

Part A

Report to: Cabinet

Date of meeting: 4 March 2019

Report author: Section Head – Culture and Events

Title: Destination Management Plan

1.0 Summary

1.1 Back in September 2018, Fourth St, who are specialist brand and place consultants were commissioned to support the development and transformation of our Destination Management approach. Real progress has been made on developing a new brand for the town, a new look website, destination marketing strategy and plan, inward Investment plans as well as a viable proposal to deliver the Destination Management Organisation(DMO) responsible for the delivery of the above.

This report seeks approval to implement the plan and the above arrangements, so that the new DMO can be in place as soon as possible.

There are no additional budget implications as funds have already been set aside in the MTFS for both the consultancy work and the delivery of the website and the Destination Management Organisation.

Both the work on the brand and the DMO proposal, structure and governance arrangements are attached as papers to this report.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
BID fail to get re-elected in 2 years' time	No DMO	Visit Herts could step in as an interim DMO or WBC take back the service and run it in house.	Tolerate	6

Partners do not support with additional funding contributions.	Lack of financial support long term	Encourage benefits of wider DMP WBC has funding to cover for first 4 years of the DMO. Negotiations with partners has confirmed commitment to contributions.	Tolerate	6
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3.0 Recommendations

- 3.1 To approve the overall destination management strategy
- 3.2 To endorse the new brand development and approve the proposal from the Watford BID attached as the Destination Management Organisation (DMO) service provider.

Further information:

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Report approved by: Alan Gough and Manny Lewis

4.0 Detailed proposal

4.1 Background

As detailed in the Watford BID proposal, the website www.watfordforyou.org is the current website and brand used to advertise what's on in Watford. Both are dated and the time allocated for their update and management is significantly limited.

Stakeholders, business partners and cultural leaders supported a refresh, seeking a modern fit for purpose website to match the growing reputation and ambition of our town. In addition a new dedicated and resourced destination management service is recommended to deliver a range of plans designed to raise the profile of Watford attracting more visitors and businesses.

The timing is right, with large scale investment, significant improvements in the infrastructure, strong cultural assets, and high quality places to stay, shop and eat, Watford is primed to become a top destination of choice.. Hertfordshire as a county has a strong tourist offer and appeal and this proposal aims to maximise the visitor potential to Watford.

The website has the addition of a business section which supports potential businesses looking to locate to Watford. This focus on business support and attracting inward investment is a key difference to the old style tourism websites and our previous offer on www.watfordforyou.org.

Support was commissioned from Fourth St who specialise in place marketing and Bolland and Lowe, brand and website experts.

The aim is to achieve a brand that is highly visible, modern, a new vibrant website with improved functionality whilst in addition, supporting plans for attracting additional visitors and encouraging businesses to Watford and providing a much improved managed service.

The new brand and website will be owned by Watford Borough Council and the day to day management of this will be via a commissioned service from the Watford BID, proposal attached.

4.2 Definition and purpose

As a way of introduction to Destination Management, Visit England describe Destination Management as the planning, development and marketing of a destination, as well as how it is managed physically, financially, operationally and in other ways

There are 3 main roles in making places more successful, developing an improvement strategy, marketing strategy and effective management of the above. The marketing strategy covers the website, brand identity, visitor marketing plan and inward investment plan.

In addition the objectives of any destination strategy would provide a template for how Watford can become more effective in 3 areas;

- visiting the town for shopping or leisure
- visiting the town for meetings , conferences and small exhibitions
- investing in Watford as an organisation or as an individual

The above will be reflected in the structure and design of the new website and marketing activity.

4.3 Watford as a visitor destination now

Watford has many strengths, highlighted below are just a few;

- excellent connectivity
- regional standard shopping
- large hotel stock
- Warner Bros Studios and Harry Potter brand
- award winning Cassiobury Park
- strong cultural and leisure offer
- regional standard performing arts
- Watford football club
- close to Wembley for sporting events and conferences
- close to London as a stop off or a break
- being part of Hertfordshire's visitor offer
- an award winning BID that covers a large area
- exceptional business offer

4.4 What would Watford be potentially perceived as by 2025?

Whilst there are continuous improvements in infrastructure to make Watford even more of a great place to live, work and visit – the Destination Management Plan will support Watford to become and be perceived as, nationally and internationally;

- an outstanding place to go shopping and spend leisure time
- culture and leisure activities are broad and high quality
- a place for distinctive events worth broad appeal
- a great place to raise a family, for leisure, education, retail, parks and open spaces
- an excellent base for making visits to London
- a good place in its own right due to attractions, hotel offer, meetings and conferences
- the image of being a vibrant, progressive, progressive place to live
- excellent place to locate business due to its competitive costs, transport links, corporate facilities and quality of life

4.5 Target markets of the Destination Management Plan

Being so close to London and in a prime location the target markets are vast and have significant potential;

- c 2 million people living within 30 minutes drive and very affluent compared to the UK average
- 95,000 people living in the Borough and growing fast, young, affluent and diverse
- 750,000 visit Warner Bros per year via Watford Junction station but generally do not go into the town centre
- 10 million UK residents with an interest of visiting Watford, Warner Bros and London
- organisations close to London planning events and conferences
- companies looking to locate to Watford with a special focus on business, IT , creative

4.6 Destination Improvement and Marketing Plan

This part of the strategy is aligned to many improvements in the town and the recently approved Cultural Strategy 2018 -2025. There are 4 Primary distinct areas of improvement Clarendon Corridor, High St, the Parade and Cassiobury Park.

The Clarendon Road corridor represents the next biggest opportunity for improvement resulting in much improved connections from Watford Junction station to the town centre - improved wayfinding, new cafes/restaurants, new grade A business stock, improved pedestrian facilities, a high quality hotel cluster and the Mayor's demand responsive transport scheme proposal as well as the bike scheme proposal all centred in this area.

The High St has already benefited from significant investment with improvements to lighting, public realm transformation, the events space, the newly developed INTU shopping complex and further improvements to St Marys Square planned.

The Parade is more challenging and lacks a significant permanent new attraction. It has a mix of charity shops, independent retail, pub chains, clubs, restaurants, markets. Work is underway to review the totality of the mix and form a new vision for the 'top of the town' going forward.

Cassiobury Park has had significant lottery fund investment which has created a lively hub site and bandstand. It is award winning and been seen as one of the top 10 parks in the UK.

The Marketing Plan and activities will help to stimulate and drive attention to Watford and target key audiences. This will be through social media, advertising and event promotion.

4.7 Inward Investment Strategy

Watford is well placed and has many advantages, it provides a London solution with lower property prices, less congestion, lower staff turnover and a highly skilled workforce.

The town lies within 1 hour of 6 international airports.

Many traditional tourism plans did not take into account the potential economic opportunity to attract more businesses.

The inward investment plan will target HQ operations, Creative Digital, IT and Pharmaceutical as well as business and professional services. It is envisaged support can be provided by a Watford welcome package, alongside other soft landing packages and the creation of business ambassadors. The inward investment part of the website will stimulate business engagement, retention and attracting new businesses. This work will be led by the Council's Economic Development Officer working closely with the BID DMO.

Watford is already an established and proven location for many local, regional and national HQ's. We have an ambitious regeneration programme with high quality property options which lay the foundations for a successful approach in this area.

There is a strong sense of community and well established business networks.

All of these positively support the framework for the inward investment improvement plan going forward.

4.8 Delivery Model – Destination management Organisation (DMO)

Options have been considered for the delivery of the above plans and service and the attached proposal from the Watford BID working in partnership with Visit Herts, Watford Borough Council and a range of cultural and business partners and or stakeholders offers the best value for money and the most effective model.

An independent board of stakeholders representing business, retail and cultural interests will be set up to oversee the DMO. To help fund the proposal financial support from partners is being sought alongside Watford Borough Council's contribution.

There is sufficient allocation in the MTFS for a period of 4 years for the commission to go ahead. So far £40,000 of partnership funding has been levered in with ongoing discussions taking place.

Staff outlined in the proposal will be directly employed by the Watford BID on 2 year fixed term contracts and the Watford BID will be responsible for their management, for dealing with all employment issues and any redundancy costs if appropriate.

The BID will report to an independent board as outlined in the proposal of which the council is a member. The council will set up the independent Board and this will be largely made up of cross section of existing well established cultural, retail and business partners such as Warner Bros, Watford Palace Theatre, West Herts College, Watford Football Club, Visit Herts, Canals and Waterways Trust, Weatherspoon's, transport provider, Intu, Hotel group such as the Grove, Jurys, Hilton, and Business representatives. The independent Board will be responsible for the effective monitoring of the Watford BIDS' proposal including marketing plans and activity, website content and activity, performance against key performance indicators.

In the first year benchmark data will be gathered on website hits, coverage on social media for Watford, footfall, hotel occupancy rates, surveys and regional and national coverage. Below is a snapshot of the key outcomes of the DMO and how they might be measured via KPIs.

They need to be measurable in a reliable way. This is typically very difficult to do, especially for the ultimate outcomes which are desired e.g. number of visitors and the amount they spend. Methods of measuring that are crude at best.

The work of the DMO will only be one element having an impact. Footfall on the High Street will, for example, be greatly affected by factors such as the success of Intu, the general trend in footfall on high streets nationwide, Brexit etc. It may or may not be correct to either give the DMO credit for any big upswing in numbers or blame for any downswing.

Draft Performance Indicators

Outcome	KPIs
The DMO is established, sustainable, has high local profile and is well-regarded by organisations involved in the visitor economy.	Ability to fund a marketing campaign of minimum £x with x staff. Number of organisations contributing financially and otherwise. Opinion of the DMO of visitor economy organisations when surveyed.
The DMO has created a widely used brand identity.	Number of businesses and partners carrying the brand on marketing and other material. Awareness of the brand identity and strapline by people living in and around the town, and by visitors, when surveyed.
The DMO has resulted in more and better media coverage for Watford.	Number of social media followers and likes. Number and value of earned media coverage.
The DMO is helping the town centre attract more footfall.	Footfall counts compared to benchmark towns. Number of visitors saying they have been influenced by DMO activities when surveyed.
The DMO is attracting more tourists, and expenditure by them, to the district and into the town centre.	Proportion of people surveyed in the town centre that live outside the district. Trends indicated by estimates of volume and value of the visitor economy. Opinion of hoteliers when surveyed.
The DMO is helping to attract more FDI enquiries.	Number of enquiries. Number of enquirers saying they have been influenced by DMO activities when surveyed.

Via the independent Board, the Watford BID will be held to account for effective performance and delivery of all the plans, management of staff, website and promotions.

Terms of reference will be developed for the independent Board covering these responsibilities and regular meetings of the Board will be convened to receive progress reports. The independent Board will be able to request an improvement plan and remedial action if performance is unsatisfactory. Failure to improve could potentially result in a termination of the service, with the council and partners seeking an alternative provider.

These responsibilities and service expectations will be outlined in a service level agreement between WBC and the Watford BID.

The Watford BID will go back to ballot in November 2020, if the ballot is unsuccessful, the period from mid-November to 31 March 2021 would be the close down period. During this time the council would seek an alternative provider either on an interim basis or longer term pending a procurement process. Any residue budget would be transferred to the Council or the new operating body.

4.9 Schedule

Since September 2018, real progress has been made, we are now in the final stages of delivery, and these stages are highlighted below.

Output	Timeline	Progress
Development of Brand	December 2019	Completed
Marketing Strategy	January	Completed
Visitor Marketing Plan	January 2019	Completed
Inward investment plan	January 2019	Completed
Development of New Website	March 2019	On track
Delivery model approved	March 2019	On track
Board terms of reference	March 2019	On track
SLA in place and signed	April 2019	On track
Soft Launch	April 2019	On track
Staff appointed, trained and appointed	June 2019	On track
Board members appointed	June 2019	On track
Full service commences	June 2019	On track

5.1 Financial

5.1.1 The Shared Director of Finance comments that resources of £120,000 per annum have been agreed and allocated to the implementation of the DMO.

5.2 Legal Issues (Monitoring Officer)

5.2.1 The Head of Democracy and Governance comments that a service level agreement will be in place between the BID and the council. Terms of reference will support the governance arrangements for the independent board.

5.3 Equalities, Human Rights and Data Protection

Having had regard to the council's obligations under s149, it is considered that an equalities impact assessment is not required.

Data Protection Impact Assessment

Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 **Staffing**

5.4.1 The staff are contracted directly to the Watford BID so none contained in this report

5.5 **Accommodation**

5.5.1 The DMO will be based at the Watford BID offices so none contained in this report

5.6 **Community Safety/Crime and Disorder**

5.6.1 None

5.7 **Sustainability**

5.7.1 None

Appendices;

Appendix A Branding

Appendix B Watford BID Destination Proposal

Appendix C Proposed Governance structure

Background papers;

Destination Audit, Destination Strategy, Destination Marketing Plan, Destination Inward Investment Plan