

Scrutiny Committee – 3rd November 2009

9. Somerset Tourism Partnership Annual Scrutiny Report

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

To update Scrutiny Committee on the work of the Somerset Tourism Partnership (STP) in 2009.

Action Required

That Scrutiny Committee note the content of the report and give their views on South Somerset District Council's (SSDC) continued participation in the partnership

Background

In February 2009, the Head of Service for Countryside, Heritage and Tourism brought a report to the Scrutiny Committee outlining the work of the STP. This was viewed as particularly important to the Scrutiny Committee because of the £30,000 financial commitment made by SSDC to STP on an annual, reviewable basis. It was minuted that an 'update report' should be brought to Scrutiny Committee on an annual basis. It was also indicated that October might be an appropriate time for the report to be made enabling a wider view of the preceding tourist season to be taken into account.

STP has been operating successfully in Somerset as an informal partnership since 2006, delivering a number of specific projects. With the reduction in national and regional operational tourism services and Local Government funding pressures, the Somerset Tourism Partnership has progressively increased its role and is now delivering a range of agreed 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 formed in 2007 with partners from the public and private sector. This group oversees all of the partnership work, monitors the budget, performance, manages the activities of the working group and plans for the future. From April 2009 this management group has reported to, and is accountable to the Somerset Strategic Partnership through the Economic Leaders Group.

Report

This report seeks to provide detail in four main areas:

- the governance arrangements of the Partnership,

- the partnership budget,
- the main achievements and outputs of the partnership in 2009,
- a brief overview on the work of SSDC's own tourism team and new management arrangements.

Governance

In 2008, Portfolio Holders from the Local Authorities had queried the lines of accountability and the level of scrutiny under which STP has operated up to that point. Their main concern was that whilst the Private Sector contribute to the budgets through the purchase of advertising space in STP publications, and contribute both their time and expertise through the management team, the majority of revenue came directly from the public purse. The view of the portfolio holders was that STP needed a clearly defined governance structure and a stronger line of accountability.

As from April 2009, the STP management group (comprising an officer representative from each of the six Public Sector partners and six Private Sector Partners) has reported directly to the Somerset Economic Leaders Group and thus to the Somerset Strategic Partnership. This line of regular reporting provides the STP with strategic input, ensures that relevant targets within the Somerset Local Area Agreement are met, and provides a clear line of accountability.

To September 2009, South Somerset District Council's senior representation on the Economic Leaders Group was:

Mark Pollock (Corporate Director for Economic Vitality)
Peter Seib (Portfolio Holder for Economic Vitality)
With additional input on tourism matters provided by:
David Stapleton (Corporate Director for Health and Well-Being)
and Sylvia Seal (Portfolio Holder for Leisure, Culture and Well-being)

These arrangements are now being reviewed following the recent senior management re-structure.

Additionally, the Regeneration Directors of the Local Authorities have included the STP as a regular agenda item in their bi-monthly meetings.

Officers at Somerset County Council are currently producing a partnership delivery plan for 2010/13. The delivery plan will be flexible and modelled on the previous successes of the partnership and the anticipated future capacity of the partnership. The programme will build on the economies of scale offered by partnership working. The delivery plan will offer opportunities for the partners to streamline their operations and to make efficiency savings. It is intended that the STP and thus tourism support in Somerset will move towards a more self-sufficient position in future years.

The STP delivery plan for 2010/13 will be agreed at Corporate Director level.

Somerset Tourism Partnership Budget 2009/10

The budget is detailed at Appendix 1

The budget is administered and monitored to full audit standard by Taunton Deane Borough Council on behalf of STP. They provide quarterly updates and full end-of year reports.

General Commentary on the Budget

Income is derived from Local Authority Contributions. These currently comprise six equal partner contributions of £30000 totalling £180,000.

Private Sector Income comes from the sale of advertising space in the county-wide tourism brochure.

In 2008/09 a contribution of £50,000 was received from the South West Regional Development Agency (SWERDA). Whilst it had originally been expected that a similar contribution would be made in subsequent years, SWERDA have not extended their commitment to further years owing to their own budgetary constraints. In the current year 2009/10 SWERDA are only allocating funding through a bidding process. STP have recently (20.08.09) received an offer of £13,000 from SWERDA for bespoke projects and these figures are not yet shown on this budget sheet.

The income also includes a 'roll over' from 2008/09. This is partly due to brochure distribution costs falling into two financial years and partly due to budgetary underspend. This anomaly will be rectified in the 2010/13 delivery plan

The main achievements and outputs of the partnership in 2009

Tourism Brochure.

One of the main outputs of the partnership has been the production and distribution of the second county-wide tourism brochure. The brochure is part of the co-ordinated county 'branding' exercise being undertaken by the partnership.

It is widely believed that Somerset does not enjoy such a strong brand image as some geographical areas of the South West. By improving county-wide branding and marketing, it is felt that a stronger identity can be developed for Somerset in the competitive world of tourism. The newly 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.

The first 2008 brochure had a distribution of 350,000 copies in the UK and European markets. Conversion Research on the 2008 brochure was undertaken by sampling over 800 recipients of the brochure to ascertain how the brochure had affected their decisions on whether or not to holiday in Somerset. The research was undertaken by the South West Research Co who used the responses in conjunction with the accepted 'Cambridge Model' to produce the following statistics:

Impact of the 2008 Visit Somerset brochure on the Somerset Economy

Somerset County Results	Total
New FTE employment created	53.5 jobs

Safeguarded FTE employment	95.2 jobs
Total gross FTE employment	148.7 jobs
Gross new sales	£3,747,364
Gross sales safeguarded	£6,661,980
Total gross sales	£10,409,344
Net additional value	£2,081,869
Net additional employment	83.3

The research also breaks the statistics down to District level:

South Somerset District Results	Total
New FTE employment	5.2 jobs
Safeguarded FTE employment	9.3 jobs
Total gross FTE employment	14.6 jobs
Gross new sales	£367,389
Gross sales safeguarded	£653,135
Total gross sales	£1,020,524
Net additional value	£204,105
Net additional employment	8.2

Comparing South Somerset's contribution to the production costs of the brochure approx (£25k) to the gross sales generated (£1m+) shows a conversion rate of approx 40:1. This compares well to the conversion rate of the last wholly South Somerset produced brochure (Country Breaks 2006) where the conversion rate was 28:1

Conversion research on the 2009 brochure begins in December.

Other partnership outputs in 2009

Nation-wide, co-ordinated marketing STP has procured the services of a PR company (Fresh PR) with strong regional and national contacts and this helped secure coverage for both Somerset and South Somerset 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.

The second Somerset Tourism Partnership Conference was held at Brean Leisure Park in February. It was attended by over 150 delegates from the public and private sector. A full report on the activities of the partnership was given and guest speakers from the trade offered their perspective on the 2008 season and their aspirations and expectations for 2009. The conference also hosted a 'leaflet exchange' for attractions and accommodation providers.

The tourism and quality training agendas have also been driven by the STP. A training co-ordinator has been employed by STP to organise a range of courses aimed at driving the quality agenda. Advisory courses and regulatory course have been run in conjunction with the district councils at locations across the county. Over 200 representatives from South Somerset businesses have attended training courses during 2009 and taken advantage of short courses such as 'Welcome All' or courses on statutory regulations for the trade.

Leaflet production by STP has included the 'car-free holiday routes.' These are recommended routes around Somerset that can be made without the need to use a motor car. The routes recommend public transport or other sustainable forms of transport and all routes were tested rigorously by STP members for their practicality. The routes included two thematic trips in South Somerset. The idea was well received by the National Press and featured in several tourism sections of the Sunday newspapers.

The Visit Somerset Website Although the website was developed by a separate Rural Renaissance project, it is hoped that it will soon come 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 and a half years and it now records 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

A brief overview on the work of SSDC's own tourism team and new management arrangements.

The work of SSDC's tourism team falls broadly into three areas;

The provision of Tourist information Services across the District. SSDC runs two major tourist information centres. One is located at Cartgate and one is in Yeovil. These serve the needs of around 60,000 visitors to South Somerset each year offering advice on local facilities and arranging accommodation bookings. Additionally we support the South Somerset Local Information Centres, both through the provision of small grants and with advice and support on tourism matters. Yeovil TIC has been short-listed for the third consecutive year for an 'excellence in tourism' regional award.

A tourism business development service. SSDC provides practical business and support to hundreds of small service providers from the sector. We offer one-to-one business advice and organise local training opportunities. We also provide a regular on-line and mailed update on news and opportunities in the sector.

Website and leaflets. SSDC has its own website to provide bespoke coverage of news, events and facilities across the district. It is linked to both the Visit Somerset and District Council sites but provides a greater level of local information. Leaflets produced during 2009 include Discover South Somerset (local attractions), South

Somerset Market Towns, Classic Gardens, the 80 Mile Cycle Route and Horse Riding in South Somerset - launched for the first time in 2009. A district leaflet-exchange event was also held at the Fleet Air Arm Museum in March.

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. Should it be felt appropriate to second staff from the partner bodies into the STP, then partners will have to move to a more robust contractual position. Such a decision would 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.

Background Papers: Scrutiny Committee Minutes February 2009
