



HOUSE OF COMMONS

Digital, Culture, Media and Sport Committee

Oral evidence: Promoting Britain abroad, HC 156

Tuesday 21 June 2022

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Members present: Julian Knight (Chair); Steve Brine; Clive Efford; Julie Elliott; Damian Green; Jane Stevenson; Giles Watling.

Questions 263-341

Witnesses

I: Patricia Yates, interim Chief Executive, VisitBritain and VisitEngland; and Nick de Bois CBE, Chair, VisitEngland Advisory Board, and lead reviewer of the de Bois Review.



Examination of witnesses

Witnesses: Patricia Yates and Nick de Bois.

Q263 **Chair:** This is the Digital, Culture, Media and Sport Select Committee and this is our evidence session into promoting Britain abroad. We are joined today by Patricia Yates, the interim chief executive of VisitBritain and VisitEngland, and Nick de Bois, lead reviewer of the de Bois review, an independent review of destination management organisations. He is also chair of the VisitEngland Advisory Board, but he is effectively giving evidence here today on his views on destination marketing organisations. Nick and Patricia, thank you very much for making it in, rail strikes notwithstanding.

Nick de Bois: It is a pleasure to be here.

Chair: Do any Members wish to make any form of declaration? No. Thank you.

I alluded to the rail strikes. What does it say about our country that we cannot get around our major cities when we are desperately trying to recover from the pandemic? We have not recovered, in terms of tourism numbers, to the extent that some other countries have. What is your message and what pain do you think the sector will feel as a result of these rail strikes?

Patricia Yates: Hospitality has already said that it thinks it will lose around half a billion pounds just for today's strike. The worry is the longer term because we can see in consumer trends that confidence is not quite there. People are not quite ready to commit. There is later and later booking. If there is talk of a six-month window for strikes, you can see that will deter people from travelling around the country, which is absolutely what we are encouraging both international and domestic visitors to do.

Chair: Yes. It could exacerbate the problem that we have, where people just go to London and stay in London.

Patricia Yates: Yes. It is already the case that more than half of inbound spend is spent in London. Our job is to aid the levelling-up agenda—we were doing levelling up before it was called that—and get people to explore more of the regions and nations. Most international visitors will go on public transport because we drive on the wrong side of the road. Therefore, uncertainty about rail travel is a very difficult message for international visitors.

Q264 **Chair:** What will happen to your industry if we have six months of disputes?

Patricia Yates: If you think the industry has already lost £147 billion from that two-year lockdown, coming into this year they do not have big reserves. This is an industry of small companies that are hoping to trade



their way out of the disasters of the last couple of years this year and rebuild the industry. It makes it very difficult if they are—

Chair: Could it be the final straw for many businesses?

Patricia Yates: I think many businesses will find it hard to carry on this year if there is uncertainty about consumer confidence.

Q265 **Chair:** Obviously it is also about people getting to work in order to serve customers in the service sector. If, first of all, their customers are not coming in or are not going to be in increasing numbers, the problem you also have is staff getting in. There are already huge staff problems in your industry, as I understand it.

Patricia Yates: There are, absolutely. There is a long-term problem, “Is tourism a career of choice for young people?”, and there is a short-term problem. Many people left an industry that looked uncertain during Covid; the problem is getting them back quickly. You can see the impact of that at airports. You can see that some hotels are only able to run at 80% capacity, which affects their ability to make a profit. Difficulties there and uncertainty about staff being able to travel and to get in to work add to that during the summer, yes.

Q266 **Chair:** Patricia, against that backdrop, how is your five-year strategy doing? In the middle of that we had the pandemic and now we have this summer of discontent. What changes are you making?

Patricia Yates: We pivoted at the start of Covid to focus on industry support. We turned our international spend into domestic spend to work with the domestic industry. We did schemes like “We’re Good to Go”, which is showing that businesses were complying with Covid regulations, to build consumer confidence about travel.

As we come out of that, we obviously want to go for that international market. We can see that cities have been particularly hard-hit by the loss of inbound visitors, so we were out in the markets where we think we will see the value come back most quickly, including America—I was told at the Tower of London yesterday that the recovery is being driven by American visitors, which I would not disagree with—and northern Europe. Our strategy this year is to drive back value as quickly as possible and go for those markets where we can see value coming back.

Q267 **Chair:** We have been told that, for example, London has slipped behind Paris in terms of recovery. Paris, effectively, recovered at a much quicker rate than London did, despite the fact that we ended many of our restrictions earlier than they did in France. How are you going to judge that we are turning that around and that we are succeeding? What figures or numbers are you looking at that would tell you, “Okay, we’re back on track here”? Where do we stand?

Patricia Yates: We have the ambition of the Tourism Recovery Plan, which is to drive back recovery a year quicker than is currently forecast.



Post-Omicron, the forecast is that we will not recover until 2025. When you talk about Paris and London, I talked to you in South Korea about the need to have route development back. Our routes are still not back in play. I heard yesterday that from America, 115% of transatlantic flights to Paris are back and only 90% of flights to London. That is one of the routes where we have strong route development. If you look at Korea, there are 66 flights a month to Germany, 43 to Paris and 22 to London. Route development is something that will hamper our growth. We are predicting around £16.9 billion this year; that is down from £28 billion pre-Covid. We are focusing on driving international visitors to the city for the first part of this year¹.

Q268 **Chair:** You are £12 billion down on pre-Covid. How do you intend to make that up within two summers?

Patricia Yates: Focusing on the markets where we can see growth coming back most quickly. American arrivals just last week were down to about 88% of pre-2019 levels. That looks better than the rest of the world, which is down about 30% to 40%. It is picking the markets, going hard in markets where we can drive growth quickly, and in markets like China, where we do not see much optimism for the rest of the year, doing social media and keeping the ambition alive but not putting major resource in.

Q269 **Chair:** In South Korea we heard criticism that VisitBritain was not leveraging Britain's cultural assets enough. Basically, when we asked young people what they thought of Britain, there were mostly blank expressions and maybe Harry Potter would be mentioned. Although Harry Potter is obviously excellent in many ways, it is still a book from 20-odd years ago. How do you respond to that criticism and what are you doing about it? Maybe, Nick, you would also like to come in on this as well, looking at it from a top-down perspective.

Patricia Yates: What I heard in Korea was particularly the appetite for football. We have had influencers over to go to football matches where we have Koreans playing. I did interviews on YouTube with an ex-K-pop star about football in Britain. Indeed, we invited those people to come to the embassy party and we engaged socially with them. There is a real connection on football, which we lever—

Q270 **Chair:** That is basically because the Golden Boot was won by a Korean footballer. We cannot designate that every football team has a Korean in it. What I am suggesting is that our cultural offering seems rather limp in many respects, which is not something you would think about in relation to Britain. It was tissue-thin from our perspective.

Patricia Yates: We know that our appeal internationally is our history and heritage. That is a double-edged sword, if I may say so, Chairman,

¹ Note by witness: VisitBritain's international campaign is putting the spotlight on Britain's cities, hit hard by the absence of international visitors, as well as on messages of welcome and reassurance.



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because our history and heritage was the same 10 years ago and it will be the same 10 years in the future, and we need to drive visitors back now. The GREAT campaign is absolutely “see another side of Britain”, which is the experience that you will get if you come this year as well as that underlying bedrock of history and heritage.

The message I took from Korea was that London was well-known but other destinations were not. While we are talking about experience, perhaps we should have a more curated offer—fewer places but in more depth—in those growth markets that really do not know us at all. The campaign will run at full strength in America but perhaps look at more of a curated offer in those newer markets. That would be the message I would take.

Q271 **Chair:** Just a quick, cheeky question to you. How is editor-in-chief Jacob Rees-Mogg doing in terms of looking at your adverts before they are going out to the—

Patricia Yates: Are you asking me that?

Chair: Yes, I will go to you first and then I will go to Nick.

Patricia Yates: The Cabinet Office and Mr Rees-Mogg look at our activities spend. We are operating in a commercial and competitive environment and we are up against a normal government process. You know what that implies.

Q272 **Chair:** I do not know. Is he signing off on the adverts? Is he maybe insisting on a penny farthing to be thrown into your adverts?

Patricia Yates: They can take a while, government processes. I would say that VisitBritain was set by statute to recognise the fact that government does not have marketing and comms experience. We are not the normal Government Department with a comms function added on that the Cabinet Office is really set up to overview.

Q273 **Chair:** A more serious question than a bit of fun: has the input that comes from the Cabinet Office into what you are trying to achieve substantially changed in recent times or is it relatively similar to what it was before?

Patricia Yates: I would say that there is more oversight of public sector money, not surprisingly, and that applies to us as it does to other organisations. What that really means for us, to cut to the chase, is that our core funding has not been approved for this financial year. In markets other than GREAT we cannot spend money on trade missions, on PR activity, on bringing people over to Britain, or on trade engagement and telling the story of Britain, because I do not as yet have that activities spend agreed.

Q274 **Chair:** Nick, the back end of that is very interesting in terms of the hand-to-mouth existence that an organisation like VisitBritain has in that



respect. What is your feeling about our cultural offering and how we properly leverage that as an offer, without being some sort of Ruritania?

Nick de Bois: It is a key question. In a way, it goes to the heart of the non-south-east/London offer as well because in the regions there is much to be talked about. There is a huge offer in those areas that you are talking about, heritage and culture particularly. One of the benefits that I think will come from a clear accreditation process of DMOs in the tiered sort of structure that I am recommending is that this will allow us to leverage those offers in a much healthier, more obvious and more far-reaching way. The benefits are very clear. I often cite Bath. Only 8% of international visitors go to its heritage offer and it generates significant revenues, leading to the equivalent of £80 off the local council tax bill. The potential economically is huge, but with the current DMO network structures we have in place it is underachieving. That is where I would see us making a significant difference.

Q275 **Chair:** Basically, what you are suggesting there is highlighting three or four key locations in the UK that have an in-depth story—every place has a story, of course, but choosing the ones that are perhaps more easily marketable internationally—and focusing much more on those in order to bring people in off the back of those, not just London, with maybe some odd pictures from around the country.

Nick de Bois: Yes. To clarify, London is a terrific draw and it is a terrific asset for us, but one of the key opportunities from the DMO review is that if we put coherent, clear structures in place and get rid of this fragmented, varied landscape, we have the best opportunity of championing both the product and the offer, and getting regional dispersal of international visitors and new visitors, which I think will make a huge difference.

Q276 **Chair:** Finally, before I turn to Steve Brine, who will explore a little more how VisitBritain interacts with government, in our “Major Cultural and Sporting Events” report we argued that there was a worrying lack of detail about Unboxed international engagement. We have just received our response from the Government, which will be published imminently, and in that response they are saying that actually this has inflamed interest overseas. I see you are smiling, Patricia, at that idea.

Patricia Yates: It was involuntary.

Chair: Involuntary, yes. You unboxed your smile. They mention, for example, South Korea and how it was the talk of South Korea. Obviously, we were in South Korea and I can assure you that in no place, wherever we went, was Unboxed mentioned with any form of knowledge. Does VisitBritain agree with the Government’s assessment that Unboxed is delivering a dynamic programme of international engagement?

Patricia Yates: Unboxed is delivering a dynamic programme. I would say that when the ambition is a tourism ambition, that should be built in from the beginning. The Unboxed programme is brilliant and, yes, we do



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talk about it in international markets, but it was quite difficult from the beginning to find out what was going to happen where, which is what tourists want to know, as opposed to that creative energy that came through really strongly.

Q277 **Chair:** Has it impacted your marketing abroad in any way?

Patricia Yates: We have a great year to market Britain because we have had the Queen's Jubilee and we have the Commonwealth Games, which we have additional funding for and are absolutely focused on. Unboxed is part of that creative energy story that we tell, and seeing Britain differently.

Q278 **Chair:** They are queuing up to fly over to the UK in order to sample Unboxed?

Patricia Yates: Different strength in different markets. You have been to South Korea and you have seen it in South Korea.

Chair: We have, yes, thank you.

Q279 **Steve Brine:** It is noticeable that American visitors are driving the recovery here. You certainly meet them around. They must be hugely impressed with our country today.

My questions are about the purpose and structure of our tourism organisations, the different "Visits"—I call them the Visits—in general terms and then in specific terms. Going back to the point the Chair raised about the Cabinet Office, our understanding is that before any campaign can be launched, VisitBritain's marketing materials have to be signed off by the director for campaigns and marketing at the Cabinet Office, Conrad Bird, and the special adviser at No. 10, Meg Powell-Chandler. Now, Mr Bird is former VisitBritain, correct?

Patricia Yates: No, I think he was Foreign Office.

Q280 **Steve Brine:** I am sorry, maybe I misread that. Tell me, what marketing experience do those two characters have that you particularly recognise?

Patricia Yates: Conrad Bird ran GREAT. He was involved in GREAT from the very beginning and I know his experience there, and I think he is a commercial marketer by background.

Q281 **Steve Brine:** You know him well, do you?

Patricia Yates: I have known him for many years. I have not interviewed him for his job.

Q282 **Steve Brine:** But he is signing off your work, that is what I am saying.

Patricia Yates: He is signing off our work. I would say that that relationship is working quite well, with both Conrad and No. 10, in that obviously we are government-funded so it is quite correct that our funders take a degree of oversight. Their comments on the marketing



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campaigns have been constructive and I think have made the campaigns better.

Q283 **Steve Brine:** The No. 10 special adviser, Ms Powell-Chandler, is involved in signing off as well. Is it a two-stage process? How does it work? Do they sit down together?

Patricia Yates: I do not know how they work together.

Steve Brine: Surely you should know because it is your work that they are signing off.

Patricia Yates: I know we get signed off or we get comments on it, and we tend to get the comments together.

Q284 **Steve Brine:** What is the “Welcome to Another Side of Britain” campaign? Did you want to just say in a sentence for those watching? How would you summarise it?

Patricia Yates: Telling the experience of Britain in an unexpected way.

Q285 **Steve Brine:** We understand that you had to change the video scripts for that as a result of the dynamic duo’s oversight of it. Is that true? What was wrong with the scripts?

Patricia Yates: The advice on the scripts, as I understand it, was that we should have a broader range of places represented, which I fully take.

Q286 **Steve Brine:** Why did they then have to say that? Why did you not get that right the first time?

Patricia Yates: It is always good to get a view from someone who has not been involved in the production and to have challenge, and I would always welcome challenge.

Q287 **Steve Brine:** You are happy with that oversight? That is what I am saying. It has not always been the case, has it?

Patricia Yates: Given that we have to work the system, the oversight is working well.

Q288 **Steve Brine:** I used to be the Public Health Minister and I used to see all the public health campaigns. Public Health England would come and show me its storyboards for its campaigns. I did not try to second-guess its marketing experts as to the best way to put it; I was being informed because ultimately I was the one who had the democratic accountability and so I had some oversight, but I did not sit there and agree scripts. Do you think it is appropriate that a special adviser in No. 10, who is a former party political candidate, a former Conservative central office employee, is overseeing the work of VisitBritain?

Patricia Yates: That is the system we have to work within. It is our role to make sure we make it effective.

Steve Brine: I know it is the system, but is it a system that you agree



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with?

Patricia Yates: We were set up by statute, as I have said, to give that marketing and comms expertise, which it is recognised that government does not have. I would hope that we can move towards lighter-touch oversight. The comments and critique of our marketing, I think, at the moment are working well. It is the approval for activity spend, which is taking months, that is the real problem factor.

Q289 **Steve Brine:** You have pre-empted my next question. How nimble are you feeling if there is an approval process and how long is that taking? Presumably, they have other things to do.

Patricia Yates: They do. In a year in which we absolutely need to be nimble because America is going great guns at the moment, the Gulf is coming along and we might want to switch spend to that, we do not have that flexibility. We can do it with the money and we have the money allocated, but the pass process is enormously slowing us down.

Q290 **Steve Brine:** What sort of time delay would it be?

Patricia Yates: We got our funding settlement on the last day of the financial year, 31 March, and we have not had approval for international core spend as of yet.

Q291 **Steve Brine:** It is 21 June today, the longest day, my wedding anniversary. It is all downhill from here. It gets darker every day after today. I am just stating meteorological facts, Patricia, not making any comment—she is at work, luckily.

Patricia Yates: The good news is that late yesterday afternoon we got approval for the business events programme so that we can go out and promote Britain as a destination for business events, and we got approval for most of the domestic activity, but the international is obviously a worry in international markets.

Q292 **Steve Brine:** Yes, I would say it is. Here is what I do not understand, and maybe you can both help me with this. We have VisitBritain, we have VisitEngland, we have Visit Wales, and we have VisitScotland. There is a separate Visit Northern Ireland organisation, is there not, but also Visit Ireland, and they work together as one Ireland. Why do we have it all? If we have VisitBritain, why do we then also need VisitEngland, VisitScotland, Visit Wales and an equivalent body for Northern Ireland?

Patricia Yates: VisitEngland and VisitBritain sort of operate as one organisation.

Steve Brine: "Sort of" or do? They are two organisations, are they not?

Patricia Yates: They have been brought together to operate as one organisation, and what you get there are efficiencies. VisitEngland focuses on the domestic and supply side, building product for international markets, and I think that does work well. My colleague, I am sure, will have views on that.



Q293 **Steve Brine:** Is there a chief executive of VisitEngland?

Patricia Yates: No, there is not. I am the chief executive of both. Nick is the chair of the advisory board and then we have a chair of the BTA.

On the nations, tourism is a devolved matter. The Scottish Government funds VisitScotland and sets their priorities. VisitScotland is on our board and it is our job to work together closely with them to give an integrated view of Britain and Scotland in international markets.

Q294 **Steve Brine:** Are we achieving, Nick? It was interesting what you said about Bath underachieving. Is it as seamless as it should be?

Nick de Bois: I think Bath is, in many ways, a good example of the potential of overachieving. I perhaps look at it slightly from the other end of the telescope. They are an example of how much better we can do. Tourism, however, with the DMO structures we have in place, despite efforts, is underachieving its full potential. It is magnificent and I met an amazing array of skilled and passionate people, but it is definitely underachieving.

To your point about VisitEngland, let me be clear. When I took on the role as chair of VisitEngland two years ago, it was made very clear to me that outside in the sector they felt that getting England's voice heard was very hard. They felt that it was submerged and that it was not on the same level as VisitScotland, Visit Wales or Northern Ireland. I obviously came with that impression from within the sector.

My view is more nuanced. I am less worried about the structure and where it sits because there are synergies and advantages, I assure you, of where it sits within the existing structure, but I would say that VisitEngland is considerably disadvantaged because of, for example, the finances that are devolved to VisitScotland, which are something like six or seven times the core funding that VisitEngland has. Yes, it is disadvantaged in some ways. However, I am less troubled by the structure of how and where it sits than I thought I would be.

Q295 **Steve Brine:** Looking at the disadvantage, obviously you know that I represent Winchester. It is an hour from central London on a train in normal times—remember them? Is Winchester underachieving? It has a cathedral, the longest nave in Europe, the birth of the English language, Jane Austen connections—the whole package. There is a story there, a very good story. Who is putting together the offer for places like Winchester, which is an hour from central London, given that our international tourists fly in to the hub airports of London?

Nick de Bois: First of all, at an international level, of course, there is the GREAT campaign, which makes the offer for the UK, and within that there are obviously parts of the countries that are selected and reflected. Let me turn specifically to your point. Most importantly—I think you go to the heart of the matter—we had to recognise quite swiftly as I was doing the



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review that this tourism ecosystem is made up of so many different players.

I will not take the great city of Winchester as an example here; I will talk for example about the Lake District. If you go up to the Lake District, tourists visit not just because it has a great hotel, not just because it has a wonderful landscape and not just because of whatever the transport systems are. They are all interdependent and interconnected. You are not going to go back to look at wonderful landscapes if you have terrible places to stay, and so forth. The destination management organisations, as they are defined, are the glue that knits this together because it is unlikely that one single component of that ecosystem is going to champion and advertise an area or an offer as you have described it being packaged.

What that has led to, since government stepped back from funding in 2010 and decided to take a hands-off approach to the DMO landscape, is a plethora of DMOs, particularly in the south-east, I might say. You will have 40 to 60 DMOs at different levels, of which many overlap and many compete rather than collaborate. It is, therefore, underachieving.

Steve Brine: You could say it is a mess.

Nick de Bois: It is completely incoherent. I had a consistent call from every stakeholder in the sector who I met during the review to basically introduce coherence across the landscape. The fragmentation and variation was not just in the size, shape and structure; it was in what they do, what they prioritise and how they are funded, which of course leads to different priorities. There is no common thread.

Q296 **Steve Brine:** As a former Member, you know how this works when it comes to putting together our report on promoting Britain abroad, promoting England abroad. What would be the one thing that you would pull out of your review and ask us to highlight, bold and underline in our work?

Nick de Bois: I would recommend all 12 recommendations because they are quite interdependent. I will not go through each of them with you. It is a fine question and it does focus the mind, but it would be, in many ways, wrong of me just to say, "Introduce an accreditation system so that we can start to make sense of the landscape," when I cannot honestly look you in the eye, after a nine-month review, and tell you how many DMOs there are in this country. To introduce a coherence and, therefore, the benefits of that is obviously crucial, but then we have to talk about what they do. What is a high-performing DMO, what can it achieve and how will its success be measured? These are all reflected in the 12 recommendations.

Q297 **Steve Brine:** I think that is right. "Coherence" is a good word. Finally, with your indulgence, Chair, touching on the conversations that we had in South Korea, let us just look at the staples here in London. If you were



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running a pub, they would be your regulars: Buckingham Palace, Big Ben, the London Eye, Tower Bridge. Are they holding us back? When you fly in to London, do you think, "I really should go and see Buckingham Palace, especially at the moment," and, "I really should go and do Westminster and all of those staples"? Does that then take your bandwidth, so that you might not then get on a train to York and see the Shambles, where Diagon Alley is based for the Harry Potter series? Seoul is a fascinating city but it is not full of staples, and when you are in Seoul you can relax, enjoy it, wander and see what you come across. You do not feel that you are a slave to the palace, the Eye or Tower Bridge. Are the staples here in London holding back our international tourists from fanning out across the country?

Patricia Yates: In the short term, let me just say that those staples have seen a drop of 86% in their visitors at the moment. They are struggling because the international visitors have not been coming to London.

Steve Brine: That is a different issue.

Patricia Yates: In the short term, absolutely we need to drive people to London and the staples as well as to explore. The challenge is that you do not want people to think, "I have been to London so I have seen Britain." There will be a pivot as we go, to get people to explore other cities and to get on that train. I would say that London is the jewel in the crown and it is a stunning success story, is it not, but it dazzles, then, the eyes of international visitors to exploring the rest of the country. We have to use it to get people here but then drive them to explore more.

Q298 **Damian Green:** Can I pick up on some of the funding issues you have raised this morning, which I find fascinating and slightly terrifying? You did not get your overall budget until the day before you started having to spend it, and even within that you do not just get a budget; you have sections of it that need to be signed off by the Cabinet Office and some of those have not yet been signed off. Do I understand that situation correctly?

Patricia Yates: Yes, you do.

Q299 **Damian Green:** It is particularly the international section?

Patricia Yates: It is the international core budget. We get funding from GREAT, which has been signed off and is in market for the first quarter. The core budget, though, is the money from DCMS to deliver the Tourism Recovery Plan in all the other markets apart from the GREAT markets. We are absolutely dependent on it. We have not had it signed off yet.

Q300 **Damian Green:** Do you know when you are likely to get it signed off?

Patricia Yates: We are in a political process.

Q301 **Damian Green:** Is this normal or is this a different year?



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Patricia Yates: I think it has been particularly bad this year. We got our funding settlement at the end of March; we would normally get that pretty much when the comprehensive spending review is announced in November. In my time, which is fairly long, we would normally know that at the end of November and you would have applied for pass at the beginning of the year. It has all been a bit more difficult this year.

Q302 **Damian Green:** You will have to be politer than I can be. This strikes me as gross incompetence by the Cabinet Office and I genuinely do not know how you can do your job effectively if you do not know what your budget is. We are a third of the way through the year.

Patricia Yates: I would say that we are in extraordinary times. We are having to go out and compete to rebuild an industry, and I think all of government would share that wish to rebuild. That does mean that we have to be out in markets, competing. Like with any other export sector, we will not get it just by taking testing restrictions off and saying, "You can come." You have seen what the situation is like in other markets where other tourist boards are out, competing.

Q303 **Damian Green:** Do you think that the fact that you do not know how much money you have to spend, let alone where you can spend it, is contributing to the fact that Paris has come back faster than London even though we took restrictions off earlier than the French did?

Patricia Yates: It is harder for us to have a share of the voice in the market if we do not have any money to buy that. Yes, we are not competing as effectively as we could in markets. There have also been policy decisions made by Government that make that more difficult. The ending of ID cards and the taking off of VAT refunds on shopping make us less competitive than our European competitors.

Q304 **Damian Green:** I think that later some of my colleagues are going to encourage you to expatiate on the various other blockages. As I say, it is a new set of facts that the Committee has learnt—that the Government have not signed off your budget yet when we are nearly a third of the way through the financial year. I find that extraordinary.

Looking at VisitBritain itself, we have had some quite stiff criticism of it in written evidence. We had a joint submission from 20 inbound tour operators and DMOs saying that VisitBritain was regarded as "remote," lacking "understanding of sector trade channel requirements, and appear focused purely on digital marketing channels". What engagement do you have with trade organisations, that they are making that kind of criticism?

Patricia Yates: I would say we have listened to that criticism and have stepped up our activity. We have a seat on the main boards of UKinbound now and I am on the board of the Tourism Alliance. I think this comes from a background of some frustration from DMCs that they did not get government funding in London as DMCs did in Scotland—that was administered through VisitScotland. Our budgets, as we have already



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described, are very tight. We did indeed find some money in order to be able to fund them towards the end of the financial year. So I think the relationship has improved, both because of closer partnership working and because we were able to find some money from our existing budgets.

Damian Green: Things are getting better with the trade sector?

Patricia Yates: I would absolutely say things are getting better.

Q305 **Damian Green:** The other set of criticisms we have had was from the music sector. Various of the people who we took evidence from said that they had had little engagement with you, and Geoff Taylor, the chief executive of BPI, said that you have never reached out to them. He said it is probably an oversight on their part that they had not reached out to you either.

Patricia Yates: I think we have spoken since that evidence. I stepped up as CEO at the beginning of April. Obviously, there had been a period of Covid where we had not been out and engaging as we would like and as we should as the national board. We used to have really good links on music, and it is something that we need to rebuild. I will take that.

Q306 **Damian Green:** Is music a significant attractor of international visitors to this country?

Patricia Yates: If you think about history and heritage, the unique thing about Britain is that it is not just rooted in the past; we have fashion, we have music and we have film. We use those contemporary assets as well as the more traditional.

Q307 **Damian Green:** One last thought from the Tourism Minister, your Minister, who I heard say at an event last week that in the end the things that attract people to Britain boil down to the royal family, the BBC and football. Do you broadly agree with his analysis?

Patricia Yates: I would never disagree with my Minister but I think our appeal is broader than that. Those are key assets but I think our appeal is broader than that.

Damian Green: Nick?

Nick de Bois: I was admiring the answer, actually. That was very good. What I will say—and I have had the honour of sitting your side of the fence as well—is that I think the Government have been very well served by the current Tourism Minister.

Damian Green: Everyone agrees with that. We all think that.

Nick de Bois: I am pleased to hear that.

Damian Green: Nigel is great.



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Nick de Bois: That is terrific. It is a shame that in the last four years I think we have had four Ministers. That is something I hope stops. I have been sitting here and will still tell you that one of the problems with DMOs is that when you look across the landscape, it is really hard to know who to talk to. It is pretty similar in government when you think that all the policy levers are spread right out across different places, and I think the Minister understands that as a challenge.

As to how he would describe what attracts lots of people to Britain, I think there are a huge number of reasons but his words are always very welcome and his contribution is undoubtedly beyond question.

Chair: Thank you. There we go. You are on 10% commission, no doubt.

Q308 **Jane Stevenson:** Good morning. I want to go back to how we get tourists out of London and into our regions, and I was very interested to hear about the DMO debacle. It is just unbelievable that things are that disjointed.

In our evidence sessions in South Korea we heard from tour operators coming into Britain on their thoughts about barriers. We heard about very different types of tourists to attract. One chap was talking about younger visitors who want to go off the beaten track, who want to do different things, whereas older travellers might want a little bit more support and a structured tour. With the DMOs in their current position, how difficult is it for VisitBritain to talk to tour operators and suggest any programmes that would be multi-destination? What other barriers do you think there are?

Patricia Yates: I would say that one of the success stories of VisitEngland has been the Discover England Fund. It was funded to do product development for international markets, and that was in part to encourage DMOs to work together and to have more of a consumer lens. It was not just an individual location funded by a local authority but a much broader range, including the Great West Way, which basically goes down through the West Country. That has been enormously helpful in bringing product together to make it bookable for international tour operators. That tends to be the problem—that they do not want to deal with individual attractions; they want to package a region. Our role is to help with that.

Our focus internationally is on—I am going to use an awful marketing term—buzz-seekers, which is attitudinal rather than age. It tends to skew younger, and it is people who are more adventurous and want to explore more because obviously that ties in with getting people out of London. They tend to be less risk-averse, in terms of getting people back during Covid. We have, for example, at the end of last year funded some of the DMOs to help them to address that audience and to come in with a campaign, using our brands, to really drive visitors.

Q309 **Jane Stevenson:** Can you be confident that you are speaking to the best DMOs for each area? It sounds like such a mad jumble of organisations.



The fact that Nick does not know how many there are—

Patricia Yates: Funnily enough, it has probably been easier during Covid than it is now because during Covid everything has been virtual. We have just said, “We are going to do a DMO call, come on” and 170 people pitch up. We do not vet them², “Are you really a DMO?” To be serious, we need a structure that prioritises to make sure that we are spending our time, which is limited—and our resources even more limited—on speaking to the DMOs that can speak and act for a region. That is what we welcome in the DMO report—the pulling together of DMOs.

Nick de Bois: It is absolutely fundamental. The tiered structure that I propose does bring not just coherence but collaboration. No one, not one single visitor, will decide that they are going to go somewhere defined either by a local authority boundary, a BID district or whatever the DMO itself has currently chosen to do. They do not do that. It is not how consumers think.

The idea behind this is to introduce a level of regional tier—not going back to the past with the regional development agencies for all sorts of reasons—that brings collaboration not just within the region but beyond the regions in product development, for example, as well as reach and advocacy. If the support is there for this review by the Government, I believe it will put the visitor economy at the heart of place-shaping for decisions that are being made, which will help drive the visitor economy, the economic benefits and the levelling up that is so often talked about.

To the direct point of your question, there are some really good examples of what you are talking about happening now. However, this is the point about our inability to reach our full potential. My argument goes: if the Government really want us to stay in Division 1 of tourism and enjoy some growth that is below world average, then do nothing. Continue with the policies set back in 2010. If you want to be in the Premier League, then I believe that coherence, collaboration, accountability and reaching our full potential can be met by empowering DMO structures and the DMOs, who are full of some brilliant people.

Q310 **Jane Stevenson:** It is very interesting what you say. I presume your tier system could not just be geographical; it could be theme-based. In Korea, obviously Harry Potter came up a lot, as we have heard, as well as “Peaky Blinders”. After a shameless plug for Winchester I shall do a shameless one for the Black Country Museum, where that is filmed, and Birmingham with the Commonwealth Games. Do you think this tier structure would enable theming? National Trust properties, for maybe older visitors? Do we think we are missing out on that sort of collaboration?

Nick de Bois: I am acutely aware that government intervention can often make things worse, if we start drawing boundaries and we start

² Staff edited 29 June 2022.



defining a “one size fits all” solution right across England. I was absolutely convinced of that and I think the response from the sector has shown that to be the right approach, which is why I have introduced an element of allowing a coalition of the willing, as I call it, to come together to define their top tier. That could be a county, it could be one of our leading cities, it could be a coalition such as the east of England or the north-east, but it will meet the challenges and the opportunities of each area. If that includes them developing solutions that will promote tourism on the back of the film industry, which incidentally won a VisitEngland award for its contribution to tourism, so be it. I think that is right.

I did not recommend a thematic approach. I found myself getting into overly complex areas, trying to define “coastal” and so forth. I found it too restricting. However, the whole point about this structure is that it will be decided at that local or regional top-tier level what is best for that area.

Q311 Jane Stevenson: Just going back to Patricia, other evidence we heard was about the cost of visiting the UK. It was perceived as a high-cost option. London, obviously, is one of the most expensive cities in the world to visit. Do you think the cost perception that London is expensive is stopping people booking a multi-destination trip? We heard from a tour operator that was dealing in Italy, where there were three bases that everybody went to and it was much cheaper for tourists to travel about.

Patricia Yates: I got that message very strongly in Korea. In fact, after seeing you I went to speak to Expedia and said, “Where is our most expensive destination?” They said, “You are.” I questioned that because surely Switzerland is more expensive than us, but that was looking at what people were spending. It was real-time data. That is a problem for us at a time when our research shows that value for money and welcome are the two big drivers for destination choice.

I do think that in part it is because of our overdependence on London. Getting people out of the capital into areas that are cheaper, is a big part of trying to drive that perception. It is a challenge for us at the moment and it looks as if value for money and pricing will continue to be a consumer issue for the rest of this year.

Q312 Jane Stevenson: There seemed to also be a lack of knowledge of anywhere apart from London. They did not recognise some landmarks that we would all know, “That is in York, that is in Bath, that is in Birmingham.” How do we make that better?

Patricia Yates: I took that as well and that was why I was talking about doing a more curated offer. I think we are starting pretty much at zero. That would be my perception. Which places do you choose and how do you tell a more detailed story about them? Then, aligned to that, how do you tell the story of how easily you can get there? We sell a BritRail pass for international visitors, for example, so that there is a way of budgeting and not turning up on the day and spending huge amounts of money on



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trains. It is both “Why would you go?” and “How would you get there?” in getting people out of London, yes.

Q313 **Jane Stevenson:** What would your main list of barriers be to getting people out of London, for our Report?

Patricia Yates: Still, at the moment, it is, “Why would I go?” It is getting the infrastructure right, the planning, transport and destinations, and thinking of the visitor economy and how they are going to grow that in that area. Some regions do very well. I would say Andy Street in the West Midlands absolutely prioritises tourism, and he was saying how successful the business and tourism promotion that he has been doing around the Commonwealth Games has been. It is getting the local infrastructure to work and then telling the stories internationally in a way that has clear cut-through.

Nick de Bois: Domestic tourism advertising and marketing, of course, is extremely limited.

Patricia Yates: I think where Nick is nudging me is that I mentioned during Covid we switched our international money into domestic marketing. Coming out of Covid, Treasury has reverted to its view that domestic marketing is displacement activity. VisitEngland has no money for domestic marketing campaigns, which makes VisitScotland very happy because Scotland prioritises domestic marketing. It is doing lots of campaigns to drive English visitors into Scotland.

Q314 **Jane Stevenson:** Finally, what would your wish list be of Government to support what you want to achieve at VisitBritain?

Patricia Yates: The Tourism Recovery Plan has set up the inter-ministerial group so that all Government Departments understand the value of the visitor economy and what their role is in driving it. There are no lazy beliefs that if we open the doors they will come or that we do not really want jobs in tourism. There are over 3 million jobs in tourism, in every constituency across Britain, and these are jobs that get people in with no skills and give them careers. This is real social mobility and levelling up. It is recognising the importance of the job creation and the economic creation of tourism, and all working together to deliver that.

Q315 **Jane Stevenson:** Do you think there are any policy gaps that are stopping that happening?

Patricia Yates: There are policy decisions made where you think, “Was there a view of international visitors there?” and decisions not made that would make a difference. For example, America decided that it would prioritise visitors from China. It made its 10-year visa the standard offer in China, which is \$160. Our standard offer in China is £100 and our 10-year visa is over £800. That is the difference that prioritising tourism and saying that we want people to come from these markets makes.



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Nick de Bois: Can I just briefly add to that last point and perhaps be slightly less nuanced about it? I do not expect the Government to agree with my fifth recommendation, but I genuinely feel that they must change their approach to the value and recognition of tourism and the wider visitor economy. Until, probably, post-Covid, where we are starting to see a more positive understanding and response, I think there is insufficient appreciation at the very top of Government—not to be confused, by the way, with DCMS.

Right at the very top of Government, I think that they have struggled to understand, first of all, that the visitor economy and tourism reach right across multiple Departments. To be honest, it is all very well putting an inter-ministerial group in. I am pleased because it is something I could see starting to have some positive developments. I attended the first one and it was about how we got some cross-government working to help meet the levelling up agenda in terms of the visitor economy, but unless you have a Minister who has the clout, the weight and the officials to reach into other Departments, where those policies are, it is not going to be—I believe and history will show—that successful.

It is not new in government to have Ministers working across multiple Departments and I think we should be looking at that. At the risk of increasing my commission rate on Minister Huddleston, I have suggested that the role should be a Minister of State. The point behind that was clout. That was about the reach that I genuinely feel is needed.

By the way, I would say that while there are signs that this is improving, I also think that when we talk about tourism we are blind to talking about the business events and business visitor events that are also a critical component of the visitor economy. If the Government want to reach their objectives of extending the seasons and improving productivity, they have just witnessed the sector that has probably been the most damaged as a result of Covid, literally the first to shut down and not open up. I have struggled to get a coherent response, beyond DCMS, on the direct and indirect value of what is, frankly, a superb industry in Britain of business visits and events. I also ought to declare an interest: I spent 25 years in that sector and still retain an interest in it. This is something that would be a welcome point in your Report, perhaps.

Q316 **Giles Watling:** I would like to touch briefly on the destination management organisation issue, just to clarify it. The way I see it from what you are saying is that we have a lot of people like me, from Clacton, who might be saying, "Come to Clacton. It is 70 miles from London, it has 35 miles of great beaches, sites of special scientific interest and all the rest of it." But if everybody is shouting, the noise becomes too much. You are talking about an overarching body, just to get this absolutely clear, that would be organised by the Government to make sure that the dialogue between the DMOs is clear and going both backwards and forwards?



Nick de Bois: What we have at the moment, at the risk of a graphic, is basically a collection of loads of DMOs, DCMS up here, and VisitEngland in the middle. There is no red thread, there is no continuity and there are no potential levers to drive government policy, drive the sorts of decisions that we have been talking about, drive the sustainable tourism agenda, look at the skills sector, or drive regional growth in tourism. There is no coherence to do that. By introducing a level of coherence, what I actually want to do is introduce a much simplified structure that is essentially a tiered response. However, these are not government bodies by any means. I think that would be a huge mistake—to create a new bureaucracy that would probably be inflexible and not achieve what we want.

What I am trying to say is: let us give a small amount of funding—and it is relatively small, it represents about 0.1% of the levelling-up budget that has been available to tourism—over a longer-term period to help these accredited, top-tier destination development partnerships, as I call them, which might be regionally based or city-based—as I said, it is a coalition of the willing of their choice—to be able to deliver on the strategic priorities for the sector and for the Government, only working with accredited tourist boards. It may or may not include Clacton but we would go through a process for that.

Q317 **Giles Watling:** Thank you for that clarification. My concern is that the smaller guys might get squeezed out by your strategy.

Nick de Bois: Let me be clear in that. Many of them themselves, including the very small ones that are just doing local marketing, have been crying out for this accreditation, which defines what a DMO and a good DMO should do. I do believe that with the implementation of this review, if the Government approve it, there will be what I have identified as tier 3 organisations that are principally involved in marketing their own small area. They may not survive or they may survive, and if they do survive, so be it. What I am saying is that the ability to drive the growth in regional tourism, the red thread of government policy and the delivery of what I have outlined should be at tier 1 and tier 2 level only; otherwise, we end up with a situation that is utterly incoherent right across the landscape.

Q318 **Giles Watling:** Thank you; yes, you have made that very clear. I just want to come to you if I may, Patricia, on your budget. The core budget has fallen by 35% since 2010. Is there a metric where you can say if you spend x on VisitBritain you will get x back in a certain period of time? That is the argument you can put to Government to get investment.

Patricia Yates: In general, for every £1 government give us we return £21 to the economy. We do a great deal of evaluation and it is additional value to the economy that we judge ourselves on.

We also work with private sector companies. In 2019, which is our last proper year, we had a £7.7 million contribution from private sector



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companies that adds to our Government funding. We run a retail shop to raise money, an online shop, and that made £1.2 million in profit. We try to be as effective and efficient with the money we have and raise funds from the private sector as well.

Q319 **Giles Watling:** May I suggest that £21 return for £1 is a flag that should be waved very—

Patricia Yates: It is a flag we do wave, yes.

Q320 **Giles Watling:** Not enough in my view. We can move on from that. How far short does your budget fall? What do you need?

Patricia Yates: Look at our competitors. The challenge of the tourism recovery plan is to drive back recovery a year early. Brand USA have the same challenge and they have been given \$250 million to do it. I think that gives you an idea of scale.

Q321 **Giles Watling:** It was interesting that when we were in Korea we were talking to a panel of MPs involved in the cultural area. They were shocked that we do not spend enough on the tourism offer in this country. Do you have any comments on that?

Patricia Yates: I think that is the case. If you look at our competitor destinations, particularly this year when everyone is trying to rebuild, you can see that tourism destinations have been given additional funding to go out and market and promote. Ireland is a very strong competitor and obviously Australia and New Zealand are out competing in markets. France has given a huge boost to its inbound offer. We do not have that level of support.

Q322 **Giles Watling:** Finally, I would like to make the point very quickly that what we are looking at here is a lack of organisation and a lack of funding. Fundamentally, drive at those and we will then start creating a good, strong tourism sector in this country again.

Patricia Yates: I would say the linking point in that is the prioritisation of the visitor economy. This is an industry that Britain is pretty good at, even without the prioritisation. We could absolutely be world class if we prioritised it as an export industry that we want to grow and we built the infrastructure to do that right and we promoted the hell out of ourselves in international markets.

Q323 **Giles Watling:** The de Bois review did say that the Government were sitting on their hands and assuming that tourism can look after itself. Nick, to come to you on that, what evidence did you find for the Government sitting on their hands?

Nick de Bois: When we did our historical analysis, which goes back some years, it was in 2010 when the decision was made to effectively pull out of funding of the regional development agencies, to basically pull out of funding at that point, which was going into the DMOs—I am not talking about VisitBritain or VisitEngland—and a restructure effectively took



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place. That is when you got, if you like, a field of 1,000 roses growing and all these DMOs. Why? Because they are needed.

DMOs exist essentially because of a market failure that I outlined to you, which is this complex ecosystem of tourism. They are the glue that brings them together and they are the ones who articulate and make the case, not just as what they are most commonly known for, which is to market in the area, but what we really want them to do and what the good ones are doing is place-shaping, which is looking at the future skills and needs of areas, the dispersal of tourism and so forth, the strategic decisions. When you think we have had absolutely no funding apart from grant funding, which has gone in for projects like the Develop England fund, there has been no core funding to help them. Naturally, they have turned to the private sector and some of them have done really well with the private sector.

Tourism cannot achieve its full potential if it is just representing a members-only approach with DMOs. Of course, they mainly want marketing done for people to fill their beds, if it is a hotel, and you are not looking at these all-embracing strategic issues. I likened it in the report to a bungee jump, where a DMO—even the good DMOs—are literally almost completing this bungee jump where they achieve the full potential. They are at the table of place-shaping, the strategic decisions, the transport, as well as shaping an area for the visitor economy, but they get pulled back either through their make-up or their membership or who funds them wanting to go back to marketing. That is why you even have confusion as to what they are called—destination management organisations or destination marketing organisations.

Giles Watling: I think most bungee jumpers thank their lucky stars they are pulled back.

On the great offer this country has, we did not mention theatre. People come here for theatre, probably because of our film and television exports. We are very good at historical drama. I just wanted to say that.

Chair: That is fine, you are not going to declare that point where you are the Chair—

Giles Watling: No, I do not want a job—

Chair: You are, though, the chair of the all-party parliamentary group for theatre.

Giles Watling: The APPG for theatre, yes.

Q324 **Julie Elliott:** Nick, I want to clarify something you said earlier in response to what Jane asked you. You said that you did not want to go back to regional development agency areas but you wanted to go to regionalism on these things, which is a little confusing. I want to ask specifically, are you excluding going back to a geographic area that might happen to be the same as what was that of a regional development



agency?

Nick de Bois: No; that would be me overprescribing. What I am trying to say is that I think the recommendations are effectively following good practice internationally, because I looked widely. That is why I have come up with the structures that I have. I have looked at what worked well in the past. Since these development agencies we have had the emergence of city regions, and we have had strong attack brands emerging that were not there before, like Manchester, Liverpool. You have the combined mayoral authorities.

Again, I make the mistake of going back and looking at it through a lens that a consumer is not doing. What I am saying is that I believe there are strong cases where accredited—we will call them DMOs for now; I am suggesting tourist boards are brought together to create the top-tier destination development partnership, whether that be a city, whether it be a county, or whether it be a coalition of allies. Those people will know best, but I do believe that we would not want to exceed more than about 20.

Q325 **Julie Elliott:** This is not what I am supposed to ask questions on but can I just push you on this? In the north-east—and I am talking about the north-east region, not combined authority or anything else—we had Passionate People, Passionate Places, which was hugely successful. Everybody from all parties, all areas of the region, agreed with that—that it was a hugely successful thing. It has been a free-for-all since. There is no coherence. Some things are successful, just as you are describing, but who would make the decision of how this would come together? Because if it goes to the levels of government in the region it is never going to come together.

Nick de Bois: No, it is not and it should not go to levels of government.

Julie Elliott: So who does that?

Nick de Bois: I will try to explain to you. By the way, I totally agree with you about the north-east and I think it is crying out for this. They are very passionate for it and that is the point that once you have created accredited DMOs—I will not go through the long list for you, but if we accept that there is a need for accreditation it would be those accredited DMOs in the area that then agree to come together to form and have the destination development partnership, which is the recipient, I hope, of the funding. It is a plan with VisitEngland of what it will do and achieve in its area set by itself. It will be the professionals, it will be the accredited DMOs that come together to do that. I could see an area right from Newcastle, Gateshead up Northumberland, Durham, to be that potential for a destination development partnership.

Q326 **Julie Elliott:** What you have described there is not the north-east. The north-east goes down to North Yorkshire, and that is the danger.



Nick de Bois: It is not a danger that they would be worried and could happen from government because that is the whole point. It is a coalition of the willing, of local people. I do not believe that government should be drawing lines on a map. That would be a mistake.

Q327 **Julie Elliott:** I hope it works; something needs to happen. Patricia, you mentioned tax-free shopping earlier. We have had a huge amount of evidence in this Committee about how damaging the removal of tax-free shopping has been on bringing high-value tourists, high-value spenders into this country. What is your view of the impact of the removal of tax-free shopping on inbound retail tourism?

Patricia Yates: I don't think we have seen the full horror of it yet because China is shut. If you think China was our second most valuable market, we reckon 10% to 12% of people in markets like the GCC and China will go to Europe rather than Britain because of the lack of tax-free shopping. We are the only country in Europe that does not offer that refund scheme.

Q328 **Julie Elliott:** Do you want it reintroduced?

Patricia Yates: Yes, I would like it reintroduced. I think it was one of those decisions taken without a view of Britain's competitive position internationally and what difference it would make from growth markets like China, like South Korea, and indeed markets like GCC. My colleagues in America say don't forget America as well.

Britain is seen as an expensive destination and our taxation system adds to that view of expense. We have some of the highest VAT rates. If you look at Paris, its VAT rate is 9% or 10% on hotels, ours is 20%, but then take away something that did motivate people to come here and will motivate them to go—it is very easy to go to Paris and buy your handbags rather than coming to London. It will have a real impact on drawing the high-spending visitors.

Q329 **Julie Elliott:** A lot of evidence we had in a previous session was very much that once people get used to going to another city, an equally beautiful city—Paris, Rome, wherever—they will not come back here. Do you think that is a danger?

Patricia Yates: I think that is a danger. If you look at the Middle East market, they come every year. They are wonderfully loyal and they come every year. If they change that pattern and say, "We will go to Paris; it offers a better package"—and don't forget, Paris is a strong competitor for us in those markets.

Julie Elliott: Nick, what is your view on this?

Nick de Bois: I agree with absolutely everything Patricia has said about this. I think it does give some context as well to this problem where a policy can be made that has a dramatic impact on tourism but the tourism voice was not at the table of the decision making. That reflects



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my concern that even if objections were erased, maybe in a government write-around or something like that, if it is not being written where there is an open door to understanding the full value of the visitor economy, then it will not necessarily be given the due weight that I think it should be.

Patricia Yates: One of the deciding factors was government technology and whether it could actually do that. I would say that other countries use private sector involvement here, so if there is an issue with government technology, we should be open to looking at other solutions.

Q330 **Clive Efford:** Thanks for coming to give evidence today. Patricia, you mentioned earlier on the cost of visas to come to the UK. Is it just a question of cost? Are people having delays in getting visas as well?

Patricia Yates: Yes, there is visa policy and then the actual process. At the moment China is shut so we are not seeing huge processing of visas from China, but India is open. Obviously, we have been given funding to drive visitors from India for the Commonwealth Games. The standard quoted time I think has gone up somewhat from 15 days. We are seeing 50 days as being quite common for the turnaround time for visas, and even longer in certain circumstances. That honestly makes it impossible to sell the destination in those areas because it is a late booking market. People book through the trades, and if you are a travel agent and you have got a choice between Britain, taking 50 days for a decision on visas, and Schengen—"I can get that in a couple of weeks," you will say "Go to Europe because it is a simpler system." It loses us business in those markets. The worry is that once China comes back the situation is going to get worse, not better.

Q331 **Clive Efford:** Is it the case that those delays are worse than the high costs or is it a mixture of both?

Patricia Yates: The immediacy, I would say, in India is the delays. It is the process. The cost issue is something we run with but, of course, the visa price has gone up during Covid.

Q332 **Clive Efford:** I have quite a large cottage industry in my constituency of European exchange visits and European language visits. If you turn up at my local station when the students are arriving there is a queue of cars waiting to pick them up and take them home. Some people do bed and breakfast for them and so on. It is surprising how big that industry is. How has that been affected by the visa and passport changes in Europe?

Patricia Yates: The big change in Europe is that ID cards are no longer accepted so you have to have a passport to travel here. We have asked people, "So will you get a passport?" If everyone who said they would get a passport now got a passport, the loss to Britain would be about £600 million. If those people did not get a passport, the scale of the loss here could be over £3 billion.



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We don't think we are going to reverse the ID card decision, but our ask is that school visits could come on a collective ID pass because you will find destinations like Hastings absolutely decimated by a lack of school visits, and to try to get that decision quickly, because school visits also book up a long time in advance, so frankly we have lost this year.

Q333 **Clive Efford:** Presumably, you are talking to DCMS and the Home Office about this. What sort of response are you getting from government to recognise the urgency of what you are talking about?

Patricia Yates: I would say sympathetic from our Minister.

Q334 **Clive Efford:** Sympathetic from your Minister. We knew that because of previous answers. Let's go beyond that. How effective has he been in talking with other Departments?

Patricia Yates: I think the Home Office has a number of priorities at the moment—

Clive Efford: You should be this side of the table.

Patricia Yates: We will keep battling on about these thorny issues. Getting school visits in, which I cannot see as a huge risk, would be a major boost for the industry which is really suffering at the moment.

Q335 **Clive Efford:** I think I have pressed you as far as I can on that. Others may well want to follow up, maybe the Chair.

Nick, I will move on to you. Your plan has been widely recognised as an excellent piece of work and has widespread support from within the industry and the DMO network. Outside of funding through government, are you competing with the different pressures that are on local government finance?

Nick de Bois: Funnily enough, not everyone receives local government funding. The funding comes from multiple sources. I will not list them all here, but local government does contribute to some DMOs. Some DMOs sit within local government.

To answer your question, and I flagged this in the report, I would be very disappointed if the Government stepped up with the very modest funding that I put forward and local authorities took that as a sign that they could row back from making their contribution. That would be very counterproductive. I am flagging that up and I am thanking you, Clive, for giving me the opportunity to say that.

Q336 **Clive Efford:** Your recommendations have potential to make the DMO landscape more coherent. Would it enhance—you have mentioned this earlier so I am asking you to repeat yourself—inbound tourism? Are you setting up a network that will be competing for the existing internal market and those that are already coming here or are you going to create value added in terms of inbound tourism? Are you capable of influencing that?



Nick de Bois: We are seeing very good examples of where, for example, some of the so-called attack brands—not my description but their own description—of some of the regions and the cities are already seeking to draw in and make arrangements to bring international visitors in and a lot of it depends on routes as well.

The opportunity is here, and there is a very interesting statistic from the last survey that shows of those who already have the idea to come to Britain, something like 40%, maybe 38%, of them have yet to determine where. I see that as an opportunity that is not robbing Peter to pay Paul by any means. We have to create a structure that allows our regions to be able to make their offer and improve their offer through the collaboration and the broad plans that I have outlined.

Q337 **Clive Efford:** You say the funding you have asked for is very modest. Am I right that it is £15 million to £20 million, Nick?

Nick de Bois: Yes, it is and that is over a three-year period. I am asking for a three-year period.

Q338 **Clive Efford:** It is very modest. How critical is your plan on achieving that?

Nick de Bois: Well, look, in a nutshell it would be fair to say that there are recommendations in here. I feel the sector could rise to the challenge if it wanted to. There is absolutely no way it could fulfil the potential without government funding.

The problem is, and I recognise that the Government may have a dilemma here, while I think the report is very overwhelming and conclusive—I would say that, wouldn't I?—one of the problems we have in this sector is a lack of really good data. I was able to produce a lot of very good anecdotal evidence. I was able to produce some data. In fact, I collected the first data of a national picture of DMOs and their funding that has ever been done during this process. I suspect that might go in some part towards explaining that it has taken a while to get this review response from the Government, which, of course, we are still waiting for.

Q339 **Clive Efford:** It has been nine months and still a lack of response from the Government?

Nick de Bois: It is quite a gestational period, isn't it?

Q340 **Clive Efford:** Are you confident we should not read much into that delay?

Nick de Bois: Look, I am frustrated, like many in the sector are, that it has taken so long. I also take some heart from the fact—and I am absolutely convinced DCMS is right behind this, I think the Ministers and the officials—that there has obviously been substantive discussions. I have no reason to believe this has been sitting on a shelf by any means. I am a glass half-full person, but equally I cannot look any of you in the eye and say I fully expect the Government to back every recommendation. I am pretty confident that they will do something. I



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cannot see how this report delay could be sustainable beyond the end of this session. I suspect it will be out soon.

Q341 **Clive Efford:** You think the fact they have not said no is good news?

Nick de Bois: That is exactly how I look at it, Clive.

Chair: You say you will be surprised if it is beyond the end of the Session. I have to say we have been constantly surprised by—

Clive Efford: Which Session?

Chair: Yes, which Session and which Parliament? That concludes our questions today. Patricia Yates and Nick de Bois, thank you very much for your evidence today.