



SCRUTINY COMMISSION - 8 NOVEMBER 2023

PLACE MARKETING – LEICESTER AND LEICESTERSHIRE

REPORT OF THE CHIEF EXECUTIVE

Purpose of report

1. The purpose of this report is to update the Commission on the work of the Place Marketing Team for Leicester and Leicestershire.

Policy Framework and Previous Decisions

2. The County Council's Strategic Plan highlights the importance of enhancing the profile of Leicestershire as a place to visit, live, work, and do business; thus, encouraging investment and creating the right environment to attract businesses which can grow and flourish now and in the future.
3. Following a review, on 23rd November 2016 the Cabinet supported the establishment of a Place Marketing Team jointly funded and managed by the Council and Leicester City Council to lead on Place Marketing, Inward Investment and Strategic Tourism across Leicester and Leicestershire.
4. The Scrutiny Commission receives regular updates on the work of the Place Marketing team, including most recently in November 2022.

Background

5. Established in 2017 the Place Marketing Team (PMT) promotes the city and county as a place to visit and to live and invest in. Leicester City Council hosts the PMT with the County Council providing funding of £60,000 a year as well as two seconded members of staff.
6. The service works across Leicester and Leicestershire and delivers the following key areas of activity:
 - Place Marketing –to promote Leicester and Leicestershire as a destination to visit, invest and live.
 - Strategic Tourism and Business Tourism support – promoting leading visitor attractions, attracting visitors, encouraging overnight stays, and providing a fragmented sector with cohesion to achieve sustainable growth by promoting Leicester and Leicestershire as a united destination. Maximising business tourism opportunities, promoting city and county wide conference venues to attract business meetings and events to the region.
 - Inward Investment – supporting businesses (foreign and domestic) looking to expand or relocate within Leicester and Leicestershire and for developers and investors looking to bring sites and properties to the market.

Place Marketing

Strategic Marketing Group

7. A Strategic Place Marketing Group for Leicester and Leicestershire has been established, with three meetings held to date in March, June, and October 2023. The group includes representatives from the three universities, the county and city councils, the Federation of Small Businesses, the Chamber of Commerce, Artreach, the Leicester and Leicestershire Enterprise Partnership, and the Leicester Business Improvement District. The group's purpose is to consider priority projects and campaigns that promote Leicester and Leicestershire as a place, so that all partners are aware and can work together to expand the reach of these initiatives.

Place Narrative for Leicester and Leicestershire

8. In the summer of 2023, the Place Marketing Team commissioned thinkingplace, a leading place branding specialist, to develop a long-term, shared narrative for Leicester and Leicestershire. Thinkingplace had a remit to conduct in-depth research, engaging with key stakeholder groups to gather perspectives on the region's strengths, opportunities, and aspirations.
9. A stakeholder list of 130 individuals representing the city and county was developed and approved by the Leicester and Leicestershire corporate and political leadership teams before engagement began.
10. Based on the research and engagement, thinkingplace highlighted key themes to focus on to enhance the image of Leicester and Leicestershire. These themes, which are aligned to the area's unique strengths and opportunities, will differentiate the area, and provide the strategic direction of travel for the narrative. The draft key themes are 'Youthful, gifted, diverse', 'Space, science, sport; stand out place', and 'Attractive and active green', which are pulled together into a proposed 'big idea' for marketing purposes 'We've got space'.
11. Moving forwards into 2024, work will commence to build on the key themes highlighted to differentiate Leicester and Leicestershire with the following draft actions to maximise buy in from stakeholders:
 - Establish an ambassador programme.
 - Write a consistent Place Narrative for Leicester and Leicestershire
 - Establish a Place Board
 - Develop Digital Collateral & Downloadable Toolkits
 - Hold a National Placemaking Conference

Inward Investment

12. Inward investment delivers extensive benefits to Leicestershire, improving economic competitiveness and enabling productivity improvements for both new and existing companies. It makes a positive contribution to the county's economic growth by generating employment, increasing tax revenue, and fostering knowledge creation and retention, as well as securing external resources such as capital, technology,

and managerial intelligence that can aid productivity, innovation, and economic growth.

13. As a key outcome, companies can invest in Leicestershire and create better living standards, higher wages, improved skill levels, stronger supply chains, and more sustainable communities for the future. Inward investment is widely recognised as a positive type of investment activity and is identified as a key priority within the Leicester & Leicestershire Economic Growth Strategy 2021-2030 prepared by the LLEP.

Inward Investment Enquiries and Successes

14. Following discussion at the November 2022 Scrutiny Commission meeting the PMT has broadened its key performance indicators (KPIs) supplementing the enquiries, jobs created, and jobs safeguarded metrics previously reported on. The table below provides aggregated or average figures for the new KPIs. (NB the financial information provided is commercially confidential and has therefore been aggregated).

Key Performance Indicator	Reporting Period: 1 October 2022 – 30 September 2023 for Leicester and Leicestershire
No. of New Enquiries	358 (296 of these are public property searches through Investinleicester.com, which is a self-service website)
No. of Enquiries Converted into Investment Decisions	20
Capital Investment	£493,469,200
Business Rates Generated	£3,230,556
Total Salary Value	£33,539,706
Total Investment Value*	£530,239,462
New Jobs Created	1120
Safeguarded Jobs	47
Average Salary (New / Safeguarded Jobs)	£26,110

*Total Investment Value = Capital Investment + Business Rates + Total Salary Value

15. Between 1st October 2022 and 30th September 2023, the PMT, in partnership with local authorities and the Department for Business and Trade, supported 20 companies to set up or relocate into Leicester (9 companies) and Leicestershire (11 companies). This created or safeguarded 1,120 jobs (852 in Leicestershire), paying an average salary of £26,110 (£31,723 in Leicestershire), with the total salary value being over £33.5m (over £26.4m in Leicestershire). Over £3.23 million in business rates will be generated annually (£2.9 million of which in Leicestershire).
16. These projects required over £493 million of capital investment (over £486 million in Leicestershire), creating a total investment value of over £530 million (over £515 million in Leicestershire). It should be noted that 92% of capital investment and 87% of the total investment value came from two projects.

17. Appendix A sets out in more detail the PMT's recent inward investment achievements and current activities.

Partnership working on Inward Investment

18. The PMT proactively engages with district councils and has established informal locality teams designed to add value to inward investment activities across Leicestershire by strengthening information sharing and collaborative working.
19. There is also active engagement with the East Midlands Freeport (EMF). The PMT has committed to collaborating with the EMF team to develop a two-way enquiry management process, while utilising the marketing materials produced by the Freeport team in all promotional activities. Additionally, the PMT has committed to working with its counterparts in Nottinghamshire and Derbyshire to ensure consistency in promotion and enquiry management.

Key Account Management Programme

20. The PMT has secured funding from the Department for Business and Trade (DBT) to develop a new Key Account Management (KAM) Programme for Leicester and Leicestershire, until March 2025.
21. The programme aims is to deliver a bespoke package of support tailored to foreign-owned businesses (FDIs) located in the city and county that are considered key strategic businesses and are not currently being account managed by the DBT. The previous KAM Programme ran from April 2020 to October 2022 and focused on supporting FDIs. Since its inception, the project has secured 578 permanent jobs and a total investment value of over £45 million, all from direct investments.
22. The KAM function has proven highly beneficial to the wider offer, aligning with the government's levelling-up agenda by growing the quality and number of businesses in the region and promoting the benefits of living, working, and investing in Leicestershire. The proposed new KAM Programme will build on this previous work.

Strategic Tourism

Tourism Growth Plan 2020-2025 – Delivery Progress

23. The Tourism Growth Plan 2020-2025 sets out how Leicester and Leicestershire will be positioned as a leading destination for leisure and business tourism. It provides a framework for the city and county's efforts to attract an increasing number of leisure and business visitors to the area, whilst encouraging those visitors to stay longer and spend more. Its three strategic priorities are Creating a Strong, Distinctive and Visible Destination, Improving Productivity and Strategic Product Development.
24. The strategic tourism work is guided by the Tourism Advisory Board. This Board has a private-sector Chair and Vice Chair Erika Hardy, Operations Director at Everards Brewery, and Malcolm Holmes, General Manager at the Great Central Railway. Discussions this year have included establishing an LVEP for Leicestershire (see

below), de-funding of tourism qualifications and the impact of the new living wage on the sector.

25. Promotional activity has continued throughout 2023 for key campaigns: Uncover the Story, Fittcation and Taste the Place. Appendix B illustrates the successes of these key campaigns and how they are continuing to be successful.

Tourism Sector Performance 2022

26. Tourism and hospitality are important economic sectors for Leicester and Leicestershire. In 2019, before the pandemic, over 35.3 million visitors helped boost the county's economy by £1.9 billion and supported around 23,000 jobs. To demonstrate the sector's post-pandemic recovery, the annual STEAM tourism economic impact report for 2022 has been benchmarked against 2019 to provide the following headline indicators: Economic Impact, Visitor Numbers and Employment.
27. The economic impact of the sector in 2022 was £2.07 billion, surpassing the 2019 benchmark by 5.6% and the 2021 impact by 27%. The economic impact includes direct expenditure of £1.56bn by visitors on goods and services (e.g., retail, food and drink, transportation) and the indirect economic effects of local businesses and residents spending tourism revenues locally (£0.51bn). In comparison, Nottinghamshire's visitor economy grew by 15.6% in 2022 compared to 2021.
28. Total visitor numbers to Leicester and Leicestershire in 2022 were 30.53 million, 8.5% up on 2021 but still 13.4% below the pre-pandemic benchmark of 2019. Day visits are 15.5% behind 2019 figures, however staying visitors in 2022 have increased almost 18% on pre-pandemic levels, now making up 12.5% of all visits. Those staying visitors accounted for 43.6% of all economic impact. Visitors staying in serviced accommodation now surpass 2019 levels by 0.3% whilst those staying in non-serviced accommodation are now 6.7% above pre-pandemic levels.
29. In 2022, 21,038 people were employed in the sector (7.4% less than 2019). The fall in day visitors reflects a national trend, however overall recovery of the sector has been strong.

Local Visitor Economy Partnership Accreditation

30. The Department for Digital, Culture, Media, and Sport (DCMS) and Visit England are introducing a new tiered structure of accredited tourist boards to manage and promote destinations. The new structure will establish a direct strategic relationship between destinations, Visit England and DCMS.
31. The tiered structure includes having Local Visitor Economy Partnerships (LVEPs) at sub-regional level. Organisations such as the Place Marketing Team for Leicester and Leicestershire can become accredited as an LVEP, through which access to government recognition, funding and other support can be secured. At regional level Destination Development Partnerships are being established, which are consortia of sub-regional destinations.

32. The Place Marketing Team submitted an EOI to become an LVEP in May 2023 and a full application will be submitted in November taking account of feedback from Visit England. The LVEP will include key partners, including visitor economy businesses and district councils.

Resource Implications

33. Leicestershire County Council provides a financial contribution of £60,000 to the Place Marketing Team via the Economic Growth Team budget. In addition, two members of staff are seconded to the PMT. The total cost is £198,000 per annum.

Conclusions

34. The views of the Commission are sought on the report together with the presentation provided by Mike Denby, Director of Inward Investment and Place Marketing at the Place Marketing Team.

Circulation under the Local Issues Alert Procedure

35. None

Equality Implications

36. There are no equality implications arising from this report.

Human Rights Implications

37. There are no human rights implications arising from this report.

Background papers

Leicester and Leicestershire Tourism Growth Plan -
www.leicestershire.gov.uk/pdf/leicester-leicestershire-tourism-growth-plan.pdf

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Appendices

Appendix A - Recent Achievements and Current Activities: Inward Investment
 Appendix B - Recent Achievements and Current Activities: Strategic Tourism