

TOURISM SCRUTINY WORKING GROUP

Notes of Meeting

<i>Date of Meeting</i>	24 November 2004	<i>Meeting No.</i>	5
<i>Start Time</i>	4.00pm	<i>End Time</i>	5.30pm
<i>Members Present:</i>			
Councillor Price (Lead Member for the Working Group); Councillors Higgs, Roache, and H Wright.			
<i>Persons in attendance under Rule 13(b), Overview and Scrutiny Procedure Rules</i>			
Councillor Topham (invited as Portfolio Holder for Local Economy)			
<i>Other Persons Present</i>			
Warwick District Councillors Martyn Ashford, Christine Hodgetts and Richard Tamlin (Portfolio Holder for Local Economy). Alex Holmes (South Warwickshire Tourism Ltd) Paul Ogden (Head of Leisure & Local Economy) Steven Newman (SDC & part of the South Warwickshire Economic Development Team) Dennis Stanley (WDC & part of the South Warwickshire Economic Development Team)			
<i>Notes of meeting</i>			
1. <u>Apologies for Absence</u>			
No apologies for absence were given.			
2. <u>Disclosures of Interest</u>			
No disclosures of interest were made at this point of the meeting.			
3. <u>Notes of Last Meeting</u>			
The notes of the meeting of the Scrutiny Group held on 4 November 2004 were agreed.			

4. Service Level Agreement with South Warwickshire Tourism Ltd

Following the last meeting of the Group, comments made during the confidential section were passed to the Director of South Warwickshire Tourism to consider how actions could be set in the context of a proposed £50,000 reduction.

Warwick District Councillors recognised the success of the partnership since 1997. However, they were very concerned with the budget cuts and asked for clarification that this would only affect Stratford District. It was explained that the Assistant Manager post at Stratford Tourist Information Centre was at risk but, through the nature of the partnership approach, other posts could not be separated into district areas. The current range of skills at SWT includes retail, contact centre, customer service, local knowledge and conference.

The Director explained that costs could be cut, involving redundancies, but it would be more constructive, yet challenging, to generate extra income. There would be a risk that the development of consultancy services could divert SWT from south Warwickshire issues, but replacements could be found if the service is successful. The Director confirmed that south Warwickshire would continue to be the absolute focus and that the 'product' should not be diluted, but that more money could be brought in (for example by being able to place conference bookings by making use of facilities in the surrounding area).

The Director confirmed that the SLA could show priorities and they could be made SMARTER, by incorporating and refining the existing business plan targets.

Warwick District Council is contributing £211,000 to SWP in 2005/06, charging £13,000 for use of Leamington Spa TIC. Warwick Town Council also pays £80,000 per annum to run the Warwick TIC. Stratford District council is contributing £312,100 in 2005/06, charging £58,000 for use of Stratford upon Avon TIC.

The issue of 'proportionality' was debated, relating to the number of people in employment in tourism, the number of members of south Warwickshire tourism in each district and the spend per head of population on tourism. These figures do not provide a clear guide as to the amount of core funding to be provided. The partnership arrangement relies upon good will and mutual interests and there was no wish to undermine the good work of SWT. However WDC now had three choices to make:

- 1) Maintain the budget for SWT;
- 2) Reduce the budget;
- 3) Demand through the SLA the maintenance of the service in Warwick District.

The vastness of Stratford District means that many towns and villages do not see the relevance of supporting tourism. The Director of SWT explained that an increasing number of members of SWT were from outside Stratford upon Avon and that links have been made with the market town initiatives, which will continue to develop. This allows the towns and rural communities to call upon wider promotional possibilities and expertise. There is also the potential to develop the successful initiatives, such as the gardens trail and leisure drives, which encourages visitors to explore beyond the 'honey pots'.

Councillor Higgs urged more promotional visits to be developed for two or three days, including key attractions throughout south Warwickshire. The Director of Tourism agreed that there is the potential to do this.

Councillor Topham stressed the need to show more benefits for Council Tax payers. Businesses should also contribute more to SWT, whilst reducing the number of "freeloaders". The Director of Tourism clarified that there are 402 members of SWT, including almost 100% of attractions. It was more challenging to attract/keep retailers in membership due to increasing control from London.

SWT is widely acknowledged as a model of excellence in the UK, through its private sector funding and involvement.

A view that visitors would always come to Stratford upon Avon, without public subsidy, was challenged based upon global competition for visitors. Equally, the view that money should not benefit businesses was challenged on the basis that businesses are made of people whom pay tax. Following the proposed cuts, however, Stratford District Council would still provide £250,000 of core funding.

Approximately 12,000 people are employed in tourism throughout south Warwickshire. The types of jobs range from owning/managing the businesses to junior level posts. The implications of diverting of funds from tourism support into affordable housing could not be forecast, as possible job losses may or may not mean housing is less affordable for people leaving the tourism sector.

In explaining the financial pressures, Councillor Roache identified the priority of providing affordable housing and other services, forcing the budget for tourism to be reduced. It was unclear as to how many affordable housing units £50,000 would buy.

As Portfolio Holder, Councillor Tamlin stated his commitment to tourism and reflected on the 1997 agreement to create SWT which was motivated by a 'win:win' understanding by both Councils. Reflecting upon the products and positioning of SWT today, it was felt that the partnership had succeeded. However, competition was greater than ever and the increasing number of outbound low-cost flights is affecting the travel and spending patterns of domestic (UK) visitors. Other structures, such as town centre management partnerships, have also been established; requiring SWT to consider how to retain its membership subscriptions.

It was agreed that the Service Level Agreements for both Councils should identify how value for money is being achieved.

The meeting felt, however, that the achievement of additional income to cover the savings required could be too challenging and service cuts may be necessary.

The Way Forward

The Director of SWT will liaise with officers of both Councils to prepare a further draft of the SLAs. The content of the SLAs should show good value for money for Council Tax payers and be based upon the available budgets and priorities of the Council.

5. Date of Next Meeting

In order to conclude its views and to contribute to the report to Executive on 20 December 2004, the Scrutiny Group agreed to meet on 30 November 2004 at 4.00pm. Venue – Winton House.

