

**To:** Future Oxfordshire Partnership  
**Title of Report:** OXLEP -Oxfordshire's Visitor Economy  
**Date:** 20 March 2023  
**Report of:** Helen Ryan-Wallis, Programme Manager-Strategy, OxLEP  
**Status:** Open

**Executive Summary and Purpose:**

This report provides FOP information on, and progress related to the Visitor Economy Renaissance Programme (VERP) being managed by OxLEP. Also, an update on the future landscape of Oxfordshire's Visitor Economy reflecting national changes as a response to the independent review of destination management organisations (DMOs) in England and the proposal to create Local Visitor Economy Partnerships (LVEPs). Both of these are enabling the re-imagining of the visitor economy's contribution to Oxfordshire's place economy and ability to drive regional visitor economy growth in support of the Government's growth and devolution agendas.

**How this report contributes to the Oxfordshire Strategic Vision Outcomes:**

Through successful delivery of programmes such as VERP and the creation of Local Visitor Economy Partnerships (LVEP) Oxfordshire's 'rich and distinctive internationally recognised heritage assets, visitor economy and vibrant cultural offer will be enhanced' (linked to guiding principle 5) and shared strategic activities can ensure a more diverse access and enjoyment of them. The visitor economy can support the 'high quality place offer where people wish to live, work, visit and invest'. Particularly, sustainable growth of Oxfordshire's Visitor Economy will assist FOP in achieving the following 2050 outcomes:

**Outcome: Our vibrant historic and cultural offer will be rich, diverse and enhanced:**

Sustainable growth of Oxfordshire's Visitor Economy will assist FOP in achieving the following 2050 outcomes: *Our vibrant historic and cultural offer will be rich, diverse and enhanced; Our natural environment will be in a better state than that in which we found it; Our residents will be healthier and happier, and overall wellbeing will have improved*

**Outcome: Our residents will be healthier and happier, and overall wellbeing will have improved:**

Newly formed Local Visitor Economy Partnerships will contribute to this priority enabling people to partake in visitor economy related businesses, experiences.

The Visitor Economy not only supports a broad range of businesses and organisations, it offers valuable local employment at all skills levels whilst providing well-being activities and cultural opportunities for local residents and visitors.

**Recommendations:**

- a) FOP notes the emerging changes to the DMO landscape including the potential for two LVEPs being formed.
- b) FOP notes the forthcoming VERP Vision and Destination Management Plan for Oxfordshire as a shared statement of intent to manage Oxfordshire as a destination over the next 5 years.
- c) FOP notes the significant impact of the Visitor Economy Renaissance Programme which is being delivered by OxLEP on behalf of the 'whole system'.

**Appendices:**

None

## **Introductions**

1. Oxfordshire LEP (OxLEP) wish to raise awareness of a key Oxfordshire sector, and the activities underway to support the Visitor Economy following the detrimental impacts as a result of Covid-19. Also, to describe the planned national roll out of accredited Local Visitor Economy Partnerships, that will replace previous Destination Management Organisations (DMOs). Both of these are currently happening in parallel, with a future opportunity to align activities as a part of the planned creation of a Visitor Economy Vision and Destination Management Plan for Oxfordshire. It is widely recognised that a structural change is needed to improve the tourism landscape in England and improve on the previously under performing and mismatched management of tourism.

## **Oxfordshire Visitor Economy Pre Covid**

2. The Visitor Economy is a crucial part of the Oxfordshire economy having accounted for over 10% of employment and contributing over £2.3bn of GVA per annum whilst supporting nearly 40,000 jobs across the county (2019 data) – 11% of the county's workforce - including vital entry level jobs for young people, flexible employment for people returning to the labour market or working families and a disproportionately larger employer for women in the economy. It is an industry and sector that spans all parts of the county from the city of Oxford itself, across to the market towns and villages around the rural areas of Oxfordshire illustrating the direct benefits to every part of the County in terms of attracting investment, supporting jobs and providing residents with access to world class assets and experiences in the place they call home.

## **Impact of Covid19 on Oxfordshire and Economic Impact Report 2021**

3. In Oxfordshire, findings from a survey ran by Experience Oxfordshire in April 2020 indicated that in the first two months of lockdown (March-April 2020), the reduction in spend from tourism related activity has resulted in losses to the Oxfordshire economy of more than £225m. It then forecasted additional losses of between £112.5m and £137.5m each additional month of lockdown, with losses rising further as we proceed through the year into the peak visitor spend period of May-August. Forward bookings also continue to fall, with 60% reporting more than half their bookings have been cancelled and 38% losing between 75% and 100% of their forward business. The reliance on domestic and localised markets has had a major impact on overall visitor spend.
4. Furloughed staff sought alternative careers elsewhere whilst EU citizens chose not to stay in the UK during the pandemic and possibly due to post-BREXIT arrangements. This has resulted in businesses being unable to increase service offerings due to a lack of staff and, thereby, operating at reduced capacity.
5. The Economic Impact Report for Tourism in Oxfordshire (2021), a report commissioned by Experience Oxfordshire, does show a significant recovery compared to 2020, but not a return to 2019 levels. There was a 6% increase in number of visitors and related expenditure compared to 2020 (14.5m to 23.3m visitors, from £1bn to £1.6bn in expenditure). Whilst 2020 saw a fall in jobs from 42,000 to 25,000, 2021 witnessed a 13% recovery to 28,830 tourism related jobs.
6. VisitEngland stated that Covid restrictions still significantly influenced travel patterns in 2021 with visiting friends and family as the main reason for travel, followed by holiday taking.
7. Oxfordshire 2021 visits slightly differentiated, as most were mainly for holiday (61%), and visiting friends and relatives was 27%. Business-related visits fell for the second

year running: 2019 business visits were at 29% of all trips to Oxfordshire, this was 9% in 2020, and then 7% in 2021.

### **Covid Response Measures - VERP**

8. The VERP proposal was created to support delivery of the aims of the Oxfordshire Economic Recovery Plan (ERP) and its strategic priorities to support the renaissance of the visitor economy in Oxfordshire, and better connect and integrate it within the wider Oxfordshire economy.
9. It has the following key objectives:
  - Communication and Marketing- Promotion of key brands to remain a major 'safe' UK destination -*Nine campaigns being delivered*
  - Improving business competitiveness and COVID resilience - *VEG and Training Programme*
  - Rebuilding Market Share and Confidence of a COVID safe destination- *Oxfordshire Welcome, Business Visitor Market*
  - Strengthening sector leadership and co-ordination to enable delivery of a safe public environment for the visitor economy- *Vision and Destination Management Plan*
10. The underpinning objective being 'To attract visitors and ensure that Oxford and Oxfordshire maintain its position as one of the UK's most desirable visitor destinations (current consumer destination awareness is Oxford and Cotswolds) for local, national and international visitors, with a focus on attracting value from all visitors and encouraging green and sustainable tourism and practices'.

### **Visitor Economy Renaissance Programme (VERP) achievements to date**

11. Nine strategic marketing campaigns have been commissioned and are being delivered by our two DMOs Experience Oxfordshire and Cotswolds Tourism. These are to primarily encourage overnight visits and associated spend in the off- peak periods, whilst ensuring local residents are aware of what Oxfordshire can offer them. Three of these have been delivered to date, with the next two to launch covering Easter and spring.
12. The visitor economy grant (VEG) scheme was designed and delivered to support businesses to future proof. There were 78 applications amounting to £1.4 million. The grant panel assessed 48 (Dec 22). Of these, 36 were successful and £660,621 has been awarded in grants. The split by sub sector is as follows:

<b>Sector</b>	<b>Number of grants awarded</b>	<b>Total value of grants awarded</b>
Activities of exhibition and gatherings – fair / festival organisers	3	£31,665
Travel agency and Tour operator activities, including tourist guides	4	£66,769
Cultural education	1	£16,074
Independent retailers based in Oxfordshire tourist destinations	2	£39,005
Licensed clubs, Public houses and bars	4	£93,414
Licensed restaurants, Unlicensed restaurants and cafes	3	£58,971
Manufacture of cider, beer, and wine	1	£18,350
Operation of historical sites and buildings and similar visitor attractions, including museums	3	£74,252

Performing arts and theatres	5	£97,536
Sports, recreation and well-being activities for visitors	5	£81,875
Visitor attractions, including nature reserves activities	3	£37,097
Youth hostels and other collective accommodation	2	£45,613
	<b>36</b>	<b>£660,621</b>

It is anticipated that a second round of the Visitor Economy Grants scheme will be planned for October/November 2023.

### 13. Project allocation via Local Authority is as follows:

District	Number of grants awarded
Cherwell	5
Oxford	10
South Oxfordshire	9
Vale of White Horse	7
West Oxfordshire	5
	<b>36</b>

14. A 'Digital Skills for Oxfordshire's Visitor Economy' training programme is being delivered by Oxfordshire Growth Hub in collaboration with tourism specialists to equip eligible Oxfordshire Visitor Economy businesses with the confidence, knowledge and skills to transform their businesses and make better use of digital solutions within their operations, reducing reliance on staff, whilst increasing promotion and customer spend.
15. A Visitor Economy Vision and Destination Management Plan for the county is also being commissioned with the report due July 2023. It is to be a shared statement of intent to manage Oxfordshire as a destination over the next 5 years, setting a clear vision, bringing together key stakeholders and articulating their roles alongside identifying clear Destination Management actions to reinvigorate and support the visitor economy. It will also aim to connect together activities being led through the VERP and the formation of future LVEPs. The DMP will need to include and consult into aspirations and thoughts with regards future local destination management changes. **At this stage we are therefore asking FOP to note the forthcoming VERP Vision and Destination Management Plan for Oxfordshire as a shared statement of intent to manage Oxfordshire as a destination over the next 5 years. Also, that FOP notes the significant impact of the Visitor Economy Renaissance Programme which is being delivered by OxLEP on behalf of the 'whole system'.**

### A new tourism landscape

16. The British Tourist Authority (BTA) is the national tourism agency and a non-departmental public body funded by the Department for Digital, Culture, Media & Sport (DCMS), and trades under the name of VisitBritain/VisitEngland (VB/VE). VisitBritain/VisitEngland is a global organisation with 280+ people based in 17 different countries and has a diverse culture.
17. VisitBritain is the official tourist board for England, Scotland and Wales and is responsible for marketing Great Britain worldwide to prospective travellers. Their mission is to build the value of tourism throughout the nations and regions of Britain by increasing the volume, spend, and regional/seasonal spread of tourism in Britain.

18. VisitEngland (VE) aims to lead and enable a sustainable and resilient visitor economy in England, driving forward the industry and ensuring it continues to thrive. This includes leading and implementing the outcomes of the de Bois review of Destination Management Organisations (DMOs). A new regional development team is being created to ensure strong regional leadership is in place and that there is capacity and capability to drive forward change.

### **De Bois review of Destination Management Organisations (DMOs) in England**

19. The de Bois review of Destination Management Organisations (DMOs) in England, commissioned by DCMS, examined and assessed how DMOs across England are funded and structured, and how they perform their roles, in order to establish whether there may be a more efficient and effective model for supporting English tourism at the regional level.
20. The DMO review outcomes were published by DCMS in July 2022 and set out Visit England's (VE) role in the implementation of a new Local Visitor Economy Partnership (LVEP) accreditation scheme that will transform local tourism structures and shape the way Visit England leads, engages and supports this new landscape in the future.
21. Visit England are piloting a Destination Development Partnership (the tier above LVEPs) in the north east that will build the evidence base for a multi-year funding model to drive visitor economy growth and development across the country working with LVEPs, businesses and other key public and private sector partners.

### **Local Visitor Economy Partnerships (LVEPs)**

22. It is assumed there will be 40 LVEPs, and both the current DMOs in Oxfordshire, Experience Oxfordshire and Cotswolds Tourism have applied, submitting a Expression of Interest (January 2023) separately for accreditation to become a LVEP. This will then be processed by Visit England and eligible organisations will be invited to submit a fuller application to become an accredited LVEP.
23. Experience Oxfordshire has submitted an Expression of Interest for LVEP accreditation as an Oxfordshire geography. Currently Experience Oxfordshire are confident they meet most of the draft criteria to become a LVEP due to their strength in their commercial operation, their business support, and successful marketing campaign delivery, alongside their high profile amongst national networks. It should be noted that Visit England have recommended future LVEPs will need to look to secure multi-year financial commitments from Local Authorities. With this aspiration in mind, Experience Oxfordshire would be looking to establish longer term strategic relationships with local authorities and create a Local Authority Advisory Group.
24. Cotswolds Tourism have submitted an Expression of Interest for a Cotswolds Plus LVEP. Centred on the Cotswolds National Landscape the LVEP will cover not only the whole Cotswolds AONB area but the whole of West Oxfordshire and the whole of Gloucestershire. Cotswolds Tourism is the designated lead but the LVEP will incorporate not only the Cotswolds National Landscape but also a number of local (Tier 3) DMOs with whom Cotswolds Tourism has well-established collaborative work arrangements: Marketing Cheltenham, Visit Gloucester, Visit Dean & Wye and Visit Gloucestershire.
25. The proposals for two LVEPs does still present a geographical overlap. However, this is not considered too problematic as they are quite different in their approach, target markets, and how they are governed and managed. **At this stage we are therefore asking FOP to note the emerging changes to the DMO landscape including the**

**potential for two LVEPs being formed. This will enable district areas and businesses to engage with the LVEP that better suits their needs.**

### **Destination Development Partnerships (DDPs)**

26. It is assumed there will be 15-20 accredited Destination Development Partnerships in the future. These will need to be public/private/community partnerships, not based solely in a Local Authority but working in partnership with them. They are likely to be the size of 3 or 4 county areas. This offers a future opportunity for the two proposed Oxfordshire and Cotswolds LVEPs to work together.

### **Financial Implications**

27. There are no immediate financial implications associated with the content of this report. The VER programme is already funded through to March 2024. The Oxfordshire LVEP will bid into national funding for activities. Longer term, there may be potential collaborative projects/programmes/activity with regards destination management.

### **Legal Implications**

28. There are no immediate legal implications associated with the content of this report.

### **Other Implications**

29. As mentioned in point 25 there is one remaining issue with regards overlap of West Oxfordshire District Council potentially being a part of both Oxfordshire LVEP and Cotswolds LVEP. However, as described this could then be diluted if a larger regional DDP becomes operational.

### **Conclusion**

30. This report has provided the FOP with an update on progress with regards VERP and outlined information related to proposed changes in the structure of tourism organisations with two new LVEPs seeking national accreditation from Visit England. Three recommendations have been presented to the FOP to take note of.

### **Background Papers**

31. There are none relating to this report.

Report Author:	<i>Helen Ryan-Wallis, Programme Manager-Strategy on behalf of: OxLEP</i>
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Contact information:	<i>helen.ryan-wallis@oxfordshirelep.com</i>
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