

12 September 2011

Item 4

The Visitor Economy Landscape

Purpose of report

For discussion and direction.

Summary

VisitEngland is introducing new structures to meet the needs of the new tourism landscape, to prioritise industry growth through encouraging partnership and to support the implementation of the Strategic Framework for Tourism in England and the Government's Tourism Policy.

The Board will receive a presentation from James Berresford, Chief Executive of VisitEngland, about the implications of the changes for local government. John Hallett, representing Destination Bristol and the Core Cities group, will also attend to brief the Board on Tourism Business Improvement Districts.

Recommendation

Members are asked to note the report and to use the key issues as the basis of a discussion with VisitEngland.

Action

To be taken forward by officers as directed by Members.

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The Visitor Economy Landscape

Background

1. Local government is a key player in the visitor economy, England's fifth largest sector, so it is essential that its voice is strongly represented in the new engagement structures.
2. VisitEngland is introducing new structures to meet the needs of the new tourism landscape, to prioritise growth through encouraging partnership and to support the implementation of the Strategic Framework for Tourism in England and the Government's Tourism Policy. (Please see the report to the May CTS Programme Board for more background information.)
3. These structures will replace the Partners for England Forum (which the LG Group was a member of) which was created in April 2009 at a time when industry felt that there was a lack of an effective network and sector leadership for English tourism.
4. At the last CTS Programme Board, Members agreed to invite James Berresford, Chief Executive of VisitEngland, to the September Board to discuss the implications of these changes for local government.
5. Members will also be aware that the winding down of Regional Development Agencies, the establishment of Local Enterprise Partnerships (LEPs) and the impact of public sector budget pressures are also impacting upon local arrangements for destination management and supporting Destination Management Organisations (DMOs).

The new engagement structures

6. The table sets out the new engagement structures and a diagram is attached at **Annex A**:

Name and Role	LG Group rep / engagement	Comments
VisitEngland Board		
Decides VE's overall direction. Chaired by Lady Cobham, membership comprises chief executives of national organisations and key	No. Three new Board Members from destinations have been appointed to the VE Board to reflect the new	The Chair of the CTS Board meets the Chair and Chief Executive of VE about twice a year.

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Name and Role	LG Group rep / engagement	Comments
attractions.	landscape.	
Strategic Industry Advisory Group (minimum twice per year)		
To support VE's role in driving forward industry implementation of the Strategic Framework. Providing independent industry oversight of the Framework and issues impacting on implementation.	VE has invited LG Group to join this group. About 20 key associations and experts will be invited by VE to participate.	The Chair of the Visitor Economy Forum and the Destination Management Forum will sit on this Group to provide connectivity between all of the structures and this is where we will link to these groups.
Destination Forum (twice a year)		
Information exchange on national and local issues between destinations and VisitEngland. Share different approaches to destination management.	No - it is for organisations who manage destinations. Destinations will nominate their own rep and this could be a portfolio holder.	We want to promote and share councils' role in destination management and guard against a parallel structure that duplicates sub-regional and local relationships.
Visitor Economy Forum (once or twice a year – VE is consulting on the biggest issues facing industry and the format of the Forum)		
Encourage collaboration between industry partners, report on strategy implementation, provide a platform to showcase good practice and to debate issues.	Broad and inclusive-open to all to attend.	This is a key strategic Forum for us to share our key messages on the visitor economy to industry and other public and private sector organisations.

Key issues for local government

7. Members may wish to explore the following key issues with VE:

7.1 We welcome the strong voice the LG Group and local government has in VE's new engagement structures. We fully support stronger engagement with industry – in the current financial climate greater involvement from the private sector is essential. We think, however, a case can be made for LG Group membership of the Destination Management Forum. We want to promote and share councils' role in destination management and encourage DMOs to work with their council and LEP where they are not already doing so.

7.2 It must be up to councils and local partners to decide what, if any, support to give to destination management locally. Where councils do decide to support destination management, there are three main approaches: working through LEPs, a private sector led solution by tourism businesses

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and direct public funding of destination management. How does this fit with VE's role as DMO of 'last resort'?

- 7.3 Many LEPs are aiming to give a lead on the full range of interlinked issues that affect local economies and upon which a thriving visitor economy rests. There is huge potential for LEPs to work with tourism businesses, both through special-purpose DMOs but also through Chambers of Commerce and other bodies, to sustain and support great destinations. How can LG Group and VE work together to realise this potential, share examples of good practice and best communicate with LEPs?
- 7.4 At a time of severe budget pressures, councils need freedoms and flexibilities to invest in the infrastructure upon which the visitor economy relies in a way that meets the needs of local communities; we need creative ways of attracting investment, building on Tax Increment Financing. We are very keen to explore ways to incentivise local government investment in infrastructure and the visitor economy.
- 7.5 For about 18 months now, the DMOs from the English Core Cities have been looking at a wide range of options on how the funding necessary to underpin growth in the visitor economy can be generated. Tourism Business Improvement Districts (TBIDs) are a model that has worked well in the USA, and could be one way to address the future sustainability of destination management organisations and local investment in tourism. How can the LG Group and VE work together to support the development of TBIDs?

Financial Implications

8. None.

Industry Engagement Structures

