Introduction
This paper provides further evidence to the EFRA Select Committee on specific questions raised by the Committee after the Tourism Alliance’s oral evidence session on 14th December 2016.

1. What measures should the Government adopt to tackle problems with recruiting and retaining labour?

The UK tourism industry employs 3.1m people (9.6% of the UK workforce) and has experienced considerable growth in recent years. For example, the increase in tourism revenue in 2015 alone was sufficient to create an additional 100,000 jobs in the UK economy and a similar increase is expected when the 2016 figures are finalized.

This growth has been greater than the ability of UK educational and training institutions to provide skilled workers. Furthermore, the scale of the problem of finding suitably motivated staff with the soft skills that the industry requires has increasing as UK’s unemployment rate has dropped to under 5%. The problem is exacerbated in rural areas where there is a smaller pool of potential workers.

This high level of demand for staff means that there are currently 10,000 unfilled positions in the tourism sector and that tourism businesses are increasingly reliant on workers from other EU countries to fill vacancies.

People 1st, the skills sector council for the tourism industry, estimate that the sector will require around 150,000 additional staff each year until 2024 due to the sector’s high growth rate. To cope with this, tourism businesses are already engaged in expanding apprenticeships, work programmes and retention drives. However, initial analysis indicates this demand cannot be filled by these measures in the short to medium term, exacerbating current staffing and skills shortages.

People 1st research also shows that the percentage of EU workers in the tourism industry increased by 46% between 2011 and 2015 in response to the tightening labour market, meaning that the UK tourism industry has become increasingly dependent upon EU nationals. As such, if the tourism industry is to continue to grow and provide the rural economy with growth, then a mechanism needs to be established by which businesses can source the staff required.

The agricultural industry has strongly argued to Government that a mechanism is required to gain employees from EU to harvesting crops. We believe that the Government also needs to develop a mechanism whereby the UK tourism industry continues to have access to suitably skilled European workers.
One way to achieve this is to reopen TIER 3 and have the Migration Advisory Committee work with People 1st to monitor staffing requirements of the tourism industry and develop criteria for allowing people into the UK fill shortages in the industry.

2. How are your businesses working to minimise the impact of visitors’ activities on the environment and character of rural policies?

The rural tourism industry is dependent upon the maintenance of a high quality rural environment in order to develop and grow. As such, tourism businesses are significant supporters of schemes aimed at protecting the environment.

There are many environmental protection schemes in operation within the tourism industry including industry wide schemes such as the Green Tourism Business Scheme. This is the largest sustainable national grading programme in the world and includes over 2000 businesses in the UK.

There are also region specific schemes such as the Peak District Environmental Quality Mark scheme which incorporates over 60 tourism businesses in the Peak District National Park.

However, the most effective way to protect the environmental in rural areas is through legislation and programmes that are aimed at enhancing the environment. One of the most significant of these is the current CAP programme. Over the 2014-2020 period the UK is expected to receive €27.7 billion in direct payments under the Common Agricultural Policy. Of the £3.5bn available under Pillar 2 (the Rural Development Programme - RDP), £3.1bn is allocated to environment schemes which support the rural tourism industry by enhancing the environmental resource on which rural tourism is based.

The UK government needs to ensure that a replacement funding stream is established when CAP funding ends in 2020. In establishing this new funding streams there is a significant opportunity to take a more integrated approach to rural funding that recognises that tourism is now a core component of the rural economy and that the maintenance of the rural environment is central to tourism development and, therefore, the sustainability of the rural economy.

CLA, National Trust and NFU, together with conservation organisations, are working on a replacement scheme, including what kind of transition programme there might for farmers. At the heart of this approach is the view that public money should pay for public goods and that a transition period would support farmers and other land managers to broaden their income sources, including from tourism. This approach should be supported by Government, which should also ensure that tourism is also included.
3. How effectively do planning policies achieve a balance between tourist business needs and environmental and amenity concerns over new development?

The tourism industry heavily relies on planning policies to maintain the natural and historic landscape on which the sector relies to attract visitors, to allow tourism businesses to be established and expanded within this environment in order to provide growth for the rural economy, and to prevent the establishment of inappropriate businesses that would degrade the environment and the visitor experience.

Because of the complexity of these requirements, the Tourism Alliance worked with DCLG to develop The Good Practice Guide on Planning for Tourism as guidance on how to develop for the visitor economy in a sustainable manner. However, when the NPPF was developed, the Good Practice Guide was replaced by a single page of tourism planning guidance, and this only relates to tourism developments in town centres.

As such, there is now no guidance on tourism development in rural areas and the resultant vacuum has resulted considerable uncertainty in the planning process. This has increased both costs and delays for tourism businesses as planning applications get bogged-down in the appeals process, resulted in inappropriate developments in rural areas where maintaining the environment was important for the tourism industry, and has restricted the growth of the rural economy.

The Tourism Alliance strongly believes that the Good Practice Guide should be reinstated in order to facilitate rural tourism growth by providing direction and clarify for both Local Authorities and rural tourism businesses.

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