

Meeting (21) of Tourism Group – 10:30-12:30 Friday 4th September 2020

Participants:

Minister International Relations & Welsh Lang	WG	Adrian Greason-Walker	WTA
Deputy Minister, CST	WG	Stephen Jones	WLGA
Jason Thomas - Director	WG	Paula Ellis	SW Forum Chair
Rob Holt	WG	Philippa George	SE Forum Chair
Mari Stevens	WG	Michael Bewick	North Forum Chair
Lucy Von Weber	WG	Andrew Campbell	WTA
David Stephens	WG	Dave Chapman	UK Hospitality C
Jo Corke	WG	Ben Crudge	WG
Rhidian Morgan	WG	Peter Kellam	WG
Claire Chappell	WG		

Apologies; Ian Edwards, Steve Hughson, Anthony Rosser

Version: Final

Main points of the Meeting

1. Update from the Minister, Deputy Minister and Jason Thomas

Jason Thomas welcomes everyone after a 3-week break. Main thing today is to update and see how things are in the market, prospects in August and what potential areas will need support in the autumn & winter.

Deputy Minister relays the positive attitudes, in terms of tourism and tourists themselves and discusses how the host community now understands the economic value of tourism in Wales.

Minister for International Relations and Welsh Language discusses the good season for tourism. Aware the need to make up for time and mentions it would be great to have ideas into the autumn. Furlough is ending, some staff still on the scheme but keen to see if there would be interest internally for a bid in the tourism fund. What would be the case relevant to supporting the industry going into the winter? Good to have feedback.

2. Updates from the sector

Michael Bewick states it's been extremely good and very busy in the hotels. The attractions are limited to a degree with 60–65% occupancy than normal.

-Destination management on how to prepare for a busy year next year with social distancing in place. Local authorities have been employing heavily on guards in Gwynedd and the National Parks have extra costs with the need for collecting the litter after camping and other endless issues. Important to look at how much businesses need to contribute. Going forward with attractions and hospitality, keen to make use of the winter by not starting with a lower grade industry and keeping staff over the winter months to get the work done. This is something that businesses can't afford from own resources. Investment to retail to invest in spend in the winter months.

Andrew Campbell discusses a consumer stimulus scheme. Opportunities to try get the destinations on side, as we have this tension. Good to come up with a vouchers scheme for the local people in the tourist destinations to be rewarded after the influx of visitors. This would be a win win for local residence and local businesses with spend.

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Paula Ellis echo's what's been said, UKG based the eat out help out scheme on London behaviour. These months are the peak period for rural and seasonal, didn't need the scheme in August. Incentive to be focused on extending the season, encouraging people to come out November time and between January-Easter. Funding generally, first comes first serve bases needs to be sector specific, identify the sectors folding, are they realistically going to survive?

-Steve Hughson not here and needs the push to mention the sectors such as arts and events. Also talking about the difficulties of destination management some are unaware of the pandemic. Wondered if there is an opportunity to develop a guest charter for Wales with a COVID code. Educate the visitors, as there is a mix in communication. Opportunity to do this in a campaign with what we're doing here in Wales?

-JT discusses prioritising funds and concurs with this. CRF went live this week - important for businesses to see if they are eligible. Freelancers to operate and apply for the funding when it opens in a few weeks' time. Latter point we have the pledge, could be better – 4,000 people have signed the pledge and needs to be higher to display the visitor numbers in Wales.

Adrian Greason-Walker mentions research carried out recently with 50% of businesses concerned for the long term of overheads. Negotiations with utility companies to come up with better deals where businesses could engage in larger joint purchasing. Could the Government facilitate that?

-JT discusses that the Minister for Economy has raised this with utility companies – excepted that we would lobby and press hard on utility companies to be more lenient. Read out from the meeting to be shared (**ACTION**).

David Chapman said it's been extraordinarily successful with the eat out help out scheme. Late opening of the industry, prepared for 3rd August onwards then measures were introduced. Businesses where short of staff to cope with the surge around the scheme.

-Need to maintain the balance between redundancies, business survival and contribution from Government to maximise employment and business over the winter. Need to keep the momentum going, not going to be easy then to restart in April.

-Controversial point, shouldn't be helping self-catering as they've been doing well, some smart involvement with mechanisms for hotels would be for a 2nd night stay for free. The purpose of this; to transfer people from one end of the week to the other.

-Important to flag up the social distancing qualified areas for viability, what are the position of EHO on that going into November? Need to get this right, if we have enforcement around indoors, businesses are not going to be able to do it. Need to get the whole package right from October through to April. Important to support, safety messaging and consistency. Reiterates what Andrew said with the Welsh incentive.

Rob Holt mentions the trade union concerns around the eat out help out and the pressure on staff from Mondays to Wednesdays. Need to look at 3 sides of marquees as we will be indoors in the winter. There has been a proactive approach from EHO.

Minister highlights the great ideas to certainly discuss and support for the future. Like the idea of supporting local communities and attractions as opportunities for visitor attractions has been restricted. Security and additional support from Gwynedd council has been welcomed and needs to be realistic with going forward. In terms of capital funds in the future, funding in place from WG.

-Aware of the issues with events, this sector have access and can bid for the cultural fund.

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-Utility discussion is a great idea, there are issues with competition policy – group together to purchase together as a sector to look at.

-Enforcement, people on this call are doing it properly, however, not everyone are. Certainly pressing on LG to take more concrete action to perusing the regulations seriously to protect. Long way to go still especially for the older population. COVID has not gone away expecting it to increase in the next period.

3. Updates on Business Rates

Ben Crudge presents a power-point to discuss the latest NDR updates.

JT asks around the process of engagement of UKG on fundamental review, how best for people on this call to engage?

-BC annual review on our package not one consistent way to approach it, several consultations, keep in touch with what's relevant to you on that side of things. Range of stakeholders on this calls, UKG revue not direct to Wales but will effect businesses generally – if you have views try and engage with their processes. England has a knock on affect as we share the evaluation agency.

AC discusses the UK tier meeting which was held on Tuesday, with the spending review no additional financial help. The dreaded words not mentioned; tourism tax. The DM on record has said it's not going to happen, is there any conversations on this for the future?

-RH discusses there are ongoing discussions on this with the FM.

-DM explains that he made a commitment in Llandudno and spoke to the tourism associations that this will not happen on his watch, however, can't control the future Minister.

-JT mentions the fundamental review going on, on all the taxations if a tourism tax was an offset for the others, might be seen in a different light. Would be a triple whammy with VAT and business rates and would be seen with different lenses.

-DM discusses that the tourism tax would be disastrous and not entertaining it -service charge when you shift the services.

DC discusses the aggressive approach from Amazon with their PR. We have been crippled by business rates for the last 3 years, businesses who have to pay that level for another 3 year is just too far away. Supplementary benefits, mustn't let this slip to the general taxation system. Not clear on the devolutionary role – rates have been devolved but what flexibility do we have to radically change things or is our hands tied to Westminster?

-BC talks about the unfairness in the system, revaluation is too far away and understands. FM would agree that the ability to do things in Wales and England separately but are restricted, doing the best for Welsh businesses.

-JT external stakeholders have the opportunity to input in the manifesto, important to group together. September through to March when manifestos are drafted, external people need to influence, if it's not made into the manifesto it will be very limited making it in for the next 5 years.

-AG-W agrees with DC, with clarity between WG and UKG – methodology for evaluation this is where the power lies. We need to take charge with clearer methodology of how the evaluations are taken.

-BC discusses the independence of the evaluation and the complexity of the issue.

4. Insights and forward planning - an overview of current research results and a forward look at marketing direction for the autumn and winter.

David Stephens introduces his presentation by discussing the consumer research and insights findings.

-**JT** discusses the percentage of annual revenue loss, interesting to see the changes if you netted in grant or support received.

-**DS** looking at the cost side, impact on profitability might be even greater.

Lucy Von Weber starts the second part of the presentation with discussions on marketing activity. A/W ultimately try to recoup some of the loss of business which was always the intention to focus on this with the visitor economy priorities.

-**Mari Stevens** discusses the importance to manage expectations, not much of a budget at all, most of revenue came from visitor resilience fund. Minister to build the case, with our ability to deliver the campaign reliant on that.

-**LVW** said also to work with VB and others collaboratively. Large social media case on WG2G.

-**JT** mentions the popular TV series of I'm a celebrity coming to North Wales, featuring a monument prominently – important to maximise the opportunity.

MB this is marvellous news for NW. National parks, local authorities and everyone have been saying how well you've been communicating. By this point we've had more views on the website than we did for the whole of September last year, very strong demand. Any updates on planning for caravans?

AC also agrees with the terrific contribution. Comment on Irish market, Fishguard is a key market with no quarantine in Wales from the UK. What's it like trying to get people from Ireland here? Information on this would be good.

-**LVW** discusses Ireland and mention it's a good example.

-**DC** said there are no figures at the moment from Ireland, international tracker will include the Irish market. Regional impact in Wales around major events – certainly the area to explore.

Jo Corke asks about the next waves of the perimeter and the views of everyone.

-**JT** more frequent the better, whenever is practical for the team.

Rhidian Morgan discusses the ERF 2 phase which has stopped with 160 million pounds available for phase 3. Fast pace and no details of how it will be split, guidance on that in 2 weeks. Voucher scheme is something we're interesting in, models elsewhere; Geneva in Switzerland. Want to look at this leverage appeal. Any ideas would be welcome.

-Need to be careful where we put the money, stats seen in David's presentation - 7% might not survive the next 6 months. Some cases, businesses would have failed anyway and then funding is putting off the inevitable. Evidence to put money into businesses who will come out the other way in a stronger position when the new season starts.

-Rescue aspect interesting to get the views on the sectors that fell through the gaps with ERF 1&2 such as B&B. What would be the views; to target the sectors or move away from it? Do we engage with communities? Interested on feedback for this.

Mari Stevens mentions the holistic bids to cover all funding for businesses to survive. Supporting businesses, innovation, adaptation, voucher scheme, and then underpinning this with the marketing programme, visitor destination and as a brand. A/W experiences

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collaborate with the industry not just on business survival. Underpinning the product offer aligns with the tourism action plan which was launched on early in the year.

DC discusses a voucher system to benefit B&B and hotels. Need to look at the resources, don't want to draw wedge between the sectors. Resentment with self-catering getting handouts from hotels. Crucial marketing information to say the key messages around TTP and social distancing-these are the things you can do out of season. Eat out to help out, raised the profile and this would be more to do with getting the community involved.

Philippa George said the voucher scheme is excellent. Community needs to be in all aspects of plans. Offer voucher for the 2 night with local eatery included as rural and country side pubs struggle in the winter. Resentment between hotel and self-catering as it's seen the big guys get everything. Some businesses did fall through the cracks, this is an opportunity to tackle the issues. Focus group figures showed that 90% feel the effort coming through in Wales and feeling safe here.

-RM agrees with Philippa like the Geneva model to restrict geographically have the small businesses involved – this could be a big impact.

RH mentions that Jason wanted to discuss the draft proposal on the funding and will arrange a specific meeting on this. We will arrange another full meeting in 3 weeks' time.

-Caravan parks and motor homes, flexible to extend the season – should we be encouraging for development or limit it? Motor homes are not doing the spending and are there enough caravan parks? What is the balance.

-DM discusses that it's clearly a key area that we need to pursue.

PE discusses the solution for the motorhome demand is to develop Aires as on the continent with waste site etc. They will help us manage the massive demand that is not going away and establish us a motorhome friendly destination in the UK. Capitalise on this, provide the facilities to operate, amazing to be the first in a lifetime to create this opportunity.

-RH mentions the importance to facilitate the demand for next year.

Stephen Jones discusses the holiday's park association to extend the season. Important to work with tourism officers to build on the experience of the good things that happened this year and control the difficult issues. LA participate in industry and WG forums and is working closely with police, businesses and operators to keep people and premises safe, this has gone reasonably well.

MS discusses that the priority is to secure additional funds for the sector. This is not included in the proposal and needs to be included in the community visitor engagement. Exiting plans for the next few months, summer hopefully will continue for the next few weeks.

DM supports what RM mentions to be aware of the community. Help the community to help the nature of tourism - need more work on it. Thanks all.

Next Meeting: Friday 25th September 10:30am. Group asked to provide sector updates by 5pm on Thursday 24th September.

Ffion Evans-Humphreys
7th September 2020