatives outside the national park. The advisers from the University commented that they were not aware that DMOs faced this constraint and wondered whether it might depend on who is driving the initiative and how they are interpreting funding opportunities.

b) Cumbria Tourism

Cumbria Tourism emphasised the importance of tourism decisions being business led and made by people with current industry experience. It was stated that “a detailed tourism strategy document, however well researched and supported by academic evidence, will lack credibility in the sector if it is delivered solely by the County Council. Any strategy must be shaped and supported by people who have invested in the county's tourism industry and who make their living from it”. A DMO with strong business connections is able to speak with an authoritative voice, so that the region is well regarded and is in a position to influence decision makers in London.

With the withdrawal of public funding the operating model of Cumbria's DMO has, in recent years, changed. The DMO will soon operate as a stand-alone organisation. From the next financial year (2017/18) Cumbria Tourism will not receive any funding from Cumbria County Council. It is felt that the strong membership base (2,970 in total) has been a key factor in successfully managing the transition to the new model. The involvement of Members (from a good cross-section of the industry county-wide) has led to Cumbria Tourism having reliable research data and a credible voice in terms of representing the entire county rather than just the National Park.

An advantage of the new model is that as a commercial group the DMO has a stronger voice and is in a better negotiating position. However, a disadvantage is that the DMO has fewer staff and less resources to get new projects up and running. Therefore in practice everything the organisation does has to make money. There is no opportunity to invest in “slow burn” projects to develop new tourist destinations such as hard to reach geographical areas.

The total income for the organisation in 2015 /16 was in the region of £1.3 million. Income from membership fees accounted for approximately £350,000 and there was £250,000 of public funding for projects. In terms of revenue generation, 55% comes from outside the Lake District National Park. An important income source is the “GoLakes” website. The revenue raised through selling banner advertising space & web bookings offsets the costs of developing the site as well as funding the digital team. There is also an e-shop which is a separate and very small part of the GoLakes site where some tickets and merchandise are sold.

Other income sources include conferences, social media and e-newsletters. The holiday guide produced every year, the food and drink guide and the attractions leaflet are small but well received projects. The biggest area of growth has been the bespoke PR activity. On a fee paying basis, the PR team works for clients and has developed considerable expertise in this area.

The “FairBooking” brand has been a successful initiative that encourages consumers to book direct with accommodation providers. It means that local business are less dependent on online travel agents which sometimes charge high rates of commission and demand exclusivity and long contracts. The design style and principles of FairBooking are very similar to the fair trade identity that consumers are familiar with. The savings made on commission payments ensure that more revenue is retained in the local economy and this helps to support sustainable tourism in the area. FairBooking is a campaign initiated by Cumbria Tourism, Visit Cornwall and New Forest Tourism. It is open to other destinations to join and this is something that Derbyshire might like to consider.

c) Marketing Peak District and Derbyshire

The Managing Director (and the Deputy Director) of the Marketing Peak District and Derbyshire (MPDD) team expressed the view that there is still a place for public sector funding to support national and international tourism marketing campaigns and to provide business support. They stated that these activities are expensive to deliver but are vital to the wealth and success of the visitor economy in the region.

They expressed their preferences for a blended financial approach with bigger private businesses acting as ambassadors and contributing to campaigns and public sector partners supporting the DMO's wider strategic role and working to attract external funds. The role of the Council would be to assist with the development of destination plans and strategies and provide tourism infrastructure, visitor information points and tourist information centres.

The MPDD is constantly seeking opportunities to attract private sector investment, particularly as public sector funding is decreasing. In 2016/17 40% (£240K) of the organisation's income will be from public sector organisations. The remaining 60% of funding will come from the private sector.

Income is generated through advertising and the revenue collected ensures that the DMO's industry team is self-funding. Whilst Members pay to advertise on the DMO's website they are not charged a commission for bookings. However, if a Member chooses to enhance their entry on the website and this provides the DMO with another opportunity to generate income. Despite these developing opportunities to raise income it was suggested that it will be some time before the DMO is in a position to operate as a stand-alone organisation.

d) The East Midlands Chamber

The East Midlands Chamber observed that rather than adopting a strategic role, Derbyshire County Council has assumed more of a "hands on" approach during its interactions with the DMO. They also commented that

in their view it appears that bidding for funds consumes a lot of the DMO's resources which inevitably reduces the time available to deliver its purpose and undertake a strategic destination management role. This approach of "chasing public sector funding" leaves the DMO open to "mission drift" whereby rather than consistently following a strategic plan the parameters of individual grants shape the projects that are undertaken.

It was suggested that the DMO needs to be more commercially driven so that it can become self-sustaining. This would mean becoming more involved in activities that generate commission. Whilst the DMO's website is good, there is the potential for the website to adopt a more proactive approach, taking bookings, recommending and up-selling tickets to attractions in the area. In the main, visitors are currently unable to book attractions and accommodation via the DMO's website and are directed to booking sites hosted by other organisations.

It was acknowledged that it is important to make the best of Derbyshire's natural resources and that the name of the DMO - "Marketing Peak District and Derbyshire" reflects the fact that the Peak District National Park is the most prominent natural resource in the county. However the Chamber commented that many businesses away from the Peak District feel they are not well represented by this branding. A submission to the review by Mercia Marina, in the south of the county, supports this view. The general manager of the Marina, a tourist destination in Willington which receives over 800,000 visitors a year, described the Derbyshire brand as being "wiped out" by the Peak District brand. He raised concerns that with local authority funding being withdrawn from the DMO and 75% of the DMO's membership being based within the national park, central co-ordination will diminish, the rest of Derbyshire will not be adequately promoted and opportunities to connect visitor experiences across the county will be missed.

The Chamber shared its observations about the different marketing models adopted by the three counties that it represents:

- In Nottinghamshire, inward investment and DMO operations have been merged into a single entity. The district and borough councils contribute

to the DMO and this appears to be more cost effective than individual authorities employing their own tourism officers.

- Until recently the model in Leicestershire was to have a private sector led organisation known as Leicestershire Promotions. However despite being financially sustainable, there are now plans to absorb this function into the City Council.
- The Derbyshire DMO is an established model that has been in operation for 10 years. The Council played a lead role in the 2014 reorganisation of the DMO but there is still potential to develop the operating model further to enhance effectiveness. A number of the Derbyshire district and borough councils continue to run tourist information centres and employ tourism officers and there appears to be little appetite for diverting resources centrally to the DMO.

4. . Opportunities to grow tourism

More in-depth and up-to-date data

The most striking message to emerge from the review was the need for detailed and up-to-date data about tourism in Derbyshire. All contributors to the review expressed strong support for this.

Those representing Marketing Peak District and Derbyshire said that currently it is difficult to measure the strength of the local visitor economy. They spoke of the DMO's aspiration to develop its research capability, stating that in their view access to up-to-date data is paramount. The East Midlands Chamber expressed concern that in Derbyshire assumptions have to be drawn from historical data and strategies have to be based on "feel". Consequently it is difficult for businesses to be responsive to market changes and to evaluate the effectiveness of new initiatives and strategies. The PDNPA talked about the need to develop a strong brand that would tell the story of the area but to do this effectively up-to-date data is required that provides information about what attracts people, what makes them stay, where they come from, how they perceive the area and visitor demographics.

The Derbyshire DMO uses STEAM (Scarborough Tourism Economic Activity Monitor) data to assess the growth of the visitor economy. The data purchased relates to the whole of Derbyshire and there can be a considerable time lag between when the data is collected and published. The data provides broad statistical information about tourism related industries and is therefore not particularly useful to individual businesses wishing to make future projections.

Cumbria Tourism also uses STEAM data but they augment their tourism intelligence with more up-to-date and detailed data captured by local businesses. Some of the information is refreshed monthly, some quarterly, all of it at least annually. For example in March 2016 Cumbria Tourism was able to evaluate the impact of the December 2015 floods on businesses and share this information with the national government and the local authorities.

The approach in Cumbria is made possible by tourism businesses submitting data directly to the DMO, and the DMO acting as a central data repository. The cost of employing a researcher (three days a week) to

collate and analyse the data is offset by selling bespoke reports to established businesses in the region and prospective businesses.

The data captured in Cumbria includes occupancy rates for serviced accommodation, self-catering accommodation and caravanning and camping sites. There are statistics on the top 20 visitor attractions which are also frequently updated. With the data available it is possible to make projections about business opportunities in specific areas and this information can be used to attract businesses. It is also used to support DMO spending decisions.

Cumbria Tourism feel that the quality and depth of the data they hold is a key feature of their organisation's success. It affords them confidence and credibility and means that they are able to speak for the region with an authoritative voice. Their research team track the outcomes of DMO activity and monitor spending both inside and outside of the National Park. This is important because 55% of members are inside the Lake District National Park and 45% are outside. The growth of the visitor economy is a stated aim of the Cumbria LEP and the data held by Cumbria Tourism can be used effectively in the decision making processes of the LEP. Through the data it holds, Cumbria Tourism can demonstrate what percentage of members support a particular initiative and this carries considerable weight.

Kent County Council has adopted a similar approach to capturing market intelligence. They have established a "Business Barometer" which is a monthly snapshot of tourism business performance in Kent. Over 45 attractions, 350 accommodation providers, 15 conference venues, 5 cross channel carriers and 14 Visitor Information Centres submit their figures to Visit Kent on a confidential basis. This confidentiality enables businesses to report on issues affecting their operations allowing them to benchmark and react quickly to market conditions.

During discussions the working group asked contributors to provide examples of data their organisations held. The PDNPA mentioned data from visitor centres and cycle hire centres and said they were able to do postcode analysis on this information. They also have information about why people visit the National Park.

Marketing Peak District and Derbyshire have data from their customer satisfaction survey (although this is only conducted every two years) and through their own website have access to information about booking referrals, bed spaces and website visitors. They also mentioned that at a recent meeting with northern partners there was a discussion about data sharing and that Manchester Airport indicated that they might allow access to data about international visitors and what motivates them to travel to the north of England.

The advisers from Derby University mentioned that a range of evidence based information was used to illustrate points at the “Buxton on the move” conference in March 2016. This was an event where community representatives and local business discussed traffic management and tourism opportunities in the light of new developments and major tourism projects in the town. The chief executive for Buxton Opera House, referred to postcode analysis which showed that sixty-two per cent of their audiences were not local, i.e. they come from postcodes further away than SK17 or SK22. The operators of Poole’s Cavern also referred to the visitor information they collect. Representatives from the Highways department at Derbyshire County Council presented information about traffic flows in the town that had been captured by connecting to Bluetooth systems in vehicles.

The examples described above provide a small insight to the range of information that is being collected and the different data collection methods being adopted. Collectively, if submitted to a central data repository, this type of information could form a database that would allow detailed analysis of visitor demographics, preferences, movements, and behaviours. Research indicates that customers change their holiday destination criteria frequently so access to up-to-date data is crucial if the Derbyshire offer is to keep pace with changing visitor needs and successfully compete with other destinations.

The Council’s Policy and Research team are experienced in data analysis and skilled in customer segmentation techniques. Therefore this review recommends that the Policy and Research Team undertake a feasibility study to explore how industry data could be captured and collated so that up-to-date, Derbyshire specific tourism intelligence could be analysed and used to inform future business decisions and strategic policy. It is anticipated that the feasibility study would consider the nature and source

of the data, appropriate collection techniques and which organisation would be best placed to hold the central data repository. Options for funding the initiative would also be explored, including whether (as in the case of the Cumbria Tourism model) income generated from bespoke research reports would enable the initiative to be self-sustainable.

Themes that create convincing reasons to stay

The general view of the witnesses contributing to the review was that Derbyshire has a strong tourism offer, which compares favourably with visitor attractions in neighbouring counties. However on closer examination, it is clear that the components of Derbyshire's offer need to be further developed and linked together in a more visible and accessible way.

Several of the contributors questioned the strength of the Derbyshire brand in terms of being significantly distinctive to attract visitors in a highly competitive tourism market. To benefit from emerging opportunities there is a need to define the tourism vision and objectives for the county and create distinctive narratives and convincing reasons to visit. Marketing the area alone doesn't help the area to develop. Partners need to agree the strategic vision for the area and then provide support to businesses that fit the vision.

Narratives need to be developed around key themes. An example of a key theme might be "Wellness". "Wellness" tourism attracts high spending visitors and can be dispersed throughout the county. Derbyshire has historical links to wellness through its spa towns and its distinctive landscapes creating a connection to the natural environment. The Peak Resort and the Crescent at Buxton are two major wellness tourism developments that will create opportunities on which to build and develop new wellness products.

Strategic leadership

Witnesses to the review consistently highlighted the need for strong strategic leadership to connect and manage destinations across the whole of Derbyshire. It was acknowledged that local authorities play an important role in creating the right conditions for the visitor economy to grow and ultimately thrive. In their leadership role they are well placed to ensure that regulation and planning requirements are appropriate and easy to understand, the local infrastructure is well developed and that there are

initiatives to develop skills and encourage inward investment. The D2 Market Towns project was recognised as a good example of strategic leadership. It was also suggested that there may be opportunities for Derbyshire to learn from approaches used elsewhere in the country to attract investment to support the regeneration of small towns. The example given was Whitehaven (in Cumbria) where incentives were offered to businesses (by way of reduced business rates) to encourage them into an area which, at the time, was run down. For such an approach to be successful however, there needs to be strong community support. If there is no local interest resources are better directed elsewhere.

Contributors to the review described Marketing Peak District and Derbyshire as an effective marketing organisation but felt that its role and effectiveness could be strengthened if greater emphasis was placed on managing the destination. A management organisation looks at the wider perspective including the economic and socio-economic environment. It plays an important role in facilitating discussions with the community and different organisations to ensure effective communication and partnership working and it needs to be recognised as an authoritative voice that represents the entire county.

Members of the review working group are mindful of the challenging financial constraints imposed on the Council and the service pressures that are competing for limited funds. For these reasons now is the time for the Council to carefully consider its role in relation to tourism. If the growth of the visitor sector is a priority, the Council's vision for tourism needs to be clearly defined and promoted so that it is more visible. Currently the Council's vision for tourism is unclear. The 2016/17 council plan identifies support for the development of the visitor economy as a priority. How this will be achieved, however, and the extent to which it will be resourced is not clearly articulated. It appears that aspirations to grow the sector are wrapped up in the Council's wider economic vision of supporting businesses and increasing jobs within the county. If it is agreed by Cabinet that tourism is a priority, a comprehensive strategic approach needs to be adopted and, crucially, it needs to be adequately resourced.

Improved connectivity

There is a tendency for small operators to trade in isolation and think in terms of only promoting their own tourism offer. It is suggested that the

visitor experience, and the sector as a whole, would benefit from collaboration between businesses and mutual promotion of attractions in the area. For example, shared ticketing systems that offer discounted entry fees, free parking, or complementary drinks at other attractions. Better connectivity would encourage visitors to stay longer and ultimately spend more.

The discussion with the PDNA explored the tensions between the needs and wants of visitors and the organisation's ethos. The PDNPA wanted it to be known that they don't view tourism in terms of tensions and would welcome more visitors to the park. It supports business development provided that business activities do not conflict with the authority's aim of preserving and promoting the special qualities of the park. The key rationale behind all decisions, including planning decisions, is concerned with looking after the "special qualities" of the national park. When presented with a range of options the question is "what will keep the park special?". It was acknowledged that people who visit the National Park generally don't spend a lot of money as their primary goal is to enjoy the natural environment. However, the National Park's Chief Executive went on to say that it is important not to underestimate the value of looking after the park. Although park visitors don't necessarily spend a lot of money, the engagement of visitors and communities adds value. Benefits include reduced health costs and reduced flood risk management costs.

It was acknowledged however that there is tension around the issue of transport in the national park. This results from a mismatch between the needs of visitors and the availability of services. Visitor access to, and movement around, the park is significantly restricted because public transport options are limited. This may be further compounded by financial pressures on the public purse which may lead to a further reduction of public transport services. This of course is not an issue confined to the national park. Tourism in Derbyshire as a whole would benefit considerably from better transport links to support the movement of visitors. Unless visitors have access to a car it is difficult for them to move between attractions.

Suitable local transport is part of a strong local offer to both visitors and people who work in the local tourism sector. The expert advisers to the working group were clear that more needs to be done to support the movement of visitors across the county. They suggested that the area would benefit from an aspirational transport strategy that makes travelling

easy for the visitor. For example, consideration could be given to “hop-on hop-off” bus tickets and pricing strategies designed to encourage overnight stays (such as day passes that are valid for 48 hours). The multi-operator and smart ticketing proposals in the Bus Services Bill may act as a catalyst to the development of such options. An area wide car parking ticket is another offer that would be attractive to visitors who have their own transport and it warrants consideration. During a single day visitors to Derbyshire may be required to purchase a variety of parking tickets for car parks operated by district and borough councils, the PDNPA and local attractions. A combined ticket, valid for multiple days may make it more attractive for visitors to stay longer and explore Derbyshire.

The lack of access to suitable and reliable public transport is a major barrier to the visitor economy realising its full potential to grow the local economy. With diminishing funding opportunities for the Council to improve the county’s transport offer, now is an appropriate time for the Council to be imaginative in identifying new ways to improve access to suitable visitor transport. Therefore a recommendation of this review is that action is taken to identify and give due consideration to innovative options (like hop-on hop-off tickets) that would make it easier for visitors to access tourist attractions. Whilst it is unlikely that it would be the Council who delivers the measures identified, clearly the Council has a key leadership role to play in creating the right conditions and facilitating discussions so that any new initiatives succeed.

Improved accommodation offer

Contributors to the review spoke about the need to improve the accommodation offer. There is a limited availability of accommodation in Derbyshire and demand outstrips supply. It is important that this issue is addressed because visitors who stay overnight contribute much more to the local economy than day visitors.

Greater representation of national hotel chains in the county might be appealing to prospective visitors. This is because many people are reassured by familiar branding and consistent accommodation standards. The Premier Inn group has recently opened some small hotels in Derbyshire and this is thought to be in response to increased on-line searches on their companies website looking for accommodation in the

county. Although these hotels have tended to be small, the cumulative number of beds represents a considerable investment in the county.

The Council recognises that the county's accommodation offer needs to be improved. The working group noted that "Hotel Solutions" has recently prepared an Accommodation Strategy for Derbyshire and Nottinghamshire. The work was commissioned by Nottinghamshire County Council on behalf of Nottinghamshire and Derbyshire County Council and the D2N2 Local Enterprise Partnership. The project was managed by Experience Nottinghamshire and Marketing Peak District & Derbyshire DMOs. The key aims of the project were to assess the potential for hotel and visitor accommodation development across the two counties, and to put in place a strategy for public sector intervention to accelerate investment into the sector in order to grow overnight stays. The work included a review of national hotel and visitor accommodation trends; an audit of the current accommodation provision across the two counties; a review of current accommodation development proposals; various modules of research to assess current accommodation performance and market demand; a number of elements of work to assess the potential for future growth in demand for accommodation; an audit of potential sites for the development of hotels and major visitor accommodation projects; and consultations with hotel and visitor accommodation operators and developers to assess their interest in the two counties. The working group welcome this approach and would like the Places Improvement and Scrutiny Committee to be kept informed of the outcomes and recommendations emerging from the project.

A greater focus on skills and career development

As an industry the tourism sector is associated with low skilled and low-paid jobs which are often seasonal in nature. If Derbyshire is to develop the visitor economy there is a need to create jobs of a sufficiently high quality to attract people into careers and raise people's perceptions of the industry. Figures prepared by the Higher Education Careers Services Unit (HECSU) show that the East Midlands has the lowest graduate retention rates in the UK. Only 39% of students who graduated in the East Midlands, in 2012/13, stayed on to work in the area compared to 91% in Northern Ireland, 66% North West, and 54% West Midlands. As well as the perception of limited career opportunities in the region as a whole, and the sector in general, another reason why graduates move away from

Derbyshire is that limited public transport services make it difficult for young people to access employment opportunities. Feedback from the East Midlands Chamber suggests that employers frequently comment that it is hard to find people in Derbyshire who have the required technical expertise and that it is difficult to find young people with the correct entry level skills and attitudes that can be easily developed to meet business needs. Conversely feedback from the School of Hotel Management (University of Derby) is that each year a cohort of highly skilled graduates leave the region to seek more attractive employment opportunities elsewhere. This points to an opportunity to facilitate closer working relationships between businesses and universities in the region to create attractive careers and supply “home grown” skilled employees. Derbyshire would also benefit if customer care standards were improved countywide and guidance was made available to smaller attractions on how to make the most of what they can offer visitors. Derbyshire has many assets and tourist attractions but frequently the quality of provision could be improved.

The Council is already looking to work with partners to develop and implement a comprehensive and integrated approach to skills and training support and is also coordinating a Skills strategy for young people. This review recommends that local universities are invited to contribute to this work and consideration be given to making skills development in the tourism industry a priority.

Community Tourism Groups

Marketing Peak District and Derbyshire indicated that they would welcome interested parties and groups joining together to form one local group to represent a town or area, as this would simplify communication and facilitate a more coordinated approach. A number of towns in Derbyshire, have done just that, for example in Buxton and Matlock Bath businesses and residents have come together to develop tourism in their respective areas. These local groups aim to encourage contributions from the community and the tourism industry. In many cases they do not seek the involvement of local authorities. A possible model could be a network of (independently funded) community tourism groups across the county that represent their local area and liaise with the County DMO.

Currently Derbyshire’s brand is focused on iconic attractions such as Chatsworth and the Peak District National Park, but most areas in Derbyshire have something to offer visitors. An audit of attractions in less visited locations would help to showcase lesser known attractions. An

example of where this approach has been taken is in Kent, where the County Council has worked with partners to publish destination dashboards (or fact sheets) for the 12 districts in the county.

5. Conclusions

The findings of this review suggest that Derbyshire would benefit from a comprehensive and inclusive vision to knit together the county's rich tourism offer. The vision needs to convey clear themes that provide compelling reasons for visitors to stay and explore Derbyshire. There also needs to be greater connectivity, both in terms of making it easier for visitors to move between tourist attractions and in terms of individual businesses working collaboratively to promote local attractions for mutual gain.

Many Derbyshire businesses and organisations are independently collecting data about visitor demographics, preferences and behaviours. If collated centrally this information could be combined to offer up-to-date local intelligence. This would allow visitor trends to be monitored and projections to be made which would inform business development.

The strategic framework for tourism needs to be further developed and supported by investment in skills development (to improve the quality of tourism businesses), transport links (to support the movement of visitors across the region) and the collection and analysis of tourism market intelligence and performance data.

In summary there is a need to be clear about the region's distinctiveness and its ability to compete with an increasingly competitive market. The product offer needs to be developed so that visitors can engage in more activities to keep them in the region for longer, spending more and visiting more frequently.

6. Recommendations

The review working group members make the following recommendations to Derbyshire County Council:

1. That the Council's Policy and Research Team undertakes a feasibility study to explore how data from individual tourism businesses could be collated and used to inform future business decisions and strategic policy, with a view to raising the outcomes of the feasibility study with partners. It is anticipated that the feasibility study would consider the nature and source of the data, appropriate collection techniques and which organisation would be best placed to collect and analyse the data. Options for funding the initiative would also be explored, including whether (as in the case of the Cumbria Tourism model) income generated from bespoke research reports would enable the initiative to be self-sustainable.
2. That Cabinet considers the Council's future role in supporting tourism and articulates the outcomes of its deliberations in a clear vision statement.
3. That the Council encourages and facilitates discussions with partners to explore the benefits and feasibility of the following initiatives identified during the course of this review:
 - a. The development of themes and narratives that provide convincing reasons to visit (and stay longer) in Derbyshire. For example, build Derbyshire's reputation for "wellness" related activities or "experiential opportunities" making it widely known that Derbyshire is a destination where it is easy to try new outdoor activities and pursue creative interests.
 - b. The adoption of an approach that encourages tourism attractions and SMEs to work together more closely, collectively promoting the local tourism offer, rather than working independently in a fragmented way.
 - c. The development of innovative transport solutions such as hop-on hop-off bus services, multi-operator and smart ticketing initiatives and multiple days and multiple location car parking tickets.
 - d. The identification of ways that the Council can work to remove barriers and create the right conditions for the visitor economy to grow and SMEs to set up in the area, including incentives such as reduced business rates.

- e. Community capacity building opportunities that would help (in a sustainable manner) interested businesses and residents to develop their own areas as tourist destinations and provide a network of contact points for the county-wide DMO to liaise with.
 - f. Guidance and support to raise customer care standards in the industry in general, and advice to smaller attractions on how to make the most of what they have to offer.
 - g. A review or audit of attractions in less frequently visited locations in Derbyshire.
 - h. A review of the benefits (or otherwise) of Derbyshire joining FairBookingUK. This is a campaign to encourage visitors to book directly with UK accommodation providers. Customers benefit by getting the best rate available, businesses are not reliant on online booking agents that often charge high commission fees and the destination is supported because every time a business receives a booking through the scheme they make a donation to an approved good cause.
4. That the Economy and Regeneration Division keeps the Places Improvement and Scrutiny Committee informed about the outcomes and recommendations emerging from the recent research commissioned by D2N2 to develop an accommodation strategy for Derbyshire.
5. That the Council builds on the working relationship developed between Members of the review working group and the expert advisers from the University of Derby. In particular it is recommended that local universities are invited to contribute to the development of future skills and training strategies.