



Tourism Industry 5 Asks – ‘Priorities for Government’

Government Response

Ask 1. Immigration – visa processes and fees

Sub Ask 1a - European ‘Schengen’ type visa for VisitBritain’s core overseas markets (China, India, Russia, Thailand and UAE)

Whilst it is currently unlikely that the UK would become part of the Schengen visa regime, the **Home Office** has discussed and is continuing to discuss with tourism stakeholders how a cheaper UK visitor visa for Schengen visa holders might be developed. One difficulty is that many tourists apply for the UK visa first, believing they are more likely to be granted a Schengen visa if they hold a UK one. There is also mixed evidence on whether there is a significant untapped market of those who currently travel to Schengen- countries, but not to the UK, because of a separate visa process. A further difficulty is that the UKBA’s processing costs for a cheaper visa would not be less than those for a standard application, which would result in a reduction in fee income for UKBA if there was a lower charge for this particular visa.

Nevertheless, the Home Office’s Visitor Taskforce is collecting evidence to support further work on this and will consider whether there are small changes that could be made - for example, whether there could be greater alignment of the UK and Schengen visitor visa application forms, and UK and other European countries’ application centres. DCMS understands that the Tourism Alliance has been asked by the Home Office and UKBA to develop a business case to support ideas.

Sub Ask 1b. - Visa charges freeze - freeze on extending countries requiring a visa

The Government strives to strike the right balance in visa fees proposals, between maintaining the most secure and effective border controls in the world, and ensuring that the fees structure does not inhibit the UK’s ability to attract those visitors and migrants that make a valued contribution. However, maintaining a secure border brings with it an irreducible core of cost, especially as we seek to improve speed and quality of decision making on visa functions. In developing proposals, tough decisions therefore have to be taken to set fees that will recover the cost of running the improved immigration system that the public demands, while limiting fee increases for visitors, workers, and employers etc. Visa fees are also an important source of funding for the Migration Impacts Fund which supports communities in managing local pressures from migration such as those on local public services. The fund is about ensuring that those pressures are managed effectively for the benefit of the whole community.

The **Home Office** reviews fees and charges annually to reflect changes to operating costs and to strategic approach. Fees are set following a full discussion with departments, including DCMS, in relation to visitor visa fees.

It is worth noting that in 2006, a 6 month multiple entry visa was £50. In countries where Visa Application Centres operate, an extra fee per application (varying from £8 to £40, but averaging £13) was payable to commercial partners. In April 2007, these two charges were combined into a global fee of £63, benefiting many key markets, including China and Russia, where the overall fee fell by a few pounds. The current visitor visa fee is £67, but it is important to understand that the fee level is substantially below the processing costs of over £100, with the visitor visa fee therefore being subsidised by other visa applicants.

It is also worth mentioning that the **UKBA, DCMS and the Tourism Alliance** conducted research into visas fees 2008. This concluded that there was no substantial evidence that increases in visas fees actually impacts on applications for visitor visas. However, it is acknowledged that there was insufficient long-term data available at that time to determine longer term trends.

The final fee level proposals for 2010-11, including the visit visa fee, are due to be published by the Home Office shortly, following agreement across Government.

The **Home Office** undertook a full review of **visa regimes** which was completed in 2008. As a result, new visa regimes were introduced in several countries in 2009, transit visa requirements were introduced or lifted in others, and others countries are in a period of mitigation allowing time to address concerns raised in the review. The current list of countries requiring visas is not therefore set in stone. New methodology has been put in place which allows for regular reviews and quicker reactions to changing situations. The criteria are based chiefly on security considerations but also other impacts, including tourism and the visitor economy.

Sub Ask 1c. - Local language visa applications (currently in English-only) and an increase in processing centres

The **Home Office** produced a range of new application forms in November 2008. These are much shorter and in plainer English than previous versions of the form. There has also been an increase in the number of countries able to use online applications – use of this reduces the number of questions applicants need to complete. It is commonplace around the world for application forms to be completed in the national language of the country to which applicants are applying (in our case English), and for applications for entry to the UK, advice on completing the form is available in the local language.

Following recent discussions between the Minister for Tourism and the Minister for Identity, the Home Office is exploring the feasibility of a pilot in China allowing applicants to complete visa application forms in a local language other than English. The costs and logistics need to be considered fully. Legal and integrity issues also need to be considered, as well as how to measure impact. The Minister for Identity will make a decision on the viability of the pilot shortly.

UK biometric visas were introduced in 2006 as a key part of the UK visa application process, and rolled out globally in 2007. This is an important part of our identity and secure borders strategy. Our competitor countries are following this lead and will be introducing biometrics over the next few years. For example, roll-out in Schengen countries begins in 2010; Canada

and Australia are exploring options; the US is already requesting biometrics. The Government considers that the UK's early experience in operating this system, and the network of 250 places where biometrics are in use, will be to our and our international visitor's advantage in the longer term.

The **Home Office** is aiming to increase access to biometrics at processing centres. However, because the locations of the applicants are sometimes remote, and there is the need for a robust, secure application process, this often leads to proposals for extra processing centres being too costly for the UKBA, or too costly for the applicants where the charges need to be passed on. That said, the Home Office is endeavouring to identify economical solutions to overcome this issue.

Sub Ask 1d. - Artists and performers – review visa restrictions

The **Home Office** has set up an Arts and Entertainment Taskforce to work with relevant stakeholder organisations and to ensure their needs are reflected. The current system, a points-based system, was developed in consultation with DCMS and the sector.

From time to time, cultural organisations do contact DCMS Ministers where there are problems with particular visa applications for cultural events, but in general the Government believes matters have eased for this sector and the changes made, both in terms of policy and fees, have been to the sector's advantage.

Performers can apply for a cultural visitor visa, costing £67, which allows multiple entry for 6 months –for festivals such as the Eisteddfod and the Edinburgh Festival. This visa was developed in response to requests from the sector. Non-visa national performers coming to UK for less than 3 months do not need clearance before travel as they are assessed on entry. The UK also accepts applications for entry to (*other*) countries the applicant is performing in rather than them having to go back to their own country to do so.

Whilst the **Home Office** has no current plans for further reviewing artists and performer visa requirements, it would be helpful to know what other ideas the tourism industry has in mind.

Sub Ask 1e. - Immigration staff training (to provide quicker access and more friendly welcome for visitors)

The **Home Office** has agreed service levels with port operators on the maximum waiting time for passengers before being seen by an official. UK Border Force is a member of VisitBritain's Welcome to Britain group, which is looking at proposals on a range of issues relating to the arrival of visitors. This includes the image of ports for visitors passing through immigration control, and appropriate and inviting use of wall-space.

Following recent discussions between the Minister for Tourism and the Minister for Identity, the Home Office is exploring the feasibility of a pilot that would involve border officials wearing badges to indicate whether they spoke any languages other than English. The proposal needs to be fully costed and logistical. Legal and integrity issues need to also be fully considered, as well as how to measure impact. The Minister for Identity will make a decision on whether the pilot is viable shortly.

Ask 2. Fiscal and Business Support incentives

Sub Ask 2a. - VAT holiday for tourism businesses

A priority for Government is to maintain the overall competitiveness of the UK's tax regime. All support for business must be balanced with the need to ensure value for money and fairness for tax payers. However, the Government remains happy to receive representations on ways in which the tax system can be reformed to benefit the UK economy.

VAT is a broad based tax on consumer expenditure and reliefs from it have always been strictly limited. The application of VAT reliefs is governed by European agreements, signed by successive Governments. These agreements do not allow the application of a blanket reduced rate of VAT to all tourism-related activities.

Our VAT agreements allow us to keep our existing zero rates, but they do not allow us to extend them or introduce new ones. The UK applies a zero rate of VAT for most food and to public transport, and also has free access to some national museums and galleries under the VAT refund scheme. These are all goods and services from which tourists can benefit.

A specific case for a reduced rate for hotel accommodation was considered carefully in 1998, and Government decided then that a persuasive economic case did not exist for such a move. The VAT system already provides better-focused benefits for a high proportion of small and medium-sized businesses within the tourist industries. Many smaller hotels, bed and breakfasts and guest houses already benefit from the fact that the UK has one of the highest VAT registration thresholds anywhere in Europe. Businesses with an annual turnover of less than £68,000 do not therefore have to register for VAT and can remain outside the scope of the VAT system altogether. That means that many guest houses and small hotels in this country do not have to charge VAT to their customers. It follows therefore that the most likely beneficiaries of a reduced rate for hotel accommodation would be the major hotel chains and luxury hotels.

The Government seeks to provide a competitive tax system and general business environment that is beneficial to businesses from all sectors. The UK currently has the lowest rate of corporation tax of the major G7 economies, and surveys conducted by the World Bank have placed the UK 5th in the world for 'ease of doing business', and ranked the UK 1st in the G7 for 'ease of paying taxes'.

The UK remains an attractive place to do business, as reflected by figures on where people choose to invest. According to UN data, the UK was the 4th largest recipient of Foreign Direct Investment (FDI) inflows in the world in 2008, and an Ernst & Young report found the UK retained its position as the most attractive European location for FDI in 2009.

Sub Ask 2b. - Air Passenger Duty - reduce or repeal

Flying is a relatively under-taxed activity, paying no fuel duty or VAT on tickets. The reform of APD ensures it contributes fairly to public services and strengthens the environmental signal of the tax. While rates for all lengths of flights have increased, it is right that the rates for those flying farther are higher.

Around three quarters of passengers saw only a £1 increase of air passenger duty as a result of the 1 November increases. The increases to APD are mostly marginal compared to price of ticket and price of extras.

The Government keeps all taxes under review and is happy to continue receiving representations from business on this issue.

Sub Ask 2c. - Capital investment to be brought forward (e.g. transport infrastructure improvements)

There have been significant advances made in developing improvements in our transport infrastructure:

High Speed Rail – The **Department for Transport** has set up a company, *High Speed Two*, to advise on the case for a new high speed rail line to the West Midlands. The company presented their report to Government at the end of 2009 with a detailed proposal for a new line between London and the West Midlands, enabling faster and enhanced services to be run on new and existing lines to the north of England and Scotland. *High Speed Two* was also asked to provide advice on the potential development of a high speed line beyond the West Midlands. Government asked the company to consider in particular (but not exclusively) the potential for the new line to extend to the conurbations of Greater Manchester, Yorkshire, the North East and Scotland. DfT is now considering the report. Should the Government decide to proceed, there will be a public consultation on option proposals, for at least a London to West Midlands route, during the course of 2010.

Heathrow Third Runway - The Government remains committed to the expansion of capacity at Heathrow, as set out in January 2009, in 'Adding Capacity at Heathrow airport'. After taking account of all the evidence, Government has concluded that on balance the adverse impacts of a third runway are outweighed by the social and economic benefits. Heathrow is vital to the UK tourism economy. As our only hub airport it is our most important international gateway. It provides services to key international destinations not available at other airports and connects us to future growth markets such as Mumbai and Beijing. A new runway will help secure jobs now and in the future and ensure Britain's place as a commercial centre.

Roads Programme – In early 2009, Government announced its national roads programme for 2009-2014. The publication "Britain's Transport Infrastructure: Motorways and Major Trunk Roads", gave details of £6bn of new expenditure that will be spent to increase capacity on some of the nation's busiest roads - providing an extra 520 lane miles of road by widening and opening up the hard shoulder. This includes extending hard shoulder running to some of the busiest parts of the M1, M25, M6, M62, M3 and M4, providing much-needed relief from congestion.

Other Rail Investment - The Government has embarked on a major £1.1bn programme of rail electrification as an integral part of its rail modernisation and carbon reduction strategies. Work began in January 2009 on the electrification of the Great Western Main Line between London, Reading, Oxford, Newbury, Bristol, Cardiff and Swansea. In parallel, work began in January 2009 on the electrification of the line between Liverpool and Manchester, due to be completed within four years.

The Rail White Paper and the High Level Output Specification (HLOS) published in July 2007 covers the period 2009-10 to 2013-14. This will deliver:-

- *Thameslink* – greater frequency and capacity of cross London services and over 14,000 more seats on some of the most congested routes in London;
- *Capacity increases* for each Network Rail strategic route and in Leeds, Manchester, Birmingham, Sheffield, Cardiff, Bristol, Liverpool, Leicester and Nottingham;
- *Significant number of additional carriages* on the most congested parts of the network.
- *The £7.5bn Super Express Train* contract (which is currently at preferred bidder stage) represents the biggest single investment in inter-city trains in a generation;

Finally, the £8.9 billion spent on upgrading the West Coast Main Line has already delivered faster journeys between London, Birmingham, Manchester and Glasgow. Since 2003 the London – Glasgow journey time has been slashed by over an hour to 4 hours 10 minutes.

Sub Ask 2d. - Tax-relief - for regional film-making (to encourage visits/provide marketing material)

The Government has one of the most successful and competitive tax regimes for film production and the UK Film Industry is thriving. The UK's Film Tax Relief provided over £100m of support for the production of over 170 British made films in 2008/09.

Government also provides support through the nine Regional Screen Agencies (RSAs). Since their inception the RSAs have been absolutely pivotal in attracting production to the regions and extending filmmaking beyond London. The RSAs support a wide variety of work including cinema exhibition, film education, film archives and heritage, production, script development and locations services.

The combination of providing assistance through the tax system and through regional grant funding is complementary, helping to ensure targeted support for media production across the UK. This support reflects the Government's recognition of the value of the creative industries to the UK economy.

Sub Ask 2e. - Hotel Buildings Allowance – delay phasing out

Government considered that the buildings allowances (hotel buildings, agricultural buildings and industrial buildings allowances) had become a poorly focused subsidy on assets that might appreciate in value. Indeed, in certain cases the existence of these allowances had served to distort the property market. We therefore announced in 2007 a gradual phasing out of these allowances over a four-year period to April 2011.

The withdrawal of these allowances was part of a wider 'Business Tax Reform' package, which included a 2% cut in the main rate of corporation tax.

The package also included the new Annual Investment Allowance (AIA). The AIA is effectively a 100% first-year allowance for business expenditure on plant or machinery (other than cars) of up to £50,000 each year. The AIA covers the investment in qualifying plant and machinery of 95% of UK businesses.

The Government believes the package remains the best means of encouraging investment across the economy, and therefore has no plans to delay the phased withdrawal of the hotel buildings allowance.

Sub Ask 2f. - Ensure access for tourism businesses to the Enterprise Guarantee Scheme

Sub Ask 2g. - Creation of a Tourism Development Bank (banks to provide investment funds, Government to provide guarantee)

The Government can confirm that the Enterprise Finance Guarantee Scheme extends to the tourism, hospitality and licensing sectors, though there are no plans to introduce a scheme exclusively for use by tourism businesses.

The Enterprise Finance Guarantee scheme encourages additional bank lending to viable businesses who have no or insufficient security and who would not otherwise secure a commercial loan. In particular, it is designed to help SMEs with viable business cases which are creditworthy, but do not have sufficient security available to support their borrowing request on a normal commercial basis.

The original £1.3 billion facility put in place was due to be accessed by the end of March 2010. At the Pre-Budget Report 2009, the Enterprise Financial Guarantee was extended for a further year to March 2011, with a £500m budget for the financial year 2010/11.

The Government has introduced a wide range of other measures to help businesses through the global recession and is continuing to promote growth during the recovery to ensure businesses get the finance they need. These include:-

- Securing legal commitments that will ensure that over the 12 months from March 2009, RBS and Lloyds will lend, on a commercial basis and subject to demand, an extra £27bn to businesses. Barclays and HSBC have made an additional £6.5bn of business lending commitments.
- A Working Capital scheme to free bank capital for additional lending and, because a major constraint on working capital is the withdrawal of Trade Credit Insurance, the Government has within this scheme, introduced a Top Up Trade Credit Insurance Scheme.
- A Capital for Enterprise Fund (CfEF), which is a £75m fund supporting viable business with equity or mezzanine investment aimed at releasing and sustaining growth and can invest between £200,000 and £2 million where the business has exhausted its borrowing capacity with lenders.

In addition,

- HM Revenue and Customs' Business Payment Support Service reviews payment of businesses' tax liabilities and tries to come to an arrangement that allows them to spread the payment over a period that meets the needs of the business and helps them over temporary difficulties.
- The Business Link Health check provides a free review of businesses with a professional business adviser for hands-on advice and help to access the full range of government help.

Ask 3. Employment, Skills development and Training

Sub Ask 3a. - Promote greater awareness for business operators of benefits of striving for better standards

The Department for **Business, Innovation and Skills** highlight that research shows businesses with trained staff are more productive while businesses which do not invest in training and development are 2.5 times more likely to fail. This message has been reinforced in open letters to businesses from the UK Commission for Employment and Skills, the CBI and the Trade Union Congress among others, and through Government advertising campaigns, including Train to Gain.

Train to Gain is part of the Solutions for Business portfolio- a streamlined portfolio of government-funded support products for businesses, accessible via Business Link. Train to Gain is now integrated into Business Link and provides a diagnostic which assesses businesses' skills needs, promotes the benefits of training and recommends suitable provision to meet those needs from a wide range of training providers. There is a target that 51% of employers that engage through this service are 'hard to reach'. That is, that they do not have Investors in People accreditation and have not provided any training opportunities for their staff within the past 12 months. Between April 2006 and March 2009, 143 000 employers engaged with the brokerage service, of which 72% were hard to reach.

The October 2009 Statistical First Release provides data on Train to Gain activity with businesses that fall under the relevant leisure, travel and tourism Standard Industrial Classification (SIC) codes. Provisional figures for 2008/09 show Train to Gain starts of 18,000 for this sector area, up from 10,100 in 2007/08. Train to Gain achievements for this sector area have also increased; provisional figures show achievements for 2008/09 are 14,000 compared to 6,000 for 2007/08.

DCMS works with BIS and the tourism industry (including through People1st and the National Skills Academy for Hospitality) to promote the benefits of investment in skills and to encourage good HR practices. In particular, DCMS has a policy of support for the Good Employer Guide, developed by People1st, which sets out training standards for the industry and encourages businesses to strive for better standards. We are very supportive of the Smiles of Britain campaign, developed by the National Skills Academy for hospitality, which encourages the improvement of customer service standards. In addition, our wider work in support of implementing the National Skills Strategy for hospitality, leisure, travel and tourism helps to encourage businesses to up-skill staff and promote careers in the sector to new entrants, and also helps to ensure the right training is given at the pre-employment stage.

Sub Ask 3b. - Incentives for SMEs to retain and train staff

BIS have indicated that SMEs have always been the top priority for Train to Gain. Through Train to Gain employers can access expert advice about how training can increase productivity and competitiveness as part of wider advice on business needs from Business Link and practical help to raise their staff skills. Train to Gain also offers Government funding to enhance an SME's own investment in skills, reflecting the shared responsibility for training.

A key objective for the Business Link brokerage service is to engage with employers who do not train and who may not know where to go for advice and support. Latest data shows that, for the period April - Sept 2009, 93% of all employers who engaged with the service and received in-depth skills assistance were from SMEs, and overall satisfaction with the service is high at over 89%.

We recognised the difficulties SMEs faced in trying to train their employees in an economic downturn and in 2008/09 and 2009/10 offered an increased offer of support to help them get through the economic downturn. As recognised in the National Skills Strategy, *Skills for Growth* (BIS Nov 2009), this approach helped deliver timely and appropriate support in a period of need. *Skills for Growth* sets out our intention to re-focus funding in 2010/11 away from recession-related flexibilities, and towards the skills priorities to support future growth. We will however, continue to support the flexibility which enables SMEs with as few as 5 employees to access our Leadership and Management offer.

In October 2009, BIS announced funds of £7m to support new models of Apprenticeship delivery to encourage small businesses and SMEs to participate in Apprenticeships. These arrangements are designed to spread the costs of employing apprentices through a collaborative approach to training, and to allow very small businesses and SMEs to share apprentices. This investment has the potential to deliver up to 15,000 new places within the next 5 years.

Also, in response to feedback from business that government schemes were too complicated and hard to access, Government has made it easier for businesses to get the advice and assistance they need. Under the Business Support Simplification Programme (BSSP), we have streamlined the thousands of publicly-funded schemes that businesses found so confusing into a package of easily recognisable products that can be accessed via a Business Link adviser or at www.businesslink.co.uk.

For **DCMS**, one important incentive is to make it easier for tourism and hospitality SMEs to access this information by providing all relevant information on skills, training, jobs and funding on one website. The UKSP is the 'one communication channel' that businesses have called for, and DCMS has outlined our policy support for this in our Winning strategy. We are also working with Jobcentre Plus and People1st to help ensure that SMEs in the tourism industry are aware of recruitment subsidies available to them.

Sub Ask 3c. – Learning and Skills Council/People 1st to work with local councils to ensure training is delivered and to identify local businesses that can be best engaged in the skills improvement agenda

The Government and People1st have held discussions with the LGA on how best to communicate key National Skills Strategy solutions (including initiatives endorsed by the National Skills Academy) to local authorities – high level engagement is done through the Monitoring & Implementation (M&I) Group. The LGA have committed to promoting these solutions, and further discussions will be held at the next M&I in March 2010.

Over the summer 2009, the LGA helped to promote Smiles of Britain to all local authority tourism officers and will be continuing their support for the campaign going forward. In addition, a number of local authorities have shown significant interest in or backed the Smiles campaign, for example, Blackpool, which tailored the campaign to the locality – 'Smiles of Blackpool'.

Ask 4. Government Recognition for Tourism

Sub Ask 4a. - Cross-Whitehall co-ordination to ensure tourism is considered (in policy making) across all departments

DCMS has established a Cross-Whitehall Ministerial Group on Tourism (MGT) to form a more effective partnership for tourism. The focus of the Group (chaired by the Minister for Tourism) is to promote cross-government, cross-national understanding of the needs and requirements of the tourism industry both in dealing with the immediate challenges posed by the downturn in the global economy and the longer term opportunities on offer from, for example, the 2012 Olympic and Paralympic legacy benefits, other major events such as the UK City of Culture, and an additional Bank Holiday during the Queen's Diamond Jubilee celebrations in 2012.

The MGT has a core membership drawn from the main Whitehall departments and agencies. Representatives from other departments, and other relevant public sector bodies and/or "expert advisers" are invited where necessary to address particular issues.

The group has been considering:

- the top five issues ('Priorities for Government') affecting tourism, as identified by the industry;
- which of these issues and others may require more attention at national and regional level to enable and benefit the industry;
- the impact of Government policy on the key issues; and
- how to improve the channels of communication through which Government and industry communicate.

This work is also being aligned to the Government's wider approach to tourism highlighted in the tourism strategy 'Winning: A tourism strategy for 2012 and beyond' and the recommendations of the British Tourism Framework Review published by VisitBritain in February 2009.

Improving the channels of communication through which Government and industry communicate is a central theme for this Group. The MGT receives feedback and advice from the *Tourism Advisory Council* (established in April 2009 and also chaired by the Minister for Tourism). The Council, made up of senior figures from business and public sector organisations, advises Government on strategies to support the tourism industry. The views and advice provided by Council members is further strengthening the Ministerial Group's work.

In addition to the MGT, the Minister for Tourism also holds regular bilateral meetings with other Government ministers to discuss specific issues that impact on tourism.

Sub Ask 4b. - Ministerial championing of tourism across departments

See sub-ask 4a above

Sub Ask 4c. - All layers of Government to recognise and support tourism development - make tourism a statutory function of local authorities (district and unitary)

The Government fully supports stronger recognition of tourism across the public sector. However it is for each local authority to decide for itself its relevant local priorities. Creating a new statutory function for local authorities would run counter to the Government's policy of greater decentralization to local authorities who are best placed to understand their areas' needs. That said, the Local Democracy, Economic Development and Construction Act will place a duty on councils to assess the economic conditions of their areas and so, where appropriate, to take proper account of the visitor economy.

Sub Ask 4d. - Local authorities to have a strategy for tourism in their areas and report performance against tourism measures

DCMS continues to fully engage with CLG, the Local Government Association, and other partners (for example, Destination Performance UK and the British Resorts and Destinations Association) to promote the local visitor economy.

It is worth noting that local authorities report on visits to museums and galleries through National Indicator Set which runs to 2011. CLG are undertaking a cross-Government review of national indicators and DCMS are closely involved in considering their effectiveness.

Local performance-related work is also progressing through the *Partners for England* tourism improvement agenda initiative, in order to successfully position tourism at the local level. Alongside this work, the English Tourism Intelligence Partnership has set out priorities to improve tourism intelligence, data and evidence, which will include the development of guidance and tools for measuring tourism regionally, sub-regionally and locally.

DCMS also supports the Charter for Placemaking and Destination Management, developed through the Partners for England initiative, which provides guidance to local authorities on promoting, developing and measuring tourism, and on working with the industry and public sector partners.

VisitEngland's new leadership role will also offer local authorities stronger support, and better local authority engagement will also be covered in the new England tourism strategy, currently being developed by VisitEngland. In addition, new Local Government architecture also provides for Multi-Area Agreements (MAAs), which will enable local authorities to promote tourism through, for example, better co-ordinated destination management and marketing and exchanging best practice and resource.

Sub Ask 4e. - RDAs to establish better communications links with councils on tourism issues - including making every local authority in their region aware of the funding streams available to support tourism

All RDAs fund the regional delivery bodies and have regional Tourism Strategies in place, and strive to ensure that their work on economic development takes full account of the potential contribution that tourism and culture can make.

RDAs provide regional leadership on tourism matters within a national framework. They strive to embed tourism in mainstream economic development, planning and implementation, business support and skills. They provide better connection with local authorities and across the cultural and creative agenda by ensuring the communication routes are in place for organisations and stakeholders (including local authorities) wishing to engage with and consult the RDAs on matters relating to culture and tourism.

RDAs also facilitate the joining up and provision of the business support for tourism businesses.

Tourism interventions by the RDAs support a delivery infrastructure for the private and public sectors to work together collaboratively to address the needs of the sector in areas such as marketing, skills development, information and coordination. They also invest in programmes to enable effective and efficient destination management and development.

Nationally, the South West RDA holds the lead role for the tourism agenda on behalf of the RDA network and is very proactive in the management of this role.

Ask 5. Public funding for domestic and overseas marketing

Sub Ask 5a. - Additional funding for the value campaign, both domestically and overseas - also, to promote Britain's events programme

DCMS support for VisitBritain and Visit England, who are responsible for marketing Britain both domestically and overseas, is only one aspect of public funding support to the industry. The contributions from the Welsh Assembly; the Scottish Executive; the Regional Development Agencies; the London Development Agency; and local authorities need to also be taken into account.

Following the Comprehensive Spending Review settlement for VisitBritain in 2007, DCMS asked VisitBritain to carry out a strategic review of British tourism in order to both ensure better co-ordination of the funding invested in tourism and to identify ways to improve the efficiency and effectiveness of the public sector support for tourism. The review was published by VisitBritain on 11 February 2009 and set out recommendations aimed at better co-ordination of the significant public investment that is being made centrally, regionally and locally. The British Tourism Framework Review also proposed fundamental restructuring of VisitBritain and a strengthened role for Visit England (distinct from VisitBritain).

Following the review, VisitBritain has been consolidating Britain's position in traditional international markets and investing in emerging markets, and building on its overseas networks. The effective and efficient co-ordination of the overseas marketing efforts of Visit England, Visit Scotland, Visit Wales and Visit London, the RDAs and some local authorities is also a key goal for VisitBritain. It also takes a leading role in co-ordinating industry research, and remains an important source of advice for DCMS Ministers to inform policy development and formulation of strategy.

VisitEngland's strengthened role and key tasks now include: successful and efficient marketing of England to the British and some overseas markets; winning the confidence of the domestic tourism industry; establishing partnerships for the purpose of marketing England; and ensuring better co-ordinated support (including financial) for the domestic industry through the RDAs and local authorities.

The Government is confident that these new arrangements will make for significantly strengthened strategic leadership and better representation of private and public sector stakeholders, and will provide a more robust and more responsive vehicle to grow and sustain the industry in the long term.

The Government is also investing heavily in one of the most potent visitor attractions any country can stage - 2012 Olympic Games and Paralympic Games – and we are confident that the tourism sector will be the main long-term beneficiary of this investment. At the same time, it is spending very large sums of public money annually to improve skills within the tourism and hospitality sector in order to improve the quality of our welcome to the world. The Government is also spending money sustaining other important tourism products like free museums, major cultural attractions and our incomparable heritage.

In the light of all this, and the other world class attractions and events it is helping to deliver over the next decade, the Government considers that its continuing investment in VisitBritain and VisitEngland (over £130 million between 2008 and 2011) is currently appropriate to

achieve its aims. The added investment of the Regional Development Agencies (almost £70 million in 2007/08), for tourism marketing and development, notably in skills, quality, data and sustainability, will provide valuable partnership support for this effort.

The Government therefore believes that the public investment at national, regional and local levels, which is likely to be in excess of £2 billion for the period 2008-2011, is an appropriate and reasonable public investment in support of tourism and hospitality industry, in particular given the current economic conditions.

ADDITIONAL GOVERNMENT SUPPORT FOR TOURISM

In addition to the issues covered above, there are other examples of Government support for tourism. These include:

DCMS

Cross-Whitehall ministerial support for large events bids continues. The methodology for supporting such bids has been reviewed and a new template and suite of support letters was produced in autumn 2009.

The DCMS 2012 Accessible Tourism Stakeholders Forum is taking forward work to improve tourism services for disabled people. It has already commissioned and helped to acquire funding for a new disability question in the UK Tourism Survey (UKTS) and commissioned and published the results of research about disability awareness training among employers.

Activities during 2010 will include:

- publishing a business case setting out the benefits of providing services to disabled people in January 2010.
- undertaking further research through People 1st to identify the specific skills and knowledge required to meet the needs of disabled customers, to identify and evaluate existing accessibility programmes, and to match the content of these programmes against the skills and knowledge identified.
- publishing the results of a survey of disabled people about their experiences of tourism services and consider the findings. The survey was launched in December 2009 and will run for three months. It will give a better understanding of what disabled people want from tourism services and identify barriers so that services can be improved. Survey results are expected by the end of March 2010.

A new competition to find the nation's first ever City of Culture, which will boost the local tourism economy, was launched by DCMS in July 2009. The winning city will take its title in 2013. The competition will run every four years and aims to build on Liverpool's success as European Capital of Culture in 2008. The title brought social and economic benefits to the area. Expert assessors will short-list the entries, and the winning city will be announced this summer.

In order to maximise the opportunities for tourism from the 2012 Games, VisitBritain, Visit London and the Nations and Regions Group have been developing a *Tourism Opportunities Network* which is due to launch in the spring. The Network will provide a definitive source of information on the 2012 Games for the UK tourism industry and provide a virtual 'business club' for members of affiliated tourism organisations, aimed at engaging them in delivering a world class welcome for visitors in 2012 and beyond.

VisitBritain has also finalised the production of Rights Free iconic imagery (photographs) with sporting connotations for use by media, sponsors, tour operators and other partners.

VisitEngland are planning a consumer facing campaign to help better engage with tourists in England.

Ahead of and during the Games, UK tourism will also benefit from the Cultural Olympiad and 2012 training camps.

Communities and Local Government

CLG has highlighted the importance of tourism in recent, relevant policies and strategic guidance. These include, for example: *Strategic Guidance in Improving Public Access to Better Quality Toilets (2008)* which includes a section on “attracting visitors”. Also, ‘*Looking after our town centres*’ guide – a joint CLG/DCMS publication which highlights positive action to attract and retain tourists.

The *Business Rate Supplements Bill*, introduced to Parliament in December, will give upper tier authorities and the GLA discretionary powers to levy supplements on business rates to use proceeds to fund economic development projects, including potential tourism-related projects.

Department for Work and Pensions / Department for Business, Innovation & Skills

Local Employer Partnerships

Jobcentre Plus (JCP) work through Local Employment Partnerships (LEPs) to ensure that disadvantaged customers are treated fairly through preparation training mentoring. Pontins and Butlins recruited over 580 people nationally, Blackpool over 250 locally and Travelodge (new seaside towns openings) have recruited 360 through LEP.

Young Person’s Guarantee

DWP and BIS are providing help and incentives for businesses to recruit and train unemployed young people, as part of the Young Person’s Guarantee.

JCP is working with People 1st on pre-employment training routeways to be delivered anywhere where there is demand throughout the country. There are already training routeways for four specific job roles and more are being developed. Funding for the provision of this training is being provided by BIS. Hospitality, leisure and tourism will be one of the first two to benefit from one of the key components of the now called ‘Routes into Work’ aspect of the Young Persons Guarantee. The first training routeways were soft launched (for first referrals) on 2 November, with a full launch planned by DWP shortly.

The tourism industry is expected to participate in the £1 billion Future Jobs Fund initiative with jobs or training for long-term young unemployed (this is about the creation of ‘new’ jobs).

In addition recruitment subsidies are available for businesses to employ those on the Jobseekers Allowance for more than 6 months.

DEFRA

DEFRA is working with Natural England, National Parks and the Forestry Commission to encourage use and increase public access to the natural environment. They are also carrying out a survey to evaluate people’s use, and engagement with, the natural environment through the People and Landscapes programme.

Through the **Marine Bill**, DEFRA is setting up marine conservation areas to help preserve areas in pristine condition and encourage better fauna. *Coastal access* will be improved with provisions for making walking around the coast a better prospect. This will potentially benefit tourism businesses in rural areas and seaside towns.

A recent revision of the *National Parks Circular* recognises importance of sustainable tourism in the Parks. DEFRA Ministers visited various National Parks, as part of the 60th anniversary of the first parks designation, to publicise the anniversary and highlight what parks have to offer.