

## **The Highland Council**

### **Planning, Environment and Development Committee**

Minutes of Meeting of the **Tourism Project Group** held in Committee Room 4, Council Headquarters, Glenurquhart Road, Inverness on Wednesday, 19 August 2009 at 2.00p.m.

#### **Present**

Mr W J Ross

Mrs I McCallum

Mrs H Carmichael

Mr D Hendry

Mr T Prag

Ms J Douglas

Mr B Murphy

#### **Non Members also present:**

Mrs J Urquhart (Chairman of Highland Homecoming Steering Group)

#### **Officials in attendance:**

Mr S Black, Director of Planning and Development

Mr G Robson, Head of Environment and Development

Mr C Simpson, Tourism Co-ordinator, Planning and Development Service

Mr G Ireland, Tourism Officer, Planning and Development Service

Ms J Barbour, Interpretative Officer, Planning and Development Service

Mr B Donnet, Principal Service Support Officer (Specification) TECS

Ms F Hampton, Director Highland 2007, Education Culture and Sport Services

Ms L Lee, Committee Administrator

Mr W J Ross in the Chair.

#### **1. Apologies for Absence**

Apologies for absence were intimated on behalf of Mr A Torrance.

#### **2. Minutes of Previous Meeting**

There had been circulated and **NOTED** Minutes of the Tourism Project Group held on 22 April 2009, previously approved by the Planning, Environment and Development Committee on 12 August 2009.

Progress since the last meeting was reported:

#### **New Air link between Düsseldorf and Inverness**

Visit Scotland (VS) had worked with partners in both Scotland and Germany on marketing specifically to promote the new air route between Düsseldorf and Inverness, including a 4-page direct mailing to 56,000 consumers in the Düsseldorf area, posters to German travel agents, and emails to 150,000 VS contacts. Following the campaign there had been a significant increase in bookings on the route and a high level of Highland Info pack requests had been requested. Focussing on a specific project appeared to have been an effective promotion strategy.

### **Highland Council Agreement with VisitScotland**

The Council's agreement with VS had been finalised shortly after the last Tourism Project Group meeting; this had made it easier for VS to develop its programmes, such as its Autumn campaign, at an earlier stage in the year.

### **Launch of Highland Homecoming Programme**

The official launch of the full Highland Homecoming programme would take place that evening; copies of the Official Programme were tabled. The Programme would be widely distributed across Scotland. Over 100 events were planned between 19 and 31 October, with a key event being a conference on Scotland's Global Impact to be held at Eden Court. The conference had been drawn together by academics/experts, but would be open to all. £60k funding from Highland Council had provided leverage for funds of £282k from agencies across Scotland.

Members were strongly supportive of the event, and commented that the Homecoming programme had benefited from the experience of Highland 2007, as it had been possible to build on an established network of active community groups. In response to concerns made regarding the cost of attending the conference, Officers undertook to investigate the possibility of a "Highland Residents' Package", to support attendance by local people.

### **VisitScotland Website - links**

VS was planning to redesign its website, with a view to building in a wider range of activities in addition to business information. Planning was at an early stage and a meeting was being held that day to discuss ideas. The Tourism Co-ordinator undertook to feedback on progress to the next meeting of the Project Group.

The Project Group **NOTED** the minutes and the information given.

## **3. Consultants Report on the Highland Council's Tourism Development Spend**

There had been circulated Report No. TPG5/09 dated 11 August 2009 by the Director of Planning and Development which discussed the recommendations made in the independent evaluation of the Highland Council's tourism development spend and suggested ways in which these might be incorporated in future management of the Council's Tourism budget. A copy of the executive summary had been circulated in the papers for the previous meeting and the full report had been made available to Members in the Members' library and in the Tourism Development section of the Council website.

The Tourism Co-ordinator reminded Members that they had, at the last meeting, considered the part of the Consultants' report relating to the way the Council worked with VS. Discussion today would therefore focus on the other areas of the Council's tourism spend. The Group's views were sought on the three areas below, with a view to comments being incorporated in the Tourism Development Budget guidelines for 2010/11.

### **i. The strategic fit of projects**

The Consultants had recommended that the Council direct its funding towards projects with the greatest economic return. However, this could lead to a potential conflict with Council policies, as projects with significant community benefit might

not have the greatest economic return. A number of comments were made in discussion, including that:

- a degree of flexibility would be beneficial - the more flexible approach, as set out in paragraph 2.3 of the report, should be taken
- smaller projects should be encouraged to work together where possible, to avoid duplication of effort in compiling funding applications, obtaining insurance cover etc.

Members were advised that agreeing the proposals outlined in the report would formalise the approach which officers had been taking.

## ii. Return on investment (ROI)

The Consultants' report highlighted that the Council did not measure the return on its investments very well. It recommended that applicants be asked to identify the benefits of their project (ie, more detailed information on outcomes, than, for example, "we will produce 1,000 leaflets"). If this proposal was agreed, the Tourism Co-ordinator recommended that this be done in a balanced way - it could be counter productive to require small projects to pay for a detailed evaluation if this were to the detriment of the project itself. In addition, the benefits of some projects might not be measurable in the short term.

A number of views were put forward in discussion, including that:

- guidance should be given to applicants that some simple (ie not unduly bureaucratic or costly) evaluation would be required, - however, this requirement must not disadvantage small projects
- the evaluation should focus on what was generated by Council funding, rather than what was attributable to the skills of individual event organisers
- the Council should support projects by providing back-up for skills the project's organisers may lack – for example, people running a project could have excellent artistic input, but lack administrative skills
- the Council should try to align its forms with those of other funders, so that applicants could "cut and paste" information.

## iii. Additionality

The Consultants' report recommended that Council funding should be focussed towards those projects which would not otherwise take place. In speaking to the Director of Planning and Development's report, the Tourism Co-ordinator drew attention to the probability that all applicants would say that Council funding was crucial, and also that it might be beneficial to take account of how much funding from other bodies that the Council's contribution might lever in.

Points raised in discussion included that it was important that the question be asked, as to whether the event would take place without Council funding, - in some cases a hard decision would need to be taken. The Group supported the view that in deciding which projects / events should be supported, account should be taken of the potential for the Council contribution to lever in other funding.

Having **NOTED** that the Council's existing tourism funding guidelines were being developed in light of the Consultants' views, and that revised guidelines would be brought to the Planning, Environment and Development Committee for formal

approval, and, the Project Group, for its interest, **AGREED** the recommendations as set out in the report, including the five steps process for decision making as set out in paragraph 5 of the report, subject to the incorporation of comments made above.

#### **4. Retail Sales in Visitor Information Centres run in Partnership with the Highland Council**

There had been circulated Report No. TPG6/09 dated 11 August 2009 by the Director of Planning and Development outlining some issues with retailing in Visitor Information Centres where the Highland Council was the managing partner.

The Chief Executive's Service had sought the views of the Project Group on the principle of retail sales in Visitor Information Centre (VICs) run in partnership with the Highland Council Service Points. Current Council policy was not to undertake retailing in Council Service Points, but this was being reviewed. The report summarised the advantages and potential problems arising from permitting retail sales. Points raised in discussion included:

- the most important factor was customer expectation; customers expected products to be for sale at VICs; there was a need to be consistent across VICs, whether run by VS or in shared Council premises
- products should be geared towards promoting tourism – eg, events information, discount vouchers for local hotels, and local guidebooks, maps etc should be available, but not “tartan dollies”
- products sold should not compete with what was available nearby – however, it would be acceptable to provide “taster” displays of what was available further afield, to encourage people to visit craft shops etc
- there was a need to be sensitive to local businesses and the local community; products should not be subsidised and should not undercut local businesses
- the profitability of items should not be the deciding factor as to whether they were offered for sale
- the Group's views may need to be revisited in future, particularly if the use made of VICs continued to change.

The Project Group **NOTED** the content of the report and **AGREED** that the views raised in discussion, as set out above, be forwarded to the Chief Executive's Service.

#### **5. Signposting Iconic Highland Locations**

There had been circulated for noting Report No. TPG7/09 dated 11 August 2009 by the Director of Planning and Development outlining the proposed project management plan for signposting and interpretation at a number of iconic tourist sites in the Highlands.

The Tourism Officer summarised the main points of the report, drawing attention to the consultations that had been held with Community Councils, Ward Managers, and a visitor survey at Glen Docherty viewpoint, Loch Maree. A copy of the questionnaire used at Glen Docherty was tabled. Feedback had been positive. In particular, people had asked for interpretation to show the names of hills, how the geology had been formed, and any local history. The use of other languages would also be welcomed.

The next steps were to liaise with Scottish Natural Heritage and the Forestry Commission for example, to avoid any potential duplication, and to progress the design work. The Tourism Officer gave an assurance that there had been discussion with the Transport, Environmental and Communities Service and the Trunk Roads authorities, and no objections had been raised to the proposals. The Group was shown sample artwork for the interpretative panels, and advised that there would be further consultation with communities before decisions were made.

A number of suggestions were raised in discussion, including:

- the provision of child-friendly information
- the possibility of providing information in other languages through use of 3G / mobile phone technology should be investigated – a weblink could be included on the panel
- even a few words in another language had a positive impact
- local materials should be used for the plinth
- provision of leaflet boxes had drawbacks in terms of keeping stock replenished, dampness and wastefulness
- an evaluation survey should be carried out, perhaps two years after the signage was put in place.

Having been advised that it was intended to develop more sites in the future, as and when funding became available, the Project Group **NOTED** progress with the project.

## 6. Tourism Seminar

There had been circulated Report No. TPG8/09 dated 11 August 2009 by the Director of Planning and Development Members which set out options for topics for this year's Tourism Seminar and seeks Members' views.

Proposed topics included:

- a general theme of destination management and destination development
- information on Highland Council's tourism activities, how that fitted with the Council's programme and Single Outcome Agreement and the national picture
- how Local Authorities had helped during the recession, discussion as to whether the Council was doing the right thing.

A number of suggestions were made in discussion, including:

- that to make the seminar more interactive, there could be a question and answer session, possibly using "Mind Genius", and using the voting system to show results; the questions used in the Consultants report could be asked – this would provide a broader response
- the seminar could be web-cast
- destination promotion should be the main theme, but this should be strongly tied to surviving the recession
- delegates should be given questions before and after the seminar, to see if their views had changed.

The Project Group **NOTED** the content of the report and **AGREED** that officers take forward suggestions made in discussion as set out above.

## **7. Tourism Development Budget**

**As a member of Eden Court Board, Mr T Prag declared a non-financial interest in this item but, having applied the test outlined in Paragraph 5.18 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.**

**As a member of the Scottish Nationalist Party, Mr D Hendry declared a non-financial interest in this item but, having applied the test outlined in Paragraph 5.18 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.**

There had been circulated Report No. TPG9/09 dated 11 August 2009 by the Director of Planning and Development outlining the current status of the Tourism Development Budget.

Take up of the funding and applications received was on a par with previous years – around 69% of the budget had been disbursed. Subvention requests from the STUC and the SNP had been turned down, and it remained to be seen whether this would affect where they decided to hold their conferences. It was understood that other conference venues in Scotland were also considering withdrawing subvention funding for political conferences. In response to Members' views that televised reporting of conferences raised the profile of the area, and that the Council should therefore seek to attract such business, the Tourism Officer undertook to investigate whether it might be possible to use the Inverness Common Good fund for this purpose.

The Project Group **NOTED** the contents of the report

## **8. Update on the 2009/10 Season**

The Chairman having agreed that this item be added to the agenda, the Tourism Co-ordinator provided an update on the 2009/10 season. Firm figures were not yet available for the main season, but early indications were that the Highlands was having a good season, with an increase in visitors from within the UK, and from Europe, although numbers from the US had fallen. Occupancy levels for all accommodation for May and June were around 2% higher than the previous year, and visitor numbers to attractions between January and June were up 7% in the Highlands as opposed to 2.4% in Scotland as a whole. VIC figures for the quarter to 31 May were up 4% in Highland, but down slightly in Scotland.

Members were also provided with feedback on a recent VS Chairman's COSLA Committee, which was attended by Local Authority and industry representatives. Discussions had included the relationship between VS and Local Authorities, given that both bodies were under pressure from reduced funding, and it had been agreed that a seminar be set up. This had been attended by Councillor H Carmichael.

Discussion at the seminar had focussed on VICs, which accounted for a large amount of expenditure. In 2002, Local Authorities had given £12m to the Tourist Board network, this had now reduced to £4.5m. Local Authorities recognised that

efficiencies had been made and that any further reductions could only be through cuts in the service. A variety of views had been expressed, with some delegates being of the view that the Government should fund VS directly – however, this would mean that Local Authorities had no direct influence over VS activities. The increasing importance of partnerships between VS and Local Authorities had been emphasised.

The Tourism Co-ordinator undertook to share the note of the COSLA meeting with Members, once this was available. He advised that, in the economic circumstances VS was committed to focussing on the UK market, with the bulk of the marketing being carried out in Central Scotland and England.

## **9. Date of Next Meeting**

The next meeting would take place towards the end of October, date to be confirmed.

The meeting ended at 3.50 p.m.