

## Meeting (23) of Tourism Group – 10:30, Friday 2 October 2020

### Participants:

Minister IR &WL	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	Sean Taylor	UK TIC Rep
Rhidian Morgan	WG	Anthony Rosser	UK Hospitality C
Jo Corke	WG	Dave Chapman	UK Hospitality C
Helen Butler	WG	Andrew Campbell	WTA
Duncan Hamer	WG	Steve Hughson	MW Forum Chair
Ian Edwards	VB Board rep	Michael Bewick	North Forum Chair

### Version: Final

### Main points of meeting

#### 1. Jason Thomas introduction:

1.1 JT welcomed all and introduced Duncan Hamer who had a key role in running the ERF and could tell the group as representatives of the visitor economy about the ring-fenced £20million for the Tourism and Hospitality Fund.

#### 2. Summary of the last fortnight from the Minister of IR&WL

2.1 The Minister said it had been a challenging fortnight with changes we could not have foreseen. A second spike of the virus was expected but not this early and not of this scale. WG continued to take its lead from the CMO and it was important to understand what we were doing and why - only 4 counties remained out of local lockdown in Wales – and as such we were in a delicate situation and the public reaction would be the key to the success or otherwise of the strategy taken. The Minister was keen to point out that the industry had proved it could open safely; number of visits were high over the summer period and WG trusted the industry, however, the problems were much broader than this sector. The Minister stressed that WG would continue to stand with them and referred to the £20million support package about which DH would run through the conditionality of support.

2.2 In terms of events, guidance was being developed and test events considered but there was a need to be honest about short-term prospects of the events sector and understood the need for support. The Minister referred to the Culture Recovery Fund for which events businesses could apply. JT added that the CRF window for applications closed that day and 800 bids had been received totalling £30million. JT explained that although the consequential funding for the CRF came from UK Government, WG had provided additional funding of £16million to cover events also.

#### 3. Overview from Duncan Hamer on ERF phase 3 and the Tourism Fund

3.1 DH said that £80m had been made available to support businesses with projects that can help them to recover, with the emphasis on development, job security (not mothballing), and objectives of the tourism strategy. Of this, £20m would be ring fenced to support tourism and hospitality businesses however it was also open to them to access the rest of the funding pot. Triage would begin 5 October, the system would go live for applications on 26 October and would close on 20 November. It was likely that lockdown rounds would start sooner.

DH ran through slides explaining the fund.

#### 4. Questions and comments

4.1 **Ian Edwards** asked whether State Aid rules applied as CMR had received £690K from phase 1 ERF and this could prevent them from applying. DH said that there was limited

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scope to go beyond the limitations of the scheme but would happily work through the case to see what might be possible. IE explained that this would be the case for many business of that size i.e. like Bluestone and some of the Cardiff Hotels etc and the reason they were given ERF was because they were not able to access rate relief. Equivalent businesses in England had secured rate relief which was unfair. IE made a plea for a way to be found for these large business to be able to apply for further ERF. The Minister said this should be explored.

4.2 **Paula Ellis** said that businesses in counties not in lockdown were also suffering as numbers were down because of limited travel. PE asked whether those businesses that had had the foresight to refurb during the first lockdown would be penalised. DH said that it was not possible to make retrospective applications so we would need to explore what could be done. PE said many had acted early and would be disappointed if they could not qualify for support.

4.3 **Andrew Campbell** appreciated the £20million ring-fenced support and hoped that smaller operators would not fall through the funding gaps. AC also referred to the earlier rounds where some businesses took the grant support but then did not open for business and consideration needed to be given to ensure it didn't happen again. DH confirmed that this scheme was to benefit those open. DH explained that there was a lack of availability of information about sole-traders to be able to check their position and that more work in this area was required.

4.4 **Adrian Greason-Walker** asked about the local lockdown fund and following his question about the 5% uplift, DH confirmed it was for those with no hereditary. AGW also asked about a second round of the CRF. JT said that a second round would be considered in the light of the current round and if we would look to reprioritise WG funding. The Deputy Minister added that he was also keen to establish a further discussion with UK Govt colleagues about funding for next year as we had a genuine case. JT said that the Freelancer scheme was live from next week and it would be interesting to see the demand.

4.5 **Michael Bewick** asked about the capital element not being included. That was the case and maintenance/refurb was not capital development. The Minister said that more funding for capital development for tourism would be forth coming.

4.6 **Dave Chapman** noted the recent measures brought in by UK Govt for employment protection which he thought were not as good as furlough. It was possible to make the case that more than £20million was needed as this was an appalling crisis and the next 6 months looked very bleak. Tourism and hospitality businesses could also apply to other elements of this round of the ERF. JT thanked DH for his input and advised the group that the better the application, the sooner the funding would be released. He added that the grant conditions and projects would be monitored.

4.7 **Sean Taylor** agreed that it had been a difficult week and things had appeared to return to pre-furlough times. Conwy was in lockdown but he had 2 sites in Gwynedd but these too were massively affected - in fact businesses across the board were affected. ST was worried about the changes in visitor behaviour for future years and how the Wales brand would suffer because visitors could not navigate the various local lockdowns and they would give up and go to, say, the Lake District. JT said that discussions were ongoing on comms and marketing even in the lockdown areas but it was a fine line to tread.

4.8 **Mari Stevens** said that the voucher scheme had not been successful because the world changed and we also needed to regroup on marketing and comms and be ready for the future. It was difficult to promote anything right now because of the wider public health situation but we needed to be well-placed for the new year. MS said that her team was

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continuing collaboration with the International Relations team who were building and projecting a positive view of Wales in the round. MS said that we needed to be clever about “I’m a Celebrity...” and take advantage of spin-offs and capitalise on the interest in Wales. IE said that brand maintenance was important and wondered whether the tremendous article about 10 years on from the Ryder Cup was something we could use when the time was right to bring people back. MS said she would see how we could capitalise on this.

4.9 **Anthony Rosser** commented it had been a grim week and funding was imperative but that some people would be so busy concentrating on survival that they would not have enough time to do much with local comms and spreading the word about the ERF etc. AR also commented that the conditions of the Tourism grant needed to be considered and there followed a robust discussion on Social Contracts and union membership. JT advised that Business Wales had not shown the monitoring letter to the Tourism team in advance of it issuing but promised it would not happen again. PE said that it had not helped not to see a copy as she was unaware of it when she was questioned about it and felt exposed. JT added that WG was trying to get money into good businesses that were doing good things. In terms of comms, RH added that there were now 16,000 subscribers to the industry newsletter – in addition to this there were regional forums, stakeholder meetings and daily ‘phone calls to try to reach as many people as possible – but the onus was on all of us to get the messages out there.

4.10 There was a discussion around what was behind the decisions for local lockdown as the numbers in Conwy and Denbigh did not appear on face of it to warrant the measures which were taken – was it the R number plus local information – which might account for Llanelli being in lockdown but not the rest of Carmarthenshire. It was agreed that the group would like to know more about the scientific and medical advice behind the restrictions to enable them to understand. Fliss Bennee from Health Division would be invited to next meeting to help explain this. (ACTION).

4.11 **Dave Chapman** said the next 6 months would test us all and any barriers were a distraction to what we were trying to achieve as a group. It was now about survival not rescue and we needed to save as many jobs as possible. This group was a great partnership and it needed to keep going, working together for maximum effect. JT agreed and offered reassurance that WG/VW weren’t going anywhere and the group would continue for as long as it was of value, ramping up or down as required. DC was worried about the public’s perception and asked whether the WG could articulate that the tourism sector was safe compared to other sectors. JT said that if there was anything the sector wanted us to highlight we could do although it would need to be carefully thought-out but we could highlight good practice. RH said that there had been a lack of response from hospitality bodies when asked recently for information by the team. MS added that the marketing team was looking at this also and was to share the plan with the industry, although promoting even local activity was tricky owing to restrictions.

4.12 **Paula Ellis** said there had been a lack of planning for the second spike of infection and this was frustrating as it was raised previously that we should be and we should now also be thinking in terms of future spikes too. PE also added that she was in favour of the conditions of grant surrounding the social contract mentioned earlier and said that the skills gap also needed to be addressed.

4.13 JT reminded the group that triage for the Tourism grant would be open from Monday (5 October) and the group would meet again next Friday, and weekly thereafter. Health colleagues would join the next meeting. JT asked for AOB and these were as follows:

-AGW said although marketing had dropped down we needed to manage the psychology of the returning visitor rather than new customers – we needed to look at how we use existing

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businesses and keep in touch with them. A further discussion was needed on this. MS said that VW was looking at this and were looking to have information pods to accompany the funding pods to encourage interactive dialogue but agreed with AGW that the sector had a role as a skills protector and had the ability to do its own comms, but VW would be happy to provide platforms and advice.

4.14 **Steve Hughson** joined the meeting and said that he welcomed the mention of events at the top of the meeting. The live events subgroup had been meeting; the mood was sombre. Test events had ceased, there was a huge challenge ahead. The events sector was grateful for the CRF fund but a CRF 2 would also be needed from 31 March 2021 and after. JT said that it had been a WG decision to add its own funds to the K Govt consequential funding for the events strand of the CRF. Problem was that the scheme closing that day was over-subscribed

4.15 IE said that the VisitBritain board was writing to the Prime Minister about the test events, to ask what has been said and who is informing them. JT asked whether the chair of VB should attend one of this group's future meetings (ACTION).

4.16 JT said that he would like Jo Corke to provide insights and data at one of the next few meetings. JT gave thanks to all and closed the meeting.

Alyson Burke  
5 October 2020