

Enterprise & Business Committee - Inquiry into Tourism in Wales

2 July 2014

Introduction

1. Responsibility for promoting tourism in Wales rests with the Minister for the Economy, Science and Transport who has responsibility for Visit Wales. The Culture and Sport portfolio makes an important supporting contribution through the cultural, historical, sporting and natural assets and services which it is responsible for – with a strong working relationship with Visit Wales as the foundation.

Historic Environment

2. Visit Wales research with non-Wales visitors indicates that a major influencing factor for visits is an interest in castles and historic sites:
 - 58% of visitors surveyed were motivated to visit places, historic sites and specific attractions.
 - 61% of overseas visitors cite castles or historic attractions as a particular reason for visiting; by far the most frequently mentioned specific reason for them saying they want to visit Wales
 - 34% of UK staying visitors surveyed in Visit Wales 2013 visitor survey came to see castles or other historic sites.
3. There are regional variations to the provenance of visitors, but in peak season (i.e. July and August) broadly 24% live in Wales, 60% come from elsewhere in the UK and 16% come from overseas.

Tourism spend

4. The historic environment sector supports over 30,000 jobs and in 2010, the *Valuing Our Historic Environment* report by Ecotec Research and Consulting Ltd stated that tourism expenditure attributed to the historic environment was estimated to have contributed some £330 million to Wales's national Gross Value Added (GVA), and in excess of £610 million in respect of output. Including indirect and induced effects, it is estimated that the historic environment tourism expenditure sector supports over 14,880 FTE jobs in Wales.
5. Of the 129 sites in Cadw's care, 30 charge for admission and in 2013-14 the total value of tourism spend at the 30 sites was £4,860,269. Overall visitor numbers to Cadw staffed sites remained stable in the 2013/14 financial year compared to 2012/13 with 780,722 paying and 411,885 free visits. There were marked increases over the school summer holidays and May bank holidays – with a significant increase in family visits in May (112% increase year on year).
6. Satisfaction levels are high and improving. Cadw's 2013 survey indicated that 94% of visitors to Cadw sites would recommend them to family and friends. This was further borne out on websites such as Trip Advisor, where the four World

Heritage Site castles scored 4.5 out of 5 and all received a certificate of excellence in 2014.

Relationship with Visit Wales

7. Cadw has a strong working relationship with Visit Wales and they have worked together to align strategic priorities and combine tourism efforts. This includes Cadw's key role in a £4m high-profile joint marketing campaign promoting EU-funded Environment for Growth (E4G) projects, in return for a £50k investment, and resulting in favourable coverage for Cadw as part of the campaign. Two Cadw monuments feature prominently on the TV advertisement, along with a fully integrated marketing campaign with direct mail, television, cinema, print, sponsorship and online advertising.
8. Other partnership work between Cadw and Visit Wales includes joint visitor research which has ensured consistency and procurement cost savings. A research project on visitor information was commissioned in partnership with Visit Wales, National Museum Wales, Natural Resources Wales and National Trust. Cadw also displays at travel trade shows in conjunction with Visit Wales.
9. This has enabled Cadw to establish strong partnerships with stakeholders and communities, and helped to develop the offer and product available at key sites, to generate extra visitors and revenue for Cadw. Income generated by Cadw admission charges will be reinvested in activities and service improvements at sites which will in part be targeted at low income families and other under-represented groups. In addition, communities around heritage sites depend upon the sites for tourism profile and ancillary visitor spend.
10. Cadw's other main marketing campaigns appeal to parents with interesting, engaging, cost-effective days out for families, mostly during the summer holidays. Total paying visits to Cadw sites were up 14% year on year in August 2013, and admissions income was up 27% against the same month in 2012.
11. It has also increased the emphasis on digital marketing. Website total visits and unique visits were on average 66% higher in 2013 than in 2012, and a 40% increase on average in page views suggests content satisfaction has improved. Cadw uses Facebook and Twitter accounts for proactive interaction and digital marketing plans for 2014 include the introduction of an online members section, a children's website section, improved search engine optimisation, online membership sign-up functionality, new social media channels such as Pinterest, an online infographic to bring the Pan-Wales Heritage Interpretation Plan to life, new film footage and interaction with influential bloggers.

Heritage Tourism Project

12. Furthermore, Cadw is managing a Heritage Tourism Project to develop heritage tourism in Wales. The project, largely funded by the Welsh Government and from EU Convergence Funds, aims to maximise the economic value of heritage by increasing the number, length and value of visits to Wales. The project began in 2009 and will run until March 2015 and is worth a total of £19m.

13. A research project by Cardiff Business School at six large sites associated with the Heritage Tourism Project in 2013 found an average of £6.95m added GVA per site, of which £1.75m GVA was directly attributable to the site. The six sites were Blaenavon Ironworks, Caernarfon Castle, Caerphilly Castle, Conwy Castle, Harlech Castle and St David's Bishops Palace.

World Heritage Sites

14. In addition, Wales is proud to include three World Heritage Sites in its rich heritage: the Castles and Town Walls of Edward I in Gwynedd; Blaenavon Industrial Landscape; and the Pontcysyllte Aqueduct and Canal System. These are iconic sites in Wales and the North Wales slate industry is a further candidate site on the UK shortlist of possible future World Heritage Sites.

15. The Cadw-managed castles at Caernarfon, Conwy, Beaumaris and Harlech together form one World Heritage Site and attract nearly 600,000 visitors annually. At the four World Heritage Castles alone this amounts to £2.6m on average each year.

16. Major work on improving visitor facilities and interpretation at the World Heritage Sites in Cadw's care has taken place over the last few years which has resulted in increased visitor numbers and retail income. For example since February 2012, following extensive works to visitor facilities at Conwy Castle, visitor numbers and income are as follows:

Year	Visitors	Income (all)
2011-12	173,585	£847,981
2012-13	167,823	£904,627
2013-14	176,823	£1,030,344

Heritage events

17. Heritage events are also an important component of the heritage tourism offer. In 2013-14 Cadw ran more than 200 events and days out across Wales, including participative activities at sites and summer shows, tours, talks, living history and live performances. Cadw has carefully linked its events to the interpretation plans at its monuments.

18. Open Doors is part of European Heritage Days, which takes place in 50 countries across Europe and Cadw will be directly managing the delivery of 'Open Doors' for the first time in September 2014, working with partners from heritage organisations across Wales.

19. It is Wales' largest celebration of heritage sites, buildings and architecture, and the largest volunteer event in the heritage sector in Wales. The programme invites heritage organisations, private owners, local authorities and others to open their doors and offer opportunities for the public to discover hidden

treasures and explore historic sites free of charge at some point during September.

20. Last year's programme in Wales attracted in excess of 80,000 visitors to 500 events, with the programme successfully engaging with local communities and visitors from further afield. 350 venues have registered to open their doors to the public in September this year.

Heritage Bill

21. We will introduce the Heritage Bill to the National Assembly next spring. Subject to its passage, the Bill's provisions would become the first historic environment legislation ever enacted specifically for Wales. The Bill will form part of an integrated body of legislation, policy, advice and guidance that will make important improvements to the protection and sustainable management of the Welsh historic environment. This will ensure that the Welsh historic environment can continue to deliver meaningful social, economic and environmental benefits to the people of Wales, and to play its key role in the Wales tourism offer.

Activity Tourism

Access and Outdoor Recreation Green Paper

22. Readers of the Rough Guide have voted Wales as one of the best places to visit in 2014. The readers remarked on Wales' physical beauty that is packed into such a small mass of land, boasting great mountain ranges, lush valleys, a ragged coastline and ancient castles.
23. Continued improvements that enable visitors to access the Welsh countryside are a significant factor in our ability to compete with other visitor destinations. I will launch the Access and Outdoor Recreation Green Paper following the summer recess to seek views on how we can improve public access to land and better facilitate voluntary access to water.
24. According to the Natural Resources Wales (NRW) Outdoor Recreation Survey 2013, nature attractions are the places most-visited by visitors staying in Wales (73%), and are the second most-visited attractions by day visitors (58%) Walking generates £562m of additional demand in the Welsh economy, £275m of GVA, and around 11,980 person-years of employment.

Active Travel Act

25. The Active Travel Act (2013), which is considered to be a world first, makes it a legal requirement for local authorities in Wales to map and plan suitable routes for active travel, and to build and improve their infrastructure for walking and cycling every year. This enhanced infrastructure will strengthen the conditions for businesses that offer walking or cycling holidays in Wales to expand sustainably.
26. This could realise significant benefits for tourism, as it will make towns and cities more accessible and navigable for visitors and therefore more attractive to visit. We encourage Local Authorities to consider if their local tourism or leisure industries would benefit if parts of their network were accessible for equestrians. This will add to the existing world class mountain bike facilities and extensive national trails for walking and cycling that Wales offers to tourists, along with the Wales Coast Path.

Wales Coast Path

27. The opening of the Wales Coast Path on 5 May 2012 further raised nationwide and international awareness of this 870 mile long route. It was the key reason for the Lonely Planet naming Coastal Wales as “the best region on earth” to visit in 2012. (Best in Travel, Lonely Planet, 2012).
28. Cardiff Business School survey data from 2013 showed that between September 2011 and August 2012 there had been 835,000 overnight stays and 1.6 million daytrips by adult visitors to the Wales Coast Path. Overall expenditure impacts of visitor spending attributable to the Wales Coast Path were estimated as £32.2 million of additional demand to the Welsh economy. Since then, studies have suggested that it generates some £16 million of GVA to the Welsh economy each year, demonstrating the economic potential of outdoor recreation to Wales. The economic activity resulting from the completion of the Wales Coast Path accounted for approximately 730 ‘person-years’ of employment.
29. The Wales Coast Path Communications and Marketing Group was set up as a forum for discussing how to make best use of social media and the internet to promote the Coast Path and maximise the public relations campaigns associated with it. Officials from the Department for Culture and Sport, Visit Wales and Natural Resources Wales are represented on this group and work closely to ensure that key messages are consistent and meaningful.
30. A recent campaign, “Love the Welsh Coast” was undertaken to both celebrate the second anniversary of the launch of the Coast Path but also to publicise that the Path is open following the devastating storms earlier this year. The Communications and Marketing Group will be seeking to promote two further campaigns this year to help keep up the promotional momentum.

National Parks

31. Wales' National Parks have over 12 million visitors a year which according to Arup's report of 2013 equate to an annual injection of spending into the Welsh economy of around £1 billion. The National Parks are home to eight of the most visited 50 attractions in Wales. Visitors to National Parks represent a sizeable proportion of Wales' tourism industry.
32. Importantly, the National Parks in Wales attract a high proportion of staying visitors, averaging 2.26 tourist days per visitor. Because visitors are likely to stay overnight, the average expenditure of visitors to the Parks in Wales is higher at £87 per head compared to £60 in the rest of the UK.
33. Visitors are not constrained by Park boundaries and there are strong interdependencies between the tourism sectors inside and outside the Parks. National Parks contribute positively to Wales' tourism 'brand' and National Parks have a status and profile that is unmatched by other parts of Wales.
34. The National Parks are at the forefront of growth markets in adventure tourism and sustainable tourism and the ethos of the Parks fits well with the messages that Wales is trying to convey to potential visitors.

Visit Wales' - Protected Landscapes Group

35. The group is made up of representative from Wales' three National Parks, five Areas of Outstanding Natural Beauty AONBs, Natural Resources Wales, Visit Wales and other Welsh Government departments. The purpose of the group is to encourage greater strategic alignment of tourism priorities, investment, development and promotion as well as greater collaboration between the AONBs, National Park Authorities and Destination Management Plans at the local, regional and national level in developing tourism destination management within protected areas of Wales. This will develop effective partnership collaboration, ensure a consistent approach to tourism development and promotion within the specific areas and avoid duplication of effort and resources.

Cultural Tourism

36. Museums and galleries are, of course, important visitor attractions; while cultural events, such as festivals, can also attract significant numbers of visitors. Creative and cultural activity which raises Wales' profile within the UK and overseas can also help contribute to efforts to attract tourists to Wales.

Museums Strategy

37. Our Museums Strategy recognises the value of cultural tourism and encourages museums to contribute to building a robust economy through cultural tourism and encouraging regeneration through culture.

38. Using data collected in 2011 and the economic impact toolkit developed by the Association for Independent Museums, it is estimated that the tourism impact of museums to the Welsh economy is £128 million (comprising £69.6 million from local museums and £58.3 million from national museums).
39. Amgueddfa Cymru recorded record visitor figures in 2012-13 with 1.74million. 2013-14 saw a slight reduction (due to Easter falling later that year) but a continued strong performance, with 1.63 million.

St Fagans

40. St Fagans is Wales' single biggest tourist attraction. In 2011, readers of Which? magazine voted St Fagans as their favourite visitor attraction in the UK. Which? also awarded it their coveted Recommended Provider status. The £25m St Fagans redevelopment project is planned to increase visitor numbers from 600,000 to 850,000 by 2021. It is therefore a significant commitment to the development of Wales' tourism industry. Construction will commence on the project by autumn 2014 and be completed by 2017.
41. The key economic benefits associated with the St Fagans project are:
- an additional £500k in commercial income from activities and trading;
 - between £165k and £260k additional expenditure by the Museum in the Cardiff economy;
 - contribution to the profile of Cardiff as a destination with high quality visitor facilities;
 - contribution to the overall economic vitality and place branding of Cardiff as an economic centre and major European City.
42. It is estimated that the additional level of visitor expenditure in the Cardiff area will amount to £5.5m per annum by 2020-21.

Partnerships

43. A range of partnership activity has also taken place or is underway: high profile exhibitions of art from Amgueddfa Cymru's collection touring to four American art galleries; Patagonia 2015 celebrations; exhibitions to and from China; and development of collaborative dialogue with Shanghai Library. These raise the profile of Wales and Welsh culture across the globe.

Museum Visitor Survey 2013

44. Elsewhere, our Museum Visitor Survey 2013 highlighted the continued popularity of Welsh museums. Eight out of ten tourists who visit a Welsh museum during their trip to Wales would recommend the museum to a friend or relative as a place to visit. In addition to the positive recommendations from museum-goers the survey also revealed:

- the number of visitors who believe our museums are “friendly and welcoming places” rose from 75% in 2011 to 84% in 2013
- 56% of overseas tourists say they have visited or plan to visit a museum during their trip to Wales (compared to 27% across the UK)
- visiting museums was the third most popular activity for tourists to Wales (23%) - with the most popular being a visit to the beach (42%)
- the top reason for trip-makers to visit a museum is to find out about the places they are visiting or staying in (49%), which is significantly higher than the 2011 figure of 31%. This is more often the case for overseas visitors (78%) and more than half (54%) of UK staying visitors
- people visiting Wales alone are most likely to visit a museum. Around a quarter (24%) have already taken a trip to a museum, and a further 21% plan to. Organised groups and societies are least likely to take in a museum during their visit, with only 14% saying they either have or will.

Tourism Focused Quality Assurance

45. We work with Visit Wales to provide VAQAS assessments for all local Welsh Accredited museums (all currently meet VAQAS standard) which is a tourism focused quality assurance standard administered in Wales by Visit Wales.
46. The VAQAS reports from Visit Wales are used to provide evidence towards achieving Accreditation. These reports provide information on the standards of service museum visitors receive and show the strength of museums and galleries as a tourist destination.
47. During 2012/13 Wrexham Council’s Marketing Team received funding from the CyMAL grant programme to produce a strategic Wales-wide audience development and marketing strategy for museums and heritage organisations in Wales. The Strategy was launched in October 2013 at the high profile UK Museums Association Conference in Liverpool.
48. Stakeholder research for the Strategy identified two key areas to focus on:
 - building the capacity and sustainability of marketing work across all museums in Wales (training, skills development, volunteering, marketing research)
 - promoting, profile raising, and advocating the benefits of museums across Wales today (working with tourism partners, advocacy, engaging in national initiatives and establishing a Welsh Museums Award).

Arts related Tourism

49. Our cultural landmarks do not just define the image of Wales, they are big business in their own right. Many parts of the arts and cultural sectors form significant tourism attractions – from Wales Millennium Centre to our international festivals such as Hay, Brecon Jazz, Green Man and Dylan Thomas 100. Films made in Wales also create a market for those who want to visit original locations.
50. Cultural tourism generates demand for transport, accommodation, catering and other tourism-related business. The arts of Wales also help put Wales on the international map.
51. International activity by our artists and art organisations, both professional and amateur can and does raise Welsh profile on the world stage. Promotion is also supported by the many festivals, across a wide range of genres held annually across Wales. We have seen the success of Womex in Cardiff last year.
52. Whilst this year sees the celebration of the birth of Dylan Thomas with events both here in Wales and internationally – a prime example of partnership working with the Department for Economy, Science and Transport as well as local authorities, the Arts Council of Wales and the BBC .Moreover next year marks the 150 anniversary of the arrival of the Welsh in Patagonia, celebrations both here and in Patagonia will involve our art organisations.

National Library of Wales

53. The National Library of Wales is an important destination for cultural tourism in mid Wales. With a range of 8 different exhibition spaces, visitor facilities, and an active programme of cultural events.
54. In addition, alongside Amgueddfa Cymru – National Museum Wales, it has developed important partnerships with other countries including China, USA, Argentina and Japan.
55. It contributes to promoting Wales to the world, including participation in national and international initiatives, such as:
 - supporting the nationwide Dylan Thomas 100 celebration by hosting a major exhibition in 2014, and participating in partnership activities with Arts Council Wales, Ceredigion Tourist Board and Literature Wales;
 - contributing digital material relating to Wales' culture and heritage to the international Europeana / European Digital Library initiative, which provides access to digitised material from over 46 countries through a single online portal
 - supporting engagement with expatriate communities in Patagonia and North America, using digital technology.

56. Furthermore, Casgliad y Werin Cymru / People's Collection Wales digital heritage service continues to encourage and enable individuals and local communities to share their own stories using the People's Collection Wales website and freely-available online tools. This is a vital service that has significantly improved the provision and distribution of information of our cultural and heritage product.

57. In summary, our culture and heritage builds Wales' reputation and motivates visits - our culture and heritage make us different and people need to know what is different about Wales to give them a reason to visit. Alongside Visit Wales and various other partners, within and outside Government, we will continue to ensure we make the most of our assets in developing tourism in Wales.

John Griffiths AM
Minister for Culture & Sport
June 2014