Benefitting from Tourism

FINAL REPORT TO GWYNEDD COUNCIL-23RD MAY 2019

BLUE CHIP TOURISM/RJS ASSOCIATES LTD

Cronfa Amaethyddol Ewrop ar gyfer Datblygu Gwledig: Ewrop yn Buddsoddi mewn Ardaloedd Gwledig
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Executive Summary

To maintain competitiveness, enhance standards and raise quality, Gwynedd Council has identified the need to find alternative ways to maintain and enhance the county as a destination. This report is part of a wider review which seeks to identify possible models of the way visitors can contribute more directly towards the tourism sector.

This report builds on earlier work and consisted of desk research, consultation, feedback and reviews of similar destinations in the UK.

Key points arising from the report include:

- The need for change is recognised by the Destination Management Partnership. Identified investment priorities are the quality of experience and online marketing.
- There are four main options for revenue generation – a Visitor Giving Scheme (building on Snowdonia Giving), a TBID, a Tourism Levy and commercialisation in various ways. These have different strengths and weaknesses. Their potential to raise revenue also varies.
- A mixed model for the future funding of destination activities in Gwynedd is recommended, with implementation over the short and medium term.
- A Visitor Giving scheme (developing from the 2015-18 Snowdonia Giving pilot) is recommended as the first stage. The implementation of that scheme will be used as the start of a consultation process with local tourism businesses and other stakeholders to help develop a long-term sustainable solution.
- This should be either a Tourism Business Improvement District (TBID) or Tourism Levy. The development of a voluntary DMO is not considered appropriate and commercialisation options are limited. There is currently no consensus view on a preferred option and there are factors outside the council's control, particularly in terms of the need for the introduction of powers to implement a Tourism Levy at local level.
- The consultation and development process to identify the preferred long-term option and communicate with the industry on its implementation will take between two and three years. This will require funding which may be available through Gwynedd Council on an 'invest to save' basis and through VisitWales on a national pilot basis. It will also allow lessons to be learnt from the experience of Edinburgh in implementing their Transient Visitor Levy
- In the short term, the first step should be the establishment of a Steering Group or 'Shadow Board' to take forward the work programme and oversee the recruitment of a person. Their role will be to start developing the Visitor Giving scheme and begin the process of consultation and development for the long-term option.
- Given the size and geography of Gwynedd, 'localism' will be a key principle in any schemes that are put in place. For example, for Visitor Giving monies raised in an area will be spent in that immediate area. Five areas are proposed although they may require different names:
    - Bangor and Bethesda
    - Caernarfon and Llanberis,
    - Llŷn
    - Coastal Meirionnydd
    - Rural Meirionnydd

1. Introduction

The Gwynedd Plan 2018-2023 highlighted that Gwynedd Council would look at the possibility of encouraging visitors to contribute financially to maintaining and enhancing Gwynedd destinations and raising the standards of the tourism sector. That recommendation was based within the context of ongoing reductions in public funding; increasing numbers of visitors leading to additional pressure on local services; and a growing local consensus that those visitors should directly contribute to sustaining the communities, landscape and attractions that they enjoy. As well as these financial pressures, the strategic context is one of a need to enhance quality and develop a destination that meets the ever increasing expectations of visitors. If Gwynedd's tourism sector is to continue to prosper, innovation in funding will have to play its part. Gwynedd Council's stated purpose in pursuing the Benefitting from Tourism project is to:

> 'To reinforce Gwynedd's status as a sustainable destination of international repute and implement the best option to ensure that Gwynedd's residents and businesses benefit from the tourists that visit the county.'

This report is therefore part of a review which seeks to identify possible models of the way visitors can contribute more directly towards the tourism sector. It builds on earlier work undertaken by the council and its partners to investigate innovation and best practice in other parts of the country and protects the natural assets of the area. This phase of the review started with Gwynedd-wide discussions in Autumn 2018 to identify the appetite and scope for innovative funding mechanisms, building on the successful 'Snowdonia Giving' pilot project. Whilst that pilot project had been reviewed and future recommendations made, there was a desire amongst the council and its partners to consider the wider issues and examine other options for funding.

This report provides:

- An overview of available mechanisms for raising revenues for destination related activity
- An analysis of the Gwynedd context
- Opportunities and barriers
- Potential revenue generating models for Gwynedd
- A summary of consultation undertaken and suggested investment priorities
- A recommendation and action plan
- A forward budget.

2. Methodology

The study has taken place between early February and late March 2019. The methodology has consisted of:

- Inception and update meetings with Gwynedd Council's project management team
- Desk review of supplied reports and other literature

- Desk research to identify the key characteristics of the various potential funding models
- Telephone consultation with some members of the Steering Group and Visit Wales
- Telephone consultation with the Chief Executives of Visit Cornwall and Visit Inverness Loch Ness and Gwynedd Council's link officer for the Bangor and Caernarfon BIDs
- An interim report, and workshop (18th February) with Project Board/Steering Group
- An online survey issued to the entire Destination Management Partnership
- A workshop (11th March) with representatives of the Destination Management Partnership.

3. The Gwynedd Context

3.1 Destination Management Plan

The Gwynedd Destination Management Plan (DMP) 2013-2020 provides the framework for tourism development in the county. Its aims are

- to extend the tourism season
- to increase visitor spend
- to improve the quality of the visitor experience
- to improve integration of tourism with other aspects of life
- to enhance the natural, built and cultural environment
- to build and maintain quality public infrastructure and amenities
- to provide well paid, year-round quality jobs and skills development.

The DMP identifies the following as key issues to address:

- Better visitor facilities
- Better public facilities, e.g. visitor superstructure such as holiday accommodation and Dedicated activities to infrastructure elements including roads and other public spaces
- Quality visitor attractions
- Parking provision
- Better local services
- More tourist friendly engagement
- Improved shops and shopping opportunities.

It was accompanied by a more specific action plan which identified projects for three geographical areas (Arfon, Dwyfor and Meirionnydd) and across four themes:

- Landscape And Environment
- The Visitor's Experience
- Public Places, Accommodation And Customer Services
- Marketing.

The area is marketed under the umbrella of Snowdonia Mountains and Coast – a concept which also covers the rural part of Conwy and is a Visit Wales designated marketing area.

3.2 Organisational Landscape

There are a number of organisations and partnerships involved in managing the destination. There are also a range of interest groups and specialist sectors. Major players include:

- Gwynedd Council. The tourism team of Gwynedd Council's work programme is focussed on four key areas:

    - Digital Marketing – including the visitsnowdonia.info website and associated social media accounts

    - Events – providing funding for events from its own budget and a central strategic pot- 25 plus events were supported in 2018: a range of food, running, water sports, triathlon, and music festivals

    - Liaison with the industry – especially facilitating the Destination Management Partnership

    - Relationship management with Visit Wales – including the submission and delivery of specific funded activities, either alone or in partnership with other neighbouring authorities.

  The council has a core budget of £72,000 (excluding staffing), the majority of which is allocated to marketing activity. In addition, over £280,000 of Visit Wales funding has been drawn down from the Regional Tourism Engagement Fund (RTEF) with a further application for £300,000 recently approved. These competitive funds have been focussed on the development of long distance trails with a view to extending the season and increasing length of stay (in line with Visit Wales National Priorities and in particular the Wales Way product strategy). The service is also heavily involved in the World Heritage Site (WHS) nomination for the Slate Landscape which has been approved as the UK's next World Heritage nomination to be presented to UNESCO.

  Conwy Council – the neighbouring authority to the East. Conwy Council has responsibility for the eastern sections of Snowdonia including the key destination of Betws-y-Coed. It is understood that many businesses choose to engage with Gwynedd, leaving Conwy freer to concentrate on the resorts of Llandudno and Colwyn Bay. Conwy remains an important partner in pan-Snowdonia arrangements.

- Snowdonia National Park Authority (SNPA) – the statutory authority for the Snowdonia National Park with a responsibility to manage the area for nature conservation, agriculture and leisure purposes. It is the Planning Authority for the Park and has legal responsibilities to:

    - Conserve and enhance the natural beauty, wildlife and cultural heritage of the Park
    - Promote opportunities for the understanding and enjoyment of the special qualities of the Park, by the public.

  The National Park also works in partnership with a large number of organisations through the Snowdonia Forum (Fforwm Eryri).

The National Park Management Plan sets out how all organisations operating in the area should help deliver on these core purposes and protect what makes the area special. The Plan includes policies and actions relating to conservation, landscape, access and recreation, sustainable tourism, visitor management, information, education and the well-being of National Park communities.

The SNPA manages a wide range of visitor facilities and infrastructure in Snowdonia. This includes upland paths, toilets, car parking, visitor centres such as Pen y Pass and Hafod Eryri at the summit of Snowdon, and information centres across the National Park. They also work with partners to address conflicts between protecting the environment and tourism/recreation e.g. addressing conflicts between different users groups.

- North Wales Tourism and Mid Wales Tourism - private sector led membership organisations encompassing the whole of North and Mid Wales. Their membership is in excess of 1,800 businesses. Their activities and membership benefits include marketing, negotiated discounts, lobbying and representation of the industry
- The North Wales Economic Ambition Board - a formal coming together, at a political level, of all the local authorities in North Wales. It provides a mechanism to consider the regional dimensions of any appropriate local projects. Council officers also meet as the North Wales Regional Tourism Forum.
- Gwynedd Destination Management Partnership - the body set up to oversee the delivery of the Destination Management Plan for Gwynedd. It is facilitated by Gwynedd Council but chaired by the private sector. Its members are chosen to represent not just the statutory bodies, but also the approximately 35 associations (based either on geography or sector) who make up the diverse product of the area. About 50 different organisations are represented on the Partnership
- Snowdon Partnership - a group set up to create and implement the Management Plan for Mount Snowdon. It includes individuals representing the organisations and landowners responsible for the practical management of the mountain - ranging from the conservation and management of footpaths to tourism, farming and mountain rescue. A sub-group of the Snowdon Partnership oversaw the Snowdonia Giving Pilot project.

3.3 The Tourism Context

Gwynedd is a well-established tourism destination. It has a strong:

- Natural and outdoor activity product with Snowdon, the Snowdonia National Park, the Llŷn Peninsula Area of Outstanding Natural Beauty (AONB), the Llŷn Heritage Coastline, the new Wales Coastal Path, Blue Flag beaches, marinas and water sports (including Plas Menai National Watersports Centre, Tryweryn White Water Centre, Plas Heli – the Welsh National Sailing Academy and Event Centre in Pwllheli) and Coed-y-Brenin Forest Park and Mountain Biking Centre.
- An emerging built 'Adventure' product such as Zip World.

- Heritage and cultural product. Portmeirion and Caernarfon Castle are two of Wales' top ten paid tourist attractions. Gwynedd's slate landscape is currently on a UK shortlist for World Heritage Site status, potentially adding to the designation of Caernarfon and Harlech Castles and the UNESCO Dyfi Biosphere. The area is a vital part of Welsh culture, with over 69% of the population being fluent Welsh speakers.
- Resort and beach offer including Abersoch, Bangor, Barmouth, Tywyn, Aberdyfi, Pwllhelli.
- Events programme which is diverse and well established. It includes Festival No 6 at Portmeirion, Snowdonia Marathon, Snowdon Race, and 'Race the Train'.

STEAM estimates that tourism generates over a £1billion of visitor spend, from 7.1m visitors. Staying visitors spend 18.3m nights in the area

The DMP highlighted that there were:

- Approximately 170 visitor attractions in total, including steam railways, museums and heritage centres, art galleries and activity parks.
- Over 200 outdoor activity operators.
- 125,000 tourist bed spaces (in 2011). The majority of these (78%) are in the caravan and camping sector with 13% in self-catering and 6% in serviced.
-

The composition of the local industry can be further estimated from the 2011 Bedstock Analysis, completed by the council's corporate research and information unit. There have been dramatic changes to the bedstock since then (early results indicate an approximate 250% increase in self-catering properties in certain areas of Gwynedd) and an update is due to report in the coming months. Nevertheless some information can be drawn from the 2011 data to inform this report. In 2011 there were:

- 400 Serviced Accommodation Businesses including 173 B&B's, 89 Guesthouses & 77 Hotels. The average number of rooms in a hotel was 54
- 340 Caravan and Camping sites with an average of 288 bedspaces on each site
- 2,023 self-catering businesses, of which 76% were managed by agencies rather than listed individually (NB more recent indicative research still indicates a large number of properties listed through agencies).

This suggests there are a small number of relatively large hotels and that the caravan and camping sector is characterised by large sites. The self-catering sector, growing in importance and made up of a large number of small, single property, businesses, is still working with local agency providers as well as national and international agencies including AirBnB.

3.4 Financial Context

The study sits within a context of ongoing reductions in public funding which have resulted in significant cuts to both the tourism service of the council and related services. At the same time visitor numbers have continued to increase; creating pressures on locally funded services especially street/beach cleansing, countryside and waste management. Headlines of the financial context include:

- £300,000 budget reduction in the tourism service since 2013, a further cut in 2019/2020 will leave a total budget of £47,000 excluding staff costs
- Countryside management/access budget has lost £177,000 (50%) since 2009 with another £30,000 reduction 2019-2021
- Non-Blue Flag beaches are no longer managed at a saving of £24,000
- It costs £300,000 a year to manage and restore the footpaths on Snowdon.

The council's tourism service has done exceptionally well in drawing down project funds from Visit Wales and the European Union to manage local and regional projects, with some allocation towards management costs but these, as always, do not replace core funding for ongoing services.

The council does already receive additional payments that recognise the impact of visitors under the enhanced population payment scheme. Whilst this is not ringfenced for tourism activities and is allocated against general expenditure, there is a potential risk that it will come under scrutiny as efforts to raise revenue more directly from visitors are developed.

3.5 Market Profile

In considering the practicality and potential achievements of any of the funding options, whilst the views of local stakeholders are paramount it is beneficial to consider the profile of visitors.

A 2016 survey by Beaufort Research identified the following key characteristics of the current market for Gwynedd when compared to Wales as a whole (see also Appendix D).

The research shows that, when compared to all visitors to Wales, the market for Gwynedd is younger, male and of a higher social grade, as well as being predominantly English. Despite the area's reputation as a family holiday destination, the research indicated that Gwynedd is only higher than the rest of Wales in categories including 'older children' or 'no children' with even the level of repeat visits being less than in Wales as a whole, perhaps just an indication of travelling distance.

The survey also showed very high satisfaction rates, with an overall score of 9.4/10 and 92% intending to return. Another function of travelling distance is the high percentage of staying visitors (28% vs 12% in Wales as a whole). 12% of visitors to Gwynedd are on their main holiday with 11% on a short break, average length of stay was 5.8 nights. 73% of visitors came 'To enjoy the landscape / countryside / beach' (compared to 56% for Wales as a whole) with 41% visiting Gwynedd 'To take part in outdoor or sporting activities' (for the whole of Wales it was 25%).

This brief analysis demonstrates the interest that visitors have in Gwynedd's natural assets, as well as relative affluence, and strong satisfaction/loyalty scores; all being positive findings in terms of securing funding directly from contributions.

3.6 Existing Funding Schemes in Gwynedd

3.6.1 Bangor and Caernarfon BIDS

There are two operational Business Improvement Districts (BIDs) in Gwynedd, in Bangor and Caernarfon. They were developed at the same time, using funding from the Welsh Government to support the set up costs, and both came into being on 1st April 2016, running to 2021. Key details are:

Table 2

Town	Number of Businesses	Annual Levy Raised	Levy Rate
Bangor	340	£130,000	1.5%
Caernarfon	360	£115,000	1.5%[1]

There is limited information available publicly. Consultation was undertaken with the council's link officer. It is understood that both have had complications in the set up and delivery leading to the allocation of additional human resources. Matters have now improved but it has also proved difficult to recruit Board members. Overall, Caernarfon is performing better than Bangor, with the local regeneration context plus the higher percentage of owner-managed businesses being important factors.

Both Bangor and Caernarfon are functioning as traditional retail-based town centre BIDs and could happily coexist with a Tourism-based countywide BID as is the case in other parts of the country.

3.6.2 Snowdonia Giving – The Pilot Visitor Giving Scheme for Gwynedd/Snowdon

This pilot scheme, set up after considerable research and investigation with funding from the Rural Development Programme, ran from July 2016 to March 2018 and was administered by Enterprise Agency Menter Môn/Arloesi Gwynedd Wledig on behalf of the Snowdon Partnership. The scheme is currently in a transition period and is still running, albeit not to full capacity in terms of marketing and management.

The pilot raised almost £13,750 in two tranches (£3,250 from July 2016– March 2017[2] and £10,500 from April 2017 to March 2018). This funded two schemes which were agreed by the Snowdon Partnership:

1. Outdoor course for young people
2. Footpath improvements (which the National Park matched the funding £ for £)

It has raised a further £5000 from April 2018 (whilst the scheme was not actively managed). Two businesses have been responsible for raising £5,000 of the total £13,750.

According to the April 2018 report **Snowdonia Giving Scheme – Its Future**, there were 53 participating businesses with clear concentrations in Betws-y-Coed, Llanberis and Beddgelert. Overall, the area for inclusion of businesses has been focussed on Snowdon area and Llanberis with some participants up to Deganwy and Bala. Business breakdown and an identification of fundraising methods are in Table 3 below:

Table 3

Type of Business	No.	Fundraising methods	No.
Hotels	**8**	'Opt in' over the web/ donations	**26**
Mountaineering / Mountain Trips	**4**	Contribution of Products	**2**
Guest Houses	**6**	Gift Boxes	**17**
Holiday Agencies	**2**	Charge for wi-fi	**1**
Attractions	**4**	Direct donations from the business	**4**
B&B	**8**	Gift envelopes	**3**

[1] Assumed

[2] NB a late start (in the season) will have reduced the amount raised

Type of Business	No.	Fundraising methods	No.
Bunkhouses	**5**		
Cafes	**4**		
Camping Sites	**2**		
Events	**6**		
Shops	**3**		
Vineyard	**1**		
Total	**53**	**Total**	**53**

Of the numerous fundraising methods, 'Opt in' at the time of booking was the most successful with a charge for WiFi raising the second largest amount. The report recommended, following consultation with participating businesses, that the scheme should be continued and developed along the following lines:

- Extend area to cover the whole of Gwynedd and Rural Conwy
- Gwynedd Destination Management Partnership (sub group) to assume Governance role using existing steering group membership
- Gwynedd Council to take over management responsibility. The potential opportunity to appoint a Development Officer and utilise the council's support services was noted in the report, as was the risk of administration costs.

The report identified fundraising targets for the scheme if actively managed – see table 4 below. These amounts need to be balanced against realistic delivery costs to the project (Menter Môn managed the pilot without charge to the scheme).

Table 4

Fundraising Performance & Targets				
Actuals		Targets		
July 2016 – March 2017	**April 2017 – March 2018**	**April 2018 – March 2019**	**April 2019 – March 2020**	**March 2020 – April 2021**
Year 1	Year 2	Year 3	Year 4	Year 5
£3,250	£10,500	£15,000	£25,000	£40,000

4. Gwynedd Options

The following section outlines a number of potential options for alternative methods of revenue generation. These are not necessarily mutually exclusive, and it would be possible to pursue more than one option. As well as the analysis of the individual options, the following list of bullet points summarises the opportunities and barriers present in Gwynedd when considering the implementation of new forms of funding destination activities.

Opportunities:

- Popular, confident and well-established destination. Tourism is a major component of the local economy and is recognised as such by all the local agencies
- Strong brand loyalty (e.g. to Snowdonia, Llyn etc.) and high levels of satisfaction among visitors

- Large business base
- Considerable percentage of businesses are owner managed, invested in the area with a long term commitment
- Relatively affluent visitors, more likely to be staying overnight and here for a main holiday or short break. Any contribution they made would therefore be a relatively small percentage of their overall spend. The market is also characterised by a relatively high proportion of people participating in outdoor activities with an interest in the Gwynedd environment – they are likely to be sympathetic to the need to contribute
- Long term interest and commitment to innovative funding solutions by destination partners
- Successful Visitor Giving Pilot.

Barriers:

- Although the Gwynedd Destination Management Partnership is established for the whole geographical area, it is not currently a delivery body for fundraising / commercial schemes as it is a loose partnership with no formal legal status. North Wales Tourism works to a different footprint and wider geographical focus and would also not be appropriate without change. While some businesses in the South of Gwynedd are members of Mid Wales Tourism, it is also not an appropriate delivery body
- No evidence of a 'bottom up' demand for new structures and ways of funding destination management
- Not a strong culture of businesses making contributions towards Gwynedd level destination marketing efforts (although print was funded in the past)
- A potential resistance among businesses to increasing contributions, through e.g. tourism taxes, and possibly TBIDs. Recent increases in Business Rates have intensified this
- A general perception of increased costs and burdens to small businesses e.g. minimum wage and pension contributions
- Limited capacity to develop commercial services
- Huge geographical area, with distinct sub-Gwynedd destination identities and business / community affinities. The National Park also covers Conwy
- A dispersed business base and large volume of small operators which would make securing participation in schemes and getting contributions more labour intensive
- Events are specialised and popular but not necessarily attracting high volumes of visitors/media coverage to attract sponsorship
- No direct ownership by the council of events to secure sponsorship.

Potential revenue generating options are outlined in the tables in the following pages.

Option 1 – Visitor Giving

Option 1:	Visitor Giving Scheme - Snowdonia Giving
Overview / Description:	This option would be a continuation of the Snowdonia Giving pilot. It would involve the expansion of the scheme to cover the whole of Snowdonia Mountains and Coast area and the establishment of a permanent management and administrative resource.
Advantages:	• Building on an existing scheme with a track-record • Relatively easy and cheap to set up (possibly through a charity and trading company) • Aimed at visitors – and represents a mechanism of revenue generation that does not require businesses to contribute • Additional benefits of visitor 'ownership' of the area, and PR.
Issues:	• Restricted activities – visitor giving schemes tend to fund activities that will engage visitors. This is typically environmental improvements and conservation, training and possibly product development. There is little evidence from other areas of funding destination management activities. • Amounts raised can be relatively small– see Appendix A • The need for an administrative vehicle and a staff resource to run a scheme. • A governance structure and transparent accounting to manage the scheme and the donations it makes. Most schemes are operated as registered Charities. • Self-catering agencies - a large percentage of self-catering bookings are administered through agencies which makes it difficult to reach potential visitors. It would be technically feasible for a visitor giving element to be incorporated into the booking process but these would need to be negotiated on an agency by agency basis.
Potential Income:	Experience from similar schemes is mixed. Levels of donations from visitor giving schemes vary up to approximately £50k (albeit the organisations often benefit from other sources of income – such as bequests and specific project income). A visitor giving scheme for Snowdonia Mountains and Coast should generate £40k-50k of income. Set against there would be running costs which might be in the order of £20k -30k. Whilst this could be mitigated in the short term, ultimately the scheme would have to be self-financing. The net amount for activities would be around £10-20k.
Set Up/Delivery Costs	Estimated £20k-£30k (part time post plus on-costs and small budget).
Examples / case studies:	Numerous – all in protected areas – i.e. National Parks and AONBs. (see Appendix A).

Option 2: TBID

Option 2:	Tourism Business Improvement District
Overview / Description:	A TBID is a sectoral approach to support destination activities based on utilising the proven Business Improvement District model. A TBIB requires a ballot of those businesses affected. Contributions are normally based on a percentage of a business's rateable value and are collected by the local authority. A TBID can fund additional activity which is led by a countywide BID board and administrative team (See Appendix A for details). It would require BID proposer (to emerge from existing partnerships) and a delivery body.
Advantages:	• Statutory approach with local authority collection of fees 'added on' to business rates • Income guaranteed • Universal membership – fairness • 5 year lifespan • Flexible and specific • Retail BIDS are popular with very high renewal rates, (TBIDs as yet untested). • Private sector led and transparent • Additional costs can be passed on to the consumer (but not separately itemised), thereby being a genuine 'visitor contribution'
Issues:	• Recent business rates increases have left businesses reluctant to contribute more, putting ballot at risk • Structures and procedures governed by statute, ballot costs etc relatively expensive (especially given the size of the area and potential numbers of levy payers) • 'Cost of collection' potentially an issue • Requires a vote, 12-18 month development process (some statutory intervals) • Very large numbers of individual businesses (2,400+ in the accommodation sector alone) in Gwynedd for a ballot and subsequent management • Inclusion in the scheme of reluctant 'no' voters and other contributors can be problematic • Mixed performance of Gwynedd's local Town Centre BIDS • Potential conflict with existing town centre BIDs (this can be resolved but confusion could remain).
Potential Income:	Modelling at a threshold of £5,000 Rateable Value with minimum contribution of £150 (maximum £3,000) & inclusion of approximately 1,000 businesses, delivers a gross figure of £290,000 - £350,000 per annum subject to the inclusion/exclusion of Bangor/Caernarfon businesses.
Set up/Delivery Costs	Delivery costs would be met within TBID budget. Initial set up costs would be approximately £50,000 - £100,000.
Examples / case studies:	See Appendix A- VisitinvernessLochNess case study.

Option 3: Tourism Levy

Option 3:	Tourism Levy
Overview / Description:	Introduction of a compulsory levy on visitors to Gwynedd to be collected by businesses. (See Appendix A for details)
Advantages:	• Compulsory collection • Guaranteed income • No end period or ballot • Potentially popular with local residents • Clear and simple approach (e.g. £1per person/£2 per room per night) • International booking agencies (like AirBnB) already collect levies in other destinations and pass on these to owners for their payment of relevant local taxes/levies.
Issues:	• Need for legislation outwith Gwynedd control • Welsh & UK Government reluctance and timescales • Local and national industry opposition and recent local controversy • Negative publicity for early adopters of such a scheme • Relatively high levels of UK taxation already, especially VAT and Air Passenger Duty, and the UK already ranked low for tourism competitiveness (WEF 2015 140th out of 141 countries) • Collection mechanism not clear and no relevant UK precedent at this stage • No current guarantee of hypothecation and local political priorities may change • Must be itemised to the consumer
Potential Income:	Assuming STEAM 2017 estimate of 18.44m tourist nights and applying a 50% reduction for caution, a levy of £1 per person per night could raise approximately £9m per annum. However, the vast bulk of bednights are in the self-catering and caravan & camping sector and will be difficult to track.
Set Up/Delivery Costs	Unknown but likely to be substantial. It would require compulsory registration of businesses, collection and enforcement mechanisms, and legal advice and administration. Broad estimate of costs is £100,000 to £250,000.
Examples / case studies:	Edinburgh - Edinburgh City Council has recently resolved to adopt a levy of £2 per room per night, capped at £14. This requires the creation of powers to be awarded by the Scottish Parliament which will be 2020 at the earliest. Campsites are exempted. It is estimated that it could to raise £14.6m per year.

Option 4 Commercialisation - Membership

Option 4:	Commercialisation – Membership
Overview / Description:	This option would involve introducing a membership scheme for Snowdonia Mountains and Coast for tourism businesses and operators. Business would pay an annual membership fee (that would typically vary according to relative size and, possibly, business type) in return for a range of benefits – typically marketing related (e.g. website or brochure listings). An alternative would be a 'pay-as-you-go' option where operators buy the particular services they want rather than an all-encompassing membership option – this gives them greater flexibility and better perceived value.
Advantages:	• Proven model and low risk • Relatively easy to establish and could possibly be implemented within existing structures (or through a Community Interest Company – see below) • A mechanism for on-going engagement with the sector.
Issues:	• Requires an administrative resource to manage a membership scheme • The need to have a range of benefits to make the membership attractive. There would potentially be a need to create additional services for this and there is a danger a membership scheme becomes self-serving. • DMOs are increasingly finding membership schemes outdated – businesses want more targeted benefits and clearer Return on Investment with a greater emphasis on commission-based models. • North/Mid Wales Tourism both operate a membership scheme – so there would be confusion/competition in the market place • A large number of small membership associations are already in place • Online coverage and promotion of businesses in the area would only be partial (based on willingness to pay) - something the Council wants to avoid and could complicate projects funded by Visit Wales.
Potential Income:	Predicting income from a member scheme is difficult – it depends on a number of factors including the willingness of businesses, the attractiveness of the package and the resource deployed to proactive sales. At maturity, **gross** income might range from £30,000 to £90,000k but there would be costs involved in servicing this. A 'pay-as-you-go' option would probably generate less income but would have lower costs. Net income might be approximately the same. Net income might be in the £10,000 -£35,000 range.
Set Up/Delivery costs	Set up costs minimal but additional staff resources needed to administer est. £20k - £35k.
Examples / case studies:	Numerous DMOs in the UK

Option 5 Commercialisation – Commercial Services

Option 5:	Commercialisation – Commercial Services
Overview / Description:	DMOs across the UK have developed different approaches to commercialising their services beyond traditional membership/advertising models. Three broad models exist: • Paid for agency services – some DMO have branched out into commercial research and consultancy services, web-design, print, training and coaching. These are sometimes through subsidiary organisations. • Commission based models where a business pays a percentage for business delivered. This has traditionally been in business tourism (for e.g. accommodation booking services) but there are leisure tourism examples (see below). • Tactical campaigns / Strategic Partners - a number of DMOs work with a small number of strategic partners (typically larger players in their areas) on specific initiatives (e.g. overseas marketing). Funding from partners can be significant – e.g. £10k plus per partner.
Advantages:	• Different sources of income that do not rely on businesses paying membership / advertising.
Issues:	• Agency services would require the creation of a specific organisation/vehicle. • Difficulties of creating commission-based models, where the income flows to the destination, in the current environment - there are a lot of agencies already providing these services, which are well recognised by consumers (e.g. Booking.com, Expedia). • Staff resources to deliver – both in terms of available staff but also expertise.
Potential Income:	Difficult to judge but, at the moment, there are not really the resources in place to develop agency or commission-based services. The concept of strategic partners (and associated tactical campaigns) has more scope but would be unlikely to generate any net income.
Set Up/Delivery Costs	• Minimal but requiring a change in focus from existing team.
Examples / case studies:	• Agency services – Shropshire Tourism, NewcastleGateshead Initiative • Commission based – Leicestershire Tourism's Stay Play Explore campaign • Tactical campaigns/Strategic Partners – Marketing Cheshire, Shakespeare's England

Option 6 Commercialisation - Sponsorship

Option 6:	Commercialisation – Sponsorship
Overview / Description:	There may be opportunities to get appropriate sponsors for existing services – e.g. the Snowdon Mountains and Coast website or specific events (or the events programme).
Advantages:	• Potentially a new source of income • A 'quick win' that would not require new services or resources • Possible opportunity to explore with existing contacts e.g. Red Bull • Some specific events could be attractive to sponsors.
Issues:	• Income is likely to be tied to activity around the website/events • Sponsors can prefer to donate 'in kind' rather than with cash e.g. Columbia and the UK National Parks sponsorship package. • Council funds but does not deliver events, therefore does not 'own' the sponsorship rights
Potential Income:	Likely to be relatively modest – circa £10-15k but there may be scope to increase this over time.
Set Up/Delivery Costs	Primarily staff time.
Examples / case studies:	Visit Cornwall sponsored by Great Western Railway.

Option 7 Creation of 'Arm's Length' Delivery Body

Option 7:	Creation of 'Arm's Length' Delivery Body (e.g. Community Interest Company)
Overview / Description:	More of a vehicle for service delivery than a cost saving initiative per se. This option would see the creation of an 'Arm's Length' delivery body (Company limited by guarantee/share or similar) to oversee delivery of the Destination Management Plan and associated activities across Gwynedd. This would most likely be an evolution of the existing Destination Management Partnership, facilitated by the council and other membership bodies.
Advantages:	• Simple and cheap to set up • Relatively informal structure • Build on existing partnerships – taken to the next stage • Established process over many years across the UK • Can apply for funding that local authorities are disqualified from • Flexible trading arrangements • Gwynedd is a mature destination with large numbers of businesses and a developed (albeit complex) membership structure • Consultation suggests enhances sponsorship opportunities through more transparent financial arrangements.
Issues:	• Dependent on industry goodwill and engagement • Membership and benefits will be selective/voluntary • No guarantee of sustainability • Attitude/capacity of current membership bodies not known • No expressed interest in the area and no obvious existing body that could take role • Complex current membership structure with large numbers of local and sectoral groupings.
Potential Income:	
Set Up/Delivery Costs	Minimal with some legal fees but considerable staff time.
Examples / case studies:	Numerous including Cornwall and New Forest.

5. Consultation

Consultation has taken place with the industry in a number of ways – workshops, an online survey and one-to-one conversations. A number of points emerged. The full results from the online industry survey are provided in Appendix D, with the findings of the workshops and one to one consultations incorporated into this and following sections.

- **Investment Priorities.** Gwynedd has a high level of repeat visits and loyalty so priorities for investment were based around the quality of experience – e.g. cleanliness of beaches, streets, footpath maintenance and toilets. Online marketing was also a priority. 'Sense of place' (i.e. language, culture and heritage) and tactical marketing (e.g. off-peak marketing) were important but secondary considerations.

- **No clear preference on potential funding schemes.** Opinions were mixed on the different funding options.

- Sponsorship, particularly from external organisations, was seen as a positive albeit this needed to be tempered by the difficulties of raising sponsorship funding.
- In terms of broader 'commercialisation', particularly of marketing services, this was also seen as a positive but needed to be balanced against State Aid issues, potential duplication and the need for measurable commercial return. Charging for toilets was also seen as a potential area of commercialisation but only if they had first received investment to bring them to an acceptable standard.
- Views were split on Visitor Giving. There was a concern that the amounts it might raise (allied to the high costs of administration) did not justify the efforts. This was countered by a feeling that a visitor giving scheme was a 'good thing to do', established an important principle, and there were wider benefits than just direct funding raised.
- There was also some ambivalence around a TBID – partly shaped by the experience of the Bangor & Caernarfon BIDs, and partly around a 'localism' agenda (see below). A TBID was however more popular, provided it raised a higher level of funding (with interest at £350k level).
- The concept of visitors contributing to tourism was generally seen as important – partly because of sensitivities of businesses paying 'yet more' and partly to counter an emerging 'anti-tourism' feeling within local residents.
- To this end, and allied to the potential income it might generate, there was a preference for a Tourism Levy over a TBID.

- **Importance of localism.** Gwynedd is a large area with strong sub-areas. There is a strong local agenda of 'what is raised here is spent here'. There was an acceptance that administration of any scheme could be centralised to achieve economies of scale, but that expenditure should have a local element.

- **Communication is key.** Allied to the localism agenda, there is some suspicion that funding raised would be spent by the Council on administrative costs and funding existing activities. While radical change is seen as possible it will take time to clearly communicate the need and options to organisations and businesses. There is Steering Group commitment to further involvement in this process.

6. Recommended Model(s)

6.1 Recommendation

As already noted in the previous section (5), there are a number of potentially contradictory findings from this study including:

Positives

- A clear willingness to consider major changes in the funding and structure of tourism within the private and public sectors
- A confidence in the destination and a feeling that it could withstand the controversial introduction of a levy or similar
- Support for the Destination Management Partnership amongst the private sector.

Negatives

- A need to develop deeper partnerships and trust across the destination
- Strong sub-Gwynedd/Snowdonia destination identities and loyalties
- Existing private sector membership organisations, none of them 'Gwynedd-shaped', being either local, sectoral or North /Mid Wales-wide.

However, the consensus was that 'do nothing' is not an option, with real threats to destination performance from ongoing reductions to council budgets and the council itself committed to the principle of visitors making a contribution, however small.

Principles

The future Gwynedd funding approach needs to be based on three core principles:

- **A Mixed Model** – the approach to funding needs to remain flexible but also combine different approaches – with visitor giving and commercialisation making contributions and either a TBID or Tourism Levy potentially providing significant funding.

- **Localism** – it is important that any scheme has a 'bottom-up' element and is not perceived as imposed from above. Elements of this could include scheme branding (e.g. for visitor giving), funding of local schemes and local representation in decision making.

- **Different Timescales –** while there is a consensus that something needs to happen, Gwynedd as a destination is not necessarily ready for radical change yet. There needs to be a phased approach. The short term will be about communicating with the industry, gaining momentum through quick wins, building trust and reviewing options. The medium term will be about developing either a TBID or a Tourism Levy.

These principles are outlined in further detail later in this section.

6.2 The Proposed Approach

The proposed mixed approach should progress visitor giving and limited commercialisation in the short term, leading to a long term solution.

Visitor Giving: The ambivalence in Gwynedd with regard to a Visitor Giving scheme is that it will not raise sufficient funds to deliver major work programmes. This is true but there are other advantages to looking at a Gwynedd wide scheme. It will help to establish the principle of alternative funding and, most importantly, the opportunity to begin the conversation about future alternatives with a wider number of businesses and organisations at a local level. There are other benefits – funding local schemes and providing an opportunity for business to demonstrate their own Corporate Social Responsibility (CSR).

Commercialisation: While commercialisation of tourism services has appeal in principle, there are a number of barriers. These include State Aid complications (around digital assets), competition from the private sector, a perception of duplication and a lack of commercial functionality for the destination website (i.e. if businesses are to invest, they will wish to see a return on that investment, the more directly the better). Other issues include Gwynedd Council policy (for e.g. charging for web listings), and their capacity to pursue a commercialisation agenda (it takes resource to raise money).

In addition, events are not directly delivered by the council but are funded by them and delivered by third parties. As such, the authority has no rights to sell for sponsorship.

Commercialisation is therefore not seen as a viable option in terms of raising significant amounts of funding and a 'hard' charging process could alienate important private sector partners at the beginning of a more strategic long-term process.

However, there does remain considerable scope for a 'soft' commercialisation approach which will be budget-relieving, add real value to council activities and further strengthen the ties between the council and the industry. Examples include shared participation in marketing initiatives, contribution of venue in kind, prizes for incentives/competitions, partners carrying a destination message etc.

There should be a broader Gwynedd Council approach that looks at the commercialisation of services and assets over a period of time – these could include roundabout sponsorship, charging for additional digital services (such as enhanced listings and adverts), and charging for toilets. These are however likely to offset costs rather than support or enhance services.

Long Term Options

In the medium term, the decision will be whether to pursue a Tourism Levy or a TBID. Views are mixed and there is not a strong preference amongst the Destination Management Partnership.

A **Tourism Levy** is attractive since it raises funding directly from visitors and could generate potentially substantial amounts of income. However, at present, Gwynedd Council and its partners would require powers to be devolved from national levels. There are no UK precedents; the wider implications of the introduction of a Tourism Levy are not yet understood and are unlikely to be so before 2021 at the earliest. Edinburgh's experience will be extremely valuable; it would be prudent to watch how that progresses before making any commitments to the introduction of a levy. Methods of actual collection of income could also be an issue for Gwynedd given the structure of its accommodation sector (which will be very different from Edinburgh).

The **TBID** model, in contrast is 'ready to go' and has some support (dependent on the amounts raised). However, there are some concerns, partly based on the BID experience in Bangor and Caernarfon, partly on the localism issue (i.e. where will the money get spent) and partly on a suspicion that the levy will support 100% additional services. The large volume of businesses and the geography of Gwynedd will make winning a ballot a challenging task, likely to take a while (minimum 2 years) for momentum to build.

A **voluntary Destination Management Organisation (DMO)**, likely to be delivered under an evolution of the Destination Management Partnership from its current informal status, would follow a number of similar developments in other parts of the country. The specific challenges in Gwynedd are the existence of numerous small, locally based consortia, many of whom have a marketing element and, at the other end of the scale, North/Mid Wales Tourism which have much wider footprints. Many have commercial elements to their operations and are unlikely to welcome either competition or duplication. The potential benefits are numerous (flexibility, economies of scale, ability to trade) and joint ventures or similar could mitigate some of the expressed concerns. However, a voluntary DMO could struggle to generate sustainable levels of funding and its income would be lower than a TBID. It is not the best long term option to pursue.

A more realistic alternative would be a more formal, private sector led DMP, which will not deliver services directly, but would be in a far stronger position to make decisions about the long-term funding for tourism in Gwynedd and could choose to evolve into, for example, a TBID.

As such, the best way forward is to set out with an implementation plan of 'quick wins' with a clear focus and development programme towards a long term goal. Time and resources need to be sufficient to consider the options and come to a decision capable of securing the support of the tourism sector and public bodies. It is considered essential that the Visitor Giving scheme development is not seen as an end in itself but a means to an end.

6.3 Localism

For Visitor Giving, the driving principle will be what is raised locally is spent locally (after administration costs are covered). The wide and disparate geography of Gwynedd of, as well as the consultation findings and experience elsewhere, makes this essential.

Having considered the three pre-existing options which are summarised in the table below, the recommendation is that the area committee option is the best. Whilst the wellbeing areas are broadly recognisable as destinations, there are simply too many of them given the resources available, the management implications and the likelihood of confusing the public. The area committees are also partly responsible for some of the key council functions that have been identified as investment priorities e.g. environmental maintenance, making them the best option.

Table 6

Gwynedd Breakdown	Districts
Former District Council Areas	1. Arfon 2. Dwyfor 3. Meirionnydd
Wellbeing Areas	1. Bangor 2. Caernarfon 3. Llŷn 4. Porthmadog 5. Ffestiniog 6. Dolgellau 7. Penllyn (Bala) 8. Tywyn
Area Committees	1. Bangor and Bethesda 2. Caernarfon and Llanberis 3. Llyn 4. Coastal Meirionnydd 5. Rural Meirionnydd

Given the strength of feeling around localism, this approach should continue through into the long term solution with a percentage of any funding raised being spent on local projects. For example, the principle could be that, once running costs are covered, 50% of income covers pan-Gwynedd (or Snowdonia Mountains and Coast) activities and 50% covers local initiatives.

As well as the allocation of funds locally, there is a need to consider how this is presented to both the industry and the visitor. Whilst further discussion will be needed around branding of a Visitor Giving scheme, some discussion is therefore merited at this stage. The existing 'Snowdonia Giving' is strong and simple. There is, however, the potential for it to be mistaken as only being applicable to the National Park and reducing take up in, for example, coastal Meirionydd. The existing marketing branding of 'Snowdonia Mountains and Coast' is equally strong but, by adding the word 'giving' becomes a little long and unwieldy. It is therefore suggested an umbrella branding of 'Snowdonia Giving' is retained with a strapline of either 'Supporting Mountains and Coast' or 'Supporting Projects in [Local Area]' being used in addition.

6.4 Regional/National Dimension

The introduction of any long term funding solution is likely to have impacts outwith the Gwynedd boundary. To the well-rehearsed argument that visitors themselves do not recognise local authority boundaries can, in this instance, be added points around competitiveness, negative media coverage, industry concerns and a potential backlash from visitors themselves. Visit Wales described any authority prepared to implement a tourism levy as 'brave' during the consultation process. A number of respondents pointed out that, particularly with regard to the levy, visitors would 'just go to Conwy instead'.

On the other side of the argument, many parts of the country are facing the same squeeze between shrinking resources and increasing demands, this will include Gwynedd's near neighbours. They will be watching developments with interest and may be prepared to work in partnership. This would clearly be positive for the eventual long term solution as it will provide economies of scale and increase revenues.

It will therefore be important to understand the position of neighbouring authorities regarding whichever long term solution is implemented. By definition, most tourism businesses will be location specific so cannot move but some, for example booking agencies or activity providers, could easily relocate to Anglesey or Conwy and continue trading as normal. Gwynedd is fortunate in that the existence of the North Wales Economic Ambition Board (see Section 3.2) provides it with a formal mechanism to work across the region but this does not include Ceredigion and Powys to the South and South East.

One solution (see also 7.2) is to enter into conversation with neighbouring authorities and Visit Wales to position Gwynedd's approach as a national pilot which will be rolled out once the pilot has been implemented and reviewed. If agreed, this would strengthen any funding application to Visit Wales and mitigate the competition issues to some extent (as they would be temporary rather than permanent).

7. Action Plan

7.1 Timescales and Phases

The approach is grouped into three broad phases:

Short Term (Years 1 -2)

- Establish the provisional governance model e.g. a Shadow Board
- Make a case and secure the resources to pursue a three to four year programme
- Following the securing of additional resources, roll out the Visitor Giving scheme across the county
- Develop a communications strategy aimed at deepening partnerships and trust

- Use the additional human resources to develop a detailed conversation and consultation process with the sector about long term solutions, with the choices being either a TBID or a Tourism Levy
- Pursue commercialisation options in parallel.

Medium Term (Years 2-3)

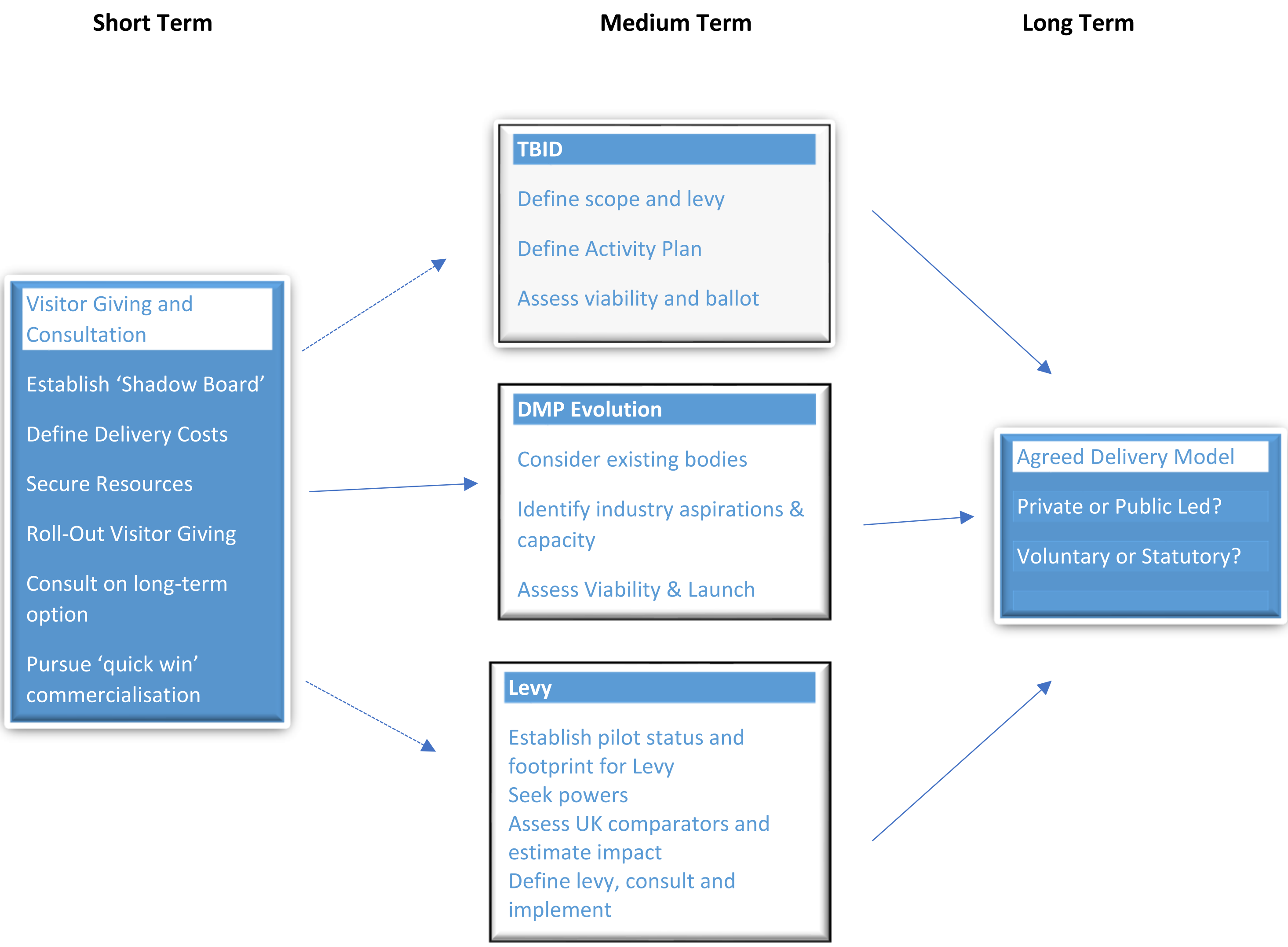
- Pursue the formalisation of the Destination Management Partnership into a private sector-led representative body for Gwynedd
- Following the extensive consultation phase, review the findings, the Edinburgh experience and decide on the preferred funding model between Levy and TBID
- Implement the key steps identified for the preferred option as itemised in the graphic below detailed Action Plan (see below).

Long Term (Year 3 onwards)

- Develop and implement the preferred operational model
- Consider whether Visitor Giving should be separate charity or retained with the new body

Communications are a key action that will need to delivered across all phases of the action programme. There is a need to develop deeper partnerships and trust and how the potential long term solution is presented will be fundamental to its success. If businesses are to either vote for a TBID or willingly collect a levy, their genuine engagement and support will be critical. There will be a need for a clearly thought out and long term communications strategy to be put in place to guide the consultation and conversation process.

The graphic below demonstrates the development process for the action plan:



7.2 Detailed Action Plan

Short Term

The first step should be to set up a 'Shadow Board' or Steering Group (referred to throughout as the Shadow Board) for whatever mechanism or route is finally chosen. This should evolve from the current Project Board (members have indicated a willingness to continue with the role) with additional representation from the environmental sector (through the Snowdon Partnership) to help guide the funding of environmental or access projects through the Visitor Giving scheme.

Consideration also needs to be given to the geographical composition of the Board with representation for all areas of the county. This does not necessarily mean a larger group as Board members could be charged with a geographical as well as sectoral role. The Shadow Board should sit underneath the umbrella of the Destination Management Partnership and report back to the DMP as required. The Chair of the Shadow Board should be nominated by the wider DMP. The following tables demonstrate that it would be relatively easy for the Project Board to evolve into the Shadow Board.

Current Project Board Members	Representing
Ann Owen	Royal Victoria Hotel, Llanberis
Anwen Jones	Welsh Association of Self Catering Operators (Chair DMP)
Councillor Ioan Thomas (Chair)	Gwynedd Council
Helen Pye	Snowdonia National Park Authority
Ian Nellist	Federation of Small Businesses
John Lloyd	Inigo Jones (Vice Chair DMP)
Llinos Rowlands	Discover Dolgellau
Michael Bewick	Llechwedd Slate Caverns, North Wales Tourism
Rhian Hughes	Annog/Menter Mon
Roland Evans	Gwynedd Council
Sian Jones	Gwynedd Council
Sioned Williams	Gwynedd Council
Total	**12**

Shadow Board Composition	Number
Gwynedd Council	3
Area Representatives	5
Snowdonia National Park Authority	1
Federation of Small Businesses	1
Destination Management Partnership	2 (incl. Chair)
Snowdon Partnership	1
Visit Wales	1
Total	**14**

The Shadow Board, once established, will be in a position to steer the work programme and advise on the conclusions that are reached.

The opportunity to achieve additional resources from Gwynedd Council on an 'Invest to Save' basis should be pursued, matched with an application to Visit Wales. This second application would position Gwynedd as a pilot area for the country as a whole and North Wales in particular. Visit Wales have indicated an enthusiasm for the TBID model and are positively disposed towards funding the development costs over a minimum of two years. At the time of writing it has not been clarified whether this enthusiasm extends to wider innovations in funding. An early approach to Visit Wales to seek clarification is recommended.

The Shadow Board's first duties should be to:

Task 1 – Agree the management model for the Visitor Giving scheme (council or independent charity). Given the match funding from the council and the opportunities to achieve economies of scale **this study is recommending council management in the first 2-3 years**

Task 2 - Agree the job description, areas of responsibility and person specification for the additional human resources to deliver the programme

Task 3 – Support the funding applications, recruitment process and agree performance targets for the additional resources.

Following these initial tasks, the Shadow Board will have a dual role:

i. To award the funding generated by the Visitor Giving programme

ii. To oversee the development conversation leading to a long term management/funding solution.

Whilst the exact work programme will need to be developed at the appropriate time, broad priorities should include:

Additional Resources

The recruitment process for the additional resources (referred to as 'Liaison post' in the activity plan table) will be fundamental to the success of the project. In particular, the skills and experience of the post holder will be critical. Their initial task will be to recruit businesses to the Visitor Giving scheme whilst simultaneously alerting them to the need for a long-term solution. An empathy and understanding of the tourism industry will be essential, combined with a strong commitment to increasing involvement in the Visitor Giving scheme.

This is not a full-time position. It is likely that the work programme could be delivered within a maximum of 30 hours per week and could be delivered by either an employee on a fixed-term contract or by retaining the services of a suitable individual or even company. The individual/company or postholder will be supported in discussions with the industry by the council's management team and elected members where appropriate.

The salary should reflect a relatively high level of skills and experience with the ability to develop positive relationships across an extremely wide range of stakeholders. A maximum salary of £30,000 plus oncosts (£37,500 pro rata) has been allowed for in the budget. Salary level is clearly a matter for further consideration and any employee role would be subject to Job Evaluation procedures.

Visitor Giving.

Actions include:

- Retention and recruitment of members[3], building on the pilot and its recommendations.
- Establishing the mechanism and the costs of delivery (with council support initially)
- Identifying first projects by area and target amounts
- Agree the sub-county branding in consultation with local industry
- Consider roll out e.g. County-wide or area by area.

TBID – early conversations should include:

- Investigating the cost of collecting the levy with Gwynedd Council
- Clarifying the relationship with the two existing town centre BIDs

[3] NB: A specific opportunity exists to target those participating in council funded events. Given the large numbers of entrants it is recommended that the 'Always Aim Higher' portfolio of endurance events is used as a pilot, subject to negotiation with the company. In 2018 the company accounted for over 65% of the total participants in funded sports events, albeit that multiple entries are likely to reduce that number.

- Considering where the threshold for involvement should be set e.g. Rateable Value of £4,000

Tourism Levy

Short term actions include:

- Maintaining close relationships with Visit Wales/Welsh Government to keep abreast of developments
- Tracking progress of the Edinburgh scheme.

DMP evolution. The evolution of the Destination Management Partnership could go in a number of directions, from a private sector only group with an advisory role to a formal joint venture with the council or a governance body for a TBID. Early discussions should be held with local private business groups (i.e. North/Mid Wales Tourism and key local groups / associations), to discuss how any new private/public partnership would impact on them.

Commercialisation options: Efforts should be focussed on working within the council's corporate structures, ensuring that any additional funds raised are targeted at services of benefit to visitors as well as residents (e.g. public toilets). 'Soft' commercialisation activities, such as value in kind, are normally best addressed on a reactive or project by project basis rather than strategically as businesses prefer to assess opportunities individually.

Medium Term

In the medium term, for a TBID or Tourism Levy:

- Decide which is the most appropriate scheme for Gwynedd. Factors to consider will include industry preference, the Edinburgh experience on Tourism Levy, and ease / cost of implementation, the amounts raised versus the need for funds.

If a TBID is chosen, then:

- Identify the scope for inclusion: sectors, threshold level, minimum and maximum contributions
- Commence the statutory development process including consultation and the publication of proposals.

If a Tourism Levy is chosen, then:

- Secure the powers to implement
- Establish the implications with regard to neighbouring destinations/authorities
- Define the levy amount and collection mechanism.

Long Term

In the long term, develop and implement the preferred operational model:

- Agree the delivery model – private sector led (TBID), public sector led (Tourism Levy)
- Consider the implications for Visitor Giving: whether this function should be retained in the new body or established as a separate charity.

The following summarises the action plan across a three-year period.

Action Plan Table	Y1			Y2	Y3
	Q1	Q2	Q3-4		
Consider Report Recommendations	●				
Visitor Giving and Additional Resources					
Establish Shadow Board	●				
Agree implementation model for Visitor Giving Scheme (council, independent, charity etc.)		●			
Define Delivery Costs of Scheme		●			
Agree Roll Out of Visitor Giving Scheme		●			
Define Sub-Gwynedd Branding		●			
Set Financial Targets and indicative allocation of funds		●			
Agree Job Description, Person Specification & work programme for 'liaison' post (or retained service)	●				
Apply For Corporate Funding for 'liaison' post	●				
Consider and apply for Visit Wales funding for development costs	●				
Recruit to post and implement work programme		●	●	●	●
TBID/Levy/DMP Evolution					
Develop detailed communications plan			●		
In-depth consultation on TBID/Arm's length organisation/Levy with stakeholders				●	●
Investigate TBID 'cost of collection' and set up costs			●		
Discuss evolution of DMO with existing key sector/local associations				●	●
Assess viability and decide on implementation to Ballot					●
Explore levy with Welsh Government/Visit Wales/North Wales Authorities				●	●
Agree long term solution					●
Commercialisation					
Clarify any State Aids or related issues re: sponsorship of key assets (website, public realm, etc.)	●				
Review of assets & opportunities digital & physical (roundabouts, charging for toilets etc.)		●			
Pursue key assets sponsorship			●	●	●
Develop and implement long term solution					●

8. Forward Budget

The following table presents an outline four-year budget. This is a 'cash only' budget and there may be opportunities to develop contributions from other partners (either cash or in-kind - see examples in section at 7.2) which are not included.

The budget increases considerably in Year 4. This is the year in which the long term solution (a TBID or Levy) is anticipated to be in place, delivering higher levels of funding and meeting a far higher percentage of costs. The staffing budget is increased in year 4 on the basis of either additional resources or that the new funding is meeting the costs of existing staff (currently covered by the council). Whilst this is both reasonable and practical it should be borne in mind that BID legislation will require additionality of resources. An operating surplus is shown in Year 4, however this is likely to be used up in additional activity. The budget is considered realistic and achievable. However, in the event of smaller amounts being generated in the development phase, progress could still be achieved but probably at a smaller scale and over a longer timeframe.

Table 7

	Y1	Y2	Y3	Y4
Income				
Visitor Giving Donations	5,000	15,000	25,000	40,000
Gwynedd Council	30,000	20,000	15,000	0
Visit Wales[4]	0	30,000	70,000	0
Private Sector/Levy	0	0	0	250,000
Total Income	35,000	65,000	110,000	290,000
Expenditure				
Staff and Overheads	20,000	40,000	40,000	120,000
Marketing of Scheme	10,000	10,000	5,000	3,000
Consultation Costs	0	5,000	0	0
Development Costs	0	0	50,000	0
Grant Awards	5,000	10,000	15,000	40,000
Total Expenditure	35,000	65,000	110,000	163,000
Balance/Surplus	0	0	0	127,000

[4] Indicative only, no amounts discussed with Visit Wales to date and subject to an eventual application

Appendices

Appendix A – Introduction to the Main Funding Models

TBIDs – an introduction

Following the publication and launch in December 2011 of the document 'Introducing TBIDs in England', a number of UK destinations, especially resorts and major cities, have been taking forward the Tourism/Destination Business Improvement District (TBID/DBID) model with a specific view to funding Destination Management Organisations (DMO's)and other bodies. Birmingham, Manchester and Great Yarmouth are three examples. Inverness/Loch Ness in Scotland also has an operational TBID (see case study below) with the Tees Valley also developing one. The Isle of Wight, led by the DMO Visit Isle of Wight, set up a 5 year DBID in 2016 with the English Riviera Tourism BID being approved at the same time. In addition, a number of destinations for whom tourism is a crucial part of their overall economy have adopted more traditional town centre or retail BIDs, Bournemouth being perhaps the best example but also including Southport. In Northern Ireland, a Destination BID using the geographical model has been set up in Belfast's Cathedral Quarter.

The difference between the two models is clear. A traditional BID relies solely on the rateable value (RV) model and works on the basis of a clear boundary with the vast majority of businesses (normally above a certain RV threshold) within that boundary included in the BID. A TBID (or DBID) adopts a more sectoral approach (albeit one which normally uses National Non Domestic Rates-NNDR-classifications) and the funding model can be based on business performance criteria (e.g. occupancy rates, revenue per available room [REVPAR], entrances/admissions to attractions etc.) as well as Rateable Value. It is also not as strictly limited in geography and can, which could be the case in Gwynedd with its established relationships with rural Conwy, operate across a number of local authority boundaries[5]. There is a great deal of flexibility in the model and within the legislation to enable destinations to shape a BID that fits their own circumstances.

For the destination a BID provides a stable, dependable funding stream for a fixed term (typically 3-5 years) and can remove the need for constantly chasing both membership and commercial income streams such as marketing contributions. For the industry, whilst contribution levels are higher than membership or marketing contribution schemes, the BID legislation offers a degree of transparency and control over the allocation of budgets that is not always available in more traditional set ups. There is also a clear legal requirement for the BID funding to be additional to local authority spending. TBIDs can happily co-exist with established town centre BIDs, which would be necessary in Gwynedd with Bangor and Caernarfon already operational, with local arrangements being agreed to ensure that no business pays two levies.

BIDs are put in place following consultation, campaigns and ballots. For the ballot to be carried, the yes votes must constitute more than 50% of those who voted and 50% of the rateable value of those who voted: the so-called 'double trigger'. The Regulations do not provide for a quorum of votes but, for the BID to have credibility and broad support, some BIDs have imposed them voluntarily. VisitInvernessLochNess, for example, set the quorum of 25% turnout.

[5] Subject to further clarification as 'joint arrangements' were introduced in England by the Amendment to the Regulations of 2013 and there is no evidence of similar legislation being introduced in Wales.

The process is governed by the Business Improvement Districts (Wales) Regulations of 2005 with a statutory timetable. Typically BIDs take 12 months to establish. In Wales, which is considered currently under represented with BIDs, the Welsh Government offered up £30,000 to any local authority wishing to set up a BID. In October 2018 10 Town Centre and 2 sector based BIDS were funded with a total allocation of £260,000.

The table below sets out the details of three sector-based TBIDS in place in the UK at the time of writing.

Table A1

	Timescale	Businesses	Board	Team (FTE)	Levy Rate (%)	Amount p.a.	Threshold (£RV)	Min (£)	Max (£)
VisitInvernesslochness	2014-2019	445 363 levy payers	12	3.3	Banded 1-8	177,000	2,000	160	3,000
Visit Isle of Wight	2016-2021	1,000+	19	(0)[6]	1.75	371,000	3,000	150	10,00
English Riviera	2017-2022	1,000+	13	3	1.95	500,000	3,000	150	

[6] Staff costs are funded by other sources and not included in BID monies

Tourism Taxes/Levies

Tourism Taxes/Levies have been discussed and considered at a UK and Wales level for some time. For clarification the two definitions are in use in this report:

- Tourism Taxes are placed on businesses on either size or business performance, there have been no developed discussions around using this model in the UK. As such they will not be given detailed consideration in this report.
- Tourism Levies are placed on visitors and need to be identified as such at the point of collection, inevitably the most likely collection point will be the tourism businesses who will become part of a compulsory registration scheme.

Levies are in place across continental Europe and the United States, many of them contributing to Destination Management activities. They operate across rural, city and coastal destinations with investment targeted at local priorities including convention bureaus, subvention, event support, training initiatives and information services.

Levies are normally imposed on a 'per night' basis with a fixed fee rather than a percentage of the total bill

In Wales, proposals for a Tourism Tax were considered within a wider consultation on four potential additional taxes. Whilst Gwynedd Council expressed an interest in considering piloting a Levy, the suggestion was met with strong opposition at local and national levels.

- "We have consulted our members and their response was unequivocal in opposing the idea of imposing a tourism tax at a time when the visitor economy is facing a whole host of other challenges. *Jim Jones North Wales Tourism MD*
- "The imposition of higher taxes has been shown to inhibit growth, employment, revenue and holiday-taking. This will hit those who are least able to afford to take a holiday, further excluding them from citizenship and social inclusion in an everyday practice, which many of us take for granted." *A Tourism Tax for Wales? Professor Anne Pritchard for the Wales Tourism Alliance*
- "After reading the report I am even more convinced of how unfair this tourism tax may be. Why should the accommodation providers be the ones to shoulder the cost for the Welsh Government? What about the tourist attractions, restaurants, entertainments, etc, all happening for the benefit of the tourists? The playing field would never and can never be level and fair to all in this matter due to diversity of products on offer and because of wild camping, mobile homes parking overnight in car parks, etc as the report mentions." *Guest House response to North Wales Tourism consultation*

In responding to the consultation, the Welsh government issued the following statement which effectively the postponed the introduction of any levy for a considerable period of time, and at least beyond the projected three-year timeframe for implementation of any scheme as proposed in the 'Benefiting from Tourism' brief.

Welsh Government Statement on Tourism Taxes October 2017

'*For the tourism tax specifically – the Welsh Government will explore ways in which local authorities could be given permissive powers to develop and implement a local tourism tax. There are significant policy issues which require further exploration and consideration before any local permissive powers could be introduced, including, but not limited to, the overall level of taxation on the tourism sector – in particular VAT. This will consequently* *be a longer term, deliberative piece of work to be carried out over the coming years, and in collaboration with local government, the industry and other interested parties.'*

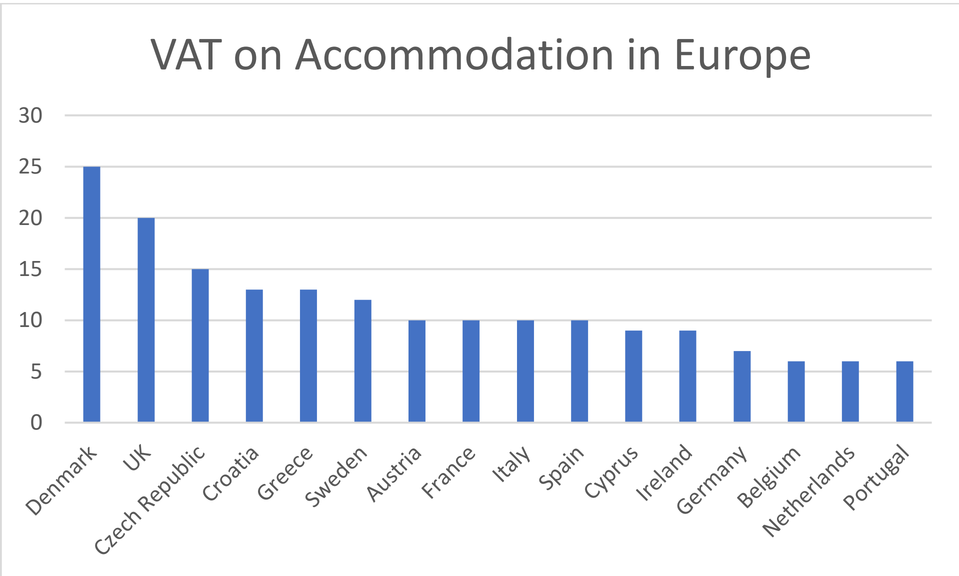
Within the UK, Edinburgh is in the vanguard of developments. Edinburgh City Council has been developing proposals around visitor levies, with a particular focus on the costs of organising and staging the Edinburgh Festival, for a number of years. Developments came to a head in 2018 when the Scottish Government, who had previously been clear in stating that they had no intention of levying visitors, agreed to undertake a consultation with the industry and other interested parties in early October.

The city council subsequently started its own, very controversial, consultation which was strongly criticised by the sector although it drew the support of the Confederation of Scottish Local Authorities (COSLA). Despite this opposition, on 7th February 2019, it resolved to petition the Scottish Parliament to be given powers to adopt a Transient Visitor Levy of £2 per room per night, capped at £14 (i.e. first 7 nights of any stay).

This will be delivered through the introduction of a compulsory registration scheme and suggests revenue of £14 million per annum. There are promises to retain the monies for destination management purposes and to undertake further detailed work on priorities with a local forum (to be established). The only identified example of activity is enhanced street cleansing. A public consultation undertaken in Summer 2018 of residents and visitors had identified this as being the highest priority.

The only other area of Britain actively considering a levy at the time of writing is Liverpool. Both Bath and London have had debates in the immediate past, but neither are pursuing levies currently. Liverpool's proposals are focussed on conference subvention and support for major events.

Arguments for and against tourism levies are summarised in the 'Option 3' pro forma, one of the most frequently expressed arguments against the imposition of visitor levies in the UK is the relatively high level of VAT on accommodation (20%) compared to other European countries. The chart below shows the variable levels of VAT currently imposed.



In considering the impact of this high rate of VAT to individual businesses and on their overall competitiveness, Table 6 shows the varying amounts that need to be charged to the consumer for the business to achieve £80 per room per night.

Table A2

Country	£
UK	100
Greece	90.4
France	88
Italy	88
Spain	88
Germany	85.6
Portugal	84.8

Visitor Giving Schemes

A Visitor Giving Scheme is literally that – a mechanism for visitors to contribute something towards the place they have visited. The giving is voluntary and is different from a Tourist Levy.

There are numerous schemes across the UK. Typical characteristics include:

- They cover protected areas – i.e. National Parks and AONBs. However, coverage is not universal, and a number of National Parks have not created specific visitor giving schemes (but will accept donations or visitor 'sponsorship' e.g. for gates, signs, seats).
- Monies collected are used to fund local environmental and conservation projects (including training).
- Businesses tend to be involved in the collection through a variety of mechanisms including opt-out (a voluntary donation at the point of booking where the consumer chooses to take the contribution off their bill), donation boxes, ticket levies and events donations. Opt-out schemes are regarded as the most effective.
- Schemes require a management / administrative company to handle finance, and a mechanism of governance to make decisions regarding funding allocations and donations.
- Most schemes (but not all) will have some form of project officer – either part or full time.
- Schemes are generally run by independent organisations – typically Charities. These will often become conduits for other projects and income sources (e.g. grants) beyond visitor giving schemes.

Table 7 summarises the income and expenditure of a number of Visitor Giving organisations.

Table A3

Visitor Giving Schemes – income and expenditure								
Scheme	Income (£'000)				Expenditure (£'000)			
	Total income	Donations		Other income	Total spend	Grants	Staff	Other
		Restricted	Unrestricted					
Loch Lomond - Friends of OUR Park[1]	57.6	3.7	19.8	34.1	73.2	36.1	20.1	17
Norfolk Broads - Love the Broads[2]	34.2	-	10.0	24.2	34.7	4.5	15.5	14.7
New Forest: Love the New Forest[3]	44.2	9.4	34.3	0.5	28.4	10.4	6.5	11.9
Nurture Lakeland	440.1	112.2	51.1	276.8	418.1	91.0	172.8	154.3

Notes:

1. 2016 figures. NB In 2015 income was considerably higher (approximately £151,000) through a lot of project funding (£33,000) and a £51,000 donation/bequest. Expenditure was approximately £125,000.
2. 2014 figures
3. 2017/18 figures
4. 2013 figures. Core areas of income include grants (£168k) and core partner funding (£30k). Restricted funds were from a range of partner organisations like the National Trust (£55k), Lake District NPA (£20.7k), Northumberland Wildlife Trust (£14k).

These are all independent Charities covering National Parks. Typically income is around £40-50k (although this can vary on a year by year basis) – the amount of funding spent on grants ranged from around £5k to 36k.

The exception was Nurture Lakeland which had an overall income of £440k from a range of sources. Visitor Giving generated just over £50k. Nurture Lakeland, which had been running for 23 years has now transformed into the Lake District Foundation which was established as a charity in August 2017.

They are involved in various areas of activity including visitor giving, consultancy, fund raising campaigns, partnership development, project management, and innovation.

They have 7 staff (the equivalent of 4 full time jobs) and receive core funding from Lake District National Park, Environment Agency, National Trust, United Utilities. Their total income was £396,500. They have 169 donation boxes issued and 201 business fundraisers and supporters.

Other schemes are more modest. Loch Lomond's has been operating since 2009 and has about 100 businesses participating. They supported a total of 22 projects in the National Park in 2016. They receive 'in kind' support from the National Park through the provision of office space and support services. They had two part time staff (costing around £20k).

Appendix B- Case Studies – Confidential not for Publication

Visit Cornwall CIC

History - established 2015. This was an evolution from County Council (Visit Cornwall Partnership set up in 2010) with an established membership structure. Reductions in council funding left too high a percentage of income going to administration sources and the CIC was set up with a £300,000 'golden handshake' from council (still untouched). Membership fees increased by 40% to 80% and collection rates were increased. Management estimates a saving in excess of £300,000 from leaving the council.

Status- Private company limited by share capital (CIC)

Board – 9 plus Malcolm Bell (CEO) as Company Secretary

Turnover - £670,000 2018, of which £130,000 grants; £606,000 2017 of which £87,000 grants

Salaries etc. - £212,000 (2017) £244,000 (2018)

Activities - Website (12m page views, 4.5m visits up 8.3%) – FB 303,000 likes, YouTube 2.9m views, Comms (Poldark), print, research, lobbying and significant industry liaison

Income membership fees range from £93 (attraction up to 25,000) £163 (B&B up to 3 rooms or single self-catering unit) to £2,322 (self-catering agency 205+ units), attractions 25k-100k pay £438, campsite/caravan 21-50 pitches pay £481. All amounts exclusive of VAT and inclusive of 1 website page (£74+VAT for each additional page).

Staffing – 8

Number of members – 800 plus, increasing year on year

Consultation with **Malcolm Bell, Chief Executive and Marketing Director of Visit Cornwall** highlighted the following key points:

- Business is based on a sustainable model with grant funding additional and no contribution to core costs
- They see themselves as a '900 business marketing consortium' and not there to promote Cornwall
- The focus is on domestic visitors and 'low hanging fruit'; overseas marketing is only undertaken with financial contributions, especially public sector
- They have a very popular website with heavy promotion of 'Book Direct' initiative and commission free approach is fundamental to membership and financial success, businesses are encouraged to give added value to incentivise direct bookings
- Sponsorship from large businesses (E.g. train operator) has improved and is now a substantial part of the business mix, as sponsors are happier to contribute to a not for profit DMO than to a local authority
- Significant impact on organisational culture and large changes to staff, now work to a 12 month financial and performance timeframe rather than longer term so different skills required
- Despite difficulties, overall positive experience and a stated view that the industry should support itself with public support going into environmental maintenances, public safety measures (including beach safety).

VisitInvernesslochness

History – set up in 2014 with a very strong Ballot vote - 81% by business, and 92% by Rateable Value. It evolved from Destination Loch Ness partnership and a series of small associations in Inverness with full support of Inverness Town Centre BID. It is a not-for-profit limited company.

Board – 12 (including one local authority representative, others sectoral e.g. Guest House)

Staffing - 3.3FTE (2 full time and 2 part time)

Total businesses: 445 (363 levy payers, the rest are opt ins)

Levy Rate 1% - 8% (banded approach based on RV- maximised revenue) (Visit Isle of Wight is a flat rate of 1.75%) 2019 changes reduce this to an equivalent of 1% - 5%.

Threshold for inclusion - £2,000 Rateable Value (increasing to £3,000 for 2019)

Min contribution- £160

Max contribution- £3,000

Opt-In membership below £2,000 RV = £160 incl. VAT (also Isle Wight at £150)

Dual Levy Issue - (Inverness) no business pays two levies – the TBID excludes the area covered by the city centre BID, businesses are free to attend events and participate in activities but no money changes hands.

Table B1 Budget breakdown per 2014 & 2019 business plans (1 Year only)

	2014 (£)	2019 (£)
Income		
Levies	177,000	195,000
Opt-in Memberships		16,000
Forestry Commission Scotland	10,000	
Common Good Fund[7]	20,000	20,000
Highland Council	20,000	10,000
Visit Scotland	20,000	
Highland and Islands Enterprise[8]		20,000
SSE (Renewable Energy fund)[9]		20,000
Expenditure		
Marketing	78,000	69,400
Conference and business tourism	48,000	40,000
Events	10,000	10,000
Infrastructure	22,000	32,000
Business Development	10,000	10,000
Management and operations	60,000	109,400
Contingency	12,000	10,200
Total Turnover	**240,000**	**280,000**

Achievements/Activities

- Securing £2m of match funding from Visit Britain to market their area overseas
- Marketing campaigns especially social media

[7] Highland Council Funding earmarked for Business Tourism
[8] Business Support programme – Digital Scotland
[9] Ranger employment

- Media and blogger familiarisation
- Infrastructure (including footpath) investment – e.g. Loch Ness 360 and 5 Layby's
- Event support and creation
- Achieving 'World Host' Destination Status
- Additional conferences

Ranking of 6 key objectives in order of importance

- Marketing and Promotion
- Access and Infrastructure
- Sustainable Events and Festivals
- Business Development
- Business Tourism
- Advocacy

Key points from an interview with Graeme Ambrose (BID Chief Executive) include:

- BID grew from an earlier voluntary membership organisation, achieving approximately £30,000 a year with fluctuating membership and little real impact in the market place. The minimum contribution and banding levels were designed to reflect the existing membership schemes as well as maximising revenue
- Original business plan was deliberately pragmatic and achievable, thereby ensuring success, with a target budget big enough to make a difference
- Scope for inclusion was shaped to maximise positive engagement and secure a yes vote – threshold removed single self-catering units; pubs and all Inverness businesses excluded as former likely to vote no and latter removed any confusion with city centre BID
- Total area is 1250km^2, giving rise to high operating costs and low attendance at meetings, make use of social media and online communications
- Guaranteed 5 year funding has been critical in bringing in additional match funding (only area in Scotland to secure VisitBritain matching funding to that scale) and private sponsorship - £40,000 plus for events and £150,000 for Loch Ness Trail
- Tangible projects have been key including Visitor Map (print run 200,000- costs sponsored), layby improvements (tree trimming to make Loch visible) and flagship Loch Ness 360 Trail circular footpath which has extended length of stay
- In contrast to Cornwall, they have removed online booking from website (they could not compete with OTA volumes) and concentrate on selling the destination
- 2 key changes for renewal have been to increase threshold from £2,000 to £3,000 (reflecting business rates increases) and flagship project to employ a Ranger for Loch Ness Trail (in partnership with SSE funds), otherwise very much continuing in the same vein
- Confident of renewal (consultation indicated 76% of members will vote yes).

Appendix C 2016 Research Key Findings

Table C1 Visitor Demographics	Gwynedd	Wales
Area of residence		
Wales	37	59
England	60	37
Overseas	3	4
Gender		
Male	57	44
Female	43	56
Age		
16 - 24 years	5	7
25 – 34 years	15	15
35 – 44 years	21	20
45 – 54 years	24	19
55 - 64 years	18	18
65+ years	15	20
Refused	1	1
Social grade		
AB	48	32
C1	19	36
C2	21	20
DE	12	13
Refused	1	-

Table C2 Group Composition and Visiting Frequency	GWYNEDD %	ALL WALES %
Type of visiting party		
Couple	30	28
Family with young children	21	32
Family without children	10	7
Friends	9	12
Visiting alone	9	8
Family with older children	8	5
Family with younger and older children	6	3
Organised group / society	3	2
Other	<1	1
Refused	4	1
Average size of party		
Average number of adults	3.0	2.7
Average number of children	0.9	1
Average total number of people	3.9	3.7
Frequency of visiting in last three years (live outside of Wales)[10]		
Once	44	36
2 – 3 times	30	29
4 – 6 times	11	16
7 – 10 times	5	6
More than 10 times	9	12
AVERAGE	**3.6**	**4.2**

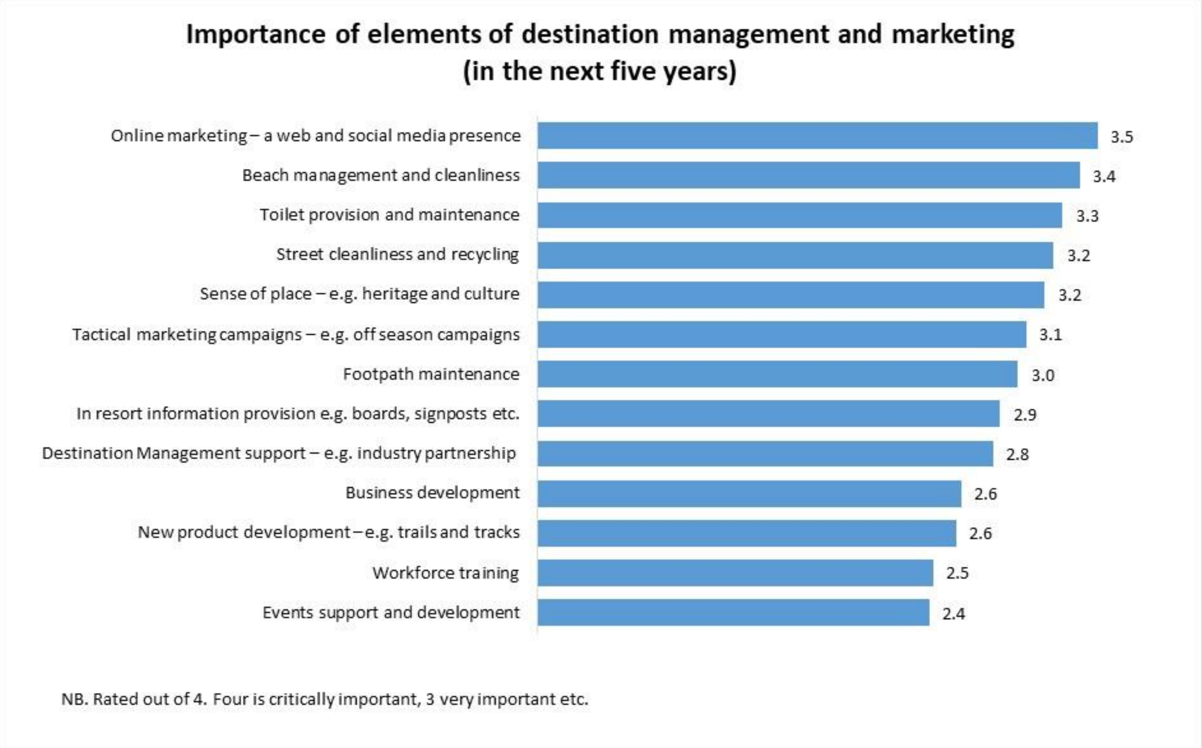
[10] Wales resident sample size too small for confidence

Appendix D – Consultation Survey Findings

An online survey of members of the Destination Management Partnership was conducted by Gwynedd Council. There were 23 respondents to the survey so the results should be regarded as indicative.

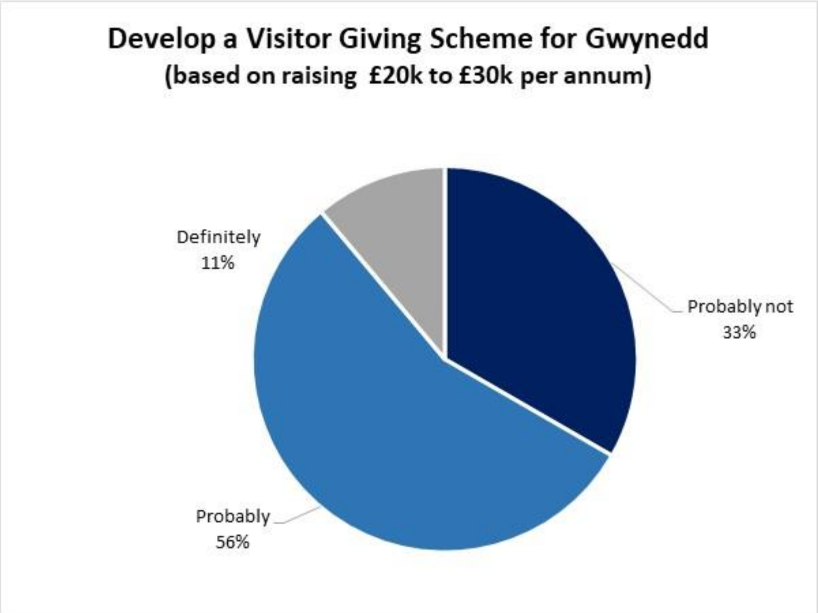
General Investment Priorities

Online marketing, and 'cleanliness' issues (beach, streets, toilets) were of key importance.

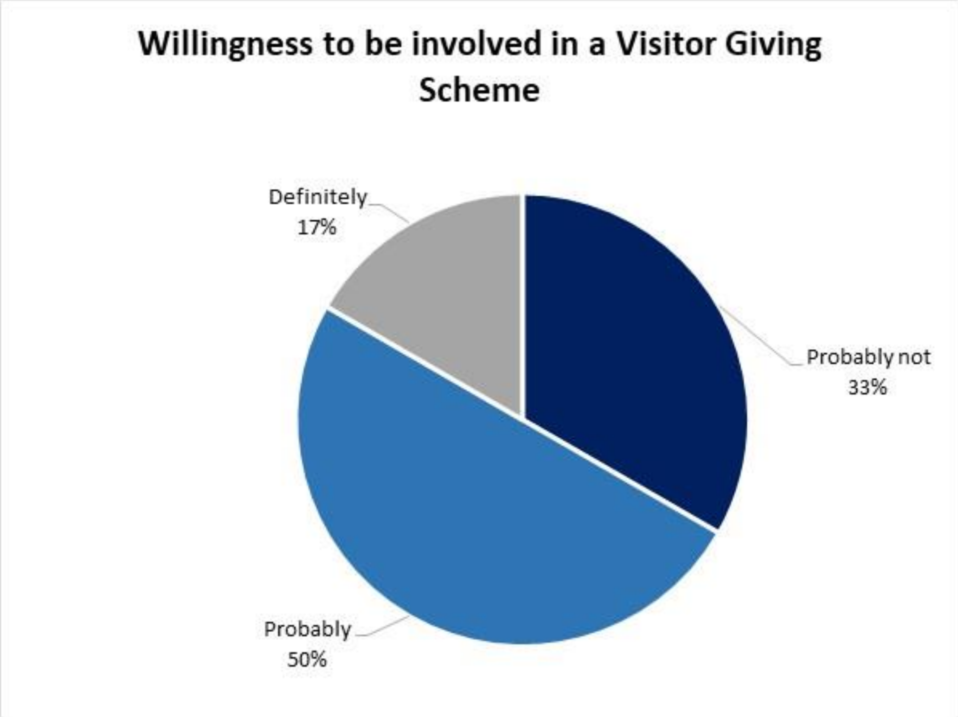


Snowdonia Giving

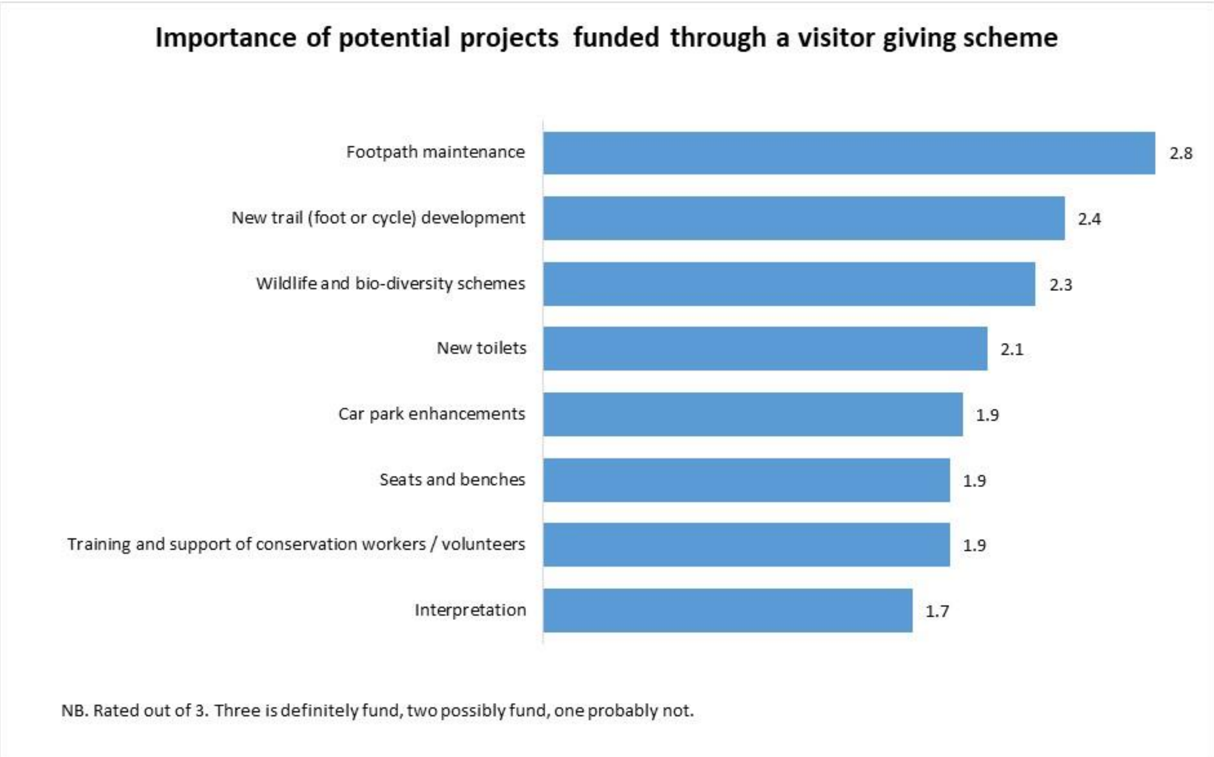
There was mixed support for extending the current Snowdonia Giving Scheme to the whole of Gwynedd based on raising a net amount of £20,000 to £30,000 per annum. A slight majority were in favour.



Half of responding businesses stated a willingness to be involved in a potential visitor giving scheme.



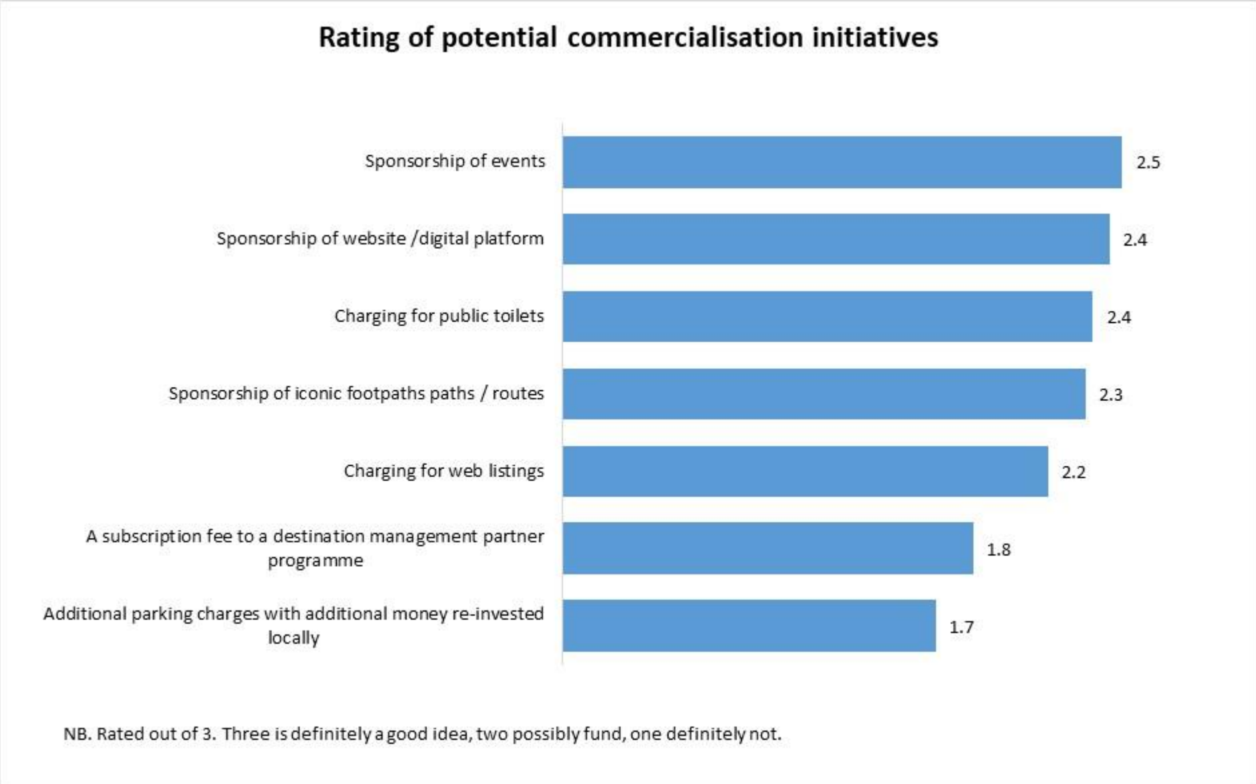
Footpath maintenance was seen as the most important funding priority from a potential visitor giving scheme.



Commercialisation

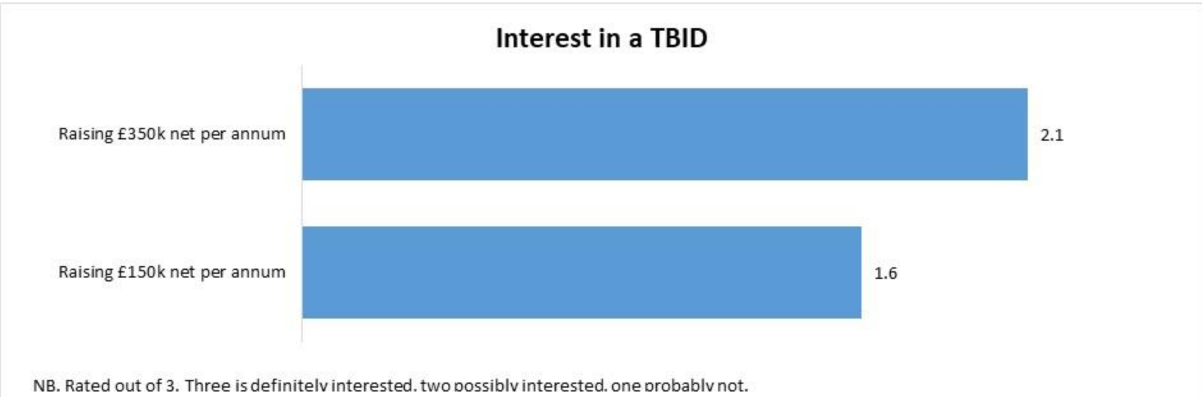
In terms of commercialisation of services, sponsorship was seen as a good idea. This included sponsorship of events, website/digital platform, and iconic footpaths / routes.

Charging for public toilets was also seen as a potentially good idea.

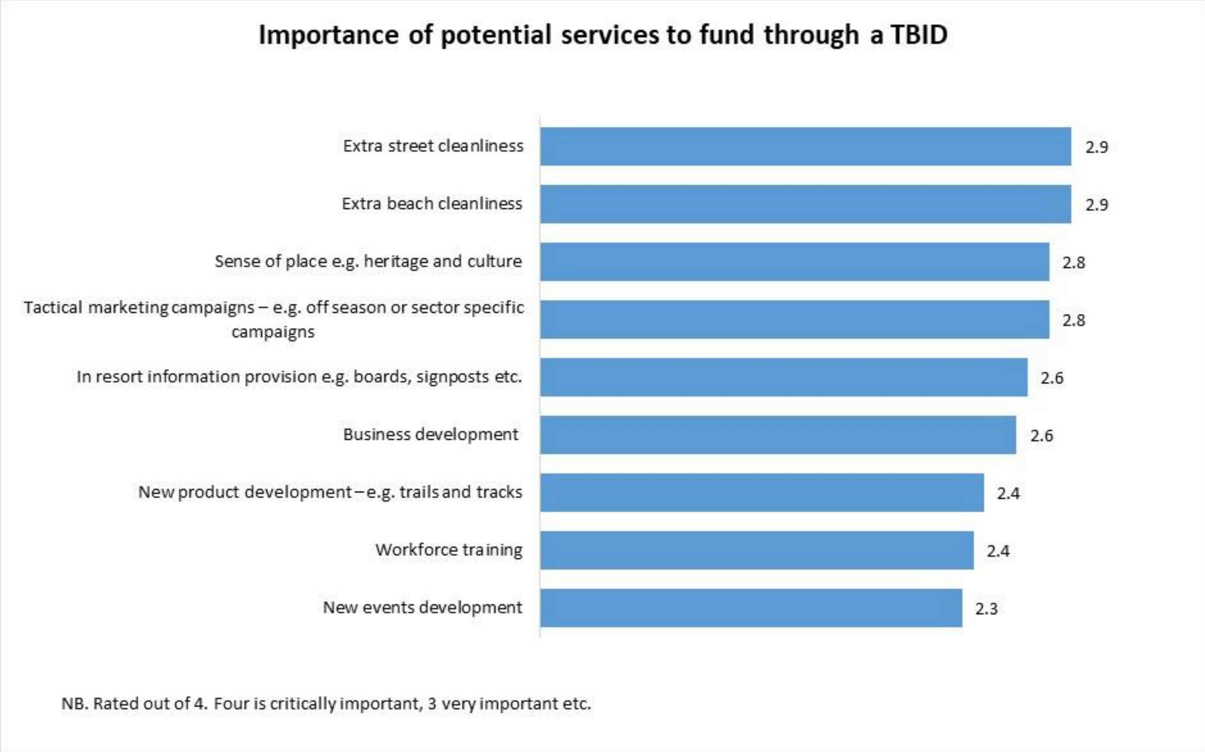


TBID

Interest in TBID that potentially raised £150k per annum was limited. There was 'possible' interest in a TBID that raised a higher amount (£350k per annum).

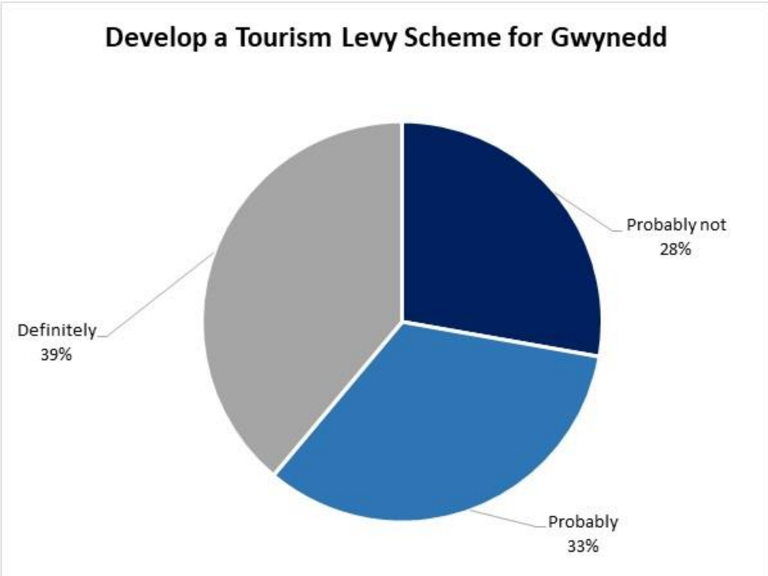


In terms of potential services to fund through a TBID street and beach cleanliness emerged as the highest priorities, along with 'sense of place' and tactical marketing campaigns.

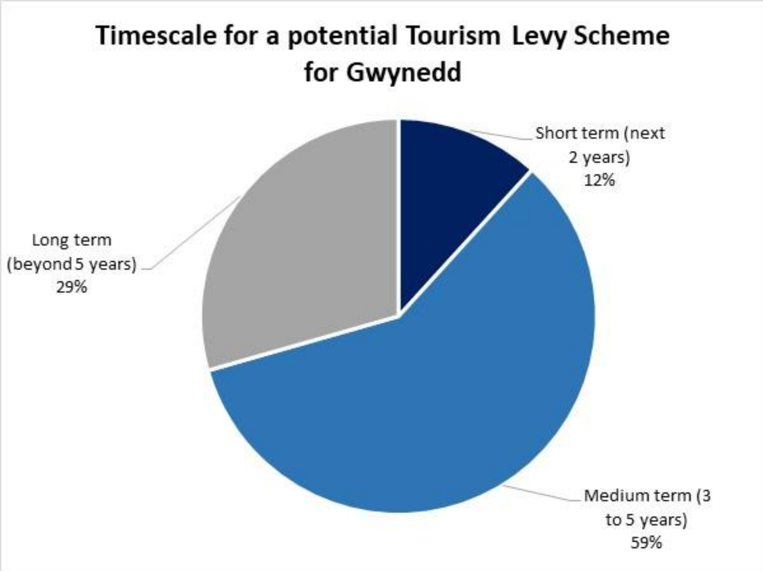


Tourism Levy

There was some interest in developing a Tourism Levy – almost two-fifths definitely in favour.

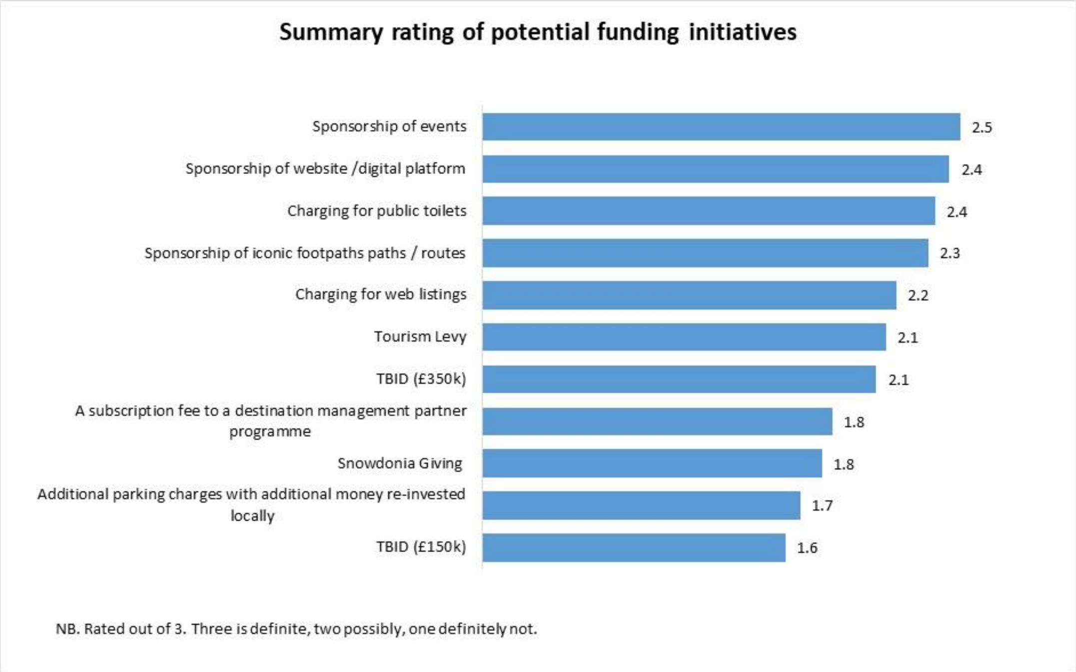


This was generally seen as a medium term (3-5 years) project.



Summary

In overall terms, commercial opportunities (particularly sponsorship) were rated the highest of potential funding options. Among survey respondents there was equal interest in a Tourism Levy and a TBID (at the £350k per annum level).



Appendix E- List of Consultees/Steering Group Members/Workshop Attendees/Survey Respondents

Project Board Members	
Ann Owen	Royal Victoria Hotel, Llanberis
Anwen Jones	Welsh Association of Self Catering Operators (Chair DMP)
Councillor Ioan Thomas (Chair)	Gwynedd Council
Helen Pye	Snowdonia National Park Authority
Ian Nellist	Federation of Small Businesses
John Lloyd	Inigo Jones (Vice Chair DMP)
Llinos Rowlands	Discover Dolgellau
Michael Bewick	Llechwedd Slate Caverns, North Wales Tourism
Rhian Hughes	Annog/Menter Mon
Roland Evans	Gwynedd Council
Sian Jones	Gwynedd Council
Sioned Williams	Gwynedd Council
Online Survey Respondents	
19 Separate Businesses Responded	
Workshop Attendees	
25 Attendees were present	
Other Consultees	
Esyllt Rhys jones	Gwynedd Council
Gerwyn Evans	Visit Wales