SUMMARY REPORT FOR THE D2N2 LEP

VISITOR ECONOMY REVIEW AND INVESTMENT STUDY

MAY 2014

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1 EXECUTIVE SUMMARY

1.1 INTRODUCTION

This report is intended as a summary document which brings together two pieces of work compiled as part of a visitor economy review and capital investment study for the D2N2 LEP. www.d2n2lep.org/VisitorEconomy

It brings the findings of the two studies which were completed for Derby/ Derbyshire and Nottingham/ Nottinghamshire. These two individual reports are intended to inform the destination management plans of the Destination Management Organisations (DMOs), Visit Peak District and Derbyshire and Experience Nottinghamshire. The purpose of this short summary document is to inform the LEP about its overarching role in the development of the visitor economy for the whole area.

The individual area studies were completed in two stages. Stage 1 provided a baseline assessment of the existing tourism offer in each of the two counties. Stage 2 identified gaps and made recommendations about the investments which could be made to improve the visitor experience.

This summary report provides the following:

- A summary of the volume and value of the visitor economy for the LEP area;
- A summary of the areas of development which are common to both counties within the LEP area;
- A summary of the priorities for each of the two areas and the joint priorities;
- Overarching conclusions for the LEP area.

Both DMOs have produced their wider strategy for Destination Development and Management Plan. Highlighted here are the significant infrastructure and investment opportunities.

It should be noted that at this time, all LEPs are still defining their roles and there are a number of factors that are unknown, such as the amount of financial support which will be available for the development of the visitor economy.

The conclusions and recommendations that have been made therefore are based on the best information available at this time.

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1 EXECUTIVE SUMMARY

1.2 AREAS COVERED

The areas analysed during the previous stages of work are the county of Nottinghamshire including the city of Nottingham and the seven borough and district councils; Bassetlaw District Council; Broxtowe Borough Council; Gedling Borough Council: Mansfield District Council; Newark and Sherwood District Council; Rushcliffe Borough Council.

The county of Derbyshire including Derby city have also been assessed as well as the nine local councils: High Peak Borough Council; Derbyshire Dales District Council; Chesterfield Borough Council; NE Derbyshire District Council; Bolsover District Council; Amber Valley Borough Council; Erewash; South Derbyshire and Derby City Council, some of which make up the Peak District National Park and The National Forest. Within each county there are a number of towns and villages which are both part of the overall visitor experience and destinations in their own right.

Each county possesses a number of strengths and weaknesses in relation to the visitor economy, the most notable of these are included in Figure 1[1]: Summary of key strengths and weaknesses of each county (Please see the individual reports for the full analysis).

www.d2n2lep.org/VisitorEconomy

[1] This is not intended to be a comprehensive list but is the view of the consultants on which are the main strengths and weaknesses which deserve highlighting – a more comprehensive list is given in the SWOT in the stage 2 reports for each county.

FIG 1: SUMMARY OF KEY STRENGTHS AND WEAKNESSES OF EACH COUNTY

DERBYSHIRE

STRENGTHS	GAPS
Excellent access to the 'gateway' cities and towns.	A number of weaknesses such as: poor public transport links within the National Park.
Stately homes of national and international repute, including Chatsworth.	A lack of hotel stock within the National Park, particularly branded hotels.
Some very popular market towns and villages.	Some tired towns and villages that are nevertheless popular visitor hubs.
A growing reputation for cycling and some excellent cycling trails and multi-use sports arena.	Variable quality of retail and food and drink.
	Inconsistent branding that is applied to the area

NOTTINGHAMSHIRE

STRENGTHS	GAPS
Excellent road access to much of the county and good public transport network to and within Nottingham.	The relatively poor performance of hotels in the city.
A good mix of attractions and country parks.	Gaps in the serviced accommodation stock.
A good range of hotels in Nottingham and a good mix of self-catering properties across the county.	Public transport links to other parts of the county.
A mix of interesting and varied destinations including Nottingham and some market towns.	Some market towns which are in need of development and support.
A reputation for retail and nightlife.	Some essential elements of the visitor experience coming under threat from funding cuts including heritage and cultural venues, festivals and events and visitor information services.

Source: Colliers International

1.3 PLANNED AND RECOMMENDED INVESTMENTS

The stage 2 reports go on to make a series of recommendations about potential investments and projects which could be made in order to improve the visitor economy. The recommendations broadly fall into two categories: those which can be initiated and/ or delivered by the DMOs and other public sector bodies; and those which need to be brought forward by private sector or third sector bodies. In the latter case, only those schemes which already have some momentum have been included.

In each case the main delivery partner is identified for these investments as well as a qualitative assessment of likelihood of delivery and the relative potential impact of the investment.

This summary report does not reiterate the list of recommended investments but highlights those which are common to each county and could potentially be supported by the LEP. We are able to summarise the priorities for each area and those which are joint priorities.

2 SUMMARY OF VOLUME AND VALUE OF TOURISM

2.1 CALCULATING VOLUME AND VALUE OF TOURISM

There are a number of ways in which visitor numbers and value can be calculated. For the purposes of this study, the two most widely recognised methods were used.

Using the first method, AMION Consulting made a calculation based on guidance produced by VisitEngland and the Tourism Intelligence Unit at the Office for National Statistics (ONS).

County level data was sourced from:

- The International Passenger Survey (IPS)
- The Great Britain Tourism Survey (GBTS)
- The Great Britain Day Visits Survey (GBDVS)

Data provided by STEAM[2] for 2011, which had been purchased by the two DMOs, was also used and shown alongside for comparison.

The STEAM method uses a spreadsheet model based on local input data. As a minimum, the following inputs are required in order to run the STEAM model:

- information on occupancy percentages each month for each type of accommodation
- bed stock of each type of accommodation
- attendance at attractions/major events by month
- Tourist Information Centre (TIC) visitors by month.

Since each method uses a significantly different methodology, the findings were different. (This is usually the case).

No one method is deemed to be 'better' than the other; they are simply different ways of estimating visitor numbers and spend. STEAM is seen as particularly useful however for monitoring trends over time whereas the Visit England methodology focuses on absolute numbers.

[2] Scarborough Tourism Economic Activity Monitor.

2 SUMMARY OF VOLUME AND VALUE OF TOURISM

2.2 DERBYSHIRE TOURISM SUMMARY

Stage 1 of the work gives a comprehensive overview of the market within the study area.

The following table summarises the key statistics relating to the volume and value of visits in Derby city and Derbyshire using Visit England data;

FIG 2: VOLUME AND VALUE OF TOURISM IN DERBYSHIRE (VISIT ENGLAND DATA)

TYPE	VOLUME OF VISITORS DERBY	DERBY'S	SPEND (£) DERBY	DERBY'S
Domestic Day Visits (2011)	–	23,020,000	–	674,000,000
Domestic Staying Visits (2009-2011)	513,000	1,900,000	66,000,000	256,000,000
International Staying Visits (2012)	–	169,000	–	63,000,000
Totals	**513,000**	**25,089,000**	**66,000,000**	**993,000,000**

Source: ONS, Visit England, IPS

When STEAM data is used, the findings are as follows:

FIG 3: VOLUME AND VALUE OF TOURISM IN DERBYSHIRE (STEAM)

AREA	VOLUME OF VISITORS DERBYSHIRE	SPEND (£)
Day Visitors	35,013,000	1,016,000,000
Staying Visitors	3,903,000	599,000,000
Total	**38,916,000**	**1,614,000,000**

Source: STEAM 2011

The STEAM data shows a significantly greater volume of visits (40m compared to 25m) and a higher level of visitor spend (c£1,000m compared to c£1,600m) than when using the Visit England data.

A particularly notable trend overall however is the large number of domestic day visits from the significant resident catchment of over three quarters of a million people.

2 SUMMARY OF VOLUME AND VALUE OF TOURISM

2.3 NOTTINGHAMSHIRE TOURISM SUMMARY

The following table summarises the key statistics relating to the volume and value of visits in Nottinghamshire using Visit England data;

FIG 4: VOLUME AND VALUE OF TOURISM IN NOTTINGHAMSHIRE

TYPE	VOLUME OF VISITORS NOTT'M	VOLUME OF VISITORS NOTTM'S	SPEND (£) NOTT'M	SPEND (£) NOTTM'S
Domestic Day Visits (2011-2012)	–	23,660,000	–	1,205,860,000
Domestic Staying Visits (2009-2011)	1,000,000	1,700,000	166,000,000	240,000,000
International Staying Visits (2012)	–	266,000	–	95,000,000
Totals	**1,000,000**	**25,626,000**	**166,000,000**	**1,540,860,000**

Source: ONS, Visit England, IPS

When STEAM data is used, the findings are as follows:

FIG 5: VOLUME AND VALUE OF TOURISM IN NOTTINGHAMSHIRE (STEAM)

AREA	VOLUME OF VISITORS NOTTINGHAMSHIRE	SPEND (£)
Day Visitors	29,603,000	932,000,000
Staying Visitors	3,282,000	509,070,000
Total	**32,885,000**	**1,441,070,000**

Source: STEAM 2011

As in Derbyshire, the STEAM data shows a significantly greater volume of visits (c33m compared to c25.5m) although slightly lower levels of visitor spend (£1,440m compared to £1,540m) when compared to the Visit England data.

2 SUMMARY OF VOLUME AND VALUE OF TOURISM

2.4 LEP AREA TOURISM SUMMARY

The LEP area as a whole attracts a significant number of domestic day visitors who account for the largest proportion of visitor spend.

FIG 6: VOLUME AND VALUE OF THE TOTAL LEP AREA[3]

TYPE	VOLUME OF VISITORS	SPEND (£)
Domestic Day Visits (2011-2012)	46,680,000	1,879,860,000
Domestic Staying Visits (2009-2011)	3,600,000	496,000,000
International Staying Visits (2012)	435,000	158,000,000
Totals	**50,715,000**	**2,533,860,000**

Source: Colliers International estimates (using ONS, Visit England, IPS)

Figure 7 shows visitor numbers and spend data using STEAM 2011 as the source. Overall the STEAM data indicates higher visitor numbers and value that the Visit England data.

FIG 7: 2011 STEAM DATA

AREA	VOLUME OF VISITORS	SPEND (£)
	LEP AREA (BOTH COUNTIES)	
Day Visitors	64,616,000	1,948,000,000
Staying Visitors	7,185,000	1,108,070,000
Total	**71,801,000**	**3,056,070,000**

Source: STEAM 2011

[3] The sum shown for domestic staying visits is the total number of domestic staying visits for Derbyshire and Nottinghamshire as a whole. These figures already include the figures for Derby City and Nottingham City.

3 LEP PRIORITIES

3.1 REGION-WIDE PRIORITIES

Although there are a number of recommendations which are specific to different parts of the LEP region, a number of gaps or requirements have emerged which are common to the region as a whole.

These gaps and the accompanying recommendations potentially present a **good basis for the action plan for the LEP** if suitable funding sources can be identified.

The following recommendations have been grouped using the same audit categories that have been used in the individual county reports.

It is intended that these recommendations are discussed by the steering group and a plan for implementation is then drawn up[4] .

3.2 ACCESS

TRANSPORT CONNECTIVITY

A number of significant gaps have been identified in public transport infrastructure across the area which will be discouraging visitors from using public transport to get around.

In Nottingham, the gaps largely relate to the lack of onward connections from Nottingham city to other parts of the county and poor public transport provision in the north of the county.

In Derbyshire, the most important weaknesses include the poor quality of rail services within the National Park and the lack of integration between rail, bus and cycle.

In both counties, there is also an identified need for tourist/ visitor buses which link major attractions with the key transport nodes and visitor hubs. These services can include urban tour buses like the City Sightseeing Tours as well as services like the Hopper Buses in Leicestershire/ South Derbyshire which connect major attractions and smaller towns and villages to the main cities.

Recommendation:

An area wide public transport improvement plan which addresses the specific needs of the visitor economy should be developed. This could form part of a wider transport strategy or a stand-alone document. The plan should consider the development of tourist bus services as a specific action.

[4] A number of additional actions and recommendations have been identified that are specific to each area and these are included in the individual reports. Key priorities for each are also shown in the section which follow.

3 LEP PRIORITIES

3.2 ACCESS

HS2 LINK

The proposed eastern leg of Phase Two of HS2 will extend the line from Birmingham to Leeds. A new East Midlands hub station is proposed for Toton which lies between Nottingham and Derby. There is a stated intention to ensure that there are good public transport links on from the proposed station via the existing East Coast Mainline and Nottingham Express Train.

This is an important development opportunity for the whole area which would provide fast access to visitors from the South East and elsewhere. It should remain on the investment priority list until the HS2 plans are confirmed and onward connections can be considered.

As with all public transport plans, the needs of visitors will need to be considered alongside the more obvious opportunities presented by business travellers and residents. Visitors invariably have different requirements such as: services which run at different times; integrated, easy to access information (they rarely take the time to piece together timetables for different forms of transport in the same way that regular users will); competitive off peak pricing; the ability to transport bikes and luggage without punitive costs or booking regimes. All of these specific needs should be addressed as part of the planning.

Recommendation:

HS2 remains an investment priority and when appropriate, plans which exploit the visitor economy opportunity should be developed.

3 LEP PRIORITIES

3.3 ACCOMMODATION

ACCOMMODATION INVESTMENT AND QUALITY STRATEGY

The availability and quality of the accommodation stock is a key component of the visitor offer across the region.

In Nottingham, gaps have been identified for higher end and boutique hotels whilst elsewhere in the county there is a general lack of provision around Newark and in the north.

Requirements in the Peak District are somewhat different. There is a general lack of serviced accommodation across the National Park and in particular the area has struggled to attract branded hotels.

Many destinations have taken a proactive to approach to attracting hotel development. It is particularly useful in rural destinations which are often off the radar for hotel chains when considering expansion but can also be valuable in cities in highlighting for developers where opportunities exist.

Accommodation strategies provide a detailed assessment of the existing supply including occupancy levels and room rates achieved, as well as an analysis of likely demand from tourist and business audiences. A list of potential sites is then identified in collaboration with Planning Authorities, usually including opportunities for new development as well as expansion/ refurbishment options for existing properties. The information is presented as a prospectus. A list of potential developers and operators is then drawn up for each site and approaches are made to the most viable prospects. (Examples can be found for Lincolnshire and the Isle of Wight amongst others).

Based on the evidence above, it is likely that an accommodation strategy for the LEP area as a whole would be beneficial.

It would need to identify the different opportunities and requirements of different parts of the region and appropriate sites and potential developers in each case and take account of planning issues.

The strategy could also address the variable quality which is found in the existing stock and make recommendations for improvements.

Recommendation:

A hotel investment strategy is commissioned for the LEP area.

3 LEP PRIORITIES

3.4 ATTRACTIONS

SUPPORT FOR THE DEVELOPMENT OF ANCHOR ATTRACTIONS

Major attractions are key drivers of visits, often as part of the wider offer. The two reports have identified a number of potential attraction schemes which could have a high positive impact on the visitor economy if they are developed. The initial assessments would need to be reviewed as and when more detailed plans are produced.

Attractions are often financially vulnerable and there is a long history of unrealistic business plans being created for major new attractions which have subsequently proved to be unachievable.

Despite these challenges, supporting the development of a small number of significant new or redeveloped attractions will remain an important part of any investment plan for the visitor economy of the region.

If suitable funds can be identified (and this may be very difficult given the requirements of many current and known future funding programmes), pragmatic and robust business plans will be needed as the basis for any support programme.

The toolkit provided as part of this study takes account of any displacement and substitution which new attractions will cause to existing businesses and this should be an important part of any assessment for support.

Recommendation:

If suitable funds can be found, the LEP could support the development of a small number of major anchor attractions. The toolkit should be used to assess the potential impact as a basis for support.

3.5 CONFERENCES AND EXHIBITIONS

DEDICATED CONFERENCE CENTRES

Conferences and exhibitions are important in both Nottingham and Derby and although the two cities offer a number of different residential and non-residential venues, neither has a dedicated conference centre. As a result, the area is almost certainly losing out to some extent when compared to other destinations which can offer purpose-built facilities.

The economics of dedicated conference centres are not easy. In the right locations they invariably bring wider economic benefits, but they also require careful consideration and realistic business plans.

A dedicated conference centre in either one of the two cities would of course impact on the other and it would be important that any feasibility study undertaken takes account of the likely displacement which would occur in existing venues in both cities.

Recommendation:

A conference centre feasibility study should be commissioned which identifies whether there is demand for a dedicated venue in the area. It should take account of the benefits and possible displacement to the area as a whole.

3.6 DESTINATIONS AND HUBS

DESTINATION DEVELOPMENT PLANS

For the purpose of this study, hubs are defined as the places which are particular focal points for visitors. They provide a mix of services and facilities such as places to eat and shop, gather information and sometimes stay overnight. They are the places that a good percentage of visitors to an area will head for when making a visit. In many cases, hubs are destinations in their own right. In other cases, hubs provide the access or gateway points to other parts of the region. Many hubs are both destinations and gateways. As such, hubs are an extremely important part of the visitor experience.

A number of the key visitor hubs throughout the region are currently tired and lacking in investment. Some, such as Nottingham, Newark and Buxton, already have development plans in place. Many key locations however do not.

It would be sensible for the LEP to focus any available investment or support on those hubs which are most important. In each case the requirements and opportunities are different and therefore development plans or strategies are needed where these do not already exist. In some cases, such as Nottingham and Derby it is important that the needs of the visitor economy are considered specifically as part of wider regeneration plans.

The following destinations have been identified as priorities:

Nottingham and Nottinghamshire:
Nottingham; Newark; Southwell; Retford; Worksop; Mansfield; West Bridgford.

Derby and Derbyshire:
Derby; Chesterfield; Ashbourne; Bakewell; Buxton; Castleton; Holmfirth; Matlock; Matlock Bath.

CONNECTIVITY BETWEEN DESTINATIONS AND ATTRACTIONS

In a number of places across the region there are fairly substantial visitor attractions which are drawing large numbers of visitors (particularly on event days) who do use the neighbouring villages. Specific examples include Sherwood Forest/ Edwinstowe and Creswell Crags/ Creswell. In most cases, support is needed to encourage the local businesses to invest in their offer and to consider specific initiatives which could be used at peak times to extend the length of visits to the area.

Recommendation:

The LEP could develop an SME support programme aimed at clusters of attractions and local businesses to support relatively small scale developments. Initiatives could include support for investment in premises, support for promotion which would encourage business to open on Sundays or training schemes.

3.6 DESTINATIONS AND HUBS

RESEARCH

Although historically investment has been made in purchasing volume and value studies (STEAM), there is very little intelligence about how visitors actually use the region. For example, within the Peak District area, it is assumed that places like Chesterfield and Derby act as gateways, providing accommodation and other services to visitors to the National Park. There is no quantitative data however about the extent to which this is the case and whether certain types of people favour gateway stays whilst others prefer a rural base.

There is a real need therefore for dedicated primary research, probably undertaken as a field study across a full year, to capture data on who visitors are, where they are coming from and critically where they are spending their money when they are in the area. The findings should allow visitors to be segmented so that best prospects can be targeted in future marketing campaigns, improving campaign effectiveness.

Recommendation:

A dedicated field research study is undertaken across the region to track visitor activity and spend. The study could potentially involve the universities.

3.7 ENTERTAINMENT AND THE ARTS

SUSTAINABILITY FOR CULTURAL AND HERITAGE VENUES

Cultural and heritage venues form an important part of the visitor experience and in some cases are the primary motivator for visits particularly in the cities. Many venues are now coming under threat from funding cuts and closure in some cases is a serious possibility.

Experience from elsewhere has demonstrated that there are no easy answers to creating sustainability and that the best options, in most cases, depend on local circumstances.

Future sustainability studies have been identified as being needed for cultural and heritage venues in Nottingham, Derby and across Nottinghamshire although there are undoubtedly threats to venues in other parts of the region as well.

Support could be provided to help identify local or area wide solutions for the long term operation of cultural and heritage venues. In most cases this will include a review of governance and management as well as opportunities to create or improve income streams.

Since the City Deal fund is available for the creative industries in Nottingham, any LEP support for the sector will need to be aligned to the City Deal funding.

Recommendation:

Support for strategies which identify sustainable governance and management structures for cultural and heritage venues and which consider plans for commercial income development.

3.8 RETAIL

Support within market towns is important to ensure they are vibrant both to welcome visitors and retain and grow local businesses and residents. The image of market towns and maintenance of its retail and business offer on the High Street is key to this, and schemes such as Heritage Economic Regeneration Schemes (HERS) operated by the Heritage Lottery Fund had some positive impacts on market towns, notably Buxton Market Square and Belper High Street.

MARKET DEVELOPMENT AND PROMOTION

Markets are universally popular and visitors everywhere seem to enjoy the bustle and local colour which is found in most markets.

The region as a whole has a number of good markets which are already popular with locals. With more promotion, these could be also be exploited more fully as a part of the visitor offer.

Chesterfield Market and Derby Market Hall have also been identified as presenting particular development opportunities. Although the two are very different in their inherent characteristics and offer, both are special and offer a unique local flavour. Both require investment to improve and develop the offer and to make them more appealing to visitors.

Recommendation:

A scheme is implemented to promote and, where required, improve the region's markets as an asset to the visitor economy.

INDEPENDENT RETAIL SUPPORT AND DEVELOPMENT

Visitors often seek out areas where there are clusters of good quality independent retailers since these are usually unique to the local area. In many areas these traders have found the recession particularly challenging. In some places in particular, such as Buxton, the quality of the current independent retail offer is seen as a barrier to growth of the visitor economy.

SME support programmes can encourage smaller retailers to invest in their properties or can provide mentoring or support which allows them to develop and improve their offer.

Recommendation:

An SME support programme aimed at independent retailers.

3 LEP PRIORITIES

3.9 FOOD AND DRINK

LOCAL PUBS AND MICROBREWERIES PROMOTION AND SUPPORT

As with local markets and independent retail, local pubs and microbreweries are usually very much part of a locally distinctive offer. Both counties have particular strengths in this area.

More could be made to exploit the visitor potential through SME support programmes to encourage local supply chain development and to promote pubs better as a core part of the offer.

The CAMRA initiative, to lobby Government to close the planning loophole which can allow pubs to be converted to other less valuable uses, should be considered as part of this action[5].

Recommendation:

An SME support programme aimed at independent pubs and microbreweries.

[5]CAMRA (Campaign for Real Ale) is lobbying government to close a loophole in planning policy which allows pubs, which often play an important role in local communities, to be converted into other less desirable uses such as betting and payday loan shops. Derbyshire County Council is currently considering its support for the initiative.

3.10 OTHER

BROADBAND AND MOBILE CONNECTIVITY

Visitors today use the internet and 3G/ 4G networks for a variety of reasons including to access information and to make advance bookings. Most now expect good connectivity wherever they go, not only in their accommodation and in pubs and cafes but also when they are out and about.

Similarly, many new businesses when setting up demand fast connectivity and add this to their list of essential criteria when choosing the location of their premises.

Some parts of the region have excellent connectivity. Other parts, particularly rural areas, do not.

Investment is needed to identify where there are gaps and to ensure good connectivity across the whole region.

Recommendation:

A plan to identify and address connectivity 'black spots'.

3 LEP PRIORITIES

FIG 8: SUMMARY

THEME	INVESTMENT TYPE	RECOMMENDATION
Access/Infrastructure	Transport connectivity	Area wide public transport improvement plan.
Access/Infrastructure	HS2 Link	When appropriate, plans which exploit the visitor economy opportunity should be developed.
Accommodation	Accommodation investment and quality strategy	A hotel investment strategy is commissioned for the LEP area.
Attractions	Support for the development of anchor attractions	If suitable funds can be found, the LEP could support the development of a small number of major anchor attractions.
Conferences and exhibitions	Dedicated conference centres	A conference centre feasability study should be commissioned which identifies whether there is demand for a dedicated venue in the area.
Destinations and hubs	Destination development plans	Prioritise certain locations (See main body of the report).
Destinations and hubs	Connectivity between destinations and attractions	The LEP could develop an SME support programme aimed at clusters of attractions and local businesses to support relatively small scale developments.
Destinations and hubs	Research	A dedicated field research study is undertaken across the region to track visitor activity and spend.
Entertainment and the arts	Sustainability for cultural and heritage venues	Support for strategies which identify sustainable governance and management structures for cultural and heritage venues and which consider plans for commercial income development.
Retail	Market development and promotion	A scheme is implemented to promote and, where required, improve the region's markets as an asset to the visitor economy.
Retail	Independent retail support and development	An SME support programme aimed at independent retailers.
Food and drink	Local pubs and microbreweries promotion and support	An SME support programme aimed at independent pubs and microbreweries.
Infrastructure	Broadband and mobile connectivity	A plan to identify and address connectivity 'not spots'.

4 DMO TOP PRIORITIES

4.1 IDENTIFYING PRIORITIES

Based on the findings of this study, each of the two DMOs has identified its own key priorities which will be included in their own Destination Development and Management Plans.

In some cases, these priorities coincide with the region-wide priorities identified above. In other cases, the priorities are distinct to each area.

4.2 EXPERIENCE NOTTINGHAMSHIRE PRIORITIES

The top priorities identified for Nottingham and Nottinghamshire are:

FIG 9: TOP PRIORITIES

TOP PRIORITIES

- A ROBIN HOOD THEMED ATTRACTION
- DEDICATED CONFERENCE CENTRE
- EXPAND ROLE/ SUSTAINABILITY OF CONFERENCE AND EVENT BIDDING UNITS
- INDUSTRIAL HERITAGE AND LOCAL DISTINCTIVENESS THEMES

SECONDARY PRIORITIES

- SUPPORT ACTIONS IDENTIFIED IN THE CITY CENTRE TIME AND PLACE AND RETAIL STRATEGIES
- TOURIST BUS TOURS
- MARKET TOWNS AND DESTINATION HUBS
- FOOD AND DRINK FESTIVAL
- REVIEW OF SKILLS AUDIT/SME PROGRAMME

Source: Experience Nottinghamshire

4.3 VISIT PEAK DISTRICT PRIORITIES

The top priorities identified for Derby and Derbyshire are:

FIG 10: TOP PRIORITIES

STRATEGIC AIM 1: Maximise the impact of the visitor economy in key destinations and hubs	STRATEGIC AIM 2: Capital investment to improve the visitor offer	STRATEGIC AIM 3: Create a leading festivals and events destination
STRATEGIC AIM 4: Maximise the potential for growth through tactical marketing campaigns	STRATEGIC AIM 5: Develop a successful thriving tourism industry	STRATEGIC AIM 6: Develop a consistent brand for the peak district

Source: Visit Peak District Growth Plan

4.4 MARKETING

Marketing the two counties remains the most significant priority for both DMOs and whilst an analysis of marketing activity did not form part of this study, it is nevertheless vitally important.

The marketing budgets available to the two DMOs are relatively modest and therefore the activity they are able to undertake will always only represent a fairly small part of the overall promotion for each county. The activity is however, recognised as particularly important since it promotes the county as a whole. Other promotional activity is generally undertaken by individual organisations promoting their own areas of interest. For this reason, the tourism marketing activity of DMOs is generally acknowledged as providing an essential function where there is recognised 'market failure[6].

The marketing campaigns are also the reason why most private and third sector businesses continue to engage with the DMOs.

Both DMOs have been able to evidence an excellent return on investment from their marketing campaigns, showing a significant direct impact on businesses for every £1 spent.

The two DMOs in the D2N2 area currently raise a percentage of their income for marketing activity through various means such as membership schemes, campaign contributions and from grants. At present, money from the Regional Growth Fund (RGF), which is distributed by VisitEngland, forms an essential part of their funding mix. The current RGF ends in March 2015 and will not be replaced.

Without RGF money, both organisations will struggle to survive.

This will not only leave both counties without an important tourism marketing function but it will also potentially remove the two bodies which are able to deliver or initiate many of the actions identified in this study.

For this reason, providing ongoing support for marketing activity to replace RGF money will almost certainly prove to be essential in delivering the outcomes.

[6] A large number of studies have been carried out into the role of public sector financial intervention in tourism marketing. Various 'market failures' such as 'Imperfect Information' have been identified as justification for this intervention.

5 CONCLUSIONS

The above recommendations form the basis for the Visitor Economy Section Action Plan. At present there is still significant uncertainty about funding sources and about how all of the strategic priorities which have been identified will be addressed.

The final action plan will emerge following the planned discussions of the VEAG group over coming months. Lead delivery partners will need to be identified and agreed in each case and could include DMOs, Local Authorities and private sector partners as a blend of resourcing alongside any LEP funding.

Lead delivery partners will need to be agreed in each case. It is possible that responsibility could be divided across the DMOs and Local Authorities if the LEP does not have sufficient resource or expertise.

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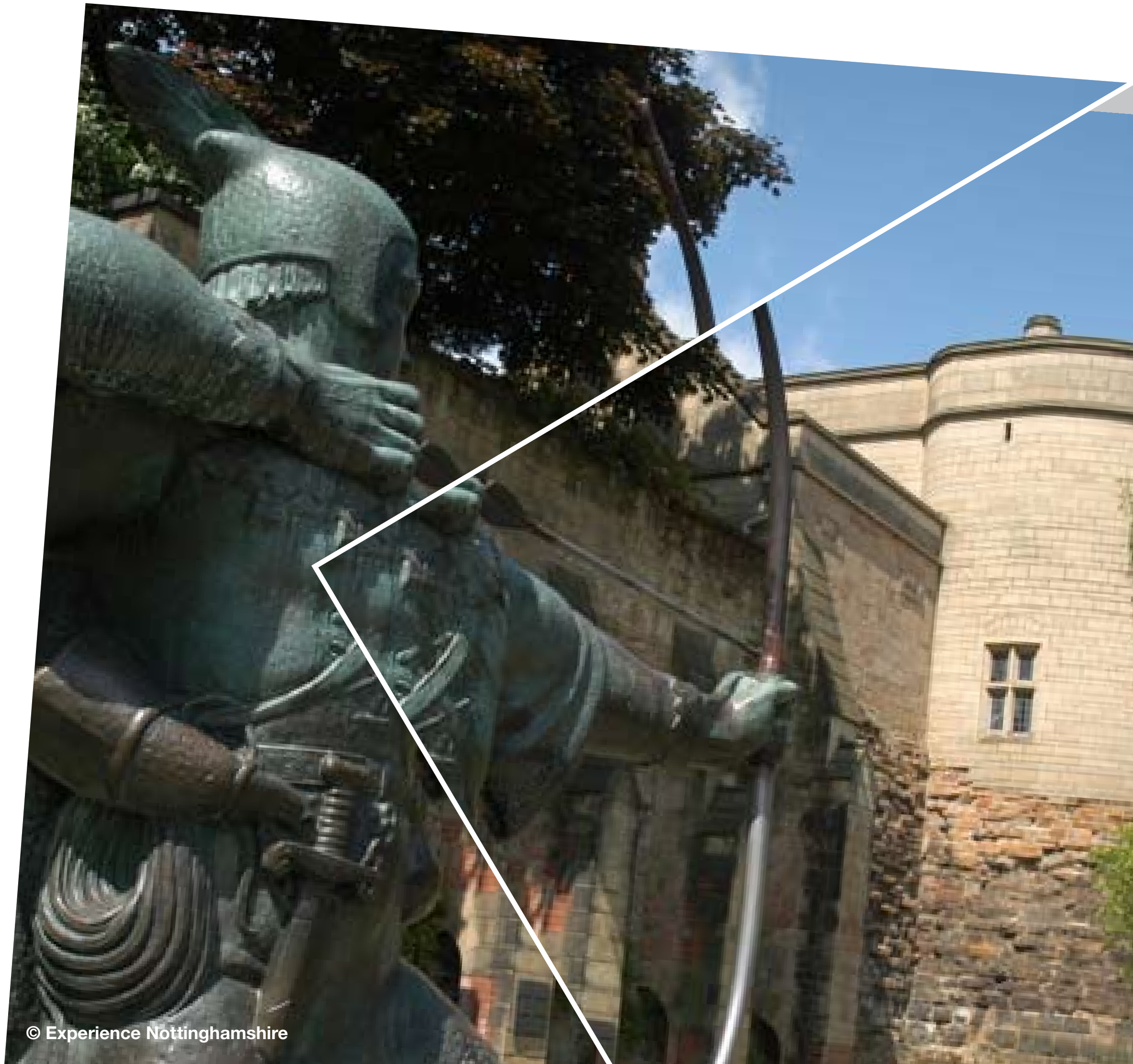

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