

<b>Subject:</b>	<b>Supporting a vibrant tourist economy</b>		
<b>Date of Meeting:</b>	<b>9 March 2017</b>		
<b>Report of:</b>	<b>Executive Director for Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Howard Barden</b>	<b>Tel: 29-2084</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

## **1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report provides the committee with background information on the tourism economy in Brighton & Hove and the work of VisitBrighton to support and drive a vibrant tourist economy in the city.
- 1.2 The report also recommends that officers undertake a review of the city's tourism strategy and develop a new Tourism Strategy alongside the review of the City's Economic Strategy.

## **2. RECOMMENDATIONS:**

- 2.1 That members of the Economic Development & Culture Committee note the work undertaken to support a vibrant tourism economy in the City and agrees that officers develop a new Tourism Strategy for the City alongside the development of the City's new Economic Strategy.

## **3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The English tourism sector touches everyone – visitors, residents, businesses and employees. It's one of the few sectors active in every part of the country. It's the third largest employer, every day supporting 2.6 million jobs and is a major employer of school leavers and young people and an incubator for entrepreneurs.
- 3.2 The visitor economy is worth £106bn a year to England supporting thousands of businesses and impacting on the performance of supplier industries including farming, transport, retailing, sport, museums and galleries, the theatre and other performing arts. Tourism cannot be offshored
- 3.3 The City of Brighton and Hove has a vibrant tourist economy. One of the world's first seaside resorts, it is home to globally recognised icons such as the Royal Pavilion, the Brighton Palace Pier and the South Downs National Park. Famous for its vibrant cosmopolitan lifestyle with a very strong arts and cultural offer, the

city is also a major international business conference and tourist destination which attracts around 10.5 million visitors per year and supports established cultural activities such as the Brighton Festival, exhibitions and community based events such as Pride.

#### Brighton & Hove's visitor economy

- 3.4 The Visitor economy in 2015 was worth £858 million to the City of Brighton & Hove. In terms of scale this equates to 7.5% of the total tourism economy of the South East Region which geographically covers East & West Sussex, Kent, Hampshire, Surrey, Buckinghamshire, Berkshire, Oxfordshire and Isle of Wight.
- 3.5 The total number of tourism day visitors equated to 9,100,000, with a day trip expenditure of £332million, therefore the average spend of a day visitor equals £36.48. A summary of recent visitor trends for Brighton & Hove's tourism economy appears at Appendix 1.
- 3.6 Staying trips made by domestic overnight and overseas overnight visitors equated to 1,456,000 trips with overall nights spent in the City of 4,994,000 nights stayed. The domestic and overseas overnight visitors combined created a value of £526million; with an average spend per 24 hour stay of £105.36
- 3.7 Tourism supports in the City of Brighton & Hove 21,374 actual jobs of all employee jobs in the City. The value of the tourist economy is approximately 17% of the total economy of the City of Brighton & Hove, so remains an important focus of the overall economic strategy for the City.

#### VisitBrighton – Providing support for the Tourism Economy

- 3.8 VisitBrighton is the tourism unit for Brighton & Hove City Council and works to help maintain and develop a sustainable tourism economy in the city. VisitBrighton's primary objective is to create employment and wealth for the city through marketing, sales, visitor services and destination management.
- 3.9 The unit has four main areas of activity:
  - *VisitBrighton Marketing & Communications* – marketing Brighton & Hove and the surrounding area as a destination to domestic and overseas visitors
  - *Visit Brighton Convention Bureau* - selling the City as a destination for conferences, meeting & events
  - *Visit Brighton Partnership* - a business networking group of 540 local businesses who have aligned themselves with VisitBrighton
  - *VisitBrighton Visitor Services* - provides assistance to visitor's pre and during their visit to the City.
- 3.10 The context within which the tourism economy operates is an ever-changing landscape which creates both opportunities and challenges. The ongoing pressure on Local Government finances means that the VisitBrighton budget will face a reduction in the 2017/18 financial year. In this respect, it is vital that VisitBrighton undertakes activity that is central to our core function and works collaboratively with third parties to ensure that we achieve greatest return on investment on monies spent and overall benefit to the City. Over the past three years VisitBrighton has adopted a much keener commercial approach in terms of

its operating model; it has looked to expand its Partnership programme significantly and has adopted a commission based model for the Convention Bureau.

### **3.11 VisitBrighton Marketing & Communications Department**

3.11.1 VisitBrighton Marketing & Communications department is responsible for promoting the city to both leisure and business visitors, engaging with target visitor markets to take them on a customer journey from “looking to booking to visiting to returning & recommending”. In 2016, the press & PR work of VisitBrighton Marketing generated positive national and international travel media coverage about the city with an advertising value equivalent value (AVE) in excess of £5million. The main online marketing tool is [www.visitbrighton.com](http://www.visitbrighton.com) which in 2016 had over 2 million users to the site.

### **3.12 VisitBrighton Convention Bureau**

3.12.1 The Convention Bureau is responsible for selling the city as a conference and meetings destination to UK and international conference bookers, including political parties, associations, unions and corporate organisations. This is achieved through Familiarisation Visits, Sales Calls, attending Exhibitions & Events and the VisitBrighton Ambassador Programme.

3.12.2 The Conference Delegate Accommodation Booking Service (CDABS) is VisitBrighton Conference Delegate Booking Service which brings measurable benefits to VisitBrighton and our varied accommodation providers in the city. Providing a one-stop-shop for delegate’s accommodation booking needs, it is a reliable and effective way in which to engage conference delegates prior to their business visit to the city.

### **3.13 VisitBrighton Partnership**

3.13.1 Central to and cutting across all of VisitBrighton’s work is its Partnership Scheme whereby local businesses pay an annual fee to be part of, and benefit from VisitBrighton’s work. In 2016/17, the scheme had over 540 Partners from across the whole range of tourism businesses, who contributed over £150K in partnership fees, making it one of the largest business membership schemes in the city. Revenue from the Partnership Scheme is ring-fenced and re-invested back in marketing the city as a destination. The Partnership is the true strength of VisitBrighton and it is important to maintain & grow business support to the tourism business providers in the City.

3.13.2 The VisitBrighton Partnership Scheme has been in operation since 2005 and provides a way for local businesses to support the work of VisitBrighton whilst gaining tangible benefits for their business, through the activity that the unit undertakes.

3.13.3 In early 2016 Partnership numbers reached 540, with Partners coming from all sectors including accommodation, retail, eating & drinking, attractions, tour guides and suppliers. In 2017/18, we will continue to deliver the Partnership scheme and maintain & establish new benefits for our Partners to ensure that the scheme continues to provide value for money.

### **3.14 VisitBrighton Visitor Services**

- 3.14.1 The VisitBrighton Visitor Services team continues to deliver a high quality service to visitors to Brighton & Hove both pre, and during, their visit.
- 3.14.2 *Visitor Information Points* - The service now operates 14 Visitor Information Points (VIPs) across the city to ensure that visitors have easy access to quality information. The VIP located at the Brighton Centre Box Office is also the location of the VisitBrighton Contact Centre where pre-arrival enquiries by phone, post and email are handled. The Brighton Centre Box Office VIP can also handle accommodation bookings, travel and attraction ticket sales.
- 3.14.3 *VisitBrighton City Champions* - The Visitor Service team also oversees the 'City Champions' scheme, through which volunteer residents provide an excellent welcome and 'mobile information service' to visitors at key entry points and locations in the city centre.
- 3.14.4 *VisitBrighton Greeters* - The VisitBrighton Greeters Scheme has developed over the last four years, with volunteer 'Greeters' offering informal tours of the city to individuals or small groups.

#### Current work programme and business plan for Visit Brighton

- 3.15 Visit Brighton undertakes work in accordance to an agreed business plan and work programme that forms part of the Economic, Environment & Culture directorate plan and supports the delivery of the city council's Corporate Plan.
- 3.16 Current high profile initiatives include:

#### *ExploreGB 2<sup>nd</sup> & 3<sup>rd</sup> March 2017*

- 3.16.1 ExploreGB is VisitBritain's flagship event provides Great British & Irish tourism suppliers and destinations with an invaluable opportunity to meet and do business in the City. 350 international travel buyers from over 40 countries will be attending the event Buyers will originate from, Europe, Asia, North America, Australasia, South America and Africa, in addition 40+ domestic and international travel media will also be in attendance. Following previous events, media attendees have written high quality editorial pieces in international travel publications which will represent a significant level of Advertising Value Equivalent (AVE) exposure for the City.
- 3.16.2 Overseas visitors currently contribute over £250m per annum to the Brighton & Hove economy; hosting Explore GB 2017 represents a unique opportunity to grow this contribution through direct engagement with an international audience of key decision makers, all of whom have significant purchasing power and thus can directly influence international visitor numbers and economic benefit derived from international tourism in future years.
- 3.16.3 The Explore GB event provides a strong opportunity to showcase the city whilst also developing further links to the Government's 'GREAT Britain' campaign following the recent visit of the Chief Executive and senior offices to no.10

Downing Street to explore how the city can better link with the campaign to improve marketing of the city as a destination as part of a wider strategy to improve how the city is marketed internationally as a place to visit and do business.

3.16.4 As the host City, we are presented with a unique opportunity to expose our brand to a highly receptive audience who are key decision makers from the international travel and tourism sector.

English Tourism Week 25 March – 2 April 2017.

3.16.5 English Tourism Week is here to provide you with a vehicle to kick start the season and promote your local tourism products.

3.16.6 Running from 25 March - 2 April 2017, English Tourism Week celebrates the vibrancy and quality of England's visitor experiences and England's world-renowned tourist attractions. During the Week there will be a wide variety of local and national events, discounts and special offers being made available by tourism businesses around the country including museum events, exhibitions, sports experiences

3.16.7 There are many benefits to businesses getting involved in English Tourism Week. The whole idea is to provide you with a vehicle to kick start the season and promote your local tourism products.

English Tourism Week is designed to:

- Raise the profile and understanding of tourism with decision makers, the media, those who work or are considering a career in the industry.
- Increase awareness amongst consumers including local residents to discover the delights on their doorstep, and visitors from further afield who can experience England, its variety, accessibility and value.
- Provide a national framework for local destinations, businesses and organisations to build their own marketing and PR campaigns.
- Provides the industry with a free marketing and communication "hook" to heighten awareness of activities.

3.16.8 Currently VisitBrighton is looking to collaborate with various City stakeholders to obtain their interest to participate. Current organisations who have expressed an interest in becoming involved in English Tourism Week are VisitBrighton, The Tourism Alliance, BID (Brilliant Brighton), Brighton & Hove Hotels Association, Brighton Marina, Hove Business Assoc. Each of the organisations approached would be required to obtain participation from their stakeholders and memberships.

### China Travel Outbound

3.16.9 VisitBrighton have appointed China Travel Outbound are a UK based travel, PR and representation agency specialising in the Chinese market. They offer Chinese PR, marketing and representation services to build your brand, drive sales, and increase your share of the world's largest outbound travel market. They have a Chinese team based in China and have excellent relationships with travel trade media, lifestyle press, Key Opinion Leaders, and travel and food bloggers in China.

## **4. REVIEW OF THE CITY TOURISM STRATEGY**

- 4.1 The current Tourism Strategy, published in 2008, running from 2008 – 2018 sets out a Strategic Framework and Action Plan for tourism for both the public and private sectors to support and work towards.
- 4.2 Whilst there have been many achievements against the actions set out in the existing Tourism Strategy, the local economy, local, national and international policy, context and customer needs have altered radically hence the Strategy needs to be re-written to take account of changing needs and behaviours. It is proposed the new Tourism Strategy would encompass 2019 – 2025 and be a dynamic working document.
- 4.3 The council plays an active role in the tourism industry, delivering a significant proportion of the tourism 'product'; historic houses, museums, visitor information services, conference venues, the seafront, outdoor events, parks, highways, signs and public toilets. It has a major impact on the visitor experience through the decisions it makes in terms of planning, development, conservation and transport issues, and through its environmental health, trading standards and licensing roles, The council also supports the city's tourism businesses through many of its communications and marketing activities and in particular through the work of VisitBrighton, positioning and promoting the destination as a leading tourist destination
- 4.4 Tourism is, by its nature, a fragmented industry with over 80% of tourism businesses are small or micro businesses: it is estimated that over 1,000 businesses in Brighton and Hove are involved in the visitor economy.
- 4.5 Given the depth of engagement BHCC has in tourism in collaboration with both private and public sector businesses and organisations, and the need to proactively sustain and grow the tourism industry, which is critical to Brighton & Hove's sustained economic prosperity it is imperative we have a comprehensive Tourism Strategy to set direction for the coming years.
- 4.6 Proposed timetable for the review of the strategy
- Approval to proceed with the development of a new Tourism Strategy – ED&C Committee March 2017
  - Commissioning of Consultants Qtr1 2017/18
  - Stakeholder consultation Qtrs. 2 and 3 2017/18
  - Draft plan to Economic Development & Culture Committee Qtr. 4 2017/18
  - Council and Economic Partnership sign off Qtr. 1 2018/19

## **5. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 5.1 VisitBrighton underwent a modernisation project in 2016 which looked at alternative delivery options for the VisitBrighton service, including the option to stay in-house in order to reduce service costs, improve efficiencies in service delivery and sustain the service going forward.
- 5.2 Three options were explored:  
Option 1: Stay in-house  
Option 2: Outsource to an existing regional DMO and/or destination DMO  
Option 3: Create a shared service model with other local authorities either along the coastal strip and/or Greater Brighton area.
- 5.3 VisitBrighton has direct links Community Collaboration programme through its use of volunteers and greeters, and the Royal Pavilion project as a key promoter of that attraction. There links with a number of corporate programmes, including Income & Debt Management, Future of our City Parks and CFDA. Tourism also has a wide ranging impact on a number of council services, such as highways and transport, CityClean, rough sleeping, City Parks and Major Projects.
- 5.4 It was concluded that the preferred option was for VisitBrighton to remain in-house. This option achieves the savings targets identified in the four year savings plans, that they would continue to provide the city and visitors with an impartial service, build on the good relationships with businesses across the city and allow a joined up approach with other council services.
- 5.5 Remaining in-house avoided the risks which come with outsourcing the service, which other local authorities have had mixed success with. Remaining in-house also allows the service to work collaboratively with other local authorities without the need to form a shared service model, which would most likely benefit other local authorities more than it would Brighton and Hove.

## **6. COMMUNITY ENGAGEMENT & CONSULTATION**

- 6.1 The Tourism Strategy 2019 – 2025 will be developed in consultation with local, regional and national groups including:
- BHCC departments engaged in the tourism offer
  - City tourism business, venues, attractions and associated trade organisations eg North Laine Traders, Brighton & Hove Hotels Association etc
  - Local stakeholders eg Tourism Alliance, Economic Partnership etc
  - Local education providers eg Brighton and Sussex University and City College
  - Regional stakeholders eg South Downs National Park, Coast 2 Capital, Tourism South East
  - National bodies eg VisitBritain

## 7. CONCLUSION

- 7.1 That members of the Economic Development & Culture Committee note the work undertaken by VisitBrighton to support a vibrant tourism economy in the City and agrees that officers develop a new Tourism Strategy for the city alongside the development of the City's new Economic Strategy.

## 8. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 8.1 The proposed Tourism Strategy will require the commissioning of consultants in 2017/18 to advise and prepare the strategy. The cost of this will be met from within the council's existing Marketing and Visitor Services revenue budget. Any further actions as a result of the strategy will require a business case to be implemented to meet ongoing financial implications. The VisitBrighton service has been reviewed under a modernisation strategy and will deliver savings as part of the four year Integrated Service and Financial Plans but it is anticipated that the cost of delivery the Tourism Strategy consultant costs will be delivered as part of the service budget in 17/18.

*Finance Officer Consulted: Rob Allen*

*Date: 10/02/17*

### Legal Implications:

- 8.2 There are no legal implications arising directly from this report.

*Lawyer Consulted: Alice Rowland*

*Date: 15/02/17*

### Equalities Implications:

- 8.3 An Equalities Impact Assessment will be prepared alongside the development of the new Strategy

### Sustainability Implications:

- 8.4 None directly related to this report

### Any Other Significant Implications:

- 8.5 None directly related to this report.



## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Brighton & Hove's Tourism Economy - Summary of Recent Visitor Trends

### **Documents in Members' Rooms**

1. Visit Brighton Brochure

### **Background Documents**

1. None

