

## **WEST CUMBRIA DESTINATION MANAGEMENT PROJECT EXTENSION**

**EXECUTIVE MEMBER:** Councillor Hugh Branney, Portfolio Holder for Leisure, Culture and Youth  
**LEAD OFFICER:** Julie Betteridge, Head of Regeneration and Community  
**REPORT AUTHOR:** Julie Betteridge, Head of Regeneration and Community

### **WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS**

Tourism is one of the economic diversification sectors being supported through Britain's Energy Coast and the Economic Blueprint. Copeland's visitor economy employs over 6,000 people and the West Cumbria Destination Management project works with businesses, the councils, Cumbria Tourism, residents and local group to bring activity, improvements, jobs and wellbeing for the benefit of Copeland residents. Partnership activity has the potential to increase spend and jobs in our local economy and bring new cultural opportunities benefitting local visitors.

### **WHY HAS THIS REPORT COME TO THE EXECUTIVE?**

**The Council has been the accountable body since 1 April 2011 for the West Cumbria Destination Management Project receiving a mix of funding including £279,000 grant from Britain's Energy Coast to raise the quality and awareness of the tourism offer in West Cumbria. A 6 month extension to this project to 30 September, 2013, is proposed which requires Executive agreement to continue to perform the accountable body function for this additional 6 month period.**

### **RECOMMENDATION:**

- 1) Executive accepts the additional Britain's Energy Coast grant of £78,300 under a change control to our existing grant offer of £279,000 and continues to take the lead role in delivering the Destination Management Plan until 30 September, 2013; and
- 2) That a six month extension to the current agreement with Cumbria Tourism (a registered company) is arranged to deliver the project on behalf of the Council.

## **1. INTRODUCTION**

- 1.1 Copeland Borough Council is a core member of the West Cumbria Tourism Partnership (“the Partnership”). The Partnership itself does not have separate legal status but is a group of bodies who come together to improve tourism awareness throughout the Copeland and Allerdale areas. Throughout the life of this Partnership we have maintained active member and officer engagement and provided an annual grant contribution to the work of the Partnership. We currently provide £25,000 per annum on an SLA until the end of March 2013. This project extension does not require any additional grant contribution from either Copeland Borough Council or Allerdale Borough Council.
- 1.2 The Council at its Executive meeting on x agreed to receive Britains’ Energy Coast grant alongside other public and private funding to act as accountable body and take the lead role for the West Cumbria Tourism Partnership West Cumbria Destination Management Plan in 2011-2013.
- 1.3 The Partnership have successfully directed and overseen the project with a small management group, facilitated by the Council, meeting regularly, monitoring and managing outputs and outcomes and enabling the Council to make quarterly claims to Britain’s Energy Coast.
- 1.4 The Council have engaged Cumbria Tourism to deliver the project on its behalf and are looking to continue this arrangement during the project extension.

## **2. PROPOSALS**

- 2.1 The project is looking to a longer term delivery arrangement post 2013 with Cumbria Tourism taking a lead role. However, the existing project is being offered an extension of six months to enable adequate development time to develop the new project. The new project will have Cumbria Tourism as the Accountable Body from October 2013.
- 2.2 Tourism is an important non nuclear sector in Copeland’s economy. Cumbria Tourism have been an active partner in the West Cumbria Partnership in recognition of the difficulty attracting visitors to the Western Lakes and West Coast of Cumbria and in line with the potential development and growth of Tourism in Copeland. The Council have been active within its capacity to lead and encourage tourism and local visitor activity. The current Partnership programme of activities draws on our aspirations for increased economic activity within the tourism sector. The Council in its lead role for this project has ensured tourism development continues and impacts in terms of jobs, local wealth and services – an extension of six months will ensure continuity from the current project into a new programme of activity delivering against the Economic

Blueprint.

- 2.3 The West Coast tourism strategy aims to improve visitor numbers including local visitors and recognises our specific requirements for business based tourism. The Council through receiving the grant extension would be completing a programme within Britain's Energy Coast Investment Plan which focuses on three key areas of activity:
- a) Improving the quality of the visitor experience;
  - b) Developing a distinctive sense of place for West Cumbria;
  - c) Taste West Cumbria

### **3. OPTIONS TO BE CONSIDERED**

- 3.1
- 1 To agree to accept the grant extension and project lead role to enable continuity to complete the project successfully.
  - 2 To decline the request which will leave a key project within our and Energy Coast current regeneration priorities to find an alternative organisation able and willing to take on this accountable body and lead role for its final six months of operation.

### **4. CONCLUSION**

- 4.1 The Executive are recommended to agree to accept the grant extension and project lead role to enable continuity into a new programme of visitor economy and destination management activity for the Blueprint. Completing the project extension fits with the Council's current commitment to the West Cumbria Tourism Partnership and its programme and our internal officer capacity. The Council is a key player in assisting the development of the tourism sector in Copeland and finishing this project role effectively ensures we maximise opportunities within the Destination Management for the West Coast and Western Lake District moving forward.
- 4.2 Britain's Energy Coast has joined with the Local Authorities, Cumbria Tourism and tourism businesses to recognise through this project the need to develop the tourism sector and its role in supporting local businesses, offering jobs and training and play an important role in helping to meet the challenges in diversifying the local economy to offset the anticipated impact of decommissioning on Copeland's economy.
- 4.3 Our commitment and facilitation of tourism development has been a factor in the Partnership asking Copeland Borough Council to take on the Accountable Body role. Our funding commitment of £50,000 to the Partnership to deliver this package of activity has been provided and the six month extension will

operate on a £78,300 grant from Energy Coast and a £8,700 match funding from the private sector.

- 4.4 The partnership project has been run successfully meeting its target and managing the project budget. The participation of visitor economy businesses has been extremely positive with the cluster activity and bespoke marketing support to businesses well supported. The partnership board has strong participation from the visitor economy businesses.

## **5. WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?**

- 5.1 The financial risks to the Council was detailed with the original request to become accountable body. The operation of the project has been delivered in line with the funding offer and the original plan in entering into the accountable body role and this will continue with the extension through a change control on the original offer.
- 5.2 Human Resources; Copeland Borough Council staff will continue to be involved in the project in two roles: firstly, as part of our tourism activity in support of our regeneration plan strategic objectives and as a core partner of the West Cumbria Tourism Partnership and secondly, in delivering the accountable body administration.
- 5.3 Executive previously agreed to the provision for a maximum 2% administration fee (ie £7,640 on the original project) to undertake the accountable body role. This will be extended to include the additional six month project extension which is an additional £1,740 to be claimed.

## **6. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?**

- 6.1 The decision to act as accountable body has previously been taken which highlighted the risk register and the management actions we are taking to manage project risk. The project risk register is reviewed every quarter and provided to the core funder, Britain's Energy Coast.
- 6.2 The project is managed by a sub group of the West Cumbria Tourism Partnership with members drawn from the Council, Cumbria Tourism and the Partnership Manager. Regular reporting is made to the full West Cumbria Tourism Partnership Board.
- 6.3 The variation grant decision will be made at the December 2012 Energy Coast Board meeting. The conditions of the existing grant offer will be amended to increase the total project grant amount by £78,300 to £357,300. The main risk

from receiving nuclear partners money through Britains' Energy Coast for this project is that of clawback of grant should the project fail to deliver the project or more precisely fail to achieve the outputs, objectives and milestones detailed in the monitoring and evaluation form or fails to ensure that the outcomes are achieved. The project has been operating for over 18 months and is on target to achieve outputs and outcomes, all existing milestones have been met.

- 6.4 The additional outputs and milestones for the 6 month extension are provided in Appendix A. Officers take the view that the additional outputs and milestones as stated are capable of being delivered.
- 6.5 The Council does not have the resources to deliver the project itself. The Council will extend its contract with Cumbria Tourism, a company, to deliver the project extension. The contract contains requirements in respect of the standard of service and clear termination powers in respect of a failure of them to deliver, these have not needed to be used over the past 18 months of the contract duration. This contract will maintain continuity of a tourism team for the Partnership.
- 6.6 Coupled with contractual provisions the Council in order to protect its position will have in place periodic monitoring arrangements, currently via monthly liaison meetings with Cumbria Tourism, so that at any time during the two year project period there is a risk of outputs, etc, not being met the contract with Cumbria Tourism could be terminated and the Council take over the running of the contract itself. This will minimise the risk of the project failing.
- 6.7 The project plan is a working document overseen by the Partnership Board and monitored by the management sub group with a risk assessment for each activity on the plan. The Board have considered the strategic risks for the Partnership with this project extension and are clear that the extension offers the best opportunity for a continued destination management activity in West Cumbria in support of the Economic Blueprint.

## **7. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?**

- 7.1 The Destination Management Plan of the Partnership is being implemented with its range of project outputs and programme outcomes.
- 7.2 The Council will be using its enabling role effectively to develop and improve the tourism sector of the Copeland and West Cumbria economies through targeted finance and project management at no additional cost.

## **8. STATUTORY CONSULTEES:**

8.1 Monitoring Officer Comments: No additional comments

8.2 S151 Officer Comments:

This is a continuation of an existing arrangement to help facilitate the transition and is not on a full cost recovery for accountable body purposes. Any further extensions would need to ensure full cost recovery of accountable body costs

8.3 EIA Comments: The West Cumbria Tourism Partnership works with communities, agencies and strategic organisations to make tourism accessible to all. Broader strategic projects are focused on bringing people to the West Coast and creating new attractions and events that can be accessed by a wider variety of visitors and residents, with some development projects in place to help subsidise entry into new activities to ensure that more people are able to access Copeland and its coast. Destination West Cumbria works with the Council to underpin a variety of programmes and major events to offer a wide cultural offer, helping to promote equality and good relations between different equality groups.

### **List of Appendices**

Appendix A - Britain's Energy Coast Change Control Proposal Excerpt

### **List of Background Documents:**

Destination Management Plan for West Cumbria, West Cumbria Tourism Partnership Bid to Britain's Energy Coast, Partnership Board minutes, Quarterly claims to Britain's Energy Coast.

Appendix A:

**Britain's Energy Coast Change Control Proposal Excerpt**

A new programme of activity is currently being developed now that the business support review and the Economic Blueprint have been finalised. More time is required for West Cumbria Tourism to work with partners including BEC, Copeland Borough Council and Allerdale to develop a co-ordinated and focused programme of activities that supports the visitor economy in West Cumbria and contributes to the delivery of the Blueprint.

The additional funding requested from ECWCL will prevent the loss of expertise and momentum built up by the current programme by safeguarding the 2 posts and enabling a number of additional activities to be delivered for a further 6 months.

The additional funding will be required for 3 key areas of activity as laid out in the table below;

Staff costs, office overheads and expenses	£42,000
Research & business planning	£10,000
Marketing, web promotion, PR and social media activities	£35,000
<b>Total</b>	<b>£87,000</b>

**The cost to BEC would be £78,300.** The programme would bring in £8,700 in private sector leverage.

**Expected Additional Outputs & Outcomes :**

- Additional Businesses engaged 20
- Maintain Growth of Visitor numbers at 1%
- Maintain web presence and increase dwell time / unique visitors by a further 5%
- Private funding leverage £8,700
- Deliver £1m Estimated Advertising Value (EAV) in PR coverage.
- 2 jobs safe guarded
- 5 year Business Plan and implementation strategy for Blueprint Visitor Economy

## **Extension Milestones :**

### **Key Milestones**

December / January 2013 – Commission research , business planning and plan industry consultation events

February 2013 – Develop business plan to implement “Blueprint” for visitor economy

March – September 2013 - Continuation of marketing activity

March / April 2013 - Final draft of business plan and implementation and communication strategy

March/ May 2013 – Develop 5 year partnership delivery programme and secure funding

October 2013 – Commission evaluation and effective completion of Destination West Cumbria programme phase 1 (Please note originally April 2013 revised for change control)

### **Future programme**

When developing the future programme, West Cumbria Tourism will be expected to demonstrate that they have fully examined and considered alternative models for delivery that will help to secure the sustainability of the team in the longer term.

They will also be expected to work closely with BEC and the Local Authorities to identify how they can align to, integrate and help deliver elements of their current and forthcoming programme bids i.e., Coastal Communities, Copeland Community Fund and RDPE.

It is anticipated that there will be a future funding request to BEC for the new programme, however, West Cumbria Tourism will be expected to clearly demonstrate how the programme aligns to and supports the delivery of priority programmes in the Blueprint.

### **Performance of current programme**

The programme is relatively new but it is already making a impact on the development of tourism in the area over the last eighteen months. In this period, there has been an increase in tourism numbers of 82,500 (0.8%), £3.1 million additional income to local economy, a national marketing campaign “The other side of Lakes” including a supplement in the Guardian newspaper, online with Guardian travel, in excess of 1.6m Estimated Advertising Value (EAV) in PR coverage and over 195 businesses assisted.



The support by Britain's Energy Coast, Copeland and Allerdale Borough Council and the private sector of the Destination West Cumbria programme was an important advance that is already producing positive benefits. Any future programme will look to build on these successes and continue to provide the strategic framework to ensure co-ordinated and effective support for this sector.

<b>Strand 1- Improving the quality of the Visitor Experience</b>	<b>Achieved to date</b>
40 new accredited businesses	39
100 businesses participating in Welcome Training	42
7 cluster groups established	4
<b>Strand 2- Improving the quality of the Visitor Experience</b>	
Marketing Programme developed	A number of marketing initiatives successfully delivered and programme ongoing
Holiday Guide produced	Complete
Top Attractions Leaflet produced	Complete
Website hits (.020 %increase in hits per annum)	Figures awaited
Growth in visitor numbers (0.01%)	0.008% equates to 82,500
<b>Strand 3- Taste West Cumbria.</b>	
Annual Festival (17,500 attended in first year)	Estimated 25,000 in 2012-13

**Strategic Fit:**

The activities delivered by Destination Management supports a number of the programmes in the Blueprint, particularly The Coastal and Harbour Development Programme and the Target Sector Business Support Programme.

The expertise offered by the Team can also be utilised to support the marketing and promotion of a number of recently approved projects including Maryport Harbour, Whitehaven Marina and Rosehill Theatre.