Destination Management Plan 2013-2017
The Strategy

March 2013

Contents

This DMP Strategy is accompanied by:
- The DMP Evidence Base and
- The Destination Action Plan 2013-2017

1.   Introduction

1.1   Tourism and the visitor economy

"Tourism is the act of travelling to, and staying in, places outside one's usual environment for leisure, business and other purposes. Tourism includes day visits using the same criteria."[1]

Tourism includes business tourism, social visitors staying for a function and day visitors i.e. anyone undertaking an activity that is not in their normal routine. These are important markets for Hertfordshire but not always recognised as tourism.

The visitor economy is a more inclusive concept than tourism involving a wider range of activities embracing the total visitor experience including the 'sense of place'. It therefore depends upon the public as well as the private sector

The visitor economy has an interdependent relationship with a range of sectors including transport, retailing, catering as well as culture, heritage and entertainment.

 "The visitor economy covers all aspects of the economy related directly or indirectly through the supply chain to the provision of services to visitors and benefitting from their spending."[1]

The importance of these definitions for Hertfordshire is the recognition that the visitor economy is large and diverse including not only hotels and traditional tourist attractions but a range of local services and providers from transport to toilets, from the local cafe serving a visitor to the florist supplying a wedding venue.

Tourism and the wider visitor economy can – and does - contribute significantly to local prosperity and quality of life in Hertfordshire, both of which are key goals for Hertfordshire County Council (HCC) and the respective districts.

1.2   The impact of the visitor economy in Hertfordshire

The direct tourism GVA in Hertfordshire is £0.67bn a year and worth considerably more when taking into account the multiplier effects. Many small businesses in the county rely on the visitor economy for at least part of their income. The sector creates 47,000 jobs[2].

A recent study by Deloitte[3] identified the wider impacts and close linkages that exist between the visitor economy and other areas of the economy. These contribute to a number of diverse sectors and to wider policy agenda including economic and social inclusion, enterprise/business formation, sustainable development impacts and regeneration. Most notable are:
* The importance of the sector in generating income and jobs in rural areas and in town centres where leisure uses play an important role in maintaining the vitality and vibrancy of High Streets. Tourism, including business tourism, is

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[1] Principles for developing Destination Management Plans, Visit England, 2012
[2] See Evidence base
[3] The Economic Contribution of the Visitor Economy: UK and the Nations, Deloitte, 2010

often a catalyst for regenerating and improving destinations as demonstrated in cities such as Liverpool and Glasgow but also small towns such as Margate and Hay on Wye.

- The importance of the sector to local businesses; hotels provide essential business infrastructure for accommodation, conferences and social functions. Conferences, meetings and other business events play a vital role in economic, professional and educational development by providing important opportunities to communicate, educate, motivate and network. Hertfordshire is an international player in many areas including life sciences, film and media, aerospace etc. Increasing business tourism in Hertfordshire will improve the success of the county as a place to do business and raise its profile as a 'knowledge centre'.
- The opportunities offered by the visitor economy to fill employment gaps. Tourism is a flexible and versatile sector to work in and offers a range of entry level opportunities for school leavers, for people without formal qualifications, for those re-entering the workforce and for part-time or temporary employees.
- The opportunities for entrepreneurship as the sector is relatively easy to enter e.g. letting out rooms in one's home, a field for camping, opening a café or an attraction.
- The financial support that visitors can provide for hard-strapped public services; public transport, cultural facilities, local events etc.

In addition, tourism helps raise the profile and promote a positive image of Hertfordshire to the outside world which, in turn, can attract investment and make people feel better about the place in which they live.

Public sector intervention in the sector can be justified on the grounds of being needed to help exploit these market opportunities, not to redress any market failure.

Tourism can therefore play a very important part in the local economy and help local authorities meet a range of economic and well-being objectives. It can do this through a process now termed Destination Management.

1.2   What is Destination Management?

Destination Management is a process of coordinating the management of all aspects of a destination that contribute to a visitor's experience, taking account of the needs of visitors, local residents, businesses and the environment. It is a systematic and holistic approach to making a visitor destination work efficiently and effectively so the benefits of tourism can be maximised and any negative impacts minimised[4]. It embraces the idea of sustainability i.e. tourism which brings economic benefit, is sensitive to the environment, is welcomed by the community and results in satisfied visitors. Delivering a quality experience to the visitor is a priority. In Hertfordshire, the visitor economy needs to focus on the broad objective of 'smart' development, focusing on adding value where it is needed.

In this definition, the term 'management' is taken in its widest sense. Crucially, destination management includes the planning, development and marketing of a

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[4] The visitor economy can also have negative impacts. Additional visitors can create unwelcome development and management pressures for the local community. Some activities can cause local congestion.

destination as well as how it is organised and maintained physically, financially, and operationally.

Destination management is all about communication, involving all stakeholders in planning and decision-making through partnership working as well as communicating with visitors to monitor success and consulting residents to evaluate impacts.

In Hertfordshire, the two tiers of local government mean that communication and co-ordinations are even more critical.

1.3   Why a Destination Management Plan?

A Destination Management Plan (DMP) is a shared statement of intent to manage a destination in the interests of the visitor economy, over a stated period of time, articulating the agreed roles of the different stakeholders and identifying clear actions that they will take.

Tourism has to be managed in a sustainable way, to maximise the benefits for long-term prosperity and reduce any negative impacts. The visitor economy is a complicated industry involving the public, private and third sectors – and the local community. The private sector is fragmented, comprising many businesses, most of them small. Working alone, enterprises cannot manage and sustain tourism across a destination. For example, they cannot provide or maintain the necessary infrastructure or market the whole area or train and develop a skilled workforce without some assistance. Similarly, there are many public agencies and departments within agencies that contribute in different ways to tourism development and management along with a plethora of third sector parties and economic development projects. For tourism to be successful and make a constructive contribution to the local community, all parties need to co-ordinate activity and work to common, agreed goals, set down in a reference document such as this DMP.

A DMP can play an important role in identifying how the full range of local authority policies and services (in planning, transport, environmental management, leisure and recreation, culture and the arts) can support the visitor economy on the one hand and be supported by it on the other. By showing these links it prevents tourism being treated in a silo and shows it as a core contributor to economic development.

This is therefore a plan for all those with an interest in the future of tourism in Hertfordshire. This includes:
- The private sector, responsible for running their tourism related businesses and meeting the day-to-day needs of visitors.
- Local government departments in the County Council, District, Town and Parish Councils, responsible for a range of services that impact on destination management.
- The various economic and community development projects that impact on tourism and the destination such as the Rural Development Programme in East Herts and the two BIDs in North Herts.
- The local community with an interest in tourism related opportunities and possible impacts upon their way of life.
- Any other stakeholders who need a robust, evidence-based plan to strengthen the case for funding and assist in identifying projects to support.
- Politicians, who have to agree policy and allocate public sector resources.

This DMP sets the parameters for tourism development within Hertfordshire for the next five years (2013-2017). The Plan, however, is simply a tool in an on-going Destination Management Planning process. It is not an end in itself but more of a flexible reference point that will need to be reviewed and updated through the Plan period and beyond.

1.4   The structure of the document

The DMP is made up of three parts:
- The Evidence Base, prepared to help formulate the plan
- This Strategy, the core of the DMP
- The Destination Action Plan, detailing how the strategy could be delivered

In this strategy document, we draw on the evidence base to review the current state and position of tourism in Hertfordshire and identify the key issues.

We then turn to the future, setting out the aim, vision and strategic objectives. Under each objective, we identify a number of priority projects. The Destination Action Plan provides the detail on each of the identified projects.

2.   Tourism in Hertfordshire

2.1   The tourism product[5]

- Hertfordshire is highly accessible with excellent road, bus, air and rail links.

- The towns and villages of the county offer a range of interesting destinations with attractive retailing, eating out, heritage, attractions and other cultural/entertainment facilities – and accommodation - in which visitors, as well as residents, are attracted to spend time and money. St Albans is a major draw, featuring as it does in national and international guidebooks.

- Some of the towns are looking for new direction and regeneration.

- Hertfordshire has attractive countryside, waterways and significant outdoor recreation resources including opportunities for walking, cycling, golf and boating. Outdoor recreation is a strong theme for the area.

- There are some notable attractions including heritage sites, over 40 small museums, family attractions, outdoor recreation sites and four major extreme sports facilities.

- The film and TV industry is an important niche in Hertfordshire, drawing both business and leisure visitors to the county.

- Notwithstanding the number and variety of events, there is a view that they could play a bigger role in drawing in more, different visitors.

- Visitor accommodation is dominated by the large number of good quality, branded hotel rooms, including some high profile conference/function venues that serve the important business and social tourism markets. There are over 8,000 rooms in 100 establishments of 20+ rooms located around the county, and many more just over the border.

- There are around 750 additional serviced rooms in 140 smaller (<20 rooms) establishments, mainly in the rural areas of North and East Herts and St Albans.

- There are few self-catering establishments but there are half a dozen caravan sites, again mainly in the rural areas of North and East Herts and Broxbourne (Lee Valley).

- Hertfordshire consists of a range of different rural and urban destinations but the county has a relatively low profile in tourism terms. St Albans is referred to in guide books, but neither Hertfordshire or the other towns are featured.

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[5] See Evidence base

2.2   The visitor market and its economic impact[6]

- Hertfordshire attracted around 1.7m staying visitors and around 18m day visits in 2011.

- There is little hard information on the visitor profile but there appear to be strong regional markets (from the East, London and SE). Key visitor segments are:
  - Day visitors
  - Leisure breaks
  - VFR/social events, and
  - Business visitors, a particularly important local segment

- Popular leisure activities include shopping, eating out, meeting up with friends/relatives, visiting an attraction and visiting the countryside.

- Total spend by day and staying visitors is estimated at around £750m. Multiplier effects increase these figures significantly.

- The visitor economy supports up to 47,000 actual jobs i.e. 7% of the county's workforce.

- In comparative terms, the <u>direct</u> GVA of tourism in Herts is £0.67bn which equates to 2.44% of the county's total GVA. This is lower than its average contribution across the English economy as a whole but Hertfordshire fares reasonably well amongst the Home Counties, below Kent and Essex but above Cambridgeshire, Surrey, Buckinghamshire, Bedfordshire and Berkshire.

- There is a very large resident catchment population within 2 hours drive, approximately 25m.

- Hertfordshire is at the centre of the Golden Research triangle with a relatively buoyant economy creating a significant business tourism market.

2.3   Strategic context[7]

- National development policy is all about encouraging economic growth, building sustainable communities, valuing the environment and respecting local aspirations. There is, however, relatively little explicit reference to tourism as a potential contributor to these goals despite its track record.

- The national tourism strategy recognises the sector's potential and projects 5% pa growth. Emphasis is, however, placed on the importance of better marketing and being able to deliver the promise in destinations which requires a coordinated and sustainable approach by the tourism industry. Business tourism is a particular focus in the national strategy.

- Key policy themes and priorities in the County and Districts are:
  - The creation of a balanced economy through sustainable, smart development.

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[6] See Evidence base

[7] See Evidence base

- o A focus on increasing employment opportunities, skills and training as significant pockets of people with low aspirations and skill levels persist and some parts of Hertfordshire do exhibit economic and social problems.
  - o Town centre regeneration providing new purpose to help address the decline of High Street retailing.
  - o Improving and protecting the environment and access to it, encouraging cultural development and promoting a healthy living agenda to improve quality of life.

- National, county and local policy appears supportive of tourism development i.e. its respective outcomes but few refer to it explicitly. Only St Albans currently has a formal tourism policy although some other districts are planning them.

2.4   Destination management, organisation and marketing[8]

- Visit England's priority is to have robust destination management and marketing plans in place, developed and implemented at local level by the appropriate stakeholders.

- The Hertfordshire Tourism and Leisure Partnership (HTLP), core funded by HCC and hosted by the Chamber, has been marshalling tourism marketing at a county level over the last decade. Much has been achieved with the available resources but there is now a perceived need for strategic direction and greater commitment from existing and potential partners to destination management including marketing.

- Besides its contribution to marketing through the HTLP, the HCC is involved in destination management through its commitments to countryside and rights-of-ways, transport, culture, libraries and education.

- All 10 Districts and Borough Councils play an important role in destination management through a range of departments but most of them do not necessarily acknowledge it as tourism related. They invest in town centres, the countryside, the provision of cultural facilities, events and attractions, transport, information and promotion of their area. Much of this is done for the benefit of residents but there is recognition that, to make local resources sustainable, particularly town centres, it is imperative that visitors are attracted in from beyond the normal catchment areas i.e. tourism.

- Only three of the district councils explicitly recognise tourism; St Albans, East Herts and Dacorum, although some others do recognise the opportunities afforded by the visitor economy.

- The Hertfordshire Hoteliers Association represents around 30 major hotels in the county, and just over its borders.

- There is no formal structure for destination management in Hertfordshire at present. Collaboration is limited to marketing initiatives by HTLP.

- HCC has indicated that it is likely to reduce its funding for tourism from 2013/14 as part of its overall reduction of resources for economic development.

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[8] See Evidence base

2.5   Future challenges and trends[9]

- Future patterns of tourism in Hertfordshire will be partly determined by what happens on the ground but also influenced by external factors outside local control.

- The well-known drivers of change closely linked to tourism include:
  - The (difficult) economic situation nationally
  - The changing population structure and lifestyles
  - Growing environmental concern
  - The rise of digital communications
  - Competition from other destinations

- No-one can say with certainty what the on-going cumulative impact of these changes will be. Some of the drivers and policies may cancel each other out but the general message is that:

- Private sector investment and public sector support is likely to be constrained in the short to medium term.

- Tourism growth is not guaranteed and may have to come from capturing market share from elsewhere. The market is generally more sophisticated and less loyal.

- The most likely outlook for the next five years or so is that, overall, tourism demand is likely to be sustained at around or just above the same level but the better managed destinations should see significant growth.

- Success will depend upon:
  - Understanding different and changing market needs
  - Raising sights to match and exceed what the competition is offering
  - Not taking for granted that consumers know what Hertfordshire has to offer
  - Providing compelling reasons and triggers to visit

2.6   Strengths and weaknesses

Key points arising from our analysis of the current situation are summarised in the form of a SWOT analysis.

In brief, the main strengths of Hertfordshire as a visitor destination are its good access to a large market, the demand for business tourism and related supply of good accommodation with excellent ancillary facilities, St Albans and a range of historic towns along with some attractive countryside. The county has a low profile as a destination but the main weakness is the lack of appreciation of, and commitment to exploit, the potential that exists.

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[9] See Evidence base

Table 2.1: SWOT analysis

STRENGTHS	WEAKNESSES
• Easy access for large catchment • Proximity to London • Important business destination • St Albans, a major honeypot • Some interesting towns and villages • Attractive countryside and waterways • Network of walking routes/trails • Range of attractions and museums • Good quality accommodation • Shopping and eating out • Golf • Extreme sports • Film heritage	• Lack of co-ordination and collaboration from partners • Low profile for tourism • Some settlements in need of regeneration • Few special hooks • Lack of packaged product • Few events • Little tourism experience in Districts • Lack of resources • Poor east – west communications • Poor signage • Poor information • Parking and congestion
OPPORTUNITIES	**THREATS**
• Potential in the tourism market • Revival in business tourism • Town centre regeneration initiatives • Growing interest in outdoor activity, including golf, boating, extreme sports • Growing interest in visitor economy by district councils	• Cutbacks in local authority funding • Continuing economic recession • Not adjusting to changing markets • Lack of co-ordination between stakeholders • Lack of clear vision and direction

3.   The vision and aim

Having reviewed the evidence, this chapter summarises the main issues before proposing an overall approach to developing Hertfordshire's visitor economy for the next five years.

3.1   Where are we now?

The visitor economy is important in Hertfordshire; it already supports many jobs and businesses although there are few explicit references to it in local policy. It makes sense to ensure that the sector is sustained and continues to develop and contribute to the objective of a more sustainable and diversified economy with a range of employment opportunities.

3.2   Challenges

Looking to the future, Hertfordshire faces a number of pressing challenges if it wants to grow its visitor economy although it shares these with many other destinations. The challenges are:

- Increasing competition from other destinations which offer more exciting, novel experiences. This requires investment in the tourism experience.
- An uncertain prognosis for tourism growth nationally. This means that market growth has to come from capturing business from other destinations.
- To raise the profile of Hertfordshire and/or its constituent destinations as an interesting place that is distinctive and enriching to visit.
- To exploit new media in order to communicate with visitors, making it easy for them to access information and book trips.
- To get all stakeholders – public, private and community - to collaborate and coordinate effort to more effectively overcome some of these challenges.
- To meet these challenges while facing constraints on public and private sector resources.

Investment needs direction and co-ordination to maximise the tourism benefit. The tourism sector needs a shared vision and co-ordination between public and private sector to address its issues. In Hertfordshire, the challenge is not just to maintain resources but to try and increase them to support a step-change. This will require a collaborative approach to the DMP and its resourcing if the inherent potential is to be grasped. Tourism, properly managed, can flourish. It is a sector with scope for growth.

3.3   The vision

The Vision is presented here as an extract from a guide book in 2020.

The overall aim of the DMP should be to:

> *Develop a thriving visitor economy in Hertfordshire which generates more expenditure, creates jobs and business opportunities, helps sustain town centres and rural areas, services the local business community, raises the profile of the county and helps support local leisure related amenities for the benefit of residents as well as visitors.*

We also want to benefit the wider economy of Hertfordshire through strengthening the image of the county and developing productive linkages with other sectors of the economy.

This is about developing a viable, innovative and sustainable visitor economy which complements other sectors and brings net benefits to the local population for generations to come.

3.4   The overall approach: key principles

Tourism doesn't exist in isolation and needs to complement, reflect and support existing policies and strategies if it is to contribute to wider objectives. Our review of these suggests the tourism strategy should embrace the following key principles and themes. These are cross-cutting principles and will underpin all the proposed actions:

- **Sustainability**. The need to ensure that tourism has a viable long term future and that the economic, environmental and social benefits outweigh the costs.

- **Quality**. Striving to do things well and improving the overall experience for the visitor as the route to success.

- **Distinctiveness**. Drawing on the indigenous resources of Hertfordshire to create an offer that distinguishes the county from other places and gives it an edge.

- **Local benefit**. Ensuring that local people and local businesses derive benefit from tourism and see it as a positive feature of life in Hertfordshire.

- **Partnership**. Working in collaboration to make the most efficient use of resources whether it is between authorities and agencies or public, private and voluntary sectors.

The key principles will form the backbone of the strategy and should drive activity and inform priorities over the next five years.

4.   Strategic objectives and priority actions

4.1   Strategic objectives

In order to take the strategy forward we have identified four Strategic Objectives:

1. To raise the profile and attract more visitors to Hertfordshire

2. To develop the product; invest in quality

3. To develop the tourism infrastructure; provide an outstanding experience

4. To establish the appropriate infrastructure for effective destination management

4.2   Priority actions

The actions required under each of the Strategic Objectives are summarised here and set out in detail in the Destination Action Plan (DAP).

These will, together, put the visitor economy of Hertfordshire onto a sounder footing and lay the foundations for future success. It will be seen that these initiatives involve the private sector, the public sector at County, District and Parish level – and different departments within them - and external stakeholders.

The main elements of the DAP are to:

- Raise the profile of Hertfordshire and its individual destinations to help stimulate leisure and business visits. This will involve the promotion of the main towns and associated rural areas, distinctive attractions and related activities in themed campaigns.

- Develop current marketing initiatives into a strategic plan based on digital communication, press and PR work and rationalised print, tailored to meet the needs of businesses and enhancing the image of Hertfordshire as a place to visit, live and work.

- Continue physical regeneration efforts in Hertfordshire town centres, exploiting their heritage, enhancing the quality of the local environment and amenities including eating out, entertainment and the cultural offer.

- Encourage the development of more, distinctive accommodation and experiences.

- Support local businesses to improve their product, manage their business better, become more profitable and invest in human resources.

- Continue to improve and promote linkages within the countryside by all modes of transport, particularly by foot and bicycle. This will meet market need, encourage more sustainable travel and promote healthy activity for all.

- Improve the co-ordination and management of tourism and active engagement between the public and private sector. This requires re-thinking current structures, governance and funding.

- Monitor and evaluate activities.

4.3 Targets

We recommend that Hertfordshire should aim for modest growth in both the volume and real value of tourism over the five years. This is a challenge but we think a target of 3% overall growth per annum in value terms over the next five years is realistic. This would equate to a growth of around 6,000 jobs over the Plan period.

4.4 Taking the strategy forward

This DMP is the first step in a process; it is not an output. It is a flexible and dynamic framework for action by – and a reference point for - a range of stakeholders in the context of rapidly changing circumstances and on-going initiatives.

The overall strategy needs to be endorsed by stakeholders in the proposed partnership, each of whom should assess their own contribution against the recommended action plan, and monitor progress.

Overall responsibility for co-ordinating the Hertfordshire DMP and promoting implementation of the DAP by stakeholders should rest with the partnership. Actual implementation will be the responsibility of, and undertaken by, the individual members of the Partnership and/or the Executive.

The partnership should produce an annual review of progress against each of the numbered action points in the DAP, and of performance against the list of indicators. The strategy should be updated every five years.