

10. MAKE GREAT MEMORIES IN ENGLAND'S NATIONAL PARKS – ACCEPTANCE OF DISCOVER ENGLAND FUNDING (SF)

Purpose of the report

1. The purpose of this report is to seek approval from Audit, Resources & Performance Committee to accept, in anticipation of, a successful funding bid to Visit England/Visit Britain's Discover England Fund for a "Make Great Memories in England's National Parks" project to the value of £1.4million (with a £400k match funding requirement) to deliver a joined up branded collection of signature experiences, business support and trade marketing strategy for a bookable tourism product across the English National Parks.

Visit England/Visit Britain are due to make a decision in the week commencing 12 June 2017 on the business case submitted to them on 12 April 2017. Approval is sought from Committee now to ensure that all procedures have been followed and are in place in the event that we receive approval from Visit England/Visit Britain.

Please note that all details of the Scheme, projects, staff and costs in this report are dependent upon approval from Visit England/Visit Britain.

Key issues

- The bid is a partnership approach led by the Peak District National Park Authority (as accountable body), with 8 other delivery partners (the other English National Park Authorities, with the exception of New Forest National Park Authority) who, with the Authority, will be responsible for the delivery of projects within the Scheme. In addition there will be supporting partners who will perform an advisory role (the Destination Management Organisations and Local Enterprise Partnerships operating within the boundaries of the English National Parks.)
- If successful in the business case application, the Authority, on behalf of the Make Great Memories in England's National Parks project, will appoint a Programme Manager (and 3 x FTE other staff) for the delivery phase who will oversee delivery of the projects shared between partners. The delivery phase is expected to run from July 2017 until March 2019.
- The Scheme will require strong partnership liaison, working closely with destination management organisations, local enterprise partnerships, local businesses offering visitor experiences and accommodation to promote England's National Parks as a destination for international and domestic visitors.
- A seed corn funding grant from Visit England/Visit Britain of £20,000 has already been accepted and delivered. During this development phase, the Tourism Officers Group of the English National Parks and external partners developed and conducted research and engagement work to develop the business case.
- The Scheme will be delivered in nine of the English National Parks. The proposition foresees the development of a range of unique experiences in each National Park that are designed to appeal to selected markets and be packaged together for development by, and in close association with, the inbound travel trade. The concept is underpinned by a number of tour itineraries that will be suitable both for small tour groups and supported independent travellers.

- The total scheme cost, if successful, will be c. £1.4 million, including match funding of £400k (which equates to £200k cash match and £200k in-kind match). Of this a financial contribution for the Peak District National Park Authority is as follows
 - £10k over 2 years (2017/18 – 2018/19) to support the core project
 - £10k over 2 years (2017/18 – 2018/19) to support the ranger pilot
- The business case includes business support costs for the 4 FTE project staff at £8,071 per FTE per year.
- The Scheme will help to deliver several of the aims outlined in the corporate strategy (2016 – 2019).

Recommendations

2.
 1. **That the Committee approves the proposal from the partnership that has developed the ‘Make Great Memories in England’s National Parks’ project to accept, on confirmation of approval from Visit England/Visit Britain, project funding from the Discover England Fund for the delivery of the business case and;**
 2. **That acceptance of the grant and entry into a grant agreement with Visit England/Visit Britain is delegated to the Chief Executive in consultation with Heads of Law and Finance.**
 3. **That entry into arrangements with partners is delegated to the Chief Executive in consultation with the Director of Commercial Development and Outreach and the English National Parks tourism officers steering group.**
 4. **That the recruitment to the following fixed term posts**
 - **1 FTE Head of Discover England Programme**
 - **2 x 1FTE Regional Project Managers**
 - **1 FTE Project admin assistant****is delegated to the Chief Executive and Making Great Memories in England’s National Park Steering Group in consultation with the Head of Human Resources.**
 5. **That the Authority may, subject to compliance with procurement standing orders, enter into contracts for the delivery of the Scheme.**

How does this contribute to our policies and legal obligations?

3. Providing access to our National Parks is part of our core purpose to promote opportunities for people to understand and enjoy the special qualities of the Park. This project will offer an appeal to domestic, as well as international visitors, and offers the opportunity for the English National Parks to work better together to promote opportunities for visitors to understand and enjoy the unique special qualities of each National Park in England. In doing this, it offers a way to boost the tourism economy in each National Park.
4. The project will support the Visitor Experiences shift in our Corporate Strategy 2016-19 in that it will:
 - help provide a quality experience for anybody who uses our visitor services that people are willing to pay for; and,

- offer an opportunity to develop the provision of new quality experiences that will generate new income to fund the place.

Background

5. The £40million Discover England Fund aims to:
- develop world-class bookable English tourism products, targeted at the right international customers, at the right time and through the right channels
 - join-up the product offering across large geographies or nationwide through a thematic approach for the benefit of the customer
 - drive a collaborative and partnership approach to delivery across Destination Management Organisations and Local Enterprise Partnership boundaries for the longer term.

National Parks in England are major contributors to the tourism economy currently accounting for more than £4bn of visitor spending and attract over 90 million visitors a year. The Government's 8-point plan for National Parks, published in 2016, emphasised the importance of National Parks as *'drivers of the Rural Economy'* and specifically *'driving growth in international tourism'*. This report outlines how the Peak District National Park Authority has worked with other National Park Authorities across England to develop a joint business case to the Discover England Fund, to make it simpler and easier for international visitors and domestic visitors to enjoy the nine National Parks and the wider English countryside in sustainable ways.

On 13 January 2017 an Expression of Interest was submitted by the Tourism officers across the 10 National Parks in England to the Discover England Fund (years 2 and 3). The working title of the project is "Make great memories in England's National Parks and Countryside".

The Authority's Resource Management Team on 31 January 2017 approved, subject to a successful Expression of Interest (EOI) (RMT minute 8/17):

- to accept a £20,000 development grant from Visit England to work up a business case for a two year collaborative project to a value of c. £1million (with a 40% match funding requirement) that will deliver joined up marketing and bookable tourism products across the 10 English National Parks
- the work to develop a business case for the project above to a value of c £1million that will identify the Peak District National Park Authority as the lead partner for the project. The purpose of the Scheme is to deliver a joined up branded collection of signature experiences, business support and trade marketing strategy for a bookable tourism product across all 10 English National Parks.

This EOI was successful and a grant of £20k was received to support the development of a business case for round 2 submission to Visit England/Visit Britain by the deadline of 12 April 2017.

On 17 March 2017 the Authority meeting gave approval (Authority minute 14/17) to the Peak District National Park Authority to act as a lead body in the submission of a business case bid on behalf of the English National Park Authorities for a circa. £1 million bid to the £40million Discover England Fund

The Business Case is at appendix 2 and has been developed by a project team of tourism officers working across the 10 English NPA, chaired by the lead NPO for tourism (CEO of PDNPA).

The partnership arrangements for the project have been developed as part of the business case development and are attached as part of the business case at appendix 2.

6. Resource Management Meeting on 10 April 2017 gave approval (RMT Minute 17/17) for:
- The submission of the business case to the Discover England Fund for a “Make Great Memories in England’s National Parks” project to the value of £1.4million, **which will set out the confirmed and secured cash match funding of £120k and which will move the evaluation cash contribution of £70k across to secured in-kind match funding**, deliver a joined up branded collection of signature experiences, business support and trade marketing strategy for a bookable tourism product across all 10 English National Parks.
 - For the Peak District National Park Authority to be the accountable body for the business case submission, and should it prove successful for implementation.
 - For the Peak District National Park Authority to provide the following match support:
 - 20 days of officer time per year (at set rate of £180/day) – to support local delivery
 - 20 days of CEO time per year (at a rate of £580/day) – to support the programme delivery
 - £10k over 2 years (2017/18 – 2018/19) to support the core project, **to be funded by the one-off allocation fund**
 - £10k over 2 years (2017/18 – 2018/19) to support the ranger pilot, **to be funded by the one-off allocation fund**
 - To note that all details of the projects, staff and costs in this report are dependent upon approval from Visit England.
 - **To identify a suitable ARP Committee for authority for grant acceptance, if the business case bid is successful.**
7. A Partnership Agreement has been produced by our legal team, this comprises a Delivery Agreement with those nine partners leading on projects delivery for both delivery and supporting partners. The Delivery Agreement sets out the obligations of PDNPA as the Accountable Body and the Delivery Partners (which includes the Authority) in delivering the various projects which form part of the Scheme.

Proposals

8. The proposal is for the Authority to accept the grant (if offered) of £1.4m from Visit England/Visit Britain Discover England Fund for the ‘Make Great Memories in England’s National Parks’ project as a delivery vehicle for our corporate directional shift on visitor experience and for the Government’s 8 point plan on ‘National Parks as world class destinations’.
9. **Outline of project proposal:**
- The proposition foresees the development of a range of unique experiences in each National Park that are designed to appeal to selected markets and be packaged together for development by, and in close association with, the inbound travel trade. The concept is underpinned by a number of tour itineraries that will be suitable both for small tour groups and supported independent travellers.
 - The proposition will be delivered by a focus on 4 discrete strategies:
 - The development of a **branded collection of ‘signature’ experiences** within all of the National Parks highlighting the

- distinctive nature and assets of each which meets the needs of inbound markets.
- Development of a framework to enable local micro-businesses to be engaged in the offer, improve their productivity and enhance the overall visitor experience.
- **Business support and training** to help tourism businesses in National Parks to improve their appeal to international audiences through the development of unique experiences.
- Development of a travel trade strategy to stimulate commercial partnerships that successfully connect the brand and its bookable product with our targeted overseas markets.
- Our research has identified Australia as a key target market. The Australians are second only to the Germans as the most avid visitors to England's National Parks. The growth in their numbers has been exceptional over the last decade - driven by increasing household incomes, lower cost long-haul air routes and a stronger Australian dollar. The Australian outbound holiday market has grown 8.5% a year for the last decade and all evidence suggests this will continue. This growth potential, together with the strong existing visitor base, makes Australia our first-choice country market. If additional funding is secured we would extend the project to the N America market (including USA and Canada)

Beyond the 2 year life span of the project the legacy will live on – in addition to seeing the fruits from the specified target markets the 'experiences will be available domestically and to other markets – there will be scope to target other markets on the back of this and also to roll out the concept within Welsh and Scottish National Parks.

10. **Delivery Structure:**

- The Peak District National Park Authority will be the lead organisation for the programme, and will recruit and employ the staff, which will be hosted in regional hubs.

Proposed governance:

- Programme Board (Chaired by Lead NPO) with representatives from:
 - One rep from southern NPAs
 - One rep from northern NPAs
 - National rep for DMOs
 - National rep for LEPs
 - Two independent members from travel trade industry appointed through external advertisement and application
 - One rep from Visit England/VisitBritain
 - Head of Discover England Programme from the project

The Programme Board will be supported by two Regional Advisory Boards (comprising England's National Park Authorities, DMOs, Local Wildlife Trusts, Local Tourism associations).

11. It is a requirement of standing orders part 7.C-2 that approval is given to receive grants over £200,000. Therefore, if approval is not provided, this grant cannot be spent. Likewise, approval is needed to spend funds received that are over £150,000.

12. The following actions are proposed:

1. Continue with additional funding applications and approaches to businesses/ corporate sponsors in collaboration with partners with the aim of covering all the costs of running the Scheme.
2. Set up the governance mechanism.
3. Set up the supporting infrastructure.
4. Confirm and complete contractual arrangements with Visit England.
5. Recruit the team and start up.

Are there any corporate implications members should be concerned about?

13. Financial:

The budget for the project is included in the business case at appendix 2. The business case includes business support costs for the 4 FTE project staff at £8,071 per FTE per year. We have sought advice/assurance on state aid implications and this is provided section 6.4 of the business case and on EU Package Travel Regulations and this is provided in section 6.5 of the business case.

The business case includes requirement for match funding of £200k cash and £200k in-kind funding. The match funding position is currently as follows:

Cash (secured) match		Cash match(unsecured)		In-kind (secured) match		In-kind (unsecured) match	
Source	£	Source	£	Source	£	Source	£
Cash contributions from LDNPA, PDNPA, ENPA, DNPA for Ranger pilot	£30k	From business in receipt of training support	£10k	8 x NPA sustainable tourism officer support plus contribution from 2 x STEAM reports	£99.2k	Room hire for regional stakeholder events	£2k
Cash contribution from NPAs	£90k	HLF resilience fund for brand development of the National Park family	£30k (as part of wider bid of £245,700)	PDNPA Lead CEO time, plus tourism officer support plus contribution from STEAM report	£24,400	Room hire for partnership board meetings	£2k
						Travel trade partners through support of fam visits, sales missions, co-operative marketing	£176.5k

					activity	
TOTAL	£120k		£40k		£123.6k	£180.5k
TOTAL CASH	£160k		TOTAL IN-KIND	£304.1		

14. The secured funding from the English National Parks is as follows:

Northumberland, North York Moors, Yorkshire Dales, Broads, South Downs

- 15 days of officer time per year (at set rate of £180/day) – to support local delivery
- £10k over 2 years (2017/18 – 2018/19)

Exmoor and Dartmoor

- 15 days of officer time per year (at set rate of £180/day) – to support local delivery
- £10k over 2 years (2017/18 – 2018/19)
- £5k over 2 years to support the ranger pilot (as this is a shared pilot between the 2 NPAs)

Lake District National Park

- 15 days of officer time per year (at set rate of £180/day) – to support local delivery
- £10k over 2 years (2017/18 – 2018/19)
- £10k over 2 years (2017/18 – 2018/19) to support the ranger pilot

Peak District National Park

- 15 days of officer time per year (at set rate of £180/day) – to support local delivery
- 20 days of NPO time (at a set rate of £300/day) – as accountable body to ensure leadership across the National Parks on the project
- £10k over 2 years (2017/18 – 2018/19)
- £10k over 2 years (2017/18 – 2018/19) to support the ranger pilot

The New Forest National Park Authority (NFNPA) recently concluded, via nominated members of the NFNPA, it was not right for the New Forest National Park Authority to participate in the bid. This is a disappointment, although we respect their decision and thank them for their wish to the rest of us that this bid is a success.

15. **Risk Management:**

Scheme risks and mitigation have been identified and included in business case bid to Visit England and are set out below.

Risk category	Risk identified	Risk status (High/Medium/Low)	Management measures	Residual risk status (High/Medium/Low)
Project management & Governance	Short fixed-term contract makes staff retention difficult, affecting project delivery.	High	Interim project manager consultant procured to deliver early stages of project.	Medium
Project management & Governance	Breach of EU travel packaging directives by travel trade partner	Medium	Travel trade partners are required to have adequate financial protection, and demonstrable compliance with the EU Package Travel Directive 1990.	Low
Project management &	State Aid	See 6.4 below		

Governance				
Project management & governance	Match-funding cannot be secured	Medium	Match funding will be secured before the project is commenced.	Medium
Output delivery	100 businesses cannot be recruited to participate in the project due to various reasons	Medium	Support services heavily subsidised to encourage participation.	Low
Output delivery	Ranger pilot business case does not lead to investment in service delivery by relevant NPAs	Medium	Partnership agreement with relevant NPAs to agree to invest should the business case prove viable.	Low
Reputational risk	Travel trade partners	Low	We will undertake a due diligence process with all travel trade partners. UK National Parks have a due diligence process for corporate partners which can be used for this purpose.	Low
Reputational risk	By targeting long-haul markets such as Australia we increase the carbon footprint of the National Parks (or the perception of doing so).	High	Statement prepared in advance of project commencing assessing the risks of this, which can be used for press statements if required.	Medium
Reputational risk	Local experience providers deliver activities which damage National Park environments	Medium	All experience providers are assessed against a set of criteria before entry into project activities. Training provided in the purposes of NPs.	Low

16. Sustainability:

All partners (plus the National Park Authority) are ready to sign a Partnership Agreement, in anticipation of the approval of the bid, for the delivery phase.

Legacy is a key requirement of all Discover England Fund grant applications; The businesses that will form part of the National Parks Experience Collection will have a new/enhanced product that will be commercially available beyond the lifetime of the project.

The Ranger led experiences will continue beyond the lifetime of the project within the four National Parks that will have piloted it and the toolkit developed will be taken to the other six English National Park Authorities for them to develop their own business case and product

We intend to continue the partnership that will have developed between National Park Authorities/DMOs/LEPS to sustain future promotion of the National Park Brand to international and domestic consumers.

The experience, learning and product development will be taken to all 15 National Parks across the UK to develop a business case for how we can develop the experience collection into venture that supports the future care of our best and most iconic British landscapes.

17. Human Resources:

The recruitment of new staff to deliver this scheme will require support from the HR team; the team has been involved in writing job descriptions and person specifications and are aware of their anticipated involvement.

18. Property:

The new staff team will require office accommodation to be identified and allocated at Aldern House and/or other suitable National Park Authority. The property support team are aware of the requirement.

19. ICT:

The new staff team will require ICT equipment to be purchased and supported at Aldern House and/or other National Park Authority. The costs of purchase have been included in the Scheme budget.

20. Communications:

An engagement strategy will be produced for the Scheme, including a communications plan, this will remain a live document to be updated and managed by the new staff appointed for the project.

21. Background papers (not previously published)

Business case application to the Discover England Fund

Appendices

- 1) Discover England Fund Round 2 - Summary Form
- 2) Discover England Fund Round 2 – Business case
- 3) List of the letters of support received

Report Author, Job Title and Publication Date

Sarah Fowler, Chief Executive, 11 May 2017