AGENDA ITEM 11

RURAL, ECONOMIC AND ENVIRONMENTAL AFFAIRS COMMITTEE

2 SEPTEMBER 2015

REPORT OF THE HEAD OF COMMUNITIES & NEIGHBOURHOODS

TOURISM – STEAM TREND REPORT 2013-2014

1. PURPOSE OF THE REPORT

1.1 Members to note and comment on the Tourism Scarborough Tourism Economic Activity Monitor (STEAM) trend report for Melton 2013 – 2014.

2. RECOMMENDATIONS

2.1 That members note and comment on the Melton STEAM trend report 2013 – 2014 and the performance of tourism during this period.

3. KEY ISSUES/BACKGROUND

3.1 Melton Promotions Board aims to successfully deliver the actions and strategies highlighted in the current Tourism Blueprint for Melton Mowbray 2015-2018, by developing the strategic, operational and financial plans to enable economic growth and increased culture value of tourism.

3.2 Members of this Committee approved the revised Blueprint in January 2015, The Blueprint identifies the key actions required by partners for the period 2015 - 18. This in turn generates the on-going programme of actions for the partnership, covering tourism, marketing and development.

3.3 The Blueprint for Tourism 2015-2018 aims to build on the success of developing the USP for Melton – 'The Rural Capital of Food & Drink' through ***Improving the Brand, Widening the Offer*** and ***Co-ordinating Events,*** by delivering:-

a) A distinctive tourism story for Melton which lies within the Leicestershire destination story
b) 8% growth in economic activity over 3 years through increased visitor spend
c) 75% of partner businesses promoting activity goleicestershire.com

3.4 The introduction of a Stay Play and Explore Campaign for Melton was developed through Leicestershire Promotions. The 'Taste of Leicestershire' short break campaign was piloted in 2012 and has continued throughout 2013, 2014 and 2015. The focus is to increase the numbers of Staying Visitor and convert existing Day Visitors into Staying Visitors in line with the current 'stay-cation' phenomena (the increase in domestic tourism with UK short breaks).

3.5 Melton Promotions has targeted the group travel market to entice Day Visitors and Staying Visitors to Melton through 'taste experiences' at four key national and regional trade exhibitions. The group travel market has seen an increase visitor numbers during 2013 to 2015 and the employment of a Meet & Greet officer on Tuesdays has enhanced and developed this market.

3.6 Why STEAM?

The Scarborough Tourism Economic Activity Monitor (STEAM) approaches the measurement of tourism at the local level from the supply side (not the demand side). It is designed to provide an indicative base for monitoring trends by:

- demonstrating the overall performance of the tourism sector within a district including trends and patterns
- Indicating the levels of employment and jobs associated with tourism.
- The analysis report supports the business case for further tourism development via planning, strategy and policy processes
- The STEAM monitor can be used in order to identify, support and evidence additional tourism related opportunities locally.
- The absence of this trend analysis at a local level may put a district at a disadvantage when opportunities for tourism are considered within the wider sub-regional context
- The figures can be used to support Corporate Strategy, the sub-regional economic development strategy and local LDF processes.

3.7 STEAM data allows Melton Borough Council to monitor and evaluate the effectiveness of the Tourism Blueprint and the subsequent key initiatives and campaigns delivered by the Borough Council and Melton Promotions. It can also monitor the effectiveness of tourism activity by other key partners such as Leicestershire Promotions, Melton BID Company, Melton Mowbray Town Estate and key event organisers.

It allows Melton Borough Council to ensure that all tourism activity and expenditure is targeted to the identified sectors to ensure maximum economic benefit to the Borough whilst creating a vibrant and attractive visitor destination.

3.8 STEAM collects local data in order to provide comparable data in four areas:

- Visitor Numbers - The number of tourist visits to the area (3.10)
- Visitor Days – the number of days/nights spent by visitors to the area (3.11)
- Economic Impact - Combined direct & indirect expenditure (3.12)
- Employment Support – The number of employees (FTE's) supported directly and indirectly by tourism. (3.13)

3.9 STEAM Visitor Types

- **Staying Visitors** encompass all tourists staying overnight for at least one night in one of the following types of accommodation:
  - Serviced Accommodation – Hotels, Guest Houses, B&B's, Inns
  - Non-Services Accommodation – Self Catering, Camping & Caravanning, Hostels & University/College Accommodation
  - Staying with Friends & relatives (SFR) - unpaid
- **Day Visitors** visiting the area on a non-routine and non-regular leisure day trip.

STEAM REPORT 2013-2014 (Summary Appendix 1)

3.10 Visitor Numbers
In 2014, there were an estimated 1,603,000 tourism visits to the Melton area. Overall, 11% of all visitors (176,000) stayed in the area for one or more nights, very similar to the proportion of staying visitors since 2011; **the overwhelming majority of visitors to the area (1.43m) were Day Visitors**, who represented 89% of all visitors to the area and may reflect it's relatively close proximity to major metropolitan populations with the middle of England.

Over the past three years, total visitor numbers to the area have been on the increase (plus 5.8% since 2012), especially in regards to non-serviced accommodation (Self catering, camping etc). We see this rise in non-serviced accommodation when comparing 2013 to 2014 with a rise of 64.9% within the sector, yet the non-serviced sector itself remains critically small within the Melton area, at less than 1% of the total visitor numbers. Given the rising demand, thought should be given to increasing this accommodation sector within the area.

3.11 Visitor Days

Visitor Days take into account those visitors who stay at any destination for more than a day. For example, if a family of five stay three nights, they will account for five visitors, and fifteen visitor days.

Visitors to the Melton area spent an estimated 1,836,000 days in the area as part of a tourism day trip, holiday or short break in 2014; this represents an increase of 4% on the previous year.

Staying visitors accounted for under a quarter (22%) or 410,000 of all visitor days, Day visitors accounted for the remaining 1.43m or 78%, up 3.6% from 2013. **The average length of stay by visitors in serviced accommodation, was 1.9 days, perhaps indicating a predominance in two-night/weekend breaks** ; non-serviced accommodation staying levels were high at 6.6 days, suggesting week-long rentals and again pointing to the viability of this sector.

3.12 Economic Impact

£80.53m, up 6.4% on 2013. The total economic impact comprises the expenditure of visitors on goods and services, totalling £60.82m, and the *indirect* and *induced* economic effects of local businesses and residents spending tourism revenues locally, accounting for a further £19.72m.

The sector with the largest impact on the overall economic impact is the day visitor sector, which represents 62%, or £49.53m of the overall total economic impact. Day visitor numbers have increased on the previous year by 3.6% and from 2012 by 6.3% and dominate the visitors to the area both in terms of spend and numbers. The remaining 38%, or £31m, comprises staying visitors on the previous year by 3.6% and from 2012 by 6.3% and dominate the visitors to the area both in terms of spend and numbers. The remaining 38%, or £31m, comprises of staying visitors with the serviced sector accounting for 24% of the whole.

In terms of the average economic impact by each type of visitors within the area, **day visitors accounted for £34.73 per day; for those staying in non-serviced accommodation this rose to £51.63 per day / £340.38 per stay; and this again rose for individuals staying in serviced accommodation to an average of £115.77 per day / £216.95 per visit.**

Whilst day visitors remain in the majority, the increased spend by staying visitors make them a priority in terms of generating revenue within Melton, especially when we see that the **small non-serviced sector increased its economic impact by almost 63% within a year.**

3.13 Employment Supported By Tourism

The expenditure and activity of visitors to the Melton area in 2014 supported a total of 1,132 Full-Time Equivalent jobs (FTEs); since 2009 FTEs increased by 15.3%, especially during the second and third quarters, pointing to a surge in season jobs within the area

Total employment includes the jobs generated by the expenditure of visitors on goods and services, totalling 908 FTEs, and the *indirect* and *induced* employment supported through local businesses and residents spending tourism revenues locally, accounting for a further 224 FTEs. **The three largest sectors for direct employment were Shopping (293 FTEs); followed by Food & Drink (243 FTEs); and then Accommodation (196 FTEs).**

3.14 Additional Analyses & Outputs

Further analysis such as Sectorial Analysis, Annual and Monthly Impact and Accommodation Supply can also be found in the full report. (Background papers)

3.15 Next Steps

- Look at initiatives and support businesses to increase the number of non serviced accommodation within the area. Work closely with the Economic Development team to ensure business support in this area.

- Continuing to encourage more Staying Visitors through campaigns and initiatives as this sector will improve the economy with higher expenditure and more FTE's in target sectors.

- Melton Promotions will review STEAM and develop and deliver projects/actions, based upon the report. Future expenditure on promoting the group travel market will continue to be supported through Melton Promotions in line with these results.

- Use the STEAM analysis as evidence whilst preparing funding applications to develop the areas identified within the report.

- We need to continue to work with LeicesterShire Promotions and Visit Britain to increase awareness of the Melton offer regionally and nationally through targeted campaigns focussing on the Staying Visitor.

- We must ensure that other key partners and stakeholders are in support of the importance of developing the Staying Visitor market.

- Melton Mowbray is an attractive visitor destination for Day Visitors. We need to ensure that the visitor experience is excellent by providing a clean, attractive, safe destination with clear information for tourists and quality attractions, accommodation and experiences.

4. POLICY AND CORPORATE IMPLICATIONS

4.1 It accords with the Council's priority to build on the Borough's heritage and continue to develop its brand image, improve infrastructure and enhance the environment to attract inward investment and visitors.

4.2 The Blueprint, also accords with the one of the Council's top priorities of 'enhancing the vitality and viability of the town centre'.

5. FINANCIAL IMPLICATIONS

5.1 There is no additional financial resource requested.

5.2 Melton Borough Council continues to fund Melton Promotions Board to deliver the main strategic and operational activities agreed within the Blueprint, within its existing Tourism budget.

5.3 Melton Borough Council continues to fund the STEAM report through its existing Tourism budget.

6. LEGAL IMPLICATIONS

6.1 No legal implications have been identified

7. COMMUNITY SAFETY

7.1 The Tourism Blueprint aims to create a safe and welcoming place for visitors and Melton Promotions will continue to work with key partnerships and organisations to deliver projects and initiatives that support a safer Borough.

8. EQUALITIES

8.1 No equality impact assessment implications.

9. RISKS

9.1 Melton's reliance on Day Visitors must be addressed in order to increase the economic spend and employment levels within the tourism industry.

10. CONSULTATION

10.1 The Blueprints are developed in consultation with all the Board Members of Melton Promotions, which include LeicesterShire Promotions, Melton Borough Council, Melton Mowbray Town Estate, and the Melton BID Company, Melton Mowbray Food Partnership and the Borough's key attractions and accommodation providers.

10.2 The Melton STEAM report 2014, will be presented to the Melton Promotions Board at the next Board Meeting scheduled for September.

11.0 WARDS AFFECTED

11.1 All wards are affected

12.0 CLIMATE CHANGE

12.1 There are no climate change implications relating to this report.

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Date:	18 August 2015
Appendices	APPENDIX 1 – STEAM Tourism Economic Impacts 2014 Year in Review – Narrative Summary
Background Papers:	Melton STEAM report 2013-2014