

**TITLE OF REPORT:**      **Opportunities to Promote Rural Gateshead – Final Report**

**REPORT OF:**            **Paul Dowling, Strategic Director, Communities and Environment**

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## **SUMMARY**

This report outlines the findings of the recent review which examined the promotion of rural Gateshead as both a tourism and business location. Following the Interim report of the 7 March 2016, it outlines the final recommendations for approval by the Committee.

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## **REPORT STRUCTURE**

1. This report outlines the findings of the Communities & Environment Overview and Scrutiny Committee (OSC) in relation to the review considering how the Council can better promotion of rural Gateshead as both a tourism and business location. This final report from the review sets out the main issues raised; evidence to support these and seeks approval for the recommendations outlined as part of the review process.
2. The report includes details of:
  - Aims of the Review.
  - How the review was carried out.
  - Issues emerging from the review.
  - Recommendations.

## **THE AIMS OF THE REVIEW**

3. The Council agreed that the OSC should carry out a review examining the promotion of rural Gateshead as both a tourism and business location. Recognising that, like Government, rural communities have significant economic potential and can contribute to the economic growth of both the borough as a whole but also the wider region. The review recognised the role of tourism in protecting, preserving and celebrating the cultural heritage and identity of the area, and that it can create opportunities for new businesses and job creation via more effective use of rural assets.

4. Therefore the scope of the review was agreed as:
  - **Business Growth** – To review services that support economic growth in the rural areas examining the potential for new businesses based around key assets. It will also review the partnerships approach to rural economic growth and the potential for new business and visitor accommodation to help improve economic performance.
  - **Emerging Places** – To review the services that deliver enhanced visitor potential, e.g. tourism activities, (including events) environmental sustainability, volunteering opportunities etc. It will also explore better use for of key assets for economic purposes such as the Angel of the North.
5. Whilst the review was led by Gateshead Council it incorporated input from partner organisations to ensure a holistic approach that fully reflected the service delivery.
6. On 30 March 2015 the OSC agreed that the scope of the review would focus on the following;
  - An understanding of the investment needs to support economic growth in rural communities;
  - Explore how key assets can support the growth of tourism businesses and help sustain the wider business base;
  - A better understanding of local tourism assets - and how these can work together more effectively to enhance the tourism offer;
  - A better understanding of tourism, marketing and promotion - exploring ways to increase the number of local visitors and overnight stays;
  - A better understanding of the regional approach to tourism promotion – including opportunities to work together to attract and retain visitors;
  - A better understanding of the local infrastructure including the accommodation offer - outlining key issues and opportunities;
  - Providing a clear direction as to maximizing the visitor experience for the Angel of the North, including increasing visitor numbers and dwell time.
  - Agree an approach to the development of sustainable community hubs which maintain the economic and cultural integrity of rural communities;

The committee concluded their work would result in:

- Ensuring that clear arrangements are in place within the Council and in partner agencies for improving the promotion of the rural area as both a tourism and business location.
- Enhancing effective and efficient working and avoiding duplication.
- Providing direction as to the adherence of national policy.

## **POLICY CONTEXT**

7. The approach has clear links to National, Regional and Local Policy. For example:
  - The 2012 National Planning Policy Framework outlined the need to “support sustainable development in rural areas by taking a positive approach to new development”;
  - The North East LEP’s Strategic Economic Plan recognises the tourism and heritage potential of the rural North East, relating both to the creation of new businesses and job opportunities;
  - In addition, this approach also links to the objectives of the North East Combined Authority (NECA), contributing to the need to enhance economic growth across the LA7 area. The Devolution proposal submitted to Government in September 2015 includes a rural ‘Ask’.
8. Locally, Vision 2030, the Council Plan (2012-2017) and the Local Plan outline the approaches of the Council and Partners to promoting economic growth and enhancing the borough’s tourism and cultural identity. These approaches are carried forward into delivery strategies such as the Council’s Rural Economic Strategy and Creative Gateshead, the borough’s Culture Strategy. Objectives include the need to:
  - Maximise the potential derived from a high quality living environment and improving broadband infrastructure to support business development and job creation;
  - Create a network of creative hubs and community hubs to drive economic growth and strong, cohesive communities addressing the unmet demand for business space;
  - Create a strong visitor economy, by using our rural assets more effectively and the use of private sector investment to create tourism jobs;
  - Build the skills and successes of our residents and the cultural sector.

## **HOW THE REVIEW WAS CARRIED OUT – METHODOLOGY**

9. This review is the result of four evidence gathering sessions of the OSC between September 2015 and January 2016. The sessions involved presentations to the Committee on 14 September, 2 November, 7 December and 25 January as well as a site visit on 2 November.
10. During the review the Committee heard evidence from:

- Officers from Gateshead Council – Economic Housing and Growth Service, Culture, Communities, Leisure and Volunteering;
- Newcastle Gateshead Initiative – Destination Marketing Organisation;
- The National Trust – Property Manager Gibside Estate;
- Newcastle University – Centre for Rural Economy;
- Rural Business Panel – Private Sector Businesses.

A site visit took place to:

- The Gibside Estate – Chopwell and Rowlands Gill Ward

## **EMERGING ISSUES FROM THE REVIEW – ANALYSIS OF EVIDENCE**

11. As a result of the evidence gathering sessions and site visit the following emerging issues were identified
12. **The untapped potential of many of the boroughs rural assets and a lack of visitor accommodation.**

The review highlighted the historic significance of sites such as the National Trust's Gibside Estate, the Angel of the North and the Derwent Valley, with well in excess of one million visitors to the area every year. It outlined the need to protect the historic importance of these assets, whilst increasing their economic potential, recognising that income generation can help protect them for future generations whilst providing leisure and cultural venues. Members were made aware of funding opportunities that enhance the potential and future sustainability and growth of these and other sites.

Developments at the Gibside Estate were reported, with the Branch Enterprise Hub highlighted as a model of good practice in supporting the growth of local businesses. The nationally significant Georgian Walled Garden, Gibside Hall and other, potentially new visitor attractions, were outlined as part of the review process and was though likely to have a significant impact on future visitor numbers.

The importance of the Heritage Lottery funded Land of Oak & Iron Landscape Partnership to the future economic and cultural development of the rural area was outlined. The area covered by the partnership follows the course of the River Derwent to the River Tyne and seeks to work with local communities and partners to celebrate, conserve and enhance our natural, industrial and cultural heritage. It will deliver a legacy of job creation, tourism, regeneration and economic benefits with a planned new Heritage Centre on the Derwent Walk at Winlotion supporting the economic and cultural wellbeing of the rural area and enhancing the rural assets base.

Details of visitor accommodation in the rural area were also highlighted, including the lack of a high quality rural hotel. Research highlighted the

significant potential for accommodation at tiered price points such as glamping, camping and B+B's. In the first instance, opportunities to increase midweek visitor numbers and particularly midweek visitor stays will help maximise the potential of existing assets and increase the viability of local accommodation that is often oversubscribed at weekends.

There is a need to ensure that Impact Assessments are undertaken in any proposed major development to ensure that increased traffic flow does not does not negatively impact on traffic flow and other users.

13. **The need to continue to work with local, regional, national and international partners to grow the number of day visitors and overnight stays.**

The review outlined the need to actively promote rural Gateshead within different market segments to maximise the number of people who visit and stay in rural Gateshead. It highlighted the need to encourage day visitors from both Gateshead and the wider region, but also to encourage a range of suitable accommodation (and a quality food offer) to meet the needs, and price band of different overnight visitors.

It also highlighted the need to work effectively with regional partners to develop the national and international offer, which builds on the collective heritage offer of the wider region. Whilst the "Lady of Liberty" and "Turners" classic watercolours of the Derwent Valley are of historic important in their own right, this increases with link to the regional offer including the castles of Northumberland and the World Heritage sites of Hadrian's Wall and Durham Cathedral. This collective approach (and strong narratives) provides a competing offer against other regions, encouraging overnight or longer stays. Gateshead's unique position in having both urban and rural assets to contribute to the regional tourism offer was highlighted as significant.

Members were informed of the availability of European Funding (EAFRD) to support the growth of tourism accommodation, tourism businesses and regional tourism promotion and highlighted a need for greater relevance to be given to the rural assets of Gateshead in future Newcastle Gateshead Initiative (NGI) Visitor Guides, with the need to include details of cycling routes to increase interest in rural locations. Discussions have also taken place with NGI to develop a marketing campaign to promote the rural area in the next financial year.

14. **The need to work with the private sector to maximise the investment in the tourism businesses infrastructure.**

Private sector investment in businesses such as Bradley Gardens and Daniel's Farm outlined the significant potential for developing a high quality,

privately funded tourism infrastructure in the area. An infrastructure that creates jobs and enhances the local food supply chain.

The significant potential for the growth of tourism related businesses was therefore recognised, which could be enhanced further via better utilisation and promotion of rural tourism assets. Members were made aware of funding opportunities, such as LEADER, that will support capital investment in businesses in rural areas.

The review highlighted the symbiotic relationship between maximising the economic potential of key rural assets and businesses that are often developed alongside an improving assets base. Opportunities often go hand in hand in an area that has significant untapped potential. It was also acknowledged that whilst tourism businesses will benefit from the increased tourism footfall, non tourism businesses will also benefit from more people visiting the area.

Businesses outlined that there was no shortage of people who were keen to work in the tourism and hospitality sector. Whilst many of these residents had proved to be good quality staff there is a need to support skills development to help enhance the visitor offer.

**15. The lack of suitable, affordable business space in rural areas.**

Members were informed of the Government's Rural Growth Review which highlighted the lack of suitable business space across many parts of rural England and the development of Rural Growth Networks (RGN) in 2012 to encourage rural growth. The North East rural area, which includes Gateshead, was identified as one of five pilots seeking to increase the quality and availability of rural business space.

The committee was informed that availability of good quality rural business accommodation remains an issue in Gateshead (and across the rural NE) despite the development of enterprise hubs at Gibside and The Kibblesworth Village Millennium Centre. Members were made aware of funding opportunities to support new enterprise hub development through RGN funding and the importance of such hubs in helping businesses collaborate and overcome the isolation felt by many businesses in rural areas.

**16. The need to improve business communication and collaboration and ensure access to business support.**

The review highlighted that rural businesses face the same difficulties as urban based businesses, but additionally isolation and distance from specialist business support and markets can often limit their growth potential. The success of the RGN Business Support Programme, with 135 businesses supported in Gateshead alone in the 18 months to March 2015 was

highlighted, as was the need to promote peer to peer networking given that rural businesses often work in isolation. The underdeveloped nature of Gateshead's rural business base offers opportunities for self employment and the growth of new and existing businesses.

The importance (and challenges) of the Green Belt was highlighted; however the need to explore how businesses can be supported to develop, within the context of the Green Belt and wider planning policies, was acknowledged.

**17. Recognition of the need for enhanced partnership working to maximise the economic benefit for rural communities.**

Members heard of the extensive work that has been undertaken to ensure that people from rural areas have the opportunity to maximise the economic potential of rural living, this included being part of the North East Farming Rural Advisory Network (NEFRAN) which has seen the borough access funding from both LEADER and RGN.

In addition to current and future plans that will see superfast broadband speed be available to 99% of households by 2019, the committee was informed of the approach taken to rebrand the Derwent Valley with new brown tourism signage and tie this to tourism promotion. Whilst the public transport access to Gibside Estate is better than at many other National Trust properties, opportunities to explore better access to rural areas should be explored.

Members were made aware that the Devolution proposal that was submitted to Government in September included a rural 'Ask'. Opportunities to work together with partners to develop this proposal should be encouraged.

The review outlined significant opportunities available to support volunteering through organisations such as the National Trust. Whilst skills shortages were not seen in customer facing jobs in tourism, the need for skilled workers is seen as a requirement for higher level tourism jobs, there is a need to support the development of higher skilled jobs in the hospitality sector, particularly around the higher quality food offer. This was seen as a key way to attract visitors. There is also a need to support the growth of other higher levels jobs in for example manufacturing.

Improved broadband speeds offer high quality living and the opportunity for jobs in creative and cultural employment to be more easily based in rural communities. Opportunities for apprenticeships need to be explored with rural businesses.

**18. Recognition of the impact of the rural area on health and wellbeing.**

The review outlined initiatives which encourage residents to visit the rural area, which help to promote an active and healthy lifestyle. Reference was

made to opportunities for walking and cycling, whilst more active, targeted events such as Gibside 5km park run were highlighted. Rural activities were also seen to have a positive impact on mental health, with the potential to work with businesses (and their employees) to raise awareness of such issues and to provide positive experiences and support where appropriate.

## 19. **Final Recommendations**

This report aims to summarise the key findings from the OSC's review of promoting rural Gateshead as a tourism and business location:

- (i) The Council should maximise the visitor potential of rural assets, thereby creating the best possible environment for tourism, new business development and job creation. Further research should be undertaken into the development of a 4 star hotel and to explore how the wider accommodation offer can be enhanced. The economic potential of key sites such as Gibside and the Angel of the North should be encouraged.
- (ii) There is scope to ensure that Council spending in the rural area seeks to maximise benefits to local businesses, residents and visitors – to make best use of resources and impact multiple agendas.
- (iii) There is scope to improve the tourism offer by increasing the choice and quality of the food offer, and also to identify gaps in the provision of rural services.
- (iv) Highly skilled people are needed if the tourism potential of rural Gateshead is to be realised. Apprenticeships opportunities should be explored.
- (v) There is the need to better coordinate the promotion of events in the borough, including those of public private and voluntary sector bodies. This would help promote the borough as a day visitor location and support the growth of jobs and businesses.
- (vi) There is a need to continue to support the work of the Land of Oak and Iron Landscape Partnership and maximise the potential for economic and cultural benefits arising from the programme.
- (vii) Discussions have highlighted a desire for NGL to have a more proactive role in marketing Gateshead as a whole including maximising the opportunities for promoting the rural areas of the borough.
- (viii) Research has demonstrated a continued lack of high quality, affordable business space in rural communities, therefore support to develop new enterprise hubs should continue, including the opportunities for existing



cultural venues to generate income to support their future sustainability.

- (ix) The Council provides a borough wide business support offer, however opportunities to enhance this should be considered. External funding should be sought where possible to provide business support and help overcome isolation and provide networking opportunities. Opportunities to train people in key growth sectors should be encouraged as part of an approach to create higher level jobs in rural areas.

## **RECOMMENDATION**

- 20. The Committee is asked to agree the final recommendations as outlined above and that the Committee agrees to the Chairperson presenting this report to Cabinet as representing the Committee's findings and recommendations from the review process.

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