

Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee



Date of meeting:	08 December 2021
Title of Report:	Destination Plymouth Progress report on Visitor Plan 2030
Lead Member:	Councillor Nick Kelly (Leader)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Amanda Lumley, Executive Director, Destination Plymouth
Contact Email:	
Your Reference:	
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

The purpose of this report is to provide a progress update to the committee on activities and key projects, which underpin the Visitor Plan 2030 strategy. The plan will use the legacy of Mayflower 400 to continue to grow the city's tourism sector using the National Marine Park as a key catalyst.

The plan will enable Plymouth's residents to benefit from the visitor economy, supporting quality job retention and creation; whilst also enabling Plymothians to take full advantage of the city's rich history, heritage and unique environment, by promoting opportunities for education, health and wellbeing, and pride.

Oversight of the Visitor Plan 2030 is led by Destination Plymouth. The new plan was initially brought to Scrutiny in August 2018 with the headline Visitor Plan 2020-30 strategy being adopted by the City Council in March 2019. The final draft of the business plan was taken to scrutiny on January 15th 2020 and subsequently after being recommended to cabinet was formally adopted in March 2020 just one week prior to the first Covid19 lockdown.

Since the start of the Covid19, pandemic things have changed significantly with the tourism, leisure and hospitality sector being one of the hardest hit nationally and internationally. This along with the United Kingdom's departure from the European Union has led to significant economic shock and longer term challenges as the economy starts to recover.

2020 data showed the significant impact of Covid19 with a loss of 54% of visits down to 2,436,000 and 56% of visitor spend down to £148,436,000.

Up to 2019, the growth of tourism and the visitor economy has been a great success story for the city with over 25% growth since 2010. From just under 4 million visitors to 5.2 million in 2019 spending over £327 million annually and supporting nearly 8,000 jobs, over 7% of the city's employment.

It is still too early to calculate how well the sector has recovered through the early part of 2021, however early data shows that although the first half of the year was still well below 2019 levels (-£89,206,509 from Jan to May) it recovered in the later part of the year (+£12,290,061 from June to Sept). This is very positive and it is anticipated that by year-end there will have been significant recovery towards 2019 pre-Covid visitor numbers and spend in the city. This would not have been possible without significant support from the PCC grants team giving out government Covid19 grant funding to businesses and the cross-city partnership working between Destination Plymouth the two Business Improvement Districts (City Centre Company and Waterfront Partnership) to support, promote and help businesses to recover.

This report highlights the actions, which have been delivered to help the sector recover from Covid19, and how the new 2030 Visitor Plan has started to move forwards positively despite the pandemic.

Recommendations and Reasons

That the Committee:

- 1) Continues to support Destination Plymouth to lead delivery of the plan working with wider City stakeholders and partners.
- 2) Recognises the significant achievements of the Destination Plymouth, Plymouth City Council and BID teams in supporting the sector to recover post Covid19
- 3) Supports the sector 'asks' to government through the local MP's

Alternative options considered and rejected

Delivery of the Visitor Plan 2020 has significantly grown the city's visitor economy, which now represents nearly 8,000 jobs, 7% of employment in the city*. The 2020 plan has acted as a key catalyst however, given changes to the marketplace, the importance of maximising the Mayflower 400 legacy and emerging aspirations for the first national marine park, it was considered essential that a new Visitor Plan was commissioned, consulted on and delivered.

Not having the Visitor Plan could potentially affect the city's ability to position itself as a destination not just to visit but also to invest in and to live. This could have significant impacts on the city's overarching growth strategy, the Plymouth Plan, to 2032. The Visitor Plan has been a strong factor in enabling recovery post Covid19.

*2019 data.

Relevance to the Corporate Plan and/or the Plymouth Plan

Plymouth is Britain's Ocean City and the visitor economy is a major contributor to our economic growth, local community and vibrant waterfront city. The Visitor Plan aims to address growing city priorities, in particular economic growth, jobs, skills and sustainability. The Scrutiny review approach embeds our values; it is democratic, responsible, fair and collaborative.

Implications for the Medium Term Financial Plan and Resource Implications:

Destination Plymouth Ltd. was formed in 2008 and incorporated in June 2010 as a private/public sector partnership and arm's length company of Plymouth City Council. Destination Plymouth Ltd received £150,000 of revenue funding from PCC per annum up to the financial year-end Mar 2021 as part of the £2.25 million commitment to Mayflower 400 up to end March 2021 included within existing revenue budgets.

Destination Plymouth Ltd. will require an ongoing revenue commitment of £100,000 per annum from March 2022 to remain a going concern but more importantly to enable leverage from key city partners to continue to support delivery and programme activity. Provision has been made for this commitment from within existing revenue budgets linked to the MTFS for a period of three years to March 2025.

In addition to this PCC supports city marketing and advertising within the existing Economic Development team and revenue budget and a commitment has also been made to maintain this support.

Over the past three years, Destination Plymouth Ltd has helped to leverage over £7.7 million income through grants alone for specific projects related to the visitor plan. This includes £1.62 million from Visit England for product development and international marketing activity and most recently £132k for delivery of a 'Green Tourism' scheme from the Community Recovery Fund.

No further implications are anticipated for the MTFS at this stage, resource implications are limited to member and officer time.

Financial Risks

Current financial risks to delivery of the Visitor Plan are as follows:

- Post 2025 longer term funding for DP
- DMO review impacting upon longer term funding options
- Opportunities to secure and leverage grant funding due to limited resources
- City Centre Bid renewal due in 2023
- Waterfront Bid renewal due in 2021

Carbon Footprint (Environmental) Implications:

The new Visitor Plan 2030 has ten strategic ambitions one of which is 'We will become one of the UK's first carbon neutral destinations by 2030 supporting our city vision'.

A key area of work going forward will be to work closely with Plymouth City Council and businesses in the tourism, retail and hospitality sector to identify what the current carbon footprint is for the visitor sector as well as developing solutions to reduce it over the next ten years. The aim will be to become best in class delivering sustainable solutions that not only reduce carbon emissions but also drive down costs and provide wider benefits to our visitor sector businesses.

It is important to recognise that our Visitor Plan (in common with cities located around the world) aims to increase the number of visitors that travel to, visit and consume within Plymouth. People are free to choose where to holiday, study or conduct their business and - if Plymouth is to deliver growth and increase productivity in line with the Plymouth Plan - then it must successfully attract visitor and business tourists in the context of an exceptionally competitive global marketplace.

Notwithstanding the above, the Visitor Plan has been designed to improve Plymouth's environmental performance. The Visitor Plan's targets adopt a wise, sustainable approach to tourism growth based on the VICE (visitors, industry, community, and environment) model. The balance between these four elements has been considered in the production of the plan and should synergize with a view to ensure sustainability. Destination Plymouth has already started to work towards delivery of this aim by securing funding to start up a 'Green Tourism' scheme in the city from January 2022.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

An equalities impact assessment was completed in 2020 when the 2030 Visitor Plan was submitted to Council for ratification.

The 2030 Visitor Plan includes some activities that relate to the following:

Health and safety - Destination Plymouth as a limited company operates to health and safety guidelines as set out in UK Corporate law. Where projects are not led by Destination Plymouth, the Board will seek reassurance that the organisation delivering is compliant through their project governance procedure.

Risk management – Destination Plymouth runs its own organisational risk process alongside a higher-level strategic risk register for the overarching Visitor Plan strategy. Where projects are not directly delivered by Destination Plymouth the Board will seek evidence that they are being risk managed through a formal project governance process.

Equality and inclusion – Successful delivery of the Visitor Plan 2030 should create up to 1000 new jobs in the sector. This will provide employment for the local community across a very broad range of roles and in a very accessible way. Destination Plymouth will review projects and activities in the Visitor Plan on an individual basis to ensure that they promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Current situation							
B	Plymouth Visitor Plan 2030							
C	Activity Plan updates							
D	Destination Plymouth Business Plan 2022/23							
E	'Du Bois' DMO review							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Anthony Payne											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 25/11/2021											
Cabinet Member approval: Cllr. Nick Kelly											
Date approved: 25/11/2021											

APPENDIX A.

1.0 Current situation

i. National Context

Tourism and hospitality is one of the UK's largest, most diverse and interconnected sectors of the UK economy, generating high levels of revenue and employment across all parts of the country. It is an economic, social and cultural asset. The sector is a major contributor to jobs and growth in the UK, indirectly employing 4 million people and making a direct economic contribution of £75 billion a year pre-pandemic.³ The sector connects people to the UK's history, showcases the UK's innovation, and has a key role to play in reviving the spirits of the nation as the country emerges from the pandemic.

The tourism sector covers inbound, outbound and domestic travel. It includes travel for both leisure – including holidays and visiting friends and relatives – and business purposes.

In 2019, the sector encompassed a diverse range of 230,000 businesses, mostly small and medium sized enterprises.

The sector covers:

- Transport businesses including: airlines, ports/terminals, rail, cruise, coach, taxi, ferries, barges and buses;
- Accommodation providers including hotels, B&Bs, self-catering, hostels, camping, caravanning, riverboats, cruises, resorts and holiday parks;
- Attractions including: indoor and outdoor events (sports, music, festivals, business events, fairs etc.), heritage, parks and gardens, theme parks, casinos, theatres, retail, food and drink, and experiences (spas, tours etc.);
- Facilitators including: Destination Management Organisations, tour operators, tour guides, travel agents, travel management companies, travel insurance, FX bureaus and tourist information centres;
- Suppliers including event organisers, security, maintenance, food and drink manufacturers, florists and English Language Schools. Inbound tourism:

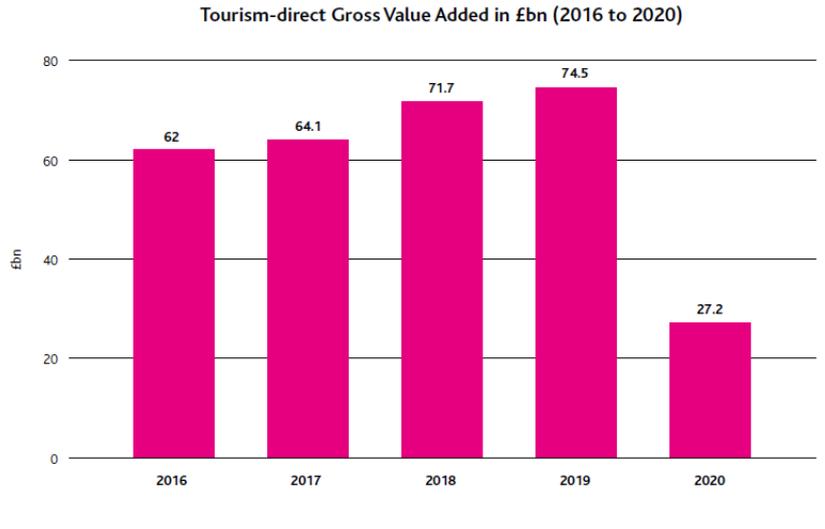
The UK welcomed 41 million visitors in 2019, who spent over £28 billion, making the UK the tenth most visited country in the world and the fifth most valuable tourist destination. It is acknowledged as being one of the sectors of the UK economy most affected by the Coronavirus outbreak. UK expenditure in 2020 (GVA) dropped by 64% nationally down to £27.2 billion and is shown in the table below.

Plymouth as a comparison has been affected in the same period by a 54% drop in visitor spend with a drop in GVA of 55.5% from £259,062,000 to £115,184,000 so not as badly impacted overall. This may be potentially due to the huge amount of international traffic (over 56%) which is London based and which almost completely disappeared. Plymouth only receives 1% of international visitors so was not as badly affected by the loss of this market. We also benefitted as a region in the late summer and autumn in 2020 because of the huge surge in UK domestic visitors looking for outdoor holidays in Devon and Cornwall this was a national trend with the SW consistently being the top destination for visitors over late 2020 and into 2021.

Box 2: The impact of COVID-19 on the tourism sector in numbers

COVID-19 hit the sector hard...

Tourism-direct gross value added is estimated by Oxford Economics to have fallen by 64% between 2019 and 2020, from £75 billion to £27.2 billion and overall the fall in tourism's economic output over 2020 is estimated to have led to a 1.5% fall in UK GDP.²¹



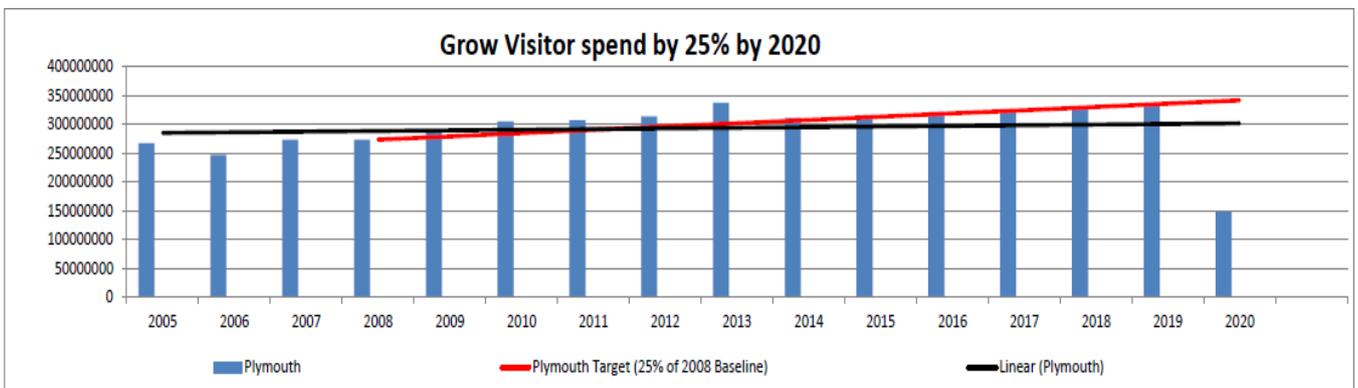
ii. Regional Context

The South West visitor economy in Cornwall and IoS, Devon, Somerset and Dorset (the Great South West – GSW) is the largest single visitor region outside of London in the UK, **attracting 17 million staying visitors**, with an estimated total economic impact of **£11.3 billion**, with direct **employment of 210,000 people**.

It is estimated that in 2020 the sector lost 54% of visitor spend down from £3,181,072,000 to £1,475,671,000.

iii. Plymouth context

Visitor numbers for 2019 were very positive at 5.2 million with spend at £327 million. However, 2020 data shows the significant impact of Covid 19 with a loss of 54% of visits down to 2,436,000 and 56% of visitor spend down to £148,436,000.





It is still too early to calculate how well the sector has recovered through the early part of 2021, however early data shows that although the first half of the year was still well below 2019 levels (-£89,206,509 from Jan to May) it recovered in the later part of the year (+£12,290,061 from June to Sept). This is very positive and it is anticipated that by year-end there will have been significant recovery towards 2019 spend.

There are approximately **1655 businesses** classified as visitor economy businesses in **Plymouth** of which 78% are classed as micro businesses employing under nine people. There is no doubt that the furlough scheme, grants, business rates relief and VAT reduction to 5% have played an important role in supporting these businesses to date, many would simply not have survived for this long without this support.

2.0 Approach to Covid19 impacts and recovery

In May 2020, just after the first Covid19 lockdown, Destination Plymouth prepared a first draft recovery plan and the final version was shared with the economic development team and wider stakeholders across the city in July. This recovery plan formed one of the key sector pillars in the City's overarching recovery programme. At the same time, Destination Plymouth worked closely with colleagues at the HOSWLEP and wider Great South West Tourism Partnership to write and develop a wider regional plan, which would support the rest of the Devon and Somerset region. Progress on the 'Recovery Plan' was reported back to Cabinet in December 2020.

The recovery plan was based around a simple three-phase approach:

Short term (up to 6 months – Dec 20) Acute/Research:

a) Strategic:

Lobby government to continue to provide support for sector including business rates relief and reduction in VAT.

Partnership working, further develop Plymouth, HOSWLEP and GSW recovery plans.

Bidding for DEF/VE/Recovery funding, review capital projects and prioritise

b) Business support including:

Sign posting to government grants, loans and furlough schemes, business too good to fail, account mgmt.

c) Restarting visitor sector including:

Risk assessments for re-opening, training, certification schemes, webinars etc.

d) Communications including:

Public reassurance, business information and intelligence, re-positioning the visitor offer and developing content, late summer campaign to reassure visitors (day/UK visitor target)

e) Intelligence gathering:

Online/face-to-face surveys, BDRC perception surveys, Cambridge data, implement T stats,

Mid-term (6 to 12 months – Jan 21 to Dec 21) Recover:

a) Strategic:

Partnership working to develop Tourism Zone concept, bidding process for Tourism Zone funding. Continue lobbying for extended support for businesses including VAT reduction and business rates. Prioritise capital projects and assemble funding/feasibility

b) Continued business support:

Ongoing account management and signposting, possibly direct support for businesses too good to fail

c) Ongoing training and certification support:

Extension of quality/accreditation programme (consider Green Tourism Scheme), digital skills assessments/training provision

d) Communications:

Continue to reassure public, develop spring/summer marketing campaigns, re-start cruise/international activity

e) Intelligence gathering:

As above

Longer term (12 to 36 months – Dec 21 to Dec 23) Return/Restabilise:

a) Strategic: Tourism zone process overtaken by DMO review and national recovery plan. Lobby government to fund DMO review implementation. Prioritise capital projects in Visitor Plan 2030 to get up and running

b) Continued business support: as above

c) Ongoing training and certification support: as above

d) Communications: bid for more marketing funding to develop UK domestic market short term

e) Intelligence gathering: as above

To date the following has been achieved working with PCC and the wider partners:

All of the outputs in **phase I (acute/react phase)** including:

- Development of HOWLEP tourism recovery plan and wider Great South West Tourism Recovery Plan
- GSW regional research survey completed September 2020
- Government reduced business rates and VAT for sector businesses
- Allocation of grant funding across sector businesses by PCC during 1st and 2nd lockdown
- Successful bid for marketing funding for GSW region from government for Enjoy Summer Safely campaign £350,000

- Successful bid into Discover England Fund for ‘Connections’ project £158,000
- Twice weekly lobbying directly into DCMS and Visit England
- MP briefings locally, regionally and with Tourism Minister November 12th
- Successfully re-opening the sector working with multiple agencies twice after lockdowns
- Secured Sail GP, British Art show and recovered a strong events programme for 2021 to attract UK domestic and regional visitors

We are currently in **phase 2, which is the ‘Recovery’ phase** up to December 2021:

Key priorities, which have been delivered, include:

- Working closely with PCC and the BIDS leveraging £200,000 funding from the ERDF ‘Welcome back fund’ for the ‘Geddon’ campaign and marketing activity through the spring and summer 2021 and a further £100,000 for the winter/Christmas campaign in 2021 to drive day visits and repeat visits
- Leveraging in a further £50,000 from the ERDF ‘Welcome back’ fund for specific delivery of coach and groups, cruise and international marketing activity through 2021 to ensure we retain a presence and continue pipeline activity
- Setting up a specific portal for the hospitality, retail and tourism sector on the new ‘Skills Launchpad’ as a one stop point of contact for employers and employees to provide advice, jobs and training support
- Delivering a ‘Get a job in tourism/hospitality’ campaign over summer 2021 to address recruitment challenges in the sector
- Continuing to lobby government for ongoing financial support for the sector linked to business rates and VAT reductions
- Further research in Spring 2021 to understand business impacts in the sector
- Bidding for and securing additional marketing funding to maximise the opportunity in the UK domestic market over the next 12 months including £110,000 ARG funding to support marketing activity into the coach and groups market, maintain international activity and promote Plymouth for summer holidays and Christmas 2021
- Development of a strong marketing plan early Spring 2021 to encourage ‘off peak’ visits
- Re-phasing and ‘re-imagining’ the Mayflower 400 programme to continue to have maximum impact through to summer 2021
- Bidding with PCC successfully for Community Recovery Funding to support implementation of a ‘Green Tourism’ scheme from January 2022.

From January 2022, we will go into **phase 3, which is the ‘Return/Stabilise’ phase** of the plan.

Key activities will include the following:

- Implementation of ‘Green tourism’ scheme - £112,000 ARG funding secured for delivery of this
- Marketing activity to boost visitor numbers in international, national, cruise, groups, trade and business tourism
- Local and regional marketing activity to boost day visitors
- Gathering research and data to better understand how businesses are recovering post Covid19 and what consumers are planning to do over the summer
- Further support for small businesses including digital skills training
- Developing grant applications for further funding to support marketing and product development
- Preparing to respond to the ‘DMO review’ and recommendations

3.0 Visitor Plan 2030 progress to date

In addition to supporting the recovery of the sector work has started to move forwards some of the key strategic priorities in the Visitor Plan.

The strategy has three key themes:

- Blue-green city
- Brilliant Culture and heritage
- Premier Destination

And is underpinned by a series of enabling activities including:

- Partnerships
- People
- Ocean city infrastructure
- Our distinctive brand

There are a number of ‘emerging’ new star projects, which have been identified within the new Visitor plan linked to each of the three themes. These strategic interventions will make a ‘step change’ in how we deliver versus our targets and our ambitions.

Star Projects:

Currently there are nine star project concepts, which are being explored, these are set out below. See Appendix C for details of specific project updates.

Theme: Blue-green city.

Status: successful bid for £9.5 million for the National Marine Park from the National Lottery Heritage Fund’s (HF) ‘Horizons’ fund. HF funding provides for a 2-year development phase prior to releasing funding for the 5-year delivery phase. The Plymouth NMP Horizons project is now in development stage.

- i. Ocean playground – part of ‘Horizons’ project
Our aims is to build on our waterfront assets by providing access all year round for activities by, on, in and under the water. Key projects include Mountbatten Watersports Centre and the Hoe Foreshore
- ii. Stories of the Ocean/National Marine Park – part of ‘Horizons’ project
Our national marine park will be recognised for amazing experiences. Using innovative digital technology, marine science and our local people to tell our story. Integrating culture into city centre and waterfront developments to expand the use of digital technologies to animate the city and its heritage assets
- iii. National Marine Park Gateway – part of ‘Horizons’ project

The National Marine Aquarium is a much loved and nationally significant visitor attraction. This project will ensure that the attraction is sustainable for the long term in its role as Ocean conservation trust and develop the site as a gateway to the National Marine Park. Connected projects will explore the opportunity to develop the fish market to make it more accessible for the local community as well as visitors.

Theme: Brilliant Culture and heritage

Status: all projects moving forwards and 'live'

- i. 'The Box' effect – led by 'The Box'/Plymouth Culture working towards British Art Show in 2022 and wider programming for 2023 onwards.

Build on the legacy potential of the Box by working with creative talent and communities to encourage new audiences and explore other heritage, leisure and arts activities in the city.

- ii. 'Après Sea- developing Plymouth's night time economy – led by Plymouth Culture significant developments with Community Recovery Funding for 'Nudge' and Street Factory successful grant bid.

Grow our evening, musical and cultural community events and assets from grass roots to larger venues to build a distinctive day and night time offer which reflects the 'Britain's Ocean City' 'Après-sea' experience and culture of the city

- iii. Celebrating our maritime and military heritage – led by National Museum of the Royal Navy (NMRN) progress positive with formal adoption of project by NMRN.

The National Museum of the Royal Navy has recently acquired the Naval heritage Centre in Devonport situated five minutes' walk from Devonport market hall and Guildhall. This emerging cluster of potential visitor attractions has potential to be developed longer term to show case the city's marine and naval heritage

Theme: Premier destination and Ocean infrastructure

Status: Good progress is being made across all projects.

- i. City conference campus and accommodation – led by PCC successful Future High Streets Fund bid has enabled the project to move forwards.

This project will aim to realise the potential of the Civic Centre and Guildhall by developing a city centre conferencing campus to attract small and medium sized conferences, meetings and events to the city. In addition, it will support further development of supporting 4 star hotel accommodation and banqueting provision to support growth of business tourism off peak and increase staying visitor capacity.

- ii. Brunel Plaza – see detailed activity plan in Appendix C for most recent update project progressing successfully

Although work on this project to re-develop the railway station has commenced it is a long-term project and will have a major impact on the visitor economy providing a significant step change in the experience and efficiency for both locals, commuters and visitors arriving in Plymouth.

- iii. Plymouth cruise and ferry port – meeting end of November with key partners to discuss funding and vision for port going forwards

This project will see improved capacity for traffic and transport, more streamlined border controls, better accessibility and visitor welcome service for cruise and ferry passengers off both the berth and tendering in. Higher volumes of ships will be achievable through a second smaller berth facility at Trinity Pier, which will also improve the access and ambience of the waterside for visitors and local residents

The strategy also sets out ambitious new targets for the next 10 years:

Our objectives are grounded in **wise growth of the value of the visitor economy**. We will focus on high value markets to drive productivity in the sector that can translate into quality, year-round jobs and opportunities for Plymothians. That means international and overnight leisure and business visitors who will visit throughout the year and manifests in our targets which grow value at a faster rate than volumes of visits.

Delivering our refreshed Visitor Plan will generate a further **1,000 new jobs in the city**, bringing employment in tourism to just under 9,000 jobs¹.

Our targets are:

- To grow visitor spend by 30% from £347 million to £450 million in a decade
- To increase the total visitor numbers by 15% from 5.1 to 6.2 million by 2030

Here is the market focus for delivering that growth.

- Make international tourism worth £60 million a year spend in the city, that's 65% growth by 2030
- Grow UK staying visits by 25% to achieve £150 million spend, focusing on leisure short breaks
- Make business meetings and conference tourism worth £25 million a year in spend to the city, a 55% increase in a decade, using Plymouth's industry strengths to create a strong positioning

4.0 Significant factors affecting Destination Plymouth and Visitor Plan delivery:

i. Reduced capacity of Destination Plymouth post Mayflower 400

Destination Plymouth has levered and secured funding in excess of £7.7 million over the past four years to enable delivery of Mayflower 400 related projects and activities. Post March 2022 much of this funding will cease and therefore staff resources will need to reduce accordingly. The Senior Executive will reduce to x 1 FTE with x 1 FTE Project Management support. A business plan was taken and approved by the Destination Plymouth Board in October 2021 to demonstrate that funding was in place for the company to remain as a going concern post March 2023. Activity over the coming 12 months will be undertaken to explore and bid into grant funding opportunities to build capacity longer term in line with Visitor Plan priorities. See Appendix D.

¹ Actual jobs, using Cambridge data and assuming c.14% increase in jobs between 2020 and 2030.

ii. DMO Review

In 2020, many of the Destination Marketing organisations nationally and regionally were significantly affected by loss of income at a time when businesses most needed their support. Many good 'commercially based' DMO's closed during 2020 after their income streams disappeared overnight and were not eligible for government grant funding save in only a few cases. Plymouth is fortunate to have Destination Plymouth, which has been providing support, advice and guidance along with the Business Improvement Districts to businesses one to one. In addition Destination Plymouth has worked closely with PCC's marketing and events teams to deliver regular local communications, regional and national marketing campaigns and has led lobbying into government the with Great South West Tourism partners. The **DMO funding** model in many places has **effectively broken** and because of this in early 2021, the government asked Nick du Bois to lead a review of Destination Management Organisations nationally.

The 'Du Bois' report and recommendations from this were presented to government at the end of July 2021. It was hoped that the CSR review would lead to a budget allocation from the Treasury for the implementation of the DMO review recommendations, however, this has not happened. The Department of Culture, Media and Sport received a 3% uplift on its 3-year budget allocation and the sector is now lobbying strongly for some of this to be allocated towards the £51 million required to support the implementation. Members of the Scrutiny Committee are asked to lobby via our local MP's to support a recommendation to DCMS that the funding is allocated to the recommendations

The report and recommendations is attached as a further appendix E.

iii. 'The Great South West Tourism Partnership'

The Destination Plymouth executive has also played a key role as Co-Chair in the emerging Great South West Tourism Partnership and development of a regional Recovery Plan with partners. The Great South West Tourism Partnership (GSWTP) is an inclusive, equitable alliance that brings together the strength, knowledge and expertise of the leading DMO and tourism organisations in the Greater South West Area. These include:

Devon	Dorset
Somerset	Cornwall
Isles of Scilly	Exeter
Plymouth	Torbay
Bournemouth, Christchurch, Poole	
Exmoor	Dartmoor

This partnership has existed informally in different forms for many years delivering value to the region. During the COVID-19 crisis, the GSWTP group has come together like never before to the benefit of the tourism and the visitor economy, including providing business support to the individual businesses, co-ordinated regional marketing campaigns, collaborative impact surveys and joint lobbying to Government for industry support. The GSWTP is not a formally constituted organisation and is formed of organisations from a range of backgrounds including, commercial, not for profit business, Local authority and Business Improvement Districts. This group recognises the strength and value of focusing on our common goals, aspirations and vision for the region and is the first step in building a

stronger, more productive, resilient and valuable Tourism and hospitality network for the Great South West region. It was cited as an example of collaborative best practice in the recent 'Du Bois' DMO review report.

iv. Skills and employment

A key challenge to delivering the targets set out in the Visitor Plan is enabling enough people to work in the sector or to develop the skills required to do so. Along with many other sectors including health, adult social care and transport the tourism and hospitality sector is having a problem recruiting staff. This has led to many businesses running at lower capacity levels, reduced service capability and issues including lack of taxi drivers as well as supply and logistics. The table below shows the current vacancy rates across the city, which have now reduced slightly due to going into 'off peak'.

PLYMOUTH	July 21	August 21	September 21	October 21
Total Job Vacancy Postings	2072	2557	2076	2325
Tourism, Hospitality & Retail Job Vacancy Postings	138	222	180	149
Tourism, Hospitality & Retail as a % of total	6.7%	8.7%	8.7%	6.4%

It is fair to say that this is not just a Plymouth problem it is a national issue with a recent Office of National Statistics report stating that between 23 August and 5 September 2021, 30% of hospitality businesses said that vacancies were more difficult to fill than normal. This compares with 13% across all industries (up from 9% in early August).

There are multiple reasons why this has happened including:

- People getting new jobs due to closure or furlough through Covid
- Lifestyle changes due to Covid
- People retiring early due to Covid
- Brexit reducing the number of international workers in the city
- Perception of the sector as low paid and unsociable hours
- High volume of demand due to very busy post Covid period over summer

In the short term, funding from the ERDF 'Welcome back' fund was used to deliver campaign over summer aimed at young people and semi-retired people to encourage them to work in the sector. Although the campaign achieved a high reach, the engagement was relatively low. More work needs to be done longer term to change perceptions of the sector and encourage people in at an early stage. The Employment and Skills team at PCC have been exploring the challenges further along with a sector based task group and will develop a longer-term plan over the coming 12 months to try to address the issues.

v. Asks to Government

In order to support some of the key aims for the region and the partners the Great South West Partnership representatives are continuously asking for support from the government. These 'asks' are put forward to local regional MP's as well as the Great South West APPG via Chair, Sir Gary Streeter,

MP, the Tourism and Hospitality APPG via Chair, Simon Jupp MP and Tourism Minister Nigel Huddleston MP.

Current 'asks' are as follows:

1. Maintain the 12.5% VAT reduction rate indefinitely to boost competitiveness internationally and encourage consumer spend in the sector
2. The Government via DCMS to fund the implementation of the recommendations in the 'Du Bois' DMO review report.
3. Offer funding for DMO's through new opportunities post CSR for example 'shared prosperity' or 'levelling up' funds to support development of Great South West Tourism Partnership and local DMO action plans to help sector recovery and longer term growth

Destination Plymouth is now asking Plymouth City Council to support these 'asks' to government and to acknowledge the work that Destination Plymouth in partnership is doing to help the sector towards recovery over the next three to five years.