

# **LCR Visitor Economy Members Meeting**

How to ensure our Visitor Economy Continues to Grow

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# Performance Update

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# 2015 worth of the Visitor Economy to the Liverpool City Region

- **Economic Contribution** – £4.09bn in spend & 7% of LCR GVA (£1.34bn) – Nationally the sector contributes 5%
  - **Job Creation** – 51K (39.1K direct, 11.8K indirect), increase by 24K in the next 9 years
  - **Dependencies** – Liverpool 34.2m visitors/£2.72bn income. Sefton & Wirral 16.9m visitors/£883m income
  - **Liverpool** in 2015 was the 6th most popular UK destination for international visitors – 601K staying visitor trips (VB IPS) & 7<sup>th</sup> for domestic staying visitors
- but*
- **90% of inbound visitors stay in Liverpool and don't explore the wider city region**

# LCR 2012 to 2015 Hotel Occupancy

- **Weekend Occupancy 84.9% to 85.0%**
- **Week day occupancy 68.9 to 76.3%**
- **Overall occupancy 68.8% to 76.1%**
- **Average Daily Rate £56.66 to £63.47**
- **REVPAR £39.09 to £48.41**
- **Number of Rooms Sold 2,566,093 to 3,139,601**

In 2015 Liverpool was the 6<sup>th</sup> most visited city in the UK for international visitors and 7<sup>th</sup> in England for domestic visitors.

Top Towns by Overseas Visitors		Top Towns by GB Visitors	
Town/City	Visits (000s)	Town/City	Visits (000s)
London	18,851	London	12,206
Edinburgh	1,543	Manchester	2,551
Manchester	1,152	Birmingham	2,306
Birmingham	1,107	Scarborough	1,671
Glasgow	662	Bristol	1,551
<b>Liverpool</b>	<b>601</b>	Leeds	1,547
Oxford	535	<b>Liverpool</b>	<b>1,406</b>

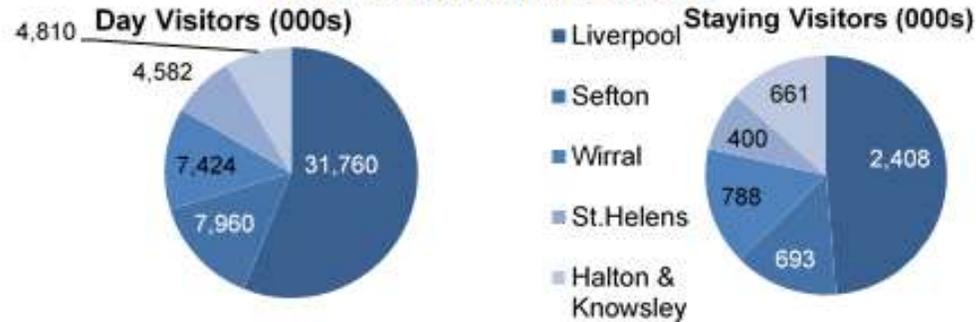
**Business Trips by overseas and GB Visitors .**

Top Towns by Overseas Visitors		Top Towns by GB Visitors	
Town/City	Visits (000s)	Town/City	Visits (000s)
London	3,712	London	3,223
Birmingham	619	Manchester	664
Manchester	385	Birmingham	639
<b>Liverpool</b>	<b>179</b>	Bristol	450
Edinburgh	152	Leeds	345
Oxford	149	Newcastle	237
Bristol	140	<b>Liverpool</b>	<b>198</b>

**LCR Overall Number of Visitors (Volume)**

61.49 m

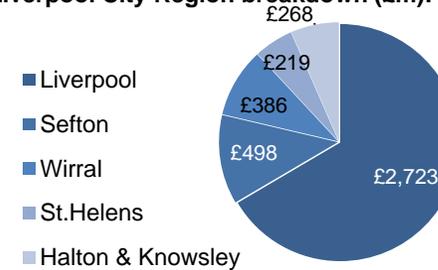
Liverpool City Region breakdown:



**LCR Overall Tourism Value**

£4.1bn

Liverpool City Region breakdown (£m):



# External Landscape

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# Funding Cuts

## Locally

- Liverpool: Mayor's Budget 2014/15-2016/17:  
In the final year of a three year budget in which £156 million will be saved, on top of the £173 million saved over the previous three years.
- Equal to a 58% cut in funding in real terms since 2010/11.

## The City Region

- The six LCR Las have already made £650m of cuts since 2010.
- The CA is anticipating an additional £470m in cuts up to 2020- before the CSR changes come into effect.
- **Equal to £1.12billion of cuts in a decade.**

# Devolution & City Region Governance

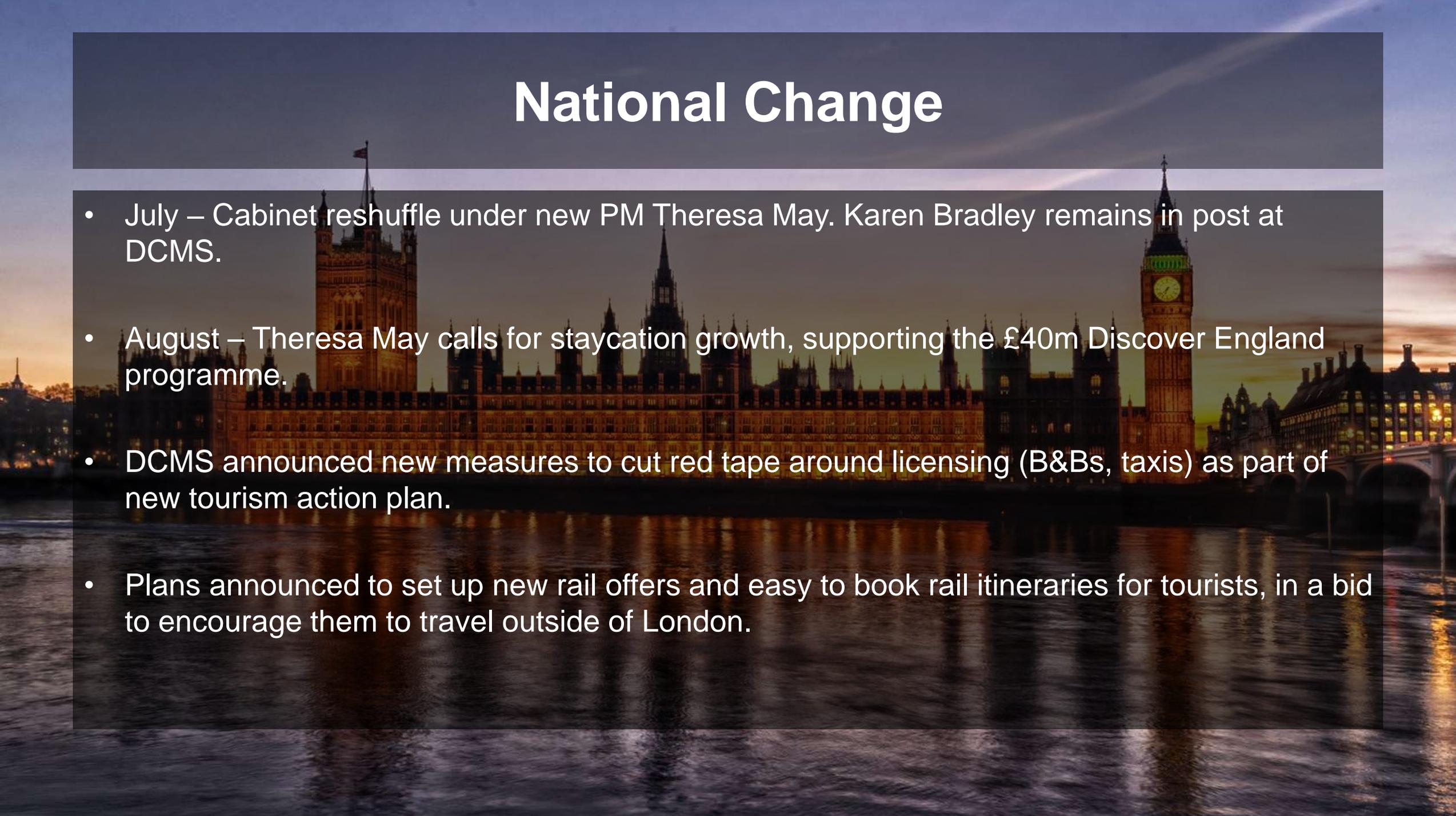
## **Metro Mayor**

- LCR CA governance model to adopt a model of a directly elected city region Mayor over the area with the first elections in May 2017.

## **CA**

- The new Mayor will act as Chair to the LCR CA, exercising powers and functions devolved from central government:
- Consolidated local transport budget, powers over strategic planning.
- To receive control of a £30 million a year funding allocation over 30 years, to be invested in the LCR Single Investment Fund (SIF).

# National Change



- July – Cabinet reshuffle under new PM Theresa May. Karen Bradley remains in post at DCMS.
- August – Theresa May calls for staycation growth, supporting the £40m Discover England programme.
- DCMS announced new measures to cut red tape around licensing (B&Bs, taxis) as part of new tourism action plan.
- Plans announced to set up new rail offers and easy to book rail itineraries for tourists, in a bid to encourage them to travel outside of London.

# Tourism: National Planning

- August 2016, the UK Government published the Tourism Action Plan, an update on the five point plan.
- The plan includes new initiatives and to help Britain out-compete other major tourism destinations, welcoming more visitors than ever before and see more staycations as Brits holiday at home.



A photograph of Theresa May and Andrea Leadsom. Theresa May is on the left, wearing a dark blue jacket and a pearl necklace, looking towards the right. Andrea Leadsom is on the right, wearing a light blue top, looking towards the left. The background is a solid blue color.

# Brexit

- *“The British people’s decision to leave the European Union creates real opportunities for growth and we will work in close partnership with the tourism industry, to ensure it continues to thrive as negotiations on the UK’s exit progress”. (PM Theresa May, August 2016).*
- Article 50 of the Lisbon Treaty, is set to be triggered by the end of next March 2017. UK will be out of the EU by the summer of 2019.
- Philip Hammond will present his first budget statement as chancellor on 23 November, setting out how the government will use tax and spending plans to shore up the UK economy after the vote to leave the EU.

# Brexit

- **Since the referendum, Stirling has fallen about 18% against the dollar.**
- **Against the euro, €1.10. A year ago it was worth €1.35. Weakness accentuated by the cut in interest rates and the Bank of England's economic stimulus measures.**
- **One beneficiary of cheaper sterling is the UK's own tourism sector, as a weaker pound makes Britain a cheaper destination for overseas tourists.**
- **Ryanair says it has seen a rise in overseas visitors travelling to London, Manchester, Liverpool, Leeds and Scotland.**

# **Our Priorities**

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