Scottish Tourism Emergency Response Group (STERG)

STERG Sector Update Session
Wednesday 3rd November 2021

Present:

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<td>Association of Scotland’s Self-Caterers</td>
<td>Fiona Campbell</td>
<td>Scottish Country Sports Tourism Group</td>
<td>Chloe Forbes</td>
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<td>Association of Scottish Visitor Attractions</td>
<td>Gordon Morrison</td>
<td>Scottish Golf Tourism Development Group</td>
<td>Stuart French</td>
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<td>Sail Scotland</td>
<td>Alan Rankin</td>
<td>Scottish Tourist Guides Association</td>
<td>Kenneth Bramham</td>
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<td>Historic Houses</td>
<td>Andrew Hopetoun</td>
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Apologies:

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<td>British Amusement Catering Trade Association</td>
<td>John White</td>
<td>Night Time Industries Association</td>
<td>Donald Macleod</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>UKHospitality (Scotland)</td>
<td>Leon Thompson</td>
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<td>Independent Hostels</td>
<td>Gregor Barclay</td>
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Key Notes & Actions

1. General Update
   - VisitScotland’s current focus is COP26. This includes a STERG funding announcement tomorrow for the Destination Net Zero programme. It was noted that national coverage on this may be challenging so there is a strong regional focus.
   - A refreshed Phase 1 Recovery Projects update will be available w/c 8th November.
   - No further information is available from STERG on funding for the Phase 2 Recovery Proposals. It is unlikely that any commitments will be made by Scottish Government until after the Scottish Budget on 9th December.

2. Sector Issues To Be Raised At STERG

Wild Scotland, Victoria Brooks
   - Today Wild Scotland will launch a new brand identity, new website, updated code of conduct and best practice guidelines for members all of which are focused on the organisations four core principles of, Responsibility, Sustainability, Care and Excellence.
   - Operators in the outdoor sector remain concerned about winter. Referring to the survey, which was carried out in September, 48% of the sector were not operating sustainably, many operators will not be able to operate through the winter. 35% of operators were running with 2-3 months reserves and 10% had no reserves at all. The start up costs ahead of the 2022 season are significant for the outdoor sector, March 2022 will be critical and there is real concern among operators.
   - Mental health in the sector is a huge concern as we move into winter.
   - Outdoor Scotland workshops start on 8th November. 15 workshops will be held across the country. It was highlighted that the workshops are for anyone interested in the outdoor sector. Sector groups are asked to share details of the workshops with their networks. The link below provides further information.

https://bts.scot/outdoors-scotland-strategy/workshops-2/
Association of Scotland’s Self-Caterers, Fiona Campbell

- Two ASSC members took home prizes in the Best Green Holiday Home and Best Accessible Holiday Home categories at the European Holiday Home Awards 2021 ceremony in Malaga last week. Scottish businesses were also among the finalists in seven other categories.

Historic Houses, Andrew Hopetoun

- A member survey is currently underway. As soon as the findings become available, they will be shared with the group.
- AH suggested that the group consider how these sessions could be most valuable. It was suggested that discussions should focus on what needs to happen to prevent the current situation from getting worse rather than perpetual discussions about funding support which continues to be dismissed by the Scottish Government as there is no money available.

RD advised that the VisitScotland Industry & Destination Development team are keen to have more structured conversations with sector organisations moving forward. RD is currently working up plans with colleagues to establish the best way to do that. The intention is to have meetings with sector organisations through December and January to tackle two specific questions.
1. The purpose and value of the STERG Sector group.
2. Where should VisitScotland sit in relation to supporting sector organisations.

RD also noted that the aim is to ensure that the offer provided to sector organisations, either through the STERG sector group or through the IDD VisitScotland team is clear and well thought through. This is an opportunity to reset for next year.

Association of Scottish Visitor Attractions, Gordon Morrison

- It was noted that this is an incredibly difficult time for the visitor attractions sector as we head into a fourth winter. Businesses have no safety nets or reserves left. There is real concern about the future of the sector. It was noted that there has been no response from the Scottish Government on this.
- Take up of the Days Out Incentive scheme has been lower than expected. Feedback from ASVA members suggest two reasons for this:
  1. Whilst the sector was aware of the scheme from very early on, there were no details about what it would look like or when it would be launched. Businesses therefore couldn’t plan for it, so they made the decision to close.
  2. The current messaging from the Scottish Government is encouraging people to avoid crowded places, this is not the right messaging to encourage people to visit our attractions. As a result, members felt that this wasn’t the right time to drive demand and that financial support would be more beneficial.

RD advised that STERG and VisitScotland are reviewing the timing of what they do to ensure that the right public sector support, gets to the right businesses, at the right time.

RD noted that there were several COVID-19 points that he would like to pick up with STERG and Scottish Government clinicians one including Scottish Government messaging.

AH noted that they had looked at the offer and decided that it wouldn’t make enough of a difference to be worthwhile. It is likely that other attractions did the same.

AH highlighted that the Scottish Government are encouraging businesses to help prevent the spread of the virus by putting more mitigations in place however there is no business support available for businesses.
• ASVA members in Glasgow are reporting that the city centre is completely dead due to COP26.
• GM reinforced mental health concerns within the attractions sector.

Scottish Tourist Guides Association, Kenneth Bramham
• Findings from a recent STGA member survey were shared:
  - In 2021, 31% members had no work / 51% had fewer than 10 bookings.
  - Looking ahead, 46% of members have no bookings between October 2021 – March 2022 / 52% of members have less than 10 bookings.
  - From April 2022 onwards, 50% of members have no bookings, 46% of members have up to 25 bookings (for 70% of members this is only third of the bookings seen in 2019)
  - Domestic market, April 2021 – March 2022, 25% of members are reporting that the domestic market has been 80% of bookings. From April 2022 onwards, 15% of members are reporting that the domestic market is 30% of bookings.
  - Bookings in the cruise sector are looking healthy for next year, if these bookings go ahead, then it should generate good business for members.
  - There is still a lot of uncertainty within the sector, it’s unclear whether agents and operators that book tour guides are working to full capacity, if they aren’t then they could be behind with their own schedules and so guides aren’t yet seeing the work coming through.
  - The marketing team are working with VisitScotland to look at how the STGA can actively get involved in the Year of Stories.
  - KB would welcome a 1-2-1 with RD to discuss the opportunities within the sector.

Scottish Country Sports Tourism Group, Chloe Forbes
• Findings from a recent survey conducted in September was shared with the group:
  - 37% of businesses were fully open and profitable
  - 40% of businesses were open but had reduced capacity (due to lack of international travel)
  It was noted that over the last few weeks providers are beginning to see the return of US visitors which is positive.
  - 22.5% of businesses were open but had reduced capacity (due to financial restrictions or employment issues)
  - Issues highlighted were, ongoing recruitment challenges, concerns over STL licensing
  - Looking forward, 40% of respondents said that bookings in the next 3 months were good and 30% said they were adequate.
  - Other issues highlighted in the survey were:
    * Lack of market for dead game
    * Lack of funding or government support. Many businesses now running on reserves and although there has been more of a season this year in comparison to last year, there is now no funding left and there is no further support from the Scottish Government – this is causing concern.

Scottish Golf Tourism Development Group, Stuart French
• The new golf tourism strategy was presented last week to the Board of the STDG. Overall, it was well received. Individual member organisations will now consider how they will deliver the strategy. The strategy will be formally launched at the Scottish Golf Tourism week in March 2022.
• It was noted that the Board discussed in detail the mental health issues being experienced within the sector and how the strategy could accommodate a website to signpost help. It was highlighted that mental health is a very important part of the strategy.
• No email responses have been received from the Scottish Government in response to meeting requests.
• No response has been received on the Inbound operators round 2 funding support.
Hostelling Scotland, Margo Paterson
- The main season for Hostelling Scotland ended on 31st October.
- The sector has struggled with recruitment, so staff have been working incredibly hard.
- Overall, the season has been OK, better than expected.
- The cities, (Glasgow, Edinburgh, and Stirling) have done surprisingly better than anticipated, particularly in August and now due to COP26.
- Winter is a worry, that’s when money is spent on the properties. However, with 31 properties there is not the same level of capital funds that would have been available pre-COVID. There is a need to prioritise the work that needs to be undertaken.
- Bookings for 2022 are looking OK. International groups are starting to return and trade customers are becoming more confident.
- From 1st February Hostelling Scotland will be delivering the full hostel experience with shared accommodation being opened up once again, this will make a big difference.
- The Hostelling sector (Hostelling Scotland and Scottish Independent Hostels) would welcome a 1-2-1 with RD to discuss the sector.

Scottish Agritourism, Caroline Millar
- CM proposed that the group holds a facilitated, face to face session in the new year. This session would give the group more time to discuss and share what each of the sector organisations are trying to achieve and understand if there is any cross-over or opportunities to collaborate more. It was also suggested that there is a discussion about how sector groups can work collaboratively with Destinations and where VisitScotland fits within the overall picture.
- The new Agritourism strategy will be launched by the Cabinet Secretary for Rural Affairs and Islands, Mairi Gougeon, at the Scottish Agritourism conference in Perth next week. It is hoped that Scottish Government will help provide resource and support to deliver the strategy.
- It was noted that agricultural subsidies will be changing for many farmers and crofters, and this is driving a significant interest in agritourism or selling food direct.

Sail Scotland, Alan Rankin
- Cash flow is a significant challenge for the marine sector over the winter.
- There is particular concern in the cruise and charter sector, as it is very capital intensive. The cash required to keep these vessels going is significant. Businesses are very concerned.
- Fatigue (and burnout in some cases) is being experienced by operators across the sector.
- The new Sail Scotland website has now been live for a couple of months.
- Sail Scotland are encouraging businesses to think more about the travel trade and the use of customer incentives.
- A new CRM system for consumers and businesses is being put in place.
- Sail Scotland, in collaboration with the RYA, have submitted a response to the DfT consultation on strengthening the enforcement of safety laws for recreational and personal watercraft.
- Sail Scotland have submitted a proposal to Scottish Government requesting that the COVID-19 Ventilation Fund is made available to boats and not just properties subject to non-domestic rates. No response has been received from Scottish Government.
- The first interim report on Outdoors Scotland has just been completed. The report highlights the fantastic market potential which has been identified from the consumer research.
- Sail Scotland welcomes further discussions on the positioning of sector groups.
- Sail Scotland is currently planning their new marketing campaign which has been made possible by the VisitScotland Sector Marketing Fund.
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3. AOB
- RD advised that SOSE are to run an engagement tour across the south of Scotland from November 2021 to March 2022. The events will allow anyone within the region to meet with SOSE’s Chair, Professor Russel Griggs OBE, and Chief Executive Jane Morrison-Ross to put forward their views on what the priorities should be for the local economy.

Sector leads are asked to encourage all members in the south of Scotland to attend a local meeting to make the case for tourism and the sector they represent.

To find out more click on the link below:

SOSE’s first ever engagement tour to discuss future of South of Scotland economy
(southofscotlandenterprise.com)

4. Meeting Close
- RD thanked everyone for joining the call and for all the points raised.

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Next Meeting
Wednesday 17th November, 9.00am-9.30am.