

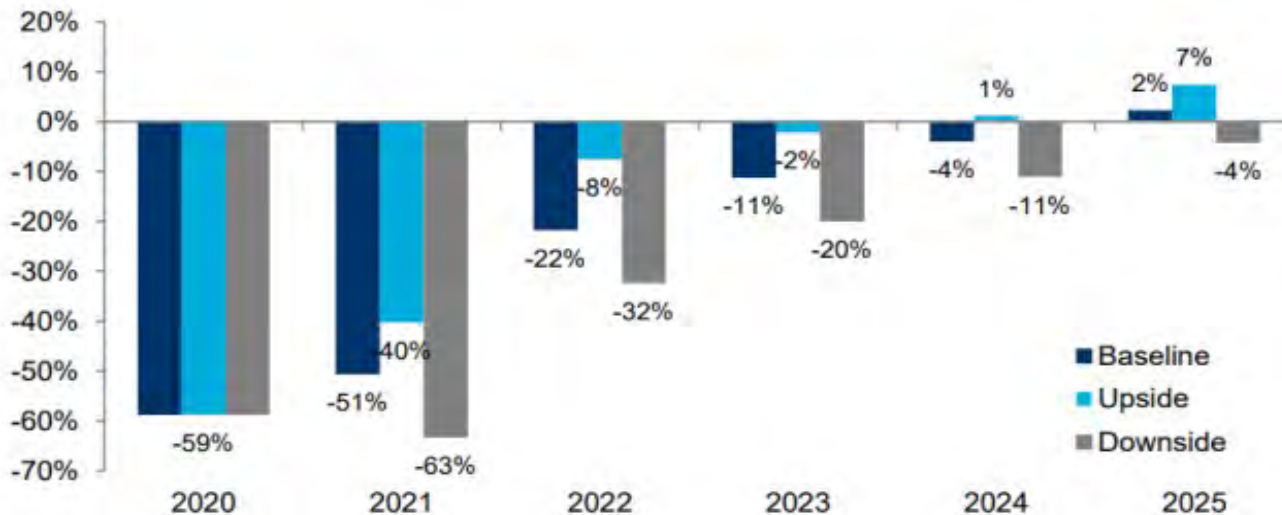
Tourism Policy Update

Kurt Janson
Director

Domestic Tourism Recovery

Domestic overnight expenditure by scenario, UK

Relative to 2019 levels

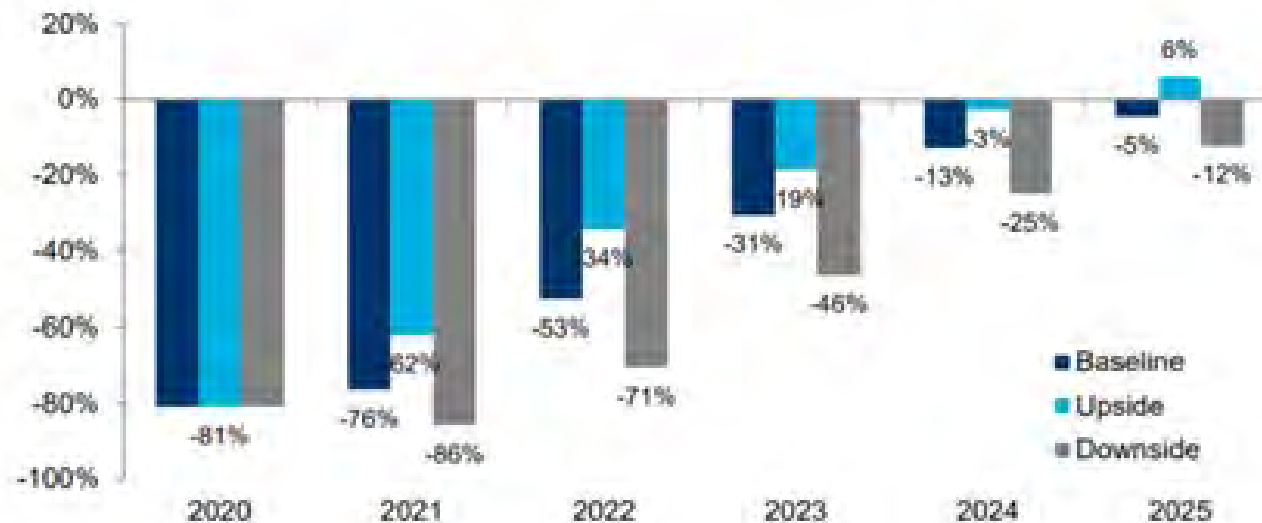


Source: Tourism Economics

Inbound Tourism Projections

Int'l spend by scenario, UK

Relative to 2019 levels



Source: Tourism Economics



TOURISM ECONOMICS

Tourism Employment

- Still about 1.5m on furlough including about 350,000 in tourism
- Only 18% of businesses have all the employees they need
- 35% of businesses having to increase pay and conditions
- 33% of businesses having to take on workers without the skills they need

Tourism Recovery Plan

- Aims to return Domestic Tourism revenue to 2019 levels by the end of 2022
- Aims to return International Tourism revenue to 2019 levels by the end of 2023
- The Minister has stated that this is a “living document”



Initiatives in the Recovery Plan

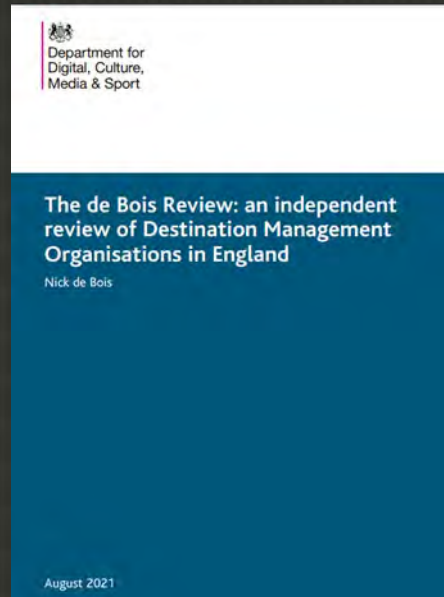
- **£10m in vouchers from the National Lottery**
- **The development of a Domestic Rail Pass**
- **There is also the prospect of additional resources and initiatives being announced as part of the CSR or Autumn Statement**
- **However, it is obvious that further initiatives will be needed to achieve Tourism Recovery Plan targets**

Possible Initiatives

- Introduction of low cost 5 year visa
- Retaining the Reduced VAT Rate
- Providing incentives for conference organisers
- Reinstating the VAT Reclaim Scheme and expanding it to cover the EU.
- Reforming the Package Travel Regulations
- Extending the Kickstart Scheme

DMO Review

- Current DMO landscape is not economically efficient, effective or sustainable
- Two tiers – Hubs and Spokes
- Core Government funding for priorities - sustainability, skills, inclusion and levelling up
- VE to create, maintain & support this new tiered structure.



Comprehensive Spending Review

- **Determines how much each Government Department will get**
- **Tourism Alliance proposals**
 - **Accept and fund the recommendations of the DMO review**
 - **Extend and Expand the Kickstart Scheme**
 - **Target last tranche of ARG funding**
 - **Fund Tourism Recovery Plan**
 - **Boost GREAT campaign funding**

Package Travel Regs Review

- **Findings due this month**
- **Seeking to simplify the regulations**
- **Require Package Travel to include travel**
- **Would allow attractions to work with accommodation providers to develop promotions and offers for customers**
- **Any changes to the Regulations will require a Public Consultation and Legislation**

VAT Lobbying

- **Aiming at retaining VAT at 12.5%**
- **Cut in VAT has been important to the survival of 77% of businesses in the sector**
- **Retaining it at 12.5% would increase business investment by an average of 12.0%**
- **A 12.5% rate would generate an additional £3.2bn and 85,000 jobs.**

Statutory Registration

- Consultation starting next month
- Aim to ensure compliance with fire and health and safety legislation
- Looking at a model of implied consent
- Needs to be low-cost and light touch
- Would so provide benefits in increasing the resilience of businesses

Other Issues

- **Collective Passports for Youth Groups**
- **Consultation on Covid Certification**
- **Introduction of ETAs**
- **New Legislation on Tipping and Gratuities**

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