



# Carlisle City Council

## Report to Economic Growth Scrutiny Panel

### Report details

Meeting Date:	20 January 2022
Portfolio:	Economy, Enterprise and Housing
Key Decision:	No
Policy and Budget Framework	No
Public / Private	Public
Title:	Economic Strategy and the Visitor Economy
Report of:	Corporate Director of Economic Development
Report Number:	ED44/21

### Purpose / Summary:

The purpose of the report is to provide an outline of the Council's recently adopted economic strategy, with a specific focus on the objectives and actions in relation to the promotion of the visitor economy and the development of the tourism market within the Carlisle District. It then gives an overview of the two key workstreams which are to (a) develop a marketing and events strategy and (b) capitalise on the opportunities presented by the England's Originals Consortia, to develop and grow domestic and international visitor numbers

### Recommendations:

Members are asked to consider the report, note its contents and provide views and comments.

### Tracking

Executive:	
Scrutiny:	20 January 2022
Council:	

## **1. INTRODUCTION**

- 1.1 The production of the recently adopted economic strategy for the Carlisle District has very much been evidence-led in order to ensure that it has been developed to respond to local needs and opportunities. Up-to-date data has been used to ensure that the approach is pertinent to the current economic climate and challenges.
- 1.2 The Strategy also takes account of existing economic development strategies developed on a wider geographical scale relevant to the District including the Borderlands Inclusive Growth Deal and the Cumbria Local Industrial Strategy. The recently produced Carlisle Town Investment Plan has also informed the approach.

## **2. BACKGROUND**

- 2.1 The first stage in the production of the Strategy involved the collation of a comprehensive evidence base document. This included data on the entire district of Carlisle (as well as, where relevant exploring differences between the rural and urban areas) under the following headings:
  - Population
  - Economy
  - Place
  - Transport
  - Digital Infrastructure and connectivity
  - Environmental sustainability and low carbon
- 2.2 Members will also be aware of the City Centre Action Plan and Investment Framework that has recently been produced that focuses on the effects of Covid-19. This has had a major bearing on the development of the Strategy in terms of the emergent challenge of driving the recovery and renewal of the City Centre and the wider local economy.

## **3. STRATEGY – CHALLENGES FACING CARLISLE**

### **CHALLENGE 1 - DECLINING WORKING AGE POPULATION**

- 3.1 Carlisle in line with Cumbria and the wider Borderlands area has a declining working age population. Between 2011-2019, there has been decline of 18% in the 16-24 age group and a decline of 8% in the 25-49 group. These statistics indicate that there is a need to improve the offer for young people in the city.
- 3.2 If this trend continues, it will have significant impacts on the provision of services and the local economy: creating dual problems of a lack of available and skilled labour

force and an increased number of people reliant on key services including health and social care.

#### CHALLENGE 2 - LOW SKILL LOW WAGE ECONOMY

- 3.5 Carlisle has a high number of people concentrated in low skilled low wage sectors, such as retail, which accounts for nearly 20% of all employment. The District has a relatively low skilled population, with only 28% holding NVQ4+ qualifications compared to 33% for Cumbria and 40% nationally. Alongside this, earnings in Carlisle are below that of both Cumbria and England, with a median annual salary of £20,929, compared with £24,003 and £25,118 for Cumbria and England respectively.
- 3.6 This influences the low productivity of the city, with the average GVA per worker in Carlisle 90% of England average, 92% of North West average. Low productivity and low skills base results in difficulty attracting high value sector employers to invest in Carlisle, while local employers regularly cite difficulty in recruiting skilled workers in the city. This is an impediment to local economic growth for both communities and businesses.

#### CHALLENGE 3 - LACK OF CITY CENTRE VIBRANCY

- 3.7 While the city centre has a strong sense of place, there is evidence that it lacks the vibrancy necessary to perform to its full potential as a regional hub. The city centre economy currently relies heavily on its retail offer and this makes Carlisle highly vulnerable to fluctuations and further contraction of the retail sector. Only 8% of businesses in the city centre retail core contribute to the evening economy this means that city centre vibrancy is significantly reduced after 5pm. Only 4,250 people live in the city centre area and the absence of a residential community contributes significantly to the lack of evening activity.
- 3.8 Carlisle has a relatively weak visitor sector when compared to other small cathedral cities, such as York, Norwich and Lincoln. Between Carlisle 241,000 visitor trips, against 356,000 in Lincoln, 633,000 in Norwich and 1.24 million in York. Despite its beautiful location and strong heritage offer, Carlisle is clearly underperforming as a visitor destination.
- 3.9 Improving vitality and viability of the city centre - through the diversification of uses and improving the residential, leisure and culture offer - is therefore a priority. Without intervention and a focussed strategy, the city centre will experience an accelerated decline in footfall and increased vacancy rates. This would have a significant impact on the Carlisle's role as a regional economic hub and the strength of the local economy.

#### CHALLENGE 4 - INCONSISTENT PROVISION OF GOOD DIGITAL AND TRANSPORT CONNECTIVITY

- 3.10 Public transport provision throughout the district is generally considered (as with many rural districts) inconsistent, with infrequent bus services to the city, particularly in remote rural areas. Bus journeys are also consistently longer than comparative journeys by car, and most junctions prioritise motor vehicles above both pedestrians and cyclists. Consequently, over 60% of travel-to-work journeys to Carlisle city centre are made by car. There is a lack of integrated walking and cycling routes into and out of the city, and particularly a lack of cycle routes into the city centre, which further entrenches vehicular dominance and discourages healthy and active lifestyles.
- 3.11 Only 46.2% of people have access to superfast broadband in the Carlisle District, compared to 95% nationally. The inferior digital infrastructure and connectivity makes the businesses, residents and education centres across Carlisle less resilient to the shocks caused by the COVID 19 pandemic.

#### **4 IDENTIFICATION OF PRIORITIES**

- 4.1 The overarching economic development objective is population and employment growth. In order to achieve this, there are five key building blocks:
1. Housing offer – quality, mix and affordability
  2. Business space – quality / flexible that caters for a broad range of sectors
  3. Connectivity – excellent / reliable digital and transport infrastructure
  4. Environment – high quality built / natural environment
  5. City Centre – a vibrant city centre that provides range of uses / experience
- 4.2 In order to achieve our growth agenda and meet our climate change obligations, this growth (and the five key building blocks) must be delivered in a way that is clean, inclusive and sustainable. This would ensure our strategy provides opportunities for all our communities, increases prosperity across the board, while also ensuring we imbed sustainability at the heart of our growth agenda, to support Carlisle in becoming a net-zero carbon city.
- 4.3 Drawing on the evidence of needs, challenges assets and opportunities, the below priorities have been identified for the Economic Strategy, along with key actions for delivery.

##### **PRIORITY 1- DRIVING HOUSING AND POPULATION GROWTH**

- 4.4 To increase its role as the Capital of the Borderlands, and to ensure Carlisle maintains its labour force, Carlisle needs to grow its population through housing led growth.

##### **PRIORITY 2 – GROW OUR TARGET EMPLOYMENT SECTORS AND LEVEL UP OUR SKILLS BASE AND PRODUCTIVITY**

- 4.5 To boost the local economy, make Carlisle a more attractive place investment and ultimately, ensure more prosperous city, with greater opportunities for our residents, Carlisle, in line with the wider Borderlands region, needs to address its skills and productivity deficit.

#### PRIORITY 3 - INCREASING CITY CENTRE VIBRANCY

- 4.6 For Carlisle to be an attractive place to live, work and visit, the city centre needs to perform well as the local hub for cultural, leisure and economic activity. This means it needs to diversify and reduce its reliance on retail and become more multifunctional.

#### PRIORITY 4 - ENHANCING DIGITAL AND TRANSPORT CONNECTIVITY

- 4.7 To ensure local communities are not left behind and growth is both inclusive sustainable, both transport and digital connectivity needs to be improved in the city.

#### PRIORITY 5 - SUPPORTING RURAL DEVELOPMENT AND INNOVATION

- 4.8 Around 30% of the population of the Carlisle District is classed as rural and therefore, the economic development agenda must also include initiatives that provide benefits our rural communities.

#### PRIORITY 6: PROMOTING CARLISLE AS A PLACE TO LIVE, WORK AND VISIT

- 4.9 In order to drive economic growth, Carlisle needs to be promoted as a place to live, work and visit by capitalising on our assets, including our position as the Capital of the Borderlands, our rich heritage and exceptional natural assets.

### **5 ECONOMIC STRATEGY PRIORITY 6 – VISITOR ECONOMY FOCUS**

- 5.1 In order to promote Carlisle is a place to visit, the opportunity to grow its visitor economy must be captured. It has a strong cultural and heritage offer, surrounded by high quality countryside, with a huge catchment area and potential market on its doorstep. The challenge is to bring all this together, to develop an identity, which distinguishes it from its competitors as a visitor destination - and identify and deliver improvements needed in visitor experiences, products and events and infrastructure.
- 5.2 However, in order to fulfil its market potential the city must respond to the challenge of new visitor expectations. It would benefit from a greater range of accommodation, a more distinctive retail offer, and a greater number and range of quality places to eat, as well as improved public realm.
- 5.3 The objective within the Economic Strategy with regards to the visitor economy is

- To grow our visitor economy and ensure that Carlisle's strong potential as a tourist destination is realised, through providing an enhanced visitor experience with new attractions and increased vibrancy, whilst continuing work to promote the city through the Discover Carlisle brand

5.4 The key actions within this objective are:

- 1 Develop a marketing and events strategy for the City to promote a strong and coherent image of Carlisle to a national and international audience
- 2 Capitalise on the opportunities presented by the England's Originals consortia to develop and grow domestic and international visitor numbers.

## **6. MARKETING AND EVENTS STRATEGY**

### **Marketing**

- 6.1 Since the approval of the Economic Strategy by Council in September 2021, work has commenced on the development of a marketing strategy and prospectus for the city. Driving this work is the attendance by the Council at the forthcoming UK's Real Estate, Investment and Infrastructure Forum (UKREiiF) in May 2022, which is to be held in Leeds. The purpose of the event is to connect the public sector, investors and developers to unlock inclusive economic growth and provide a platform for the public sector to showcase investment opportunities.
- 6.2 This is the first major event that the Council has signed up to exhibit at since the successful securing of over £100m investment from the Borderlands Inclusive Growth Deal, Future High Streets Fund and Town Deal. With a strong pipeline of projects for the city, the UKREiiF event is a good opportunity to showcase the important role of Carlisle as the city of the cross-border Borderlands region.
- 6.3 The Regeneration and Planning Policy teams within the Economic Development directorate are currently working with the Policy and Communications team on the preparation and production of the display and marketing material for the event. Drafts of these will be brought to a subsequent scrutiny panel meeting for consideration and feedback prior to finalisation.

### **Events**

- 6.4 A pilot event, City of Lights was held in February 2020. The event was based at Carlisle Cathedral and featured an immersive sound and light experience for visitors. The event was ticketed and completely sold out. An economic impact assessment was carried out during the event which demonstrated that the event had contributed £166,000 into the local economy.

- 6.5 It was decided that City of Lights should become an annual event. Due to the COVID pandemic, the event was not able to go ahead in February 2021. It was postponed until October 2021. Due to the possibility of COVID restrictions the event was moved outdoor but was grown to include Carlisle Cathedral, Tullie House Museum and Carlisle Castle. Again, the event was a huge success and has grown into one of regional and national significance.
- 6.6 In order to maximise the benefits of the work completed as part of the City of Lights event, the strategy for events has been developed. This is primarily focussed on the installation of infrastructure and public realm improvements with city centre to improve the quality of the events and the visitor experience. Two projects have been developed on the basis of this strategy:
- Lighting up Carlisle has been developed that involves permanently lighting key historic landmarks in the city with low energy dynamic lighting schemes that will be funded through the Carlisle Town Deal. The project will support the evening and night time economy by providing attractions in the city centre after business hours, making the city centre alive after 5pm. The lighting schemes will provide unique ‘instagrammable’ moments for residents and visitors and make Carlisle more attractive as a visitor destination. Schemes can be themed to coincide with events of national significance in the same way that the Citadel buildings and Civic Centre heart does now.
  - Market Square (incorporating the Green Market and the Old Town Hall area) is the most substantial public space in the city centre, spanning 6,000 square metres. The project will improve the infrastructure and public realm of the square and provide enabling infrastructure to host temporary or pop-up events, funded through the Future High Streets Fund. This will allow the space to be better utilised and become more of a focal point for residents and visitors alike.

## **7. ENGLAND’S HISTORIC CITIES CONSORTIA**

- 7.1 Carlisle is a member of this group which meets regularly to share best practice and jointly address issues of common interest. The consortia have delivered projects together since 2015. In 2016 the Consortia bid for Discover England Fund grant to support a project to develop and deliver augmented reality products which would provide the tools to enable the historic cities to promote their offer to the trade and international visitors.
- 7.2 The project has delivered fresh content in the form of narrative, photography, videos and an augmented reality App all collated on the England Originals website hosted by Visit England. The digital products were further developed and enhanced through additional funding from Discover England during 2017 to 2021 inclusive.

7.3 The outputs and outcomes from this programme of projects include:

#### **Outputs delivered**

- 16 destinations packaged
- 5 pre-defined itineraries produced plus itineraries developed by tour operators
- 1 resource hub launched
- 1 itinerary planning tool launched
- 140 new stories
- 80 augmented reality assets
- 5 new videos
- 1 awareness raising consumer campaign launched
- 1 tactical campaign planned and launched
- 1 media partnership secured (Wanderlust Chloe)
- 1 US roadshow completed
- 2 trade exhibitions (WTM/DBNA) attended
- Launch & London Showcase delivered
- 1 press trip complete
- 1 micro site developed and live
- 1 training programme developed
- 123 people trained
- 186 businesses engaged in marketing activity
- 6 experience days delivered

#### **Outcomes**

- 17,000 visits to micro website ([visitlondon.com/englandoriginals](http://visitlondon.com/englandoriginals))
- App installed 11,587 times
- 5 travel trade partners promoting England Originals – DMCs = ASA, ACTours and Active England, tour operators = Golden Tours and GCS
- 10 consumer facing articles in US media published

7.4 Activity has continued throughout 2021 with a programme of engagement with the travel trade and the delivery of cross marketing by each of the consortia cities to jointly promote each other to the visitor. Carlisle's approach is to continue this engagement to capitalise on the opportunities provided by the England Originals project's output and outcomes.

## **8. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

8.1 This report has outlined that Carlisle possesses the assets and therefore, the opportunity to grow its tourism potential and visitor economy. However, there are structural weaknesses that need to be addressed and overcome in order to achieve this.



- 8.2 The key challenge is to bring all these assets and strengths together, to develop an identity, which distinguishes it from its competitors as a visitor destination and also deliver the improvements needed in visitor experiences, products and events and infrastructure. Perhaps most critically, the city must respond to the challenge of new visitor expectations.
- 8.3 The Council has set out a strategic framework, via the Economic Strategy, to address these issues and has begun to implement the identified actions in terms of developing a marketing and events strategy and capitalising on the opportunities presented by the England's Originals consortia to develop and grow domestic and international visitor numbers.
- 8.4 On this basis, Members are asked to consider the report, note its contents and provide views and comments.

## **9 Contribution to the Carlisle Plan Priorities**

- 9.1 The successful implementation of the marketing and events strategy will support the delivery of the vision set out in the Carlisle Plan, which is to enable Carlisle to grow and prosper as the capital of the Borderlands region.
- 9.2 The development and growth of the tourist and visitor economy will contribute directly to the priority of delivering inclusive and sustainable economic growth, by increasing visitor spend and making Carlisle a more attractive place for investment.

### **Contact details:**

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### **Appendices attached to report:**

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Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

### **Corporate Implications:**

Legal – The projects and initiatives outlined in this report will require input from legal services to ensure that compliance is met with grant funding conditions and any legal documentation is in place.

Property Services – No property implications

Finance - The Council holds base budgets to be utilised for improving City Centre vibrancy and visitor numbers and has been successful in receiving Town Deal funding that will incorporate projects to improve this area.

Equality - None

Information Governance -