Scottish Tourism Emergency Response Group (STERG)

STERG Sector Update Session
Wednesday 28th July 2021

Present:

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<td>Association of Scottish Self-Caterers</td>
<td>Fiona Campbell</td>
<td>Scottish Agritourism</td>
<td>Caroline Millar</td>
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<td>Association of Scottish Visitor Attractions</td>
<td>Gordon Morrison</td>
<td>Scottish Tourism Alliance</td>
<td>Karen Christie</td>
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<td>Historic Houses</td>
<td>Andrew Hopetoun</td>
<td>Scottish Tourist Guides Association</td>
<td>Kenneth Bramham</td>
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<td>Hostelling Scotland</td>
<td>Margo Paterson</td>
<td>UKHospitality (Scotland)</td>
<td>Leon Thompson</td>
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<td>Independent Hostels</td>
<td>Gregor Barclay</td>
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<td>Night Time Industries Association</td>
<td>Donald Macleod</td>
<td>WildScotland</td>
<td>Victoria Brooks</td>
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<td>Sail Scotland</td>
<td>Alan Rankin</td>
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Apologies:

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<td>British Amusement Catering Trade Association</td>
<td>John White</td>
<td>Scottish Country Sports Tourism Group</td>
<td>Rory Kennedy</td>
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<td>British Holiday &amp; Home Parks Association</td>
<td>Jeanette Wilson</td>
<td>Scottish Guest House and B&amp;B Alliance</td>
<td>Sinclair Williamson</td>
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<td>Discover Scotland’s Gardens</td>
<td>Dougal Philip</td>
<td>Scottish Golf Tourism Development Group</td>
<td>Stuart French</td>
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Key Notes & Actions

1. Notes From Previous Meeting
   - Coach Travel
     K.Bramham previously asked whether specific guidance was available for coach travel. R.Graham advised that following discussions with CPT it was confirmed that there is no specific guidance for coach travel, only generic guidance issued to the transport sector.

2. Tourism Recovery Planning – Task Force Meeting
   - The Tourism Task Force was convened on 27th July to provide an update on the recovery planning process.
   - A status update was provided on the Phase 1 projects. A particular focus was placed on those projects with imminent launch dates: The Holiday Voucher Scheme (social tourism initiative); Days Out and International Demand building. A slide deck with an update on each of the projects is available and will be circulated with the minutes of this meeting.
   - Phase 2 of the recovery planning process was the main focus of the meeting and the Minister, Ivan McKee joined at that point. Toposophy, who have been closely involved in Phase 2, shared STERG’s recommendations for the Two Year Recovery Plan.
   - The recommendations consist of 13 interconnected strategic areas of focus which have been developed in consultation with industry and the public sector over the past few months. These recommendations are aligned to and allow for a transition back to delivering the core aims, objectives and ambition as is set out in Scotland Outlook 2030.
   - Seven of the 13 areas of strategic focus will build on the work which is already underway in Phase 1 and six new areas are recommended to address gaps in requirements.
   - Initial feedback was sought during the meeting, however, the Task Force have also been invited to provide written comments over the next 10 days. All feedback from the Task Force will be consolidated and fed back to the STERG working group who are continuing to develop the plan.
   - Phase 3 of the recovery planning process will look to identify and secure sources of funding to support the delivery of the Two Year Plan. There is concern about the availability of investment.
   - The following comments were raised by the Task Force:
     - There is an urgent need for Scottish Government to confirm a date for the resumption of international travel.
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- Investment in the Tourism Sector should be on a par with other sectors of the economy if it is deemed to be an important sector in Scotland’s economy.
- Clarity was requested on the eligibility for Tourism Investment Support.
- The relevance and aspirational nature of the Scotland Outlook 2030 vision was asked to be considered – is it still stretching enough?
- Scotland’s Towns Partnership is an important stakeholder and work must continue to develop this relationship.

**Action:** K.Christie to circulate the Phase 1 Project Updates and the Toposophy report with the minutes of the meeting. The Two Year Plan will be circulated once feedback has been gathered and built into the working plan.

### 3. Sector Issues To Be Raised At STERG

**Night Time Industries Association, Donald Macleod**
- Yesterday, (27th), the Glasgow resilience group, (members include the Chambers of Commerce, retail, aviation, transport, office development etc), met with Deputy First Minister John Swinney to highlight the following concerns:
  - Lack of engagement with hospitality prior to the transition to Level 0 on the 19th July.
  - Lack of clarity for the hospitality sector on the measures that will be required beyond Level 0, in particular, what will be the basic mitigations. This doesn’t only apply to night clubs and gigs but also to restaurants etc.
  - Music and art tourism has moved South in recent weeks as England has opened up.
  - With less than 100 days to COP 26 there is grave concern that Glasgow and the surrounding areas will not be ready. There is a significant amount of work to be done in the city to bring it up to standard and to ensure that delegates will have a great experience when they get here. This will take money to resolve, and Mr Swinney advised that there was no money available.

**Sail Scotland, Alan Rankin**
- A.Rankin and V.Brooks were notified last week that the funding for Phase 2 of the Marine & Outdoor Restart Fund may be at risk of being clawed back by Scottish Government. This is not an acceptable situation and shows complete disregard for the outdoor sector. A.Rankin and V.Brooks would like this to be strongly put to STERG that this is unfair and shows inequality to the sector.

> R.Graham updated that this issue was raised at STERG last week and in addition, an email received this morning indicated that the SGov Tourism team have been asked to provide further information to the Finance team to enable them to make a final decision. It was noted that this will again be raised at STERG.

- At the Task Force meeting yesterday one of the areas of strategic focus that have been identified is, “investing in globally competitive outdoor visitor experiences” – if money is taken away from the sector now, at this crucial time there will be no businesses to deliver on this future ambition.
- A 3 month timescale has been given for a meeting with the Minister, a request was made on 10th June and a meeting date has been confirmed for mid-September

**WildScotland, Victoria Brooks**
- V.Brooks supported the comments made by A.Rankin and reiterated that investment should be available now for businesses to ensure that they will still be there in 2022 to fulfil the demand for the outdoor sector which has been highlighted as an opportunity. These businesses need the ability to adapt, build
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and grow. The news of the fund potentially being taken away is a massive blow as there are many businesses who were not supported in round one. A strong plea should be made to STERG to push the case for the sector.

- It was emphasised that a meeting in September with the Minister is too late; there is a need to talk to the minister now about the future and the challenges of the outdoor sector.

Independent Hostels, Gregor Barclay

- Independent Hostels and Hostelling Scotland met with SGov officials last Friday (23rd). One of the main concerns taken from that meeting is that serious consideration is being given to modifying beyond Level 0. If there is any hold on measures such as, physical distancing in indoor public spaces or limits on indoor gatherings then this will have a catastrophic impact on hostelling businesses who have already made plans based on the initial guidelines that were set out. If modifications to beyond Level 0 are made, then it is likely that only 7 days advance notice will be given and that is not sufficient time for businesses to change their plans.

Scottish Agritourism, Caroline Millar

- Robust financial support will be required to support the 13 areas of strategic focus that were outlined in the Task Force meeting, there is concern that limited investment to partially support projects will not deliver the right impact.
- There is concern that tourism is still not seen as an important industry. There is a need to raise the awareness of the importance of the sector with SGov.
- The changes to regulations (cleaning protocols etc), which Fiona Campbell has been working on will be welcomed as there is currently a huge variation on what people are doing within self-catering properties. This will be a good opportunity to provide clarity.
- With the changes to Pillar II of the CAP, (EU Rural Development funding), there is concern that the tourism benefits derived from projects delivered through this funding, has not had sufficient visibility and therefore the funding gap that will emerge now that this EU funding has been withdrawn, will not be recognised. Historically this funding has been delivered through Agriculture and therefore tourism stakeholders may not appreciate the £m’s of funding which has been received. Within Agriculture there are discussions about replacement funding. There is a need to highlight this to STERG.
- There is concern that visibility of the initial ambitious plans for Food Tourism to “…unlock a £1bn growth opportunity…” has not been recognised as part of the recovery, particularly when one of the biggest trends during COVID is to buy local.

UKHospitality (Scotland), Leon Thompson

- Much concern within the hospitality sector about what is to come beyond Level 0 and what base line measures will be put in place.
- Hospitality continues to struggle with the ‘pingdemic’, disappointed that SGov continue to ignore the need to look at a test & release system.
- Staff shortages are crippling hospitality, many businesses are having to close or operate with a skeleton crew, this is causing additional pressure on the workforce and causing issues with customers. Staff welfare is a concern.
- The need for financial support is supported by a recent article in the business Insider which is reporting on the number of insolvencies which are starting to emerge. Tourism figures look significant at c. one third. It is recommended the article is shared with SGov.
- COP 26 is a showcase event and currently we are nowhere near ready to host. This has the potential to show Scotland and Glasgow in a poor light, serious thought is required to make this work.
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- It was noted the Ivan McKee had a meeting with Nigel Huddleston recently. It would be useful to have an update about what was discussed and to understand the pressure that Mr McKee is putting on his opposite number in Tourism in terms of financial support and other areas which others have asked about.

Historic Houses, Andrew Hopetoun
- A number of informal surveys have been carried out with members. Performance in the first half of the year is 15%-30% (average 25%), of the turnover achieved in the same period in 2019. In the absence of any further support this year will be worse than 2020.

Association of Scottish Visitor Attractions, Gordon Morrison
- The comments raised around the table today, highlight the fact that we are continuing to go over the same issues, but with no resolution in sight. Where once a sense of anger prevailed, there is now also a real sense of weariness from across the group.
- ASVA will launch a new survey to members next month, however it is already clear that the results will show that the sector is on its knees.
- There is concern that the SGov thinks that tourism is ok, this is not the case. Seasonal businesses are facing a crisis this winter, the 5 winter’s scenario is currently playing out and it is unclear what more that this group can do.

Association of Scottish Self-Caterers, Fiona Campbell
The following written comments were received in advance of the meeting.

- Cleaning Protocols
  The Association of Scotland’s Self-Caterers has welcomed updated Scottish Government guidance on keeping guests safe during COVID-19.

  By working proactively with policy-makers, the ASSC has clarified the self-catering sector’s approach to its cleaning protocols and specifically what operators should do if a guest tests positive while staying with them.

  Included in the revamped safeguards will be compliance with new Public Health Scotland guidance for non-health and care settings, with updated guidance on physical distancing and face coverings, whether properties should be left fallow between guests and laundry and utensil care.

  We are delighted to have worked with the Scottish Government, Public Health Scotland, and Infection Prevention and Control to create these more streamlined, common sense, and flexible rules as we prepare to get back to business.

- Large Self-Catering Businesses
  Larger self-catering properties that rely on multiple households have been under either full closure or restricted trading since Lockdown 1 on 24th March 2020. Despite re-opening on 3rd July, restrictions around social gathering were introduced on 10th September, followed by the rule of one household on 23rd September, with bookings therefore severely impacted from 24 March 2020 onwards. These businesses will continue to be affected until (indicatively) 9th August, having only been able to enjoy ten viable weeks of trading. There has been NO additional financial support, despite the SG having stopped these businesses trading. We have repeatedly asked for the underspend of the Larger Grant to be redeployed. These businesses are still unviable.
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- **STL Regulations**
  Last February the Scottish Government’s proposed self-catering licensing regulations were pulled at the last minute before the election in response to the high level of individual objections and by the reasoned concerns of the ASSC and other major tourism stakeholders.

  The Scottish Government then promised to engage with, and listen to, our industry through the Short-Term Let Working Group involving the ASSC and other stakeholders, with a view to introducing amended regulations this summer. Through the Working Group, the ASSC, with unprecedented industry support, submitted detailed and practical proposals for meeting the Scottish Government’s policy objectives on short-term let regulation through setting up a robust mandatory registration scheme.

  Sadly, this engagement only paid lip service to our industry. The Scottish Government rejected the ASSC’s proposals out of hand without any proper explanation. Now, in a new consultation – incidentally, their third in recent years – they have simply restated their original licensing proposals with a few amendments that, if anything, make the proposals worse for self-catering operators and the other tourism businesses that have now been caught by the legislation – this includes B&Bs, small guest houses and even yurts!

  Introducing licensing will result in significant damage to Scotland’s tourist industry, including the businesses that provide services to property owners, and, in turn, to local economies: Hospitality (restaurants, bars, and tea rooms), activity providers, visitor attractions, and the onward supply chain (cleaners, laundry service providers, maintenance and so on).

  The irony is that the Scottish Government are pushing ahead with this when we are trying to recover from the economic damage of Covid-19 and for the longer term, and when staycations are being encouraged for sustainability/environmental reasons.

  Professional operators are apparently seen as collateral damage. Unintended consequences for Highland / rural? Loss in STL capacity, whether that is self-catering / B&B / other = more motorhomes on the road = a disastrous negative carbon footprint + loss of income to local communities. And zero positive impact on the affordable housing crisis.

  We would support all representatives on this call to help us to make this matter a critical issue: https://www.assc.co.uk/urgent-call-to-action-short-term-let-licensing-for-self-caterers-bbs-guest-houses-glamping-and-other-short-term-let-accommodation/

  *R.Graham advised that there had been unanimous support from the VisitScotland board to a recent paper presented on the future of quality. The paper has direct links to some of the comments made by F.Campbell, R.Graham will follow up with F.Campbell after the meeting.*

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Scottish Golf Tourism Development Group, Stuart French

In advance of the meeting, the following written comments were received.

- Furlough ends next month, no international travel - recovery funding out of the question as we now need continued survival funding.
- The SGTGDG has a zoom call with the tourism minister on Monday and will update you all with any relevant feedback.

Scottish Guest House and B&B Alliance, Sinclair Williamson

In advance of the meeting, the following written comments were received.
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- Lots of B&Bs in the highlands and in the East Coast resorts are really struggling with low occupancy and with managing debt repayment.

4. Meeting Close
R.Graham thanked everyone for giving up their time to join the call and assured the group that their views would be strongly represented at STERG on Thursday. The sense of despair from the group was acknowledged, as was the sense of frustration that the issues being raised are not being recognised or addressed.

The Minister has been invited to join the STERG Sector update call, as yet no final decision has been made, this is not acceptable, and we will continue to push for this.

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Next Meeting
Wednesday 11th August, 9.00am-9.30am.