

DERBYSHIRE COUNTY COUNCIL

IMPROVEMENT AND SCRUTINY COMMITTEE – PLACES

20 July 2016

REPORT OF THE CHAIR OF THE IMPROVEMENT AND SCRUTINY

COMMITTEE – PLACES

REVIEW OF TOURISM IN DERBYSHIRE – PROGRESS REPORT

1) The Purpose of the Report

To inform the Committee of the progress made by the working group conducting the review of tourism in Derbyshire.

2) Information and Analysis

This is the third progress report regarding the review of tourism in Derbyshire. The Members of the working group are 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) are assisting the working group in the review process.

The main objectives of the review are:

- 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.

Previous progress reports submitted to this Committee have summarised the discussions held with officers from the Council's Economy and Regeneration Division, the expert advisers from the University of Derby (who are supporting the working group), Cumbria Tourism and Visit Peak District and Derbyshire. This report outlines the key points made during discussions with the Peak District National Park Authority and East Midlands Chamber.

a) Peak District National Park Authority

The working group met with Sarah Fowler (Chief Executive, Peak District National Park Authority) and Simon Malcolm (Director of Commercial Development and Outreach) on May 10. The meeting began with an overview of the role of the Peak District National Park Authority (PDNPA) and went on to discuss future plans and opportunities, as set out below:

- The PDNPA 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)
- It 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.
- The PDNP is the third most visited national park in the world and covers 555 square miles.
- It is estimated that the visitor economy is £54 million.

i) What are the tensions between the needs and wants of visitors and the values of the PDNPA?

- The PDNPA doesn'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 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 is important to make a person's first contact with the park a positive one to encourage return visits. The message is that

everyone can enjoy the park. The park is for all - not just for people who are physically active and experienced in outdoor pursuits.

- Sarah Rawlinson proffered the view that there is tension around the issue of transport. This results from a mismatch between the needs of visitors and the availability of services. She observed that visitor access to, and movement around, the park is significantly restricted because public transport options are limited and that this maybe further compounded by proposed public transport cuts.
- Sarah Rawlinson suggested that the area would benefit from an aspirational transport strategy that makes travelling easy for the visitor. For example, consideration should 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). An area wide car parking ticket is another option that could be explored.

ii) What data does the PDNPA hold?

- The authority has data from visitor centres and cycle hire centres and is able to do postcode analysis on this information. The data includes information about why people visit the National Park.

iii) General discussion about the future approach for Derbyshire

- During the discussion it was felt that partners need to agree the strategic vision for the area and then support businesses that fit with the vision. Marketing alone doesn't help the area move on.
- As well as articulating what businesses the area needs, the tourism strategy needs to state how those businesses will be attracted and supported.
- There needs to be an improved accommodation offer, good places to eat and well managed attractions.
- There is a need to work on the brand for the area- to tell the story of the area. To do this, up to date data is required to support the development of the brand. There is a need to know how the Peak District is perceived overseas. What would make people stay overnight, what experiential offers would attract them.

b) East Midlands Chamber

The working group met with Scott Knowles (Chief Executive, East Midlands Chamber) on June 20. 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 4000 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 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 & 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 (DMO).

i) Tourism marketing models in the region

The Chamber is well placed to observe the different marketing models adopted by the three counties 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. In 2014 the organisation was restructured (and DCC has played a lead role in this) however 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.

ii) The role of Derbyshire County Council and the Destination Management organisation

- From the Chamber's view point it appears that rather than adopting a strategic role, Derbyshire County Council has assumed more of a "hands on" approach during its interactions with the DMO. It also 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.
- The Chamber feels there is a requirement for the DMO to be more commercially driven so that it can become self-sustaining. This would mean becoming more involved in activities that generate commission.
- The DMO's website is good but visitors have to mainly book attractions and accommodation via other websites. 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.
- Clearly it is important to make the best of Derbyshire's natural resources, the most prominent natural resource in the county being the Peak District National Park. This is reflected in the name of the DMO - "Marketing Peak District and Derbyshire", however many businesses away from the Peak District may feel they are not well represented by this branding.
- The Chamber would welcome access to better tourism data. Currently data about tourism in Derbyshire is limited and at times can be 18 months or so out of date. This means assumptions have to be drawn from historical data and strategies have to be based on "feel". This makes it difficult to be responsive to market changes and to evaluate the impact of new initiatives and strategies.
- The Chamber feels that the Council has an important role to play in skills development. 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.

- It was noted the East Midlands has the lowest graduate retention rates in the UK. It was suggested that one of the main reasons why graduates move away from Derbyshire is that limited public transport services make it difficult for young people to access employment opportunities.

iii) General discussion about the future approach for Derbyshire

- Compared to neighbouring counties Derbyshire has a strong tourism offer but the individual components need to be linked together in a more visible and accessible way.
- There is a tendency for small operators to trade in isolation and think in terms of only promoting their own tourism offer. Sarah Rawlinson 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 “relieve tourists of their money”.
- Derbyshire has many assets and tourist attractions but frequently the quality of provision could be improved. Smaller attractions need guidance and support so that they can make the most of what they have to offer visitors.
- The County’s infrastructure needs to be improved. There needs to be more hotels in the area to encourage overnight stays and whilst public transport into Derbyshire is good, once in the county, visitors find it difficult to travel unless they have access to a car. This is particularly true in rural areas.
- Greater representation of national hotel chains in the county would be appealing to potential visitors. This is because many people are reassured by familiar branding and consistent accommodation standards. The Premier Inn has recently opened some small hotels in Derbyshire and this is thought to be in response to increased on-line searches 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.
- Finally, during the discussion it was suggested that strategic partners need to work together to attract businesses to Derbyshire. Furthermore the benefits of customer care training should be

promoted to established businesses and courses made readily available.

c) Next Steps

The review working group is scheduled to meet with a number of tourism related businesses in September.

3) **Considerations**

The relevance of the following factors has been considered in preparing this report; Finance, Human Relations, Legal and Human Rights, Prevention of Crime and Disorder, Equality and Diversity, Environmental, Health, Property and Transport

4) **Recommendations**

The Improvement and Scrutiny Committee – Places is asked to;

- (1) Note the investigations undertaken by the review working group and evidence gathered so far.

Councillor Kevin Gillott

CHAIR, IMPROVEMENT AND SCRUTINY COMMITTEE – PLACES