
CAIRNGORMS NATIONAL PARK AUTHORITY

FOR INFORMATION

Title: Cairngorms Business Partnership – Progress Update

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(Followed by a presentation from Alan Rankin, CBP CEO)

Purpose

To update members on the progress and activities of the Cairngorms Business Partnership.

Executive Summary

The CBP was launched formally on 20 April 2010. This was a significant milestone in the development of a collaborative business organisation for the Park that has been driven by the existing business organisations for several years.

The CBP has been concentrating on delivering direct business benefit for its members through a programme of activity based on: marketing and promotion; destination development; and, advocacy. Key projects include a Park-wide visitor website and marketing strategy as well as major event support and ongoing business and customer surveys. Project work is overseen by an interim board and several steering groups.

The merger of the memberships, activities and staffing of the Cairngorms Chamber of Commerce and Aviemore and the Cairngorms Destination Management Organisation (ACDMO) is providing greater clarity and more efficient and effective use of resources. Cairngorms Hostels are close to joining fully as a third founder member and other business organisations are engaging to different degrees according to their own circumstances and wishes. The CBP is actively recruiting new individual business members and has a current membership base of 280.

The collaborative model that the CBP is based on (between private sector groups and between the private and public sector) is a novel one that has generated much external interest. However, there still remains much to be done, particularly to better align public sector support, to ensure the longer term viability of the CBP and to unlock the full economic potential of the National Park.

CAIRNGORMS BUSINESS PARTNERSHIP – PROGRESS UPDATE FOR INFORMATION

Introduction

1. The development of the (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 continues to be a priority for CNPA.
2. The work thus far, particularly among the business organisations involved, has been very significant and arguably more complex than initially anticipated. This reflects the scale 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. Whilst some difficulties remain there has been real progress and it has been worthwhile to take time to develop a model that businesses believe can be sustained.
3. As the CBP are now half way through delivery of their first business plan, this paper and subsequent presentation seeks to bring board members up to date with the development of the CBP and highlight progress with key project activity.

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 (and increasing awareness of the Park);
 - b) enhancing the visitor experience in the Park;
 - c) enhancing the use and benefit of the brand;
 - d) 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. 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 thereby compounding the fragmentation. The ability to achieve the vision for the Park will require 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. In 2009 a Steering Group of representatives of existing business organisations tasked with exploring options for a collaborative approach 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 fully supported the

development and practical establishment of this concept 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. The CBP was 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. 2010/11 is an interim year leading to the formal establishment of the CBP as a company limited by guarantee in April 2011.
8. The principal strands during this interim year have been:
- a) The Cairngorms Chamber of Commerce (CCC) and ACDMO merged their memberships, activities, assets, liabilities and staffing into the CBP. ACDMO and CCC continue to exist as legal entities during the interim period, but have been operating under the banner of the CBP.
 - b) Cairngorms Hostels are (as at November 2010) at an advanced stage of discussion to become the third full founder member by April 2011.
 - c) The CBP has been actively recruiting new members (beyond those transferred through the organisations above) since April 2010 and a new membership and benefits package is currently being finalised.
9. An interim CBP board and staffing structure is in place and is responsible for delivering the CBP's 2010/11 operational plan and future development. CNPA have an 'observer' seat on the interim CBP Board and are fully engaged in project activities and certain key steering groups. Key regional and sectoral business groups that also have formal representation on the interim board include: CC, ACDMO, RDCDMO, Tomintoul and Glenlivet Highland Holidays, Cairngorms Hostels, Creative Cairngorms, Cairngorms Farmers Market and Outdoor Angus.
10. Whilst driving direct individual business membership is a priority strong links are being maintained or established with other local and regional business groupings. Highland Perthshire DMO and Speyside and Moray Coast DMO are two such geographically overlapping groups where discussions are ongoing to establish areas for mutual benefit and collaboration.
11. Royal Deeside and the Cairngorms DMO (RDCDMO) is a key partner for the CBP where further collaboration is needed and although they chose to operate independently they are attending interim CBP Board meetings in a formal and full capacity with the ability to influence and shape future work. The CBP interim Board and project steering groups retain representation from business interests in Deeside. Local Business Associations from across the Park including Deeside, Highland Perthshire, Glenshee and East Perthshire are engaged with the CBP to explore options for their members.
12. It is understandable that certain groups are not yet fully engaged as many have a focus that is centred outside the Park although any overlap will inevitably lead to

inefficiencies with resources (both private and public) and can confuse the visitor or customer. RDCDMO for example has 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 geographical area looking towards Aberdeen (they receive significant funding from Scottish Enterprise and Aberdeenshire Council). 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 continue to 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.

13. The opportunity exists for any business across the Park to join the CBP, whether a member of another DMO or not. This is a straightforward business choice and many may choose to become members of different organisations as they offer different benefits and opportunities.

The Role of CNPA, CBP and Partners

14. 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 (the key reason for supporting the concept). 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.
15. 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. Maintaining the links and connections between the CNPA-led work associated with the renewal of the Sustainable Tourism Strategy with the CBP-led work developing a marketing strategy for the National Park is a good example of where closer collaboration is paying dividends.
16. In the short-term the CBP are leading on key business focussed activity such as marketing campaigns, website development, 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 support and advocacy services offered by the CBP to its membership.
17. CNPA will retain and build on our relationships with the specific geographical business groups and key public sector partners with a focus on ensuring effective co-operation and co-ordination between them and the CBP and ensuring efficient and co-ordinated use of public funds. The overlapping nature of DMO areas in the Park makes this even more challenging but some of the early work with the new Moray DMO suggests that there is scope for joint working on certain activity.

Current CNPA Support to CBP

18. 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. Since October 2009 CNPA has also provided support through the loan of a full-time member of staff to the CBP. The staff loan is in place until March 2011 and discussions with partners about succession arrangements are ongoing.
19. In March 2010 the Board approved a package of £40,000 for the 2010/11 financial year as support for the project delivery of National Park Plan outcomes. The CNPA is the major public sector funder. Additional financial support is provided by Highlands & Island Enterprise with further business support as an account managed business. Highland Council has provided smaller contribution in previous years. Scottish Enterprise and other local authorities provide no funding support to the CBP but do fund other DMOs.
20. The CBP have three main sources of income: membership fees; advertising and sales revenue; and, public grant funding, both core and project. Current CNPA funds are allocated to project activity only. The CBP assess that they could sustain the organisation without public grant funds but this would severely restrict their ability to deliver project activity.

2010/11 Business Plan Activity

21. Alan Rankin will present a short update on CBP activity thus far, and a formal report on progress for the year will be provided in March 2011. CNPA financial support for 2010/11 was based on delivery of the following Park-wide projects (although note that these are only part of the wider CBP business plan):
 - a) Marketing Framework and associated marketing activity.
 - b) Visitor website development.
 - c) Business Barometer.
 - d) Customer Satisfaction surveys (DOVE).
 - e) Annual Business Conference.
22. Other specific Park related project activity to note is the development of a local produce guide for visitors, key partnership work to deliver the hugely successful Adventure Travel World Summit in Aviemore and the establishment of a new (part LEADER funded) events coordinator for the Park.
23. In addition, the secondment of a full time member of staff from CNPA has provided significant extra staff support to help drive forward organisational development, area relationship building and project management expertise for key activities.

Future CNPA Support to CBP

24. The development of the CBP is progressing well, but support from CNPA for both organisational development and project delivery will still be required during these early stages, both to consolidate capacity and enable key project activity. In the longer term the CBP model is designed to be self-sustaining, with a strong membership base at its heart, but we anticipate further future funding for delivery of specific projects that contribute to the National Park Plan, alongside other funding partners.

25. Importantly, the financial contributions from CNPA should 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.
26. CNPA's support for the ongoing development of the CBP and delivery of Park-wide projects will, as with previous years, remain 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.
27. Discussions are ongoing between CNPA and CBP (and with other partners) on future project activity and likely levels of support. Implementing the marketing plan will be one key activity that requires significant funding. A separate paper will be presented to the Board in early 2011 to seek direction on future support arrangements.

Policy Context

28. 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

29. The CBP enhances capacity to deliver the Sustainable Tourism Strategy.

Delivering A Park for All

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

Delivering Economy, Effectiveness and Efficiency

31. 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

32. The financial implications are addressed above. Provision for 2010/11 support was agreed at the 19 March 2010 CNPA Board meeting.

Presentational Implications

33. The development of the CBP is a significant step forward in terms of the collective management of the National Park, and as a key opportunity for wider economic and social benefits. Much interest has already been generated and it is anticipated that the new marketing campaign for 2011-13 will further raise the profile for the CBP and the Park. Strong connections are maintained with the CNPA communications team.

Implications for Stakeholders

34. 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. This is particularly important given the current public funding situation.

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