1 BACKGROUND

This evidence is submitted on behalf of the Canal & River Trust. The Canal & River Trust is a company limited by guarantee that was formed on 12 October 2011 and became registered as a charity on 4 April 2012. The assets and undertaking of British Waterways (“BW”) in England and Wales were transferred to the Trust on 2 July 2012 by a Statutory Transfer Scheme under the Public Bodies Act 2012.

The Trust cares for an extraordinary collection of waterways in England and Wales, holding them in trust for the nation in perpetuity. This includes 2,000 miles of working canals and river navigations, docks and 72 reservoirs; the third largest collection of listed buildings and structures in the UK (c.2, 700 in total) and 500 miles designated within conservation areas; 63 Sites of Special Scientific Interest; over 1,000 wildlife conservation sites; contributing significantly to five UNESCO world heritage sites; and our museums house the national waterways collection and archives.

The tourism industry is one of the largest industries in the UK, contributing an estimated £115.4bn to the economy in 2009 (taking into consideration both direct and indirect impacts), equating to 8.9% of UK Gross Domestic Product. The number of jobs supported by the industry is forecast to increase by approximately 250k between 2010 and 2020, from 2.645m to 2.899m. Indeed, one in twelve jobs in the UK is presently being directly or indirectly supported through tourism. In the next decade, the visitor economy is forecast to be one of the best performing sectors, with above average growth at 3.5 per cent in Gross Value Added terms, outperforming other key sectors in the economy. (source: VisitBritain Visitor Economy Facts – Updated July 2012).

Specific to the Canal & River Trust, heritage tourism was estimated to contribute £26.4bn to the UK economy (2013), an increase of £5.8bn from 2010 figures. The report (Heritage and the UK tourism economy) suggested that of those holidaying in the UK (domestic residents) in the order of 25% involved heritage related activities. Recent work undertaken for VisitBritain estimated that annual growth of 2.6% will be realised between 2009 & 2018, significantly higher that other sectors such as manufacturing. This clearly has, and will continue to have, a positive impact on jobs in the sector.

Data collated in the Getting Active Outdoors report (June 2015) illustrates the importance of the Outdoor Activity market in respect of size and future potential. It comments that there are 8.9m people currently active outdoors of which 2.5m are regularly active and a further 2.8m would like to do more. Interestingly, there are a further 18.2m presently not taking part who would like to do so in the next 12 months. Monitor of Engagement with the Natural Environment (MENE – 2013-14) states that there is an “overall upward trend” in visits motivated by health or exercise in around two-fifths of the visits taken in 2013-14. There has also been growth in commercial revenue sales associated with the outdoor activity market, up by 3%.

However set against this positive backdrop, the Canal & River Trust has experienced huge challenges within the rural tourism sector such as low wages, ‘under-employment’ and an unhealthy economic reliance on seasonal work. It is within this context that the Canal & River Trust submits its response.

2 INTRODUCTION

Roughly half of our 2000 miles of inland waterways extend through rural areas. Inland waterways are particularly well placed to contribute to the rural economy because of their ability to provide access from towns to the countryside. The linear network of waterways offer a unique holiday and day out opportunity because of the ever changing character of the waterway landscape, the different styles of architecture and industrial archaeology, and the opportunity to experience a peaceful, tranquil setting and slow pace of life.

An estimated 380 million visits were made to our inland waterways in 15/16. In addition to general visits to waterways for days out, there are also boating holidays, boat trips, events, working holidays, cycling and
walking routes, heritage attractions such as the Anderton Boat Lift and Visitor Centre (attracting 50,000 visitors p.a.), waterway museums and of course iconic world heritage sites such as the Pontcysyllte Aqueduct.

The Marine sector generates significant benefit to the economy with inland marinas and moorings and the inland boat hire sector supporting 2,324 FTE’s with a turnover of c. £147m p.a. comprising 300 businesses providing berths and moorings1. Further research undertaken by the British Marine Federation and VisitEngland in 2015 suggested that approximately 5m domestic holidays were taken in 2014 that included a boating activity and which contributed £1.7 bn to the UK economy.

More recent research commissioned by the Trust (A review of the impact of waterway restoration – University of Northampton) identified that one of the main benefits of canal restoration was related to leisure and tourism. It quoted from a report undertaken for the Cotswold Canal restoration (Ecotec 2003) which suggested that once the canal was restored, the recreational use would, over time, contribute in excess of £5m to the local economy encompassing pubs, accommodation and boat related expenditure. Also of interest is the research linked to the Huddersfield Narrow Canal and Rochdale Canal (Ecotec 2004) which identified that investment had resulted in 3.5m visits to the Rochdale canal with visitor spend estimated at £18m (2003 values – using Bank of England data this would equate to about £24.1m at 2012 values), generating in the order of 100 jobs in the local economy.

In response to the Efra Committee’s key questions, the Canal & River Trust makes the following observations.

Marketing: How well do agencies promote rural destinations across England? What more should the Government do to support this work?

The Trust works with and submits bids for funding to VisitBritain and regional tourism agencies such as Marketing Cheshire and Leicestershire Promotions and a significant number of local authorities. Agencies such as Marketing Cheshire offer marketing services such as PR, event management, social media support and brand consultancy to the public and private sectors. Some manage websites e.g. Discover Cheshire website. The promotion of rural destinations has suffered considerably since the abolition of Regional Development Agencies (RDAs) and Regional Tourist Boards (RTBs) in 2010. Government strategy has focused principally on Destination Management Organisations (DMOs) to facilitate partnerships between tourism businesses and local authorities. The reality has been a patchwork of fragile local authority and public/private partnership organisations that struggle to make an impact. During this time local authorities have also experienced reduced resources resulting in closure of some Tourist Information Centres. There is however still some good agency working promoting more rural destinations e.g. the Trust’s Foxton Locks in Leicestershire, however the points below do identify areas that could be improved;

- Visit Britain’s main focus is on developing the overseas markets for the UK, working with the national tourism bodies for Scotland, Wales and Northern Ireland. Visit Britain’s marketing activity has been generally focussed on the capital and those honeypot sites (many of which are urban locations) that are already attracting significant numbers of overseas visitors. Whilst it makes sense to market those destinations that already have a high awareness, this approach has limited benefit to many lesser known rural destinations. There is also usually a cost for individual destinations to participate in specific overseas promotions led by Visit Britain that are simply unaffordable for many tourism SME’s.

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1 Economic Benefits of UK Boat Tourism (British Marine Federation)
The abolition of Visit England as an independent body focused on promoting domestic tourism and its subsequent merger into Visit Britain has reduced the level of nationally supported tourism investment. Government has focused its support on promoting inbound tourism, believing that domestic tourism displaces spend from one part of the national economy to another. Rural destinations are disproportionally dependent on domestic visits in comparison with major cities (60% of international visitors never leave London). As a consequence we must persuade more people to holiday at home to rebalance regional economic spend.

More could be done to support, encourage and coordinate rural tourism networks (e.g. develop synergies between rural tourist destination clusters) which would help businesses share resources, best practice and encourage ‘referrals’ through collaborative marketing and transport initiatives such as cycle routes, bus and private transport options, promotion and joint ticketing.

Most internet usage is shifting towards mobile and tablet devices (40% of traffic to CRT website is via this platform) which has implications for site design and functionality. Customers have also come to expect good Wi-Fi connections in hotels, restaurants, cafes and attractions. It is imperative therefore that there is good guidance on what a good website should look like, how it should ‘behave’ and the importance of customers being able to access broadband and Wi-Fi services from tourist destinations and their accommodation to make the most of their time during their holidays.

The ever-growing popularity of Trip Advisor and other consumer review sites reflects the discerning nature of consumers today. Tripadvisor has fundamentally changed the way in which people research and book their trips (accommodation, attractions and restaurants in particular). Customers no longer rely on professional reviews such as guide books, hotel grading’s or newspaper reviews. With over 150 million people using Tripadvisor each month and 115 new reviews every minute, operators have had no choice but to embrace it. Agency training on social media and how to use Trip Advisor and other consumer platforms to best effect is therefore imperative.

Agencies should research why people are not coming to rural tourist destinations, then address those issues and develop appropriate targeted marketing. The importance of a ‘good deal’, special offers and discounts have become a fact of life for many operators within the sector. A sensible strategy can work well in off peak periods by encouraging multiple visits but it has led to serious problems for some operators who come to rely on the discount to drive volume. Research undertaken by Mintel in 2013 revealed that 44% of people that visit attractions usually try to find special offers, deals or discounts before visiting a particular attraction.

Guidance must be swifter from tourism agencies to take advantage and be more dynamic and proactive to trends – e.g. regional events, Pokémon Go, Air B&B etc.

**Access: What, if any, changes are needed to give people better access to the coast and countryside?**

- Linked services that give ‘door to site’ access to visitors supported by promotion and effective information, i.e. pre visit orientation that visitors can access to plan out how they can get from their front door to the coast / countryside all by public or private transport. A good example is the roving taxi service supporting the Sandstone Trail which is part of the Cheshire Ring Walking Trail.
- Better promotion of cycle, public rights of way & bridleway routes – particularly circular routes that start / finish near public transport or car parks. The responsibility for the management and maintenance of rights of way (some of which are towpaths) is principally with Highway Authorities. Managing these assets under current budget constraints is a challenge which means that signage, interpretation and route clearance is compromised. The provision of better signposted routes with added destination and distance information would help visitors make more informed decisions about which routes are worth taking.
- Focus attention and funding on routes that have better mobility – for prams and wheelchairs.
• Promote a ‘green lane’ network e.g. towpaths, for tranquillity and special qualities these areas provide.

**Funding and fiscal policies: How can public funding be best targeted to get new rural tourist businesses off the ground and keep them going? Are changes needed to tax levels and business rates?**

• Training support (see examples given)
• Transport support (creative opportunities involving public and private transport initiatives, cycle hire etc.)
• Support for tourism cluster development
• Business intelligence and research support
• A fiscal stimulus to those businesses that seek out new and innovative markets but that need time to take advantage of those new markets (particularly important in relation to the post Brexit economy and opportunity). There needs to be further clarification around the implications of BREXIT and impact on EU Structural Funds as rural areas benefit disproportionately from these sources. There is also a need to provide easier access to grant opportunities for diversification.
• The bureaucracy of LEADER and other EU Structural Funds needs to be addressed in any replacement schemes. Currently funding support for rural areas is very restrictive (e.g. Leader Funding) which relies on an arbitrary classification of market towns / rural areas and a link to job creation. Considering that many opportunities relate to seasonal employment, a better measure for funding to support the rural economy would be economic growth not employment.

**Planning and regulation: What, if any, changes are needed to planning and other regulations covering rural areas of special character, such as National Parks, to encourage sustainable tourism?**

• Local Planning Authorities are regularly under-resourced and struggle to deal efficiently with planning applications. Some consistency and continuity in planning system would be welcomed. It was unhelpful that the Good Practice Guide on Planning for Tourism was deleted by DCLG in its 2013 Review of Technical Planning Practice Guidance as this creates an advice vacuum.
• Responsibility for tourism signage should be better coordinated. ‘Brown’ signs are very expensive to erect but are essential to drive passing trade and orientate visitors. Unfortunately when some tourism businesses cease operating their brown signs remain which causes dissatisfaction and some distrust of the signs, particularly for impromptu visits of those who were ‘just passing’.
• Regulations should allow (and encourage) more temporary uses for ‘pop ups’ such as events, markets, outdoor cinema, glamping sites etc.
• Consideration of local / regional ‘green’ taxes to support improved rural tourism infrastructure.

**Infrastructure and skills: What measures are needed to ensure transport, housing and other infrastructure meets visitor needs? How can the sector ensure there are enough people with the right skills to support customers and businesses?**

• Public transport in rural areas is a key concern; if bus services are available they are often infrequent, uncoordinated and unsuitable to support visitors to an area. Greater commitment is needed to support public transport in rural areas, including sustainable tourism strategies to make rural areas more accessible without the use of a car. There are some good examples of seasonal bus services to tourist destinations in rural areas however these networks tend to only be supported during the summer period, therefore limiting the potential for tourism at other times of the year.
• Salaries within the tourism industry are extremely low and many roles are seen as non-skilled. To attract the calibre of staff required, tourism (in all its functions and roles) must be promoted as a valuable career.
• Attention should be placed on recruiting people with greater emotional intelligence and customer service skills.

Local environment and character: How can national and local policies get the right balance between growing tourism and enhancing the local environment and character?

• There are substantial opportunities to grow rural tourism across England. Honey pot sites continue to be over promoted by the national tourist boards and even at a local level. Lesser known areas, which include our inland waterways, still have spare capacity for both day and staying visitors. Visitors need to be aware of these alternatives and be persuaded to visit. The key is in raising awareness of these alternative options and influencing visitors to consider them.
• By involving the local community throughout so that the benefits of rural tourism become obvious. A good example is ‘Kynren’ a significant outdoor spectacular which involves over 1000 local volunteers who in return learn skills they would otherwise wouldn’t, from pyrotechnics to horse jousting to set building, all whilst celebrating their local history and landmarks.

Defra role: What more should the Department for Environment, Food and Rural Affairs do to ensure government departments (including Departments for Communities and Local Government, Business, Innovation and Skills, Culture Media and Sport and HM Treasury) support rural tourism?

• Defra should make other Government Departments aware that rural communities are very different to some vibrant communities e.g. ageing populations with issues ranging from isolation, hidden deprivation, low wages, poor access to the internet and under-employment and that these issues need to be confronted to stimulate a strong rural tourism economy.
• ‘Lead from the front’. Need to champion the industry, career opportunities and destinations as well as providing support programmes for businesses to help them become more sustainable.
• Fund national surveys which will help small businesses better develop and understand markets and trends.

Developing sustainable rural tourism is about co-ordinating all the facets of a destination, which, in combination contribute to the visitor experience, reflecting the needs of visitors to the area, local residents and local businesses. Deriving economic benefits whilst being sensitive to the local environment lies at the heart of providing a visitor experience of quality. In summary the Trust wishes to see;

• A better co-ordinated sector: the sector is too fragmented - we want to see local attractions and tourism organisations collaborating.
• Skills and jobs: Driving and retaining talent in the sector to encourage growth.
• Common sense regulation: Reforming regulation sensibly to improve the tourism offer for visitors
• Transport: Forging innovative links between the transport and tourism sectors to help visitors travel easily.
• An improved welcome through better and accredited training: Delivering a world class welcome

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