

Scrutiny Committee – 12th February 2009

9. Participation of South Somerset District Council in the Somerset Tourism Partnership

Executive Portfolio Holder: Sylvia Seal, (Leisure, Culture and Well-being)
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1. Purpose of the Report

- To provide the Somerset Tourism Partnership's Business/Delivery Plan as requested (December 2008)
- To advise Scrutiny Committee of the current governance arrangements for the Somerset Tourism Partnership

2. Action Required

Further to the request of the Scrutiny Committee at its' meeting in December 2008 members are requested to note the contents of the report and make any comments to the Head of Countryside, Heritage and Tourism and the Portfolio Holder for Leisure, Culture and Well-being.

3. Background

Tourism is a vital economic development tool within Somerset's economic portfolio, supporting 20,000 full time equivalent jobs and generating visitor expenditure of over £1 billion a year from 10.5 million overnight stays and 13 million day visitors (STEAM 2007).

An informal Somerset Tourism Partnership has been successfully operating since 2006, delivering small, specific projects. With the reduction in national and regional operational tourism services and Local Government funding pressures, the Somerset Tourism partnership has increased its role and delivered a range of outcomes.

Somerset Tourism Partnership covers the geographical areas of Sedgemoor, Taunton Deane, Mendip and South Somerset encapsulated within Somerset County, with North Somerset and Exmoor as neighbouring partners. Effective communication and shared priorities enable joint working with other neighbouring areas including the West of England, Devon and Wiltshire.

The STP Management Group was recently formed comprising public and private sector partners. This group oversees all STP work, monitors budget, performance, manages activities of the working group and plans for the future.

At the request of Economic Development Portfolio Holder, the STP management group will now report to, and be accountable to, the Somerset Strategic Partnership through the Economic Leaders Group.

3. Report

Reports were brought to Scrutiny Committee in October 2008 (The Work of the STP including outputs and achievements) and December 2008 (Models for Governance).

At the December 2008 meeting members requested sight of the STP Business Plan so that the programme of work, future outputs and financial implications for SSSC may be viewed. ***The STP Business/ Delivery Plan is attached at appendix 1.***

3.1 Governance

Although the STP has delivered a programme of activities and range of outputs since 2006 (see 3.2), Portfolio Holders from the Local Authorities had questioned the lines of accountability and the level of Scrutiny under which STP has operated. Whilst the Private Sector contributes to the STP budgets through the purchase of advertising space in STP publications, and contributes both time and expertise through the management team, the majority of revenue for the partnership comes directly from the public purse. Portfolio holders thus requested a clearer line of governance and accountability for the STP.

Throughout 2008 it was anticipated that an Inward Investment Company (Into Somerset) would be set up as a county-wide partnership to encourage the growth of economic investment in Somerset. The Inward Investment Company would report to the Somerset Strategic Partnership. It was further anticipated that as Tourism enjoys considerable synergy with Economic Development it would be appropriate for STP to report directly to the Inward Investment Company. This model of governance is reflected on page 27 of the STP Delivery Plan.

In December 2008, as work on the structure and governance arrangements for the proposed Inward Investment Company had still to be finalised and agreed, it was decided at a meeting of the district councils' regeneration directors that for the time being the ***STP Management Board will report through the regeneration directors group to the Economic Leaders Group. These arrangements will be reviewed in due course. The trigger points for review will be either Tourism's inclusion in the work programme for Pioneer Somerset or when the structure and governance arrangements for the Inward Investment Agency have been agreed.***

The STP Management Board comprises an officer from each of the six Public Sector partners and six Private Sector Partners. At this level, SSSC is represented by David Julian, Head of Service, Countryside, Tourism and Heritage.

At the Somerset Economic Leader's Group our representation is Mark Pollock (Corporate Director for Economic Vitality), Peter Seib (Portfolio Holder for Economic Vitality). Additional invitees for Tourism matters will be David Stapleton (Corporate Director for Health and Well-Being) and Sylvia Seal (Portfolio Holder for Leisure, Culture and Well-being).

North Somerset Council will request representation for Tourism at SSP level.

3.2 STP Work Programme and achievements to date.

The Delivery Plan for 2008 –2013 is intended to be a rolling work programme subject to review and update on an annual basis. Tourism is continually affected by external influences. These include changing economic trends, climate change, changes in

legislation, the amount of funding or resource available to work with, and for STP, changes in the composition of the partnership itself.

With so many economic variables, the delivery programme is intended to be flexible. It is based around the previous successes of the partnership and the anticipated future capacity of the partnership. The programme also seeks to build on the economies of scale offered by partnership working. The STP also offers opportunities for the partners to streamline their own operations and to make efficiency savings. Several of the partnership achievements could not have been realised had the partners been working individually and with just their own resources. It is intended that the STP and thus tourism support in Somerset will move towards a more self-sufficient position in future years.

Some of the noteworthy STP outputs from 2007 and 2008 are:

The setting up of the STP. Both SWERDA and South West Tourism expressed a desire to engage with the tourism trade at a sub-regional or county level. The Comprehensive Spending Review was always likely to reduce the amount of money funding available to tourism at all levels of operation. The creation of tourism partnerships were thus seen as vital component of the RDA tourism strategy ***Towards 2015***. The engagement of the private sector was anticipated as a possible difficulty when creating the STP. However, the private sector readily bought in to the consultative process and forwarded members to sit on the STP management board . The private sector has contributed over £100k of advertising income in the production of the Visit Somerset Brochure.

Creating a new marketing brand for Somerset. It is widely recognised that Somerset does not have such a strong brand image as some geographical areas of the South West. By working on county-wide branding and marketing, it was felt that a stronger identity could be developed for Somerset in the competitive world of tourism. The developed brand is used on the Visit Somerset Brochure, the Visit Somerset Website, and in South Somerset the design now forms the basic background for over forty signs and major notice-boards in our market towns

Producing and distributing the Visit Somerset Brochure. 2009 sees the production of the second brochure. The first 2008 brochure saw a distribution of 350,000 copies in the UK and European markets. Interim Conversion Research on the 2008 brochure revealed that the publication influenced some 7600 holidays with 41% of holidays booked through accommodation providers who had used the publication. This equates to some £680k of direct spend to advertisers in the brochure. It is calculated that the total value of the campaign to the Somerset economy was in the region of £4.1 million (South West Research Co 2008).

The private sector purchased over £100k of advertising space in the publication. thus covering all of the printing costs.

Negotiating funding agreements with SWERDA and South West Tourism (SWT). In 2008 the partnership negotiated a £20k share of SWT member income by undertaking some of the member services for SWT. Additionally a three-year funding programme was negotiated with SWERDA that provides £130k funding spread over the three years to 2011

The STP has substantially contributed to, used and promoted ***the Visit Somerset Website***. It is anticipated that when SWERDA funding for the website runs out in 2009, the website will move under the control of the STP and that advertising space will be charged at a commercial rate. The use of the website has increased substantially in the

past two years and it now records almost 2000 'hits' on a daily basis. The website also features an on-line accommodation booking function – a feature that is increasingly well used by tourists. The capacity for the STP to generate income through its trading operations is a feature of the delivery plan

Procuring the services of a PR company with strong regional and national contacts. In 2008 STP secured the services of a well-connected PR company that has secured extensive coverage in the regional and national press. Coverage during the year has promoted the county, all of the district areas, individual events and attractions. The cost of this exercise has been relatively small to individual partners, but the resulting coverage has been extensive.

Two conferences were organised in 2007 /2008. The main STP conference was held at Hestercombe in October and the Sustainable Tourism conference was held at the Genesis Centre, Taunton College in the summer. Amongst the outcomes of the sustainable tourism programme has been the development of 'Car Free Itineraries'. These programmes are now featured on the Visit Somerset Website and have been particularly well received by the national Press and resulted in good coverage.

STP has also driven the **tourism and quality training agendas** in Somerset. In 2008 STP hosted the Tourism Skills Network officer at their office in Moorlynch. This resulted in over 150 training outputs for South Somerset District with many local service providers taking advantage of short courses such as 'Welcome Host' or courses on statutory regulations for the trade.

The delivery programme 2008-13 is attached at appendix 1, but will be subject to modification as circumstances dictate.

3.3 Financial Commitment.

Currently SSDC contributes £30k per annum to the STP. The decision to commit has so far been made on an annual basis and SSDC is not obliged to continue by any form of binding contract.

However, the Business Plan does include actions that might require the partnership to seek a stronger contractual framework. For example; should it be felt appropriate to second staff from the partner bodies into the STP, then the partners would need to move to a more robust contractual position.

Such decisions are for the future and could not be taken without the appropriate consents from the partner Authorities and due process being followed.

It is envisaged that as the capacity for the partnership to generate income through trading increases, the financial commitment of the Local Authorities will decrease proportionately. *This is illustrated on page 28 of the Delivery Plan.*

Background Papers: *Report and minutes Scrutiny Committee October 2008*
 Report and minutes Scrutiny Committee December 2008