



Moray Speyside Tourism (MST) are the destination marketing organisation for Moray. MST have recently launched a campaign to introduce a Tourism Business Improvement District (TBID) for the Moray Speyside Region.

A Steering Group of 12 has been formed to drive the project forward. The Steering Group includes representation from across Moray's tourism industry, including accommodation providers, national bodies, caravan parks, education, marketing specialists, visitor attractions and Moray Chamber of Commerce.

The TBID is being proposed to ensure the continuation of the work carried out by the Moray Speyside Tourism organisation since its formation in 2014. The organisation's current funding package from HIE has been extended until 31st December 2019 to allow the best possible chance of delivering a successful TBID Ballot.

There is no alternative to the Moray Speyside TBID if the region wants to protect and ensure the continued development and growth of Moray Speyside's tourism industry.

Snapshot of Key Tourism Statistics 2014 – 17

- Visitor numbers to Moray Speyside have increased by 16.7% since 2014
- Economic impact increased by 20.2% between 2014 and 2017
- Staying visitor numbers increased by 18.1% between 2014 and 2017
- Direct tourism employment has increased by 11.7% since 2014

In 2017, tourism generated £129.8 for the Moray economy in 2017 – the equivalent of £30,000 extra per day compared to the previous year and around £13m more than the economic contribution of RAF Lossiemouth in the same year.

The creation of a Moray Speyside TBID would provide a **sustainable financial model** which will remove the organisation's reliance on public sector funding. Crucially, the Moray Council would have no financial interest in the organisation other than being liable for a levy payment for one museum building at an anticipated £360 per annum. This compares to the £15,000 per annum which the Moray Council have contributed in previous years.

The new structure will enable the TBID organisation to significantly increase its ability to deliver key strategic tourism projects for the region - amongst which marketing the visitor offer and lobbying on behalf of the TBID members have been identified as key priorities. A full list of key activities and the financial projections will be included in the Business Plan.

In addition to an initial survey of businesses in late 2018 to ascertain support for the outline proposals, 4 consultations took place in January 2019 in Elgin, Buckie, Forres and Ballindalloch with over 40 different businesses and 12 one-to-one interviews were carried out with major players in region's tourism industry. The results clearly indicate strong support for a TBID and in excess of 5% of the potential levy payers have indicated their endorsement of the initiative.

The TBID Steering Group works closely with Elgin BID as they move toward a renewal ballot in the autumn of this year. For clarity, **Elgin BID levy payers will not be asked to pay two levies**. They will receive the benefits brought by the TBID via their relationship with Elgin BID.

Businesses as defined by VisitScotland's Quality Assurance criteria (QA) as tourism businesses or facilities will be eligible to vote in the ballot. For avoidance of doubt, the QA criteria includes the following facilities are considered tourism facilities:

Visitor centres, theme parks, historic buildings and properties, ancient monuments, museums and zoos, parks and gardens, natural attractions, tourist shops, leisure/ sports centres, golf courses, garden centres, hotels, guesthouses, bed & breakfasts, holiday parks, caravan and camping parks, youth hostels, visitor information centres, visitor participation establishments (e.g. potteries, cook schools, etc.), picnic sites. Establishments primarily acting as retail outlets are only included if recognised by VisitScotland as a 'tourist shop' through their visitor attraction quality assurance scheme.

A tourist destination is defined as a permanently established attraction or facility which: a) Attracts or is used by visitors to an area; b) Is open to the public without prior booking during its normal opening hours; and / or c) Is recognised by VisitScotland.

Establishments primarily acting as retail outlets will only be included if recognised by VisitScotland as a 'tourist shop' through their visitor attraction quality assurance scheme.

Establishments primarily acting as food & drink outlets (cafés, pubs, takeaways, restaurants) will only be included if recognised by VisitScotland as a 'visitor attraction' through their quality assurance scheme.

It is anticipated that circa 400 businesses within these criteria will be eligible to vote and to become members of the Moray Speyside TBID if it is approved.

Levy option 1	
Non-Domestic Rate Band	Fee
Less than £1,999	N/A (not included in proposed TBID)
£2,000 to £8,750	£175 (minimum payment of £175)
£8,750 to £175,000	2* of rateable value
£175,001 +	Capped at £3,500 per annum
Potential income via option 1	C £180,000

Levy option 2	
Non-Domestic Rate Band	Fee
Less than £1,999	N/A (not included in proposed TBID)
£2,000 to £25,000	£365 per annum (equivalent of £1 per day)
£25,001 to £50,000	£547.50 per annum (equivalent to £1.50 per day)
£50,001 to £100,000	£720 per annum (equivalent to £2 per day)
£100,001 and above	£1095 per annum (equivalent to £3 per day)
Potential income via option 2	C £174,000

Two levy arrangement options are being considered, following analysis of all the current BID Levies across Scotland and reflecting the result of the business survey. One option is based on a % calculation of rateable value with a minimum payment of £175; the other reflects a banded system with most businesses being asked to pay the equivalent of £1 per day. Further consultation will be carried out with tourism businesses over the next weeks to determine the preferred option for levy rates and charges.

The Steering Group are acutely aware of the proposed Tourism Tax and the impact that it will have for the levy paying TBID. We have sought to reflect this impact the proposed Levy payment structure by capping the maximum contribution from any one property

Levy payers' contribution will generate between £170k-180k per annum without any other funding source. This contrasts sharply to MST's current budget of £83,000, all of which is derived from the public sector.

The option to join the TBID as a voluntary (opt-in) member will be allowed with the mechanism for this to be decided once the TBID company is in place. For clarity – businesses with multiple properties (i.e. self-catering) will be liable to pay a levy on each of the properties within the TBID criteria. They would however, receive multiple votes in the ballot process.

Key Activities:

The initial survey of businesses determined the following areas of activity which businesses would expect the TBID organisation to deliver, influence or support:

- Marketing the visitor offer
- Lobbying on behalf of the region
- Extending the visitor season
- Improved visitor signage
- Events and festivals
- Improve transport within the region for visitors

A detailed business plan and five-year activity plan are being drafted at present and are subject to consultation with tourism businesses throughout the region.

Further engagement will now be carried out with tourism businesses across the region in order to fully develop the Business Plan and TBID Proposal document in line with the timescales and requirements set out by Scotland's Improvement Districts and Scottish Ministers.

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