



**SCRUTINY SUB-COMMITTEE FOR
BUILDING A STRONG ECONOMY**

“Wish You Were Here?”



**A REVIEW OF TOURISM
IN COUNTY DURHAM**

EXECUTIVE SUMMARY

May 2006

INTRODUCTION FROM COUNCILLOR RAY PYE CHAIRMAN OF THE WORKING GROUP



This is an Executive Summary of our investigation into Tourism in County Durham. The full report sets out the detailed evidence on which the findings and recommendations are based.

In the Council's 2005/6 Corporate and Best Value Performance Plan, the development of the Tourism industry in County Durham was one of the Council's priority aims to help build a strong economy. The County Council has been a keen supporter of tourism for many years. It was formally a key member of the Northumbria Tourist Board. New structures are now in place through the Area Tourism Partnership to seek to increase the pace of the development of tourism in the north east. The Area Tourism Partnership is still evolving.

This project was timed to seek to assist in the introduction of this new Partnership. We have spoken to people and organisations directly involved in the tourism industry and we have sought to increase our understanding of the current policy strategies.

Tourism, as the Council's Strategic Vision indicates, can provide great opportunities for County Durham. This, however, has to be balanced to ensure that there are overall benefits to the residents of County Durham. We would like to look forward to a situation where all jobs in the tourism industry were well-remunerated and highly skilled to provide a high-quality experience for visitors and also high-quality employment. This report suggests ways in which, in partnership, the County Council can contribute to this approach.

I would like to thank all the members of the working group and the officers and organisations who helped us in this project. One North East has told us that the tourist potential in the north east is significant. We hope that the County Council can work with the tourist industry to expand this industry for the overall benefit of residents in the County. This includes promoting the interests of those employed in the tourist industry and building a stronger economy in the County.

Members of the Scrutiny Working Group

Councillor Ray Pye (Chairman)

Councillors: Armstrong, Bowman, Carroll, Coates, Chapman, Cordon, Douthwaite, Gray, Marshall, Meir, Simmons, Southwell, Williams and Young.

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This investigation has provided a deeper understanding of the key issues about the development of tourism in County Durham. The report is timely in that the Area Tourism Partnership is currently in its formative stages and there is an opportunity to influence the way in which the partnership develops.

Perhaps the key issues which have arisen from the evidence are:-

- One of the County Council's key priorities for improvement in the 2005/6 Corporate and Best Value Performance Plan to assist in building a strong economy in County Durham was to help build the tourism sector and, in particular, the value of the tourism sector in the County.
- Tourism is also reflected as a key challenge in the Strategic Vision. The aim is to increase the percentage of the workforce employed in tourism, increase the skill levels of employees, increase the amount of money people spend in the County and raise local and national awareness of the County's attractions.
- For the year 2006/7, tourism is no longer a priority area for the Council but is still an important factor in the County's economy.

Some Statistics – based on 2003 figures

- Durham County's share of the national tourism market is currently only 4%.
- Nevertheless, tourism is worth an estimated £322m each year to Durham's economy
- An estimated 17 million visitors come to County Durham each year but 15.7 million come only for one day and 1.3 million for over one day
- Of those 1.3 million visitors who come to Durham for more than a day, the average length of stay of visitors is only 2.8 days with a total average spend of these visitors of £105.00.
- The average spend by those who visit for one day is £11.70.
- Approximately 70,000 visitors come to Durham each year from overseas.
- Total employment is estimated to be 6,700 people directly and indirectly employed

- Whilst tourism in this country continues to grow, our share of the world market is declining
- The North East does not compare well in terms of its market share nationally - only an estimated 4% of the total market
- OneNorthEast is now responsible for promoting tourism in the North East. They have increased publicity spending considerably although it is too early to tell how successful this has been
- There is significant enthusiasm locally that the potential share of the tourism market in County Durham can be significantly increased.
- As the Council's policies indicate, an increase in tourism needs to be pursued carefully to provide overall benefits to the County including ensuring that those who work in the tourist industry are appropriately trained and adequately remunerated.
- The development of tourism in County Durham also needs to be progressed sustainably. We need to ensure that we safeguard the attractions of the County on a long term basis and provide tourism growth which can continue into the foreseeable future.
- In speaking to stakeholders in the tourist industry there was a recognition that there needs to be an increase in the focus of both the public and private sector to further develop tourism in County Durham. There is a perceived need for better co-ordination and avoidance of duplication particularly in relation to publicity
- There is no overall strategy in relation to supporting and encouraging overseas visitors particularly those visitors who do not speak English
- A large number of publicity brochures is produced by the County Council but the overall strategy and the way in which these brochures co-ordinate with other publicity to promote tourism is not clear
- The County Council is refocusing its support to tourism and is no longer to produce the County Durham Holiday brochure
- The County Council needs to consider its overall support to the Area Tourism Partnership and the way it co-ordinates its tourism support within its various services and through the County Durham Development Company
- There is need for a more co-ordinated focus in the way in which the various County Council services promotes tourism.

Recommendations

The development of the tourist industry in County Durham was identified as a key aim in building a strong economy. This is no longer a priority for improvement but remains an important element of the County's economic strategies. This investigation has demonstrated that the North East still has a very modest share of the national tourism industry. This is reflected in the position in County Durham. Durham City attracts significant numbers of tourists but this appears to be for day visits and the spend per tourist is estimated to be under £12. The Strategic Vision also looks to creating new tourism projects in coastal and western rural locations but few projects have yet been developed.

One NorthEast has significantly increased spending on the marketing of the North East under the 'Passionate People: Passionate Places' logo. It is too early to say whether this will have a significant impact on County Durham's tourism industry.

The Area Tourism Partnership has now just been formed and this Partnership will be the new vehicle for promoting tourism in County Durham.

In many respects, an increase in the tourism economy in County Durham is dependent upon the new regional and County approach. It is, therefore, perhaps timely that this report has reviewed the current position and can provide some considered views about the way forward. It is noted, however, that, in gathering evidence, the members of the working group have detected a degree of impatience within the tourist industry about the time taken to develop this new approach.

The following recommendations are made for consideration by Cabinet. Many are targeted particularly at the operation of the Area Tourism Partnership and the Council's approach to the Partnership.

The main recommendation is that:-

i. The County Council needs to urgently clarify its role and operation in relation to the Area Tourism Partnership.

In approaching this new relationship, the following issues have arisen in this investigation and, in our view, require consideration.

- Representatives from the tourist industry have pointed out the need for co-ordination and reduction of duplication in the provision of publicity material and support. There is a great deal of information available. It will be for the Partnership to provide advice to the Council about the most effective publicity and support.
- Tourism still has an image as a low-pay, low-skilled industry. If tourism is to assist in promoting the County's economy, there needs to be a move towards a higher-skilled and better remunerated workforce with a particular focus on promoting longer visits and 'repeat' visits.

- There needs to be further clarification of the main market which is to be expanded. Is it the number of day trips or extending the period of visits or both ? The role of the overseas market and non-English speaking tourists also needs to be considered in more detail.
 - The total spend of those visitors who stay more than one day and those who visit for one day is modest. There is a balance to be struck but the benefits of tourism need to be manifestly an overall benefit for County Durham's economy and an increase in spend to assist the local economy should be a key focus. It is suggested that the priority should be to increase tourism spend rather than simply attract more tourists.
 - The possibilities of co-ordinating marketing of tourist attractions in Durham do not seem to be exploited to a great extent at the moment. In the past, marketing has been carried out involving a number of attractions. This is an area which perhaps should be pursued particularly using booking via a website.
 - There does not seem to be any clear process of monitoring the success of OneNorthEast's new publicity campaign and the impact on County Durham. This must be a key to any long term strategy.
- ii. **Performance indicators should be developed to assist the Council in assessing progress and the overall benefits of tourism to the Council.**

At the moment, there is no regular report to Councillors about the progress being made in relation to the development of tourism. It is understood that some performance indicators are being developed. It is important that appropriate information is provided including the trends in visitor numbers, their spend and length of stay, so that the overall benefits of tourism to the County can be assessed.

- iii. **Consideration should be given to a transparent corporate approach to tourism within the County Council.**

The County Council currently has no regular Officer Working Group to seek to co-ordinate tourism issues across all the County Council services including the County Durham Development Company. The establishment of a structure to deliver this corporate aim should be considered.

- iv. **The Strategic Vision should be revisited in relation to tourism issues.**

The Strategic Vision looks to creating new tourism projects in coastal and western rural locations but few projects have been developed. This, perhaps, needs to be revisited in the context of maximising the potential benefit to local communities as has been achieved, for example, by The Rose and Crown at Romalldkirk.

- v. **On the basis that tourism will be a highly skilled and appropriately remunerated industry, the County Council should be promoting this as an opportunity for local employment and sustainable businesses.**

If you require this information summarised in other languages or formats, such as Braille, large print or talking tapes, please contact: (0191) 383 3506

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