

Economy and Enterprise Overview and Scrutiny Committee

7 November 2019



Visit County Durham (VCD) – Development & Marketing activity

Joint report of Lorraine O'Donnell, Director of Transformation and Partnerships and Ian Thompson, Corporate Director of Regeneration and Local Services

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The report provides members with background information on the activity undertaken by Visit County Durham (VCD) to develop and promote County Durham as a tourism destination prior to a presentation by Michelle Gorman, Managing Director, VCD, Regeneration and Local Services.

Executive summary

- 2 Members will recall that previously we have received detail of progress made in relation to the recommendations contained in the scrutiny review report focusing on the activity undertaken by VCD to develop and promote the County as a tourism destination with the last update considered by the committee at the meeting on the 5 April 2018.
- 3 The committee has received an update on the activity undertaken by VCD as part of its 2018/19 work programme. When considering its work programme for 2019/2020 members agreed to include a further progress update so that they are kept informed of the various development and marketing activity undertaken and the performance of VCD.
- 4 Arrangements have been made for Michelle Gorman, Managing Director, VCD to attend the meeting on the 7 November 2019 to deliver a presentation focusing on:

- County Durham Visitor Economy
- Partnership support and industry engagement
- Destination development
- Marketing

A copy of the presentation slides are attached as Appendix 2.

- 5 It is proposed that the committee will continue to monitor the performance of VCD in developing and marketing the county as a tourism destination with a further progress report to be included in the committee's 2020/2021 work programme.

Recommendations

- 6 That the Economy and Enterprise OSC consider and comment on the information provided in this report and presentation provided at the meeting.
- 7 That the Economy and Enterprise OSC includes in its work programme for 2020/2021 a further progress report detailing the future performance of VCD in marketing the county as a tourism destination together with examples of marketing undertaken.

Background

- 8 Visit County Durham is the destination management organisation (DMO) for County Durham working on behalf of businesses and public agencies, we came into being on 1 April 2006.
- 9 Our purpose is to provide strategic added value, coordination and leadership to tourism activity and the visitor economy in the county for public agencies, private sector, local authorities and tourism businesses. We deliver the county's destination management, destination marketing and place marketing functions.
- 10 Our main activity is destination management. This means influencing or delivering directly activities that relate to visitors and the visitor economy, including marketing, information services, product development, visitor experience, business engagement and workforce development.
- 11 Many people are involved in delivering a vibrant visitor economy, which is why we work in partnership with businesses, stakeholders and partners from across the county, in the region, and nationally and internationally with Britain's tourism board VisitEngland/VisitBritain. We take a different role in each of our areas of activity depending on need and existing arrangements.

- 12 Our objective is to ensure that the tourism sector performs to its maximum capacity and brings economic benefits to the county in the form of wealth and job creation. Our broad aims are to attract people to the area and to provide visitors with the best possible experience.

County Durham Visitor Economy

Performance

- 13 Market intelligence is essential in order to accurately inform and shape the work of Visit County Durham and our partners, we gather and analyse current and relevant intelligence and information to help the county's tourism sector to prosper and grow.
- 14 One of the main pieces of research undertaken is the annual economic impact assessment STEAM, which approaches the measurement of tourism from the bottom up, through its use of local supply side data and tourism performance and visitor survey data collection. The latest results from 2018 show:
- 19.71 million people visited Durham in 2018, the same as the previous year
 - £913.8m economic impact (visitor spend), up 1.4% on 2017
 - The number of days visitors spent in the destination grew by 0.2% to 22.3 million visitor days.
 - Overall visitor expenditure stands at £913.84 million, up by 1.4% on 2017
 - The number of people directly employed in tourism in Durham in 2018 rose to 9,613 (FTEs). When indirect employment in the supply chain is taken into account total employment stands at 11,998, up also by 2.7%.
 - The number of overnight visitors to Durham rose 4.2% to 1.6 million with these visitors spending 4.2 million nights in the destination. These visitors spend £388.13 million while in Durham, up by 4% on 2017.
 - Day visitor levels fell by 0.4% to 18.11 million visitors, with expenditure levels also down by 0.4% to £525.72 million.
 - 92% of all visits are day visits with these visitors accounting for 58% of all expenditure.
 - Average expenditure for overnight visitors is £184.13 per trip while the average day visitor spend is £21.52 per trip.

General

- 15 The Durham Tourism Management Plan (DTMaP) is the destination's plan which converts local, regional and national market research and strategies into a county-based plan to grow the county's visitor

economy. The plan is for all organisations and individuals in Durham, and, where relevant, national bodies to help them understand what is being done, what needs to be done and how they can contribute to Durham's success.

- 16 Visit County Durham, one of only 11 destinations from around the world, was asked to participate in the study as an example of best practice and successful destination management. The consultation process focussed primarily on the Durham Tourism Management Plan but reviewed staff structures, finance, operating model and stakeholder engagement. The outcome from the study is a recommendation for establishing regional DMO's in Iceland.
- 17 In addition to the Iceland study, Visit County Durham's operating model will be included as a case study in a practical destination management handbook for the World Bank. The handbook is intended for use by stakeholders in places that are establishing a new destination management structure, the model they will use is where the DMO works within the framework of a local authority.
- 18 In June the Prime Minister announced the UK's first ever tourism sector deal, reaffirming the UK's global role as a key player in the industry.
- 19 The new deal aims to revolutionise the way data is used by the sector, through the creation of new Tourism Data Hub. The hub will collate regularly updated data showing the latest trends and spends, allowing businesses to better target overseas visitors.
- 20 The deal will also support the creation of an additional 10,000 apprenticeships for people building their careers in the tourism and hospitality sectors.
- 21 More than 130,000 new hotel rooms are set to be built across the UK, with 75% being built outside of London. £250,000 to improve broadband connectivity in conferences centres across the UK for business visitors.
- 22 Pilot of up to five new Tourism Zones to drive visitor numbers across the country. Zones will receive Government support for growing their local visitor economy, through initiatives like targeted support for product and promotion development, mentoring support to businesses and digital skills training.
- 23 A regional steering group has been established to develop a North East Tourism Zone bid. Members of the steering group are: North East LEP, Visit County Durham, NewcastleGateshead Initiative, LA5

Economic Development representatives, NEXUS (Transport for the North), Newcastle Airport.

Partnership support and industry engagement

- 24 We work with c850 core tourism businesses across the county – accommodation, attractions and activities, plus an additional 500 plus businesses that contribute and are integral to the visitor economy, these include transport, cafes, restaurants, retail and suppliers of services to the tourism industry.
- 25 We engage with and support partners via several channels. Our weekly e-newsletter the Wednesday Grapevine is sent to over 1,200 contacts. Tailored training sessions are held throughout the year; in 2019/20 sessions included astro-tourism, weddings, social media, YouTube and informal drop-in days. We have an annual programme of industry events which includes informal networking and a spring and autumn conference.
- 26 The annual garden party took place on 10th July with over 120 people in attendance at Hallgarth Manor Hotel at Pitlington. Brian Harvey from Ushaw was announced as the winner of Durham’s Tourism Superstar 2019.
- 27 In addition to our general partnership scheme we offer a Strategic Partnership service for key businesses to shape and influence destination development and marketing activity for Durham. We work in partnership to develop and deliver domestic and overseas marketing activities, monthly and annual themed campaigns.
- 28 Following the success of last year’s UKinbound international familiarisation trip, we arranged for an AGTO (Association of Group Travel Organisers) travel showcase for the domestic market. The trip took place 13th – 15th September, the group visited The Auckland Project and had a guided tour of Durham Cathedral and Castle.
- 29 Visit County Durham continues to work in partnership with transport organisations who represent key points of entry in to the North East, or move visitors around the county including the Port of Tyne, Newcastle and Durham Tees Valley Airports, LNER and TransPennine Express, Go NorthEast and Arriva.

Destination development

- 30 In the latest Government spending review statement (September 2019) DCMS confirmed top line figures for VisitBritain/VisitEngland’s funding settlement for 2020/21, which is an inflationary increase on core budget in line with other arms’ length bodies, and an additional

£5.45m has been allocated for the Discover England Fund. More details on the Fund will be available later this year.

- 31 All large-scale £1m plus Discover England Fund projects are in the final stages of delivery with most seeking additional partner contributions to continue with trade engagement and promotion and to bridge the funding gap between the end of September 2019 and April 2020.
- 32 Visit County Durham expanded its portfolio of projects and is now a partner destination in 4 x large scale £1.5m projects and 2 smaller £250k projects.
- The Explorers Route (A1) – targeting Germany <https://www.visitlondon.com/englandoriginals/>
 - England Originals (15 x heritage cities) – USA <https://www.theexplorersroad.co.uk/>
 - Manchester Gateway (excursions from the airport) – USA <https://www.visitmanchester.com/things-to-see-and-do/gateway-to-the-north/explore-the-north>
 - Discover England's Coast – targeting Germany and the Netherlands – <https://www.englishcoast.com/en>
 - Faith Tourism: Explore Churches – USA <https://www.explorechurches.org/experiences>
 - Northern World Heritage Sites – Ireland and USA <https://www.golakes.co.uk/northern-world-heritage/englands-world-heritage-itineraries.aspx>
- 33 The aims of the Discover England Fund projects are to increase the volume of international visitors by creating itineraries that showcase the city and county or excursions that open up the North of England.
- 34 2020 has been designated a Year of Pilgrimage in the county. We are working in partnership with Durham Cathedral, churches, the heritage and culture sectors to co-ordinate a programme of activity, events and exhibitions to explore the concept of pilgrimage and what it means to people today.
- 35 Work has started to develop 6 x pilgrimage routes: Northern Saints Trails, led by Visit County Durham, the routes will be themed to draw together key aspects that link the saints with artefacts, heritage sites and buildings, and the stories of the saints. NorthernSaints.com
- 36 The trails will be launched in spring 2020 and will be one main elements of the Year of Pilgrimage. The Bishop of Durham has pledged to walk each of the new routes and is encouraging people to join him on his journey.

- 37 Work continues with Durham Police, Durham Prison, Durham Courts, Durham University, Beamish Museums, Durham Cathedral and DCC Archives and Heritage team to explore the potential of a Crime and Punishment theme for the city.
- 38 Crime and Punishment themed walks were held as part of Heritage Open Days. The two events sold out and a third event has been organised for those who were on a waiting list.
- 39 VCD, in partnership with Durham Community Action and Durham Farmers Market organised an October Taste Durham Veg Cities takeover which saw chef demo's by New College Durham and East Durham College students of locally produced vegetable-based dishes in Durham Market Place. The aim of the takeover was to raise the profile of local produce and encourage people to eat more veg.
- 40 30,000 Durham Church Trail maps have now been distributed around the city. This project has increased product by 1/3 with more opening hours and increased facilities. The map received funding from Durham City AAP. Coverage of the project has been achieved in several outlets including the Northern Echo and a feature on Premier Radio.
- 41 Visit County Durham offers support, advice and guidance for potential investors in the county's tourism product and submits formal responses to tourism planning applications. Tailored support is provided for key capital developments.
- 42 As part of the Accommodation Study programme, 2 workshops were held in May, designed to provide supporting information in relation to those wishing to develop or expand in the accommodation sector.
- 43 The workshops covered key trends, market gaps, opportunities and planning information. Both days were full, with 33 businesses attending. Alongside this, 77 businesses were represented at the spring conference and 11 at the glamping workshop, taking the total number of businesses incentivised to develop accommodation to 120.
- 44 A meeting has taken place with the National Trust to discuss ways in which we can increase the Trust's profile and portfolio in the county.

Marketing

- 45 Three international matches were held at The Riverside as part of the ICC Cricket World Cup. With an estimated 70,000 people from around the world visiting Durham the event is being hailed a major success for the area.

- 46 The fanzone, held in Market Place and Millennium Place, attracted an estimated 27,000 visitors over the weekend of 28th June. Feedback from the English Cricket Board CWC team has been overwhelmingly positive, praising Durham's approach to promotion, communication and collaboration between host city team and the venue.
- 47 July saw a spike in Equivalent Advertising Value (EAV) PR value of over £2.3m with an estimated reach in excess of 80m readers – the Rhianna effect.
- 48 #Durham19 – the county's Year of Culture. 2019 is designated as a Year of Culture in Durham, to celebrate an unprecedented programme of events, festivals, anniversaries and openings taking place across the county.
- 49 The #Durham19 campaign, launched by Visit County Durham in partnership with Durham County Council, County Durham Cultural Partnership and partners from across the county, uses the Year of Culture to attract overnight visitors, increase day visits and event footfall, and engage with local communities.
- 50 Durham's Year of Culture was officially launched at Durham Town Hall in March with over 100 in attendance and a celebration event at the House of Commons in London on 30th April was well attended.
- 51 Activity is still ongoing with Events Guides distributed throughout the region, advertising has included the Evening Standard, Kings Cross on the digital billboard and at Westminster Tube Station coinciding with the Durham County Council House of Commons reception in April. Digital screens in the city, at the Gala, libraries and Customer Access Points
- 52 A school drawing competition received over 170 entries, with an online gallery now live on the #Durham19 site.
- 53 Interim results show:
- 13,583 unique visits to the #Durham19 website, viewing over 41,000 pages. Top 5 pages: 1. Home page, 2. Fetes and fairs, 3. Agricultural shows, 4. Blog – things to look forward to in 2019, 5. Festivals
 - 2,676 events listed on the site to date, with an average of 25 – 30 community focussed events each month.
 - Views of the #Durham19 video to date 42,000

- 54 Visit County Durham continues to raise the profile of the county as a destination for outdoors and heritage, with the delivery of two successful national marketing campaigns.
- 55 The annual history campaign is currently live and features online advertising with the Evening Standard and Independent, partner videos, social media and influencer marketing.
- 56 VCD has sponsored a Lumiere Durham app, the aim of the app is to encourage visitors to the festival to see and do more and to raise the profile of the rest of the county. Featured itineraries will include 2 x city and 2 x county, with a family and culture focus. Special offers will encourage visitors to spend more.

Challenges and opportunities

- 57 The split of overnight visitors to day visitors remained the same in 2018 with day visitors accounting for 92% of all visits to the county and overnight visitors at 8%.
- 58 Despite our marketing efforts targeted to audiences external to the county several factors influence the high proportion of day visitors compared to overnight, including:
- lack of visitor accommodation in key tourism areas
 - lack of visitor product, particularly targeted at the family market
 - strong neighbouring destination brands (Yorkshire, Cumbria, Scotland)
- 59 Developments are underway which will help plug some of the gaps and improve the visitor offer, these include hotel, retail and leisure developments in Durham City. Developments in Bishop Auckland. Accommodation development enquiries in Seaham. Hotel developments in Stanley and Consett. Smaller scale glamping and self-catering developments in various locations across the county. Strong festivals and events programme.

Conclusions

- 60 Overview and Scrutiny members will be aware of work undertaken by VCD, the various forms of marketing undertaken and the performance of VCD in marketing the county as a tourism destination.
- 61 It is intended that the committee will continue to monitor the performance of VCD in marketing the county as a tourism destination

and it is suggested that the committee includes a further progress update in its work programme for 2020/2021.

Background papers

- Durham Tourism Management Plan 2016-2020
- STEAM Economic Impact Report 2018

Other useful documents

- None

Contact: Michelle Gorman Tel: 03000 261 221

Diane Close Tel: 03000 268 141

Appendix 1: Implications

Legal Implications

Not applicable

Finance

Not applicable

Consultation

Not applicable

Equality and Diversity / Public Sector Equality Duty

Not applicable

Human Rights

Not applicable

Climate Change

Not applicable

Crime and Disorder

Not applicable

Staffing

Not applicable

Accommodation

Not applicable

Risk

Not applicable

Procurement

Not applicable