
TourismAlliance

the voice of tourism

DECEMBER 2013 NEWSLETTER

2013 Review

Well, the end of the year is here - that traditional time to look back and consider questions as to how the industry has fared and whether the 2012 Olympics had the impact on tourism growth that was forecast when London won the bid.

Let's take domestic tourism for a start. Domestically, visitor numbers and spend look like they will end the year pretty much the same as last year. In some ways this is surprising because 2012 was one of the wettest years on record while this year we experienced the best summer in seven years - so you would expect tourism to be up.

But, of course, while the UK economy has shown increasing signs that the worst of the recession is over and that the country is returning to growth, this hasn't translated through to people's pay-packets. For the fifth year in a row wage increases have been less than inflation, putting ever increasing pressure on household spending.

It will be interesting to see the day-visitor figures for 2013 as there is significant anecdotal evidence that the pressure on family budgets has seen a switch from "staycations" to "daycations" this year. So overall, domestic tourism expenditure should be up, but there will be winners and losers within this.

The inbound tourism side, by contrast, is set to see revenue increase by 10-12% in 2013. This will add about £2bn in overseas revenue to the UK economy – sufficient to generate around 40,000 new jobs. This is a considerable increase and begs the question as to whether it is the Olympic Legacy.

The problem is that things are not that simple. Certainly, the success of the Olympics and the accompanying "Britain is GREAT" campaign is a factor. But so is the return of "normal" visitors who postponed their travel to the UK last year because of the Olympics. In addition, the weakness of the pound against currencies such as the euro at the beginning of 2013 made the UK an attractive destination for cost-conscious travellers.

So, with a record year beckons for both domestic and inbound tourism. With an economy that is finally starting to grow, that doesn't bode too badly for 2014.

Kurt Janson
Policy Director, Tourism Alliance

Regards



Kurt Janson
Policy Director
Tourism Alliance

PACKAGE TRAVEL DIRECTIVE

The Tourism Alliance has been undertaking a considerable amount of work on advocating for a change to the definition of a "package" under the Directive so that any package covered by the Directive must include the transport of passengers. Making this change would help boost domestic tourism by allowing local accommodation providers and attractions to work together at the local level to provide value-added products for customers without facing the legal and financial constraints imposed by the Directive.

The Alliance has sent a submission to BIS in response to the Department's call for evidence on the Package Travel Directive that explains the current problem and the benefits to the UK domestic tourism industry - we estimate that it would boost domestic tourism by up to £3.7bn per annum .

In addition to this, we have met with MEPs and gained support for our proposal from a range of European tourism organisations.

[Click Here](#) for a copy of the Tourism Alliance submission

VISA CHARGING SUBMISSION

The Tourism Alliance has also sent a submission to the Home Office in relation to their short closed consultation on improving the flexibility of visa pricing. The Tourism Alliance welcomes the ability to make visa pricing more flexible but warns that there needs to be safe-guards put in place to ensure that the Home Office does not increase prices rather than drive through efficiencies and that premium services introduced at the expense of improvements being made to the visitor visa product. In addition, we have suggested that the pricing of long-term (5-10 year) visitor visas needs to be reduced to make these products more attractive to leisure visitors. This would also generate considerable cost savings for the Home Office.

In addition, you will have noticed in the media that the Home Office is conducting a trial whereby people in China can apply for a UK visa using a Schengen visa form. This is a significant step forward in aligning the UK and Schengen visa processes and creating the "One stop shop" for UK and Schengen visas that we have been advocating. Interestingly, in a meeting with the Deputy Head of the No.10 Policy Unit (see below) the other day we asked if the Government's intention was to share biometric facilities with Schengen countries when they finally move to biometric visas and were told that it was virtually inconceivable that the Government would not do this.

So, while there is still much work to be done, things are certainly moving in the right direction

[Click Here](#) for a copy of the Tourism Alliance submission

CAMPAIGN FOR TOURISM

The campaign to get tourism included in the manifestos of the main parties for the next election campaign continues to gain momentum. We have had very good responses from the Conservatives and the Lib Dems and although we have yet to receive a formal response from

Labour, we have received reassurances from the Shadow Tourism Minister in our meeting with him that tourism will be included in the Labour manifesto.

The most positive response so far has been from the Conservatives who arranged a meeting with Christopher Lockwood, the Deputy Head of the No. 10 Policy Unit. At the meeting he was very positive regarding the benefits of tourism and wanted to know what could be done to support the industry.

As a result we have provided briefing on the benefits that would flow from reducing the VAT rate on accommodation and attractions, and on the cumulative effect on visitors of visa charges, Air Passenger Duty and VAT.

A further meeting is also being arranged to discuss what can be done to boost domestic tourism.

DAVIES COMMISSION MEETING

As you will be well aware, the Davies Commission is due to issue its interim report on Tuesday (17th Dec). This interim report will present the shortlist of options for long-term airport expansion in the south-east and evaluate whether expansion at Heathrow, Gatwick, Stansted or the Thames estuary scheme should continue to be considered.

The Tourism Alliance will review the report and develop an agreed position with members on the options for future aviation expansion. To make sure that implications for the tourism industry are taken into account when the Davies Commission then go on to evaluate this short-list of options we have organised a meeting with the Commission for 26th Feb 2014. Details of the meeting will be sent to members shortly.

ENGLISH HERITAGE NEW MODEL

The Government has just launched a consultation document that aims to bring effect to the decision it made to turn English Heritage from a Non Departmental Government Body to a charity.

The charity will continue to be called English Heritage and will be tasked with managing the 420 sites of the National Heritage Collection. To achieve this, the Government will provide a one off payment of £80m up-front and a declining level of resource Grant-in-Aid to the end of 2022/23. At this stage the charity will be expected to be totally financially self-sufficient.

In addition, a second body called Historic English will be established to take on the duties and responsibilities preserving England's wider historic environment. The remit for Historic England will be to make the heritage protection system work better for owners, developers and infrastructure providers, reducing unnecessary bureaucracy and red tape without reducing protection for heritage.

The consultation is open until 7th Feb 2014

[Click Here](#) for a copy of the Consultation Document

The Tourism Alliance is the Voice of the Tourism Industry.

Established in 2001 with the support of the Secretary of State for Culture, Media and Sport, the Tourism Alliance comprises 50 Tourism Industry Organisations that together represent some 200,000 businesses of all sizes throughout the UK.

The purpose of the Tourism Alliance is to identify and develop policies and strategies to raise standards and promote quality within the industry and work with and lobby government on all key issues relevant to the growth and development of tourism and its contribution to the economy.

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