

## Tourism Sector Support Package

**Summary:** This report sets out proposals for using part of the £330,000 funding that NNDC has been allocated from the Norfolk Strategic Fund to support initiatives that will help develop, promote and sustain the local visitor economy.

It is proposed to establish a grant scheme that would be open for applications from local organisations for projects that will help attract visitors and customers to local businesses in the District outside the peak summer holiday season and help business to adapt to help them trade during the colder months.

**Options considered:** The funding has been provided as a result of a collaborative bid which set out the broad principles for which the funding should be used. Alternative uses of the funding could include the establishment of a grant scheme that would support individual businesses, in meeting the costs of covid-secure adaptations, however, it is felt that due to the size of the fund and its timing, it is more beneficial to support activities that are likely to have the widest possible impact in supporting the local visitor economy by extending the season.

**Conclusions:** The proposals contained in this report aim to benefit businesses that comprise or are dependent upon the visitor economy.

**Recommendations:** **It is recommended that:**

- **Cabinet recommend to Full Council that the £330,000 received from Norfolk Strategic Fund is allocated to a new 'Economic Recovery' reserve and that £150,000 of this is set aside for the tourism Sector Support Package, along £25,000 from the Reopening High Streets Safely' fund, for the establishment of a £175,000 grant scheme to support the local visitor economy;**
- **delegated authority be given to the Head of Economic & Community Development, in consultation with the Cabinet Member for Economic & Career Development, to establish the terms of a suitable grant scheme;**
- **a Cabinet working party be established to act as a panel to consider applications to the fund and make recommendations to the Head of Economic & Community Development to implement;**
- **authority be given to the Head of Economic & Community Development, in consultation**

**with the with the Cabinet Member for Economic & Career Development, to determine the outcome of applications to the funding scheme, and the imposition any appropriate grant conditions.**

Reasons for Recommendations: To ensure the timely establishment of the funding scheme and its effective, efficient and equitable administration.

Cabinet Member(s) Cllr R Kershaw	Ward(s) affected All
Contact Officer, telephone number and email: Robert Young, Head of Economic & Community Development, Tel: 01263 516162, email: <a href="mailto:robert.young@north-norfolk.gov.uk">robert.young@north-norfolk.gov.uk</a>	

## 1. Background

- 1.1 The economic impacts of Covid-19 and the consequent response measures introduced by the Government are well documented. The businesses operating in sectors relating to the visitor economy were particularly affected. Whilst there has been some bounce-back since the relaxation of the restrictions in June, with many of our local areas experiencing large numbers of visitors (day visitors and overnight stays), the late start to the season and the cancellation of the many events that attract visitors, coupled with the reduction in capacity resulting from public health guidelines, leaves businesses with greatly reduced income and the prospect of a long and uncertain time before they are likely to operate again at anything like their full operating capacity. This will leave many businesses with difficult choices to make about their future prospects and how they might remain profitable over the autumn, winter and spring, which is obviously critical to their ability to retain staff and make investments.
- 1.2 A consortium comprising Norfolk Local Authorities, together with Visit East of England, secured funding from the Norfolk Strategic Fund for a 'Tourism Sector Support Package.' On the basis of the proportion of businesses operating in the appropriate sector, North Norfolk received an allocation from the fund of £330,000; which is divided between measures to assist in meeting the additional costs for the safe operation of the towns, resorts and visitor hotspots; and funding towards initiatives that will support the visitor economy and businesses that it supports. In the submission from North Norfolk the Council anticipated the funding for the latter to be £150,000. In addition to this, funding of £25,000 remains available from the North Norfolk allocation of the 'Reopening High Streets Safely' fund for marketing purposes, thus the total available for the initiative set out in this report is £175,000.
- 1.3 Visitors are attracted to North Norfolk by the beauty of the natural and built environment, the historic and cultural assets, the many superb visitor attractions that operate here and the high quality hospitality offer. During the winter months, and what are referred to as the shoulder months, often additional efforts are made to attract visitors and encourage longer stays, including events, festivals, promotional activities etc. The economic impact

and uncertainty brought about by the Covid-19 pandemic has led to the cancellation of many such activities, and to a reduction in funds (and confidence) amongst local organisations and businesses to invest in these kinds of initiatives. With no certainty about what the seasons ahead might hold, businesses may be forced to take a risk-averse approach and reduce their opening times or close altogether. This funding initiative therefore aims to help restore confidence and provide the support needed to help plan for activities that will assist with the difficult months ahead.

## **2. Proposals**

2.1. A prospectus will be produced, setting out the purpose, process and expected outcomes of the scheme, together with project and eligibility criteria.

### *2.2 Project outcomes*

It is suggested that the funding available to North Norfolk be used to support initiatives that achieve one or more of the following:

- attract visitors to the area outside the usual school summer holiday season
- target specific user groups that might have been especially affected by the Covid pandemic
- encourage collaborative activity amongst local businesses
- benefit businesses in the tourism, hospitality, serviced accommodation and related sectors that comprise the visitor economy and provide significant employment locally, perhaps with consequential benefits to other sectors, such as food production, retail and arts
- help businesses to plan and be more resilient, adaptable, innovative and sustainable in the winter months.
- Initiatives that provide, support or promote environmentally sustainable travel to or within destinations.

2.3 Items to support winter adaptation could include, but are not limited to:

- weather-shielding equipment, such as wind breaks
- temporary structures to accommodate increased customer numbers or keep waiting visitors dry or safe (such as awnings or marquees)
- improvised waiting areas, reception areas or ticket offices
- online/mobile-based technology to reduce queueing etc. (e.g. ticketing solutions, ordering, payment).

### *Process*

2.4 It is proposed that a grant scheme be established and open for proposals before the end of September and successful initiatives will be expected to provide beneficial outcomes prior to 30 June 2021 (although if projects have a legacy beyond that period or are perhaps repeated annually that will be deemed acceptable). Publicity for the scheme should be undertaken as soon as approval is given so that potential applicants can have sufficient time to develop their proposals. In order that an assessment can be made of the likely scope of projects to be delivered, and any synergy between them be identified so as to establish greater collaboration, it is suggested that there be a two-stage application process; initially inviting expressions of interest. Support would be provided to suitable project applicants that have met the

Eol criteria, in order to help them develop successful detailed applications.

## 2.5 *Project criteria*

It is suggested that successful applications should meet the following criteria:

- impacts are wider than just an individual business
- initiatives must incorporate sufficient flexibility so that they can adapt to changing circumstances or Covid response provisions (e.g. they should not be fixed to a particular point in time)
- the initiative will support the visitor economy outside the peak summer holiday season (July and August)
- projects must contain sufficient detail to prove how they comply with relevant legislation, regulations and guidelines, especially those in place to prevent the spread of Covid-19 (e.g. relating to public health and safety, planning, licencing etc.)
- projects must incorporate measures that minimise their impact upon the environment
- projects must accord and not be in conflict with the campaigns and strategies of Visit East of England, Visit Norfolk, Visit North Norfolk or Visit the Broads.

## 2.6 *Eligibility criteria*

A wide range of potential applicants should be eligible for the scheme from the private sector and third sector, including:

- individual businesses
- consortia of local businesses
- local business organisations (e.g. Chambers of Trade)
- Destination Marketing Organisations operating in the locality (Visit North Norfolk and Visit the Broads)
- third-sector organisations set up to support the economic wellbeing of local communities.

## 2.7 *Funding*

A total of £175,000 is available to support initiatives that meet the purposes of the fund. It is proposed that the maximum grant available be £10,000 for individual projects; and for collaborative projects, that involve a number of organisations or benefit multiple localities, it is proposed that the maximum grant available be £20,000. Essentially this scheme intends to help 'de-risk' proposals and potential investments of third parties but in order to ensure accountability and the sound financial sustainability of projects, it is considered important that the risk is shared with the organisation undertaking the project. It is therefore proposed that projects would be supported up to a maximum of 50% of eligible costs (i.e. a maximum grant of £10,000 would be available for a project costing £20,000 or more).

2.8 There will be a wide variety of proposals that could meet the criteria suggested for this scheme and it is not proposed to prescribe what these might be; however, it must be stressed that applications must demonstrate how they comply with public health regulations in force at the time of their

operation or implementation. The following are given as possible examples:

- seasonal attractions
- promotional events
- specialist markets
- collaborative promotional activities
- itineraries
- marketing campaigns
- innovative technology
- physical adaptations to property
- temporary structures
- equipment.

### **3. Corporate Plan Objectives**

- 3.1 The proposals set out in this report aim to achieve the objectives set out in the 'boosting business growth' priority of the Corporate Plan but particularly seek to address some of the economic impacts of the covid pandemic on the local visitor economy.

### **4. Medium Term Financial Strategy**

- 4.1 The proposals set out in this report are funded by external grant and will not adversely affect the MTFS.

### **5. Financial and Resource Implications**

- 5.1 The financial implications of the proposed grant scheme are set out in the report. The scheme will be administered by the Economic Growth team with advice and appropriate support from other teams as appropriate (e.g. relating to matters concerning health and safety, planning, licencing etc.)

### **6. Legal Implications**

- 6.1 There are no known legal implications for the proposed scheme.

### **7. Risks**

- 7.1 Any new funding scheme includes inherent risks about the way in which the funding is used. To ensure that projects meet the expected criteria it is proposed that applications will be assessed against the prospectus. The Council is well versed in the operation and administration of grant funding schemes and has the resources and procedures in place to ensure that standards of propriety are maintained and that the funds are properly accounted for and audited. To ensure the robustness of the funding decisions, it is proposed that a panel be constituted to make recommendations on which the responsible officer will act, in consultation with the relevant portfolio holder.

- 7.2 The funding for this scheme is from external grant sources and is budgeted for. In order to ensure that maximum benefit is achieved from this scheme a two-stage application process is proposed. The initial EoI stage will help develop projects of the right scale and to maximise collaboration between applicants, this will also help ensure the maximum take-up of grant.

- 7.3 If initiatives funded under this scheme are not operated responsibly and do not adhere to Covid-related regulations, guidelines and best practice then there will be a reputational risk to the Council. In order to mitigate this, proposals will be expected to demonstrate how they comply with all relevant legislation, regulation and guidance governing the purpose for which the grant is given; failure to demonstrate this will result in grants being withheld. Grant conditions will be imposed to cover adherence to regulations in place at the time the grant funded project is implemented.

## **8. Impact on Climate Change**

- 8.1 Environmental sustainability will feature in the prospectus to ensure that applications incorporate measures that minimise their impact upon the environment.

## **9. Equality and Diversity**

- 9.1 No direct implications arising from this report.

## **10. Section 17 Crime and Disorder considerations**

- 10.1 No direct implications arising from this report.

## **11. Conclusion**

- 11.1 In order to support the visitor economy in North Norfolk and help it respond to the challenges that it will face over the coming months and compensate for some of the detrimental impacts of Covid-19, a grant scheme is proposed for projects and initiatives that will meet the purposes of the Tourism Sector Support Package. A prospectus should be provided, setting out the criteria against which applications will be assessed, the principles of which are included in this report.

- 11.2 It is recommended that:

- Cabinet recommend to Full Council that the £330,000 received from Norfolk Strategic Fund is allocated to a new 'Economic Recovery' reserve and that £150,000 of this is set aside for the tourism Sector Support Package, along £25,000 from the Reopening High Streets Safely' fund, for the establishment of a £175,000 grant scheme to support the local visitor economy;
- delegated authority be given to the Head of Economic & Community Development, in consultation with the Cabinet Member for Economic & Career Development, to establish the terms of a suitable grant scheme;
- a Cabinet working party be established to act as a panel to consider applications to the fund and make recommendations to the Head of Economic & Community Development to implement;
- authority be given to the Head of Economic & Community Development, in consultation with the with the Cabinet Member for Economic & Career Development, to determine the outcome of applications to the funding scheme, and the imposition any appropriate grant conditions.