REPORT TO:	Cabinet Member Regeneration
DATE:	1 September 2010
SUBJECT:	Sheffield Hallam University Report on Tourism
WARDS AFFECTED:	All
REPORT OF:	Graham Bayliss, Director of Leisure & Tourism
CONTACT OFFICER:	Tony Corfield Asst Director of Leisure & Tourism (Tourism)
EXEMPT/ CONFIDENTIAL:	No

PURPOSE/SUMMARY: To inform members about the recently published report by Sheffield Hallam University covering Seaside tourism industry in England & Wales. This report sets out robust & powerful data covering levels of employment, economic output and trends for seaside towns around the country.

The report also provides a national ranking for seaside towns which is useful in understanding the importance and relevance of tourism within those towns.

REASON WHY DECISION REQUIRED:
N/A

RECOMMENDATION(S):
Members note the scale of employment, economic benefit and national importance of Southport as a principal seaside resort town.

KEY DECISION:	No
FORWARD PLAN:	Not appropriate
IMPLEMENTATION DATE:	Following the expiry of the ‘call-in’ period for the Minutes of this meeting

ALTERNATIVE OPTIONS:

IMPLICATIONS:

Budget/Policy Framework: Tourism and its importance with regard to Southport has long been recognised within Sefton's budget and policy frame work.

This report evidences the importance of tourism to the economic fabric of both Southport and Sefton and the need to continue to support the ongoing development of Southport as England's Classic Resort

Financial:

CAPITAL EXPENDITURE	**2009 2010 £**	**2010/ 2011 £**	**2011/ 2012 £**	**2012/ 2013 £**
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
REVENUE IMPLICATIONS				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N		When?		
How will the service be funded post expiry?				

Legal: N/A

Risk Assessment: The primary risk is around the ability of the Council and its partners to continue to appropriately support this major economic driver in times of economic stress.

Asset Management: The Council holds a variety of assets in Southport that are directly linked to the success or failure of

Southport as a sustainable seaside town.

CONSULTATION UNDERTAKEN/VIEWS **N/A**

CORPORATE OBJECTIVE MONITORING:

Corporate Objective		Positive Impact	Neutral Impact	Negative Impact
1	Creating a Learning Community		√	
2	Creating Safe Communities	√		
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being	√		
5	Environmental Sustainability	√		
6	Creating Inclusive Communities	√		
7	Improving the Quality of Council Services and Strengthening local Democracy		√	
8	Children and Young People	√		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Sheffield Hallam University's "The Seaside Tourist Industry in England & Wales – June 2010.

STEAM 2008 Volume and Value Research

1.0 Background

1.1 The report presents new information on the scale of the seaside tourist industry in England and Wales, including Southport, Sefton's seaside tourism offer. The figures are comprehensive in that they cover just about all the towns where seaside tourism is a significant component of the local economy, consistent in that they provide data for each individual resort on the same basis, and comparable through time.

1.2 The seaside economy has traditionally been measured via large-scale visitor surveys. The approach adopted in the report is radically different. The report estimates the number of jobs in seaside tourism using official, published figures on local employment. This involves disentangling the jobs supported by seaside tourism from those supported by local consumer spending, often in the same sectors and same firms. The crucial step involves comparisons between employment levels in key sectors in seaside towns and the average in those sectors in comparator towns where there is little significant tourism. The resulting job figures are in turn used to derive estimates of the economic output of the seaside tourist economy.

1.3 The report covers 121 places in all, including all the principal seaside resorts, smaller seaside towns, sub-parts of some larger towns and important holiday parks. For statistical purposes, all these places are accurately defined down at the local level so that surrounding rural areas within the same district, for example, are excluded from the figures. The comparator towns are all accurately defined in the same way.

1.4 The comparisons standardise for population size and for the extent to which different towns function as 'central places' for their surrounding hinterlands. The job figures all include the self-employed and adjust for the seasonality of employment in the tourist trade.

1.5 Key conclusions are that:

- The national seaside tourist industry directly supports some 210,000 jobs, spread across six sectors of the local economy. This is an average year-round figure.

- Since the late 1990s, employment in the national seaside tourist industry is estimated to have increased – by around 14,000 in the principal seaside towns (and possibly as much as 20,000 overall) or by a little more than one per cent a year.

- The value of the economic output (Gross Value Added) associated with this employment in national seaside tourism is estimated to be £3.4bn in 2007 (or £3.6bn in 2009, adjusting for inflation).

- Southport's share of this is estimated as £94m which does not include supply chain linkages and multiplier effects which result in the total contribution to the local economy actually being significantly larger.

- Southport's direct tourism jobs employment number is 5300 which increases substantially if supply chain and indirect jobs are included in the total, making it one of the largest sectoral employers in the borough.

1.6 The report concludes that seaside tourism in England and Wales is by any standards a large industry. In terms of employment it is comparable to the telecommunications sector and larger than the motor industry, aerospace, pharmaceuticals or steel.

1.7 The report's findings also explode important myths about the industry. Far from being in terminal decline as a result of the rise of foreign holidays, a substantial British seaside tourist industry remains alive and well and seems even to have been growing over the last decade. For the future, the industry has a potentially important contribution to make not only to seaside towns but also to the British economy as a whole.

1.8 It is also important to note that other tourism product within Sefton, such as Sefton's Natural Coast and Aintree Racecourse **is not** included in these numbers.

2.0 Population

2.1 Southport is 11th out of 41 Principal Seaside Towns in order of population within the report.

Principal seaside towns	
Greater Bournemouth	335,500
Greater Brighton	284,300
Greater Blackpool	264,600
Greater Worthing	191,300
Southend-on-Sea	159,900
Isle of Wight	138,500
Torbay	133,200
Hastings/Bexhill	127,100
Thanet	122,300
Eastbourne	94,900
Southport	90,400

2.2 It is important to note in both the above table and following tables that a number destinations (Greater Bournemouth vs Bournemouth etc) or in the case of Torbay incorporate more than one seaside town.

2.3 It would be interesting to compare a notional Greater Southport (ie including Sefton's Natural Coast indicators) to understand how much further Southport figures would climb in national standing.

3.0 Employment

3.1 The report uses the following key sectors to define jobs directly supported by seaside tourism (Defined in terms of the 2003 Standard Industrial Classification)

RETAIL TRADE
52 Retail trade

HOTELS AND RESTAURANTS (ex 55.2)
55.1 Hotels
55.3 Restaurants, cafes, takeaways
55.4 Bars, pubs and clubs
55.5 Canteens and catering

CAMPSITES AND SHORT-STAY ACCOMMODATION
55.21 Youth hostels
55.22 Camping and caravan sites
55.23/1 Holiday centres and holiday villages
55.23/2 Self-catering holiday accommodation
55.23/3 Other tourist or short-stay accommodation

TRANSPORT
60.22 Taxis
60.23 Excursions and sight-seeing
61.1 Ferries etc
63.22 Harbours
63.3 Travel agencies and tourist assistance

RECREATION, SPORTING AND CULTURAL ACTIVITY
92.13 Cinemas
92.3 Theatres, arts facilities and entertainment (ex 92.33)
92.5 Libraries, archives, museums, historic buildings, zoos
92.6 Sporting activities and facilities
92.7 Gambling and other recreation, inc. parks, hire of beach equipment

FAIR AND AMUSEMENT PARKS
92.33 Fair and amusement parks, inc. theme parks and preserved railways

3.2 The report indicates that Southport ranks 8th in terms of numbers of direct tourism jobs that exist as a function of it being a seaside town with a core tourism economy. The report suggests that Southport's retail offer is part of its seaside appeal and helps it pull in visitors from Merseyside and other parts of the NW. This is completely in accord with other research undertaken over recent years which very clearly identifies the power of Southport's broad based offer in attracting visitors and spend.

	no. of jobs

Greater Blackpool	19,400
Greater Bournemouth	12,100
Greater Brighton	11,900
Torbay	9,200
Isle of Wight	7,900
Great Yarmouth	5,600
Newquay	5,300
Southport	5,300

4.0 Economic impact (GVA)

4.1 The report indicates that Southport ranks 8th nationally in terms of GVA directly attributable to the seaside tourist industry.

	£m p.a.
Greater Blackpool	279
Greater Brighton	258
Greater Bournemouth	177
Isle of Wight	149
Torbay	120
Great Yarmouth	116
Thanet	100
Southport	94

5.0 Wider economic impact

5.1 The report also provides an estimate for the wider impact of seaside tourism and its effect on economic impact. Whilst the report does state that this is on the basis of an estimate, it is interesting to note that if the suggested factor of increase for economic impact, due to the effect of supply chain and indirect jobs on the above £94m figure, is compared with that quoted in the annual 2008 STEAM Volume and Value research then they are remarkably close at just over £1/4Bn.

6.0 Conclusions

6.1 The Sheffield Hallam report clearly identifies that seaside tourism nationally is a critical component of our national economy. It also clearly establishes that Southport's tourism economy is both substantial and in the top 10 nationally.

6.2 The report also identifies that this sector is growing and capable of creating and supporting increased jobs.

6.3 Whilst the Sheffield Hallam report and our longstanding STEAM Volume and Value research use different methodology and effectively generate their headline figures using different data sets, the final data from both strongly reinforces the importance of tourism.

6.4 In Sefton’s case we already know that whilst Southport isn’t entirely made up of tourism businesses Southport’s economy is founded on the visitor economy and its future is inextricably linked to the health and sustainability of that sector.