
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DECISION

Title: Cairngorms Business Partnership – Progress Update

Prepared by: Hamish Trench, Head of Heritage and Land Management

Purpose

To update members on the progress of the Cairngorms Business Partnership and to agree the basis for future CNPA support.

Recommendations

That the Board

- a) note the progress towards the launch of the Cairngorms Business Partnership;
- b) agree the basis for CNPA's future support for and engagement with the Cairngorms Business Partnership.

Executive Summary

The Cairngorms Business Partnership (CBP) is scheduled to launch on 20th April 2010. This is a significant milestone in the development of a collaborative business organisation for the Park that has been driven by the existing business organisations over the last two years. The CBP will be a membership organisation, made up of individual business members, which will provide much needed capacity to realise the economic potential of the National Park.

A transition plan for 2010/11 is in place which will see the Chamber of Commerce and Aviemore and the Cairngorms Destination Management Organisation merge their memberships, activities and staffing, joined by members of other existing business and tourism organisations. The Partnership will also be recruiting new members from April.

The development phase has been a complex negotiation between existing well established organisations, and has therefore been through a number of iterations and taken longer than initially expected. At present Royal Deeside and the Cairngorms DMO has decided not to be part of the CBP as much of their membership extends beyond the Park and looks to Aberdeen as well as the Park.

Delivery of priority projects during 2009/10 has continued, overseen by an interim steering group. These include the very significant projects of a Park-wide visitor website and marketing strategy as well as ongoing work on business and customer surveys.

The establishment of the CBP will require all involved, including CNPA as well as other local business groups and relevant public bodies, to consider and adjust our respective roles and relationships. It is particularly important that CNPA and CBP work alongside each other and other partners in our respective leadership roles to bring the combined strengths of the public and private sector to realising the business and tourism potential of the Park.

CAIRNGORMS BUSINESS PARTNERSHIP – PROGRESS UPDATE FOR DECISION

Introduction

1. The development of the Cairngorms Business Partnership (CBP) is a significant step forward in helping the business community benefit from and contribute to the management and development of the National Park. It has been a priority for CNPA to support the business organisations in their work to identify how best this collaboration can take place, and this process is now reaching a significant milestone with the launch of the CBP scheduled for 20th April 2010.
2. The work to reach this stage, particularly among the business organisations involved, has been very significant and arguably more complex than initially anticipated. This reflects the significance of the change being made by a number of well-established organisations and their memberships. The process has inevitably encountered tensions and differences in views on how best to structure a partnership, but it has been worthwhile to take the extra time to develop a model that businesses believe can be sustained. Annex I sets out a summary timeline of key stages and decisions.
3. As the launch of the CBP now approaches, this paper seeks to bring board members up to date with the outcomes of the extensive discussions and negotiations around development of the organisation, report on their interim 2009/10 delivery and set out a clear basis for CNPA's continued engagement and support for the CBP and relevant partners.

What will the CBP deliver for the Park?

4. Development of the CBP is a crucial step to realising the potential value of the National Park as a local, national and regional economic asset. To realise this potential, a collective effort among the business community is needed to make an impact, among other areas, in:
 - a) Marketing the Park as a destination;
 - b) Enhancing the visitor experience in the Park;
 - c) Enhancing the use and benefit of the brand;
 - d) Increasing awareness of the National Park;
 - e) Ensuring a vibrant contribution from the business sector to developing and implementing future plans for the Park, including the next National Park Plan and Local Development Plan and Sustainable Tourism Strategy.
5. At present, the fractured nature of business organisations arranged by sector or local geography hampers this vision for the Park. There is a limit to what CNPA can achieve ourselves and collectively with other public bodies, many of which are also split across the geography of the Park. The ability to achieve the vision for the Park therefore requires a co-ordinated and active business sector taking the lead on activities that they are well-placed to deliver for the Park as a whole.

Background

6. A Steering Group with representatives of existing business organisations came together to consider a variety of options to deliver this collaborative approach. In 2009 this group identified the development of the Cairngorms Business Partnership as their preferred model (although several members of the steering group including Royal Deeside and the Cairngorms DMO reserved their position at that stage). The CNPA has supported the development of the concept and more recently its practical establishment on the basis that this approach by the business community will:
 - a) maximise the potential business value offered by National Park status;
 - b) harness the collective effort and resources of the public and private sectors in delivering the National Park Plan;
 - c) Achieve greater value for money by enabling appropriate activities to be undertaken on a Park-wide basis;
 - d) Simplify channels of engagement between the public and private sectors across the Park.

7. In September 2009 the Board approved a package of grant funding of up to £70,000 for the 2009/10 financial year to support the development of the CBP and delivery of priority projects. The headlines from that are as follows.
 - a) The funding package was to support:
 - i. a contribution to CBP staffing costs;
 - ii. Development of a marketing framework and action plan for the National Park and related destinations;
 - iii. Business Barometer
 - iv. Development of private-sector-led Park-wide visitor website;
 - v. Park Aware programme;
 - vi. Customer feedback survey;
 - vii. Cairngorms National Park business conference.
 - b) Two conditions were attached to the grant:
 - i. Payments will not be made in advance of need and will require partner contributions for the specified actions to be secured;
 - ii. A performance review meeting to be held in January involving appropriate Board members.

8. The performance review was held by Finance Committee on 19th February 2010. CNPA has also provided support through the loan of a full-time member of staff to the CBP since October 2009.

Development of the Cairngorms Business Partnership

9. The CBP is due to be launched formally on 20th April 2010. The CBP model is based on individual businesses joining as members, seen by the participating organisations as key to its long-term viability and ability to deliver good value business benefits. The Steering Group has developed a transition plan to move from the current multi-organisational structure into the new CBP during an interim year of 2010/11.

10. The principal strands to the transition plan are:
 - a) The Cairngorms Chamber of Commerce and Aviemore and the Cairngorms DMO, have agreed to merge their memberships, activities, assets, liabilities and staffing into the CBP during 2010/11. This gives an immediate critical mass (approx 300 members) to successfully establish the CBP as an

operational body from April 2010. ACDMO and CCC will continue to exist as legal entities during the interim period, but operating under the banner of the CBP.

- b) From April 2010 the CBP will be recruiting new members (beyond those transferred through the organisations above) using a membership and benefits package designed by the Steering Group.
11. Discussions with other business and tourism groups within the Park are ongoing with a view to identifying the most appropriate solution for the members of each organisation in relation to their membership of and relationship with the CBP. These discussions include:
- a) Glenlivet and the Cairngorms
 - b) Cairngorms Hostels
 - c) Cairngorms Farmers Market
 - d) Creative Cairngorms
12. For each of these existing organisations, the discussions focus on the opportunity to benefit from shared staff and administration resource, the collaborative marketing opportunities and the stronger business network and voice through the CBP. We anticipate that most of these organisations will also wish to retain their own local identity as an integral part of the wider partnership.
13. An interim CBP board and staffing structure has been set out by the steering group, which would be responsible for delivering the CBP's 2010/11 operational plan including progression to a fully operational CBP for 2011/12.

Relationship to other areas and groups

14. The CBP steering group is already engaging with neighbouring business or tourism organisations, with a view to maximising the potential of the Park in the wider region and connecting to mutually beneficial projects – for example the whisky marketing initiatives being taken forward through Moray Tourism.
15. Royal Deeside and the Cairngorms DMO are also a key partner for the CBP where collaboration is needed. RDCDMO were members of the Steering Group until December 2009 at which point they took the decision that RDCDMO did not wish to be a part of the CBP, nor to participate in individual CBP projects at this stage. Although RDCDMO chose not to be part of the CBP as an organisation, the CBP steering group retains representation from businesses in Deeside, through the Chamber of Commerce, and local Business Associations from across the Park including Deeside are engaged with the CBP to explore options for their members.
16. It is disappointing that RDCDMO chose not to join into the CBP, but understandable as they have an area and membership that extends beyond the Park which looks equally to Aberdeen as a driver of business. Their current funding and priorities have drawn them to focus on a smaller geographical area looking towards Aberdeen at present. The opportunity for RDCDMO to either participate in the CBP or simply to collaborate on project delivery remains open. In the short-term, CNPA and the CBP must explore the opportunities for collaboration with RDCDMO on projects where there is mutual benefit and where funding for both organisations could be streamlined or deliver greater value through joint working.

The opportunity also exists for any business in that area of the Park to join the CBP, whether a member of RDCDMO or not.

17. The Blair Atholl Tourism Group has also expressed interest in discussions on the future relationship with the CBP and these options will be explored over the coming months. Like other areas, Blair Atholl will be looking both into the Park and beyond to other tourism destinations with which connections should be made.
18. Development of these relationships is a priority for the CBP, CNPA and other relevant public bodies and is discussed later in the paper.

Recommendation

19. **The board is asked to note the progress made towards the launch of the Cairngorms Business Partnership.**

Delivery of 2009/10 priorities

20. Annex 2 summarises the delivery status of the priority projects towards which CNPA funding has contributed in 2009/10. Finance Committee considered a report on progress on 19th February.
21. The anticipated funding package was amended due to changes in the composition of the CBP and project sponsors. In December 2009 the Royal Deeside and the Cairngorms DMO took the decision that they do not wish to become part of the CBP, or to take part in individual CBP projects. The anticipated funding contributions from Scottish Enterprise (£15,000) and Aberdeenshire Council (£10,000), through RDCDMO, were therefore no longer available to the CBP projects in 2009/10.
22. CBP therefore adjusted their delivery plans and have continued to deliver the priority projects, with the exception of the Park Aware programme, using the same agreed level of CNPA funding together with contributions from Highland Council and Highlands and Islands Enterprise. It was mutually agreed that the Park Aware programme should be delayed until 2010/11.
23. The Business Barometer and Customer Satisfaction surveys are ongoing and delivering feedback from both businesses and customers. The Business Barometer in particular has started to deliver very valuable information to inform business decisions and, given its innovative approach, has secured a good level of engagement with businesses to date. The CBP also delivered the Business Conference in November 2009, attended by over 120 businesses from around the Park.
24. Two major projects being delivered are the marketing strategy and visitor website. The timetable for the marketing strategy has been dovetailed with review of the Sustainable Tourism Strategy, with early work focusing on the branding to inform the visitor website. The website will be launched in April and is a key part of the business proposition offered by the CBP to businesses in the Park.

Future Roles of CNPA, CBP and Partners

25. CNPA has supported the development of the CBP partly on the basis that it will increase the capacity of the business sector to contribute to delivery of the National Park Plan on a Park-wide basis. This in turn requires us to be clear about the respective roles of CNPA, other partners and the CBP, so as to avoid duplication and enhance the overall capacity to deliver.
26. It is clear that both the CNPA and CBP have ongoing leadership roles to play to realise the potential of National Park status within the business community, and to facilitate delivery of the National Park aims through the business community. Going forward, CNPA and CBP need to work alongside each other, combining the strengths of each. The CBP brings particular strengths in delivery through the business community and the CNPA brings strengths in building and maintaining engagement among partners and setting a firm Park-wide context for work in the tourism and business sectors.
27. In practice this means working closely together to ensure that the skills and knowledge of both CNPA and CBP staff are deployed most effectively, in ways that are mutually supporting. For example, over the coming year CNPA is leading the renewal of the Sustainable Tourism Strategy in order to reapply for the European Charter status, and the CBP is leading the development of the marketing strategy for the National Park. These two workstreams are closely interlinked, and staff from CNPA and CBP are working together to ensure the projects connect at key points and take a co-ordinated approach to engaging stakeholders on both at the same time.
28. Looking ahead, we anticipate that the CBP will take the lead on delivering a number of outputs within the National Park Plan, where they are best delivered by the business community themselves. In the short-term these include marketing campaigns, customer satisfaction work, publications and development of the 'Park Aware' programme, in conjunction with CNPA staff. This delivery work will be in addition to the basic business services offered by the CBP to its membership.
29. CNPA will retain and build on our relationships with the specific geographical business groups, particularly the Royal Deeside and the Cairngorms DMO, Moray Tourism and Blair Atholl Tourism Group to help build their relationships with the Park and the CBP. Our focus should be to:
 - a) ensure effective co-operation and co-ordination between the CBP and any other business groups operating in and around the Park;
 - b) ensure efficient and co-ordinated use of public funds.
30. CNPA and CBP also have a particular role ahead to further develop relationships with other public bodies, notably the Enterprise Companies and Local Authorities. There is a clearer basis to pursue these discussions now that the CBP will be in operation and it is easier for both businesses and other partners to see the opportunities presented by the CBP for delivery or collaboration.

CNPA Support to CBP in 2010/11

31. The development of the CBP has reached a crucial milestone, but support from CNPA for both organisational development and project delivery is still required. During the transitional year we anticipate that CNPA support to help build the capacity of the organisation and see through the transition arrangements is still

required. Beyond this, the CBP model is designed to be self-sustaining, but we anticipate funding delivery of specific projects that contribute to the National Park Plan, alongside other funding partners.

32. Importantly, the financial contributions that CNPA can and will make to the CBP will always be only a small part of the total funding available through a variety of public funding partners and other sources which may seek to deliver outcomes in the National Park through the CBP. Continued development of these relationships and discussions on collective funding priorities is therefore a key part of the work ahead.
33. CNPA's support for the ongoing development of the CBP and delivery of Park-wide projects will be based on the following principles:
 - a) Delivery should be Park-wide;
 - b) Delivery must be contributing to the National Park Plan and associated strategies, for example the Sustainable Tourism Strategy;
 - c) The work of business organisations should be co-ordinated and collaborative – ie our funding is for Park-wide delivery, rather than individual organisations;
 - d) There must be broad-based public sector support for the partnership and its delivery.
34. In 2010/11, we anticipate our support for the CBP will be:
 - a) Loan of a full-time member of staff to work on organisational development and project management (currently in place until mid 2010);
 - b) Financial support for project delivery of National Park Plan outcomes.
35. The operational plan for 2010/11 allocates £40,000 within the programme 'Making Tourism and Business More Sustainable' for project delivery that contributes to the National Park Plan outcomes. Discussions on exactly which projects CNPA will contribute to in 2010/11 are ongoing as the CBP develop their operational plan, but we anticipate these will include marketing campaign work, further work on business and customer surveys, publications, Park Aware programme and food and drink actions.

Recommendation

36. **The Board is asked to agree the basis set out for future support and engagement with the Cairngorms Business Partnership.**

Policy Context

37. The development of the CBP and the projects it delivers are key to delivering outcomes in the National Park Plan, specifically:

Making Tourism and Business More Sustainable

- a) The visitor experience in the National Park will consistently exceed expectations and will drive repeat visits/more business opportunities. The Park will compare well against the rest of Scotland and other National Parks;
- b) There will be a more even distribution of visitor numbers throughout the year;
- c) A greater percentage of visitors will contribute to the conservation and enhancement of the Park;

- d) A greater percentage of businesses will meet the quality standards and environmental management criteria of the Park brand and achieve commercial advantage through its use.

Raising Awareness and Understanding of the Park

- a) More people across Scotland will be more aware of the National Park, what makes it special and the opportunities it offers them;
- b) More people who have visited the Park will have high quality experiences and will tell positive stories about the area.
- c) The CBP is helping to deliver the following Corporate Plan achievements –
 - i. Businesses within the Park provide a high quality, environmentally friendly service and benefit from using the Park brand;
 - ii. A voluntary contribution scheme for visitors is in place to collect funding for initiatives within the Park;
 - iii. A National Park web portal is in place and working effectively to meet customers/users needs;
 - iv. Cairngorms National Park is well signposted and promoted across Scotland.

Delivering Sustainability

- 38. The CBP enhances capacity to deliver the Sustainable Tourism Strategy.

Delivering A Park for All

- 39. The CBP will build in equalities commitments to its work on marketing and promotion of the National Park.

Delivering Economy, Effectiveness and Efficiency

- 40. The CBP directly improves the efficiency and effectiveness of the use of public funds in the Park, reducing the need for duplication of staff and administration among the business organisations, focusing more resource on delivery and reducing the number of bodies seeking funding for similar activities within the Park.

Implications

Financial Implications

- 41. The financial implications are addressed above. Funding and delivery of 2009/10 programme is in hand and a progress report was considered by Finance Committee on 19th February. Provision for 2010/11 support is contained within the draft operational plan.

Presentational Implications

- 42. The development of the CBP is a significant step forward in terms of the collective management of the National Park, and the opportunities for the business community to benefit from the Park and contribute to its direction. The promotion associated with the launch of the CBP will be led by the CBP, and there will be a significant level of work for the CBP to promote membership.

Implications for Stakeholders

- 43. For businesses in the Park there is now the opportunity to join the CBP from April. Now that the shape of the CBP is known, there are implications for a range of stakeholders including local business groups, funding partners and CNPA ourselves

to identify and adjust respective roles and engagement. This will take some time, certainly during the transitional year of 2010/11. For public bodies that are potential funding partners for project delivery, there are implications to consider in how best to co-ordinate and get best value from funds invested in the Park.

Next Steps

44. Detailed discussions on CBP operational plan 2010/11 and CNPA funding.
45. Launch of the CBP on 20th April.
46. Ongoing recruitment of members by CBP.
47. Ongoing engagement with partners by CNPA and CBP.

Hamish Trench

4th March 2010

hamishtrench@cairngorms.co.uk

ANNEX I

Timeline of key steps in development of the CBP

July 2008 – CNPA Board paper outlining support for DMOs and reporting on initiative by the Cairngorms Chamber of Commerce and DMOs to consider opportunities for more collaborative working. Initial Steering Group of business organisations formed in 2008.

December 2008 – Report by Jan Polley on options for a proposed Cairngorms Business Partnership.

January 2009 – CNPA Board paper reporting on proposed model developed by the steering group which would pool the costs and activities of participating organisations within a Cairngorms Business Partnership.

February 2009 – open meetings within business community to discuss proposals and provide mandate to progress discussions.

May 2009 – meeting of CBP steering group representatives with CNPA board members and staff to identify priority actions and discuss support for development of the CBP. Agreement to provide 2 days/week of Andrew Harper's time to support transition.

August 2009 – CBP Steering Group agreed outline project plan to progress the CBP establishment (with some members reserving their position for future decision).

September 2009 – CNPA board agreed package of financial support for 2009/10 delivery by the CBP Steering Group and constituent partners.

October 2009 – CNPA loaned a full-time member of staff to CBP for one year to progress organisational development and project management.

December 2009 – CNPA decision not to launch visitor web portal but to use CBP portal as the visitor site for the National Park while still providing a portal about other aspects of the National Park. RDCDMO decided not to participate in the CBP or to take part in joint projects with associated impacts on proposed funding package

January/February 2010 - Steering Group decisions on membership and benefits package and transition plan prepared. Ongoing project delivery for 2009/10 priorities and revision of budget to accommodate changes in funding partners; development of CBP operational plan 2010/11. Launch date of 20th April confirmed.

ANNEX 2 - Cairngorms Business Partnership CNPA Grant Claim Report January 2010

Introduction

1. This report provides an update on progress with the 2009/2010 Delivery Programme for the Cairngorms Business Partnership (CBP). Annex 1 of the report shows all expenditure for this claim period. It also details anticipated expenditure required prior to the next grant claim on 19th March 2010. This report was compiled for submission in December 2009, however, due to a number of issues (outlined below), it was agreed with the CNPA that the claim be delayed until January 2010. The report has been revised accordingly.

Development of the CBP

2. A third party supplier was contracted to develop proposals for the structure, membership and benefits of the CBP. This has been the subject of discussion and debate by the CBP Steering Group. Revised proposals, including a proposed fee structure will be taken to the Steering group for approval on 21 January. Potential CBP members will then receive a newsletter updating them on progress with the Business Partnership and project delivery.
3. The Royal Deeside and the Cairngorms Destination Management Organisation (RDCDMO) have indicated that they do not wish to become involved with the CBP at this stage. The CBP Steering Group and Cairngorms Chamber of Commerce has subsequently been in talks with representatives of the Ballater Business Association who have indicated a strong desire to be involved in the CBP and related projects. Further work will be undertaken with Deeside businesses and associated organisations to ensure that their interests are represented on the CBP Steering Group and ongoing projects.
4. Discussions are ongoing with the CNPA to enable development of an Operational Plan for the CBP for the year 2010/11.

Partner Funding Contribution

5. In addition to work on each of the projects, a great deal of work has been done over the past month on agreeing funding packages for each of the projects. Highland Council has agreed £6,000 funding in principle towards three of the six projects. These include the Business Barometer, Customer Feedback and Park Aware.
6. Scottish Enterprise and Aberdeenshire Council had agreed to commit funding to those projects that the RDCDMO wish to be involved in. Due to the recent RDCDMO decision not to become involved in the CBP or related projects, however, this funding is no longer available.
7. Discussions have been ongoing with the CNPA and budgets revised to ensure that projects can still be delivered. The original budget for the six projects totalled £124,000. This has now been reduced to £94,045 and projects have been adapted accordingly. A revised budget for the 6 projects can be viewed in Annex 2.

Project Progress Report

Project - Business Conference

8. The Cairngorms Business Conference took place on 4 November 2009. A progress report was given in the previous grant claim on 11 November. Since that time the Conference Report has been compiled and circulated and can be viewed in Annex 3 of this report.

Project - Business Barometer

9. The Business Barometer went Park-wide on 1st October. A progress report was given in the previous grant claim on 11th November. Since that time a summary report of the findings has been sent out to all respondents, the Cairngorms Chamber of Commerce, Royal Deeside and the Cairngorms Destination Management Organisation, Aviemore and the Cairngorms Destination Management Organisation, Glenlivet and the Cairngorms and the Angus Glens. The report can be viewed in Annex 4 of this report.
10. The second Park-wide Barometer went live on the 5th of January and closed on the 18th of January. The total number of responses is shown in the table below:

Business Barometer Responses January 2010				
Area	Total No. Businesses Invited to Input	No. of Respondents	% of businesses responding	% of TOTAL responses
Angus	21	4	19%	5%
Badenoch & Strathspey	372	54	15%	68%
Deeside	106	18	17%	23%
Glenlivet	18	3	17%	4%
Total	517	79	15%	100%

11. Whilst the total number of responses is down on the last Barometer, it is encouraging when taking into account how busy businesses have been with the recent snow. The CBP is therefore very happy with this response rate at this time. The details of the responses are now undergoing analysis and will be reported in due course. Discussions have commenced regarding the further development of the barometer to make it more relevant to businesses operating out with the tourism sector.

Project - Marketing Framework

12. Prior to the decision of the RDCDMO to withdraw from CBP projects, a Project Brief for the Marketing Framework and Campaign Plan was approved by funding partners and the Steering Group. A Supplier Brief was sent out to an agreed list of suppliers, and four tenders received. A robust scoring process was undertaken and a supplier has been identified. It has subsequently been agreed with the CNPA that elements of the project be delayed to enable the stakeholder engagement and consultation for the project to be brought in line with the review of the Sustainable

Tourism Strategy. A revised timetable and brief for the project is now being compiled in conjunction with the CNPA.

13. The Marketing Framework and Campaign Plan which will cover the period 2011-2013 will therefore not be in place by April 2010 as previously agreed. It is anticipated that this project will be complete by October 2010 at which time CBP will be working with funding partners and marketing opportunities to work towards delivery of the campaign plan in 2011.
14. It has been agreed that the design and style element of the marketing work be carried out at an early stage in the project. This design and style work will inform the look and feel of the website which will be in place by 1st April 2010.

Project - Visitor Website

15. CBP have been working closely with the CNPA to identify an agreed approach to the development of a visitor website. This website will sit alongside wider work being carried out by the CNPA on a web portal for the Park. A Project Brief was compiled for the Visitor Website and a detailed project plan developed which is closely linked to the marketing framework.
16. Due to issues arising in relation to project budgets the CBP have been in discussion with CNPA to identify potential solutions. An approach has been agreed that will enable the website to be delivered at a much reduced budget and within the timescales required. A revised Project Brief is now being compiled and will be submitted to the CNPA for approval.

Project – Customer Satisfaction/Feedback Survey

17. Due to ongoing discussions with funders it was unclear for a time as to whether or not this project could be taken forward. The scope and range of delivery of this project is currently being reviewed due to re-alignment of budgets. Discussions have now re-commenced with the preferred supplier. This project is also considered to be a membership benefit for the CBP. A Project Brief will be developed for this project in February and submitted to funders for approval.

Project - Park Aware

18. This project has not yet been developed. It has been identified, however, that there is potential to take it forward through a variety of mechanisms. This has been discussed within recent operational planning meetings and has been factored in to planning for the ATTA World Summit in October in relation to local businesses and activity providers. This is expected to influence future delivery of this project.

Sandra Middleton
On behalf of Cairngorms Business Partnership
sandra.j.middleton@gmail.com
Tel. 01479 810200
Inverdrue House, Inverdrue, Aviemore, PH22 1QH

20 January 2010