

# Tourism Leadership Group Meeting

## NOTE OF MEETING

Wednesday 19<sup>th</sup> September 2018

*Scottish Enterprise, Apex House, 99 Haymarket Terrace, Edinburgh, EH12 5HD*

### Present:

- Robert Allan, Apex Hotels
- Fiona Cook, Scottish Government (FC)
- Marc Crothall, STA (MC)
- Suzanne Cumiskey, SLAED Tourism Group
- Susan Deighan, Glasgow Life
- Russell Imrie, Bruntsfield Hotel
- Stephen Leckie, Crieff Hydro (SL) – Chair
- Paul McCafferty, Scottish Enterprise
- Calum Ross, UK Hospitality (Scotland)
- Bettina Sizeland, Scottish Government

### In Attendance

- Kevin Brady, Scottish Government (KB)
- Karen Christie, STA (KC)
- Chris Greenwood, VisitScotland (CG)

### Apologies

- David Allfrey, Royal Edinburgh Military Tattoo
- Danny Cusick, Scottish Enterprise
- Gordon Dewar, Edinburgh Airport
- Stephen Duncan, Historic Environment Scotland
- Paul Easto, Wilderness Scotland
- Marina Huggett, Tourism Excellency Consultancy
- Anna Miller, Highlands & Islands Enterprise
- Judy Rae, Glasgow Science Centre
- Malcolm Roughead, VisitScotland
- James Stuart, Entrepreneurial Scotland

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## 1. Welcome & Note of Previous Meeting

SL welcomed all to the meeting and in particular invited guests. He also thanked Paul McCafferty, for organising the meeting room at Scottish Enterprise and noted apologies. It was also noted that Marina Huggett has taken the decision to step back from the Tourism Leadership Group.

The note of the previous meeting was approved. Further comments were made on actions below:

Comments / Actions	Who	Update
<p><b>City Deals Tourism Update</b></p> <p><b>Dr Morag Watt from the Cities Team at the Scottish Government provided an update on the progress of the City Region Deals. Following the update a number of questions were raised by the TLG for consideration by Dr Morag Watt and Fiona Cook.</b></p> <ul style="list-style-type: none"><li>• Currently the Tourism Leadership Group has no overview of tourism initiatives within the City Deals. The group highlighted this as an important requirement. Is there a way to have a better overview of tourism initiatives within the City Deals?</li><li>• What mechanism could be put in place to create a fluid dialogue with the Tourism Leadership Group ensuring that this group has an ongoing view of what's going on and can input as required?</li><li>• How do we ensure that tourism is considered and included within the City Deals? How can</li></ul>	FC	<p>FC provided a verbal update on current City Deals. A written update is to be circulated with the Note of Meeting.</p> <p>FC advised that there are challenges in communication between the cities team and the Tourism policy team which need to be improved.</p> <p>FC was asked to provide a proposal which would address the questions raised by the Tourism Leadership Group on City Deals. The preferred solution being a regular update which could be shared with the Group. FC to feedback on how information sharing could be improved at the next TLG meeting.</p>

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<p>active engagement with the tourism sector be built into the process, for example consultation with regional destination groups?</p> <ul style="list-style-type: none"> <li>• How can the tourism sector get actively involved with the City Deals as currently there is no obvious route in to the process?</li> </ul>		
<p><b>Tourism Scotland 2030 Next Steps</b>  <b>Kevin Brady, Senior Economist, Tourism and Culture Economics at the Scottish Government, presented progress being made developing the economic narrative which will underpin the strategy refresh. With reference to the presentation slide 'Wider 'Competitiveness' Environment', the following questions were raised:</b></p> <ul style="list-style-type: none"> <li>- Can Scotland be broken out specifically as the differences between the UK and Scotland is important. KB to follow up with VisitScotland and Scottish Enterprise</li> <li>- Clarify the definition of ICT readiness</li> <li>- Clarify the definition of price competitiveness</li> </ul>	<p>KB</p>	<p><b>Can Scotland be broken out specifically as the differences between the UK and Scotland is important. KB to follow up with VisitScotland and Scottish Enterprise</b></p> <ul style="list-style-type: none"> <li>• Quick review suggests it might be difficult, owing to use of national level data within internationally collected datasets, and use of WEF's Executive Opinion Survey for number of indicators.</li> <li>• We're looking to engage with the WEF around understanding the index more, with a view to seeing whether a Scottish 'cut' would be possible.</li> </ul>
<p style="text-align: center; font-size: 48px; opacity: 0.3; transform: rotate(-30deg);">DRAFT</p>		<p><b>Clarify the definition of ICT readiness within the Tourism Competitiveness Index</b></p> <ul style="list-style-type: none"> <li>• ICT readiness is one of 5 'enabling environment' pillars, and is comprised of 8 indicators: ICT use for business to business transactions; internet use for b2b transactions; individuals using internet; broadband subscribers; mobile phone subscriptions; mobile broadband subscriptions; mobile network coverage; and quality of electricity supply.</li> <li>• The UK's rank against each are as follows:             <ul style="list-style-type: none"> <li>o ICT use for business to business transactions: 3<sup>rd</sup> of 136</li> <li>o internet use for b2b transactions: 1<sup>st</sup></li> <li>o individuals using internet: 9<sup>th</sup></li> <li>o broadband subscribers: 7<sup>th</sup></li> <li>o mobile phone subscriptions: 55<sup>th</sup></li> <li>o mobile broadband subscriptions: 26<sup>th</sup></li> <li>o mobile network coverage: 54<sup>th</sup></li> <li>o quality of electricity supply: 11<sup>th</sup></li> </ul> </li> </ul>
		<p><b>Clarify the definition of price competitiveness within the Tourism Competitiveness Index</b></p> <ul style="list-style-type: none"> <li>• Price Competitiveness is one of 4 Travel &amp; Tourism Policy and Enabling Conditions pillars, and is comprised of 4 indicators: ticket taxes and airport charges (relative costs of access to international air transport services); Hotel price index (average price in \$ for a first class hotel room); Purchasing power parity; Fuel price levels (retail diesel fuel prices).</li> </ul>

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	<ul style="list-style-type: none"> <li>· The UK's rank against each are as follows:             <ul style="list-style-type: none"> <li>o ticket taxes and airport charges: 133<sup>rd</sup></li> <li>o Hotel price index: 59<sup>th</sup></li> <li>o Purchasing power parity: 130<sup>th</sup></li> <li>o Fuel price levels: 133<sup>rd</sup></li> </ul> </li> <li>· Worth highlighting that countries that perform 'best' in this indicator (i.e. ranked closest to 1) are typically developing countries. Developed countries (e.g. Slovenia, Spain, NZ, US, France, Germany, Italy, Norway, and Iceland) rank above 90<sup>th</sup>.</li> </ul>
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## 2. Feedback On recent Minister Meets

SL updated the group on the recent Minister meets with Cabinet Secretary for Culture, Tourism and External Affairs – Fiona Hyslop MSP (5<sup>th</sup> Sept) and Minister for Finance and the Digital Economy – Kate Forbes MSP (6<sup>th</sup> Sept). Both were very positive meetings in which the following was discussed: Business rates, Tourism Tax, Infrastructure, Barriers to growth such as transport, connectivity and affordable housing.

The group discussed the importance of local authorities and MSPs understanding of the economic contribution that Tourism makes to the economy particularly when it comes to the allocation of resources. It was noted that there is a responsibility of Industry to connect with local MSPs to raise the profile of the sector.

SL asked KB whether it was possible to quantify the level of tax that the Tourism sector currently contributes e.g. VAT, NI, APD etc etc. KB advised that it is very difficult to look at this and that it has been tried in the past, however it could be investigated further...

Decisions Asked of Group	Approved?	Comments / Actions	Who?
		KB to investigate and confirm at the next meeting.	KB

## 3. Latest Performance Update

Chris Greenwood, Senior Tourism Insight Manager, VisitScotland presented a 'Scottish Tourism performance Update'. Presentation circulated with Note of Meeting.

The following data sources were discussed during the presentation:

The Scottish Accommodation Occupancy Survey – Run by the Moffat Centre, "...the SAOS provides detailed data on overnight stays in Scotland and includes hotels, guest houses and B&Bs, caravan and camping parks, self-catering and hostels. Its data is used by the Scottish Government, local authorities and public bodies to calculate tourism value and performance. It is also incorporated into the UK Occupancy Survey, in turn informing the UK Government..."

The challenge is how to capture Airbnb data, the Moffat Centre is actively pursuing this.

This occupancy survey is a statutory requirement and is fed into STEAM data.

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It is estimated that 27 Local Authorities are using STEAM data.

STR – Occupancy survey primarily covering urban accommodation providers (chains) and typically 3 star and above.

Local Tourism Industry Barometer – Administered by VS for industry. 1,300 responses for the Q2 survey. The 5 key themes identified by the verbatim comment analysis were, 1) Brexit, 2) Business Support, 3) Footfall, 4) Key Markets, 5) Staffing.

Q3 report due at the beginning of October.

Is there an opportunity for the STA to act as a conduit for the Industry Barometer to demonstrate the value and encourage participation?

## 4. Tourism Scotland Beyond 2020 Update

Karen Christie, Tourism Strategy Project Manager, STA presented an update on the progress being made on the Strategy refresh. The update highlighted the overall timeframe, the Delivery model which has been put in place, (including the creation of the Strategy Steering Group), the overall process, the importance of Stakeholder engagement and next steps. Presentation circulated with Note of Meeting.

## 5. Round table Updates

Susan Deighan gave a short update on the Glasgow City Region Tourism Strategy which was launched in August 2018. Susan highlighted that that the plan is reliant on Local Authorities driving it forward and that this could be challenging in some areas where there is limited resource and capacity to focus on Tourism. A summary is circulated with Note of Meeting.

Robert Allan gave a short update on the Skills agenda, this included a summary of the Migration Advisory Commission report published recently. Robert highlighted how disappointing the report was and that a response would be issued by the Tourism Skills Group through the STA. The presentation is circulated with Note of Meeting.

## 6. AOB

There was no AOB.

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## Date of Next Meeting

28 November: 11am – 1.30pm, Glasgow