

To: Scrutiny Committee
Date: 8 September 2021
Report of: Economic Development Manager and City Centre Manager
Title of Report: Tourism Review Recommendations Update

Summary and recommendations	
Purpose of report:	An update report on the progress made against recommendations arising from the Tourism Review Group
Key decision:	No
Cabinet Member:	Cllr Mary Clarkson
Corporate Priority:	Inclusive Economy
Policy Framework:	Economic Development Strategy
Recommendation:	
1. Members note and comment on the update	

Appendices	
Appendix 1	Action Plan Update

Introduction and background

1. Cabinet agreed the vast majority of the recommendations that were endorsed by the Scrutiny Committee on May 29th 2019. In the period that followed, officers worked to pursue these recommendations as fully as possible, with areas of notable progress made, despite the major shift in the focus of officer resources brought about by the pandemic. The Update table in Appendix 1 highlights the progress against each of these recommendations since the October 2020 update, and should be referred to alongside this report for a full update.

COVID-19 and the Visitor Economy

2. The COVID-19 Pandemic has dramatically affected the Visitor economy and reduced city footfall from workers and residents, as well as international tourists.

Footfall dropped around 39% year on year and was at the time of the October report 52.9% down for the year to date¹, reflecting Oxford's reliance on workers, students and of course, tourists. Further restrictions through the autumn of 2020 and into this year have further impacted, with additional significant spells of closure for the majority of our businesses and continuing footfall reductions. The Council response has been wide-ranging including facilitating grant and relief support, much of it targeted specifically at visitor economy sectors. The October update to this group suggested that it is expected the economy will take at least three years to recover lost ground² with of 4-7 years to full recovery of demand the global tourism economy³. This is a significant challenge for a city where 15% of employment is visitor economy related.

3. Oxford retains inherent destination strengths. Oxford City Centre will continue to provide an important location for recreation, heritage, creativity and the arts, benefiting the population of the city and its wider hinterland, as well as attracting tourists to the city. As such the importance of the Visitor Economy is recognised in the emerging Oxford Economic Strategy and City Centre Action Plan (due for draft publication and consultation later in 2021). A priority for these strategies will be recovering and rebuilding Oxford's Visitor Economy.
4. While Oxford is already a global tourist destination, more will need to be done to capture longer stays and offer greater diversity of activity to aid recovery and long-term visitor growth. A key part of this will focus on boosting diversity of uses, and in turn resilience of economic activity in the city centre (e.g. Science and technology, creative and cultural, community and residential activity), which will boost worker and resident visits, as well as those of tourists.
5. It should be noted that since March, the City-wide and city centre response and then recovery activity has also fully utilised officer resource across the council. As such, progress of the longer-term planning around the Economic Development Strategy and also the City Centre Action Plan has been delayed to 2021. Inevitably, the Pandemic has shifted the focus - from one of demand management and increasing the value of visits - to a focus on supporting and restarting the visitor economy, following an abrupt halt in demand. By May / June 2021 the city centre was starting to see a slow return of visitor numbers, but at nothing like the levels of previous years. It has also been evident that the type of visitor has been different, to summarise being more local / regional visitors than those from further afield / abroad. This has also impacted on the duration of stays, the days visited and the spend profile, so much so that a particular sector of city centre business community is continuing to report challenging economic circumstances, when a number of others are recovering more quickly.
6. A range of businesses have needed support to survive and restart. This has included £54m of grants, and £58.1m in rate relief to date, support for our tenants, and a range of new street level measures to boost consumer confidence in visitor safety and business confidence in reopening.

¹ Springboard, June, 2021

² Ernst & Young 2020

³ McKinsey, 2020

7. Visible and notable examples of this include the rapid set-up of outdoor tables and new public spaces in key streets, such as Broad Street Meadow and George Street. The City Council, Experience Oxfordshire, Oxford Mail, IndieOxford and CitySightseeing partnership's #RediscoverOxford campaigns have seen a concerted, coordinated effort to welcome back visitors safely. The Reopening High Streets Safely and Welcome Back Funds have been used for this type of activity alongside funds such as Containment Outbreak Management Fund to support public spaces. Our Business Regulation team is providing ongoing support to business to comply with changing Covid-19 restrictions. The focus has been, and remains, on the safe re-opening of our city centre and accelerating recovery for the time being.
8. County-wide OxLEP developed and published an Economic Recovery Plan (ERP) in March 2021 submitted to central Government in, which makes the case for significant and ongoing visitor economy sector support. Officers have worked to ensure that the Visitor Economy is a key part of this. This will build on the case for intervention made in the LIS Implementation Strategy, which OxLEP published in September 2020. The ERP contains a range of measures that will affect the sector positively if they can be properly resourced. Notably, two 'Target Proposals' include, 'Town Centre Renewal – reviving and repurposing our town centres'; and 'Visitor Economy Renaissance – preparing our Visitor Economy to bounce back.'
9. Finally, we have highlighted to Government, through the recent Destination Management Organisation (DMO) Review, that centralised funding, alongside locally raised income is needed to put DMOs on a sustainable footing. We await the outcome of the review and also the review of Local Enterprise Partnerships and their future role. In terms of DMO funding locally, the City Council has funded Experience Oxfordshire until 2023 as an Ambassador of the DMO. It has also commissioned EO on several pieces of work in-line with the actions from this review. See Appendix 1.

Financial implications

10. No direct financial implications.

Legal issues

11. No legal issues.

Conclusion

Members should note the progress made in challenging circumstances and the need to re-prioritise in light of a very different context for the visitor economy and local businesses. The recommendations will need ongoing review in-line with the City Centre and Economic Strategies of which they are a part. However, the current pressing concern still remains supporting those businesses that are directly impacted by current restrictions that affect viability and jobs.

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Background Papers: None