Hospitality & Tourism
The Future . . . ignore or invest?

Ufi Ibrahim
Chief Executive, British Hospitality Association

The UK Visitor Economy

- £16bn overseas visitor income
- £8bn London

- £21bn Domestic Tourism
- £2.2bn London

- English Provinces, Scotland, Wales and Northern Ireland earn over £25bn

- Plus estimated £40bn annual day visitor spend

UK Hospitality Employment

- 2.4mn jobs
- 8% of total UK employment
- UK's fifth biggest employer

- Over 5% in 384 of 406 local authorities
- Over 6% in every LEP except the Black Country

- Hospitality GVA worth£46bn in 2010

Top ten jobs (as % of total jobs)

1	Kensington & Chelsea	16.8	22.0
2	Isles of Scilly	15.9	25.3
3	South Lakeland	15.7	22.5
4	Eden	15.6	22.9
5	Scarborough	14.9	21.7
6	Weymouth & Portland	14.8	20.2
7	Torbay	14.2	20.8
8	Gwynedd	13.8	19.9
9	Conwy	13.7	19.2
10	Westminster	13.4	18.0

Top ten by GVA (% of total)

1	Isles of Scilly	17.5	39.3
2	South Lakeland	11.3	22.9
3	Eden	10.6	21.9
4	Torbay	10.1	20.9
5	Kensington & Chelsea	10.0	17.5
6	Gwynedd	9.8	19.5
7	Conwy	9.5	18.4
8	Forest Heath	9.5	19.5
9	Weymouth & Portland	9.1	17.4
10	Scarborough	8.9	18.4

The Question for policy-makers…

A successful future industry for Britain

…so…

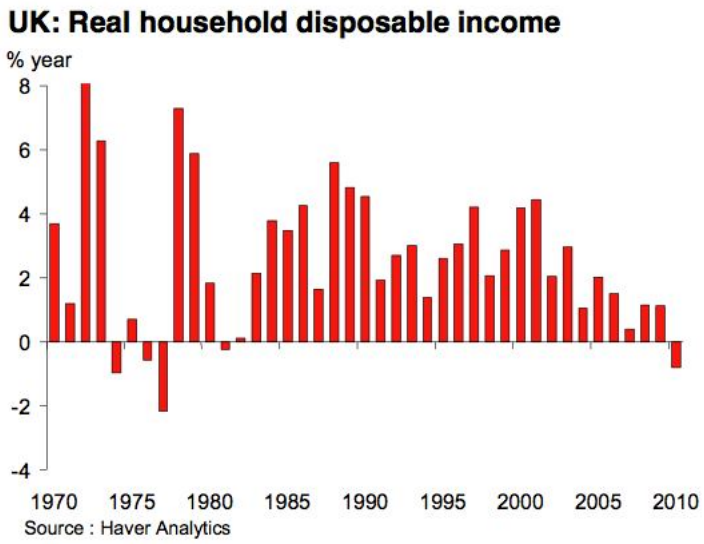
to ignore or invest…that is the question?

Prime Minister's objectives August 2010

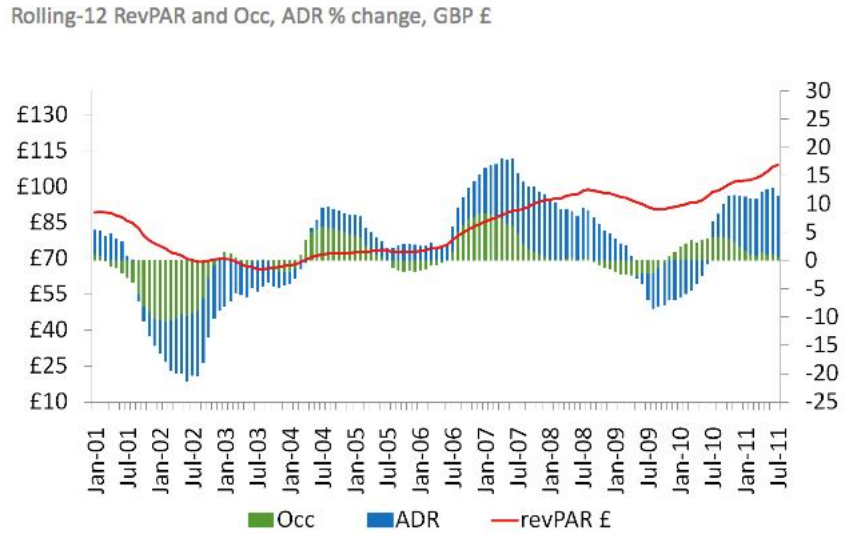
UK back in the top five tourism economies

Contribution of domestic tourism revenue to rise from 36% to 50% of total

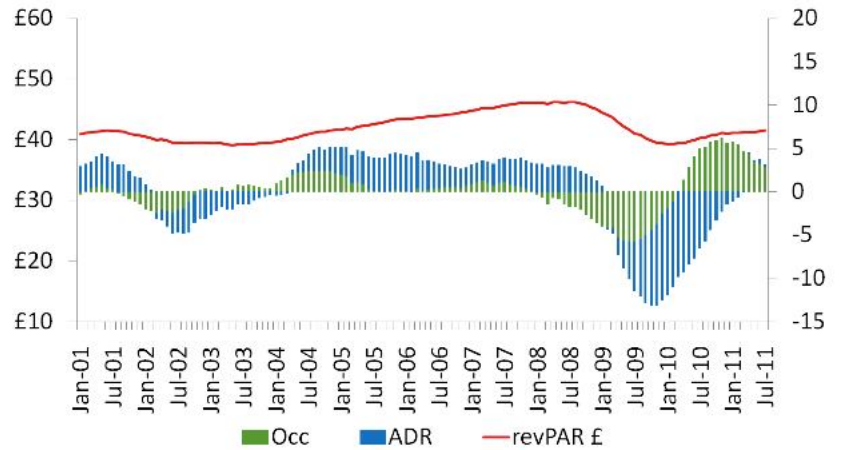
Against backdrop of negative RHDI…



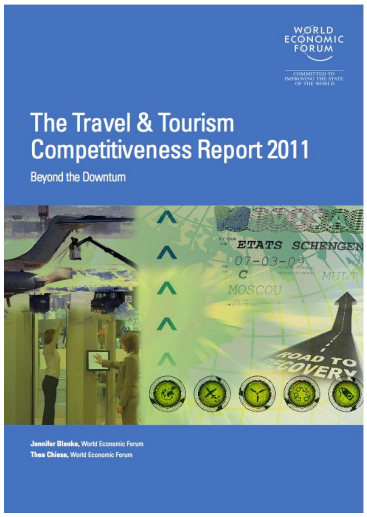
STR Global Stats London Performance



STR Global Stats Regional Performance UK



World Economic Forum Travel & Tourism Competitiveness Report



Underlining importance of public policy in stimulating private sector competitiveness. Governments can make or break hospitality and tourism success.

WEF T&T Competitiveness 2011 Top Ten

1	Switzerland
2	Germany
3	France
4	Austria
5	Sweden
6	USA
7	United Kingdom
8	Spain
9	Canada
10	Singapore

UK Strengths & Weaknesses
WEF T&T Competitiveness 2011

1	Presence of car rental companies
3	Human, cultural & natural resources
7	Prevalence of foreign ownership & Cost to start a business
9	Road traffic accidents
11	Environmental sustainability
63	Government prioritization of Travel & Tourism
84	Travel & Tourism government expenditure
95	Extent and effect of taxation
116	Fuel price levels
134	Ticket taxes and airport charges

Ticket taxes and airport charges
Bottom of the league

134	United Kingdom
135	Senegal
136	Ivory Coast
137	Mali
138	Chad
139	Timor-Leste

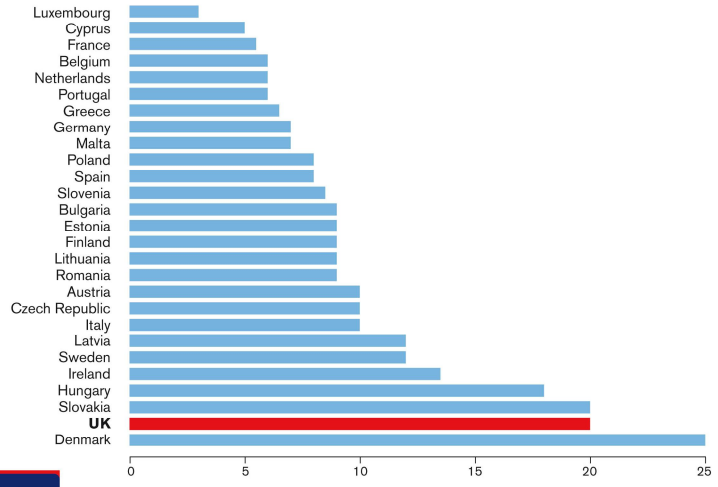
Opportunities....visibility

- Royal Wedding, Queen's Diamond Jubilee, Champions League Final, Rugby Union Championships, Wimbledon, Farnborough, Olympics & Paralympics, Cultural Olympiad.
- Visit Britain: 4.7bn viewers (70 per cent of the world's population) saw some television coverage of the Beijing Olympic Games .
- The 2012 Games is estimated to provide an additional £1.6bn Games-related positive media coverage for Britain and £2.34bn tourism gain 2007 - 2017.

The risks

- Red tape (SMEs tackle on average .... regulation with limited resources).
- Visa charges (58,000 cancelled UK trips in 209 owing to slow visa processing. 314,000 decided not to apply).
- Air Passenger Duty and VAT...

Rates of VAT for hotel accommodation in Europe (%)



BRITISH HOSPITALITY Association

The risks

- Demand displacement in 2012
- Government expenditure cuts
- Regional Growth Fund bypasses Tourism
- RDAs disbanded
- How can DMOs compete internationally with lack of funding and support?
- Localism – Awareness & Know-how?

Tourism beyond marketing…

- Tourism feeds entire communities… local crafts, shops, transport including local taxis … as well as investment, construction, agriculture and services.
- Properly managed also sustains natural, historical and cultural heritage.
- Therefore must be incorporated in Local Plans.
- LEPs, Local Authorities & businesses.

Future determined by local partnership…

- Champion tourism and hospitality local economy
- Establish partnership forum with business
- Ensure representation on LEPs
- Build into Local Plans for sustainability

Partnership…

A clear vision, a joint plan and unified action… leads to competitive success for local and UK plc