

Scottish Tourism Alliance
STA Council Meeting Note
7th June 2017, Microsoft, Edinburgh

Attending

- Sarah Troughton, Scottish Country Sports Tourism
- Jeanette Wilson, British Holiday Homes and Parks Association
- Rob McKinnon, Outer Hebrides Tourism Association
- James Stuart, Scottish Sports Association (JS)
- Barry McCulloch, Federation of Small Businesses (BM)
- Fiona Campbell, ASSC
- Kat Brogan ASVA (Mercat Tours) (KB)
- Keith Legge, SYHA (KL)
- Margo Patterson, SYHA
- Willie MacLeod, BHA (WM)

Apologies

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| <ul style="list-style-type: none">• Claire Bruce, GlenTanar• Laurie Piper, Moray Speyside Tourism• Robin Worsnop, Rabbies• David Weston, Scottish Bed and Breakfast Association• Carron Tobin, AITC• Paul Waterson, Scottish Licenced Trade Association• Laura Cheyne, The National Trust for Scotland• Shelia Gilmore, VisitArran• Ben Mardall, Wild Scotland• Daniel Steel, Sail Scotland• Fiona Bewers, The Caravan and Motorhome Club• Paula Bushell, Discover Scotland's Gardens• Charlie Croft, Loch Lomond and The Trossachs• Joseph Cullis, BACTA• Michael Dennison, Cycle Tourism Forum• Ian Fordham, Outer Hebrides Tourism Association | <ul style="list-style-type: none">• Sue Gruellich, Scottish Tourist Guides Association• Iain Jurgensen, Argyll and the Isle Tourism• Robert Kidd, Scottish Destination Management Association• Roseanne Mackay, Farm Stay UK• Caroline Millar, Go Rural for Business• Andrea Nicholas, Green Tourism• David Smythe Association of Scotland's Self-Caterers• Mark Tate, Cairngorm Business Partnership• Cameron Taylor, Discover Orkney• Fiona Thomson, Scottish Tourist Guides Association• Jeremy Tinsley, Confederation for Passenger Transport• Colin Wilkinson, Scottish Licensed Trade Association• Tom Rice, Glasgow Life |
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In attendance

- Marc Crothall, Scottish Tourism Alliance (MC)
- Mhairi Clarke, Scottish Tourism Alliance
- Ellen Ingram, Scottish Tourism Alliance (minutes)

1) Welcome and Note of Last Meeting

Marc Crothall welcomed everyone to the meeting, in particular Margo Paterson from SYHA who is new to the Council meeting and is replacing Keith Legge as CEO following his retirement.

No amendments from previous minutes.

2) Update from Scottish Tourism Alliance

MC updated the meeting on a number of items including:

- Political Engagement
 - Business rates: STA received 500 responses to survey and evidence led to the 12.5% cap
 - STA have secured a bi-monthly meeting with Finance Secretary Derek MacKay on impact on tourism industry. Next meeting scheduled 27/06/2017
 - Current biggest barriers to growth in the industry- affordable staff accommodation
 - Transport Minister Humza Yousaff been active in the islands community yet no invitation has been made to tourism industry for a voice at A82 Road Summit
 - BM – Government have been very quiet about contract arrangements to ferry services. It is important that industry has an input in these talks
 - General Election 2017: MC- Important that new councillors get tourism on their agenda and we find ways to present tourism as a high priority to local authorities
 - The Tourism Working Group are making reports on conveying the importance of the sector. SIC codes do not represent the full picture of the industry
 - Council to feed in suggestions of what that would like to be discussed at the bi-monthly meetings
- Industry Growing Costs Survey
 - Report into the costs in relation to growth
 - Survey currently being tested and will go live on Tuesday 13 June
 - Sample size is 200 businesses
 - KB- worries that the survey is too complex
 - WM- needs to be an accurate breakdown of types of business
 - MC – believe that there is a willingness to be involved. The report is a defence tool that will show that the industry cannot suffer any more costs. Industry needs to be fit and ready to come out of Brexit and continue industry growth
 - Challenge – encourage businesses in community to participate
 - Formal unveil of report will be at STA October Conference 3rd October
- Communications – Mhairi Clarke
 - Encourage council members to send The Talker out through their databases to show value. STA comms team can design an e-blast for council members to forward onto their organisations
 - KL- Blizzard of information which is not always relevant to everyone
 - JS – push out more on social media- go where it is read
 - Mhairi Clarke- proposition to divide The Talker articles up so that specific articles can be passed onto memberships
- Scottish Tourism Week 2018

- STW 2018 will be a tourism month next year and events will run through March starting from the 1st with the STA Signature Conference which will most likely be held at the SEC due to Glasgow being the location preference
- Programme of events will include consumer events as well as industry events
- STA Board Recruitment
 - Looking to strengthen current board by up to 4 new members who will be adopted formerly in October.
 - STA looking to broaden skill set of the board as well as looking at geography of members

3) Round Table Updates & Issues from Council Members – All

- **Scottish Country Sports Tourism** *Sarah Troughton:*
 - Show in Sweden went well
 - Biggest issue is the rates issue. Scottish Land and Estates is doing well dealing with that.
 - Climate change is going in their favour and another concern is employment, especially in relation to non-British nationals.
 - Accommodation is another concern. Most of their businesses are in remote areas and the government are looking at tightening the rules and regulations. Cottages have to be EPC rated and a lot of these cottages are old, 100 years or so and don't rate well on heat retention.
- **British Holiday Homes and Parks Association** *Jeanette Wilson:*
 - EPC Doesn't apply to holiday parks
 - Planning on refreshing the 2014 survey on economic impact
 - Jeanette has done surveys in the past and found it helpful to identify certain parks who they wanted to take part and being almost there as a 'helpline' for them
 - One of the issues they have is the movement of caravans/static homes and there is no rhyme or reason to what is being applied in relation to the police escort of the homes. Can be as much as £1200 and the park rather than the consumer is hit with the cost first. John Swinney has become involved and he's going to go back to them.
- **Outer Hebrides Tourism** *Rob McKinnon*
 - It's been a very busy start to the season. Leads to the issue of the toll on the resorts. Hebridean Way is very popular. They are receiving some concerns over the walkways rather than the cycle ways which still have some way to go as visitor attractions.
 - Transport is still our main issue. Feeling that the ferries are still chasing their tail.
 - Emerging issue is that the new ferry is too big for the ports. Rob would like an introduction to Loganair as this is one way of increasing the traffic to the islands.
 - Digitalisation project – a lot of effort has gone into that and there's been a good bit of traction. Still a long way to go. They have an investment request into improving resources for the organisation, funded through HIE. Keith raises the issue of sustainability of funding.

- Destination brand is a big topic. They have invested a lot in making sure that the relationship with VisitScotland works. Question needs to be asked around how VisitScotland works with the destinations to support them.
- **Scottish Sports Association, James Stuart**
 - A few issues. Funding from Sport Scotland is getting smaller. From a Loch Lomond perspective, the National Park Consultation is out at the moment which ends in July. Lots of work has been done on planning so we're very keen to see a lot of feedback. National Parks Consultation is showing some interesting trends in food and drink, provenance etc. No reason why you can't have a National Park which is both economically and environmentally successful.
 - Motorhome overnight parking in national park discussion- working with Police Scotland on bylaws
 - Entrepreneurial Scotland working with Can Do to do more to support membership groups. They are running a free programme for scaling up companies
- **Federation of Small Businesses, Barry McCulloch**
 - Sensing that SG might retract from APD commitments as they don't have the support they need to get that through. Concerned about city deals and tourism tax. If you look at all the city deals, tourism is nowhere on them (apart from Inverness) –it's a forgotten sector.
 - Deposit and return – idea is going to be massively disruptive for businesses. Space issue. Worried that the decision has already been taken. Not open transparency or consultation. This will happen when the Scottish economy is likely to go into recession. Will also impact on current methods of recycling and will take away revenue from local authorities.
 - Collaborative economy – division between traditional operators and new operators like Airbnb. STA point of view always comes down to level playing field and legislation. It is all about route to market and the compliance piece.
- **ASSC, Fiona Campbell**
 - Concern is that if they have to have EPC ratings, this is not going to be workable for a cottage in Mull for example which rents out for 5 months of the year.
 - You have to put your EPC rating on every single advert you have. It's completely unenforceable because there are so many listings.
 - ASSC is leading the charge on this. They've spoken to Malcolm Roughead. Fiona Hyslop needs to know about it as it's becoming a real issue.
 - Fiona is pulling together a briefing note which she will send to the STA and also to Scottish Land and Estates.
 - ASSC are concerned about how the study into the collaborative economy has been done. ASSC are saying that they want everybody brought up to the same standard to provide a level of comfort to the residents, to the local authorities and for hosts, so that they know they have the right level of insurance in place.
 - Highlights the variations between local authorities.
 - ASSC going to be putting out messages about what the short term rental market can do for the economy.

- **ASVA, Kat Brogan**
 - Sector is growing, event and exhibitions, television is driving growth. Edinburgh has grown faster this year – almost no shoulder season. Increase in demand does put a pressure on delivering a high quality experience. Re Brexit, keep calm and carry on, nobody really knows at this point. Concerns are around employability and skills. Increase in business rates and living wage have an impact on viability and margins. Questions around visa costs and apprenticeship levy.
 - At the ASVA Board meeting – the Edinburgh Old Town BID, vote Feb 2018 – council are pretty committed to getting through. It's a large footprint. Very little consultation and awareness of the issue. Concerning not to have a good level of awareness about it and disappointment from local organisations who are not embracing any communications about it. Concern is that 20% of the businesses carry the rest of the businesses.
 - Counter terrorism training is high in the agenda and Mercat is involved in Project Griffin.
 - Skills are a massive issue for us. We've seen 30% growth but we can't recruit the quality and quantity of applications from UK applicants.
- **SYHA, Keith Legge & Margo Patterson**
 - Doing well, 10% up this year- due to low pound. European visitor levels up but domestic visitors down
 - Challenges faced are very similar to round the table. Regulation has become more of an issue. Difference between local authorities. Very dependent on technology and are very susceptible to cyber-attacks. This has become much more of an issue. We could lose up to up to £50k bookings in a day. Risk is very high. IT security is their second highest risk next to fire. (Another rising cost).
 - Employment in general. 33% are Europeans. Find it increasingly difficult to employ locals. We can only hire people if we provide accommodation. Connectivity and transport links are still high on the agenda.
 - On the whole, we are seeing positive growth and development and we're being held back by regulation and red tape.
 - Nobody has systematically tried to address the skills gap.
 - About changing perceptions.
 - MC thanks Keith for his contributions over the years.

BHA, Willie Macleod

- Brexit is going to bring us more problems than we think. Unlikely to happen within two years.
- Free movement of labour is the biggest issue. Hospitality needs to become more attractive as a career of choice. National Living Wage continues to be a big problem. Our argument is that there's nothing wrong with a living wage but it has to be de-politicised. Feel the Migration Advisory Committee needs to be doing more. Doesn't think that we're going to have a decision made on business rates by next year. BHA will reinvigorate the cut VAT campaign. Food Standards Scotland are drawing all restaurants, retailer etc. into the national obesity policy but some of the communications coming from there are naïve. BHA has just produced a nutrition guide to try to get more healthy heating.

- There are too many initiatives around healthy eating – better to get one initiative. Personal responsibility and education are important. All of this impacts on the costs of businesses.
- City hotel associations have had no consultations over city deals. Hearing back that despite individual connections with Fiona Hyslop, she has concerns that Derek Mackay/Keith Brown may be straying into her turf.

4) Review and Refresh of the “STA Tourism Industry Manifesto for Growth and Competitiveness Towards 2020:

- Manifesto – what boxes can we tick? This has to be our approach

5) AOB:

There were no additional items

6) Dates of next meeting:

- 13 September 2017, 2pm – 4.30pm, Edinburgh
- 29 November 2017, 2pm – 4.30pm, Edinburgh

Other Events - STA AGM/Autumn Conference: 3 October, RBS Gogarburn Edinburgh