

Promoting Sustainable Tourism - Theme Report

Beacon Council Scheme Round 5, 2004-05.

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Part One - Executive Summary

Description of Theme

Tourism was worth £74 billion to the UK in 2001, around 4.5% of the economy. (It was worth £75 billion in 2000). Around 2.1 million people are employed in tourism related industries in Great Britain. The fragmented nature of the tourism industry, which is largely made up of small businesses and those whose trade is only partly reliant on tourism, results in market failure which merits Government support, for example, in marketing. The fact that products are often bought unseen by the consumer means that quality cannot be left entirely to the market. It is also difficult to gather statistics on tourism as it is defined by the activities of the consumer rather than the supplier. Such issues are all addressed at a local as well as a national level.

Local Authority Tourism Services are discretionary and not directed by any national body or Government Department. However, their spending is estimated at £90m and constitutes a significant proportion of total public sector support for the tourism industry. (For example, compared with £72m direct central Government expenditure in 2002-03¹ from DCMS.) Local Authorities often spend a large part of this in support of their lead role in the provision of tourist information through nearly 600 Tourist Information Centres (TICs), but also on areas such as marketing, quality improvement and data collection.

Essential or Key Aspects of Recommended Excellent and Innovatory Practice - Best practice at a local level will involve working closely with industry to capitalize on local distinctiveness and promote a sustainable product. It will mean balancing the needs of consumers and residents² and their shared interest

¹ Largely through the British Tourist Authority (BTA) (£55.5m total), to promote Britain abroad. Also the English Tourism Council (ETC) (around £15.6m total, £3.6m of which was passed to the regions through the RTBs). Additionally, London, through the GLA, received funding of £1.9m. In 2003-04, there will be £35.5m to promote Britain overseas, £12.1m to lead and coordinate domestic marketing of England, (of which £3.6m will be deployed through the Regional Development Agencies (RDAs)), up to £2m 'Challenge Funding', £2m transitional funding and £1.9m funding for the GLA, totalling £57.1m.

² See 'Community Perception' survey conducted by ETC (now by VisitBritain) as part of sustainable tourism indicators (see note

in maintaining the local environment³ and infrastructure. It will also require raising the profile of tourism throughout councils as a variety of activity areas will impact upon visitor perception - for example - waste collection and parking. Tourism is a fundamentally cross-cutting issue⁴ with benefits for residents and visitors often compounded, with success boosting both the image of a locality and local pride.

What is essential will vary with different Authorities. We can assume though, that tourism should be part of strategic thinking throughout the Authority and be regularly discussed at an executive level, both in its own right and , importantly, in the context of other policy areas and their impact on tourism. In terms of specific policies, we would expect an authority to promote quality assessed accommodation, perhaps through an 'inspected only' policy in its marketing and publications. We would expect assessments of the local impact of tourism⁵ to be made regularly. There should also be clear goals and ways of measuring the effectiveness of its own measures.

Finally, the authority's tourism policy should not simply be considered in isolation - visitors do not have an interest in LA boundaries. It is important to consider if working together with neighbouring authorities will yield better results, for example, with regard to marketing and information provision.

Part Two - Policy Context

Legislative Framework: The main legislation governing support for tourism in the UK is the Development of Tourism Act (DTA) 1969. This established the British Tourist Authority (BTA), and, in England, the English Tourist Board (ETB, subsequently renamed English Tourism Council (ETC). On 1 April 2003, the BTA and the ETC were amalgamated to form VisitBritain as described below.

below). Contact Andrew Hares, Research Analyst, VisitBritain Tel: 020 8563 3328; andrew.hares@visitbritain.org

³ Destination Management Handbook - A sustainable approach. ETC/ TMI 2003, 'VICE' model, page 6

⁴ For a list of connected LA activities, and a general discussion of the topic, including examples of best practice, see LGA position statement "The Role of Local Authorities in Tourism", 2001, attached to email containing the current document.

⁵ See footnote below for references on this topic.

Responsibility for tourism policy in London, Wales and Scotland is devolved. (Greater London Authority Act 1999, Government of Wales Act 1998, Scotland Act 1998).

References to current Government policy/ initiatives and those being developed

Nationwide: There has been significant change with the amalgamation of the BTA and the ETC to form VisitBritain. As well as continuing to market Britain overseas, VisitBritain now has the remit to market tourism in England domestically.

Functions formerly carried out by the ETC have been thoroughly reviewed as a key part of the reform process. VisitBritain has responsibility for continuing those functions that directly relate to its priorities of marketing and e-tourism. These include research and , at least for the interim, quality standards improvement. Other functions will be devolved to those bodies best placed to deliver them. The marketing strategy for England will be developed in partnership with the England Marketing Advisory Board (EMAB, legally the ETB), comprising representatives from the private sector and regional and local Government, but requiring no additional staff or other resources.

Regional Agenda: There is an increased strategic leadership role for Regional Development Agencies (RDAs) now working with the Regional Tourist Boards (RTBs) as their natural delivery partners. That element of the DCMS grant previously allocated via the ETC to the RTBs for project work will, from 1 April 2003 and for at least the next 3 years, come from the RDAs' "single pot" funding which DCMS will maintain at least £3.6m a year.

This funding is split between the RDAs on the basis of the ETC's funding of RTBs in 2002-03, and is to be used for activity in line with regional tourism strategies, within the national policy framework. The amount may increase in light of the current review of ETC functions. Several RDAs have already announced significant increases in funding for tourism support from their single-pot budgets, in line with the importance attached to tourism in their Corporate Plans

and Regional Economic Strategies⁶ and many are reviewing the role of their RTB(s). Many RDAs recognise the importance of data and, with DCMS encouragement, are carrying out regional tourism impact studies⁷.

Regional Tourist Boards: RTBs have no statutory basis, other than company law legislation. They are "grass roots" membership organisations, all but one established as private companies limited by guarantee. Their funding comes from membership fees (businesses plus local authorities); commercial income (e.g. training courses) and (aside from London, which receives a higher amount) 10-20% from public funding. Broadly, in recognition of their public funding, they are expected to provide the right framework for tourism to flourish, develop and spread quality, and encourage sustainable tourism development. To help achieve this, as stated in the tourism section of the RDA Corporate Planning Guidance, RDAs are encouraged to work with RTBs, as well as other stakeholders, in producing Regional Sustainable Tourism Strategies.

London: The GLA Act (sections 378 - 379) requires the GLA to promote tourism in Greater London, to promote London as a "gateway" to the rest of the UK and to encourage the provision and improvement of visitor amenities and facilities in Greater London. It provides for the Mayor to receive grants direct from the DCMS for this purpose. In practice, the GLA uses the London Development Agency (LDA) to deliver under the Agreement the GLA has with DCMS, and the LDA has contracted much of the related work to the London Tourist Board.

Tomorrow's Tourism: The Government's policy document, published in 1999, emphasizes 15 action areas. Some of these have been fully completed, but there is continued relevance in that, for example, resort regeneration, promoting training and skills, the voluntary National Quality Assurance Standards (NQAS) schemes for accommodation, increased hotel development, increasing

⁶ As described in the tourism section of the Corporate Planning Guidance and Regional Economic Strategy Guidance, available from DCMS (Iain.Newton@culture.gdi.gov.uk) and DTI.

⁷ See, also re Data, the ONE Impact Study, available at <http://www.onenortheast.co.uk/reports/reports.cfm> - "One NorthEast in partnership with the Department for Culture Media and Sport, commissioned the new type of impact study which produces a picture of the economic benefits brought by tourism that is more accurate and detailed than previously achieved. Based on recommended EU methodology for Tourism Satellite Accounts (TSAs) the study, which was conducted by consultants Trends Business Research and Cogentsi". (From press release).

accessibility and the EnglandNet IT project have all resulted in ongoing programmes. There is also continuing work in result of the many other actions in the body of the Tomorrow's Tourism document.

Hartwell Seminar: The Secretary of State met with leading members of the tourism sector in October 2001 at Hartwell House continues to hold 'Hartwell' seminars at regular intervals⁸. These, in addition to twice-yearly Tourism Forums, act as an effective platform for continuous dialogue between Government and the industry.

The main priorities which Ministers and industry identified for joint action as a result of the original meeting included: The creation of the Tourism Alliance; a greater focus on marketing and its coordination; the importance of improving training and skills; the need for better data; TIC modernisation; the huge importance of quality and hence the need for a Fitness for Purpose initiative to tackle substandard hotels; licensing reform; the *Productivity for Profit* initiative and EnglandNet / e-tourism. Again, good progress has been made in many of these areas.

National Targets Relevant to Theme: At a national level, the ETC's "Sustainable tourism indicators" are designed to measure the progress towards sustainable tourism. They cover a wide range of areas similar to those in the outline criteria.⁹ Some of them use indicators that will be helpful in the Beacons process but may not be reliable comparators across Local Authorities. For example, 'Blue Flag' awards for beaches are good indicators of cleanliness but there is no direct equivalent for non-resort areas. Many of the indicators will not necessarily be available at local level.

Best Value inspections are being carried out on tourism services¹⁰, often in conjunction with, for example, leisure services (as well as, for example, Libraries, Sports and, even, Car Parks). Essentially, they

⁸ See DCMS website for further details:
http://www.culture.gov.uk/tourism/tourism_policy/tourism_industry_seminar.htm

⁹ National Sustainable Tourism Indicators - Monitoring progress towards sustainable tourism in England, ETC 2001. See pgs 15-17 on local indicators.

¹⁰ It must be stressed that, despite the inclusion of tourism strategy as one criterion, BV focuses largely on expenditure specifically relating to the LA's tourism budget, which is, although important, only part of its approach to tourism.

investigate whether services are worthwhile and value for money. Although there are no Best Value Performance Indicators (BVPIs) for tourism, the National Tourism Best Value Group (representing 170 Local Authorities) assists the development of the criteria¹¹ against which Best Value reviews should be conducted.

Linkages to Related Policies and Service Development:

Visitors will use or benefit from many of the same services as residents, for example, the transport system, the police and waste services. Income from visitors supports a wide variety of industries in differing degrees (both directly and indirectly) and provides a large part of the income of, for example, heritage properties, food outlets and the performing arts.¹²

Thus 'tourism' relates to a vast array of policy areas and is most definitely a cross-cutting issue. For example, tourism is a major rural industry, supporting 380,000 rural jobs and is thus key to the Government's agenda for economic regeneration in rural areas¹³ as well as, of course, resort towns¹⁴. It is also hugely significant to the labour market.

Part 3 - Definition

Main Issues in Theme - Successful Local Authorities should be able to demonstrate cross-cutting excellence in supporting a modern, evolving tourism industry that

¹¹ See "The Impact of Best Value on Tourism", Judith Barratt, in ETC's Insights magazine March 2003. The Audit Commission is consulting on the following draft measurement criteria:

- An up-to-date tourism strategy prepared in partnership;
- An up-to-date business plan for the TIC and any other facility operated by the tourism department;
- Level of customer satisfaction with the tourism service - minimum 75% satisfaction (customers include visitors, local community, the tourism industry, environmental groups);
- Cost per user of TIC(s);
- Cost conversion rate of main brochure.

See also Audit Commission website for, e.g., sample reports: <http://www.audit-commission.gov.uk/>. Peter Lane, co-Founder of the NTB group, Assistant Director of Leisure and Community at Redcar and Cleveland Borough Council, is main contact peter_lane@redcar-cleveland.gov.uk

¹² E.G., overseas visitors alone account for 30% of tickets sold in the West End (London Tourist Board figures)

¹³ Our Countryside: The Future, DETR 2000, Page 84.

¹⁴ Sea Changes - Creating World Class Resorts in England, English Tourism Council, 2001

is founded on quality and recognises future long-term potential of what is a fast-growing industry. Sustainable tourism is "A management process, not a new type of tourism¹⁵," aiming to cement tourism's ongoing contribution to the economy and maximise the benefit to local communities, not merely to promote 'green' issues.

The aspiration should be to have criteria wide enough to motivate every excellent authority to tell the Advisory Panel what it has achieved and narrow enough for practical purposes - e.g. limiting applications to potential winners and ensuring a transparent process. Clearly, these outline criteria cover a wide range of activities. They need not be applicable in all cases nor have to be of equal value.

Promoting Sustainable Tourism - Criteria

Vision and Strategy

- Community leaders and key partners will be engaged to champion tourism at the highest level to create a long-term, viable vision for Sustainable tourism
- As well as an effective Tourism or Visitor Management strategy which applies to all sectors of the industry, sustainable tourism should be considered in relevant strategies such as Community Strategies, Local Strategic Partnerships, Agenda 21 or other sustainability strategies, the Local Transport Plan¹⁶, cleanliness standards and planning policies and procedures.
- Effective data should be collected on local impact of tourism¹⁷, including the make up of visitors, and this should be used effectively in strategic thinking.

Consultation

- Work with tourism and hospitality businesses to maximise support from all types of stakeholder, businesses across the tourism and hospitality spectrum, residents and visitors. This should

¹⁵ Quote from National Sustainable Tourism Indicators - Monitoring progress towards sustainable tourism in England, ETC 2001, intro.

¹⁶ Particularly in promoting their use of public and, where applicable, pedestrian, transport, especially taking into account major attractions.

¹⁷ See "Measuring the Local Impact of Tourism", LGA/ BRA 2002, available, for example, from www.lga.gov.uk; <http://www.lga.gov.uk/Publication.asp?lsection=28&id=SXE556-A780F9E0> and "Measuring the Local Impact of Tourism" DCMS 1998.

include stakeholders with an indirect interest, (e.g. transport bodies, planners, Business Links). The benefits of tourism in, for example, promoting local distinctiveness and making local amenities and services viable should be transmitted. Consider the views of potential visitors and those who choose not to visit.

Partnerships

- Take action to integrate and co-ordinate tourism policies with other bodies to increase effectiveness. Such bodies would include: neighbouring Authorities, regional bodies (such as the Regional Tourist Board, Regional Development Agency and Regional Cultural Consortium), local cultural and sports providers and major players in the private sector.
- Improve the quality of the tourism product and fulfilment of visitor expectations by encouraging accommodation providers¹⁸ and attractions¹⁹ to improve their standards and join the national inspection schemes. There should be inspection and enforcement action carried out in line with the Fitness for Purpose²⁰ initiative.²¹
- Working with businesses to promote local recruitment, investment in skills and training²² and the use of local goods and service by the tourism industry.

Actions

- Promote visits to your area and coordinate this effectively with other authorities, sub-regional, regional or national bodies so as to increase the total tourism market.

¹⁸ National Quality Assurance Standards (NQAS) schemes: For further info on schemes and criteria see documents at VisitBritain's website <http://www.englishtourism.org.uk/default.asp?id=2227> .

¹⁹ For example, through the VAQAS scheme, info at the VisitBritain website <http://www.englishtourism.org.uk/default.asp?id=2237>

²⁰ See "Fitness for Purpose - Driving up standards in serviced tourist accommodation" - Position Statement, DCMS February 2003 and (more detailed) Paper (2002), available from the DCMS website at http://www.culture.gov.uk/tourism/tourism_policy/quality_tourism.htm

²¹ And, also, with Trading Standards regarding out of date or false accommodation signage.

²² Account could be taken of relationship with the planned Tourism Sector Skills Council, the Learning and Skills Councils and perhaps the Authorities own employment policy as LAs can be significant employers.

- Provide information that enables visitors to make informed choices about travel, accommodation, attractions and local amenities.
- Assessment should be made of market and promotion opportunities for business tourism, niche tourism and should address the impact of seasonality.
- Ensure that visitor destinations (and transport) are accessible and welcoming to all sectors of society, including those with disabilities, those who are disadvantaged, elderly people and those with young children and that local tourism assists in improving social inclusion²³.
- Promote to businesses and consumers the benefits of a sustainable approach.

Outcomes

- Improve the contribution of tourism to the economy and to community well-being, balancing the needs of visitors and businesses with those of local residents and their shared interest in the environment. Successfully managed, increased visitor numbers should, directly or indirectly, enhance the quality of life of residents.
- Strategy and actions should be considered against the context of the fast and continued growth anticipated for tourism, coupled with visitors' ever increasing expectations for simplicity of travel and access and quality of product, information and service.

User and Community Satisfaction

- Assess the value of tourism services provided, their impact on the economy and the attitude of users and communities to them.

Part 4 - Current Practice

Central government does not oversee local authority tourism services, which are discretionary and required to address very different priorities in different localities. Given also the cross-cutting nature of the criteria, 'current practice' varies widely and covers a wide range of activities. There is no standardised approach. However, the Destination Manager's

²³ Authorities should promote the National Accessible Scheme and, potentially, have advised businesses on the effects of the DDA

Handbook²⁴, recent published by the Tourism Management Institute (TMI) together with the ETC, sets out guiding principles of a national framework, addressing the key areas of a destination manager's job.

An authority that works in a coordinated way will also ensure that those of its services which tangentially relate to tourism (like waste and cleanliness - important in their own right but whose imperfections are a regular cause of complaint of visitors to London, for example) are carried out efficiently and take into account the needs of the tourism industry. Tourism managers will also act as broker between the interests of visitors, tourism businesses and local communities, ensuring that the tourism industry is, therefore, sustainable socially and economically as well as environmentally.

Innovation, Pilots and Experiments - Obviously, there are very many innovations. Many of them are recorded in the case studies of high profile documents²⁵. The Stepping Stones schemes²⁶ to bring accommodation up to NQAS standards have been successful in resorts such as Scarborough²⁷, Blackpool (where the scheme is called 'HOAST') and North Devon. Pilots of the *Fitness for*

²⁴ Destination Management Handbook - A sustainable approach. ETC/ TMI 2003. Can be downloaded at <http://www.tmi.org.uk/>. The handbook is designed to evolve over time.

²⁵ See examples in, for example, Tomorrow's Tourism 1999, esp. Pg 26, 'Redcar & Cleveland'; and ETC strategy documents:

- "Sea Changes - Creating world-class resorts in England" ETC, 2001;
- "Action for Attractions", ETC, 2000;
- "Tourism and Transport - The Issues and Solutions", ETC, 2001;
- "Time for Action - England's sustainable tourism management strategy", ETC, 2001;
- "Working for the Countryside - a strategy for rural tourism 2001-2005"; **and**
- ETC document "Managing Micros - A practical guide for tourism advisors", ETC, 2001;
- Historic Town's Forum's strategy document, "Making the Connections - A Practical Guide To Tourism Management in Historic Towns", 1999;
- & many examples in "A Change of Scene, the Challenge of Tourism in Regeneration", LGA, 2000

²⁶ See "Stepping Stones - A practical, stepped approach to achieving the National Quality Assurance Standards" ETC

²⁷ See ETC/ VisitBritain website under 'Driving Up Quality' / 'Stepping Stones for account: <http://www.english-tourism.org.uk/default.asp?id=2300> as well as 'Managing Micros' (above) Pg.19

Purpose²⁸ initiative have just been launched by six Local Authorities around the country.

Part 5 - Obstacles to Excellent Practice

Authorities operate on different scales with widely different budget amounts. The size of the existing tourism market and level of opportunity will vary. In some of them, tourism, as a discretionary area of expenditure, will struggle to be seen as a priority against competing concerns. Lack of awareness of the size and importance of tourism, precipitated by intrinsic difficulties with measurement and definition, can hamper its case for attention²⁹.

Priority areas for the development of tourism will vary. Some will naturally see a traditional market, for example, resort holidays, as their key area. Some will focus on business tourism. Innovative solutions will arise in the light of these differing situations, coordinated or in partnership with other local and regional strategies for regeneration and development.

Part 6 - Outcomes

The primary successful outcome is to improve tourism's contribution to the economy, whilst balancing the needs of visitors and businesses with those of local residents and their shared interest in the environment. Increased visitor numbers should enhance the quality of life of residents, whether this is directly, perhaps through employment, or indirectly, for example, because visitor usage ensures the viability of amenities and services.

²⁸ See footnote above for info.

²⁹ Hence the emphasis on Data and measurement, see above: Vision and Strategy