



**Tourism Advisory Council (TAC)
Meeting Minutes 1 July 2009**

	Key Points Made	Actions
Welcome		Contact details of TAC members to be circulated (DCMS)
Minutes and Matters arising from meeting on 30 April	<p>The Minister re-affirmed that she is looking for the TAC to provide one voice for the industry for Government.</p> <p>BHA – asked in relation to Furnished Holiday Lets rule changes whether DEFRA is still providing funding for farms to create second homes/ barn conversions for self-catering.</p> <p>VisitWales – reported that Wales is still supporting the conversion of barns into self-catering premises.</p> <p>Minister is about to write to the Treasury concerning changes to the Furnished Holiday Lets rules. The letter will include information supplied by the Tourism Alliance, British Holiday and Home Park Association and Country Land Owners Association about potential impact.</p>	<p>Minutes (of 30 April) will be published on DCMS website (DCMS).</p> <p>Minister to report back progress on Furnished Holiday Lets issue at next meeting of the TAC (DCMS)</p> <p>Minutes of the RDA Chairs meeting will be re-circulated (DCMS)</p>

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<p>High Speed 2 (HS2) Presentation</p>	<p>HS2 – are developing a key set of milestones by the end of September. A business case will be presented by the end of the year and a final decision on the project will be taken by DfT Ministers early in 2010. There will also be opportunities to examine the case for future expansion of the rail infrastructure/ network.</p> <p>SWRDA – concern that HS2 plans do not examine the need to move tourists around the whole country.</p> <p>BHA – concern that policy seems to be back to front; Government has charged HS2 with proving an economic case for HS2, rather than firstly, examining the case for rail transport improvement around the country.</p> <p>Barcelo – said that HS2 may take business travellers off the road but not the leisure visitor.</p> <p>Eurostar – said it has taken years of lobbying to get this on the Government’s agenda. The HS2 will cover the most highly populated corridor, so it is a matter of economics.</p> <p>VisitBritain – recognises that a lot of domestic tourism depends on the car – the TAC needs to examine wider issues concerning travel infrastructure.</p> <p>DCMS recommended that the industry use this project and possible public consultation as an</p>	<p>DCMS to continue to connect with DfT re transport strategies (DCMS)</p> <p>Minister can raise wider issues on transport with DfT Minister - who attends the inter-Ministerial Group on Tourism (DCMS).</p> <p>HS2 pleased to receive suggestions and opportunities that can be tied into their business case. (All)</p> <p>HS2 presentation to be distributed to TAC members (HS2/DCMS)</p>

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	opportunity to feed into the wider transport infrastructure agenda.	

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<p>Update on the 5 Asks “Industry priorities for Government”</p>	<p>The TAC confirmed that the 5-Asks discussed at the inaugural meeting were still rational priorities for the industry.</p> <p>BHA – raised progress on the Tourism 2012 opportunities</p> <p>DCMS said that the Minister raised the 5-Asks with colleagues at the inter-Ministerial Group on Tourism meeting on 5 May. They agreed to respond formally and provide other proposals where they could support the industry. Due to the recent ministerial reshuffle, responses have not all been forthcoming. DCMS confirmed that the inter-Ministerial Group on Tourism provides an opportunity for the Minister to champion the industry’s views and to give evidence on the impact of regulation and duty. DCMS has an ongoing dialogue with Whitehall departments on the impact. It attempts to mitigate/reduce and simplify. But can’t necessarily reverse policy decisions.</p> <p>Virgin/BA – have concerns about e-Borders. Would like the opportunity to put tourism industry’s position forward.</p> <p>BA – spoke about the potential detrimental impact of new APD formula (due to be brought in during the autumn) on a typical family travelling to the UK i.e. £360 in taxes. Extra APD will generate an additional £70 million for</p>	<p>Minister to press Whitehall colleagues for their responses to the 5-Asks [Minister has subsequently written again to colleagues.] They will also be discussed again at the next inter-Ministerial meeting in the autumn] (DCMS).</p> <p>It was agreed that Tourism 2012 should be the focus of future TAC meetings. [See future work for the TAC below] .</p> <p>5-Asks grid to be re-circulated (DCMS).</p>

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	<p>the Treasury but early work suggests it will cost the economy in excess of £90 million. BHA – has concerns that it will be particularly damaging to emerging markets.</p> <p>DCMS said that the department is attracted by the idea of aggregation of impact on industry of different regulatory burdens. Grouping impact together makes a more credible case to Government.</p>	

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<p>Future work for the TAC</p>		<p>It was agreed that the following papers should be circulated before the next meeting:</p> <ul style="list-style-type: none"> i) 'Barriers to entry' [APD, taxation and other tariffs] paper (<i>VisitBritain, Tourism Alliance and others</i>); ii) Tourism 2012/Welcome strategy. Paper to be presented by VisitBritain at next TAC meeting (<i>VisitBritain/ Visit London</i>); and iii) Skills/ job retention (<i>DCMS</i>). <p>It was also agreed that future meetings might consider: transport; regulatory burden; civic pride and incentives/awards scheme; and quality.</p> <p><u>NB.</u> Due to Parliamentary business, the Minister had to leave the meeting early.</p>

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		<p>She has subsequently agreed that items i) and ii) above should be considered at the next TAC meeting, but asked that item iii) should be held back for a future meeting.</p> <p>She has also asked that a future meeting of the TAC should discuss and consider key drivers to competitiveness and international marketing, and should receive a presentation about how overseas visitors perceive Britain (<i>to be led by VisitBritain</i>)</p>

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State of the Sector	<p>Accommodation sectors reported that :</p> <ul style="list-style-type: none"> - business in May/ June improved on the previous 4 months. In certain parts of the country the events, corporate and leisure sectors are doing well. - London is performing better than it was, with the centre of London doing better than the suburbs. Regional cities are not doing as well but outside of these business is reasonable. Head count (employees) is down by 10%. Energy costs are up 8%. Businesses are in a better position than expected but there is concern over what will occur after the domestic/ leisure market falls off during September. - small businesses are holding their own but 'struggling to compete with the big boys'. Very tight margins and high interest charged by banks means bank support for business is not operating as it could. <p>Holiday Park Sector reported that :</p> <ul style="list-style-type: none"> - bookings significantly up year on year (20%+). Important to note that people are retreating to value. People staying closer to home. Strong trend for last minute booking. <p>Airlines sector reported that :</p> <ul style="list-style-type: none"> - the global forecast by IATA had estimated a loss in income of some £4.7 billion. However, the past 4 months experience should double this figure to over £9 billion. Freight has fallen by 17%. Larger carriers should weather the storm better than the smaller companies. 	

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Next Meeting		<p>Agenda items for the next meeting - see 'Future Work for the TAC' above</p> <p>TAC Secretariat to set up the next 3 meetings. Next meeting to take place in October [now confirmed as 19 October, 11-12.30 at DCMS] (DCMS).</p>