

SOUTH EAST ENGLAND DEVELOPMENT AGENCY

BOARD MEETING ON 10 SEPTEMBER 2009

ITEM 5

TOURISM SOUTH EAST (TSE)

Purpose

John Williams (chair) and Michael Bedingfield (Chief Executive) are attending to update the Board on the performance of the tourism sector. This is a critical period for the Visitor Economy as we run up to the London, 2012 Olympic and Paralympic Games. Tourism South East (TSE) is SEEDA's prime strategic partner and delivery agent for supporting the sector.

This meeting presents a timely opportunity for the Board to discuss with TSE the opportunities presented by 2012 and how they plan to make the most of them.

Background

1. This is a new management team recruited earlier this year. John Williams has held substantial roles within the public and private sector. His background is brand and communications having founded Fishburn Hedges the quoted PR and communications agency. Mike Bedingfield has substantial experience of the tourism sector, including former roles with P&O Cruises, Hertz, Avis and Thomas Cook, prior to his role at VisitBritain.
2. SEEDA has responsibility, delegated by DCMS, for tourism strategy and the delivery of support for the sector in the region. The tourism industry in the South East is worth £12 billion annually and provides direct employment for an estimated 250,000 (the supply chain extends to 35,000 businesses and employs a further 150,000) contributing 7% of regional GVA. The industry is largely made up of SMEs where investment potential is limited and coordination to have maximum market impact essential. Our support for tourism also includes coordinated programmes for England and the UK working in collaboration with other RDAs, Visit Britain, DCMS and Local Authorities.
3. TSE resulted from the merger in 2002 of 2 regional tourist boards (Southern & South East England). The merger was encouraged by SEEDA and the new body covers the whole South East Region. TSE provide co-ordination of the public and private sectors through the membership of 2500 businesses and associations including 70 of the region's local authorities.

SEEDA Funding

4. At around £2.1m a year, SEEDA's funding for TSE represents 38% of its total revenue. The balance is made up of commercial income (46%) and the remaining 16% comes from European and other grants and membership fees. SEEDA's draft Corporate Plan makes provision for the same order of funding until 2010/2011

Evaluation

5. WM Enterprises were commissioned in March 2008 to undertake an independent evaluation of SEEDA's investment through TSE between 2003 and 2008. The report, published in September, is very positive and indicates that SEEDA's investment has made an impact that has moved the region closer to achieving its objectives. Despite setbacks like foot and mouth and the floods, the number of businesses has continued to grow in the sector by 17% compared to the national average of 10.5% and employment grew by 15.5% to over 250,000 compared to the national average of 14.2%. The evidence is that TSE's work over the period 2003-2008 added between £144m to £182m to regional GVA.

London 2012 Olympic and Paralympic Games

6. SEEDA's support for the tourism and visitor economy programme over the next three years will cover a critical period in the lead up to 2012. The South East Partnership for 2012 and the offer in "Triple Gold" has laid out the objectives to maximise the long term benefits of hosting the Games. TSE is central to the opportunity presented by the 2012 Olympic Paralympic Games, leading the Visitor Economy Working Group which combines the expertise of TSE with industry specialists and stakeholders in the region who have jointly produced "On Your MarksGet Set....GO!" a strategy and action plan to maximize the impact of games and its legacy on the visitor economy which is expected to worth additional £1billion revenue to 2016.

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