

Meeting:	Education and Economy Scrutiny Committee
Date:	10 October 2019
Title:	Gwynedd Plan: Benefiting from Tourism
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Member:	Councillor Gareth Thomas, Cabinet Member – Economy and Community

1. Introduction

- 1.1 This report is presented at the request of the Education and Economy Scrutiny Committee in order to provide an update on the Benefiting from Tourism project that is part of the Gwynedd Plan.

2. Background

- 2.1 The tourism sector is important to Gwynedd and the tourism team under the Gwynedd Council work programme focuses on four key fields:
- i. Digital Marketing - including the website www.ymweldageryri.info and associated social media accounts
 - ii. Events - providing financial support to events from its own budget and a central strategic fund - support was provided to more than 25 events in 2018, including some associated with food, running, watersports, triathlon and music festivals.
 - iii. Engaging with the industry - in particular by facilitating the Destination Management Partnership
 - iv. Managing the relationship with Visit Wales - including submitting applications for specific activities that are funded and delivered, either alone or in partnership with nearby authorities.
- 2.2 In order to recognise the importance of this sector and take advantage of the potential to benefit from all the visitors to the county, the Gwynedd Plan - adopted on 8 March 2018, refers to a developmental project in the field of tourism:

Tourism is one of Gwynedd's main economic sectors and contributes £1 billion annually to the economy and employs over 15,000 in the county.

Despite this, visitors put a significant added pressure on the infrastructure of the county's destinations, a cost which is mainly borne by Gwynedd residents.

Our intention is to look at the possibility of getting visitors to contribute financially to maintaining and enhancing Gwynedd's destinations and raising the standards of the tourism sector by means of different potential models, e.g. a voluntary donation scheme, local tax scheme and sponsorship schemes. In doing so, we will improve the provision of the county's destinations and increase the standard of industry provision for visitors and local residents.

- 2.3 Our purpose through the Benefiting from Tourism project is:

To reinforce Gwynedd's status as a sustainable destination of international quality by researching and implementing the best option to ensure that Gwynedd's residents and businesses benefit from the tourists that visit the county.

2.4 These are the main benefits that could be derived from the project:

- Gwynedd's status as a sustainable destination of international quality will be protected and reinforced by investing the profit from any scheme into the sector and our destinations;
- Gwynedd will have identified the best method of benefiting from the visitors to the county in order to maintain the offer available here and to develop the sector and our destinations;
- The people of Gwynedd will benefit from vibrant and attractive destinations and high quality jobs in the tourism sector;
- The tourism sector and the Gwynedd Destination Management Partnership will be reinforced by the establishment of a self-sufficient scheme to support the sector and our destinations by year 3 of the Project.

Progress

2.2 An internal Project Group was established to support the implementation of the project and to agree on a work programme.

2.3 In order to support our project and ensure that the sector supports the research, a consultation session was held with the Gwynedd Destination Management Partnership and key stakeholders in the sector on 10 October 2018.

2.4 The intention of the meeting was to review the Gwynedd Destination Management Plan, highlight the financial restrictions on the Council and on the public sector in general and, identify potential ways of funding priorities and supporting the tourism sector, destinations and outstanding resources of Gwynedd in the future.

2.5 As a result of that meeting, a Project Steering Board was developed, with varied representation from: Gwynedd Council, Gwynedd Destination Management Partnership, Snowdonia National Park, Arloesi Gwynedd Wledig, Federation of Small Businesses, Gwynedd Business Network and representatives from the tourism sector.

2.6 In order to support the project, the Project Board developed a brief to be commissioned by consultants. The aim of the commission was to find suitable and experienced consultants to identify a favoured implementation model, having considered the support for the option provided by the sector and the Council, the cost of implementing it and the possible benefit that could be derived from it. The consultants also needed to consider all research done in this field in Gwynedd since 2013.

3. The brief of the Benefiting from Tourism Commission

3.1 The commission's main tasks were divided into two steps:

Step 1 - Assessment of the possible models

Carry out an assessment that will consider the following:

- Successful funding models or schemes in other areas;
- Models already operational in Gwynedd, lessons learnt from them and consideration as to whether these could be extended across Gwynedd.
- Current provision given to supporting Gwynedd's tourism Destination Management;
- Gaps in service provision that require attention through the recommended implementation model and consider possible priorities based on the Destination Management Plan;

- Discover the views and input of the sector on-line to any potential implementation models.
- A report summarising the above.

Step 2 – Recommendation and funding models

- Provide a vision and potential investment priorities for the future
- Identify the best model to realise the destination management plan, to support the development of the sector and the local offer;
- Provide a model and implementation strategy to deliver the model and the associated destination management benefits;
- Provide detailed costs for establishing and implementing the model, including an estimate of the possible income that could be derived from its delivery;
- A draft report outlining Step 1 and Step 2;
- Submit the research findings to relevant committees;

4. Update

4.1 Following an open procurement procedure on sell2wales, the Council appointed Bluechip Tourism and RJS to undertake the research on behalf of the Council and the Project Management Board. An additional workshop was held with the sector on 11 March 2019, as well as individual discussions with stakeholders and an on-line questionnaire was developed to identify priorities and the broader view when moving ahead with the recommendations.

4.2 A draft report has been received which highlights that change is acknowledged as something that must happen by the Destination Management Partnership and that the investment priorities would be the quality of the experience (including basic infrastructure) and on-line marketing.

4.3 Four main options for generating revenue are highlighted for consideration:

4.3.1 Visitors Giving Scheme (based on Rhodd Eryri)

Under this option, visitors would be encouraged to make a voluntary contribution towards a donation scheme in hotels, attractions, holiday accommodation or specific destinations in order to support schemes such as conservation work, maintenance of destinations, attractions, culture and language, etc. This would be an extension of the Rhodd Eryri Pilot Scheme, but would be implemented across Gwynedd and it could possibly be based on the eight Well-being Areas

4.3.2 Tourism Business Improvement District (BID)

Under this option, a model similar to the Caernarfon and Bangor BID would be developed across all businesses involved in tourism in Gwynedd. A levy would be charged on business rates associated with the tourism sector. The contributions to this 'levy' could also be passed on to the visitor by increasing some prices / fees.

4.3.3 Tourism Levy

This option would develop a levy to be charged on every visitor to Gwynedd. The most convenient way of collecting the money would possibly be through the accommodation and attractions sector - however, at present the Council does not have the powers to charge such a levy on a compulsory basis. This would be similar to the local tourism tax seen in many overseas destinations.

4.3.4 Different methods of commercialisation

Attempting to get companies or other organisations to sponsor products and services, e.g. destinations, toilets, Snowdonia Mountains and Coast booklet, events, etc.

4.4 All of these options have various strengths and weaknesses and their ability to generate revenue also varies greatly.

4.5 Also, it must be acknowledged that some options could be contentious amongst the tourism sector in Gwynedd and there are some where the Council does not currently have powers to implement them.

5. The broader context

5.1 The Council undertook a review of the Gwynedd bed-stock in 2018-2019. A number of considerations derive from that review that could influence and guide our activities over the coming years.

5.2 The Council is in the process of reviewing our Destination Management Plan and identifying new investment priorities for the future, as well as a new implementation model for the Gwynedd Destination Management Partnership.

5.3 Welsh Government is developing a new Tourism Strategy for Wales and we will need to consider that Strategy in the future for, e.g. funds, strategic tourism developments, maintaining and strengthening the sector in Gwynedd, etc.

5.4 The Council is currently carrying out research and a review into the second homes field and planning policy, and this could influence our future policies and priorities.

5.5 In light of the above, the intention is for the Council to develop a framework of principles for the tourism field in order to reflect all reviews, new developments and indeed, the initial research of the Benefiting from Tourism project in order to set a clear direction for the future.

6. Timetable

6.1 It is anticipated that we follow the timetable below:

October 2019	Report to the Education and Economy Scrutiny Committee
November+December	Develop a Gwynedd Tourism Principles Framework
January - March 2020	Develop a new Tourism Plan for Gwynedd Consultation with sector Report to the Scrutiny Committee
April 2020	Report to the Gwynedd Council Cabinet for a decision
April 2020 →	Adopt Tourism Plan Implement the option favoured by the Cabinet

7. Conclusion

7.1 The Education and Economy Scrutiny Committee is invited to scrutinise the implementation process for the Benefiting from Tourism project to date.

7.2 The Education and Economy Scrutiny Committee is invited to scrutinise the Tourism Framework in the future when it will be timely to do so.