
From: Mark Dance, Cabinet Member for Economic Development and Barbara Cooper, Corporate Director, Growth, Environment and Transport

To: The Leader of the Council

Subject: Visitor Economy Services - Contract Extension (17/0009b)

Key Decision No

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: For decision by the Leader

Electoral Division: Countywide

Summary: Kent County Council's contract with Visit Kent commenced in April 2014 and ran to the end of March 2017: the terms of the contract for the promotion of tourism allowed for an extension of up to 36 months to March 2020, and for the County Council to provide additional resources each year to support Visit Kent's activities. A 12 month extension worth £310,000 was awarded to Visit Kent to cover the period 2017-18 (Decision 17/0009). This report considers options for the funding of Visit Kent after the end of this financial year.

Recommendation: As Leader of the Council I agree to extend the visitor economy services contract with Visit Kent at its present level for a further 24 months to March 2020 - £280,000 per annum plus the £30,000 per annum to provide staffing support for the development of Visit Kent projects funded by other organisations.

1. Introduction

- 1.1 In January 2018 the Growth, Economic Development and Communities Cabinet Committee (GEDCCC) received a presentation from Visit Kent on the performance of Kent's visitor economy in 2017 based on its Business Barometer which tracks performance on a monthly basis.
- 1.2 The Business Barometer shows that for the first 11 months of 2017 tourist attractions in Kent and Medway had a 7% increase in visitor numbers over the previous year. This compares with a 0.9% increase in 2016 over 2015, when Operation Stack badly affected the county's tourist economy.

2. The current contract with Visit Kent

- 2.1 The contract requires Visit Kent to develop and deliver innovative and creative

solutions to grow the Kent visitor economy, and to support KCC's priorities for this sector. These are to:

- Promote the county to target visitor markets, and to increase the numbers of visitors to Kent and the value of visitor spend;
- Support growth in the Kent visitor economy;
- Provide high quality support to the Kent tourism business sector;
- Improve the skills levels of employees within the Kent visitor economy; and
- Attract additional public and private sector investment.

2.2 The current contract with Visit Kent was awarded by the County Council in 2014. The contract provides for an extension of a period up to a further 36 months from April 2017 subject to satisfactory performance by Visit Kent, and for the County Council to provide additional resources each year to support Visit Kent's activities. A 12 month extension was awarded to Visit Kent for the period 2017-18 (Decision 17/0009).

3. Performance over the past year

3.1 Visit Kent's presentation to GEDCCC in January 2018 showed that Kent's visitor economy is worth some £.6 billion to the county, employing some 72,000 people directly and supporting a further 16,750 jobs indirectly through the supply chain that includes travel, entertainment, food and drink, accommodation and retail activities.

3.2 The presentation also noted that during the past year Visit Kent has undertaken a number of high-impact, targeted marketing and promotional campaigns which have focused on driving more visitors and increased spend in the county. These have included:

- Widening the scope of the popular Kent Contemporary campaign, which is targeted at London visitors, to promote the county not only for its rich heritage but also for its attractive landscape and coastline, especially in east Kent.
- The Folkestone Triennial which, in 2017, saw an increase in visitor numbers of some 10% on the previous event in 2014;
- The annual Big Weekend event in April 2017 which attracted over 185,000 applications for tickets to local attractions, representing an increase of some 49% on 2016;
- The implementation of a Travel Trade programme, in association with key travel trade bodies such as UKInbound, European Tour Operators Association, Association of Group Travel Organisers and the International Golf Tour Operators Association, that involves attendance by Visit Kent at leading exhibitions and events. These include the International World Tourism Fair in Poland in October 2017, the World Travel Market in London in November 2017, Vakantiebeurs in Utrecht in January 2018, the Go Travel Show in London in February 2018, Visit Britain's Explore GB in Newcastle in March 2018 and ITB Berlin in March 2018;
- The 2for1 online campaign aimed at promoting Kent's attractions during

school holiday periods, in association with Eurotunnel, P&O, Southeastern and Stagecoach, which has doubled interest in the county over the past year.

- 3.3** For the first time in 2017, Visit Kent developed and launched the Kent Tourism Awards in response to the national award requirement for entry only from regional finalists. There were seven categories focusing on visitor experience that were supported by external sponsors and judges. The response exceeded Visit Kent's expectations with 97 entrants, many of which were new to Visit Kent, with the category finalists selected through a consumer voting campaign and social media. The Awards event was held in London in November 2017 and has attracted significant media interest.
- 3.4** Visit Kent has also continued to take a leading role with the County Council and the private sector in the development of the Kent Tourism and Hospitality Guild. Activities in 2017 have included the development of a toolkit for businesses and encouraging links with local schools to promote career opportunities in the visitor economy. Visit Kent has also been working with Canterbury Christ Church University to develop a Higher Apprenticeship Standard for the tourism and hospitality sector.

4. Looking to 2018 and beyond

- 4.1** Visit Kent has been working with niche businesses and organisations to create campaigns that drive high value visits to high profile industries and sectors in the county. These include the Visit Kent Cruise Partnership between the port of Dover and several leading attractions, the Golf in Kent partnership working towards the 2020 Open Golf tournament in Sandwich, and the Wine Garden of England that brings together seven of Kent's leading wineries to showcase Kent as a premier wine destination.
- 4.1** Visit Kent is also setting up the Promoting Kent Group, comprising Locate in Kent, Produced in Kent, the Kent Film Office and Explore Kent. This Group will work together on joint campaigns to capitalise on several major events and anniversaries taking place in Kent over the next couple of years. These will include:
- The hosting of the Turner Prize by Turner Contemporary in December 2019;
 - The Open Golf in Sandwich in summer 2020; and
 - The Lambeth Conference and Mayflower Celebrations, also in 2020.
- 4.2** Preparations for these events are already being planned by Visit Kent in collaboration with other key partners, and require the full engagement by the "visitor economy service" to ensure that the county secures the maximum benefit from extensive promotion and marketing.

5. Contract options considered

5.1 Visit Kent has achieved impressive results over the past few years in promoting and helping to develop the county's visitor economy, and is regarded by many in the industry as a leading player both nationally and locally. I would support that view. Looking ahead to the next couple of years, when Kent will be host to several major events that have the potential to bring significant economic benefits to the county, Visit Kent has shown that it already has the requisite experience and capability to take on this challenge.

5.2 The following options were therefore considered for supporting visitor economy services in Kent:

Option 1 – To extend the contract by 12 months at a cost of £280,000 in 2018-19, plus £30,000 to provide for staffing to support the development of externally funded projects. This period would not cover the main events planned for 2019 and 2020.

Option 2 – To extend the contract by 24 months at a cost of £280,000 per annum, plus £30,000 to provide for staffing to support the development of externally funded projects. This would provide certainty to Visit Kent to plan and organise future visitor economy services including all those listed in paragraph 4.1 above.

6. Financial implications

6.1 Under Option 2 the total value of the County Council's support for Visit Kent for the period April 2018 to March 2020 would be £310,000 per annum. This would comprise the main contract (maintained at £280,000), plus £30,000 to provide for staffing to support the development of externally funded projects.

7. Legal implications

7.1 The contract is extendable under the terms of the current contract and would be drawn up as a Contract Change Note for the period April 2018 to March 2020. This would be signed by the Corporate Director for Growth, Environment and Transport under Officers' Delegated Powers.

8. Equalities implications

8.1 The new contract with Visit Kent would contain provisions for ensuring that the County Council's equalities and diversity policies are adhered to. Visit Kent has its own equalities and diversity standards which are consistent with those of the County Council.

9. Conclusion

9.1 Visit Kent continues to have a significant impact on raising the county's profile as a key tourism destination and on developing Kent's visitor economy. The proposed contract extension will not only help to maintain the momentum achieved over the past few years, but will also help to ensure that the county achieves maximum benefit from major events taking place in 2019 and 2020.

10. Recommendation

As Leader of the Council I agree to extend the visitor economy services contract with Visit Kent at its present level for a further 24 months to March 2020 - £280,000 per annum plus the £30,000 per annum to provide staffing support for the development of Visit Kent projects funded by other organisations.

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