

# Sustainable Tourism Strategy

## Ro-innleachd Turasachd Seasmhach

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**Consultation Draft**



**May 2024**



The tourism industry has seen incredible growth and has huge impacts on the economy, our communities, and the environment. I am therefore delighted to present this draft Sustainable Tourism Strategy for public comment. I place great value on collaboration and inclusion and with tourism being ‘everyone’s business’ it is essential we work together with industry, tourism bodies, partner agencies and the wider public to develop a clear plan for creating the conditions for a sustainable and thriving tourism sector.

We need to consider the opportunities that will be made possible with the introduction of the Visitor Levy, and also the need for us all to maximise our energy and resources, to drive positive change that will safeguard this growing sector for the future.

The draft strategy has been prepared over recent months, taking account of the wider policy landscape that exists and a detailed assessment of the market. It has also been shaped by a programme of extensive engagement carried out with Council services which explored their role within the visitor economy, the challenges faced and the future opportunities which lie ahead. This was followed by a constructive Members workshop which looked at the Council’s ambition and how best to prioritise its resource over the next 10 years.

As we now look for the strategy to be informed by a collaborative approach with tourism industry representatives, public agencies, and communities, I would encourage everyone who has an interest in the future of tourism in Highland to get involved and share your views.”



Cllr Ken Gowans

Vice Convener, The Highland Council

Chair Economy and Infrastructure

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**The growth of tourism in Highland over recent times has been remarkable. It now attracts over 7 million visitors each year and is recognised as one of the most desirable visitor destinations in the UK with visitors coming to enjoy the vast and varied landscapes and our unique cultural heritage. With a resident population of only 240,000 in Highland, the growth in the industry gives rise to a wide range of opportunities and challenges. On one hand, it a cornerstone of our economy, employing 25,000 people in every part of Highland and helping to sustain our communities. Yet, welcoming so many visitors puts huge pressure on certain areas and our basic infrastructure and services and requires significant investment and strong partnership working. As the local authority, The Highland Council has a pivotal role to play in delivering this and helping to shape the tourism sector so it is sustainable and a positive force for our communities, environment and the economy.**

## **Purpose of strategy**

The purpose of this strategy is to set out and better coordinate the wide range of activities which The Highland Council provides in support of a sustainable and thriving tourism industry. It sets out our vision and priorities for the tourism sector in Highland, and how the Council will focus on activities which help to achieve these and best support the industry with the many opportunities and challenges it faces. The strategy will shape how the Council invests its resources, including future income streams such as the visitor levy and any external funds which can be secured.

## **Process of preparation**

The preparation of this draft strategy has involved a review of the existing policy context within which it will sit and an assessment of various sources of information and data on the state of the industry and predications for how it may change over the coming years.

# 1 Introduction

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Alongside this, a series of individual engagement sessions were carried out with almost 20 different services within the Council who play a role within the visitor economy – whether that be dedicated or supportive services. Each service was asked about its existing role; the challenges it faces; the opportunities which could exist to improve the way it operates and/or the way it serves the visitor economy; and the obstacles needed to overcome to deliver that change. The draft strategy has also been informed by a Members workshop which considered the opportunities and challenges faced, the ambition and priorities for the future of the visitor economy and the role of the Council.

This draft strategy has now been published for public consultation to hear the views of communities, businesses and partners. During the consultation period, the Council will also hold dedicated workshops with key industry representatives and public sector partners to discuss issues and priorities collectively. The results of these will help shape the final strategy which will be presented to the Economy and Infrastructure Committee later this year.

## Question 1

**What is your relationship to Highland?**

### Industry position

#### Positive travel trends

- **Visitor numbers** - Highland has seen significant growth over recent years, with the total number of visitors increasing from 5.2 million in 2011 to 7.5 million in 2019, an increase of 44%. Visitor number rebounded post-pandemic with nearly 7 million in 2022 and potential a record year in 2023 which figures are released soon.
- **Economic impact** – The amount of spend increased from £907 million in 2011 to £1.628 billion in 2022, an increase of 79.6% in relative terms and 30% when taking account of inflation.
- **Employment** – The number of people in Highland directly employed within tourism has risen from 20,700 in 2011 25,000 in 2019, up 20.5%.
- **Domestic tourism** – Whilst the cost-of-living crisis and other factors are affecting consumer decisions, there is still strong domestic demand and the Highlands remains a popular destination, particularly with more affluent visitors.
- **International market** - Tourism is currently outperforming the wider global economy, with consumers prioritising – and prepared to pay a premium for – personalised, authentic holiday experiences. As such, our rich heritage, culture and landscape continues to draw tourists from across the UK and internationally.

#### Lead drivers

- **Culture and heritage** – The distinct cultural heritage of the Highlands and Islands (from traditional music to the Gaelic language, Highland Games to the Highland clearances) is known across the world and is one of the most significant reasons for people to visit the region.
- **Landscape and adventure** – whether it is to experience the rugged mountains, paddle down the rivers and lochs or sail the wild coasts, the landscape and natural environment is the backdrop for many visitors and the source for their adventures.

## 2 Strategic Context

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- **Food and drink** – Businesses across Highland produce a wide range of high-quality food and drink, and benefit from a strong competitive advantage associated to place, people and provenance.
- **Screen tourism** – Set jetting is a booming travel trend and the huge growth of the film industry in recent years, coupled with the success of promoting Highland as a filming location, has been a powerful tool in attracting visitors to the region.

### Big opportunities ahead

- **Size of the market** – With the scale and rich diversity of the Highland market and such strong travel trends, it offers huge economic potential for existing businesses and inward investment in the sector, with particular opportunities in high quality, cultural and authentic experiences.
- **Responsible tourism** – As tourists become increasingly socially and environmentally conscious, there is a huge opportunity (and need) for locations such as Highland, which are known for their natural beauty, to be at the forefront of this change.
- **Enhancing hotspots and unlocking potential** - There are hot spot areas, such as Skye and Lochaber where opportunity exists to improve the overall visitor offer, extend the season and derive more spend. Whereas lesser-known places such as parts of the east coast remain largely underdeveloped from a tourism perspective when considering the local assets and capacity.

### Strong headwinds

- **Skills and workforce** – A skills and workforce shortage has emerged in recent years within the tourism and hospitality industry. Highland has been especially vulnerable due to the demographic challenges we face, the lack of available and affordable housing and the rural nature of the region. It now poses a major threat to the growth of the sector.
- **Cost of living and operating costs** – The economy has been hit hard by rising inflation, the cost of finance, increased energy costs, tight labour market, and subdued economic performance. This has caused a cost-of-living crisis which has impacted consumer behaviour



and a corresponding escalation of operating costs which is affecting the viability of many businesses and public sector service provision.

- **Competitive industry** – Consumer behaviour is changing particularly because of digital and technological advances. The expectations of visitors globally are increasing and there is a greater focus on value for money, with the travel landscape overall becoming more competitive.

### Policy context

This tourism strategy does not sit in isolation but has been designed to align with the wider policy context. At a Scotland level, the national tourism strategy 'Scotland Outlook 2030' was created collaboratively between representatives from the public and private sector in 2019 and sets out the framework for us all to follow. This set of commitments to deliver a sustainable future:

- tourism will make a full contribution to the national net-zero target by 2045.

At a regional level, the Council's programme sets out our vision and key strategic priorities for the next five years. The tourism and hospitality sectors are recognised as some of the region's greatest strengths and opportunities with priorities to promote the Gaelic language, cultural development and enhancing the Highland's rich heritage and culture. There is also a commitment to introduce a visitor levy.

At the local level, this strategy recognises Area Place Plans and other community-scale plans which set localised priorities and projects, many of which relate to the visitor economy.

The vision and priorities in this strategy have been developed to complement and help deliver the objectives and actions within this wider policy landscape.

#### Question 2

**Do you feel the Council has missed any strategic factors that impact the tourism industry?**

## 3 The Vision and Priorities for the Region

### Vision

**“A flourishing and internationally renowned sustainable tourism industry in Highland which we can all be proud of and is a force for positive change, strengthening our communities and enabling the economy to thrive year-round, enhancing the built and natural environment and offering visitors exceptional and authentic experiences.”**

This statement sets out the Council’s ambition for the tourism industry over the next 10 years. Achieving this vision is not only essential for the industry itself but also for reversing the demographic challenges facing the region and in reaching our climate change commitments.

Although this strategy has a focus on the role of the Council, there is a need to act with others as one and maximise the energy and resources available. The Highland Council plays a wide role in supporting the visitor economy, particularly through the provision of fundamental services and facilities. To ensure that the vision is achieved, the Council must work in close partnership with industry and other public agencies and ensure it has the ability and resources available to maintain and enhance the services and infrastructure which visitors rely on.

### Question 3

**Do you agree with the Council’s vision for the next 10 years?**

### Priorities

In delivering this vision, the priorities below will provide the strategic direction for the Council:

1. **Our People** – To improve the quality of life and provide high quality job opportunities for Highland people, addressing the demographic challenges and helping to create the conditions for tourism to grow harmoniously with the people who live here.

## 3 The Vision and Priorities for the Region

2. **Our Place**– To ensure sustainable and responsible tourism that enhances the natural environment and nurtures our cultural heritage, improves community wellbeing and creates thriving and prosperous places across Highland.
3. **Our Economy** – To support a vibrant and dynamic visitor economy that has year-round appeal, spread evenly across the region and contributes towards a sustainable and responsible industry.

### Question 4

**Do you agree with the Council's strategic priorities?**

## 4 The Council's Role in Tourism

The Highland Council provides a range of public services which support the tourism economy and the communities and places it relies on. The functions it provides vary from those services dedicated to the sector, such as the network of public conveniences across Highland, to others that are supportive in nature, such as the Council's Business Gateway service which provides advice, resources and support to businesses – the majority of SMEs it assists are within the tourism and hospitality industry.

Many of the big challenges facing the industry, such as the lack of skills and labour force are complex and require innovative and collective effort to find solutions. Whilst they are priorities for the sector, many cannot be resolved by the local authority on its own. For example, the pressures on the housing market, particularly in rural areas, are a result of a combination of factors such as the cost of construction, land availability and the conversion of stock to holiday accommodation. Although the Council will continue work with industry and partners to help address these underlying issues, the aim of this strategy is to identify those services which are most important to the tourism industry and will require the prioritisation of available resources.

The results of the extensive [consultation carried out by the Council in 2019](#) on the visitor levy provide a good steer on which Council functions that residents, businesses and visitors prioritise. The table below summarises the findings, with improvements to the network of public toilets, waste management and road maintenance being the most desirable. This is also largely reflective of the most important issues raised as part of Visit Scotland's visitor survey.

Option	Responses	%
Public toilets improvement or additional provision	4180	89.9%
Motorhome waste disposal facilities	3694	79.5%
Overnight parking/services for motorhomes	3320	71.4%
Recycling and waste services for visitors	3161	68.0%

## 4 The Council's Role in Tourism

Option	Responses	%
Roads maintenance in addition to Council core programme	3030	35.2%
Parking at visitor destinations/sites	2899	62.4%
Road laybys, viewpoints, passing places, other visitor improvements	2871	61.8%
Footpath and cycle trails	2765	59.5%
Wildlife and habitat management	2377	51.1%
Information services for visitors	1998	43.0%
Public WiFi for visitors	1259	27.1%
Support for Highland tourism businesses, e.g. training, assisting groups	1130	24.3%
Marketing and promotion	982	21.1%
Supporting/attracting events	766	16.5%

**Table 1 Responses on spending priorities from 2019 visitor levy consultation 2019**

### Our People

**To improve the quality of life and provide high quality job opportunities for Highland people, addressing the demographic challenges and helping to create the conditions for tourism to grow harmoniously with the people who live here.**

To support this priority, the Council will focus its resources on:

## 4 The Council's Role in Tourism

- **Accessibility and connectivity** – Continue to improve issues surrounding the physical, sensory and technological accessibility and connectivity at and between visitor destinations and settlements to create an environment that is usable by all and which reduces inequalities.
- **Gaelic** – Promote and support the use of the Gaelic language as a means to enrich the visitor experience, strengthen the distinct Highland culture and build on its wider educational, artistic, social and economic importance to the region.

In addition, the Council will deliver the following supportive services:

- **Housing** – Work with partners and the house building industry to find innovative ways of addressing the complex and often deep-rooted housing challenges within the region, particularly in relation to improving access to quality affordable homes in areas of need and supporting our rural areas and businesses to thrive.
- **Jobs and career opportunities** – Help to create a diverse range of quality jobs and training opportunities which offer rewarding careers and support year around employment to allow the tourism industry to thrive.
- **Community Wealth** - Work with relevant stakeholders to deliver the Council's Community Wealth Building Strategy and retain greater wealth and maximise spending within and for the communities of the Highlands. This will help communities to take advantage of the growth of the tourism industry, capturing the economic and social benefits, wellbeing, reduce inequalities, and deliver improved outcomes for people in Highland.
- **Local place planning** – Help to empower communities by facilitating discussions and assisting to develop plans and proposals for their local area which identify aspirations and ambitions for future change.

### Our Place

**To ensure sustainable and responsible tourism that enhances the natural environment and nurtures our cultural heritage, improves community wellbeing and creates thriving and prosperous places across Highland.**

To support this priority, the Council will focus its resources on:

- **Visitor amenities** – Sustain a network of essential amenities (such as public conveniences and motorhome waste services) across the Highland region for use by visitors, residents and businesses, and making sure these are high quality and suitably maintained.
- **Waste management** – Provide a dynamic and innovative waste management function across Highland that supports our tourism industry (including direct service delivery, business waste collection and litter picking) to ensure our world class environment is protected, enhanced and enjoyed by residents and visitors.
- **Transport** – Work with partners to develop and maintain an affordable, reliable and convenient transport network (including walking, cycling, roads, parking, public transport, ferries, cruise, boating and air travel which in line with the National Transport Strategy and forthcoming Local Transport Strategy) that offers user-friendly travel options for both those working in the sector and visitors to the region, making it easy to move around and explore in a sustainable manner.
- **Environment and landscape** – Deliver high quality visitor management services and infrastructure across Highland that enhance our natural environment and invest in suitable visitor locations which best showcase the area, our wild places and our wildlife, while at the same time protects our rich biodiversity and ecosystems from the pressures of tourism.
- **Heritage, arts and culture** – Safeguard and celebrate our unique cultural heritage given its vital role in the visitor economy and establishing a sense of identity. The Council will continue to develop its existing arts and cultural activities and attractions, such as the Inverness Castle Experience and the network of Highland archive centres and cemeteries to offer a high quality visitor experience.
- **Entertainment and events** – Support the development of a strong and dynamic events and entertainment industry across Highland which helps to attract visitors and delivers positive economic, social, and cultural impacts across the region.

## 4 The Council's Role in Tourism

In addition, the Council will deliver the following supportive services:

- **Net zero and climate action** – Help address the climate emergency by delivering infrastructure and services which reduce emissions and prepare for the unavoidable impacts of climate change. We will also encourage the tourism industry wherever appropriate to reduce their carbon footprint and work towards a net zero society.
- **Leisure and active amenities** – Develop and promote opportunities in sport, leisure, health, community learning and wellbeing throughout the Highland region, for both residents and visitors through the network of leisure centres and outdoor activities.
- **Place-making and public realm** – Work alongside communities and businesses to invest in the fabric our of towns and villages, particularly the delivery of regenerative projects and initiatives which enhance the role of our town centres as the focal points of business and social interaction and strengthen their distinct identities.

### Our Economy

**To support a vibrant and dynamic visitor economy that has year-round appeal, spread evenly across the region and contributes towards a sustainable and responsible industry.**

To support this priority, the Council will focus its resources on:

- **Infrastructure** - Work with partners to unlock and deliver infrastructure necessary for a thriving and sustainable visitor economy, including a well maintained and connected transport and active travel network, parking and amenities provision, and digital technology and connectivity.

In addition, the Council will deliver the following supportive services:

- **Business support**- Help new and existing businesses grow, innovate and prosper through our Business Gateway support services and Highland Opportunity Investment Ltd (HOIL) which offers accessible business finance and advice. This will be aligned with the work of partners



agencies, such as Highlands and Islands Enterprise and Visit Scotland, to support business growth within the tourism industry.

- **Screen Tourism** – Operate 'Screen Highland' film office to drive the development and reputation of the film and tv industry in Highland by promoting our filming locations, world-class talent, local crews and facilities to productions along with providing advice and support.
- **Promotion and communications** – Assist partners and industry representatives where appropriate to build a united voice for the promotion of responsible, sustainable and authentic tourism across Highland.

### Question 5

**Do you agree with the Council's list of activities and their priority order?**

## 5 Delivering this Strategy

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This Sustainable Tourism Strategy sets out a new and more structured approach for how The Highland Council will direct and invest its resources in the visitor economy. The vision and priorities provide the strategic direction for the next 10 years and the range of activities which the Council will focus its resources on are identified. This section identifies how the Council will prioritise its resources and work with others to deliver the strategy.

### **Prioritising Council budget**

Many years of real terms cuts to local government's funding means it is a constant struggle to keep pace with rising costs and increasing demand. The Council therefore needs to prioritise and maximise the available resource and direct it to those services most in need. Many of the priorities and activities relate to the whole of the Highland region and require strategic solutions. To get the most out of the resource available, there be an emphasis on strategic investment decisions.

### **Income generation**

In response to the growth of the industry alongside declining public sector budgets, a major focus of the Council is on the generation of additional income. With the Scottish Government setting legislation which gives local authorities the power to place a levy on visitors staying overnight in paid accommodation, The Highland Council has made a commitment introduce the levy. The aim will be to improve the quality of the tourist offer so that the Highland region remains as one of the most attractive visitor destinations in the world. The revenue generated is crucial for sustaining and enhancing the services and infrastructure which visitors, residents and businesses rely on.

The Visitor Levy legislation is not expected to extend to cruise ship passengers or wild campers/motorhome users staying outwith paid sites overnight. With around 300,000 cruise ship passengers and an estimated 200,000 motorhomes visiting the region each year, the Council remains committed to deriving suitable income from these types of visitors to reinvest in our infrastructure and services.

### Partnership working

With the tourism industry being largely driven by the private sector but with a range of public agencies and community organisations delivering vital supporting functions, the Council places a great deal of value on partnership working. The Highland Tourism Partnership is the Council's main forum for information sharing and collaboration with industry and partner agencies.

The Council will also continue to work directly with communities through Area and Local Place Plans and other initiatives to strategic plan the future of our areas and drive sustainable economic growth and community resilience. Whilst many community plans are not specifically about tourism, given the role which tourism plays in Highland, addressing the challenges and opportunities identified within them often relate to the sector. For example, many of the transport and economic elements of the Skye and Raasay Future plan are centres around the impact of tourism.

### Next steps – Delivery Plan

The Council is undertaking a public consultation on the content of the draft strategy to seek the views of businesses and communities a holding a dedicated workshop with key industry representatives and public sector partners to discuss issues and priorities collectively.

The results of the consultation will help to shape the final strategy which will presented to the Economy and Infrastructure Committee in the Autumn.

Following the finalisation of the Strategy, the Council will develop an associated Delivery Plan that will identify relevant actions and resources required. This piece of work is expected to run alongside the public consultation period on the visitor levy scheme which is to be issued for consultation later this year.

#### Question 6

**Do you agree with the approach to delivering the strategy?**







**The Highland  
Council  
Comhairle na  
Gàidhealtachd**

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