

Meeting with Minister Stewart 5th October 2020

Introductions from Marc.

Minister stated the value of the call in understanding the challenges and the future aspirations of the sector. Acknowledged that he was in listening mode and wants to get a deeper analysis of the current state of play for the industry.

The Minister talked about the Chancellor's current package of measures and acknowledged that this might not be enough; he asserted that this is kept under constant review which is why meetings like this are important as they allow the industry to feed into policy development.

Mr Stewart acknowledged that although the Budget has been pushed back, that doesn't mean to say that there won't be further measures/interventions announced.

Minister very keen to get our thoughts on how things might be for the industry at Christmas.

UK Hospitality

Willi McLeod stated the terminal impact that the circuit breaker could have on the industry and also raised the point that with reduced number in hospitality, and the loss of non-family celebrations such as office parties, the outlook until the fourth quarter of the year is bleak. Traditionally the sector experiences a bleak period in the first quarter of a year so the next six months are of great concern in relation to whether businesses will survive and what shape they will be in if they do survive. Willie also referenced the joint letter sent to the PM last week which makes clear the state of the deep concerns from across the sector and the need for a better suited and more tailored package of immediate support for the sector – those business open and not open and the supply chain. He also stated he was not aware of any business he had spoken to who felt the new job support scheme would work for them.

ASVA

Updated the Minister on the headlines from the current survey. Only 25% of attractions are making any money ie they are not losing any money – they are mainly outdoor attractions, not city attractions, almost a third of businesses are not open at the moment; a lot of uncertainty created by local lockdowns, media portraying Scotland as not being welcoming to visitors in the UK, no events taking place at the moment which is a huge part of the visitor attraction. If a circuit breaker happens, this is a disaster for the industry – this is the last chance for businesses to make money before the winter period. Around a quarter of businesses feel that their businesses are not going to be secure over the next three months, also, the Job Retention Scheme has been a lifeline – over 90% of ASVA members have utilised the JRS. In relation to the Job Support Scheme, zero members have indicated that they will use the JSS – they can't afford it and it's not going to fill the gap. Deep frustration from their members about the JSS. The sector needs support to bounce back, it is a viable industry and jobs must be retained.

The Minister did ask if visitor attractions which have a charitable status would utilise loans if conditions were different. Gordon said that he would be surprised if any changed their minds on that.

Wild Scotland

64% of their survey respondents said that they will only have traded for four months this year. The survey also flagged up that sector specific support is needed. The latest restrictions have put greater pressure on businesses – the hospitality supply chain affects this sector. Highlighted that there needs to be greater clarity – businesses need clear information about the restrictions and what support is available to them. Desperate for further cash support to get their sector businesses through the winter – cash for adventure tourism operators to fulfil the demand for what they believe will be a fast-growing sector. Adventure tourism, like visitor attractions were flourishing before the pandemic. Businesses need cash and they also need investment in infrastructure, physical and digital. Victoria referenced how the adventure sector can play an integral part in the vision for recovery recently shared by VisitScotland.

Stephen Leckie

Lockdown didn't work, we're back to square one – why would we consider a second lockdown if it didn't work the first time? Questioned the effectiveness of a circuit breaker and emphasised the cost to the economy. Stated that a two-week circuit breaker would cost his business £800k and put them into a precarious position with the bank as they will not be able to make repayments on loans that they took to invest. Emphasised the importance of testing in much greater numbers, without it or a vaccine we remain in a limbo state.

Freda Newton

Talked about the problems around lack of planning – this is having a fundamental impact on the industry and we need to know more about what is likely to happen in the next 6 – 9 months. Fundamental too is getting the international market moving again, she also stated that their business will not be using the JSS as not suitable.

Marshall Dallas

Since the 18th March, the EICC has been closed and not permitted to open. The JRS has been a lifeline – survival for the EICC has been about living off cancellations' fees from clients. The business has been decimated since March. Very little business is left on the books for this year and for next year, the business in quarter 1 is beginning to wobble. Emphasised that they and all the events sector want to trade their way out of this, not looking for handouts but want to be in business. Minister asked about long-term viability of the conference sector – Marshall explained that there is business on the books up until 2028 and that the past six years has been spent driving international business to Scotland. Business from 2022 onwards is strong. 2020 and 2021 are difficult but 2022 is about where they need to be at this stage. If they can't trade by the end of the year, the future is most uncertain. Its costs £120k a month for the EICC to stay closed.

Alison McRae

Emphasised that city centre businesses are on their knees. How do we get through this gap of uncertainty? Hotel bookings in Glasgow were at 11% for October and November. Mentioned Glasgow's Economic Recovery plan. Airport connectivity, international travel and continued commitment to infrastructure investment such as SEC vital. Referenced recent visit of Mr Sharma and discussions re COP26 where expectations were now even higher.

Minister said that he hadn't been briefed on the likelihood of any immediate circuit breaker lockdown happening in England and decisions on any happening in Scotland were not in his remit but will share industry significant concerns with colleagues in Scottish Government. Asked that we do feed in collectively if there are specific interventions that our industry would like to see, and he will make sure that is understood.

Acknowledged the value of the meeting this morning and that he will make sure his Ministerial colleagues will be made aware of all our concerns and asks and the government is constantly looking for interventions and measures.

Marc closed the meeting referencing the soon to be published Task Force Report stating it sets out specific clear asks of both UK & Scottish Govts to support the sector's recovery and that a convening of UK and Scottish Government ministers together with industry representative from the Task Force to listen to and discuss these is what is being sought – he closed by saying the STA had also recently met with Alistair Carmichael MP and were convening with Douglas Ross MP tomorrow – he thanked Mr Stewart for his time and looked forward to more dialogue in the weeks ahead and the Scottish office's support of the sector