

Report Number: For West Somerset Council Use

## West Somerset Council

**Council – 23 November 2016**

### **ALLOCATION OF HPC S106 TOURIST INFORMATION CENTRE FUNDS**

**This matter is the responsibility of Cabinet Member Cllr Karen Mills Lead Member for Economic Regeneration & Tourism**

**Report Author: Corinne Matthews Economic Regeneration & Tourism Manager**

#### **1 Executive Summary / Purpose of the Report**

- 1.1 To consult with Council on a suggested approach for allocating Hinkley Point C Section 106 funds for Tourist Information Centres during 2016-18.
- 1.2 To consult with Council on a suggested approach for commissioning tourist information services in Watchet.

#### **2 Recommendations**

- 2.1 To recommend to Council the allocation of £71,000 from HPC S106 allocations for tourist information centres. This includes the remaining funds of £60,649.33 from the Site Preparation Works agreement, and part of the funds of £10,350.67 from the first Development Consent Order Works agreement. Staggered payments would be made in line with service level agreements with centres, which total:-
  - (a) £48,000 to West Somerset Council for the purposes of supporting Minehead, Porlock and Watchet tourist information services for two financial years in 2016/17 and 2017/18.
  - (b) £23,000 to Sedgemoor District Council for the purposes of supporting Burnham-on-Sea, Cheddar and Bridgwater tourist information services in 2016/17.
- 2.2 To advertise to the community of Watchet for a service provider for tourism information services and to delegate the commissioning of the service to the Lead Member for Economic Regeneration & Tourism and the Economic Regeneration Manager in line with a provider satisfying the requirements of the service level agreement as detailed in paragraph 4.2.

2.3 To advise Somerset County Council that their proposed allocation of £10,000 set aside from the 2015/16 approval process will revert to the Hinkley Tourism Action Partnership fund, unless claimed by 31 March 2017.

### 3 Risk Assessment (if appropriate)

#### Risk Matrix

Description	Likelihood	Impact	Overall
Without support there will be a decline in tourism information services, which will lead to a lack of quality information for tourism businesses and customers at a time when the construction period of the HPC project could have a negative impact on the perceptions of the area.	5	4	20
<i>Putting in place Service Level Agreements with TIC's to provide good levels of service and information to visitors and businesses will significantly lessen the likelihood and impact of negative perceptions of the area.</i>	3	3	9

#### Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
<b>Impact</b>							

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%

4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

## 4 Background and Full details of the Report

### 4.1 Role and Responsibilities of Tourism Information Services

4.1.1 Tourism information centres (TIC) are the ‘eyes and ears’ of tourism intelligence across the area. They are a front-line service, and via their tried and trusted relationships with tourism providers and visitors are aware of visitor trends, opportunities and threats well in advance of any statistical analysis.

4.1.2 The role of tourism information services has changed considerably over the past decade. The growth of the internet, and other modernised tourism marketing models, has minimised the role that the TIC has in supporting the consumer to research their holiday destination in advance of prior bookings. However, it still has significant strength in supporting visitors once they have arrived within a destination, and helping to support accommodation providers and other key attractions in being an integral part of place based marketing and promotion. Information Centres, also traditionally provide a range of services for the local community as well.

4.1.3 In respect of the HPC Project, information services have a pivotal role in:

- Acquiring first-hand information in relation to any ‘issues’ that are impacting on tourism visits and spend, and rapidly relaying that information to local authorities.
- Providing an important and vital conduit to businesses in terms of the dissemination of information / messages / alerts.
- Establishing an important resource to HPC Construction Workers and their families, in helping to promote the area and provide information for recreational opportunities.
- Delivering key aspects of the Hinkley Tourism Action Plan, such as providing travel information, supporting PR activity, and assisting projects like coach friendly towns and local ambassador schemes.

### 4.2 Specific West Somerset Service Delivery

4.2.1 Support for the three tourist information centres in Minehead, Watchet and Porlock, is delivered via service level agreements that set out the key tasks and outputs expected of each in return for funding. The scope of these agreements relates to the size and scale of the TIC capacity for delivery against the amount of funding awarded. Previously this has meant that more has been expected of Minehead than Watchet or Porlock.

**Minehead Information Centre** is located in the area's key seaside town, employs professional TIC staff, delivers all year round opening hours and has a responsibility for promoting the wider district.

**Porlock Visitor Centre** employs professional and volunteer staff in providing an all year round opening service. Porlock also has a responsibility for promoting the National Park, and receives additional annual funding from the Park Authority.

**Watchet Tourist Office** provides a summer only service completely staffed by volunteers, and up until 2016, was supported by Watchet Town Council.

4.2.2 Now that the HPC project has started in earnest, and significant investment has been made in the Boat Museum and new Visitor Centre, it is time to review service delivery in Watchet. The new centre is proposing all year round opening hours and professional staff with social media skills. This provides a crucial opportunity to strengthen visitor information services in both the district, and in a town that has already been impacted by the development of HPC. Watchet could help to spread the load with Minehead, speeding up information flows and utilising more communication channels to support the work of the Hinkley Tourism Action Partnership, as well as engaging more directly with businesses and in creating positive perceptions of the area with visitors. Therefore, it is recommended that an approach is made to the community of Watchet to commission a more robust information service in the town.

4.2.3 Minehead will continue to be the district's main TIC, not least because of the strong working relationship that has been established with them during the past four years and key activity they have been requested to deliver, which includes the monthly co-ordination of the district's tourism newsletter, a key communications tool. Going forward, all TIC's, to a lesser or greater extent depending on their scale of funding, would be expected to support HPC specific activity, as set out in 4.1.3, as well in:

- Supporting the promotion of Minehead / Watchet / Porlock and the district.
- Exploring income generating activity (that is in keeping with the TIC function) to ensure continued sustainability of the service.

The table below sets out the tasks and outputs for each TIC which will be commensurate with funding levels got each TIC.

Task	By when	Targets / Outputs
Maintain and upkeep tourism industry database <b>(Minehead TIC only)</b>	Ongoing	Fully up-to-date database which includes District wide information

## Appendix A

<p>Collect intelligence / information and evidence in respect of the impacts of the HPC project, and establish a communications strategy for the rapid dissemination of information.</p> <p><i>This is a vital part of the service – to ensure that the MIC receives up-to-date information in respect of traffic congestion or other issues, and is able to communicate this to tourism providers, and support them with tactics for ensuring that customers visiting the area are not significantly disadvantaged.</i></p>	Ongoing	<p>Compile 12 e-newsletters per year <b>(Minehead TIC only)</b></p> <p>Disseminate Hinkley related travel information when required potentially provided by Somerset CC (Minehead / Watchet)</p> <p>Using social media platforms as frequently as required to disseminate all travel information when arises to contacts and via twitter (Minehead &amp; Watchet)</p>
<p>Delivery of specific HTAP projects including Ambassador Scheme <b>(Minehead TIC running pilot scheme, if successful likely to be rolled out to Watchet and Porlock)</b></p>	By July 2017	<p>TIC to assist with assessment of volunteers</p> <p>Facilitate ambassador scheme from centre -Take bookings, keep records and volunteer contact information, store kit and administer any voluntary donations received</p>
<p>Attend Social Media development training and any other training initiatives that might arise to benefit the TIC function</p>	Ongoing when available	<p>One day of training in social media to enable development of Minehead / Watchet social media channels</p> <p>Contribute or develop content strategy plan for all platforms.</p>
<p>Improving increased Visitor Services (Minehead / Watchet)</p>	Ongoing	<p>Aim to maximise opening hours throughout the summer season.</p> <p>Aim to provide a consistent service throughout the winter months.</p>
<p>Growing the capacity of Minehead / Watchet Information Centres</p>	By the end of August 2017	<p>5% increase in income</p> <p>5% increase in unique website visits</p>
<p>TIC Manager to attend quarterly update meetings of WS TIC Managers (convened by WSC)</p>	Ongoing	<p>Up to 4 meetings per year</p> <p>Monthly update/ liaison with nominated WSC Officer</p>

### 4.3 **Section 106 Allocations**

4.3.1 The HPC Site Preparation Works (SPW) S106 made a total of £200,000 available for tourist information centre support across the three local authorities in the agreement

## Appendix A

(West Somerset / Sedgemoor District Councils and Somerset County Council). The payments have been phased with West Somerset Council having access to the first tranche of £50K, the second tranche became available in May 2014 and was distributed across the three authorities. The third and final tranche became available in May 2015 and totalled £100,000. Indexation took the total figure to £210,699.33.

4.3.2 Last year, due to the uncertainty related to EDF Energy making their final investment decision, it was agreed amongst local authorities to utilise approximately half of the allocation available, to ensure that resource remained in place for continued support. Therefore, as described in paragraph 2.1 a sum of £60,649.33 remains unallocated from the SPW S106.

4.3.3 To date a total of £150,050 of has been approved and allocated by West Somerset Council. The following table provides details as to how this has been done:

Financial Year	Centre	Amount
2012/13	Minehead IC	£28,000.00
	Porlock IC	£4,000.00
	Watchet IC	£750.00
<b>Total 2012/13</b>		<b>£32,750.00</b>
2013/14	Minehead IC	£12,950.00
	Porlock IC	£3,600.00
	Watchet IC	£750.00
<b>Total 2013/14</b>		<b>£17,300.00</b>
2014 /15	Minehead IC	£15,000.00
	Porlock IC	£4,000.00
	Watchet IC	£1,000.00
	Burnham IC	£15,000.00
	Somerset Visitor Centre	£15,000.00
<b>Total 2014/15</b>		<b>£50,000.00</b>
2015/16	Minehead	£15,000.00
	Porlock	£4,000.00
	Watchet	£1,000.00
	Sedgemoor DC	£20,000.00
	Somerset CC	£10,000.00
<b>Total 2015/16</b>		<b>£50,000.00</b>
<b>Total S106 drawn down to date</b>		<b>£150,050.00</b>

4.3.4 Now that the HPC Project has triggered the Development Consent Order (DCO) S106 agreement, a further £160k becomes available for sole use by West Somerset Council in supporting tourist information Centres. The first of four annual £40k payments was made to West Somerset Council in May 2016.

#### 4.4 Proposed allocations for 2016/17 and 2017/18

4.4.1 The tourism officers of West Somerset and Sedgemoor Councils have undertaken a review of the existing service level agreements in place with the tourist information

centres and have gained an understanding of performance and individual financial circumstances. Significant investment has been given to Minehead Information Centre in recent times, and it is recommended that this time £12.5k per annum should be allocated. Porlock Visitor Centre should continue with £4k per annum matching Exmoor National Park Authority input, while a new potential service in Watchet requires initial investment of £10k per annum. For Minehead and Porlock the recommendation is for two years of payments from April 2016 to March 2018. Watchet requires support from October 2016 to March 2018. The total contribution requested is for £48,000.

- 4.4.2 Sedgemoor District Council has examined the wider impact of the site preparation works on the towns of Bridgwater and Cheddar and have proposed that the support for visitor services in Sedgemoor extends to these areas as well as Burnham-on-Sea. They have requested a sum of £23,000 to support these three Centres in 2016/17.
- 4.4.3 Together the two allocations total £71,000. It is proposed to utilise the £60,649.33 remaining in the Site Preparation Section 106 agreement for tourist information centres, as described in 2.1 and 4.3.2, along with a small allocation of £10,350.67 from the first £40k DCO payment made in May 2016, and described in 4.3.3.
- 4.4.4 In addition, members may be aware that Somerset County Council closed the Somerset Visitor Centre, located at Sedgemoor Services on the M5 in 2015. Last year SCC told us that they intended to install digital information points at key strategic locations throughout the County, and were working up a costed business plan. Members approved the recommendation to reserve up to a maximum of £10,000 of the 2015/16 allocation and delegate the approval process of releasing the funds to the Hinkley Tourism Action Partnership. SCC have yet to provide a proposal, and it is suggested that a deadline is imposed for the receipt of the proposal of March 31 2017, and if none is received the £10,000 is diverted to the HTAP main fund and allocated to County wide activity.

## **5 Links to Corporate Aims / Priorities**

- 5.1 The Council's second key theme around Business & Enterprise aims to 'Support and promote West Somerset's vital tourism and agricultural sectors', as well as 'Maximise the local economic benefits from Hinkley Point C'.
- 5.2 The third key theme around Our Place & Infrastructure also aims to 'Mitigate negative impacts on the community from the construction phase of Hinkley Point C'.
- 5.3 Support for tourist information centres across West Somerset will help in achieving both key aims. Via service level agreements centres will be tasked with supporting PR activity and communicating messages with the industry and visitors via newsletters. This could include promoting the area or providing up to date travel information about congestion on the roads. Centres will also be tasked with supporting the Hinkley Tourism Action Partnership in making improvements to the visitor experience, including supporting the new local ambassador guided walks scheme and improving skills, such as social media and welcoming international visitors via training.

## **6 Finance / Resource Implications**

- 6.1 This proposal, if approved, will have no impact on West Somerset Council General Fund as it is funded entirely from the s106 funding from Hinkley Point C. The project complies with Schedule 15 of the SPW agreement (Tourism) and Schedule 4 of the DCO agreement (Economic Development & Tourism) heading. The agreements specifically dictate that the allocations are to be spent on supporting Tourist Information Centres, to help them mitigate the impact that Hinkley Point C will have on Tourism. All of the spending on this proposal is revenue spending therefore it will have no impact on the Council's capital programme.
- 6.2 If approved, it will allocate all the remaining funding (£60,649.33) from the SPW agreement for the Tourist Information Centre. The remainder will come from the DCO funding. So far, the Council has received the first of four instalments, which was payable on the transition date (31<sup>st</sup> May 2016). The first instalment was £42,611.18. If the £10,350.67 is approved, the amount remaining from the first instalment will be £32,260.51.
- 6.3 The other three instalments, under the DCO agreement, are payable on the third, fourth and fifth anniversary of the start of SPW phase 2 (6<sup>th</sup> May 2017, 2018 and 2019). It is currently estimated that after indexation these three payments will total around £135k.
- 6.4 Decisions regarding allocation from this fund must go through West Somerset Council's decision making process. The process for this approval will go via Full Council as the total amount is above £25,000.

## **7 Legal Implications (if any)**

- 7.1 Not applicable.

## **8 Environmental Impact Implications (if any)**

- 8.1 Local delivery of information services through local tourist information centres enables a reduction in carbon emissions as no transport requirements are needed.

## **9 Safeguarding and/or Community Safety Implications (if any)**

- 9.1 Not applicable.

## **10 Equality and Diversity Implications (if any)**

- 10.1 All service level agreements emphasise the need for tourist information centres to operate good equality, diversity and bullying at work policies.

## **11 Social Value Implications** (if any)

11.1 Not applicable.

## **12 Partnership Implications** (if any)

12.1 Each service level agreement is set up with the organisation responsible for the tourist information service in the town or village. The work involves close partnership to deliver and achieve tasks and outputs. The service level agreements set out how each partner will work with the other in order to achieve shared goals, as well as how to deal with issues and risks. This includes the paying back of funds allocated if tasks and outputs are not achieved to the satisfaction of West Somerset Council officers.

## **13 Health and Wellbeing Implications** (if any)

13.1 Tourist information centres play an important role in the community in providing advice and help to local people in respect of information on events, things to do, travel and local amenities. Centres promote walks and active tourism opportunities, as well as provide volunteer opportunities.

## **14 Asset Management Implications** (if any)

14.1 There are no asset related issues, other than to remind members that the building the Watchet Tourist Office operates from is owned by West Somerset Council.

## **15 Consultation Implications** (if any)

15.1 Up to date service level agreement reports and conversations with individual tourist information centres have helped to refine the content of this report.

## **16 Scrutiny Comments / Recommendation(s)** (if any)

16.1 None yet.

### **Democratic Path:**

- **Scrutiny / Corporate Governance or Audit Committees – Yes / No** (delete as appropriate)
- **Cabinet/Executive – Yes / No** (delete as appropriate)

- **Full Council – Yes / No** (delete as appropriate)

**Reporting Frequency:**    **Once only**    **Ad-hoc**    **Quarterly**

**Twice-yearly**    **Annually**

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