

Bath & North East Somerset Council

MEETING:	Economic and Community Development PDS Panel
MEETING DATE:	13 March 2014
TITLE:	Heritage Services museums' visitors 2013
WARD:	ABBEY
AN OPEN PUBLIC ITEM	
List of attachments to this report:	

1 THE ISSUE.

- 1.1 The report describes visitor numbers at the Council's museums in 2013 and outlines the reasons for them.

2 RECOMMENDATION.

- 2.1 The Panel is asked to note the report.

3 FINANCIAL IMPLICATIONS.

- 3.1 The Council's Heritage Services generate gross income from visitors to the Roman Baths, Fashion Museum and Victoria Art Gallery totalling c.£12 Million each year, and a further c.£1 Million from corporate hospitality and other activities.
- 3.2 Heritage Services produce a net annual profit of £4 Million+, and is on course to produce a profit of £5 Million in the current financial year, due almost entirely to the significant growth in Roman Baths visitor numbers and the consequent increase in both admission income and secondary spend (particularly retail).
- 3.3 Gross income from museum admissions, principally to the Roman Baths, is likely to total c.£10.5 Million in the current financial year, with retail turnover totalling a further £2 Million.

4 THE REPORT.

- 4.1 In calendar year 2013 the Council's museums generated the following visitor numbers:
- 4.2 **Fashion Museum – 98,591:** this is down from 118,943 in 2012 when National Trust members were admitted free on an experimental basis; this ceased in 2013. However in 2013 the number of paying visitors rose to 85,133 from 69,948 in 2012, and income rose from £398k in 2012 to £508k in 2013. About 50% of Fashion Museum visitors arrive on a 'saver ticket' purchased at the Roman Baths.
- 4.3 **Victoria Art Gallery – 94,169:** this is down from 103,275 in 2012 due to the introduction of charges for the main temporary exhibition gallery. Visitor numbers in January-March 2013 were marginally up but this trend was reversed after the introduction of the charges in mid-April.
- 4.4 **Roman Baths – 996,143:** this was a record year. The last years in which numbers approached this level were 1985 (990,000) and 2011 (975,096). Both years were followed by significant downturns: to 825,000 (-17%) in 1986 after the American bombing of Tripoli from UK air bases, and to 919,072 (-6%) in 2012 due to the suppressing effect of the London Olympics.
- 4.5 The latter was forecast, but the former was not. This is a reminder that, while the Council assumes a steadily increasing financial return from Heritage Services each year, the visitor attractions and tourism sectors are subject to a wide range of economic, environmental and geo-political pressures which cannot always be predicted.
- 4.6 Heritage Services' business strategy, approved by the Council, has involved on-going investment in the Roman Baths. This, together with an aggressive pricing policy, has successfully grown visitor numbers, visitor satisfaction levels and income. More modest investment in the Fashion Museum, including a series of 'blockbuster' exhibitions, has arrested and reversed the decline in visitors there.

5 ANALYSIS.

- 5.1 There were several reasons for the especially good performance at the Roman Baths in 2013. The move to a more meaningful business unit status in 2004 enabled considerable investment to take place in the visitor experience, supported by enhanced marketing campaigns. This led to improved visitor satisfaction levels, higher visitor numbers and income, and numerous awards. Word-of-mouth promotion, effective use of social media and high TripAdvisor ratings have all contributed to the popularity of the Roman Baths.
- 5.2 Other reasons for the good performance in 2013 included:
- Exceptionally good weather in May – August;
 - Domestic tourism remained buoyant and the 'stay-cation' effect continued longer than was expected;
 - Inbound tourism to the UK was strong, boosted by positive coverage of the Olympics in 2012 and helpful exchange rates from Europe;

- There were no major or unexpected set-backs that deterred people from travelling or from visiting attractions.
- 5.3 Heritage Services carries out a monthly national benchmarking exercise on behalf of all leading UK visitor attractions that tracks year-on-year visitor performance. This demonstrated that the growth in Roman Baths' visitors in 2013 is consistent with, and marginally above, the average of all leading visitor attractions.
 - 5.4 The Heritage Services Business Plan 2013-2018, reviewed and agreed by Cabinet in April 2013, aimed to maintain visitor numbers at the maximum level consistent with providing a good quality visitor experience and admission charges that will continue to be amongst the highest nationally. The Plan assumes total visitor numbers of between c.900k – 950k p.a. in each of the next 5 years, and financial performance is sensitive to relatively small variations in these volumes.
 - 5.5 The enhanced profit target for Heritage Services in the 2014 Council budget will require Roman Baths' visitor volumes at and above the upper end of this range. This carries a higher level of financial risk.
 - 5.6 The popularity of the Roman Baths means that visitor numbers will always peak around Easter and during the summer months. Heritage Services has worked with Bath Tourism Plus and its predecessors for many years on short break and out-of-season campaigns to redistribute volume into the 'shoulder months'. The Service has also run its own very successful off-peak promotions with First Great Western, while the on-going 'Spas Ancient & Modern' partnership with Thermae Bath Spa brings visitors at all times of year.
 - 5.7 The Service has taken great strides to becoming 'China-friendly' and, in 2013, the number of Mandarin audio-guides taken exceeded those taken in French for the first time. In 2006 the Roman Baths was the first UK attraction to introduce interpretation in Mandarin and in 2010 its marketing campaign to promote this won a Silver Award at the China Outbound Travel and Tourism Market in Beijing. Most recently the Roman Baths in one of a small number of businesses invited by Government to participate in its 'China Welcome Charter' initiative for 2014.
 - 5.8 The significance of the Chinese market is not just that it holds great potential for the future but that, on current trends, the number of Chinese visitors is greatest during our winter season. The Roman Baths has successfully attracted people from other long haul markets for many years, particularly the USA and Japan.

6 ISSUES OF CONCERN.

6.1 Inevitably, high visitor volumes raise two other concerns:

- (1) **Attrition on the monument:** precise level surveys undertaken by English Heritage in the past revealed that negligible damage was being done to Roman pavements; the trend for soft-soled footwear has helped this. The small area of upper (later) Roman paving is constantly monitored and is cordoned off when conservation work is needed. Surviving areas of Roman wall-plaster are susceptible to damage from curious fingers but this is minor and protection methods such as glass screening in so complete an ancient

environment would cause more damage than the slow, long-term erosion of Roman fabric caused by exposure to the elements.

- (2) **Health & Safety:** there are always several trained first aiders on duty at any one time and all Visitor Services Supervisors are first-aid trained. Staff regularly patrol the visitor route and, when congestion occurs, ticket sales in the Reception Hall are temporarily suspended until it has eased.

- 6.2 High visitor volumes in artificially-lit confined underground areas inevitably cause some reduction in the quality of the visit. However a significant reduction in congestion was brought about by the introduction of a tighter regime for booked groups and the refusal to admit un-booked groups at busy times. Other measures such as environmental control have helped to make the visit more comfortable for visitors at peak times.

The ‘Stonehenge Effect.’

- 6.3 One of English Heritage’s objectives in creating the Stonehenge Visitor Centre was to persuade visitors to spend longer at the site. They have achieved this by building the Visitor Centre 1½ miles from the stones and introducing the history of the henge with an indoor exhibition. Unfortunately the visit is much longer than is necessary because the ‘land-trains’ to the stones are slow and unreliable; queuing systems are inefficient and visitor facilities inadequate for the average volume of visitors.
- 6.4 More than 40% of Stonehenge’s visitors arrive as coach parties; many of these coach packages also visit Windsor Castle (beforehand) and the Roman Baths (afterwards) on the same day. In 2012 several major tour operators notified Heritage Services that the extended stay at Stonehenge meant that they would probably not have time to come on to Bath and would consider dropping it from their itinerary. As a result, Heritage Services was assuming a loss of business of c.20,000 Roman Baths visitors (c.£230k income) p.a. from 2014/15 onwards.
- 6.5 The current ‘teething problems’ at Stonehenge have meant that the problem of shortage of time is even worse than anyone had foreseen. Operators are currently making decisions about which part of their previous 3-site packages to omit. As yet it is too early to calculate what the effect on the Roman Baths will be, but there is an increasing risk that it will exceed the 20,000 visitors previously forecast.

7 RISK MANAGEMENT.

- 7.1 The Heritage Services Business Plan is underpinned by extensive and integrated modelling of all key visitor, income and cost assumptions and is sensitive to normal tolerance on the business model and its assumptions. The Robustness of Estimates statement for the Place Directorate includes provision for business risks in the financial year 2013/14.

8 EQUALITIES.

- 8.1 An Equality Impact Assessment for Visitor Services activities has been completed.

9 CONSULTATION.

- 9.1 Cabinet Member; Heritage Services Advisory Panel; Staff; Service Users; Section 151 Finance Officer; Monitoring Officer.
- 9.2 Consultation is carried out with users on an ongoing basis. Consultation with colleagues has been carried out in person, by telephone or by email.

10 ISSUES TO CONSIDER IN REACHING THE DECISION.

- 10.1 Customer Focus; Sustainability; Health & Safety.

11 ADVICE SOUGHT.

- 11.1 The Council's Monitoring Officer (Divisional Director, Legal and Democratic Services) and Section 151 Officer (Divisional Director, Finance) have had the opportunity to input to this report and have cleared it for publication.

Contact person	Stephen Bird, Head of Heritage Services ext. 7750
Background papers	Heritage Services <u>Business Plan 2013-2018</u> , Cabinet, April 2013
Please contact the report author if you need to access this report in an alternative format	