

Cheltenham Borough Council
Cabinet – 8 November 2016
Tourism Development Project Update

Accountable member	Cllr Steve Jordan, Leader of the Council
Accountable officer	Tim Atkins, Managing Director Place & Economic Development
Ward(s) affected	None
Key Decision	No
Executive summary	<p>In March 2016, Cabinet delegated authority to the Managing Director, Place & Economic Development, in consultation with the relevant Cabinet Member, to consider how to allocate £50,000 funding set aside to support strategic tourism and to begin implementation of the report by Creative Tourist 'A Strategic Outcomes Proposition for Cheltenham'.</p> <p>It was agreed that the funding should be split between consultancy fees for the engagement of a tourism consultant and an operational budget to deliver some of the actions. A tourism consultant, Kelly Ballard, was subsequently appointed at the end of July on a twelve month contract (working approximately two days a week) with a remit to support delivery of the year one priorities identified by Creative Tourist and the priorities identified by the Tourism Partnership.</p> <p>This report outlines the key deliverables expected from this first phase of implementation together with a number of specific outputs from the project. It also provides an update on current activity, covering engagement and communication, brand and strategy development, work with Cheltenham BID and other key partners, the relationship with local DMOs and the development of a sustainable business model.</p>
Recommendations	Cabinet is asked to note the progress and direction of travel of the tourism development project.

Financial implications	<p>None directly arising from this report.</p> <p>Contact officer: Nina Philippidis, nina.philippidis@cheltenham.gov.uk, 01242 264121</p>
Legal implications	<p>There are no direct implications arising from this report.</p> <p>Contact officer: Shirin Wotherspoon, shirin.wotherspoon @tewkesbury.gov.uk, 01684 272017</p>

HR implications (including learning and organisational development)	There are no direct implications arising from this report. Contact officer: Julie McCarthy, HR Manager (GO shared services West), Julie.mccarthy@cheltenham.gcsx.gov.uk, 01242 264355
Key risks	See risk assessment
Corporate and community plan Implications	Tourism is a cross-cutting theme which runs through many of the council's activities such as economic development, culture, health and wellbeing, public realm and community engagement. The implementation of Creative Tourist's Outcomes Proposition will support the council's outcome of sustaining and growing Cheltenham's economic and cultural vitality, but it also has the capacity to contribute to the protection, maintenance and enhancement of the town's environmental quality and heritage. Creating opportunities for visitors also brings benefits to local people and can contribute to healthy communities.
Environmental and climate change implications	There are no direct implications arising from this report; however, it will be important to consider the impact on the environment and climate change of tourism activities as initiatives are implemented.
Property/Asset Implications	There are no direct implications arising from this report. Contact officer: David Roberts@cheltenham.gov.uk

1. Background

- 1.1** In March 2016, Cabinet delegated authority to the Managing Director, Place & Economic Development, in consultation with the relevant Cabinet Member, to consider how to allocate £50,000 funding set aside to support strategic tourism and to begin implementation of the report by Creative Tourist 'A Strategic Outcomes Proposition for Cheltenham'.
- 1.2** This report identified a number of priority actions, one of which was to source additional capacity to drive the programme forward. It was agreed that the funding should be split between consultancy fees for the engagement of a tourism consultant and an operational budget to deliver some of the actions. A procurement process was undertaken and Kelly Ballard was appointed at the end of July 2016 with a remit to support delivery of the year one priorities identified by Creative Tourist and the priorities identified by the Tourism Partnership, which were outlined in the March Cabinet report. Kelly is on a twelve month contract working approximately two days per week.

2. Project outputs and outcomes

- 2.1** The outcomes proposition developed by Creative Tourist sets out "an ambitious but achievable set of progressive steps for tourism in Cheltenham for the period 2016-2020". Within this a number of priority actions are identified which were highlighted in the March Cabinet report.
- 2.2** These informed the brief to engage the tourism consultant. The brief set out a number of key deliverables for the first, twelve month, phase of implementing the outcomes proposition action plan:
- A clear identity for Cheltenham and a positioning of the town within the tourism market – linked to the emerging Place Strategy

- A clear understanding of the activities which will deliver the greatest impact and / or are the most urgent, how they can be delivered and the order in which they should be delivered. The consultant will be expected to undertake delivery and/or support others to deliver some of these activities during the term of the project
- Clear and well-functioning partnership structures with defined roles and responsibilities to sustain the delivery of tourism over the longer term
- Established links between tourism and the wider economic agenda which can be maintained to ensure activities are aligned

2.3 These deliverables will be supported by a number of specific outputs, which will be developed during the project:

- A sustainable business model for the future delivery of tourism in Cheltenham
- A succinct tourism strategy, shaped from the Creative Tourist recommendations
- A brand which positions Cheltenham and can be used to appeal to visitors, residents and investors
- A marketing strategy with initial supporting content, itineraries and product themes
- A communications strategy promoting regular engagement with tourism businesses

3. Current activities

3.1 A project work programme has been agreed (see appendix 2), which identifies a number of workstreams:

- Stakeholder communication
- Research
- Strategy
- Business model
- Funding
- Planning
- Brand development
- Delivery

3.2 However, it should be noted that this is a working document which will be reviewed as the project progresses.

3.3 The following paragraphs outline current activity within the overall work programme. Overview & Scrutiny Committee received a 'Place & Economic Update' paper on 31 October 2016, which included a section on tourism activities. The full extract is at appendix 3, but is summarised below with some additional information.

Stakeholder engagement

3.4 Introductory meetings have been held with key tourism stakeholders including tourism partnership members, cabinet members responsible for tourism and a number of local tourism businesses. This has included work with the Cheltenham Trust to gain a better understanding of the work the team undertakes, to support them in re-shaping their marketing plans and resources and to engage with them on the wider marketing strategy.

Communications plan

3.5 This is being developed and implemented with the intention of promoting the work that is being undertaken and increasing awareness of activity to engage tourism businesses to get involved, which will continue beyond the end of the project. A database of all tourism businesses in Cheltenham is in development to support this. An initial press release has already been issued, which covers the recently announced 2015 Value of Tourism figures. Research undertaken by

South West Research Company concludes that in 2015 the value Cheltenham's tourism economy was worth c£154m per year. A further breakdown is available at appendix 4.

Strategies

- 3.6** Work is underway to develop a short, punchy strategy to engage stakeholders, which is being created from the Creative Tourist recommendations (in draft by end November). Following on from this a marketing strategy will be developed (in draft by January 2017). Both documents will be signed off by the Tourism Partnership.

Brand development

- 3.7** The brand platform will be in place for the start of 2017. Effective branding requires specific expertise, so a brand specialist is being brought in to support this workstream. It is essential that the 'Cheltenham Brand' development work is closely aligned to the emerging Place Strategy. The branding work will involve input from key stakeholders from across the town, including the Council. This work will feed into the development of the marketing strategy.

Working with Cheltenham BID

- 3.8** The Council and BID have jointly commissioned a piece of research which will give an overview of who is coming to Cheltenham, who isn't and the reasons why? It will also look at people's perceptions of Cheltenham, which will inform marketing opportunities. A Christmas marketing campaign is currently being developed with the Trust, which can be a test bed for future collaborative campaigns.

Cotswolds Tourism Partnership (Cotswolds DMO)

- 3.9** The value of partnering with this organisation currently lies in improving Cheltenham's profile in the Cotswolds, the links and marketing opportunities from VisitBritain and VisitEngland and access to email databases and performance data, particularly whilst Cheltenham develops its own business model. A £3k contribution has therefore been made for the next year; however, the relationship will be reviewed and clarified as part of the development of a business model for Cheltenham.

Business model

- 3.10** The Tourism Partnership will be discussing initial ideas on 23 November and the appetite from partners to support and invest will be assessed. A number of destination models need to be reviewed and consideration also needs to be given to how to work effectively with other DMOs and tourism organisations, particularly Gloucester and the Cotswolds.
- 3.11** The potential value of a relationship with Cotswolds DMO is outlined at 3.9 above. Marketing Gloucester, which is a well-resourced DMO benefiting from both public and private investment, has recently seen strong growth in tourism and there is the potential for Cheltenham and Gloucester to be complementary destinations. The value of tourism for Gloucester in 2015 was c£200m. They saw a significant increase in day visitors – undoubtedly a result of the increased events programme (including the Rugby World Cup) and investment in regional marketing.
- 3.12** The two destinations working together could potentially pull the important staying visitor – both domestic and overseas. The Cheltenham Trust is already working to build a constructive relationship with this organisation and the two have recently come together to submit a joint bid for funding to Discover England (outcome of bid awaited). There could be potential for a similar type of organisation that would be responsible for inward investment and wider 'place' marketing and this is also being considered.
- 3.13** A clear direction on the business model approach is expected by March 2017.

4. Consultation and feedback

- 4.1 As outlined above, Overview & Scrutiny Committee received a 'Place & Economic Update' paper on 31 October 2016, which included a section on tourism activities.
- 4.2 In addition, there has been considerable engagement and consultation with many of the stakeholders regarding this work; this programme is ongoing and will be supported by the communications strategy.

5. Performance management – monitoring and review

- 5.1 The Managing Director, Place & Economic Development and the Chief Executive of the Cheltenham Trust receive progress reports and have regular meetings with the tourism consultant to review progress and adjust the work programme as required. The Tourism partnership will receive progress reports which will then progress into a mechanism for assessing and monitoring performance.

Report author	Contact officer: Gill Morris, Client Officer, gill.morris@cheltenham.gov.uk, 01242 264229
Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Tourism development project work programme August 2016-July 2017 (working document)3. Overview & Scrutiny Committee, 31 October 2016: extract of paper 'Place & Economic Update'4. 2015 Value of Tourism figures
Background information	<ol style="list-style-type: none">1. Creative Tourist Consults report – 'A strategic tourism outcomes proposition for Cheltenham'

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the expectation of stakeholders about what can be delivered within current funds is not realistic then this could have a detrimental impact on the perception of the Council	MD Place & Economic Development	8/11/16	3	3	9	Reduce	Manage stakeholder expectation through regular communication and engagement		Tourism consultant with MD Place & Economic Development	Place & Economic Development Division
	If the Tourism Partnership and key stakeholders are unable to agree on a joined up strategy of working together to improve tourism then the ability to develop a strong and coherent tourism sector in Cheltenham will be compromised	MD Place & Economic Development	8/11/16	4	4	16	Reduce	Ensure effective engagement and discussion with stakeholders during development of business model		Tourism consultant with MD Place & Economic Development	Place & Economic Development Division
	If the council is unable to provide resource to support tourism beyond this initial 1 year engagement then this may have a negative impact on overall economic growth and	MD Place & Economic Development	8/11/16	4	4	16	Reduce	Develop an understanding of the appetite for support and investment by partners and use as a basis for exploring the level of council resource that may		Tourism consultant with MD Place & Economic Development	Place & Economic Development Division

	place pressure on the MTFS							be required			
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Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)

Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)

Control - Either: Reduce / Accept / Transfer to 3rd party / Close