



**DESTINATION
PERFORMANCE UK**

Improving Visitor Destinations through Best Practice

Sir Michael Lyons: National Prosperity, Local Choice and Civic Engagement

The Importance of Tourism to Local Authorities and Communities: A Submission by Destination Performance UK

1. Introduction

This submission is made by Destination Performance UK, a membership organisation of some 140 LA tourism services with a particular interest in developing robust performance management and evaluation techniques and in fostering best practice in terms of delivery. It was founded in 1999 as the National Tourism Best Value Group and changed its name in 2004 to reflect the expanding remit of its work.

Its members are divided into 10 generic category groups (City, Coastal Rural etc) who meet regularly to discuss matters of mutual interest, particularly in relation to performance management. Group activity often leads to the production of advice sheets on various topics which are published for the benefit of the whole membership.

The cornerstone of DP UK's activity is the annual Baseline Statement, a research survey which captures data about member destinations' resources, activities and performance. This is reproduced in tabular form by category group to aid comparison.

DP UK has close links with the Audit Commission and the DCMS.

More detailed information about the organisation can be found on our website:
www.dpuk.org.uk

2. Tourism in the Context of the Lyons Inquiry

This submission is made in the context of the place-shaping element of Sir Michael's latest paper, National Prosperity, Local Choice and Civic Engagement and endeavours to make the case for greater recognition of the importance of tourism in the LA environment. As will be highlighted below tourism has a considerable impact on place-shaping, particularly in relation to the economic and environmental well-being of local authorities.

3. Tourism's Role in Place-shaping

Accepting that social cohesion is a key element of the concept of place-shaping, it is really in the areas of economic and environmental well-being that the impact of tourism is greatest. That is not to underplay the role that visitors can have in broadening the minds of a resident community and in fostering a sense of pride in that community that their city, town or village is a desirable place to visit.

3.1 Economic Well-being

By any measure tourism is one of the UK's most significant economic activities. It generates c. £76 billion p.a. and employs c.1.8M people in FTE jobs, some six per cent of the workforce. Significantly, domestic tourism measured as day and staying visits by British residents within the UK, represents the dominant part of this turnover with estimated expenditure of £60 billion p.a. So domestic tourism outspends inbound tourism by a factor of c. 4:1, and a good deal more than that outside the most visited areas. UK residents generate some 1.2 billion tourism day visits a year and some 500 million staying nights for all purposes.

What this means in practice is that no local authority can afford to ignore tourism, whether it is proactive in promoting its destination to visitors or reactive in managing the impact of visitors (see below under Environmental Well-being).

Tourism has a long-established track record as an economic wealth generator for destinations, going back to the late 19th and early 20th centuries and the evolution of seaside resorts and spas. And seaside destinations still rely to a large extent on the visitor economy, though they have had to regenerate their infrastructure to appeal to the leisure needs of modern consumers, particularly in the face of hugely increased competition from overseas destinations.

More recently many of the UK's large post-industrial cities, with little history or tradition as tourism destinations, have used tourism development and marketing to assist in their economic regeneration. And this is now happening in smaller cities and towns whose economies have tended to be based on heavy industry.

In rural areas too tourism is playing an increasing role in wealth generation as destinations promote themselves on the back of countryside pursuits, arts and heritage. Many farms are looking to providing accommodation often linked to activities and animal-based attractions as a means of diversifying, as their traditional agricultural revenues are squeezed.

Local authorities are very much at the coalface of tourism, being the only bodies having a direct interface with visitors in the hierarchy of public sector management.

Their ability to use tourism to generate wealth for local communities and businesses is therefore a key element in the growth of the composite national economy. Tourism marketing is a key dimension for LAs to establish partnerships with the private sector who can identify a specific return for their investment in joint campaigns. Such marketing campaigns often present the only viable means of creating revenue streams which can be used to subsidise the 'public realm' activities identified in the next section (Environmental Well-being). It should also be borne in mind that revenue generated from visitors can be used by LAs to part-fund the development of leisure amenities and attractions which are of benefit to the local community.

A destination's ability to develop its infrastructure and promote itself to the desired target audiences is self-evidently essential if the economic potential of tourism is to be realised. Yet as we shall see, tourism's non-statutory status, the pressures on LA budgets and the fragmented nature of the regional/local tourism structure in England are making this increasingly difficult to achieve.

3.2 Environmental Well-being

As Sir Michael's report highlights, 'Environmental issues lie at the heart of how people feel about place.' In this context local residents' attitude to tourism can be ambivalent or occasionally hostile. Indeed it's hard not to feel some sympathy with resident communities, when confronted by tourism in its most extreme manifestations – the arrival of coach-loads of day visitors for example, even if local traders will welcome them.

As we have seen in the previous section, tourism offers considerable potential for the generation of economic well-being but that has to be considered alongside the environmental impact. For destinations with little tourism pedigree the economic potential is likely to be paramount; for mature and well-established destinations – resorts, historic towns etc - the management of tourism is likely to be key issue. In essence, however, the quality of a local environment is important to visitors and residents alike and LAs are largely responsible for that.

The role of LAs in tourism is often just perceived to be producing promotional brochures and websites and perhaps running the local Tourist Information Centre. In this sense it is not hard to understand why council taxpayers may not see tourism as a priority. However, this totally undervalues the totality of the tourism role usually undertaken by an LA, a role that is essential to successful destination and visitor management. This role embraces what have recently been called 'public realm' activities. These include street cleaning, provision of toilets, car and coach parking and signposting. Other activities that contribute to environmental enhancement include expenditure on parks, gardens and townscapes. On top of this of course are the promotional activities mentioned above which are undertaken against a backdrop of research, strategic planning and product development.

Recognising the impact that tourism can have on a local environment, it's important to stress that most LAs and responsible private sector operators have accepted the need for sustainable development for a number of years. At a macro level the EU and national governments including the UK have introduced various sustainability programmes and indeed DP UK's Chair, Peter Lane, is President of Tourism SITE, a European-wide internet based network for sustainable tourism and also a member of the EU's Tourism Sustainability group.

At a more local level the Beacon Council Award Scheme has identified councils that have developed ongoing partnership arrangements to achieve their aim of a more sustainable tourism environment that helps to maintain and shape the local identity. Indeed it is clear from the scheme that leading authorities adopt a cross-cutting approach to tourism to ensure that it is represented across the panoply of their council's activities. Strong leadership, core public funding, private sector engagement and good communication are the key elements of a successful mix.

There are other examples too of initiatives which have a strong tourism dimension but which also have a positive impact on the environmental well-being of the resident community. The Blue Flag beaches scheme highlights resorts which have high bathing water quality and the requisite level of beach management (dog bans in summer, lifesaving equipment, daily cleaning etc); and the Britain in Bloom campaign encourages cities, towns and villages to use floral displays, water meadows and fruit and vegetable gardens to enhance the local environment. It also tackles issues of litter, graffiti and vandalism.

In summary, LA tourism services play an important part in maintaining and enhancing the environmental quality of a locality, whether it be through public realm activity, contributing to leisure developments of benefit to the residents as well as to visitors or by means of specific sustainability campaigns which involve partnerships of public and private sectors and the host community.

4. Tourism and Government

A prominent Secretary of State once said 'The problem with tourism is that there are no votes in it' and when viewed in a political context that probably sums up very well the difficulties the activity has always had in establishing a strong profile with politicians, whether at a national or local level. It probably also explains why tourism has seldom been situated in any of the higher-profile government Departments nor been a statutory duty of local government. Indeed given the continuing cost pressures on services relating to education, health and crime, which have much more emotive resonance with the electorate, it's not difficult to see why tourism has not historically been viewed as a priority.

As a result tourism services at a local level are consistently at risk as a result of the need to identify savings and in some cases (e.g. Newquay) services have recently been disbanded completely.

The situation is further complicated by the current lack of consistency in regional tourism structures in England, whereby in some but not all areas newly constituted Destination Management Partnerships are endeavouring to attract LA funding for promotional campaigns, a development which arguably could undermine the provision of LA tourism services in the future.

Tourism is a highly fragmented sector cutting across many national and local government portfolios (economic development, transport, the environment, employment among others). It is also made up of a myriad of small businesses alongside the major players, has numerous uncoordinated trade associations and representative bodies and historically has had a weak lobby. It's not surprising therefore that it is little understood in the political firmament.

Yet as has been outlined earlier, tourism is hugely significant in economic terms, both as a contributor to the Exchequer and as a wealth generator at local level. It also has a major impact on the environment, which can be a force for good if handled in a sympathetic way but equally can have a deleterious effect if mismanaged or worse not managed at all. It is often viewed with suspicion by local communities who forget about the times when they are themselves are tourists; but this is usually when communication from their LA about the benefits of tourism is poor and when no attempt has been made to involve them in sustainable development plans.

5. Conclusion

Destination Performance UK subscribes strongly to Sir Michael's view that 'place shaping' should be at the heart of the local authority agenda and believes that involvement in tourism reinforces that positioning, as 'place' is a fundamental part of a destination's role and function.

It is not the intention of this submission to make a case for tourism's becoming a statutory LA duty and it is acknowledged that this is unlikely to happen. However, this document has endeavoured to shed light on the incidence and importance of tourism in a local government context and to demonstrate its relevance to the overarching place-shaping theme of Sir Michael's paper. If that has been achieved, DP UK would hope that due recognition and weight might be given to the role and significance of LA tourism services in Sir Michael's final report and indeed in the White Paper which follows.

David Phillips MBE MA FTS
National Coordinator
Destination Performance UK