Culture, Media and Sport Committee

Oral evidence: Tourism, HC 614
Tuesday 27 January 2015

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Written evidence from witnesses:

- New Forest Destination Partnership
- Association of Leading Visitor Attractions
- Association of Professional Tourist Guide
- Booking.com
- Mayor of London
- City of London Corporation
- Local Government Association

Watch the meeting

Members present: Mr John Whittingdale (Chair); Mr Ben Bradshaw; Conor Burns; Tracey Crouch; Paul Farrelly; Mr John Leech; Steve Rotheram; Mr Gerry Sutcliffe

Questions 289-357

Witness[es]: Anthony Climpson, Destination Manager, New Forest Destination Partnership, Bernard Donoghue, Director, Association of Leading Visitor Attractions, Themis Halvantzi-Stringer, Association of Professional Tourist Guides, and Jason Grist, Area Manager UK, Booking.com gave evidence.

Q289 Chair: Good morning. This is a further session of the Committee’s inquiry into tourism. I welcome: Anthony Climpson of the New Forest Destination Partnership; Bernard Donoghue of the Association of Leading Visitor Attractions; Themis Halvantzi-Stringer of the Association of Professional Tourist Guides; and Jason Grist from Booking.com. To begin, will you give us a brief summary of how you see the present state of the tourism industry?
**Bernard Donoghue:** We do tourism really well in the UK. It is a great growth industry and we are very good at it, but we could be better. When asked, visitors from around the world regardless of their gender, age or country cite the reasons to come to the UK principally as culture, heritage and our amazing arts and presentations. We have work to do to make ourselves more internationally competitive.

It is staggering that this small country just on the outskirts of Europe gets as many visitors as it does, given our weather and size, but the compelling reasons to come are really clear. Every year more people go to the V&A, the Science Museum and the Natural History Museum than go to Venice. More people go to the British Museum and the National Gallery every year than go to Barcelona. So, despite our size we play well above our ability. But we could be doing better and some of the ways in which we could be doing that are largely in the public policy environment: things like VAT, air passenger duty and better support for the national tourist boards both internationally and domestically. I know that you have touched on some of those already in your inquiry.

**Themis Halvantzi-Stringer:** I completely agree with what Bernard was talking about. From our perspective as tourist guides we are exactly that: the people who promote cultural and natural heritage sites and those who spend the most time with tourists. According to a survey done by the Guild of Registered Tourist Guides, we spend between four and eight hours on average with a tourist, which means that we are the people who a visitor to this country will see first and foremost. At the same time, we are exactly the same people who the right hon. Matthew Hancock was talking about when he said that the backbone of tourism is small businesses. Each tourist guide is an independent small business that is tax-registered and registered for public liability, and we are doing exactly that: promoting and connecting visitors to the UK’s cultural heritage.

**Anthony Climpson:** Unusually for me, I am quite happy to sit in the background. Bernard did a great introduction and he is absolutely correct. For the purposes of your Committee’s investigation, I prefer to concentrate more on the local approach. Bernard has outlined and you have had lots of other material about the big picture internationally and nationally. I will refer to that, because that is all connected, but if we take my role as a destination manager as opposed to a tourism officer—we prefer the word “destination” simply because the big issue for tourism is that it is invisible. You cannot really see it; it is not a tin of baked beans or a car. Its ability to bring a community together is palpable when done effectively. Its ability to destroy a community, and indeed a local environment, is similarly just as palpable and the world is littered with examples of that—occasionally in this country. So my role, I believe, in
the 30 years I have been in local government—I did work in the private sector before that—is to demonstrate spirit, intellect, imagination and leadership in tourism development, helping decision makers, particularly at a local level, residents and businesses do their best.

Using the visitor environment resident business model we are all engaged; everyone is engaged in the process. It is important that we create great experiences to unlock the opportunities, socially, emotionally and economically, that tourism provides at a local level. In doing so, one of the great tragedies is that, in the vague idea that we are all competing with each other, destinations have often fought with each other, rather than work together. My residents are someone else’s visitors. Someone else’s residents are my visitors. We need to draw a much tighter relationship between destinations to unlock that potential, communicate much more cheaply to those target audiences, to unlock the potential.

The New Forest does not have a lot of money for tourism. We do research on volume and value at a very high level, and in 2012 we identified an income of around half a billion pounds direct from tourism. Those mathematicians among you will work out that, with a population of 175,000, that is just under £3,000 per head of population. It is a very significant industry and it provides a minimum of 15% of all local jobs. So my purpose in joining you today is to try and lobby for a connection between the local and the central; and I am sure we will cover some of those ideas a little further.

Jason Grist: I shall not go on too much more, but I echo what the others have said, as well. I come from an online background. I come from a global company, bringing many overseas visitors into the UK. We see an enormous growth in overseas visitors as well, and from our perspective there are many more opportunities out there for us to grow in the UK and bring more people in. I think there is a lot of work to do to make that happen—not least on Chinese visitors coming to the UK, to make that easier as well, which I am sure we have discussed as well.

Q290 Tracey Crouch: Our role on the Select Committee is obviously to hold the Department that we shadow to account, and therefore I just wanted to get an understanding of your view about the Government’s general approach towards tourism, particularly around, perhaps, policy development and whether or not you think that they take tourism seriously, and how this could be improved. I guess we start with you, Anthony, and move along.

Anthony Climpson: I alluded to the fact that I came over with William the Conqueror to the New Forest. I have been around rather a
long time. One of the great tragedies is that we have not really had a policy base of any real coherence in those 30 years, from central Government. We have had various things and we welcome the fact that recently VisitEngland was given its ability to market, for instance.

That is a really major step forward for destinations and local businesses; but for me the biggest challenge is to try and hold on to local government engagement with tourism, and finding a mechanism which could allow that to happen. There is an endless drift away from local government funding in tourism. I should be clear that it is not purely local government; it is using local government money to provide the services of a base by which the businesses can then fund activity at a local level which connects across destinations and also expresses itself as a national story as well.

So in very simple terms my big issue is the lack of that framework—that ability to create that connection—and the inexorable drift away from locally sponsored local authority funding to provide public-private partnerships at a local level to create a very clear story of what that destination has to offer and provide the material in which it can develop, on the back of it.

**Q291 Tracey Crouch:** Okay, we will drill down further into local government a bit later.

**Bernard Donoghue:** Three quick facts: the first is that at the last general election, despite tourism being the fifth largest industry and the creator of one in three new jobs, no political party made any reference to tourism in its general election manifesto, which I think is symptomatic of what happens back here in Whitehall when politicians are elected into government. As the Chairman will know, my previous role was at VisitBritain, so I have been appearing before this Select Committee for nearly 20 years. I therefore take a long-term view.

The long-term view is that tourism is incredibly successful and incredibly robust. Even at times of anxiety and depression, whether economic, or terrorism, or foot and mouth disease in 2001, tourism has an incredible ability to bounce back quite readily. This leaves the impression, particularly in the Treasury, that tourism as an industry, diffuse and successful as it is, requires very little support. Actually, the reverse is true. Because tourism is so diverse, because it is locally delivered rather than centrally, it requires a degree of co-ordination which does not happen in many other economic sectors. Therefore, the role of the Tourism Minister and the tourism unit within DCMS is absolutely
crucial to bring cohesion to all the Government Departments that touch on tourism.

My second point is that tourism is not a statutory duty in local authorities. When cuts have to be made, as they do, tourism is one of those that are cut first. Yet, the cut to tourism at a local level cuts into public realm; it cuts into services for residents, as well as the attractiveness of that destination, as we heard earlier.

My last point concerns bringing cohesion to all Government Departments. There is very little that comes across Helen Grant’s desk that she, as Tourism Minister, can execute that directly affects tourism. Most of it is in the Department for Transport or the Home Office or elsewhere. What DCMS can do is bring together Ministers who have a real responsibility for tourism in a cross-Whitehall Departmental council, something that Chris Smith introduced way back in 1997, which had the great benefit of a Secretary of State chairing it, which meant that Government Ministers from across Whitehall attended rather than civil servants. It meant that Government as a whole had a more forthright cohesive view of tourism and what they could do about it. That does not happen at the moment and we would look forward to that being reintroduced post-May.

**Q292 Tracey Crouch:** We have had people come before us who think that tourism is not best placed in DCMS. I get the sense that you think it is well placed in DCMS but perhaps could be higher up the agenda, rather than being shifted to another Department, such as the Department for Business, Innovation and Skills. Is that a fair reflection of your views?

**Bernard Donoghue:** You are absolutely right. There is a perpetual discussion about whether we should be a small fish in a big pond, like BIS, or a larger fish in a reasonably-sized pond, which is DCMS. My view is that tourism is the glue that makes sense of the Department of Culture Media and Sport. We provide the links—economic, social and artistic—between broadcasting, community, sport, the arts and culture. Recognising tourism as the largest single economic driver of DCMS would be a great step in that direction.

**Anthony Climpson:** Can I echo that point? In my work, tourism was absorbed into the wider economy. That has the advantage of seeing the benefit in terms of the wider economy. But Bernard’s point that tourism is unlike any other economic activity is crucial. It is very cultural, social and emotional. On that basis, it is not purely economic. One of the great dangers in all the work that I have ever done is to focus on the
economic at the expense of the environmental, emotional and social benefits that tourism can bring in welding a community together and allowing it to enjoy lots of other benefits, outside the purely economic.

**Themis Halvantzi-Stringer:** I completely agree with what has already been said. We can make a small comparison between what is happening in tourism in the UK, for example, where the Government have announced that they are going to cut funding to tourism by 5%—which was heralded as a big success, because originally it was 8%—and what is happening in France, where since 2013, year on year they have seen a 2% increase in its budget, you can get a better idea of what exactly is happening.

There has also been the introduction of certain bodies which do not necessarily co-operate with each other. For example, there is no representation from tourist guides in the council of tourism. There is no representation from the London coach forum. Those are crucial parts that could benefit the tourism council in its work and how it approaches tourism. Also, there is a general lack of understanding of what tourism is, what the different bodies are and what we are all trying to achieve together. For us, those are the big, important issues. There is also a lack of recognition for professionals working in the area who are trying their best to promote tourism and to give visitors and internal tourists a better experience.

**Q293 Mr Bradshaw:** How did the abolition of the regional development agencies affect the strategic co-ordination of tourism, and how are the LEPs doing in their place?

**Bernard Donoghue:** It is a completely different landscape. Regional development agencies took tourism seriously in different ways. For example, in the south-west, the RDA completely understood tourism and invested heavily in it, and saw that not only was tourism an important industry where you create jobs, but where you create and sustain communities. There were other regional development agencies that were less apprised of tourism’s benefits. The north-west was fantastically good at investing in tourism.

The net result of the abolition of regional development agencies was a reduction of millions in terms of the amount of public spending going into tourism infrastructure, training and marketing. In the absence of regional development agencies, it is a very unclear, uneven picture. Some local enterprise partnerships understand tourism and engage and do well. Some destination management organisations literally employ no staff and
have no budget, whereas Visit Birmingham, for example, has a budget bigger than VisitEngland, so it is incredibly patchy and inconsistent.

**Q294 Tracey Crouch:** I think Gerry is going to ask more questions about the local enterprise partnerships and so on, so Jason, can you tell me about your view, from an online perspective, of the Government’s general approach and policy towards tourism?

**Jason Grist:** It is interesting for me because this is the first year that my organisation has been involved in anything to do with public affairs or Government. This year, for the first time, I visited the British Hospitality Association, and I listened to Helen Grant talk about what we can do and what we are going to do. Bernard mentioned appearing before this Committee for 20 years—it is extraordinary that nothing has been done over 20 years. I am sure that stuff has been done, but nowhere near enough, first of all in terms of recognising the power of tourism in the UK, and secondly in terms of investment in many destinations around the UK.

We are now seeing an extraordinary growth and rise in the internet. There are different ways of arriving in this country, and certainly for our part we see a big growth from overseas. To help to drive that traffic the Government can be better at investing in destinations around the UK. I am sure we will come back to rural and coastal areas; we are doing our part in driving international and domestic traffic into those destinations, but there is no point in driving people into those areas if you are not going to have a product—the people and the communities—that makes the experience good enough so that people come back. That would be a poor investment. It starts with Government and investment, and then moves to what businesses, particularly small businesses, can do with that.

**Q295 Tracey Crouch:** Do you think Government understand that shift towards digital marketing and process, or do you think that they are still a bit behind the curve on how tourism is changing?

**Jason Grist:** I am probably not best placed to answer that, because I have not had that connection. In the conversations that I have had with various Members of the House, I definitely see that at a superficial level they understand the penetration of the internet into tourism, but some of the MPs to whom I have spoken have been really quite far off the mark in terms of understanding what is actually happening now.
Q296 Tracey Crouch: Do you think that the tourism council has the right remit?

Bernard Donoghue: No. Its remit is currently partial—at the moment it is limited to employment and job creation, which are important, but only a subsection of tourism. Tourism is complicated and complex and requires a comprehensive cross-departmental response. Both as ALVA and as the Tourism Alliance, we would like to see a reintroduction of a tourism council that has representation from all Government Departments and the devolved Administrations to look at a UK-wide response to ensure that we are as internationally competitive as we can be. If you are in Prague, deciding where to go for the weekend, the world is your oyster; bringing together the disparate parts of the UK to make that a compelling reason to come here is really important. We would like to see a much more comprehensive one.

Anthony Climpson: I would simply add to that that, for the reasons that Bernard has mentioned, there is similarly a disconnection between anything happening locally. Picking up on the RDA, there was a lot of money around through the RDA but there was just as much discombobulation between what one might call the middle ground of regionalism, the real ground of where the visitor experience takes place, which is at local level, and the centre. To answer your question about the tourism council, on top of what Bernard mentioned, a big area is that the same representation at local level is missing. There is absolutely no connection between anything going on. Any type of political intervention inbetween is completely in a vacuum.

Themis Halvantzi-Stringer: I agree. I seem to agree with everything that is being said. I would also like to see a bit more hands-on involvement from people who are dealing with tourism directly, such as ourselves. The Institute of Tourist Guiding is the Government-approved body for awarding the qualification for tourist guide in the UK, and it has not been recognised or invited to participate in the tourism council. That is a big problem. People who are facing tourists every day are not being consulted. Our opinions are completely lost. Also, this is a way that people can see how they can be promoted—we can recommend other places to visit because we spend so much time with tourists every day. We are always asked what is the best restaurant, the best café, what to see next or what else we recommend to see in the UK. This is a way of cross-marketing different sections of tourism in the UK.

Q297 Mr Sutcliffe: Just before I go on to the local agenda, Bernard, I don't know if this was an accidental omission on your part, but
in the beginning when you talked about the reasons why people come here, you did not mention sport.

*Bernard Donoghue:* Yes, that is a very good point.

Q298 *Mr Sutcliffe:* So you are saying it was an omission. It was not deliberate.

*Bernard Donoghue:* No, absolutely. If you look at the traffic coming from northern Europe and particularly the Republic of Ireland into the UK, which is primarily football driven—

*Mr Sutcliffe:* Old Trafford.

*Bernard Donoghue:* Absolutely. I remember when I was at VisitBritain we did a campaign in Singapore in about 2001. It was a joint campaign with Pepsi-Cola and Manchester United football club, to win tickets for flights from Singapore to Manchester to go and see a match at Old Trafford, stay a couple of nights and go home. Some 48% of the population of Singapore entered that competition. So you are absolutely right, and I include those coming to see teams such as Bradford Bulls as well.

Q299 *Mr Sutcliffe:* But that is not the main point of my question. Anthony, starting from his background in terms of local authority, talked about the issues with cuts to local authority budgets. My question is: how are local authorities doing given those pressures? Could they do more even with those pressures? Post-RDAs, how are you related to the local enterprise partnerships? In Cornwall, we were told that the Cornish LEP understands tourism, but in Devon, it doesn’t. So there are some inconsistencies. What are your views on the destination management organisations? Could they offer some help and support?

*Anthony Climpson:* That is a big ask. I think local authorities are no different to anything else in life. If you have the right people in the right places, things can happen. If you don’t have the people in the right places, things won’t happen. If you have people who understand the storyline, they find it much easier to make judgments about what they can and can’t have. As we all know, through the last long period of time, local politicians have had to make a lot of very difficult judgments about what to put money into and what to take money out of. Without question, finding a common narrative which allows us to express that effectively across the piece, politically, is very difficult. One of the things we need to
do is to dust off a couple of telling straplines that allow us all to explain the benefits of tourism in a way that everyone can understand.

To answer your question specifically, the reason why we have managed to hold on to our budget in the local authority is that I have been there a long time, I am bullish with our politicians and that is one way of protecting our money. Another way is the storyline and a third way is some form of intervention at a national level to find a mechanism by which local authorities that invest can be rewarded if they tap into the private sector purse.

The leads me on to your LEP and DMO comment. I am afraid that I am really disappointed. I was a recipient of the south-east regional development agency, which was absolutely hopeless as far as tourism was concerned, as far as I could see. We never saw anything whatever, and yet there was lots of money. I do not know what happened to that really, in terms of real effect, and that was a long period of time.

In terms of LEPS, our LEPS try hard, but they have a lot of competing agendas. In the south-east, we are a very high-tech, sci-tech, STEM-based economy, and tourism finds it very hard to tell its story in those competing bidding wars.

Finally, with DMOs, the big problem is because of one of the great joys of tourism, which is that each destination is different. One of the great celebrations of England and of the whole of the UK is that you can move 10 miles and have a completely different landscape and culture. It is very difficult therefore for destination management organisations to operate in a way that is consistent and connectable, but we must find a way of doing so. For me, I often work on the 60:40 principle, which says that 40% of the stuff could be done nationally in terms of coherence and connectivity, but 60% is going to be locally distinctive and needs to be, because that is the offer and what creates the competition and the value.

All in all, my big problem at the moment is to find a way to get local government at a local level to understand the story, to have the confidence to make political judgments based on that story and then to provide the commitment to see things through and to marry up with the local private sector.

**Bernard Donoghue:** I would simply echo that even when we had RDAs, there was an inconsistency of approach among them on the recognition of the value of tourism. That has been exacerbated and amplified with the plethora of local enterprise partnerships. Some get it very well, so in London—who you will be hearing from later on—they understand that tourism is not just where you create jobs, and jobs are created at all skill levels from no qualifications through to PhDs, but
where you create and sustain communities. It is also where you grow people—you grow people artistically, culturally and intellectually. London does that particularly well, as do Visit Manchester and Visit Birmingham. Some completely get it, but some really need to be pressurised and told why tourism is important, because often they do not recognise why it is.

Q300 Mr Sutcliffe: There was some criticism of Welcome to Yorkshire and the model it had identified, which is a subscription model of local authorities, private sector and any other partners that can get involved. Have you got a view about whether that could be spread around the rest of the country in that sort of format?

Bernard Donoghue: It entirely depends on the organisation. Some DMOs are entirely subscription based, so they have a membership, but some, in Shropshire for example, try to serve the whole needs of Shropshire, but do not have any staff or budget. So it does reflect the economies and the geography of the area. It also often reflects—this is not true wholly, but often—the political composition of local councils as well, such as in Manchester, which is largely a Labour one-party state, where you have had a very strong chief executive and a very strong chairman. I used to chair Visit Manchester and it was very easy to get things done, because you did not have to go through a lot of people and processes. That might be different in other parts of the country, because of their political complexion.

Q301 Mr Sutcliffe: I am interested in a suggestion from your perspective. Some of the small hoteliers and bed-and-breakfast places were complaining about the fact that they were having to pay organisations like yours fees to be able to advertise and to get out to that wider world, because local authorities and the players were not doing it. How can you see a partnership developing between organisations like yours and local areas?

Jason Grist: First of all, we are a commercial organisation. Whichever way you look at local government or commercial organisation, there is a cost. Whether or not you agree booking is a reasonable cost for a property, very small properties in rural locations and small seaside destinations have global access for the first time ever.

This goes back to the point the other guys were making about destination management, where we really have to invest in infrastructure. The door is already open; this is not something that is going to happen in the future. We are bringing Chinese, Japanese, Saudi Arabian visitors into small northern towns in Scotland and Northern Ireland—it is already
happening. For the first time, we are seeing a truly global audience, and small properties have never had that before.

It is not necessarily the responsibility of local government to provide those customers, and I imagine that most people would agree that it is great if business can provide those customers at a reasonable cost. But it is local government’s responsibility to support those organisations in making sure that the infrastructure is invested in and that the quality is there. As I said before about people coming back, the internet has changed everything. This is the way people will find out about these destinations.

**Q302 Mr Sutcliffe:** I get that point, and I support it—I think you are absolutely right—but the question is where the people I mentioned feel they fit in the pecking order in terms of destinations. It is about who should help them to work with you, and how, so that they can express the attraction they have.

**Jason Grist:** It is always a property’s choice who they work with. I am not sure what other people’s terms and conditions are for working with them, but we are extremely flexible. If you include cottages, we now have somewhere in the region of 26,000 or 27,000 properties in the UK. Each of those joined up independently; they were not forced into it. They choose to join, and we make it relatively easy for them. It is entirely up to them how they work on the platform—or on anyone else’s platform, for that matter. Because of the internet, it is now extremely easy to find platforms and people to work with to bring customers in.

What I love most about the internet is the fact that it is so transparent now. If you have a bad property, or you offer bad service in your destination, people can see that. As a customer, you can choose not to stay somewhere, whether it is a property or a destination. The opportunity is there for properties. I don’t know whether what you are getting at is that local government should be somewhere in that process.

**Q303 Mr Sutcliffe:** What I am trying to draw out from you, which I think you are telling us, goes back to the guy who was concerned that he was paying over his fee to a big organisation—it was not your company, but somebody else—when he could have been paying it to an organisation close to home that might help him a bit better.

**Anthony Climpson:** I am heavily involved in the process of understanding how to make the most of the opportunities. Indeed, when Jason and I were talking in the rest area, we talked about working
together to find where we can play to the strengths he was talking about, in terms of global reach and scale, as well as local input to make data as high quality as possible.

Jason is quite right: they are a commercial organisation. However, one of the things I find absolutely stunning about a lot of businesses in the tourism industry, particularly in rural areas, is not only that there is no career structure for a bed-and-breakfast person—in my area, they are mostly pension businesses, retirement businesses or lifestyle businesses, and I am talking about the very small, micro, one or two-person businesses, whether they are in accommodation or otherwise—but that they have no real knowledge or understanding of what they are doing. There is a role to be played in helping them to get the most out of the opportunity and to give the big online travel agencies the most high-quality information, and we can act as a broker in that process, not least to negotiate as fair a rate as possible.

My belief is that if you leave it purely to the free market, with the amount of traffic going online and using the big online travel agencies growing inexorably, there is a danger there won’t be an alternative. Certainly, my colleagues in destinations are looking at providing local alternatives, particularly for the second-time visitor, who might want to come back. They can book direct, at a local level, and all the money they pay goes back into the local economy and not anywhere else. However, Booking.com exists, and I want to work with Jason to find ways of enabling a much closer relationship between the two bits.

Q304 Mr Sutcliffe: That’s what I was trying to get to, so well done on that. Evidence that we received said that the GREAT campaign was very good. What is your perspective? Can it be improved and developed, and was it as good as everybody is telling us?

Bernard Donoghue: Yes, it was. Something that we knew about hosting the Olympics and Paralympics was that predecessor host cities had failed to invest in marketing their destination after the games. We had a wealth of information about that. Sydney failed to do it, and was compounded by the fact that it was 9/11 and an economic downturn. China certainly failed to do it, and Greece completely failed to do it. We learnt those lessons.

There were three great things about the GREAT campaign. First, it was a great national branding exercise and it was not a tourism exercise—we need to be quite clear about what it was and was not. Secondly, it meant that tourism and the way that Britain was marketed abroad were better understood in central Government, particularly in the
Cabinet Office, No. 10 and the Foreign Office. Thirdly, through that it brokered helpful relationships between things such as UKTI, the British Council, the Foreign and Commonwealth Office, and VisitBritain. It formed a sort of glue that brought all those organisations together to work effectively.

Many of us in the tourism industry would really like to see an evolution of that, and certainly a commitment on behalf of whoever comes to Government in May to continue it, because it has a great ROI. However, perhaps it needs a stronger tourism sense about it—customers directly asked to come to the UK. Countryside and sport may be great but explicitly asking people to come here and spend their money would be useful.

Q305 Conor Burns: You sort of indicated that you might be in the wrong LEP. Recently we heard evidence from people from my area, Bournemouth, where we are very complimentary about the work of the LEP, recognising how important tourism is to the economy in Dorset. In Bournemouth, we use the New Forest as a hook to get visitors in. Could you talk a little more about your collaboration with neighbouring areas? I notice that in the list of people you cite, you do not cite many people around you.

Anthony Climpson: In my written evidence? That is simply because I am the representative in the Tourism Alliance of destinations that have signed up to be members of the Tourism Alliance. That is the only reason that the list is as it is. To answer you question, we are an interesting place. When they originally drew the LEP map, we apparently were not in any or, should I say, we had a little boundary into the Solent LEP along our old, industrial waterside. Then the EM3 LEP was partially in—now, apparently, it is wholly in—the New Forest, and we are bordered by the river Stour, the Avon and the Dorset LEP. We are surrounded by LEPs. We are not particularly engaged with any, although we are learning to become more engaged. That demonstrates one of the big challenges—particularly on the point that you have just made—which is that Bournemouth uses the New Forest as one of its key attractions, as it does the Isle of Purbeck and the Avon valley and so on. That is how it should be because no one visits one place. If you are there for more than a day, you will move around.

My complete point on LEPs, on local government and on local destinations management organisations is that we should recognise that there are no hard boundaries and we need to come up with models that allow us to work with everybody. That is the real challenge. Up until now, one of the great problems is that we live in little boxes. There is very little
that is joined up. We are starting to learn that and tourism is an exact example of something that infiltrates and is affected by everything. That is one of the reasons that it is such a big challenge for people and why we hold on to the economic value, rather than all the other values. If I have a message to give you, it is how we can have a coherent relationship with everybody.

**Q306 Conor Burns:** I am really pleased with that answer because I think that something that we are hearing very strongly is that a lot of the sector’s asks are financial, which are unviable in the current climate. A lot can be done on the ground in partnership.

**Anthony Climpson:** Absolutely.

**Q307 Conor Burns:** I am certain that if you—I use you as an example because I know the area well, but I am sure that it is the case in many other parts of the country—reached out to neighbouring authorities and LEPs, you would find a very warm response. You should not be tied down just because you happen to be with one LEP when there is an offering on your doorstep that ties into your offering.

**Anthony Climpson:** Absolutely.

**Q308 Chair:** May I turn quickly to you, Ms Halvanti-Stringer, to talk a bit about tour guides? I think that you described them as qualified tour guides. How many of them are there, and how many unqualified tour guides are there?

**Themis Halvanti-Stringer:** It is very difficult to have statistics for unqualified tourist guides because they are unqualified and are not registered anywhere. At the moment, there are around 1,700 qualified tourist guides and registered tourist guides in England. Scotland and Wales are a different part and they count their own. But for unqualified tourist guides, it is anyone’s guess. There is no way of classifying them or of knowing the exact numbers.

What we term “unqualified” tourist guides can be people who are just working for a season or students who want to make some extra money. They might have been approached by one of the free tour companies and been told that they can make some money on tips which they do not have to declare in tax. They could also be qualified guides from other European countries who can come to the UK and work with their groups. That is a big problem for us because, according to the
definition, a tourist guide is a person who is area-specific. That means that I, myself, am originally Greek and I am qualified to guide in London but I am not qualified to guide in Greece.

**Q309 Chair:** When you say that you are qualified, what does that mean? Do you hold a certificate?

*Themis Halvantzi-Stringer:* Yes, I have the blue badge.

**Q310 Chair:** Obviously, there is the blue badge system, but not all qualified guides are blue badge guides.

*Themis Halvantzi-Stringer:* No. We have three different levels of qualification which are set, examined and awarded by the Institute of Tourist Guiding. As I mentioned earlier, that is the Government-accepted body for exactly that purpose. We have three different levels. The blue badge is the highest level and is equivalent to level 4, so it is possibly a university diploma level. Then we have level 3, which is a lower level and is for specific regions or parts of cities. For example, the City of London is a level 3 qualification. We then have level 2, which is for specific sites. For example, you can have a level 2 qualification in Hampton Court.

Levels 2 and 3 depend mostly on need and demand in the local areas. There is, interestingly, a level 2 qualification happening in Birmingham at the moment which is funded by faith groups in Birmingham and is specifically for guiding people who are interested in the different faiths represented in the city. The level 3 qualification of the City of London is sponsored by the City corporation. I hope that I have explained that differentiation.

**Q311 Chair:** In your evidence, you call for regulation, whereas most of the witnesses we hear from call for deregulation. Can you tell us what you would like to see?

*Themis Halvantzi-Stringer:* We are completely deregulated and we do not want regulation. The only thing we want is approval and acceptance of the Institute of Tourist Guiding as our awarding body and promotion of the term “professional tourist guide”. A great problem with that term reaches the consumer because you can call yourself a professional tourist guide if you want to but it does not mean that you are qualified to guide. As a blue badge tourist guide for London, I have undergone about 3,000 hours of learning time. I am not saying that someone else cannot have the same interest or do the same, but if they
are inclined to do that kind of study, why not become a professionally qualified guide?

Q312 Chair: So you are looking for greater awareness among visitors that they should look for people with qualifications, rather than just someone who claims to know their way around?

Themis Halvantzi-Stringer: Exactly, and that could be helped very easily and without a lot of investment through promotion by Visit London or VisitBritain, but there is no mention of professional tourist guides on the websites or in the literature. They actually promote companies which refer to local guides—they could be anything. The important thing for us is that we are all insured for public liability, which a lot of unqualified guides are not. We offer the customer an additional protection.

Q313 Chair: Bernard, would your members say to any visitors, “If you are going to employ a guide, look for somebody who’s got a qualification.”?

Bernard Donoghue: We would, and that reflects our membership. The attractions run by our members have more than a million visitors per year; that is anything from Warner Brothers to the National Trust, national museums and galleries, the Royal Collection and Historic Royal Palaces. They all invariably use qualified guides, because not to do so has an impact on the visitor experience of the attraction.

Q314 Mr Bradshaw: Will you outline some potential downsides of not using a qualified guide? What could happen, and what does happen in practice, to people and what is their experience?

Themis Halvantzi-Stringer: It is very difficult to say. It depends on the level of knowledge of an unqualified guide. Some unqualified guides are very good and can offer the customer a very good experience, but others are not. Unless you have a way of judging someone’s ability to deal with a group of people, there is no way of assessing their impact on tourists. The main thing is that tourists get the wrong impression of the country and because we represent cultural heritage, they can get the wrong information about what they are seeing or what is being sold—the brand of the United Kingdom. It is quite a difficult concept to explain.

Bernard Donoghue: We are very supportive of guides because, although apps are fantastic, they do not bring a building, or stories or
people to life in the way that an individual can. Qualified guides and the Institute of Tourist Guiding can do that and they specify that. It is through the enthusiasm, knowledge and advocacy of individuals that you can make a visitor experience much deeper, more personal and more immersive.

**Themis Halvantzi-Stringer:** We can also help because we are specifically trained to deal with group management. Some 40% of that 3,000 hours is spent on the practical issues involved in dealing with groups and how you are supposed to position them in different buildings, so we can help to protect cultural heritage. We do not allow people to touch. We know, for each site, whether they are allowed to take pictures. We had the recent incident of the school group from France that managed to throw water on one of the National Gallery’s paintings. We are very aware of the environments we are guiding through and we work very closely, as we were saying, with sites and cultural heritage attractions to promote them and give our customers the best experience. In addition, qualified guides work very closely with coach companies and with TfL so that we know where the appropriate places are for people to park, something that an unqualified guide from another European country will not necessarily know. We know the rules and regulations not only for different parts of London but for the whole country.

**Q315 Mr Leech:** In your evidence you refer to local environmental factors such as parking provision, air quality and traffic congestion having an impact on tourism. What impact are they having? You mentioned London, but we do not seem to have a problem with people coming to London. I would have thought that parking, congestion and air quality in London are as bad as they are anywhere in the UK.

**Themis Halvantzi-Stringer:** I am not an expert on coaches and how they are organised and regulated in London, but what I can say is that we have 382 coach parking spaces in London at the moment. Every day London receives in excess of 3,000 coaches, so you can imagine that that means you basically have a situation where customers are being dropped off, then the coach has to circle around, cannot find anywhere to park and comes to the pick-up point. That is all travelling time.

**Q316 Mr Leech:** I accept that that is a problem—it means that about one in 10 coaches can be adequately provided for on any one day—but is that actually stopping people coming or is it just an inconvenience when people are here?
Themis Halvantzi-Stringer: At the moment it is not stopping people coming, but we have to think about the future. If you look at statistics from King’s College online on air quality in London, you will see that we constantly fail on emission levels—especially in London—on an annual basis. That really has an impact on air quality.

Q317 Mr Leech: Does it stop people coming, though?

Themis Halvantzi-Stringer: It does not at the moment but it could do in the future. Also, the fact that there are not enough parking space causes problems for people who have mobility difficulties. The elderly market is two thirds of the coach market in London, so you can imagine that if you get rid of the coach spaces, you are basically excluding the elderly from accessing sites in central London. I mentioned 382 parking spaces: that is going to go down, because quite a lot of parking on the Embankment is going to disappear as a result of the introduction of the new cycle highway. Another 25 coach spaces are going to go in the new Covent Garden development; so they are reducing all the time. That will have an impact eventually because if coaches are not able to come to the centre of London, they will not come. In 2012, coaches brought in 47 million visitors.

Q318 Mr Leech: I would like to come back to the internet briefly. We have already said that obviously the internet has had a massive impact on changing the tourist landscape, but does it actually have an impact on the UK economy, or is it really just the organisations that are savvy about changes in the way we do our booking, doing significantly better by being involved with the likes of booking.com and your competitors, as opposed to those other companies who are not really pushing their products on the internet?

Jason Grist: One of the stats I looked at recently revealed that 43% of all travel had been booked across a mobile device, be that an iPad or a mobile phone. That says to me that it is a fairly hockey stick curve, in terms of the growth of the internet, if we compare that to 10 years ago. I think that transactional growth is much higher than it was 10 years ago. So it is very difficult to understand that the internet is not having a major impact on how people book travel.

It is not just how people book travel, in the actual transaction—as in, “I look at this property, I look at this destination and I’m going there”; it is also how people find travel. That is where it all starts. You could argue that it is a lot more circular than that; it starts with people’s experiences of actually coming to a destination and then looking for
something like it again, but the internet is absolutely not going to get smaller; it is only going to grow. It is a key factor in transactional growth in travel.

**Q319 Mr Leech:** But if people are coming into London as external tourists and then thinking about going elsewhere, I assume that the fact that they can book a room somewhere in the south-west online rather than thinking, “I don’t know any hotels in the south-west, I’m going to have to look in a brochure or do x, y or z to try and find a hotel” means that the easiness of the internet is driving tourists to other destinations that they would not have gone to previously. Is there evidence of that?

**Jason Grist:** I do not think it is necessarily the internet, per se, which is doing that. The internet is facilitating a decision-making process on a destination. People who come to London have already decided where they are going after London before they arrive in London. They do not book another destination when they are in London—the majority, I would say. There are some people, I am sure, who like to come to London and say, “I have got four or five days left. What shall I do with my time?” but it is pretty unlikely, I would say, that people are very last minute.

**Q320 Mr Leech:** My question was more about whether or not the internet has made it easier for people to find those other destinations, because finding London is not that difficult but finding an obscure little bed and breakfast on the Isle of Arran or in Cornwall is significantly harder. That has got easier as a result of the internet and driven traffic there.

**Jason Grist:** Then I would say that absolutely it is a key factor in people finding those destinations. Certainly, from the perspective of Booking.com, it is now very easy to find all those destinations and all those properties, and to get a lot of information on them as well. The fact that someone actually went looking for that destination in the first place has more to do with the experiences of other people who have been there, however they got there, which they have shared with those people, and the work of destination management companies. I am sure that, over the years, VisitBritain has put a lot of effort into making sure that people understand that these destinations exist, what they offer and how attractive they are.

**Anthony Climpson:** It is really important to understand that the internet is simply a new channel of communication. It does not do one thing or the other. It is what is on it that counts. Of course, it is much easier to find information on anything now. You just punch a word into
Google and it brings you up some links. It is absolutely wonderful for doing all of that sort of thing. The trick here is to understand that it is no different from what it always has been; it is just a different medium, therefore the important question is much more to do with how we market effectively in an international context and, indeed, even in a domestic context. So it is a marketing question. The answer to your question is that of course the internet makes it a lot easier to find out anything that you want to know. The point that Jason was making is: what do you want to know? What comes front of mind is a mixture of previous experience, marketing and the efforts of anyone to communicate a particular product.

I would just like to mention one thing on the marketing thing, because we have not really touched on that yet, although we did talk about the GREAT campaign. There is the example of Colorado, which is a really well rehearsed case study. In the early ‘90s, they pulled all of their marketing budget—they were the top state at that time—and in the space of 10 years they lost more than 33% of their market share because of a complete lack of co-ordinated marketing of Colorado. It took them another 10 years to get back to the position that they had lost 10 years previously. My answer to your question is that it is marketing that allows people to be aware of what is out there.

**Q321 Mr Leech:** The thrust of my questioning was whether or not the internet has actually driven growth in tourism, or whether it has simply pushed tourism in the direction of the people who are using the internet effectively.

**Jason Grist:** It has absolutely grown the entire market, because it has basically opened it up to many, many more people. The internet was not just this big 10 years ago; it was this big 10 years ago, and it is now even bigger. The audience has grown a hundredfold in the past 10 years. That has meant that not only international customers but also domestic customers travel a lot more. The majority of our customers in the UK are people from the UK. A lot of people would not necessarily have known about small villages up in Scotland, or a village nearby that they can stay in for the weekend after seeing a football match, for example. Those facts are now available to them, so the internet definitely has had that effect.

**Q322 Mr Leech:** I have visited Booking.com in Manchester, but, for the benefit of the Committee, how does it work in terms of getting new customers to advertise their property on your site? Do they pay something to join Booking.com, or do you just get a slice of the cost of their hotel room?
**Jason Grist:** Very simply, we are a marketing platform. We invite any property of any type—anything from a B&B to an apartment to a hotel—and there is a simple online sign-up process. There is a fixed commission for a property per transaction. When someone is on the website they have content: customers can see what their property is about and they can see pictures; they can go through a booking process if they want to stay there and if there is availability. The property is in control of its availability and its pricing—we do not get involved in any of that—and when someone stays and checks out, we will see in our system that it has not been cancelled or amended by the property, and we will therefore charge a commission for that transaction. To sign up is very easy; to leave is very easy as well. If someone does not like our service, they can leave with a two-week termination clause. Other than that, there is no other obligation at all on a property.

**Q323 Mr Leech:** Moving on to coastal communities, what way do you see of reversing the decline in visitors to certain coastal places in the UK?

**Bernard Donoghue:** This is the biggest tourism challenge the UK faces. If a Government could find a designated sum of money to restore particularly heritage coastal communities, that would be one of the greatest things they could do. This is partly because heritage communities and coastal communities in particular are highly dependent on tourism, or at least they have been so; they are highly dependent on seasonal tourism, and they often experience high levels of unemployment right the way throughout the year, which is exacerbated during shoulder months.

There are three things Government could do in partnership with local authorities and destination management organisations. One is to be more creative about taxes and business rates. We touched earlier on the impact of digital. One of the side effects of digital is of course that if you are buying things through Amazon, their business rates are incredibly low, whereas if you buy the same product in Oxford street or Regent street, their business rates are incredibly high. Local authorities and central Government could take a fresh approach to what business rates mean, particularly in the retail context. The second thing is to allow local authorities, particularly in coastal and seaside areas, to keep a greater proportion of business rates tax, so that they can reinvest it back into the public realm and their tourism marketing. The third is to allow the lottery agencies to be more creative and more entrepreneurial in terms of supporting commercial businesses in seaside areas, and therefore regenerating them through economic activity.
Q324 Mr Leech: Do you see the problems within coastal communities as being very different to those of all other tourist destinations?

Bernard Donoghue: Mostly, and that is largely because of seasonality.

Anthony Climpson: It is also because they are an entity which has been allowed to wither and die, and to bring them back to life needs a considerable amount of reinvestment. Without that particular issue, the problems of coastal tourism are no different to those of rural or countryside tourism. For us, in a rural area which is perceived to be very wealthy, although we have as much social deprivation in pockets of our community as anywhere else in the country, the really big issue for rural and, indeed, coastal communities, particularly the smaller ones, is infrastructure. It costs much more to connect a rural community to the internet. We have just spoken about the power of the internet and the fact that it has helped business per se, let alone tourism, but in our area 20% of our population will definitely be without a meaningful broadband connection until at least 2020. There are a lot of issues attached to that provision. I agree with Bernard about the efforts that can be made for coastal towns and small villages but, for me, the problem is not simply to do with the operation once it has been re-sorted. The infrastructural issues are still very challenging for many places outside our cities, because the cost of providing infrastructure is so much greater in fractured communities and over rural and coastal areas. That is a major operational cost and problem.

Q325 Mr Leech: Can you think of any specific examples of an area which has managed to get the investment that is required to regenerate, and any examples of areas which have not? The example that springs to mind for me is Blackpool: the super-casino would have brought significant private investment, as opposed to public investment, but it did not happen. Are there any examples where it has happened and has worked well?

Bernard Donoghue: I can think of one—it is a place to watch over the course of the next five years—and that is Margate. It is a classic example of the way in which art and culture is being used as the catalyst for greater economic regeneration. There is the Turner Contemporary at Margate. Wayne Hemingway is also coming into Margate and redeveloping the old heritage rollercoaster and the seaside resort. That is a good example of the local authority and Visit Kent working in partnership—by the way, Visit Kent is a very good example of the private sector and public sector working together for the benefit of all the
different elements, and I am not just saying that because Chatham is represented here today. It is a good example.

A bad example is yours, which is Blackpool. If political circumstances had been right and the *Daily Mail* editorials had been wrong, we would have had a very different set of circumstances and Blackpool would be utterly transformed.

**Anthony Climpson:** The other point I would make is that if there was a clear successful example, we would all be looking at it and following it.

**Q326 Conor Burns:** What about Bournemouth?

**Anthony Climpson:** As a Bournemouth resident and destination manager in the New Forest, I know I should have said Bournemouth, but what I am really trying to allude to is that there is no clear example that I am aware of that has got the package right and is flying high. Bournemouth does very well, but there are still some challenges there, as well you know, Conor.

**Q327 Chair:** We need to move on to our next session, so I thank the four of you very much for coming to see us.

**Bernard Donoghue:** Before we go, I would just like to say that we have been appearing before this Committee and its predecessor for quite some time. It is worth recognising that both Committees have been stalwart, consistent advocates for tourism and enthusiastic ambassadors for what we as this sector do. I know that for you, in particular, this is your last Committee inquiry into tourism so on behalf of the sector we would like to thank you for your great advocacy for Britain’s fifth biggest industry. If we can grow it and get better Government support, we would all be incredibly grateful.

**Chair:** Thank you very much for that. You are right that the Committee has always been strongly supportive of tourism. Let us hope that Governments of either colour pay it greater attention than perhaps they have in the past.

Chair: May I welcome to our second session Munira Mirza, the deputy Mayor for culture and education for London, Councillor David Burbage, who is representing the Local Government Association but is also leader of Windsor and Maidenhead council, and Chris Gottlieb, the chief marketing officer of London & Partners? Perhaps, as I asked of the previous panel, you might each give a very brief outline of how you see tourism in your particular areas at the moment.

Munira Mirza: To provide the wider context for London, the tourism sector is extremely important for the London economy, as it is for the wider country. Under the current Mayor and the previous Mayor, the Mayor’s office has been a strong champion of the tourism sector. We have devolved responsibility for promoting tourism to our agency, London & Partners, which Chris represents today. It has largely been very successful. We have seen the highest number of tourists to London from overseas, as a region in the UK London receives the highest number of visitors by far, and the Olympics had a huge impact in terms of promoting London as a place to visit.

I would make the point that we cannot be complacent about that success. We know that London is now competing with many other cities and countries around the world. Other cities are investing quite heavily in marketing and infrastructure. We know there are some structural issues in London—aviation capacity and the challenges around transport, congestion and so on. We feel it is important to continue public funding and also to raise private investment in promoting tourism.

We also think that London is a gateway to the rest of the UK. The vast majority of visitors to the UK come through London. Chris can talk more about the work that London & Partners have been doing to work in partnership with the other tourism agencies, which is very important. We see that as a benefit to London as well.

Chair: As we are on London, shall we stick with Chris and then come to Councillor Burbage afterwards?

Chris Gottlieb: London tourism has been doing very well. Over the last five years, growth has been at about 18%, but it is worth noting that world tourism over the last five years has grown by 23%, so I absolutely endorse Munira’s comments that we cannot be complacent. Also, when you look at the funding available for London and the promotion of London, we are outspent by Paris, New York, Berlin, Tokyo, Toronto, and Singapore. Virtually every other big city has more funding for promotion, so we absolutely need to make sure that everything we do provides a
good return on investment. Certainly, having been at the organisation for two years, I know that compared with other organisations that I have worked at, it is an incredibly lean organisation, and, hopefully, we do a good job.

**David Burbage:** Councils have long recognised the value of the visitor economy. We have invested £2.8 billion each year in culture and heritage. The challenges of austerity are large and great—tourism is not a statutory service for local authorities, but a lot of good work is going on. There are various destination management organisations. You have heard about the involvement of LEPs. We have the nitty-gritty of litter and keeping the environment and the street scene clean, which councils do for their residents as well as for visitors. Although there are significant challenges financially, we are well placed to support the tourism industry.

**Q330 Tracey Crouch:** As this inquiry has progressed, we have heard a lot of evidence from people saying that tourism in the UK is more than just tourism into London. A lot of people outside of London and the south-east feel that when we talk about tourism in Government, what we mean is people coming to London. Do you think that it is possible to increase visitor numbers to both London and the regions, or must they be in competition with one another?

**Chris Gottlieb:** Can I have a go at answering that question? We did a survey on visitlondon.com with a sample size of 7,000 people, so it was statistically robust. We found that 88% of people who came to London would have travelled internationally if they had not come to London. So the key message here is one of collaboration and partnership. London is not a competitor with the rest of the UK. There is no evidence at all to suggest that, as far as I have seen.

When we partner with the likes of Visit Wales—when we do a London-plus-Wales itinerary—there is a lot of evidence to show that that has a real impact on Welsh tourism, and it is why they are partnering with us again, so we would welcome partnership with the rest of the UK.

**Q331 Tracey Crouch:** What other partnerships do you have? Is it just Wales?

**Chris Gottlieb:** For our latest marketing campaign we are partnering with Visit Wales. We are also partnering with VisitBritain. For our latest big marketing campaign, where we anticipate a 250 million global reach, we will be partnering with other destinations around the UK.
and featuring them on the visitlondon website. That was the whole purpose of partnering with VisitBritain on the campaign.

**Q332 Tracey Crouch:** Do you have any other thoughts about London versus the rest of the UK?

**Munira Mirza:** Yes, to echo Chris’s point, the partnership aspect is key. The GREAT campaign, which the Government also spearheaded, is widely recognised as having done quite a lot to try and bring people together. The challenge internationally when attracting overseas tourists is that it is very hard to achieve cut-through. All the different agencies have very limited marketing budgets. We have to be realistic: London is the most recognised brand to the markets where we are already strong, but there are emerging markets where even London is not that well known and people are unfamiliar with what London has to offer. For instance, we know that 90% of tourists who come to London visit only the top 20 attractions. There are many more attractions in London that they do not know about.

I think it is about being intelligent and savvy about how we use the existing marketing budgets that there are across the different agencies. As Chris is saying, it is also about trying to extend people’s stay in the country, so that they don’t feel they can visit for just two or three days and then leave, but increase the possibility of keeping them here for a week.

**Q333 Tracey Crouch:** You clearly value the public funding of the GREAT campaign, but do you think that funding could be better targeted?

**Munira Mirza:** Perhaps Chris is best qualified to speak on that.

**Chris Gottlieb:** There is always room for better partnerships, isn’t there? Largely, if destination marketing organisations view themselves as competitors and try to out-shout one another, greater co-ordination is always a good thing. I think the GREAT campaign has done an amazing job of presenting a coherent voice under one banner, and that is really important for UK tourism, because there are extremely limited budgets. To cut through in the US, traditionally, if you look at the spend of big brands in the US, it is enormous, so you have got to be co-ordinated and prioritise. Those are the basic rules of marketing.
**Q334 Tracey Crouch:** You were talking earlier about partnerships with regional tourism boards such as Visit Wales or Visit-wherever. What role do you play or what partnerships do you have with local councils?

**Chris Gottlieb:** There are 33 boroughs in London with different areas. Our job is to promote London holistically. We look at the experiences that are going to appeal to the audience. We very much try to approach it from what drives the audience, as opposed to individual fiefdoms within it, and we do what we think is going to generate the biggest return on investment. For our leisure tourism activity, we have a GVA model, so we have an economist in the team measuring what we do, and that is independently audited by the GLA economics team. We strip out all additionality and we know that our leisure tourism activity delivers a 17:1 return on investment. We have to look at experiences and what drives tourism, and approach it from that angle, as opposed to boroughs and that way.

**David Burbage:** In terms of where people go, the internet has just unlocked the whole panoply of places that can be visited. Destination management organisations are very different across the country. London is obviously a big place and has a well focused offer, whereas Great Yarmouth or the Wirral might have a slightly different approach. The internet is unlocking the world. There is a huge increase in visitors from across the world, from China in particular. I was consulted not long ago in my own patch, which is Bray, because there needs to be a Chinese name for Bray. That is a reflection on how our patch is being marketed more widely.

**Q335 Tracey Crouch:** Do you think local councils on the whole are doing a good or bad job of promoting tourism at the moment? It is obviously not a statutory requirement. Do you see that some do it better than others? If so, why?

**David Burbage:** It is difficult to measure because there is such a different approach in different areas. They are different sizes and they have different offers and challenges. It is hard to say whether any are doing better than others in a structural way. Where a difference could be made is in the regulation and approach to visitor taxation and infrastructure—all of the issues the Committee has heard about. Those would make a fundamental difference, rather than whether a council is doing something slightly better than another one.
Q336 Tracey Crouch: Chris, in your opening statement you mentioned other cities in the world that are seeing bigger increases in tourism than London. What are they doing right?

Chris Gottlieb: That is a very difficult question to answer. I probably need to look at it in a bit more depth, to be honest. But obviously, if you take that 23% figure—we are a very mature market for tourism. People have been coming to London and the rest of the UK for many years. There will be developing economies that will obviously be starting from a much lower base and therefore showing much more growth. When you look at our key competitors, I think the growth is relatively similar to what we have been doing. It is more the developing economies that are showing bigger growth.

Q337 Tracey Crouch: Are we too expensive?

Chris Gottlieb: London is clearly an expensive city but, like the L’Oreal slogan, I would say it is “because we’re worth it,” in many ways. We have seen increases in tourism; there do not seem to be any decreases in tourism. We are putting on many more hotel beds so that there is a range, from economy to more upmarket accommodation. But most capital cities of evolved countries are expensive.

Q338 Tracey Crouch: But when we look at things like VAT rates in some of the countries that you mentioned before, they are much lower. Are you convinced by the campaign to cut VAT on accommodation and attractions? Would that help to drive tourism?

Chris Gottlieb: I will defer to Munira on that one.

Munira Mirza: We have not adopted a position on that. We would be open to anything that might stimulate the tourism economy. There are obviously questions about the tourism industry in terms of their reaction and what they feel would be the right measure to take. The point I would make about London is that it is regarded as an expensive city but it also has the best free cultural offer of pretty much any city. You can go to all the national museums and galleries for free, which many visitors are surprised by when they come here. Our research suggests that visitors are not as price-sensitive in that sense. There is a question about general access for domestic visitors and whether they can afford to come to London, which is a valid point.

In terms of what competitor cities are doing, there is always a need for London to refresh its offer and to sell itself in new, interesting ways.
The Olympics allowed us to foreground our contemporary cultural offer. The music scene, contemporary art, fashion, film—those are the sorts of driver that appeal to a younger generation of visitors as well. Relying on the old, traditional and very successful heritage sites which London has to offer is important, but we also have to think about varying the offer. We have been exploring with London & Partners, as well as others, strengthening the cultural tourism aspect of London, which we know is such an important driver. Eight out of 10 tourists who come to London say that culture and heritage is the main reason for their visit. We are thinking about ways that we can pool our resources and work together more effectively within the limited public funding there is.

**Q339 Chair:** In your evidence, you were very specific that London & Partners generated an additional £149 million and created 2,673 jobs in 2013. How can you be so specific? How do you come up with those figures?

**Chris Gottlieb:** As I said, we have an economist in our team who runs a model and looks at it. It is all survey-based. We are very conservative, stripping out additionality. We are then kept honest by the GLA economics team, which looks at the numbers; there is a bit of to-ing and fro-ing and they say whether they think we have got the numbers correct. I would say, having worked for over 20 years at a variety of companies, that it is certainly the most robust evaluation system I have seen. I worked for TUI UK, one of the largest holiday companies in the world. It seems an incredibly robust way of measuring. I am very open to sharing the methodology with you and getting our economist along, so that you can spend hours poring over the data with him.

**Chair:** Tempting offer.

**Chris Gottlieb:** If we have gone awry with one or two jobs, we are very happy to be challenged on that.

**Q340 Chair:** I am not sure we need quite that amount of detail. You are confident, but could you send a note to tell us roughly how that figure was arrived at?

**Chris Gottlieb:** Yes, sure.

**Q341 Mr Leech:** I think you were here for my questions earlier. We heard that there was only one parking space for every 10 coaches coming into London, and that the situation was getting worse with new
developments. Is there a danger that London is being a bit complacent about the difficulties that face tourists coming into the city?

**Munira Mirza:** The coach parking issue is something that we looked at in 2008. We worked quite closely with Transport for London on its coach parking strategy because it was clear that quite a few spaces were being lost due to redevelopments around the city centre. In fact, Neil MacGregor from the British Museum first raised the issue because he was aware that the loss of coach parking spaces near the museum was affecting the kinds of visitors who could come in, including schoolchildren and older people. It also affects the theatre industry in London because large numbers of people come on coach tours.

It is difficult to increase the number of coach parking spaces by a vast amount because of the nature of the development in the city but, with TfL, we try to make it easier for coach drivers to know where the spaces are and when they are available to try to regulate the system more effectively. That is one of a number of structural issues in the city about how we encourage more people to visit. It is certainly something that we can look at again. TfL is aware that this is a major route by which people arrive in the city.

**Q342 Mr Leech:** What other issues are stopping London from becoming more successful?

**Munira Mirza:** The main obvious issue is aviation, which the Mayor has talked about a great deal. It is a real barrier if people feel that they have to change a flight to come to the country; you cannot underestimate the importance of that. We are conscious of that and, as a country, we have to address that issue. There are other issues regarding visas. The Secretary of State spoke about the changes that the Government have made to the visa system, particularly for Chinese visitors, because that will be a growing market. Hopefully, some of the changes that they have implemented will make a difference there. Those are two important structural issues that need to be addressed.

**Q343 Mr Leech:** When you say aviation, do you mean lack of capacity at Heathrow?

**Munira Mirza:** Yes.

**Q344 Mr Leech:** Just Heathrow?
Munira Mirza: That is the main hub airport at the moment. It is widely known that the Mayor’s position is that that cannot be expanded in the way that some people envisage. I do not think that I am going over any new territory. There is need for a radical increase in the amount of aviation capacity, which will be important if London is to sustain its ability to attract visitors, not just on the leisure tourism side, but business tourism, which is a priority for us in London—it is a very big earner. We have seen a reduction in the capacity for a convention centre hosting events. We now have ExCel, which is the most important convention centre in London, and we need to be able to attract large business events to the city. Aviation is one of the barriers to delegates being able to travel direct to London—having flights that come to London. That is an issue.

Chris Gottlieb: Clearly, over the past 10 years, US tourism has dropped by 15% so a big priority area for me is the US. We would love to have more funding to target US citizens. Most of our activity is digital because that is the most cost-effective way of doing things, but funding is very tight.

Q345 Chair: A 15% drop is quite dramatic.

Chris Gottlieb: Yes—it is over the past 10 years. We have seen a little more of an increase over the past couple of years but it is dramatic. For UK tourism as a whole, the US is the priority area to focus on because it is the biggest market by volume and value.

Q346 Chair: What was that due to? What would you ascribe that drop to?

Chris Gottlieb: I do not have the definitive answer. There are a lot of theories. Clearly, the impact of 9/11 was very significant at the time, and US citizens were travelling less to the UK.

Q347 Chair: It was not just London? It was all outbound—

Chris Gottlieb: No, it was all outbound but I think that there was a particular drop in the UK. I need to look at the data versus other parts of the world. There is a theory—it is only a theory—that that special relationship between the UK and the US might be less than what it was with the rise of the Hispanic generation that might not feel as big an affinity to the UK as previously. Those are all theories; I do not have a definitive answer. We are trying to target our marketing activity towards the US.
In a couple of weeks’ time, we will welcome London’s official guest of honour, a 24-year-old Californian student who will have two weeks seeing the very best of London, including being taken around the Science Museum by Stephen Hawking, going to the Royal Opera House with Placido Domingo, and going to the All England Tennis Club with Tim Henman. It is going to be the ultimate tourist trip that we will showcase particularly to the US.

**Q348 Mr Leech:** Is there not a danger that there is more potential for the Chinese market to expand? The Chinese market is potentially far bigger than the American market.

**Chris Gottlieb:** That is a theory. At the moment, the Chinese market is London’s 36th biggest market. I will get the data slightly wrong, but I think there are something like 96,000 Chinese tourists to London and nearly 2 million American visitors to London. In terms of where you would focus your energy, we have done quite a lot of analysis on this and our view is that you go where the potential biggest bang for your buck is, which is why we have an economist keeping us honest. The view is that we should focus on the US, as opposed to the 36th biggest market for mass-market tourism.

**Munira Mirza:** Part of the challenge is that London & Partners have to get a return on investment immediately. Obviously, like any business, you have to think about the long term and where the future markets will grow. Even a 0.5% increase in the Chinese tourism market will, because of the numbers involved, have a huge impact. Part of the work we do at the Mayor’s office, as well as the paid-for marketing campaigns, is fund major events such as the new year’s eve fireworks and bid for major sporting and cultural events in order to raise our profile on the global stage. That is not about paid-for advertising, but it is about making sure that London is continually talked about as an exciting destination, because we know that the Chinese market will expand in the future and what we want to target is not necessarily just the mass numbers but the high-spending Chinese visitors. London is surprisingly good—very good—at attracting that portion of the Chinese tourism market compared with our European competitors.

**David Burbage:** In terms of the Chinese visitor, it is growing. One of the things that might be attractive to the Americans in 2015 is the 800th anniversary of Magna Carta, which is a really big thing over in the US due to how they came to be. There is a lot of work going on across the country, and certainly in my own patch near Runnymede, on the June events. There will be a flotilla down the Thames, jousting and all sorts of events that will no doubt bring in quite a lot of American visitors.
Q349 Mr Leech: Are councils working effectively with LEPs, business improvement districts and destination management organisations?

David Burbage: The straightforward answer would be that it varies. As we talked about earlier, the larger you are the easier it is to get things done. There are all sorts of examples of great work. I was in Lincolnshire last week and saw the efforts both in Lincoln city itself, with the castle and their heritage offer, and on the coast with Skegness and Mablethorpe. Yesterday, DCLG announced a number of coastal investments that will bring investment to visitor centres down the east coast. It is difficult to generalise and say that it is good or bad, but there is a lot of good work going on in lots of different places.

Q350 Mr Leech: Does it tend to be good in areas where people recognise that tourism is important, as opposed to areas where tourism could be important if the investment was there?

David Burbage: Yes, I think that would be the case.

Q351 Mr Sutcliffe: You have touched on the issues around the airport hubs and the problems that London faces but, in the absence of a quick solution, what can be done? What other thoughts are there for trying to solve this problem?

Munira Mirza: Do you mean in terms of broader tourism, putting the aviation to one side?

Mr Sutcliffe: Yes.

Munira Mirza: Obviously, continued public investment, to which the Mayor is committed, is important. It is also about working to raise private investment. London & Partners has a very assertive commercial strategy for trying to bring on commercial partners, and it is working with commercial partners on joint marketing. That is a key thing that Chris can talk about.

One of the things that we are keen to do after the success of the Olympics is to bid for more major events. It is now widely recognised among cities around the world that if you want to raise your profile, these major events are a crucial part of that. We have a sports team at City Hall which works with London & Partners to bid for those. We are also considering whether London should bid to host the World Expo in 2025,
because we know it has had a huge impact on Shanghai, which hosted it in 2010. That is another factor.

Some of the cultural projects that I just talked about are how we raise the profile of our cultural sector, the diversity of the cultural sector. If it is the case, as Chris suggests, that American audiences’ tastes are changing, London probably has a fair number of things to offer that are attractive to that market. There isn’t a silver bullet to deal with these issues. I think it is about working in partnership across the boroughs with the cultural institutions, most of which do not have an international marketing budget, to go for those kinds of event and activity that we know will get us PR and publicity. There are things like the Magna Carta celebrations and the Shakespeare and great fire of London anniversaries in 2016. Onwards, the experience of the diamond jubilee showed us that, when we work together collaboratively and use major events, they can have a huge impact around the world. They get publicity. It is about using the resources we have.

Q352 Mr Sutcliffe: I agree with that. Although the Olympics and Paralympics improved our brand worldwide—from visiting other countries, I know that it has grown and grown—the difficulty is then servicing the people who come through. Chris, in terms of the partnership working there, it may be a more short-term than longer-term solution, but I am thinking of your work within the regions, particularly in Yorkshire—getting people to Yorkshire, then getting them down to London, or the other way around. I think we can. I think about the Tour de France, in terms of the number of people who came.

Chris Gottlieb: Our major events team worked very closely on the Tour de France. That was a classic example of great collaboration for the benefit of both London and Yorkshire. We would absolutely encourage more examples like that.

Q353 Mr Sutcliffe: David, we have heard about the visa issue. How are localities putting pressure on Government to look at the visa issue? We have heard about China, but there are other issues around the world, aren’t there, in terms of people getting into the UK and the cost of visitor visas?

David Burbage: It is not something we have anything to do with directly. We would obviously want to encourage people to stay for longer.
Q354 Mr Sutcliffe: You are not putting pressure on the Home Office with other bodies? Does the LGA not have a position on visas?

David Burbage: Not from the culture, tourism and sport perspective, I don’t think so.

Q355 Mr Sutcliffe: But perhaps through other parts of the LGA? It is an issue that has come to us as a key issue for tourism: the fact that people can’t get repeat or long-term visitor visas.

David Burbage: We can certainly get some information about what the LGA is doing in that respect, but it is not something I am familiar with myself.

Q356 Chair: While we are on the LGA, obviously, if you devolve responsibility down to local government, you will always get a different pattern of priorities and performance. We have heard a lot about the success of the RDAs, which we are told is not being reflected by their successor bodies, the LEPs. What is your general perception in terms of the priority given to tourism at every level: by the RDAs in the past, by the LEPs now and by your members?

David Burbage: In terms of RDAs, there were some questions raised about their effectiveness. I think one of your previous witnesses asked where all the money went, which I think is a genuine question. In terms of LEPs, they are more local than the RDAs were, fairly self-evidently. In seeking bids from LEPs, the Government is looking for skills, infrastructure and housing. I don’t think tourism was necessarily in the first division of asks for LEPs. That said, a number of LEPs recognise the value of the tourism economy and are prioritising it in some of their schemes. Again, it is a diverse picture. I don’t think we are in a worse position than when the RDAs were around, and local destination management organisations are delivering where the larger and more remote organisations may have done so before.

Q357 Conor Burns: The area that you had the privilege of representing and the area that I have the privilege of representing have a head start on many other areas. We have got miles and miles of sandy beach; you have the obvious destination—the castle—and so on. Do you find many other local authority areas that you speak for where the challenge is that they haven’t got that central drag—that pull—of an obvious reason to go? Are we just spoilt, or is it just easier for us than it is for many other areas? For example, I was thinking of the forest earlier.
The forest is a vast area, whereas you have a concentrated pull, as do we.

**David Burbage:** We are fortunate in Windsor and Maidenhead in having the castle, Legoland, the Ascot racecourse and the Windsor racecourse. A lot of natural tourism comes in. Although it is seasonal, it is not as seasonal as perhaps the coastal resorts are, which do have that larger challenge. One of the issues in Lincolnshire, where I was last week, is that it’s a long way to get there, so they have issues with roads and rural broadband. I heard comments that it would be nice if there were wi-fi in all the towns. There isn’t, but there isn’t in my patch, either. So there is a lot of work to be done in helping destinations to achieve a good experience. It comes back to councils’ responsibility in making sure that the streets are clean, the public toilets are open, clean and not smelly, the water fountains work—the mundane stuff that will reflect well on an area. I think that would improve their reputation.

**Munira Mirza:** Can I just suggest one more point, which is where I think councils have been particularly imaginative in using events and cultural activity to attract tourists? Durham has worked with the arts company Artichoke to create a festival called Lumiere, a light festival that takes place in the winter months. It attracts hundreds of thousands of people. It was a courageous thing to decide that they were going to fund a festival like that through public investment. It has become a recognised date in the calendar.

I echo the point that was made earlier about Margate. Rather than trying to create a dedicated agency to try to copy what London & Partners do, which obviously is on a completely different scale, some councils are using the resources available and working with the Arts Council and other types of funder to knit together something that creates a magnet and makes them more distinctive in the marketplace. It is that kind of more creative approach that we will have to see in the future. Not every council in London has a tourism officer—a number of them were cut in recent years—but they are very keen to work with us on how they promote their cultural offer and use the platform that London & Partners can offer. That is the level of creative thinking that is needed.

**Chair:** Those are all our questions. Thank you very much.

**Witnesses:** Thank you.