



## TOURISM STATEMENT

In support of Removal of Condition 8 and Variation of 4 and 5 relating to Planning Permission 04/00680/FUL to Allow Full Residential Use of Long Meadow Barn, Down St Mary

April 2024



## Contents

1. Analysis

## 1.0 Analysis

- 1.1 The National trend around the number of tourists visiting and spending in England has decreased.

National Viewpoint [Visit Britain]

- 1.2 Great Britain domestic overnight trips: latest results [Visit Britain] Latest numbers of domestic overnight trips British residents took, when they took these trips, for what purpose, their total expenditure and the number of nights they stayed. Release date: 13 February 2024.

Overnight trips in England (Q3 2023):

There were 29.8 million overnight trips (down 5% vs Q3 2022).

These trips lasted a total of 92.3 million nights (down 9% vs Q3 2022).

And contributed a total of £7.8bn in spend (down 10% vs Q3 2022 in nominal terms and down 15% in real terms, when taking inflation into account).

Average spend per trip was £262 (down 4% vs Q3 2022 and down 10% in real terms).

Average spend per night was £85 per night (down 1% vs Q3 2022 and down 7% in real terms).

On average, trips lasted 3.1 nights (down 5% vs Q3 2022).

2023 year to date (YTD) England visits were down 2% on 2022 YTD, with spend up 1% in nominal terms, although down 7% in real terms. The number of nights was down 6% on 2022 YTD.

- 1.3 Official domestic tourism statistics published for Jan-March 2023 by Visit Devon on Sep. 15, 2023 highlighted that Brits took 20.3 million overnight tourism trips in England in the first three months of 2023, down 8% on the same period in 2022, when there were 21.9 million overnight tourism trips.

Local Viewpoint

The Mid Devon Tourism Study

- 1.4 The Mid Devon Tourism Study undertaken in 2014 this study has considered the type of accommodation tourists stay in, it can be seen that a high proportion of tourists staying in Mid Devon (62%) stay with friends and relatives, rather than in serviced and non-serviced accommodation (22%). This compares with 9% who stayed in self-catering, 6% stayed in touring caravans / tents, 1% in static vans/holiday centres and 2% described as staying in 'other' accommodation.
- 1.5 Of the holidays taken, looking at domestic holiday tourism 7 out of 10 trips was during the April – September period. This continues to suggest that UK domestic tourism is strongly focused towards the summer months only.

"The Current State of the Hospitality Industry" May 2023

- 1.6 "The Current State of the Hospitality Industry" May 2023 by Tim Jones [North Devon Gazette] (Chair of business councils, Local Enterprise Partnership etc); Chairman of the North Devon Biosphere Foundation.

Across Devon, Tourism is around 10% of the total economic activity (Cornwall around 20%). Some alarming statistics have emerged over the post Brexit and Covid period; namely that the estimate is that around 25% of the operators in this market have disappeared.

A look ahead is even more concerning. According to UK Hospitality, around 32% of establishments are at risk of closure in the next 12 months.

The reasons for this have been covered by our media outlets for the last three years. Covid clearly was a huge shock to the system. Just when we thought we were recovering from this, a wave of new crisis emerged. The Ukraine situation has dramatically effected energy costs, which in many cases have risen to levels five times higher than previously.

Many tourist outlets think they are now working for the energy companies. The effects of global unrest unsettled financial markets. Inflation took off like a rocket. Many tourist outlets are now experiencing dramatic increases in the cost of debt. Previously loans were taken out at interest rates of around 1.6-2%. Many of these were fixed for two years. Renewal costs are now likely to be between 4.5-5% interest rates. This means an increase in monthly repayments x 3. The sector is still experiencing food inflation costs which are the highest they have been for 45 years.

The difficulties of securing staff have also been a major factor. UK Hospitality lost around 200,000 overseas workers as a result of Brexit. It is perhaps of no surprise to any of us that the sector now has a national shortage of around 170,000 workers. For owners and managers of premises this means cutting capacity or reducing opening hours.

Despite the fact that this problem is well known, it is considered unlikely that it will improve before 2025. Even the impact of rail strikes has now been costed and is estimated to have reduced this sectors turnover by around £1 billion.

#### Our Overview of the South West Tourism Sector During Q2 of 2023 (MiHi Digital - MiHi Digital south west Statistics Tourism

Bookings are still being made late; people were making booking decisions a lot closer to the date of arrival. This trend has continued throughout the second quarter of the year, with those looking forward in their booking calendars still seeing gaps where they'd usually not.

Late bookings are an obvious breeding ground for uncertainty and nervousness and they may be made later.

The first four months of the year represented a 10 – 20% drop in traffic for most websites when compared to last year.

There are still gaps in these school summer holiday months when there are usually not.

Deals aren't gaining traction and we have seen a poor response to deals and offers.

This seems to be more about price than the offer itself. We're undoubtedly in a strange pricing stage; we had Covid and the resulting period where prices went up purely because demand was so high, then prices came down but since then, the input costs for businesses have soared.

Reasonably optimistic. We've had a slow start to the year and all indicators are suggesting that

#### Staycations face 'significant changes' as the costs crisis creates new holiday trends ITV News' Consumer Editor Chris Choi reports on the new data showcasing the impact of rising costs on UK getaways Tourism bosses have told us of "significant changes" as in the UK are reshaped by the cost of living crisis.

New data obtained by ITV News shows domestic getaways costing more. For an Airbnb stay in the UK it's typically £224 more per week than last year, according to AirDNA.

Many sources in the travel trade have told of three distinct trends in UK holidays this summer: late booking, downsizing accommodation and staying fewer nights.

Convenience as well as cost are driving changes. Fears of Mediterranean heat waves and air traffic disruption have added to the rise in last minute UK bookings.

Kate Nichols of Hospitality UK said: "We've seen a significant change in customer behaviour. "People are booking later and that is partly in response to travel disruption but also in response to weather."

- 1.7 Previous discussions with the Council's EDO have indicated that, based on local knowledge of markets and the particular area within this unit is located, there is unlikely to be any strong demand at the present time given its limited size and remoteness from local village resources. On balance the loss of such limited accommodation stock for tourism, in this area, would not be damaging to the overall tourism economy of the District.
- 1.8 In this instance, the conclusion is drawn that this unit will to some extent always face some disadvantage in comparison to other similar units within the district. In this example such evidence is considered to present a material consideration which needs to be weighed in the planning balance and supports the contention made by the applicants that the business is unviable. It is clear that reasonable efforts have been made since the original permission was granted to try and secure the successful future of the unit for tourism lets but which, have continued to be unsuccessful.

