

Report to: Lead Member for Economy

Date of meeting: 12 November 2021

By: Director of Communities, Economy and Transport

Title: Sussex Tourism and Culture Recovery Group Progress report and recommendations for next steps

Purpose: To update Lead Member on the progress of the Sussex Tourism and Culture Recovery Group (STCRG), to seek endorsement for the recommended next steps

RECOMMENDATIONS: The Lead Member is recommended to approve that:

- (1) Sussex Tourism and Culture Recovery Group (STCRG) Visitor Economy report recommendations and actions (Section 3);
 - (2) STCRG explore funding opportunities (section 3);
 - (3) STCRG disseminate the baseline report to interested parties (section 3.7);
 - (4) STCRG create a Sussex Tourism Leadership Group to drive the Vision and reach the target markets (section 4);
 - (5) STCRG engage with the Local Enterprise Partnerships (LEPs) and ascertain the LEPs' proposition for working with the STCRG (section 5.4 to 5.6); and
 - (6) delegate authority to the Director of Communities, Economy and Transport to implement steps set out in recommendations (1) to (5) inclusive, in line with the agreed budget.
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1 Background Information

1.1 The Sussex Tourism and Culture Recovery Group (STCRG) was established in September 2020 at the instruction of the Sussex Resilience Forum (SRF). The group was tasked with supporting economic recovery of the Tourism and Cultural sectors through pan-Sussex working.

1.2 In October 2020 the SRF approved a six-point plan for tourism (including cultural tourism) recovery to be progressed through the STCRG.

1.3 This paper updates the Lead Member on progress and seeks approval of the recommended next steps.

2 Supporting information

2.1 Progress on the six-point plan for collaborative activity across Sussex is shown in Appendix 1.

3. Sussex Visitor Economy Report

3.1 In February 2021 Blue Sail Consulting was appointed by the STCRG to produce an evidence base to inform a medium-term action plan and long-term vision for the Sussex visitor economy, shaping future collaboration between East Sussex County Council (ESCC), Brighton & Hove City Council (BHCC) and West Sussex County Council (WSCC)

3.2 The objectives of the consultancy were:

- Develop a robust visitor economy evidence base for Sussex which informs the development of a shared ambition and vision, supporting continued and accelerated economic recovery of the tourism industry
- Analyse the evidence base created, identifying ways in which to improve awareness of the county as a national and international culture, leisure and business visitor destination

- Create recommendations which clearly identify and articulate areas of the Sussex-wide visitor economy which would benefit from investment, giving a clear rationale which can be used to inform and substantiate bids for external funding

3.3 Blue Sail Consulting submitted their findings and recommendations in July 2021. A full report is available (Appendix 2 and a baseline report is available at Appendix 3). The headline findings from the evidence base include:

- £5 billion of impact and 74,000 FTE jobs – the same size as Iceland’s tourism economy and two thirds that of Wales
- 62 million visitors
- Staying visitors account for 11% of visits and 50% of spend
- Overseas visitors account for 2% of visits and 19% of spend
- 65% of survey respondents who identified as ‘non-visitors’ to Sussex had in fact visited. They just were not aware they had been in Sussex
- 96% of visitors and 84% of non-visitors think Sussex offers what they are looking for

Having analysed the evidence base Blue Sail have produced a Vision and a series of recommendations for action.

3.4 Proposed Sussex Visitor Economy Vision for 2030:

“This is the place that other destinations look up to. It has grown greener and more profitable. Partnership and collaboration are hardwired into tourism management, marketing and development. This is a leading sustainable destination.”

3.5 Sussex Visitor Economy Report recommendations:

The medium-term actions that will make a difference for Sussex fall into two distinct areas:

- Market Focus and Positioning
- Experience Development and Underpinning Foundations.

3.6 Four key target markets have been identified which are most appropriate to Sussex and have the strongest growth potential in the UK and internationally:

- Country Loving Traditionalists
- Free and Easy mini-breakers
- Explorers
- Buzzseekers

3.7 Actions proposed to target these markets and grow the profitability of the sector can be found in appendix 4.

3.8 The STCRG proposes a two-phase communications plan. The first phase would see the dissemination of the baseline report to interested parties. A second phase for the release of the full report will be agreed once the necessary endorsement by the three partner upper tier authorities has been received.

4. Leadership

4.1 The STCRG is seeking in principle approval to continue to invest in this work based on the Vision, actions and recommendations set out in this report. The STCRG proposes the creation of a Sussex Tourism Leadership Group (STLG) to drive the Vision and reach the target markets identified in the Sussex Visitor economy report. The group will:

- Focus on the big picture, tackling issues and opportunities that are truly pan-Sussex
- Advocate for infrastructure which supports pan-Sussex Tourism
- Operate at a national level, influencing government and the private sector to invest in Sussex
- Fundraise, using the strength of a pan-Sussex partnership to leverage and bid for funds to deliver additional activity
- Facilitate and coordinate, working with Destination Management Organisations (DMOs) and existing tourism partnerships
- Operate flexibly, to respond to changing circumstances, needs and opportunities.

4.2 Members to be invited will include Visit Britain, county/unitary councils and one district/borough local authority senior representative (one each for East and West Sussex), South Downs National Park Authority, Coast to Capital and South East Local Enterprise Partnership, Gatwick Airport, Sussex

Modern, representation from private sector businesses aligned to the Vision and identified target markets in consultation with the Chair (e.g. Wine GB); Transport for the South East (Board level) Southern Rail/Govia Thameslink Railway and one major player in the meetings, incentives, conferences, and exhibitions (MICE) arena; Visit Brighton, 1066 Country, Visit Eastbourne, Visit Chichester and the Experience West Sussex partnership.

4.3 The current Chair of the STCRG is standing down as he takes on a new role outside of Sussex. A new Chair will be recruited for the Leadership Group. The new Chair will liaise with the STCRG to prepare for meetings. The new Chair will be required to respect and ensure the equal standing of all three partner areas.

5. Strategic Intelligence

5.1 Currently, the STCRG monitors significant national and regional developments for the visitor economy and is ensuring that these inform the next phase of the STCRG's work and the future STLG work.

5.2 The Department for Digital, Culture, Media and Sport (DCMS) has published the Tourism Recovery Plan, which is ambitious and wide ranging. The agenda includes sector recovery, world class product development, the challenge of achieving Net Zero and climate action, rebuilding event and business tourism, improving productivity, improving accessible tourism and building back international tourism.

The Blue Sail commission considered and reflected these priorities within the plan where appropriate (e.g., a focus on business tourism). There are currently no specific funds attached to the Tourism Recovery Plan, but it is expected that future funding opportunities from the Government including the UK Shared Prosperity Fund and an expected Tourism Recovery Fund, will align to the Tourism Recovery Plan.

5.3 The national Destination Management Organisation (DMO) Review was published in September 2021. It recommends a three tier structure with tier one organisations providing an umbrella function for existing DMOs. In a recent meeting with the Chief Executive Officer of Visit Britain, three DMOs were identified as models of good practice: Marketing Manchester, The East of England (previously East Anglia) and Visit Kent. Their shared characteristics are:

- a larger profile and reach than their own place boundaries
- the ability to deliver effectively for themselves, their region and for Visit Britain on the international stage
- demonstrated ambitions beyond their boundaries, worked across borders and shared themes
- created partnerships

All of this has allowed them to leverage investment, gain political support and increase their destination profiles. The proposed STLG will offer Sussex an opportunity to strengthen the position and work of all the DMOs in the County, as well as providing a strategic focal point that can champion Sussex to regional players, funding bodies, national bodies and international visitors. The strategic positioning of Sussex in response to the DMO review outcome will be reflected in future plans.

5.4 The STCRG has also been considering the potential future relationship with, and role of Local Enterprise Partnerships (LEPS) in achieving the vision and ambition.

5.5 The South East Local Enterprise Partnership (SELEP) has invested in three projects which are being delivered by a partnership of Visit Essex, Visit Kent and Sussex Modern. Visit Kent has been the project lead and managed these projects and their budgets. Once the final programme is completed in 2022, we will take stock of how the SELEP partners work together in the future. The current projects are:

- £25k Sector Support Fund (SSF) investment for Garden Gourmet Trails - itinerary development led by Visit Kent, supported by Sussex Modern for East Sussex, is now live on the Garden Gourmet Trails website
- £200k SSF programme commenced which delivered a winter 2020/21 campaign and spring launch. A business support programme has been led by Visit Kent
- Working with our own Business East Sussex Growth Hub, other Growth Hubs across SELEP and South East Business Boost programme, the partnership secured a £1.05m SELEP contract for ongoing Visitor support and grants in 2021/22 (£85k for East Sussex campaign work, up to £60k of grants). Allocation and defrayal of grants is being managed by Southend

Council and the final outputs will be reported in February 2022. Partners meet on a weekly basis to oversee the programme.

5.6 It is proposed that the key considerations for the STCRG in any potential formal working relationship with LEPs are:

- Understanding the added value, the LEPs could bring to the work
- The likelihood of LEP funding being available to fund the STCRG's priorities (primarily revenue funding at this time)
- The outcome of the ongoing LEP Review and any future role they have in the visitor economy
- Consistency between the LEPs' objectives and STCRG and future STLG objectives
- The ability to link up and leverage opportunities with wider regional or national players e.g., Innovate UK or Catalyst South.

6. Budget

6.1 East Sussex County Council has allocated £205k to support the tourism sector between 2021/22 – 2023/24. This budget has not been used for the SELEP supported programmes described in section 5.5 above.

6.2 The three upper tier pan-Sussex authorities have together pooled £100k to December 2021 – East Sussex County Council has committed £32.5k of the £205k budget. This pooled budget is being held by West Sussex County Council and all expenditure has to be approved by the STCRG partners. To date:

- £25,000 has been allocated to the Blue Sail Commission
- £20,000- £25,000 towards bringing on board expert freelance support to create capacity to progress the next phase of work, including the action plan, communications plan, creation of the STLG, and readiness to respond to national developments such as the outcome of the DMO review and/or funding opportunities. These allocations have been approved by the current STCRG.

7. Conclusion and reasons for recommendations

7.1 In light of the impact of the Pandemic on the tourism sector, the pan-Sussex group is meeting a need to support the economic recovery of the Tourism sector through pan-Sussex working. To inform the proposals for next steps, the STCRG has considered:

- the recommendations from the Sussex Visitor Economy Report (as set out in section 3)
- the need for a wider leadership group to include public and private sector representatives (section 4)
- other strategic Intelligence (section 5)
- how to work with LEPs in future (section 5)
- Current funding available (sections 3 and 6)

7.2 Within this context, the Lead Member is asked to approve the recommendations.

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LOCAL MEMBERS

All members.

Background Documents: None