

# The visitor economy in North Yorkshire and the impact of Covid-19 – update May 2021

Ripon and Skipton Area Constituency Committee

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# Questions from Committee:

- What can be done to promote and embed the 'staycation'?
- What support can be put in place for the creative and entertainment industry to enable it to recover from the impact of the pandemic?
- Tourism remains a key part of the local economy. What more can be done to raise wages and create defined career paths?
- What does the post-Brexit and post-pandemic economy look like? What will be the new opportunities for businesses?



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# Domestic tourism in North Yorkshire 2019

- Domestic tourism in North Yorkshire generates approximately **30m day visits and 3m staying visitors** who spend **11m nights and £623m** in the county each year.
- Domestic visitors to North Yorkshire spend approximately **£1.536 bn each year**. On this basis an estimate would suggest that tourism accounts for **11% of the overall economy of North Yorkshire**.
- Tourism in North Yorkshire supports an estimated **41,200 jobs or 14% of all employment**
- North Yorkshire has the **5<sup>th</sup> highest number of visitors in the country when compared with other English Counties**.

Source: Visit Britain 2019

# Overseas Visitors to North Yorkshire

- Inbound overseas visitors to North Yorkshire account for 446,000 visits per annum
- Total Expenditure by international visitors is £168m
- Average spend per visit is £378
- Overseas tourism accounts for 9.8% of the visitor economy as a whole in North Yorkshire





# Impacts of Covid-19 in North Yorkshire

- **At the peak of lockdown nearly 25,000 jobs in accommodation and food services** have been furloughed from a **total of 32,000**
- The arts, culture and events sector has been one of the hardest hit parts of the economy. In North Yorkshire with **6000 of 8000 jobs in arts and entertainment furloughed.**
- The **Coronavirus Job Retention Scheme remains in place until September 2021** and as yet there is little sign of significant job losses or permanent business closures either nationally or within North Yorkshire.
- **Theatres and performance venues remain closed** or operating at reduced levels. There has been support from Arts Council England for Cultural Organisations.
- On the whole visitor economy businesses appear to have been remarkably resilient. Buy Local- a really strong message and tool created by NYCC

# Support for the tourism industry...

- **UK Government**
- VAT reduction to 5% for hospitality businesses
- Business rates holiday for retail and hospitality – to March 2021
- Grants for business of £10,000 and £5,000 – dependent upon rateable value
- Coronavirus Job Retention Scheme (Furlough)
- Government backed loan schemes (delaying repayment window)
- Restart Grants- enable COVID19 safe “opening back up”



# Cont... Support for the tourism industry...

- **Visit England – ‘We’re Good to Go’**, Covid Secure accreditation scheme
- **Welcome to Yorkshire Recovery Plan – Re-Open, Recover, Rebuild** - including Welcome Back to Yorkshire, and Yorkshire Gift Card and government funded £300k marketing programme.
- **Local Enterprise Partnership** business support measures.
- **NYCC Trading Standards** and Environmental Health support for compliance
- measures. Support for social distancing in town centres- Highways- street café's



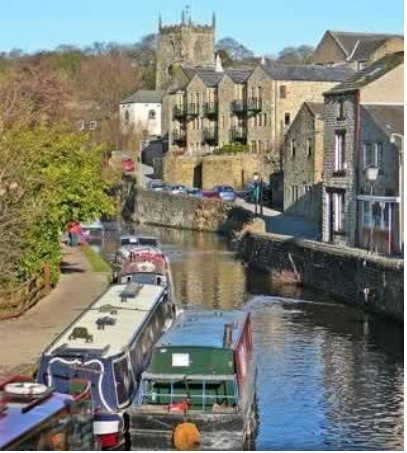
# What can be done to promote and embed the 'staycation'?

- Domestic tourism has always been the mainstay of the visitor economy in North Yorkshire and continues to account for 90% of all visitor spend.
- Historically loyal repeat visitors represent a high proportion of visitors to North Yorkshire.
- Local tourism strategies should concentrate on attracting new first time visitors and converting them into habitual repeaters. First Impressions Count...
- Local DMOs and businesses can improve online marketing and messaging- linking to other attractions/ events and activities aim to cannibalise spend- longer stays = more £ retained locally.



# What support can be put in place for the creative and entertainment industry to enable it to recover from the impact of the pandemic?

- In North Yorkshire 49 organisations received cultural recovery fund grants from DCMS to a value of £5,968,923. 25 organisations also received £915,240 from ACE and NLHF's emergency funding.
- A new draft North Yorkshire Cultural Framework includes a priority to develop Cultural Leadership and Connectivity, and focuses on joining up within the sector. Building capacity in it's organisations to ensure greater resilience and sustainability.
- The Cultural Framework also highlights the value of the cultural sector in supporting local economic growth (including tourism), town centre regeneration and public health outcomes.
- Specific business support and skills programmes for creatives



## **Tourism remains a key part of the local economy. What more can be done to raise wages and create defined career paths?**

- The domestic visitor economy has often tended towards 'value' in order to be competitive, particularly in relation to low cost overseas markets fuelled by cheap flights from low cost airlines.
- Support could be given to enable businesses to be better able to compete on quality, encouraging visitors to spend more on a higher quality offering.
- Investment and support for skills and training in the workforce can also help to raise customer service and in turn wages.
- In order to harness innovation visitor economy businesses should seek to become more adept at using technology and collecting and using data and market research.

# What does the post-Brexit and post-pandemic economy look like? What will be the new opportunities for businesses?

- The government's recent announcements on climate change, and the publication of the 10 point plan for a green industrial revolution, point towards a focus on the low carbon economy and opportunities for sustainable economic growth.
- Among the opportunities presented by the increasing interest in the zero carbon economy there will be new opportunities for sustainable tourism delivery models and products.
- The move away from the office and greater emphasis on quality of life will see the creation of new opportunities in the North Yorkshire economy – for example working for Google and living in Grassington... the future is global for our businesses.
- Other key growth sectors will be based upon our traditional core industries, food manufacturing, creative and digital, manufacturing and agriculture.



# Other potential long term support for the visitor economy...



- Reduction in VAT rates for hospitality sector and long term restructuring of business rates
- Further emphasis on the promotion and management of destinations post pandemic – as was seen following foot and mouth in the 2000's.
- Accessible finance for capital investments to get business ready for a high quality offer all year round
- Support for events, performance venues and wedding venues which unable to trade due to restrictions on gatherings.
- Development of a visitor economy strategy for North Yorkshire with focus on longer term issues of economic growth, employment and sustainability in the sector.



# Thank you

Questions?