

**Open Report on behalf of the Executive Director for Environment & Economy**

Report to:	<b>Economic Scrutiny Committee</b>
Date:	<b>23 February 2016</b>
Subject:	<b>Tourism Review</b>

**Summary:**

This report sets out the findings of the review into the council's approach to tourism development.

It was carried out by Councillors B Adams, A Bridges, and Mrs J Brockway and was done in the context of reducing budgets and of consolidating the outcomes of 2015, Lincoln Castle Revealed's opening, and the good publicity that was received as a result of that work.

The report has identified recommendations for the Council to undertake itself – especially PR work, for the Council to undertake in partnership – especially strengthening the role of the [www.visitlincolnshire.com](http://www.visitlincolnshire.com) website, and in support of the private sector – especially addressing the demand for hotel accommodation.

**Actions Required:**

It is recommended that the Economic Scrutiny Committee supports the following recommendations from the Tourism Review Group:

Recommendation 1:-

Lincolnshire County Council (LCC) should maintain a focus on PR, building on the successes of the Lincoln Castle Revealed scheme.

Recommendation 2:-

LCC should develop spectacular tourism schemes, based around significant anniversaries in Lincolnshire's heritage.

Recommendation 3:-

LCC's economic development unit should prepare information which demonstrates the economic value of tourism.

**Recommendation 4:-**

LCC should reduce the input it gives to [www.visitlincolnshire.com](http://www.visitlincolnshire.com), enabling Lincolnshire Chamber of Commerce to deliver its responsibilities for the website. LCC should broker strong relationships between Lincolnshire Chamber of Commerce and district councils, using South Kesteven District Council's (SKDC) offer of assistance as a pilot for this approach.

**Recommendation 5:-**

LCC should focus its attendance at tourism trade fairs on the PR/press aspects, but be prepared to join Lincolnshire partners' presence at those fairs as necessary.

**Recommendation 6:-**

LCC's economic development team should actively support tourism businesses with their growth plans.

**Recommendation 7:-**

LCC should work with the Greater Lincolnshire Local Enterprise Partnership (GLLEP) and other partners to assess the detailed demand for hotel accommodation in Lincolnshire, and then implement a promotional strategy.

## **1. Background**

An action arising from the Fundamental Budget Review was the need to conduct a tourism review.

This review was conducted by three members of the economic scrutiny committee - Councillors B Adams, A Bridges, and Mrs J Brockway with input from Justin Brown (Enterprise Commissioner) and Mary Powell (Commissioning Manager for Tourism). The review group met on three occasions in December 2015 and January 2016.

The purpose of the review was to seek best value from the Council's Tourism Development budget which sits within the Economic Development structure. The review concentrated on LCC's tourism development, not on tourism services that the Council operates (eg heritage sites) or on the wider approach to tourism in Lincolnshire.

In 2015/2016, the Council's tourism budget was £150,000 which includes staffing as well as operational costs. This figure will reduce in the 2016/2017 budget. Current tourism activity includes: advice on tourism projects and attraction of funding to projects; PR contracts to raise the county's profile in the press; intensive support for the [www.visitlincolnshire.com](http://www.visitlincolnshire.com) website; and co-ordination of partnership groupings.

### *Current tourism services*

The main tourism activity that the Council has undertaken in recent years is Lincoln Castle Revealed. In addition to managing the physical build at the Castle, the tourism team has managed a series of promotional activities which have raised the profile of Lincoln and Lincolnshire greatly.

A summary of the outcomes of the promotional activity is attached as Appendix A to this report.

### *Learning from the success of Lincoln Castle Revealed*

The management of the promotional activity provides useful background information for the review. Experience from this work has shown that:

- Having a spectacular tourism product of national scale will generate national press interest, but the national press are only interested in nationally scaled products. Building a relationship with the national press takes a substantial amount of time investment, but when the press want to visit an area then they expect a very quick and dedicated response.
- Significant investments in tourism can stimulate partnership activity which in turn has a benefit to the area.
- The "attract and disperse" model works well, but partners, businesses and the public are often unaware of that model.
- Many tourism businesses do not respond quickly to the opportunities that investment in tourism can offer.

The tourism review group used this analysis as the basis of its review, and it discussed its emerging outcomes with Mark Hibbert, a PR consultant who has promoted tourism in Lincolnshire for some years. Mark's advice was that national press will run stories that are new, quirky, different, and off the beaten track.

### *Findings of the review*

The review made three significant findings - what LCC should do, where LCC should work with partners, and how LCC should help businesses to help themselves.

#### What LCC should do:

LCC, through the contract it has commissioned from Mark Hibbert, has established a strong relationship with the national tourism press. This relationship is the product of a long term investment, and it would be a substantial risk to cease investment in that relationship. The PR relationship is relatively low cost, and it has been shown to achieve a great deal.

Lincolnshire has a strong heritage based on its rural areas, engineering history, and contribution to the development of the world. Most areas could argue the same point, but by interpreting our heritage in spectacular and fun ways we will be able to "stand out from the crowd" and to attract mass and niche markets. As the

operator of heritage sites, LCC has a strong role to play in this. Anniversaries, such as Charter of the Forest, RAF, and Mayflower provide a hook for this work.

A successful tourist economy relies on investment by others - in skills and infrastructure for example. However, with increased pressures on public funding then it will be important to make a strong case for investment in tourism activity. This will need to be based on detailed economic facts such as those held by the Economic Regeneration department.

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Where LCC should work with partners:

The Council took the decision three years ago to transfer operation of the [www.visitlincolnshire.com](http://www.visitlincolnshire.com) website to Lincolnshire Chamber of Commerce. The Council has had a substantial amount of input to the transition phase, but that phase is now completed. At the same time, district councils are contributing significantly to the website and they will often have good news stories and current local knowledge which will make [www.visitlincolnshire.com](http://www.visitlincolnshire.com) an attractive website to visitors. SKDC have offered to pilot some work in this area.

Attendance at trade fairs such as Best of Britain and Ireland or World Travel Market can be successful. However, other attendees at these fairs can offer the type of specific and practical visits that are best promoted at local level. Attending the press centre at trade fairs like these will provide Lincolnshire with the necessary connections to promote the county better. It is proposed to focus on US connections at World Travel Market through an officer visit at the event.

Recommendation 4:-

LCC should reduce the input it gives to [www.visitlincolnshire.com](http://www.visitlincolnshire.com), enabling Lincolnshire Chamber of Commerce to deliver its responsibilities for the website. LCC should broker strong relationships between Lincolnshire Chamber of Commerce and district councils, using SKDC's offer of assistance as a pilot for this approach.

#### Recommendation 5:-

LCC should focus its attendance at tourism trade fairs on the PR/press aspects, but be prepared to join Lincolnshire partners' presence at those fairs as necessary.

#### How LCC helps businesses to help themselves:

Business leaders in all sectors can be split into two types - necessity entrepreneurs and opportunity entrepreneurs. A necessity entrepreneur will lead their business either because that is their way of gaining employment or because they simply want to run that business. Opportunity entrepreneurs will want to grow their business, taking risks and making investments in order to take advantage of the opportunities that are presented to them. Generally speaking, the tourism sector has more necessity entrepreneurs than opportunity entrepreneurs. The experience from Lincoln Castle Revealed is that more businesses could have taken advantage of the opportunities than actually did. Those businesses who do want to invest in tourism products should, however, be actively supported.

The review also explored levels of competition within the accommodation sector. There is an emerging picture that demand for accommodation is outstripping supply, and this is perversely leading to a lack of investment by existing operators. In order to increase competition and of course to increase supply, there is a need to attract further investment in visitor accommodation.

#### Recommendation 6:-

LCC's economic development team should actively support tourism businesses with their growth plans.

#### Recommendation 7:-

LCC should work with the GLLEP and other partners to assess the detailed demand for hotel accommodation in Lincolnshire, and then implement a promotional strategy.

#### *National perspective*

It is important that the Council's tourism activity is aligned with that of the national tourism strategy. David Cameron recently announced a five-point plan for tourism which is set out below:

- A better co-ordinated sector: the sector is too fragmented - we want to see local attractions and tourism organisations collaborating to grow the sector for everyone not competing.
- Skills and jobs: Driving and retaining talent in the sector to encourage growth.
- Common sense regulation: Reforming regulation sensibly to drive competition and improve the tourism offer for visitors.
- Transport: Forging innovative links between the transport and tourism sectors to help visitors travel outside of the capital.

- An improved welcome: Delivering a world class welcome at the Border.

Clearly, the plan's focus on better co-ordination and on transport are directly relevant to the outcomes of the council's tourism review. Therefore the recommendations of the review are consistent with government strategy.

## 2. Conclusion

In summary, the review of tourism has been a useful exercise which has identified 7 meaningful priorities for LCC to implement.

The review group has shown an interest in supporting the activity regularly, and it is proposed that the group meets twice per year. It will also be beneficial for officers to receive support from these members at events and other tourism initiatives.

## 3. Consultation

### a) Policy Proofing Actions Required

n/a

## 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Lincolnshire - STEAM 2014 - Summary

## 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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