

## **The Valleys**

### **1.0 Introduction**

This paper sets out the previous and current Welsh Government (WG) support and vision for the tourism sector in the Valleys, and the potential to stimulate economic activity and jobs.

### **2.0 Background Data**

From 2012 to 2014 there were 254,000 overnight visits from the UK per year, the Valleys area (defined as Merthyr Tydfil, Blaenau Gwent, Caerphilly, RCT and Torfaen) accounting for 3% of all trips to Wales. The average length of stay is 2.6 nights, less than the Wales average, while the average spend per trip is £106, also less than the Wales average of £170 per trip. The total annual spend on overnight visits from the UK to the Valleys is £27 million. Both the number of visits and the total spend have fallen since 2006-2008.

Over two-thirds of all trips to the Valleys area are visits to friends and relatives, well over twice the Wales average of 27%. There is a low proportion of holiday visits, with less than a quarter of visits to this region being for holiday purposes, compared to over three-fifths for Wales as a whole. From 2010 to 2014 spend on international trips to the Valleys area rose from 2002 to 2006 but then fell from 2009 to 2014 and is now at very similar levels to 2002-06.

There was an average of 36,000 international visits to the Valleys from 2010 to 2014 at an average annual spend of £27 million. The average spend per visit is £767, and the average length of visit is 8.7 nights, slightly longer than average. The spend per visit is more than the average for Wales, as is the spend per night, at £87 compared with the average across Wales of £54.

Some 56% of international visits to the Valleys are to visit friends and relatives, more than the Wales average. There is a much lower proportion of visits for holiday purposes than the average across Wales, with only 22% of international visitors to the Valleys visiting for holidays, compared with 40% of all international visitors to Wales.

Employment in tourism in the Valleys is 16,100 (Source: Welsh Government Priority Sector Statistics) 7% of the total employment in the area. This is below the Wales average of 9%. All Valleys Local Authorities have higher than average proportions of serviced accommodation and hostels available, and lower than average proportions of camping and caravanning accommodation.

### **3.0 Recent & Potential Capital Investments**

In recent years and in line with the Tourism Strategy 'Partnership for Growth' WG capital support has focussed on strategic projects capable of creating perception changing product. These capital projects include:

## EU funding 2007- 2013 Environment for Growth Tourism Programme

### **Merthyr Tydfil**

Bike Park Wales (delivered via the Environment for Growth 2007-13 programme) securing a total project cost £1.6mn providing 12 FTEs. Bike Park Wales is a new mountain biking visitor centre development in Merthyr Tydfil which was completed in 2013 offering an 1200 acre site with over 28 descending trails organised in a similar manner to a ski resort. The success of the business has led to an increase in visitors to the area and a recent spike in new small scale accommodation providers in Merthyr Tydfil (8 in the last year). Visitor numbers to Bike Park Wales were 406,168 (January 2014 to December 2015).

## EU Funding 2014-2020 - Tourism Attractor Destination (TAD) Programme.

### **Merthyr Tydfil**

- A current strategic project in the development phase is the expansion and upgrading of the Rock UK Centre, Trelewis, funded by the TAD Programme and the Tourism Investment Support Scheme (TISS). Rock UK aims to become a regional outdoor activity hub for South East Wales, working in partnership with other stakeholders and activity businesses including Bike Park Wales and the Brecon Beacons National Park. It involves the extension and refurbishment of the old colliery building, converting it into a modern, welcoming leisure facility - including a new cafe, outdoor play area and additional outdoor activities, with en-suite accommodation for 100 residential guests and supporting over 55 jobs. Rock UK was approved in October 2016 total project cost £4.6mn.

### **Bridgend (Porthcawl)**

- The development of a flagship Maritime centre and Hub to include a 'First in Wales' Coastal Science and Discovery Centre – "SeaQuest" which was approved in December 2016 is a shared business base for several local charities, a new headquarters for the Welsh Surfing Federation, a new training unit for the Sea Cadets and a new base to secure the future of our Coastguard Services, supported by ancillary quality tourism, residential and commercial activities, a learning café/bistro and prestige restaurant. Costs: £5,571,400 Total ERDF: £2,134,060

### **Torfaen/Caerphilly (Mon/Brec)**

- The project is due to be submitted to WEFO for approval in March 2017 and aims to build on the previous investment that has gone into the canal and plans to create momentum for a much larger circa £80mn project through delivering specific elements in the Torfaen and Caerphilly sections of the canal. A new basin in Cwmbran will be a key project to develop and promote key hubs for outdoor activity and related infrastructure along the Mon & Brec Canal and across Mynydd Maen. Total Costs: £5,129,951 Total ERDF: £2,000,000

## Tourism Investment Support Scheme (TISS)

£3m of TISS funding has been invested over the past 5 years to 12 projects, supporting some 234 jobs. The most effective results at the Valleys level will likely be achieved by focussing on projects that have the potential to drive significant growth and jobs. For example the TISS investment at The Royal Mint (TRM) project, with TRM acting as a focal point for regeneration eg. the conversion of The Guildhall at Llantrisant to a Visitor Centre for the town.

This strategic approach seeks to develop products and clusters to tie in with signature developments – such as the International Convention Centre Wales and need for additional quality accommodation and services in the region such as, National Trust Developments e.g. Pen Y Fan.

This focus on a lead capital project, with supporting complementing projects, has delivered economic benefit in other parts of Wales, such as around Zipworld, where for example at the Llechwedd site in Blaenau Ffestiniog both mountain biking and ‘above & below’ activity experiences act as a hub for tourism and increased economic impact. Another example is the development of Saundersfoot Harbour and the complementing projects at The Boathouse & Coast Restaurants.

Improving the quality of the attractions, accommodation and the visitor experience in particular the food offer is key to supporting growth and job creation in the Valleys. As increasing numbers of higher spending visitors are attracted to new product they will be looking for quality accommodation and food experiences. Aligned to this is the improvement of the tourism infrastructure and visitor facilities which are also key to sustaining higher spending visitors at the destination.

TISS remains the key mechanism to support product development, and a positive decision on a Rural Development Programme (RDP) application is imminent we understand. That RDP project will lead to additional investment in (a) visitor infrastructure and (b) micro – small tourism businesses with proposals to develop innovative product.

Current capital enquiries at the strategic level include:

- **Caerau Parc, Afan Valley:** a new Adventure Holiday Resorts, on a 485 acre site bordering Bridgend and Neath Port Talbot, including a Bear Grylls Survival Academy, 100 bed hotel, 900 luxury lodges, an aquatic ‘Adventure Park’, outdoor activities, bars and restaurants. Outline figures suggest approximately 400 jobs during construction and 1,000 when operational. A meeting with the developers is scheduled for 15 February.
- **Trago Mills, Merthyr Tydfil:** Work began at the £40m retail and leisure store at the end of September. The 30,250 sq metre facility

accessed from the A470, will be an addition to the Valleys as a retail destination.

- **National Planetarium of Wales Hirwaun:** Dark Sky Wales Services Ltd is in discussion with Tower Colliery to build a state of the art planetarium, larger than any currently in the UK, with cutting edge technology capable of displaying the latest 3D shows in 8K resolution as well as an Observatory, Martian robot simulator and meteorite display, with seating capacity for 350. Other proposals include café/restaurant; teaching rooms - encouraging Science Technology Engineering and Maths (STEM) subjects and an auditorium, capable of accommodating large conferences and other functions. Additionally, the site will include cycling routes, historical trails and an environmental centre. Longer term plans would include a dark sky friendly hotel/apartment development.
- **Former listed British Nylon Spinners factory at Mamhilad, Torfaen:** an innovative visitor experience, combining attractions & exhibition spaces with a mix of creative, art, science, technology spaces, cafes, restaurants, retail, a 60-120 bed hotel and apartments (visitor and/or residential). Featuring a large dragon, either wrapped around the tower or in a prominent position.
- **Merthyr West:** American investors have purchased the Merthyr West site (600 acres) and are developing a short list of proposals that include an International quality ski dome and an indoor themed waterpark as well as high quality hotel and log cabins, eco/nature park with retail, cafes and restaurants.
- **Lanelay Hall Talbot Green, RCT:** convert the former South Wales Fire Service HQ into 30 quality self catering holiday accommodation units with leisure facilities.
- **Former 'Social Club' in Pencoed:** refurbish and extend the property to offer an 18 bed hotel facility over 3 floors which, including a 100 cover restaurant and function room.
- **Ebbw Vale:** a new 120-130 bed 4\*hotel with leisure facilities.

#### 4.0 Current Revenue Support

There are a number of revenue projects supported in the Valleys via our RTEF and TPIF programmes, including:

**'The Valleys Campaign' (Caerphilly CBC):** Visit Wales has supported the development of the Valleys Campaign which is a joint marketing initiative led by Caerphilly CBC aimed at promoting the unique experience and offer based around the Valleys people, heritage and landscape to UK consumers and the VFR Market (Visiting Friends and Relatives). The Valleys campaign is a

partnership of 6 Local Authorities (Caerphilly, Blaenau Gwent, Torfaen, RCT, Merthyr Tydfil and Bridgend).

The Valleys has a plethora of myths and legends that can be explored and promoted to visitors with innovative ways of delivering information and experiences via the existing website with an emphasis on myths and legends. The project focuses on these strengths and highlights Valleys products including key attraction, trails, places of interest and new packaged products linked to Legends will be promoted through the 'Year of Legends' Valleys marketing campaign. The RTEF awarded was £20k for 2016/17.

Enhancements are being made to the website to reposition Valleys Heroes as 'Valleys Legends' with sub sections such as 'Myths, Tales, Sporting Legends, Industrial Heroes, Authors, Performers. There will be a series of weekends featuring story telling/YOL themed events in various venues across the Valleys - ghost stories/ghost tours, myths etc, these will give an added incentive to visit the region as well as promote the area to visitors as a short break/overnight stay. The Valleys Guide 2017 will mirror the look and feel of their YOL themed campaign.

**TVTCTW:** 'The Valleys that changed the World' is an initiative that gets heritage partners working together to promote and interpret the story of our industrial past. There is a variety of partners in the network including National Museums and Cadw. The project aims to develop joint working initiatives as well as providing practical support in terms of knowledge building, networking and marketing. 'The Valleys that changed the World' is also part of the European Route of Industrial Heritage.

All 10 Local Authorities are participating in the **Capital Regional Travel Trade and Attractions (CRTTA)** project. This project will continue to use established methods to bring increasing travel trade and group travel business to the region including familiarisation visits, itineraries to link with thematic years, Group Buyer Showcase, and support for Cruise Wales.

There are significant large scale innovative projects emerging that will tell the valleys industrial past in a modern way in 2017 and 2018.

## **5.0 Major Events**

In recent years WG has supported a number of sporting and cultural events in the Valleys ranging from major international events such as the Tour of Britain (the UK's biggest professional cycling road race) to home grown events such as Raold Dahl 100 and the Steelhouse Festival. The Major Events Unit is currently working with local partners to explore new event hosting opportunities, including major international mountain biking and orienteering events.

## **6.0 Engagement & Opportunity**

Officials are running a series of workshops in the Valleys to provide 1-1 opportunities for businesses to discuss financial support. These opportunities include:

- Ensuring job opportunities and economic benefit resulting from investments are taken up by local people.
- Telling the industrial heritage story in an innovative way.
- Continuing to support the activity sector and encourage closer partnership working to turn more day visits into overnight stays.
- Investing in the Valleys accommodation and food offer.
- Working with colleagues in Cadw to explore the potential for developing the experience at Caerphilly Castle to increase the number of visitors.
- The proposed Metro system benefits the tourism offer within the Valleys. This new provision must include joint ticketing opportunities for attractions and accommodation within the Valleys.
- Addressing the negative perceptions of the Valleys as a tourism destination, and creating a new post industrial vision and brand.

## **7.0 Conclusion**

Using the Metro development there is an opportunity to reposition the Valleys message, and to develop a credible brand, for example this could take the form of a 'Cardiff Capital Region' brand, tying the region to Cardiff – in the same way as 'Greater Manchester' and promoting people to live/visit beyond the city.

Alternatively there could be a move towards the concept of the Valleys as a new type of living and playing space outside Cardiff and just beneath the Beacons – somewhat like Yorkshire has done with their post-industrial areas. The solution lies in the development of a new post-industrial narrative for Wales generally.

What is clear is that there is significant pipeline activity and current opportunity in the form of large scale game changing tourism product for the Valleys, and discussions will therefore continue to identify those lead projects and where the greatest product impact and economic benefit can be realised.