

Tourism Sector Deal Update

March 2019

The Industrial Strategy

“The aim of the Industrial Strategy is to boost productivity by backing businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure”



- **Ideas:** encouraging the UK to be the world’s most innovative economy
- **People:** ensuring good jobs and greater earning power for all
- **Infrastructure:** driving a major upgrade to the UK’s infrastructure
- **Business environment:** guaranteeing the best place to start and grow a business
- **Places:** creating prosperous communities across the UK

The Government has also sought partnerships with industry through **Sector Deals**, which intend these deals to present significant opportunities to tackle barriers to growth, boost productivity in specific sectors, further collaboration, and ensure high-quality jobs.

The Tourism Sector Deal

- Led by Steve Ridgway, the industry underwent an in-depth consultation to determine what a tourism sector deal would look like.
- The consultation included 4 industry-led working groups, 300 responses, and 6 regional and national roundtables.
- The ideas were presented to the Tourism Industry Council in September 2017 and formally agreed, before a submission document was prepared by the BTA and presented to Government.



Ambitions

- ✓ A boost in **productivity** of 1% - that would mean £12bn extra to the economy by 2025.
- ✓ The UK as the **fastest growing destination** in Western Europe by 2025.
- ✓ Huge **skills uplift** resulting in 70,000 additional jobs with a total of 3.8m with a job linked to tourism by 2025.
- ✓ A **roll-out of Tourism Zones**, making British product and destinations the most competitive in Europe.

Delivery

- Productivity: a clear plan to extend the seasons, making British tourism product more efficient, for longer, and incorporating Business Visits & Events.
- Connectivity: a commitment to extending visas, improving surface access and transport, and facilitating digital connectivity.
- Skills Campaign: a big, industry-led 10 year campaign to shift perceptions about tourism and hospitality jobs and to encourage more people to join the industry.
- Tourism Zones: a new idea which would help bring together locations of real success, and areas that need more intervention.

Tourism Zones

Overview: Building product and encouraging the widest possible regional and national spread of international and domestic visitors

Place: Build a stronger sense of 'Place' and concentrate economic effort on areas where Tourism is dominant.

Leadership: Help encourage leadership from DMOs, Local Authorities and relevant bodies.

Defined outputs: Each will focus on the areas where the market currently is leaving gaps. It might be transport, it might be product. These outputs will be decided locally, driven by leadership.

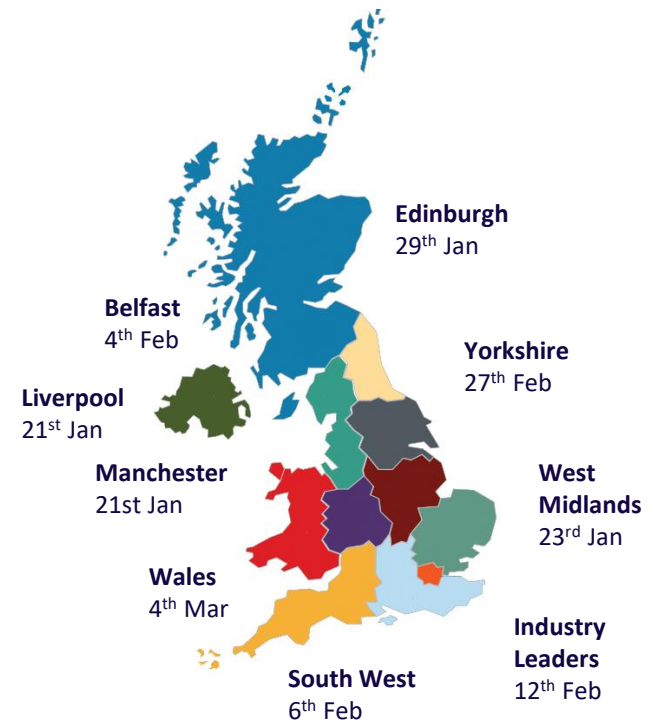
Ask of Government: A new pot of money concentrated at building place and tourism product.

In November 2017, the Government announced it would enter formal negotiations with the industry.

The Government agreed to consider and work on the sector's proposals for **connectivity, Tourism Zones, broadband & digital, and business visits & events.**

In return, the Government asked for additional commitments from the sector on:

- **Skills:** Making tourism and hospitality a career for life
- **Accessibility:** Making the UK the most accessible tourism industry in the world
- **Data:** Sharing industry data to identify opportunities in new/emerging markets
- **Accommodation:** Increasing accommodation capacity



Industry Commitments – March 2019

Using the insight, case studies, and data collected from these meetings the Tourism Affairs team produced a submission document for Government.

Government Ask	Industry Commitment
✓ Hotel Investment	The UK will lead Europe's hotel investment over the next five years.
✓ Skills	300,000 apprenticeships will be created in the sector over five years.
✓ Data Sharing	A data-mining centre to be developed to understand the customer of the future.
✓ Accessibility	The UK will be the accessible destination of choice

Next Steps

- The document has been submitted to DCMS, where it will form part of the appendix to the original sector deal bid.
- The bid will be reviewed by Ministers and Civil Servants, and a final decision on the Sector Deal will be announced in due course.