AGENDA ITEM NO 22
REPORT NO 186/11

ANGUS COUNCIL
INFRASTRUCTURE SERVICES COMMITTEE – 1 MARCH 2011
VISITSCOTLAND AGREEMENT FOR 2011/12
REPORT BY DIRECTOR OF INFRASTRUCTURE SERVICES

ABSTRACT: This report seeks approval of a funding package for VisitScotland (VS) services to Angus Council for 2011/12

1. RECOMMENDATION

It is recommended that the Committee

(i) agree to proceed with a Minute of Agreement between Angus Council and VisitScotland for one year (2011/12) to (a) to manage key visitor information services within Angus on a shared basis with VS (£39,000) and to (b) undertake targeted marketing at a cost of £15,000; and

(ii) authorise the Head of Economic Development and Environmental & Consumer Protection in conjunction with the Head of Law and Administration to negotiate and conclude said Minute of Agreement on behalf of the council.

2. BACKGROUND

2.1 Reference is made to Article 10 of the Minute of the Strategic Policy Committee held on 27 October 2009 when it was agreed to approve a Minute of Agreement with VisitScotland for financial years 2009/2010 and 2010/2011 and the expenditure of £39,000 per annum to support the running costs of the Visitor Information Centres in Arbroath and Brechin and carry out specific partnership marketing activity.

2.2 VICs are categorised, depending upon their importance within VisitScotland’s visitor information strategy. Both Angus VICs are categorised as Tier 3, which is classed as rural communities, smaller towns, largely seasonal, UK visitors, co-location opportunities. VisitScotland is committed to wholly funding Tier 1 VICs but has the expectation that Local Authorities will contribute to the costs for Tier 2 and Tier 3 VICs in their area. Without Local Authority contribution it is highly unlikely that the VICs would continue to operate.

2.3 The Angus Council contribution of £39,000 covers both the Arbroath/Brechin visitor centres. However, taking into account opening hours and numbers of staff, it could be reasonably assumed that the split is 73% Arbroath (£28,500), 27% Brechin (£10,500).

2.4 VisitScotland faces significant budget cuts in the coming year. However, following on from discussions with them it is apparent that they are committed to providing VIC provision in both Arbroath and Brechin for 2011/12 provided an appropriate level of Local Authority support can be secured.

3. EVALUATION OF 2009 – 2011 MINUTE OF AGREEMENT

3.1 The 2009 – 2011 Minute of Agreement covered approximately 48% of the net running costs of the VICs at Arbroath and Brechin, as well as a spring media campaign. The benefits gained from this are reported below:

3.2 Currently the VICs in Angus are open as follows (2009/10 hours):
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VisitScotland Information Centres Opening Times 2009/10

<table>
<thead>
<tr>
<th>Arbroath</th>
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<tbody>
<tr>
<td><strong>Period</strong></td>
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<tr>
<td></td>
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<tr>
<td>28 June – 29 August (9 weeks)</td>
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<td></td>
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<tr>
<td>1 Nov – 4 April (23 weeks)</td>
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<tr>
<td>Brechin</td>
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<tr>
<td><strong>Period</strong></td>
</tr>
<tr>
<td>5 April – 31 Oct (30 weeks)</td>
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<tr>
<td></td>
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<tr>
<td>1 Nov – 4 Apr (22 weeks)</td>
</tr>
</tbody>
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In Arbroath there are usually two members of staff on duty, and in Brechin there is one.

3.3 Visitor numbers to Arbroath and Brechin VIC’s for the period April to September 2010 were 25,614 and 12,344 respectively.

3.4 Angus Council contribute £15,000 through the current Minute Of Agreement (MOA) towards partnership marketing activity. Over 2009/10 and 2010/11 this has been through the ‘Perfect Day’ campaign, a UK sales and media promotion, which focussed on outdoor activities in Angus, and in particular the Angus Glens Walking Festival – an annual flagship event within the Angus Tourism Strategy. In 2010 this created the following results:

Media – The Perfect Day Angus media campaign generated a total of 2,008 competition entries, delivered 4,079 clicks and an average cost per entry of £3.60

Overall competition entries on www.visitscotland.com/perfectwildday was 1,082

Overall competition entries on www.visitscotland.com/perfectwalkandramble was 2,395.

Overall visits to the generic Angus & Dundee spring things to see and do page www.visitscotland.com/perfectangus was 1,231.

4. PROPOSALS

4.1 It is proposed that a new Minute of Agreement be negotiated with VisitScotland to provide the same products and services as have been provided over the previous two years, as follows:

4.2 **On Arrival**

The agreement acknowledges VisitScotland’s role in operating the visitor information centres in Arbroath Harbour Visitor Centre and within Pictavia, Brechin as part of a year round provision of services to visitors and residents of Angus. The agreement therefore outlines a contribution of £39,000 towards the running cost of both VICs for 2011/12. It is clear that without this contribution, VisitScotland would consider closure which would have serious implications for both locations.

4.3 **Pre-arrival**

The Angus Tourism Strategy recognises VisitScotland as a key partner in developing tourism in Angus. As the national tourism marketing body, VisitScotland has access to key communication databases and increased marketing channels across a domestic and
international market. It is therefore recommended that Angus capitalise on those opportunities and contribute £15,000 for one major partnership marketing activity in 2011/12. This will be the creation and delivery of a campaign to be delivered in Spring 2011 which focuses on the Angus Glens Walking Festival in June. This will include:

- Sales Promotion activity to promote Angus to a database of 40,000 UK & European ‘warm’ contacts
- A media advertising campaign to increase awareness of “Outdoor Activity” products and The Angus Glens Walking Festival
- The campaign will link all enquiries to [www.angusahead.com](http://www.angusahead.com) and encourage brochure request and click-throughs to the Walking Festival website.

4.4 Evaluation

The agreement will require a year end report to be provided by VisitScotland to the Council outlining the full year’s activity in both the VIC’s and marketing campaign. This will enable the Council to monitor return on investment and success against performance indicators.

4.5 When considering the contribution that Angus Council makes to VisitScotland, the following scenarios should be considered:

**Funding commitment from Angus Council remains the same:** both VICs would continue to open as per the schedule detailed above.

**Funding commitment from Angus Council is reduced:** this could result in any of the following measures —

**Opening hours reduced** – this would send out a negative signal to visitors, if they are not able to access the information they need, when they need it. It makes Angus VICs vulnerable, and an ‘easy target’ for VisitScotland cuts.

**Reduction in status from Tier 3 to Tier 4** – at Tier 4 it would be unlikely that VICs would be staffed full time by VisitScotland staff, resulting in Angus Council having to provide staffing. This could potentially cost more than the Council’s contribution through the MOA, and so would be financially unviable.

**Reduction in status from Tier 3 to Tier 5** – Tier 5 is classed as information points for people to access the information themselves. If this became the case, to offer any meaningful service, information points would have to be placed in manned locations, meaning the existing locations would be lost.

4.6 There are further implications which would arise should either the Arbroath or Brechin VICs face closure:

**Arbroath** – the closure of the Arbroath VIC would result in a large unit in a flagship building in the harbour area being empty resulting in a loss of £9,600 per annum rental charges plus the relevant annual maintenance charge. It should also be noted that as part of Scottish Enterprise’s match funding for the building of the harbour centre, there was a condition attached that the building must contain visitor information provision for at least 10 years. Failure to provide this could result in SE seeking the repayment of funding totalling £403,000.

**Brechin** – the Brechin VIC is situated at the entrance to Pictavia, the visitor centre for Pictish Heritage. VisitScotland staff welcome visitors to Pictavia and deal with the entry fees. At some times Pictavia is unmanned – VisitScotland staff then open Pictavia and set up the exhibits as necessary, close up at night, look after visitors and answer any queries they may have. Without the support and presence of VisitScotland, Pictavia would be unable to open and operate unless extra staffing was made available.
5. **FINANCIAL IMPLICATIONS**

5.1 The total cost of £54,000 for 2011/12 will be met from the 2011/12 Economic Development Revenue Budget. This amounts to £39,000 towards the running costs of the Arbroath and Brechin VICs, and £15,000 for specific partnership marketing activity.

5.2 It is proposed that the figure be paid in two payments as follows:-
   - Instalment 1  October 2011  £27,000
   - Instalment 2  January 2012  £27,000

6. **HUMAN RIGHTS IMPLICATIONS**

6.1 There are no Human Rights implications arising from this report.

7. **EQUALITIES IMPLICATIONS**

7.1 The issues dealt with in this report have been the subject of consideration from an equalities perspective. An equalities impact assessment is not required.

8. **SINGLE OUTCOME AGREEMENT**

8.1 This report contributes to the following local outcomes contained within the Single Outcome Agreement for Angus:
   - Growth in tourism in Angus is achieved

9. **CONSULTATION**

9.1 The Chief Executive, Director of Corporate Services, Head of Finance and Head of Law and Administration have been consulted in the preparation of this report.

10. **CONCLUSION**

10.1 Maximising tourism and its economic benefit to the area is a key priority for the Council, and the provision by VisitScotland of VICs in Arbroath and Brechin are key to this. National marketing by VisitScotland will signpost tourists to both sites, thus bringing potential additional visitors to the area.

10.2 The loss of either VICs would result in further implications for the area, in that this would put the future of the flagship building at the harbour in Arbroath, and Pictavia at Brechin, in jeopardy.

10.3 The provision for a spring campaign using the targeted VisitScotland databases will raise the profile of the Angus Glens Walking Festival, and general outdoor activity in Angus.

10.4 The proposed Minute of Agreement will provide assurance to the Council that the two VICs in Arbroath and Brechin are kept open. A one year agreement will enable the Head of Economic Development and Environmental & Consumer Protection to monitor the situation regarding VisitScotland budget cuts and continue discussion about the future of the two VICs after 2012.
NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

ECDEV/DV/MD/HT/FM
31 January 2011