

SUBJECT:	2023 MONMOUTHSHIRE TOURISM PERFORMANCE
MEETING:	PLACE SCRUTINY COMMITTEE
DATE:	THURSDAY 7TH NOVEMBER 2024
DIVISION/WARDS AFFECTED:	ALL

1. PURPOSE:

To review 2023 tourism performance in Monmouthshire, based on Monmouthshire's 2023 STEAM (Scarborough Tourism Economic Activity Monitor) report.

2. RECOMMENDATIONS:

That Place Scrutiny Committee review the information detailed in this report.

3. KEY ISSUES:

Tourism delivers a wide range of benefits for the county, including the generation of visitor spend to support rural services and high streets, to maintain local heritage and to sustain an interesting programme of events, experiences and year-round employment opportunities for the benefit of locals. Place branding also has a significant impact on the way the area is perceived by its residents and visitors and these perceptions have a very real effect on its attractiveness for investment and the quality of life for its citizens (including resident satisfaction, civic pride, access to cultural and leisure activities and employment etc, which impact on health and wellbeing).

This report focuses on the economic benefits of tourism, estimated annually using the STEAM (Scarborough Tourism Economic Activity Monitor) model which has been used for more than twenty years by local authorities (LAs) in Wales. There are a wide range of inputs to the model for each LA area including data collected locally on visitor accommodation bedstock, visitor accommodation occupancy rates and visitor figures for key attractions and events. The number of tourist nights and days (reported by STEAM) are used by Welsh Government in its formula for calculating the annual settlement figure for each LA.

According to Monmouthshire STEAM, in 2023, 2.29 million visitors came to Monmouthshire, spending 3.53m visitor days in the county, generating more than £329 million for the local economy, and supporting 3,462 full time equivalent (FTE) jobs. ([Monmouthshire 2023 STEAM full report & summary](#)).

The [Monmouthshire labour market stats](#) give a total number of jobs for Monmouthshire of 35k. using the part time / full time split for Monmouthshire, the 3,462 FTE jobs are equivalent to approximately 5,143 actual jobs (assuming FT is 37 hours per week and PT 16 hours). This means that 15% of Monmouthshire jobs are supported by tourism spend.

2023 STEAM figures show continued recovery of Monmouthshire's visitor economy post pandemic with the economic impact of tourism increased by 2% and the number of FTE jobs supported by tourism increased by 3.2% compared with 2022 figures. Total visitor numbers were down -1.8% compared with 2022 but Economic Impact Per Visitor Day (EIPVD) was up 1.2% (in real terms) reflecting the increased importance of staying visitors (particularly those staying in non-serviced accommodation) as a proportion of all visitors to Monmouthshire in 2023.

The draft SE Wales STEAM results for 2023 indicate that Monmouthshire is outperforming the regional averages for growth in economic impact, FTEs and Economic Impact Per Visitor Day.

% change for Monmouthshire KPIs compared with the SE Wales averages (2022-2023):

- Economic impact (% change) +2% (+1.2% South East Wales average)
- Visitor numbers (% change) -1.8% (+4.3% South East Wales average)
- Visitor Days (% change) +0.8% (+4.2% South East Wales average)
- FTEs (% change) = +3.2% (+2.1% South East Wales average)
- EIPVD £93.43 (+1.2%) (£80.10 South East Wales average (-2.9%))

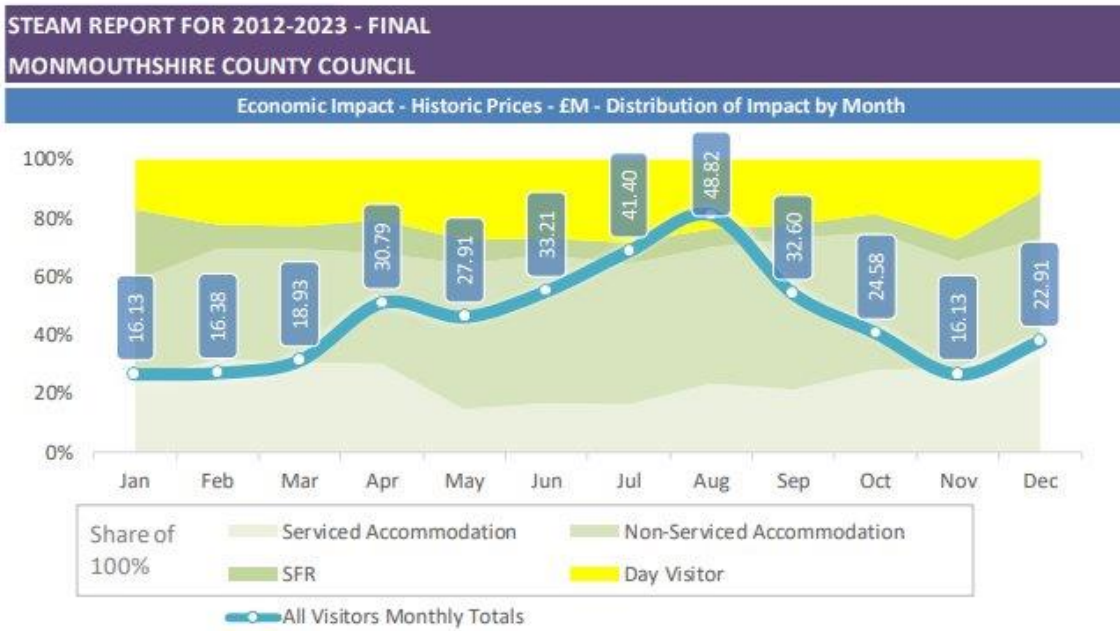
The pie charts below (taken from Monmouthshire's 2023 STEAM report page 13) show that staying visitors generate the lion's share of tourism benefits, i.e. the 25% of visitors who stay overnight generate 77% of visitor spend and support 83% of tourism related FTEs.



The continued increase in capacity of non-serviced accommodation was responsible for maintaining growth in the economic and FTE benefits of tourism in Monmouthshire in 2023, and for increasing visitor yield (EIPVD) despite challenging weather and economic conditions. (Visitor accommodation capacity in the county increased overall by 569 bedspaces between 2022 and 2023. 552 of these new bedspaces were non-serviced, of which 399 were in the self-catering sector. The remaining 17 new bedspaces were in the serviced sector).

The increase in visitor yield (EIPVD) between 2022 and 2023 reflects the increasing importance of staying visitors relative to day visitors. In 2023 the total number of visitor days was split 51.4% staying visitor days and 48.6% day visitor days. In 2022 visitor days were split equally between staying visitors (50%) and day visitors (50%) whereas in 2019 staying visitors accounted for 47% of visitor days and day visitors accounted for 53% of visitor days. (Staying visitors are worth considerably more to the economy than day visitors).

The line graph below (taken from Monmouthshire’s 2023 STEAM report page 14) shows the distribution of tourism related economic impact by month. It shows that in 2023, 35% of economic impact benefits were generated off-peak between October and March.



While the rate of tourism related economic growth has slowed, overall performance was better than expected in 2023. The weather in the UK during 2023 was a mix of very warm and very wet conditions. It was the second warmest year on record, with several months experiencing higher-than-average temperatures (notably June & September). There were more “extremely wet” days compared to previous decades, especially in school holiday periods, and the number of days with temperatures exceeding 30°C tripled.

Monmouthshire’s approved Destination Management Plan – the strategic plan that drives tourism development, management and marketing of the destination - ran to 2020 when Covid hit. While there has been 15% real growth (based on indexed figures with the effects of inflation removed) between 2017 and 2023 (with a strong recovery post-pandemic), there is a need to renew the Plan to reflect the changing regulatory and tax environment in which the industry operates, and to align it better with Monmouthshire’s Community & Corporate Plan. This renewal will include a broadening of the performance metrics to demonstrate the cultural, social and environmental benefits of tourism alongside the economic benefits.

Anian Ltd was commissioned in September to review and renew Monmouthshire’s Destination Management Plan and to identify best practice examples of destination management and destination partnership arrangements from comparable areas in the UK and overseas.

The work to date has included engagement with a wide range of destination stakeholders – businesses, visitors and residents - to ensure that while the Plan is informed by the market, it will be shaped by local people and businesses. 96 stakeholders have been engaged directly so far including 12 MCC councillors and staff, 18 key industry representatives and leaders (including a small group of activity operators who want to form a 'group') and 9 representatives from partner bodies and organisations. In addition, 157 residents, 61 businesses and 80 visitors responded to the online destination survey.

4. INTEGRATED IMPACT ASSESSMENT, (includes equality, future generations, social justice, safeguarding and corporate parenting).

The report is for information only, so no impact assessment is required at this time.

5. OPTIONS APPRAISAL

The report is for information only so no options are presented at this time.

6. EVALUATION CRITERIA

Monmouthshire 2023 STEAM results show continued recovery of Monmouthshire's visitor economy post pandemic. The feedback from the Destination Management Plan review consultation will provide an insight into satisfaction levels amongst businesses, visitors and residents with the way Monmouthshire is currently developed, managed and promoted as a visitor destination. It will also help us assess the value of the place brand(s) and improve our understanding of what our communities think and feel about tourism. This will in turn provide the foundation on which to build support and improved perceptions of the benefits of tourism to ensure that a warm welcome remains at the heart of our visitor offer. A draft Destination Management Plan is due to be available in early 2025.

7. REASONS:

No decisions need to be made at this time.

8. RESOURCE IMPLICATIONS:

There are no resource implications at this time.

9. CONSULTEES:

Lead Portfolio Cabinet Members

10. BACKGROUND PAPERS:

Monmouthshire 2023 STEAM
Draft SE Wales 2023 STEAM

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