
SOUTH OF SCOTLAND TOURISM ACTION PLAN

Report by Executive Director

EXECUTIVE COMMITTEE

17 September 2019

1 PURPOSE AND SUMMARY

- 1.1 This report updates Members on the tourism development activity of the Scottish Borders Tourism Partnership and seeks approval for support for a South of Scotland tourism action plan to deliver a 12-18 month programme of activity that paves the way for a transformational 5-year Destination Development Programme.**
- 1.2 One of the key tourism initiatives that is underway is the strengthening of the local industry body, the Scottish Borders Tourism Partnership (SBTP). It has grown over time and is currently made up of over 550 private sector companies. SBTP is wholly operated on a voluntary basis by the industry for the industry.
- 1.3 SBTP led a review of the Scottish Borders tourism proposition during 2018 and the resulting report identified the low profile of the Scottish Borders as a tourism destination and a lack of innovation in tourism product development. Following further joint work with partners in Dumfries & Galloway, an agreement has been reached to progress with a joint tourism action plan covering the South of Scotland. The tourism action plan takes the outputs from a recent workshop, and the ambitions of the local industry bodies, and merges these with actions already identified by SOSEP and VisitScotland.
- 1.4 The draft action plan is currently being tested with the industry bodies and other local partners so the actions and estimated budgets may be subject to change prior to a funding application being made to SOSEP.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee:-

- (a) Notes the positive progress being made by the industry-led Scottish Borders Tourism Partnership;**
- (b) Agrees to support a pan-South of Scotland tourism action plan to deliver short-term tourism development activity in the Scottish Borders and South of Scotland; and**
- (c) Agrees to the allocation of £60k from existing Economic Development Service budgets to support the proposed South of Scotland tourism action plan and, in particular, the brand development work of SBTP.**

3 BACKGROUND

- 3.1 Council officers have been working with VisitScotland and other local business partners to support the tourism sector in the Scottish Borders. One of the key initiatives that is underway is the strengthening of the local industry body, the Scottish Borders Tourism Partnership.
- 3.2 Scottish Borders Tourism Partnership (SBTP) was established over ten years ago. It is the lead business association for tourism businesses in the Scottish Borders. It has grown over time and is currently made up of over 550 private sector companies. SBTP works with other organisations, including the Council, Scottish Borders Chamber of Commerce, Live Borders, VisitScotland, Scottish Enterprise, the Southern Upland Partnership, ScotRail and Border Buses, to stimulate and promote the local tourism offering.
- 3.3 Currently, SBTP is wholly operated on a voluntary basis by the industry for the industry and it has no revenue stream beyond the small membership fee that it charges. Scottish Borders Council has supported SBTP through; development of the Scottish Borders Tourism Strategy, specific project and business support, Travel Trade and EXPO attendance and partial funding for specific business-to-business projects, such as the annual conference.

4 INDUSTRY BODY SUSTAINABILITY

- 4.1 With the agreement of VisitScotland, Scottish Borders Council and their membership, SBTP led a review and evaluation of the entire Scottish Borders tourism proposition during the Summer of 2018. The resulting report identified the low profile of the Scottish Borders as a tourism destination and a lack of local innovation in tourism product development. Two clear recommendations were made: To establish a privately invested delivery company in the Scottish Borders and an overarching 'umbrella' group with Dumfries and Galloway; and to create a new 'brand' which could become the marketing and capital collateral of the delivery company and also be used beyond the Scottish Borders.
- 4.2 In addition to the delivery structure, the report also recommended the need to address the tourism product. Progress could be made by building a coherent product offer that challenges the current perception of location, image and low visibility, extends the tourist season, builds destination awareness, increases visitor numbers and demonstrates economic benefit for the area. These challenges drive the industry group's ambition to form a new delivery company that would be created and led by the industry. The overall aim is to become a financially sustainable tourism Destination Marketing and Management Organisation (DMMO), acting for the local industry.
- 4.3 In addition to this, SBTP met with Visit South West Scotland (VSWs) to set in motion the process to develop an 'umbrella' organisation that represents the best interests of both areas across the South of Scotland region. This process is ongoing and is being facilitated by the South of Scotland Economic Partnership, the two Councils and VisitScotland.

- 4.4 A facilitated workshop took place in Moffat at the end of July 2019. This involved key players from the tourism industry in the South of Scotland, notably the chair and directors from Scottish Borders Tourism Partnership and Visit South West Scotland, individuals representing a number of local marketing groups and development trusts engaged in tourism. As a result of this meeting, an agreement has been reached to progress with a joint tourism action plan covering the South of Scotland. This positive progress is being reinforced with a proposed funding package from VisitScotland, Scottish Borders and Dumfries and Galloway Councils, and the South of Scotland Economic Partnership.

5 TOURISM ACTION PLAN

- 5.1 Following the workshop in Moffat, and with a commitment from the public sector partners to support action, a joint tourism action plan is being developed which takes the outputs from the workshop, and the ambitions of both DMOs, and merges these with actions already identified by SOSEP and VisitScotland. A key outcome from the workshop was recognition that all the players are keen to see tourism develop and prosper, and that all recognise the pan-South of Scotland opportunity to do things differently.
- 5.2 Although all of the partners are active within their own areas, it was recognised that more will be gained from collaboration across the geography and between public, private and third sector partners. Combined, these form a 15-18 month programme of destination leadership, capacity building and development planning activity which collectively will pave the way for an ambitious and transformational 5-year Destination Development Programme from 2021-2026.
- 5.3 The target budget is approximately £375,000. The two Local Authorities are seeking to provide core support to their DMMOs and make a contribution to the required budget. It is hoped that this will be matched by VisitScotland, using funds available through the 'Programme for Government'. It is hoped that this package of approximately £160-180k will then be matched by SOSEP to deliver a total Tourism Action Plan programme of up to £375,000. There are eleven areas of activity that have been identified in the draft tourism action plan and these, along with estimated budgets, are set out in Appendix 1. The draft action plan is currently being tested with the DMMOs and other local partners so these headings, and the estimated budgets, may be subject to change prior to a funding application being made to SOSEP.
- 5.4 One of the key priorities of the tourism action plan for both the South of Scotland Tourism Alliance and the SBTP is to continue to progress with the '*Scotland Starts Here*' brand and app roll-out which has already been piloted through the Midlothian and Borders Action Group. The '*Scotland Starts Here*' brand requires robust development beyond the successful pilot and some of that brand development will be used for signage including 'on arrival' signage and boundary signage. The opportunities for the boundary signage are widespread, not just in the Scottish Borders, but also in Dumfries and Galloway.

6 IMPLICATIONS

6.1 Financial

- (a) The Economic Development Service currently has an annual budget of approximately £120k to support tourism development in the Scottish Borders. Part of this budget includes payment to VisitScotland for marketing campaigns specific to the Scottish Borders as part of the annual Memorandum of Agreement (MOA). In 2019, the VisitScotland MOA was used to secure the delivery of the Tour of Britain Stage 2 start and finish. In 2020, the Council will have flexibility to use the MOA budget differently again; it is therefore recommended that £40k is allocated to delivery of the action plan. It is proposed that the tourism action plan should be a priority for support in 2020/21.
- (b) A budget of £100k is allocated for the delivery of new Boundary signage project. The tourism action plan budget includes a branding element. In the immediate short term, it is recommended that £25k of the boundary signage budget is used as match funding to help progress the branding element of the wider South of Scotland tourism action plan.

In total it is therefore recommended that across 2019/20 and 2020/21 SBC allocates £65k to support delivery of the action plan.

6.2 Risk and Mitigations

Tourism development is a priority in the Scottish Borders Economic Strategy 2023 and in the Scottish Borders Tourism Strategy and Action Plan. A committed resource is required to continue to develop the tourism sector and offer a level of support required to motivate and inspire businesses. The proposed tourism action plan is crucial in securing funding support to enable the SBTP to move towards long term sustainability and there is a risk that the industry group may fail if it is not able to successfully deliver on this new approach.

6.3 Equalities

An equality impact assessment (EIA) is not required as this report relates to the continuation of existing tourism development support. A key aspect of the Council's Economic Development Team's work is to reduce barriers to economic inequality and encourage inclusive economic growth and this will inform the detailed actions developed as part of the tourism action plan.

6.4 Acting Sustainably

Tourism development delivers a number of key outputs and outcomes that provide economic benefit and benefits to help sustain local communities. The visitor economy has a positive economic impact on towns and rural areas across the Scottish Borders.

6.5 Carbon Management

There are no direct implications for the Council's carbon emissions from this proposal.

- 6.6 **Rural Proofing**
Rural proofing is not required because this project does not change Council strategy or policy. However, the visitor economy is particularly important for the rural areas and communities of the Scottish Borders, often providing some of the limited employment opportunities in these areas.
- 6.7 **Changes to Scheme of Administration or Scheme of Delegation**
There are no changes to be made to the Scheme of Administration or the Scheme of Delegation as a result of this report.

7 CONSULTATION

- 7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR, the Clerk to the Council and Communications are being consulted and their comments will be reported at Committee.

Approved by

Rob Dickson
Executive Director

Signature

Author(s)

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Background Papers: n/a

Previous Minute Reference: **Boundary Signage paper**

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APPENDIX 1

ACTIVITY	ESTIMATED BUDGET
VSWS DMO Core Funding	£40,000
SBT DMO Core Funding	£40,000
SoS TLG Leadership Support	£25,000
Industry Engagement	£10,000
'Scotland Starts Here' Brand and App Roll Out	£25,000
Strategic SSH Marketing Campaign & Industry Toolkit	£80,000
Tourism Strategy Alignment and Development	£10,000
Asset Mapping and Gap Analysis	£25,000
Prep of Five Year Destination Development Plan (Ref TEAM Tourism recommendations)	£55,000
Business Readiness Programme (MBTAG based)	£65,000
DMO Industry Support Review	£0
	£375,000