



Report of the Cabinet Member for Investment, Regeneration, Events and Tourism

Economy and Infrastructure Service Transformation Committee - 21 September 2023

Destination Management Plan 2023-2026

Purpose:	The report presents the Destination Management Plan (DMP) 2023-2026 for Swansea
Policy Framework:	Swansea Council Corporate Plan Priority: 'Transforming our Economy and Infrastructure' Swansea Wellbeing Plan Wellbeing of Future Generations Act
Consultation:	Finance, Legal, Access to Services.
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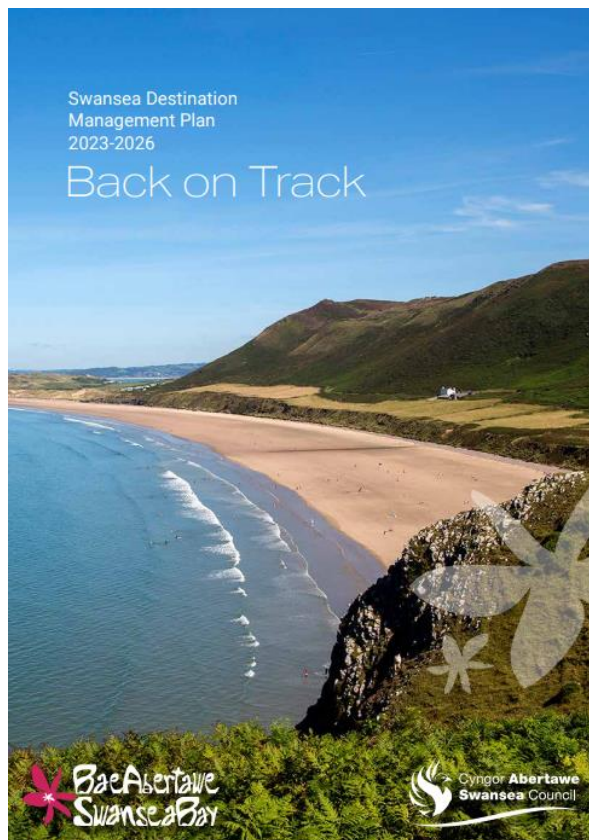
1. Background

The Development and Regeneration Scrutiny Performance Panel has requested to look at the Destination Management Plan 2023-2026, which is due for Cabinet Approval in October 2023.

In this report we give an overview of Swansea Bay as a visitor destination, the research that informed the new DMP, its strategic priorities and delivery mechanism.

2. Content

2.1 Setting the scene



What is a Destination Management Plan?

A Destination Management Plan (DMP) is best described as ‘the process of leading, influencing and coordinating the management of all the aspects of a destination that contribute to a quality visitor’s experience, taking account of the needs of visitors, local residents, businesses and the environment.’
(Source: VisitBritain.org)

Great destinations are great places to live, work and visit. A well-managed destination can bring long-term growth to the local economy, attract new investment as well as safeguard and create employment opportunities.

Our Destination Management Plan 2023-2026 is a combined response by Swansea Council and its private and public sector partners. It offers renewed hope for economic recovery following the successful re-opening of the tourism and hospitality industry and focusses on the strategic priorities for the next 4 years.

Visitor economy recovery in Swansea

Throughout the pandemic, we continued to engage with our customers and to support local tourism businesses. In 2022, signs of recovery were evident in

terms of consumers' confidence to return (4.2M visitors), continued inward investment in the destination and optimism amongst tourism operators – despite new economic challenges around rising costs and staff shortages.

This DMP is informed by three strategic pieces of research: a 7-month long visitor survey (1,000 face-to-face interviews), our largest ever survey of local tourism businesses (120+ responses) and a Hotel Demand Study commissioned to assess the current supply and future demand drivers for hotel developments in the city centre.



2.2 Strategic Priorities and Outcomes

1. **Driving Quality:** to build on success and further enhance the destination in order to deliver a distinctive and high-quality visitor experience.
2. **Breaking free of seasonality:** to develop creative, targeted marketing campaigns to enhance the area's appeal to the UK and wider world and build a stronger tourism offer outside the summer months.
3. **Encouraging Sustainability:** to nurture a more sustainable approach to tourism, both economically and environmentally, to the benefit of the environment and the wellbeing of all.
4. **Working Partnerships:** to continue to support the private sector directly and work with our public and third sector partners in order to achieve growth and prosperity for the local economy.

Priorities	Actions	Impacts	=	Outcomes
Driving Quality:	Protect and enhance natural environment	Well-managed natural environment		A distinctive, high-quality visitor experience
Breaking free of seasonality:	Develop high quality tourism product	Thriving city centre		A stronger tourism offer outside the summer season
Encouraging Sustainability:	Improve visitor experience	Reduced seasonality		
	Continue to deliver targeted marketing campaigns	Improved tourism offer		
Working Partnerships:	Improve infrastructure and facilities	Increased visitor spend		A more sustainable approach to tourism, both economically and environmentally
	Develop strong partnerships between public, private and third sector	Skilled workforce ready to meet future opportunities in the sector		
	Identify relevant funding and attract further investment	Strong destination brand		Growth and prosperity for the local economy
		More tourism businesses accessing relevant training and funding		

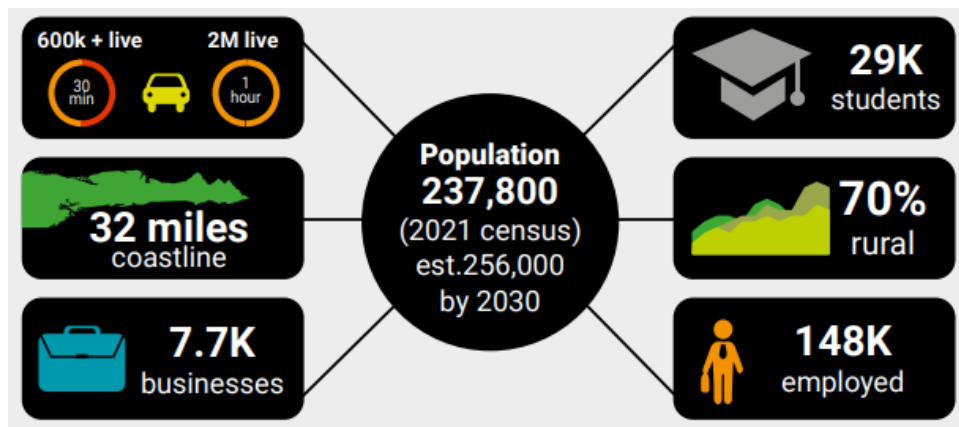
2.3 The Bigger Picture

- Swansea City Centre undergoing a major transformation into a premier destination to live, work, study and visit.
- Completed projects:
 - Swansea Arena in the new Copr Bay district
 - Amy Dillwyn coastal park
 - Landmark bridge connecting city centre with waterfront
 - £3m improvement of Wind Street into greener and more family-friendly hospitality and leisure destination
 - Redesign of the Kingsway with more public spaces, better pedestrian and cycle routes and new high-tech office development at 71/72
 - Opening of Penderyn Swansea Copperworks Distillery
- In development
 - New public sector hub on Oxford Street – Y Storfa
 - Refurbishment of Palace Theatre and Albert Hall
 - Enhancement of Castle Square and Swansea Amphitheatre
 - New entrances to Swansea Market and Quadrant Shopping Centre

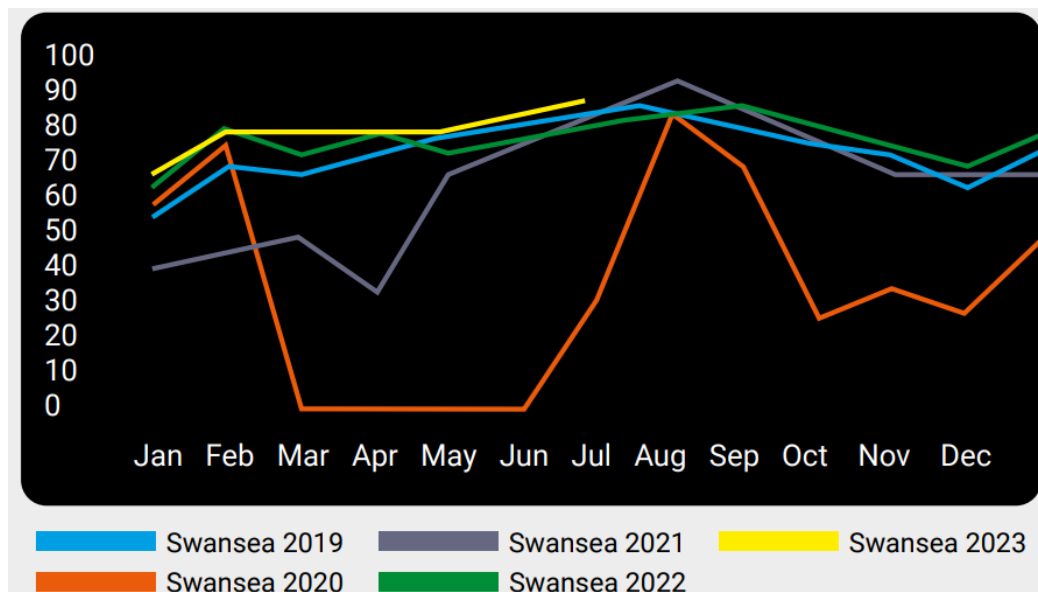
- Hafod Morfa Copperworks transformation into a leisure destination with new outdoor attraction Skyline planned for 2025 and floating pontoons
- Partnership with private sector developers Urban Splash for the mixed-use transformation of Civic Centre site and former St David's Shopping Centre
- Major hotel developments
- Early discussions about a visitor attraction and an aquarium for the Civic Centre / Paxton Street development sites
- Major events programme: Swansea is home to the Wales Airshow, IronMan 70.3, World Triathlon Para Series, Swansea Bay 10k and headline concerts in Singleton Park
- A planned programme of projects backed by Shared Prosperity Fund

2.4 Swansea Visitor Economy

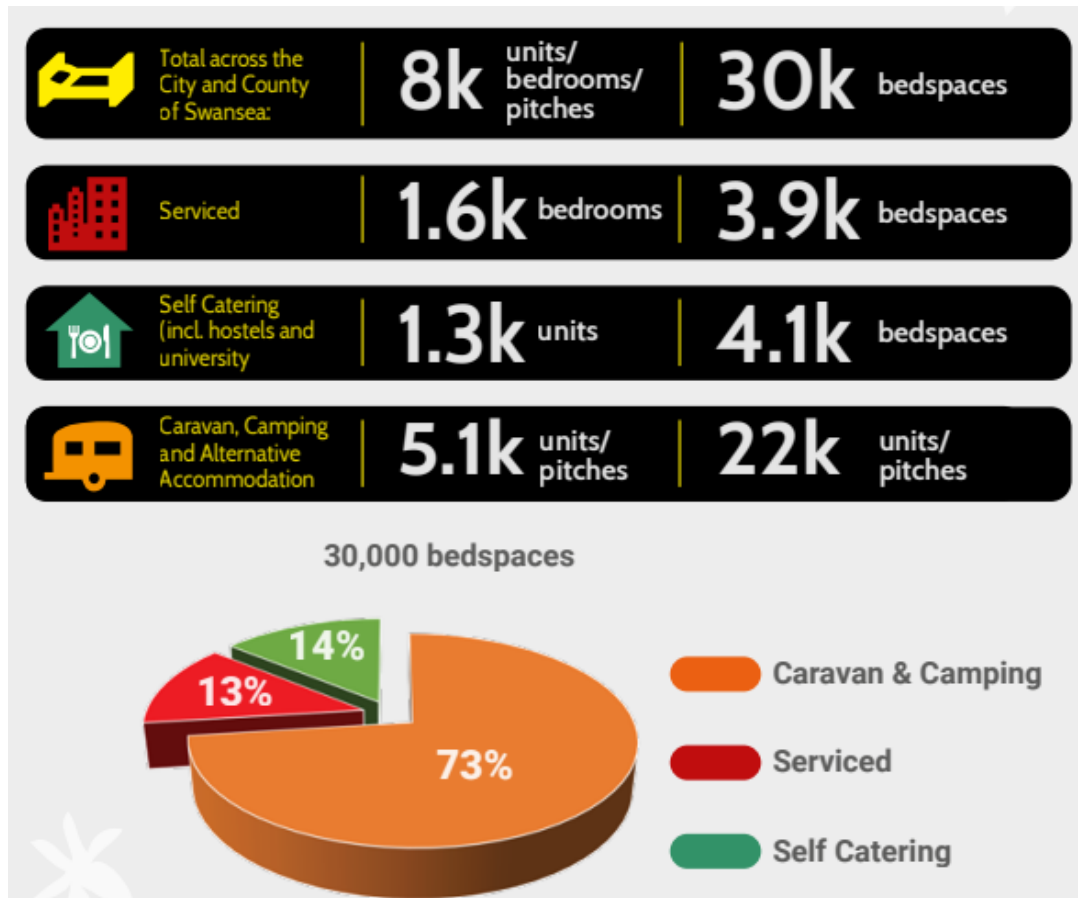
About Swansea



Hotel room occupancy figures (STR %)



Bedstock figures



Value of tourism



2.5 Visitor Survey 2022

Key facts about our visitors

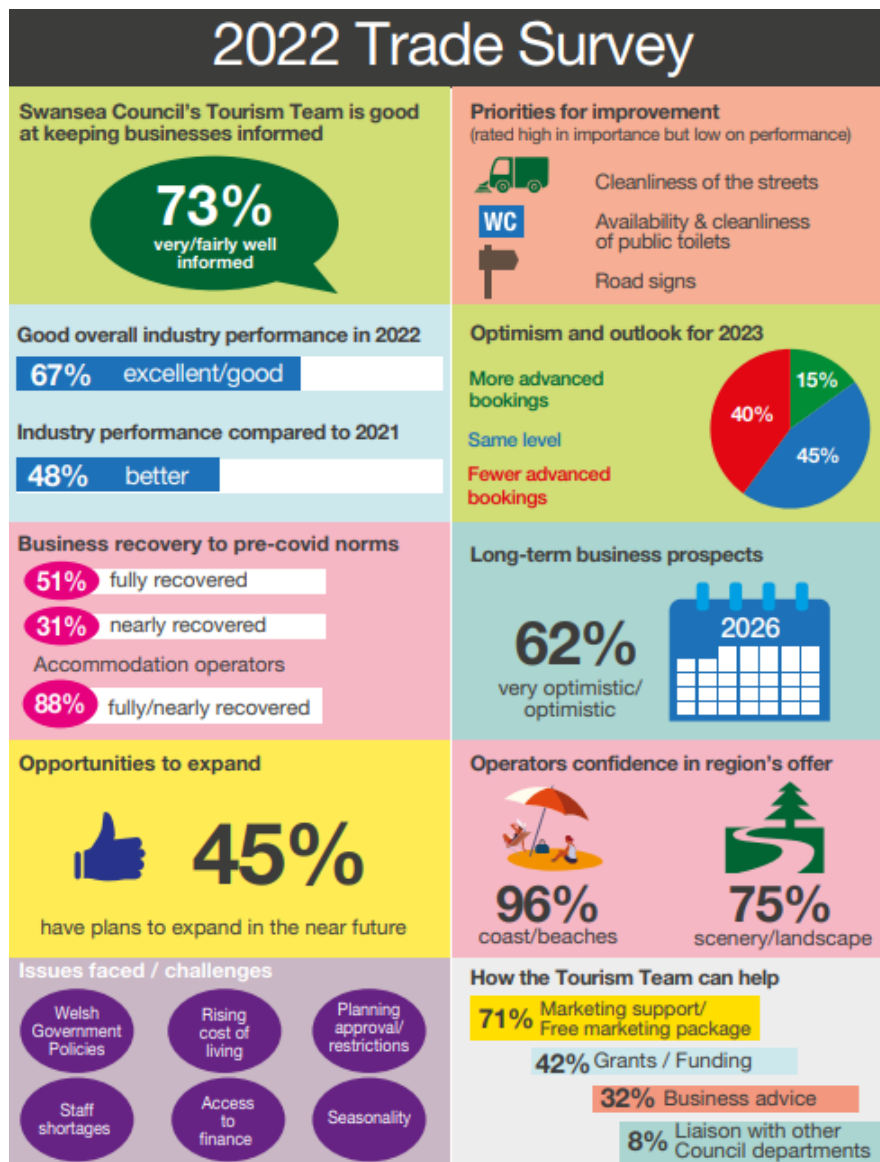
- Mostly from higher ABC1 social grades: affluent 'empty nesters' aged 45+, affluent early retired couples aged 45+ and younger affluent professionals aged 25+
- Mainly from the Midlands, London, Southeast and other parts of Wales.
- Visitors highly complimentary about their visit: 96% would recommend a visit to someone else.
- 99% found their visit enjoyable, two thirds of which found it 'very enjoyable'.
- 57% likely to be staying overnight (+7% since 2015)
- Average spend on the increase since 2019



2.6 Tourism Trade Survey 2022

Key findings

- 73% feel well-informed by Swansea Council's Tourism Team
- Think Swansea Bay's best assets are our coast/beaches (96%) and scenery/landscape (75%)
- 67% reported 'good' or 'excellent' levels of business in 2022
- 48% reported better performance than 2021
- 82% 'nearly' or 'fully' recovered from Covid pandemic (88% for accommodation)
- 45% have plans to expand (increasing capacity, improving quality, diversifying)
- 62% feel optimistic about long-term business prospects
- Major challenges ahead: Welsh Government policies, cost of living, planning restrictions, staff shortages, access to finance and seasonality
- Think Tourism Team can help with marketing support, grants / funding, business advice and liaising with other Council departments



2.7 Swansea City Centre Hotel Demand Study 2022

Key findings and recommendations

- Strong leisure and business demand all year-round
- Extensive regeneration activity is creating new demand
- Hotels performing well in Swansea: occupancy 77.3%, ADR* at £67 and RevPAR** at £52 (£60 for upscale & upper midscale hotels)
- ADR grew significantly in 2022
- Occupancy is high annually and in most months.
- Current supply is a fair mix of accommodation but comparatively low number of rooms per head.
- Supply has not kept pace with a growing demand and market is currently undersupplied: On approximately 35 days per year, an additional 10% of market rooms could be sold again, equating to a smoothed average of around 14 unsatisfied room nights per day or 5,107 room nights annually.
- Forecast future demand and supply balance: an additional 285–355 rooms needed in the market for 2026.
- This suggests potentially 3 hotels of significant inventory.
- A greater number of rooms needed going forward to the medium term (2032).
- Opportunity at midscale and upper midscale / upscale level

*ADR (Average Daily Rate) = Room Revenue/Rooms Sold. ADR is the average rental income brought in by a paid and occupied room during a specific time period

**RevPar (Revenue per Available Room) = Room Revenue/Total Rooms Available. RevPAR represents the revenue generated per available room, whether or not they are occupied

KEY FINDINGS

Hotels performing well in Swansea – high occupancy rates

Focuses on Swansea City Centre / SA1 / Copperworks

Strong leisure and business demand all year-round

Major transformation of city centre

Growing demand – undersupplied market

PERFORMANCE

Average Daily Rates (ADR)

77.3%

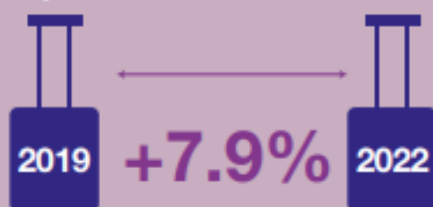
RevPar on average

£52 (£60 for upscale & upper midscale hotel)

TOP 10

Swansea entered the Colliers UK Hotel Market Index 2023

Top 5 RevPar Growth in UK



RECOMMENDATIONS

285 - 355 =

+3
by 2026



more by 2032

Opportunities

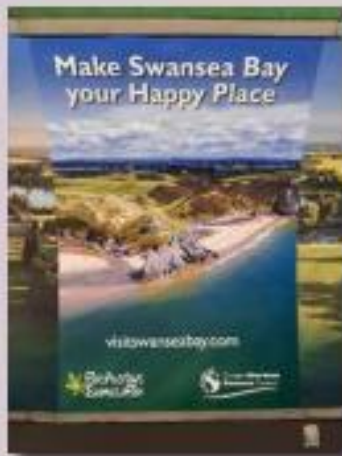
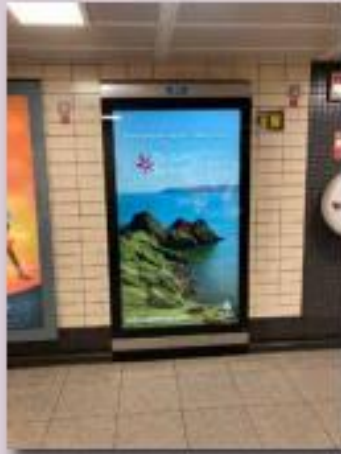


2.8 Destination marketing

Swansea Council promotes the destination as Visit Swansea Bay across UK markets and further afield (in partnership with Visit Wales and Visit Britain).

[Visitswanseabay.com](https://visitswanseabay.com) is the sole platform dedicated to destination marketing and is open to local tourism & hospitality operators. Since 2020, Swansea Council has offered the standard entry-level marketing package to businesses free of charge to support the industry's recovery. As a result, there has been a 70% increase in the number of Visit Swansea Bay Partners.

- Currently 210+ partners supported: accommodation, attractions, activities, retail and hospitality.
- Partners feature on [Visitswanseabay.com](https://visitswanseabay.com) and in marketing campaigns.
- [Visitswanseabay.com](https://visitswanseabay.com) is the call to action for all campaign activity, both on and offline.
- Marketing campaigns are continually evolving to extend the season and create a year-round destination, e.g. 'Christmas Gift Ideas', 'Winter Wellbeing,' 'Dark Skies,' 'Dog Friendly Holidays' and 'Nature & Wildlife'.
- Activity is aligned with Visit Wales thematic years, e.g. 'Llwybrau, Wales by Trails'
- Growing social media audience with good engagement online via Facebook, Instagram, TikTok, Google search and YouTube.
- Digital and static outdoor media campaigns posted in high footfall sites such as London Underground and Video on Demand adverts (e.g. Sky) to reach new customers in shoulder seasons.
- PR campaigns to reach new audience – journalists, bloggers, influencers
- Campaigns are targeted demographically and geographically, in response to visitor and trade research, and consumer/seasonal trends.
- All marketing activity is measured to assess engagement and reach of campaigns.



2.9 Major Events

Events are a great way to stimulate a destination by raising its profile, bringing in extra visitors and supporting the local economy all year-round. They can also attract long-term business investment.

Swansea Council delivers a strong, creative programme of high-profile events all year-round and works closely with event organisers to enable other events to happen across the year.

Some of the major events taking place in Swansea include the popular Wales Airshow, IronMan 70.3, World Triathlon Para Series (WTPS) headliner concerts in Singleton Park, Swansea Half Marathon, Admiral Swansea Bay 10k, Swansea International Jazz festival and Outdoor Theatre at Oystermouth Castle.

Events are measured by their impact - economic impact (visitor spend + organiser spend) but also social, wellbeing and environmental impact.

Major events have a key part to play in the DMP as they impact on all 4 strategic priorities - quality, seasonality, sustainability and partnership working.



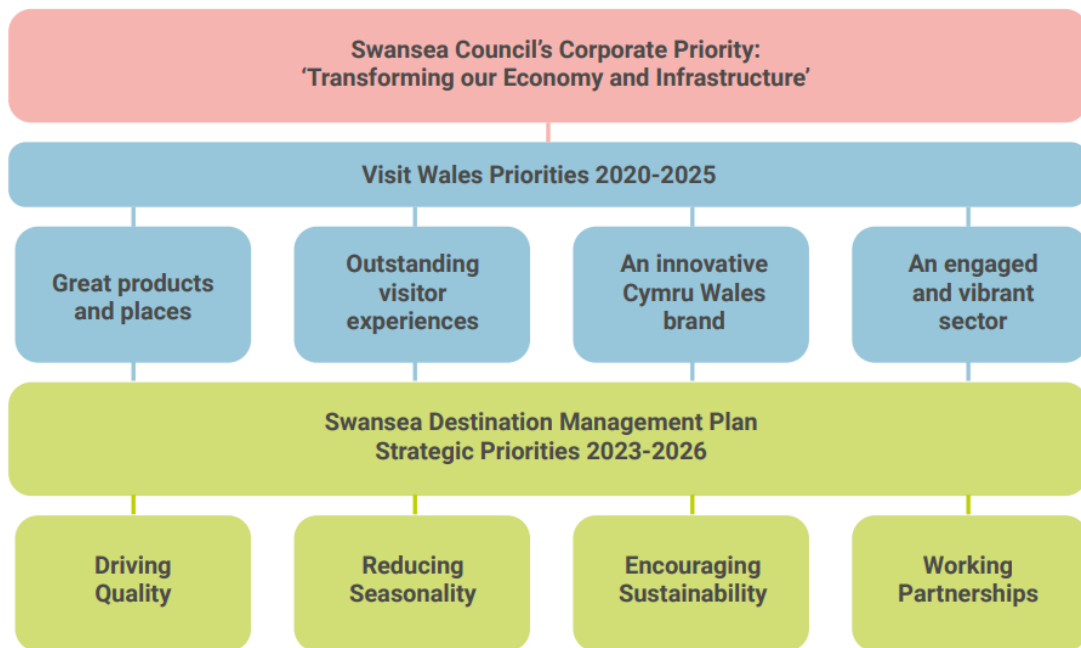
**Airshow: 200k visitors =
£9.7M economic impact (2018)**



**IronMan: 20K spectators =
£2.12M economic impact (2022)**



2.10 – Strategic Fit



The DMP aligns with Swansea Council's Corporate Priority of 'Transforming our Economy and Infrastructure' and Visit Wales' strategic priorities. In turn, the DMP informs and influences a number of Council strategies, plans and working group, including:

- Regeneration Swansea
- Beaches Management Group
- Public Toilet Strategy
- City Centre Operational Working Group

2.11 Governance and Delivery



The DMP Steering Group aims to meet 2/3 times a year with regular delivery groups and industry events held throughout the year. The Tourism Team acts as an administrator and co-ordinates regular communications amongst various stakeholders.



2.12 What success looks like

- Increased visitor spend
- More people in employment
- Higher occupancy figures
- More staying visitors
- High visitor satisfaction rates
- More partners on visitswanseabay.com

2.13 Looking forward to 2026

The ongoing regeneration of Swansea will continue to attract new and boost existing visitor numbers and spend with new reasons to visit as a result of planned developments, including:

- Skyline
- Y Storfa Community Hub
- Palace Theatre and Albert Hall
- Further transformation of City Centre incl. Castle Square, Kingsway, Civic Centre site
- Major hotel developments
- Hafod Morfa Copperworks and River Tawe pontoons
- Improvement of Swansea Amphitheatre
- Major events programme



2.14 What our partners say

Penderyn

The opening of Penderyn's state-of-the-art distillery and visitor centre at the heart of the old Copperworks marks an exciting new chapter in our journey and for Swansea as a destination. This is where heritage and innovation converge to create a unique attraction, which will offer a brand new experience to thousands of visitors every year. These are incredibly exciting times for us as a business and for Swansea as a forward-thinking city.

Plantasia

'We constantly strive for new and innovative experiences for guests. We recently introduced Jungle Escape, which will be the biggest of its kind in the world. Our commitment to continuously improve the visitor experience will give our guests a reason to visit and to return again in the future. Swansea has so much to offer.'

Beach House Oxwich

'We are positioned right on the sands of Oxwich Bay and benefit from mesmerising coastal views. Being surrounded by nature, we are able to take full advantage of local ingredients. We have so much on our doorstep.'

Urban Splash

'We have been really impressed with the ambition and vision of Swansea Council and we are delighted to be working in partnership with this amazing city by the beach, using our experience, capital and resources to strengthen their vision and deliver exceptional living, working and leisure spaces.'

Skyline

'We chose Swansea as our first European site because we truly believe the city has the potential to become a leading leisure destination. Swansea Council has a very clear vision on how they want to make Swansea a thriving place to work and live. That's a vision we believe in and want to be a part of.'

The Cwtsh

'You can see that positive things are happening in Swansea - there's a lot of money going into the area, and that was definitely a factor behind opening up the Cwtsh Hostel. Swansea is certainly going places. There's a good mixture of big developments with small independent businesses, so by working together the city is getting it right.'

3. Legal implications

There are no legal implications associated with this report other than those set out in the body of the report.

4. Finance Implications

There are no financial implications associated with this report.

5. Integrated Impact Assessment Implications

The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

The DMP has low visibility to the general public and does not require engagement from protected groups. There are no environmental, political, financial or cultural risks associated with it.

The Well-being of Future Generations Act (Wales) 2015 has been fully considered in the development of the DMP, which supports its goals and objectives.

The DMP has a positive impact on the destination as a whole by improving quality and delivering a better visitor experience, while nurturing a more sustainable approach to tourism, both economically and environmentally. This in turn supports the visitor economy and overall prosperity / wellbeing across the City and County of Swansea. By working closely with industry partners, the DMP also has a positive impact on the Council's reputation.

This report has been IIA screened and the outcome is that it does not require a full IIA.

Glossary of terms:

DMP – Destination Management Plan

STR – Smith Travel Research

STEAM - Scarborough Tourism Economic Activity Monitor

ADR – Average Daily Rate (Room Revenue/Rooms Sold). ADR is the average rental income brought in by a paid and occupied room during a specific time period

RevPar – Revenue per Available Room (Room Revenue/Total Rooms Available). RevPAR represents the revenue generated per available room, whether or not they are occupied.

IIA – Integrated Impact Assessment

Background papers: None

Appendices:

Appendix A – Swansea DMP 2023-2026 (PDF version)

Appendix B – IIA Screening Form