

<b>TITLE OF REPORT:</b>	<b>OSC Review – Opportunities to Promote Rural Gateshead – Evidence Gathering</b>
<b>REPORT OF:</b>	<b>Sheila Johnston - Assistant Chief Executive, Paul Dowling, Strategic Director - Communities &amp; Environment.</b>

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### **Summary**

This report gives details of the fourth evidence gathering session that will take place on 25 January 2016 and provides some background on the previous sessions that have been held as part of this review. The views of the Committee are sought on the evidence presented and the future plans outlined.

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### **Background**

1. Rural communities need a diverse range of local businesses and work opportunities to flourish. The Rural Growth Review outlined that changes in the economy and increased mobility mean that there is a new economic dependency between urban and rural areas.
2. Whilst the economic structure in rural areas is broadly the same as that in urban areas the review outlined some important differences including barriers to growth. These included poor communications; the greater importance of small and medium sized enterprise, the lack of start-up and follow on accommodation and a lack of a suitably qualified workforce in rural areas.
3. It also highlighted a number of comparative advantages, such as sufficient land for businesses to develop and expand and plentiful supplies of natural resources on which key rural industries such as agri-food, tourism and renewable energy depend. It also highlighted the importance of the heritage offer to the growth of the tourism sector. Despite a much smaller rural area than our near neighbours many of the factors outlined in the Rural Growth Review were seen to accurately reflect the position in Gateshead.
4. In 2012, the Government published the new National Planning Policy Framework, which outlined that “Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development”. Planning strategies should maintain a prosperous rural economy including policies to:
  - Support the sustainable growth of rural businesses;

- Promote the development and diversification of agricultural businesses;
- Support sustainable rural tourism and leisure developments that benefit rural businesses, communities and visitors and which respect the character of the countryside. This should include supporting the provision and expansion of tourist and visitor facilities in appropriate locations where identified needs are not met by existing facilities in rural service centres.

5. This approach has clear links to emerging local policy frameworks including the North East LEP's Strategic Economic Plan, Vision 2030, Gateshead Strategic Partnerships Sustainable Communities Strategy, The 2012 -2017 Council Plan and the Local Plan. It also links to the agreed objectives of the North East Combined Authority to enhance economic growth across the LA7 area.
6. In particular, it will examine the approach adopted to deliver the Councils new Rural Economic Strategy and the Creative Gateshead Culture Strategy. The 2015-2020 Rural Economic Strategy has identified the key drivers for economic growth in the rural economy as:
  - The need to develop local jobs - particularly tourism jobs – which help reduce high levels of outward commuting;
  - The need to maximise the potential of high quality living environment and a constantly improving broadband infrastructure to support jobs in the creative and digital sector;
  - The significant potential for private sector investment in the tourism infrastructure to create new jobs in new and existing businesses;
  - Opportunities for supply chain development particularly around local food and the role of food in promoting tourism;
  - The need to improve skills levels to support the growth of the rural business base;
  - The unmet demand for business space in rural areas;
  - Ensure sensitive development of cultural and heritage assets through the proposed Land of Oak and Iron Heritage Lottery Fund proposal;
  - Utilise where possible natural assets for local energy production, such as geothermal development.
7. The Gateshead Culture Strategy recognises the joint ambition of the Council and the Gateshead Strategic Partnership to enhance the already existing strong cultural identity in rural areas. The five cultural ambitions include:
  - A network of creative hubs and community hubs to drive economic growth and strong, cohesive communities
  - Talent retention and attraction - to build the skills and successes of our residents and the cultural sector
  - A stronger visitor economy in our towns and countryside
  - High profile international cultural and sports events and conferences
  - Strong partnerships

8. Therefore, this review seeks to examine the delivery of services that supports:-
- **Emerging Places** – 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.
  - **Business Growth** – 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

### Outcomes of the Review

9. Members will need to consider the longer term outcomes of this review as the evidence sessions progress. However key outcomes will include:
- A better understanding of tourism, marketing and promotion - exploring ways to increase the number of local visitors and overnight stays;
  - A better understanding of local tourism assets - and how these can work together more effectively to enhance the tourism offer;
  - 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 the future of the Angel of the North site, including economic uses and the potential for visitor facilities;
  - Agree an approach to the development of sustainable community hubs which maintain the economic and cultural integrity of rural communities;
  - Explore how key assets can support the growth of tourism businesses and help sustain the wider business base in rural communities;
  - An understanding of the investment needs to support economic growth in rural communities.
10. The first evidence gathering session on September 14th 2015 set the scene for the review. Andrew Marshall, Director of Housing and Economic Growth delivered a slide presentation that outlined the potential for rural economic growth in Gateshead as follows:
- Outlined the context - key national, local and regional policy drivers;
  - Provided a baseline analysis of the tourism economy e.g. visitor numbers, accommodation choices, gaps, issues and investment needs ;
  - Provided details of key assets and attractions – including visitor numbers relating to individual sites and the opportunities for development;
  - Provided details on the current tourism related business base – including gaps and potential opportunities

- Outlined potential opportunities - e.g Angel of the North, Rural Hotel, Community Enterprise Hubs; Economic Tourism;
- Examined how wider partnerships can help improve visitor numbers, for example changes to transport infrastructure, improved signage etc.

Statistical data clearly highlighted both the wealth of opportunities and challenges that lay ahead for the Council and its partners. A timetable for how these opportunities would be explored were laid out for future OSC meetings.

11. The second of four evidence gathering sessions took place on 2 November 2015 at Gibside. The session was split into several parts and is described in more detail below. The session focussed on exploring the development of Gateshead's rural tourism offer:

- 1) **Mick Wilkes, Gibside's Property Manager led a Tour of 'The Branch' Enterprise Development Hub.** The visit highlighted the economic and tourism benefits derived from one of the borough's key cultural assets.

*Gibside is one of several enterprise development hubs in the northeast and is striving to help local creative businesses grow. 'The Branch' as it is known offers a variety of facilities – creative units, food production units, business network lounge, hot desk space and small meeting rooms. Councillors were able to see first-hand the facilities and support which is on offer and also meet business users.*

- 2) **Mick Wilkes, Presentation**

The focus of the presentation was a case study of rural tourism development and highlighted the work taking place in supporting local businesses that are operating from Gibside, in addition to other diverse activities taking place at the site, including sports programmes delivered by Sport England.

A number of discussion points were raised and addressed:

- Could public transport links to Gibside be improved? It was acknowledged that in comparison to other National Trust sites, the transport links are acceptable. Pedestrian links to the site have been improved but discussions are taking place with Nexus in relation to transport services at the site.
- The Committee queried if there is a high number of visitors that pay per visit and but were informed that 80% of those visiting have a National Trust membership.
- Discussions took place in relation to possible incentives to increase visitor numbers, in particular targeting those residents living in the east of the borough.
- The Committee were informed that the National Trust is currently half way through its second year since introducing direct debit payments for memberships and this has shown an increase of 24% in membership numbers.

- All primary school group visits are free of charge. Entry to the farmers market at the site is also free of charge.

The Committee were informed of the work which is ongoing to restore the original Gibside Hall and of the levels of funding that will be needed to carry out such works. Gibside hope to engage with local groups and carry out a campaign in relation to the aspiration of the site. A project previously undertaken with Northumbria University students explored possible uses for the hall, ideas of which included a botanical garden.

- The Committee welcomed the plans to look at ways of joining up of rural assets within the area and to make them more accessible.
- The Committee queried the wider economic impact of the Gibside site as an employer - it was advised that employees are increasing.
- There has been an increase in the number of people that are interested in volunteering. The Big Lottery fund has also recently allocated funding for two country rangers to work with local schools.

It was recognised that more work is needed to explore ways to attract visitors from within and outside of the borough. Additionally, whilst the majority of engagement work is with primary schools, there is an opportunity to undertake work with secondary schools on a more proactive rather than reactive basis.

### 3) **Sarah Stewart, Presentation, NewcastleGateshead Initiative (NGI)**

The focus of the presentation was to explore the role of NGI in supporting rural tourism. A SWOT analysis of the current approach to the marketing and promotion of the rural offer was also provided. The presentation explored:

- Approaches to attract Gateshead residents to the rural area.
- Opportunities to attract regional visitors.
- The NGI offer and links to the urban core – including approaches to encourage overnight stays.
- Barriers to attendance.

As part of the work undertaken by NGI a pocket guide has been produced that includes details of ‘things to see in and around NewcastleGateshead’. The Committee highlighted that the guide does not include details of cycling routes and that the guide appears to be aimed more at visitors rather than residents. It was acknowledged that there could be an opportunity to provide this type of information and create a ‘cycling hub’.

It was noted that the majority of information contained within the guide is based around the urban core offer and not a rural offer. It was advised that NGI need to consider rebalancing this. Furthermore, whilst NGI have an ‘app’ that links to the website, the emphasis is again around promoting the urban core.

The committee felt there was opportunity to evaluate the distribution of the guide. It was noted, when information is accessed via the website, it is possible to differentiate who is accessing it - visitors or residents in the borough. NGI

pointed out that the website is frequently used as a 'What's On' information hub for residents.

The Committee recommended that work on how to best use our assets to identify opportunities to promote the rural offer be explored. This should include promotion through service level agreements and also the joining up of assets along the Derwent Valley (linking to the Angel of the North, Land of Oak and Iron, Visitor Centres etc.).

The Committee also suggested that the viability of a rural hotel to support those people visiting the area be explored.

12. The third of four evidence gathering sessions took place on 7 December 2015. The session was split into three parts and is described in more detail below. The session focussed on potential development opportunities at the Angel of the North Site:
  - 1) Anna Pepperall, Culture Team Public Art Curator presented on the history of the site and the development/ installation of the Angel.
  - 2) Jenny Allinson, Culture Manager discussed development opportunities at the site:
    - Including opportunities to enhance visitor numbers,
    - Funding opportunities,
    - Issues which limit development.
    - Partnership potential and key stakeholders.
  - 3) A shared presentation explored opportunities to support local businesses and practitioners through merchandising of Angel related products and other 'local wares' on the newly developed site.

A number of points were raised:

- The Committee were advised of the potential funding opportunities which could be explored and that the feasibility study would help obtain the evidence necessary to meet any funding criteria.
- The Committee raised the need to consult with Antony Gormley and discuss possible future development opportunities at the site.
- The specific location of a potential visitors centre on the site. The Committee were informed that there may be an opportunity for it to be set back, towards the car park, as the topography and landscaping within this part of the site would be sympathetic to accommodate this.
- The Committee recommended that where any new possible developments are proposed, an appropriate maintenance/landscaping scheme should be in place.
- The Committee were satisfied that should a private provider which to invest in the tourism infrastructure there would be controls, such as those through planning permission to protect the area.
- The Committee suggested that there could be opportunities to promote volunteering within a visitor centre. There would also be scope to provide a tourist information hub within a visitor centre that would inform of the links to the assets within rural Gateshead.

- The Committee commented that they would hope the park and ride facility that will be introduced at Birtley will also link in to the Angel site.
- It was suggested that the possibility of other pieces of artwork, similar to the Angel, could be commissioned and placed within different parts of the borough with the aim to attract visitors to different areas to promote more rural parts of the borough.
- It was suggested that due to the common characteristics of the sites at the Angel and Gibside in that there is forestry on both sites, there should be greater promotion of this industry along with forestry products in addition to the structures (Angel and Liberty) at each site.

## **Purpose of this session**

**25 January 2016**

13. This is the last of four evidence gathering sessions for this review and will seek the views of academia and local businesses as to the issues which may impact on the future economic growth potential of rural Gateshead.
14. Members will have the opportunity to ascertain the views of local businesses during a Rural Business Panel, which has been arranged for 12.45pm – 1.15pm on 25 January. This date has been chosen to correspond with the full OSC meeting which begins at 1.30pm.
15. During the main body of the OSC meeting Dr Carmen Hubbard (Research Manager, Senior Research Associate) from the Centre for the Rural Economy at Newcastle University will contribute to the debate by presenting the key issues which impact on economic growth nationally, regionally and locally.
16. When considering the evidence outlined above the Committee may wish to refer back to the original scoping report that indicated the review would focus on the following:
  - The need to develop local jobs - particularly tourism jobs;
  - The significant potential for private sector investment in the tourism infrastructure to support job creation in new and existing businesses;
  - The need to enhance tourism promotion to compete effectively within the area, but also to work collaboratively to compete with other regions;
  - Opportunities for supply chain development particularly around local food and the role of food in promoting tourism;
  - The need to improve skills levels to support tourism development, but also the wider business base;
  - The need for a strong to network of creative community hubs to drive economic growth and strong, cohesive communities
  - A stronger visitor economy in our towns and countryside;

17. Gateshead's Rural Economic Strategy (2015-2020) outlines the key issues facing the rural area. However, members may wish to consider the following in the context of the discussion:-

- Along with much of the North East, rural Gateshead has an ageing population. A smaller proportion of young people will impact on the size of the future workforce.
- There is a lack of good quality affordable business space, with a high proportion of people working from home.
- Given the distance from some markets levels of entrepreneurship are good.
- Almost all premises can access a fixed line broadband connection although broadband speeds vary widely and slow broadband speeds can be an issue in some areas.
- Tourism assets are under developed – regional collaboration is limited.
- A high proportion of the 20,000 residents who work, commute to higher wage, professional occupations across the region.
- Around 30% of the rural population have no qualification, which limits work options and contributes to economic exclusion.
- Living in rural areas costs more than urban locations. Whilst average income is above the Gateshead average it is well below the GB average.
- The 16-24 age group has seen the biggest increase in benefit claimants in the decade to 2014, Winlaton and High Spennings saw a 200% increase , whilst the communities around Blackhall Mill saw a 60% increase.

18. Following this, the last evidence gathering session for the review, an interim report outlining the key findings arising from the review process which will be presented to the committee at its meeting on 7 March 2016. A final report and detailed Action Plan will be brought to the meeting of 18 April 2016 for approval. The Action Plan will then be implemented throughout the next 12 months with regular progress updates being brought to the committee for information and comment.

### **Recommendation**

14. It is recommended that the Committee:

- Considers what further actions are needed to support business growth in rural communities

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**Contact:** Andrew Marshall/ Lindsay Murray

**Ext(s):** 3422/2794