

Meeting (35) of Tourism Group – 10:30, Friday 29th January 2021

Deputy Minister CST	WG	Adrian Greason-Walker	WTA
Jason Thomas - Director	WG	Stephen Jones	WLGA
Rob Holt	WG	Paula Ellis	SW Forum Chair
Claire Chappell	WG	Ian Edwards	VB Board rep
Michael Theaker	WG	Sean Taylor	UK TIC Rep
Lucy Von Weber	WG	Philippa George	SE Forum Chair
Tara Croxton	WG	Michael Bewick	North Forum Chair
Claire Carew	WG	Andrew Campbell	WTA
Huw Bryer	WG	Dave Chapman	UK Hospitality C
Duncan Hamer	WG	Steve Hughson	Mid Forum Chair

Apologies – Minister for Mental Health, Wellbeing and Welsh Language, Anthony Rosser

Version: Final

Main points of meeting

1. Minister and Deputy Minister introduction:

Deputy Minister raised concerns around the public thinking, as some think we are approaching the end of the pandemic. DM says that the consequences will last much longer especially for this industry, and will highlight this on the *Newyddion* next week.

Jason Thomas discusses the formal 21-day review. No headroom to provide any easing of restrictions with the overall picture certainly improving. First Minister will provide an indication to education and exercising with one other household today. Reports of various people calling for a road plan by Easter, Welsh Government have a control plan that's been published setting out indicators moving down the tiers and this isn't going to change any time soon.

2. Finance update

Huw Bryer provides a quick update on rolling out of the business support packages from December – January and discusses the support package the FM will be announcing today. To date a combined overall £120m received by businesses within the current packages and beyond today, an additional £200m has been agreed by Cabinet on the basis covering February and March. FM will be announcing a re-run of NDR, new NDR category covering £150k–£500k rateable value per year and another round of the Discretionary fund. The new scheme will open w/c 8th February.

Key Points from Members

-Confirmation that the payments for February and March aren't separate, that the £3,000 or £5,000 is one payment from LA for this duration.

-£150k – £500k is from this stage forward and is a £5k payment award on top of any ERF SSF.

-Applaud the decision to give £30m to businesses that fell through the gaps. Hope it covers the late entrants below the £50k turnover.

-Some businesses feel they've had enough money and don't need more at the moment.

-Discussion around the system and how it operated from December – January. Will the industry receive all the £180k that was available as a sector specific guarantee and cover from 21st January not the 31st January?

-Looking at June as the time of profitable trading, £5k for the over £150k category is too low and will create job losses. Important to look at the businesses over £500k RV who employ thousands of people - Wales have 19 of these businesses. Celtic Manor Resort has been

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burning £1.5m a month since March 2020 – £150k to businesses who employ thousands of people does not touch the sides. With Debenhams and Arcadia collapsing the industry is the only hope for maintaining commercial centres. Need to look at further support or if underspends can be made available for the big businesses.

-The Wedding sector calculated approx. £15m is needed for their suppliers and venues to maintain infrastructure. Crucial need for a dedicated response to Weddings.

-Discussion on the way tiers will unfold. Personal worries from members that we will be in tier one for years to come, due to the incidents of variants and travelling through countries.

-Importance of the need to start planning now for April 1st.

-Example of how Ireland are carrying over NDR to 2022 and ask for this to continue in Wales.

HB emphasised the importance to pause and understand the demand of ERF SSF to evaluate against the operating costs base before any further commitments. Following this, will speak to the Ministers about future options due to the sensitivity. HB mentions the complexity around dates with the support packages and WG are looking at 4 month packages. Weddings should have been able to apply for ERF SSF and the Discretionary fund for the supply chain. Potential opportunity for another Freelance fund and if there is evidence of the characteristics of businesses missing out – HB is happy to look into this.

Deputy Minister understands the message that big organisations are struggling and was discussing this yesterday at the UK Tourism Ministerial meeting and confirms that Wales will have to do what England is doing for larger businesses. DM continues by discussing his portfolio responsibilities and priorities of funding, with certain areas complaining of the support towards Sports. The next phase is getting equal priority for Tourism and Hospitality, which means getting support from colleagues in the UK.

Official echo's what the DM said. Need the consequential, lobbied yesterday on these issues and was reiterated by the other devolved administrations. At UK level there was also discussion around the passport vaccinations.

Official discusses that WG want to do everything they can to keep large businesses in business and protect jobs. One issues remains is the ability to put money directly into larger business, state aid issue still exists making it more complicated.

Duncan Hamer asks the group for further evidence of their operating costs (**Action – group**).

3. Taskforce members points and updates:

- Discussion around how long businesses can carry on mothballing and what projections moving in to the future, entails around long term planning.

Official discusses the broader question of continuity of tier 1. Will make the call when safe to do so with the control plan following the context of Public Health Wales.

Deputy Minister discusses the statements released predicting particular dates we will get out of the Pandemic, important to stick to the PH message. DM said if you give a date and miss this you lose credibility.

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- Discussion around the reopening of businesses and recovering financial plans who are reliant on the vaccinations pan Wales. Vaccinating the whole population is crucial to come out of this. Member asks if the WG have the infrastructure to deal with this and have a dedicated specialist logistics to drive forward.

Official confirms that the infrastructure is there, on track to deliver the vaccination promises by mid-February. Confirms that Andrew Goodall speaks once a week, also Dr Gillian Richardson, Fliss Bennee and other experts on the roll out. Bigger challenge is the take up, massive comms exercise to try overcome scepticism around the vaccine. Wales being criticised for being slow, this is the influence of negative politics. BBC programme highlighting the need for the road map - the control plan already exists.

Deputy Minister supports this and will raise with BBC UK. Did bring this up yesterday in the UK Tourism Ministerial meeting. Coverage is the issue, always comparing Wales and England, with negativity towards the WG. DM says it's important to not have politics affect these discussion, as this is a PH issue.

- Concerns around employing people who hasn't had the vaccination, and requests for this to be an act of Parliament. Real problem for the future, to protect public, businesses and individuals.

Officials will double check the current situation on this, as it stands it's the commercial decision more than a human right issue (**Action**).

- SME's are also suffering like everyone else, continuous cost base as well as the need to invest for the future. Highlighting the importance of smart analysis for where the money is still required. Small businesses still slipping through the gaps, B&B, Country Houses, Guest Houses, businesses with only one person as SSF didn't apply to them.
- Discussion around the skills gap and concern the pandemic has had on this (**Action - minutes shared from the skills partnership meeting**). Perceived as a precarious industry to be a part of, lost a lot of people and there is a phenomenal demand for domestic tourism.
- The industry is important for the employment of young people who are most disadvantaged with employment opportunities and needs this to be pushed into the WG systems around providing opportunities through this sector.

Official discusses the skills partnership was hugely constructive, understanding the need for addressing and identifying gaps and having training in place. Sharon Lusher and Kerry Thatcher to give an update to the group at the next meeting.

- Ongoing issue with Powys County Council with discretionary grant - still waiting for this to be resolved (**Action**).
- Tourism, Hospitality and Events impact in Mid Wales with the Eisteddfod, Hay Festival and Royal Welsh cancelling for 2021. Massive impact, whilst contributing £50m to the economy of Wales based on a turnover £6m. The event sector won't open until 2022 and won't benefit from easing of restrictions, with no income for over 2 years. The decision for Winter Fair will be around July - confident it will happen.
- Feedback from Local Authorities of the current situation with strategic coordination groups with bodies for managing and implementing the PH regulations and restrictions in legislation from WG.

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- Sector is pleased of the strong relationship between LA and WG with the grant regimes. Visitor Economy is important for LA and local communities, stressing the importance of readiness and support to take tourists back into Wales with the recovery plan. Request for a meeting between leaders and WG for the preparation and working together for the active management of tourism especially in the popular areas. Next re-opening is going to be important for the assurance of communities and visitors.

Official agrees that it's a good idea for a meeting between LA leaders, Ministers and senior officials. Relationship has been fantastic with unbelievable amount of work done over the last couple of months. DM is pleased to do this. **(Action)**

- Desperation seems to be increasing at the realisation Easter is not going to be a trading period, many find this hard to take. Some positive and negative PR around Easter with the overall look, that opening would be bad for the industry. This reflects the increase of politicising issues.

Official mentions that legislation passed this week of flexibility to move the election to late autumn.

4. Strawman Tourism Recovery Plan

Claire Chappell highlights areas of the recovery plan and thanks the group for their feedback. Discussion around the planning and priority interventions understanding the challenges in the sector, difficulties in predicting with the importance of flexibility and adaptability. LVW discusses dates of the regional forums in February and roadshow in March.

Officials continue discussing the recovery plan as Visit Wales is in a good position with the strategic plan that was published just before Covid. Members agree in principle the proposed next steps.

5. AOB

Official discusses the priorities of crisis response, financial support and recovery planning. Strong interest for tourism investment – pipeline of investment in the sector with the Development Bank of Wales. Quarantine issues still in discussions with UKG with how this will progress.

Closing remarks by the Deputy Minister thanking everyone for their direct contributions. Great opportunity to discuss with the group after UK Tourism meeting yesterday, which agreed to happen more often forming a better relationship between UK Tourism Ministers.

Next meeting - 12th February 2021

Ffion Evans-Humphreys
4th February 2021.