

Company No: 4449548

1. Industry Representation

The Wales Tourism Alliance

1.1 The Wales Tourism Alliance (WTA) is the recognised over-arching representative organisation for the tourism industry in Wales, liaising with and coordinating the views of all concerned and informing and working with Government at Westminster, Cardiff and at Local Authority levels.

1.2 The WTA also acts as an intermediary between Government and all involved in tourism, disseminating information to the industry via our member organisations and we work with colleagues in organisations in other parts of the UK.

1.3 The membership of the WTA includes sectoral, national, regional and local representative bodies comprising accommodation (hotels, guest houses, bed and breakfast establishments, holiday home parks, touring caravan and camping sites, hostels and self-catering cottages), attractions, activities, training and skills, tourism guides and transport.

1.4 The Wales Tourism Alliance is a pan-Wales umbrella group with 24 member organisations resting within its general membership. This amounts to around 7,000 working operators and means WTA contacts and representatives are now found in every part of Wales. Our members are:

British Home & Holiday Park Assoc
British Hospitality Association
Brecon Beacons Tourism
The Camping & Caravanning Club
The Caravan Club
Carmarthenshire Tourism
Cardiff & Co
Federation of Small Businesses
Farmstay UK
Institute of Hospitality (Wales)
Mid Wales Tourism
National Caravan Council
North Wales Tourism
Pembrokeshire Tourism
Small serviced sector Forum
SE Wales Tourism Forum
Snowdonia Active
Tourism Swansea Bay
Visit Wales
Wales Official Tourist Guides Association
Wales Activity Tourism Operators
Wales Association of Self Catering
Operators
Wales Association of Visitor Attractions
Youth Hostel Association (Wales)

1.5 The WTA therefore works with and on behalf of operators ranging from major players to the numerous micro-businesses that make up so much of the tourism industry.

1.6 To achieve this the Wales Tourism Alliance brings together the most powerful private and public sector partnership of tourism industry interests in Wales, including some of the biggest players in the United Kingdom who add their voice to ours in Westminster as well as in Cardiff. In that capacity the WTA remains committed to 'working together' with partners on an honest broker basis, only possible due to our trusted status and unique way in which we are supported by both our private and public sector membership. The tourism sector in Wales will not achieve its potential if Government, Local Authorities and the private sector are all working independently with a low level of communication and understanding of each other. The Wales Tourism Alliance provides the mechanism to make a reality of the partnership concept.

2. The Tourism Industry in Wales

The Visitor Economy and Employment

2.1 The final report of "The Economic Case for the Visitor Economy" by Deloitte & Oxford Economics published in June 2010 illustrates the importance of tourism to the economy of Wales compared to other parts of the UK. The total contribution in 2009 (which includes impacts through the supply chain, of capital investment and Government expenditure) accounts for £6.2bn of GDP, 13.3% of the total economy - compared to 8.6% in England, 10.4% in Scotland and 4.9% in Northern Ireland. The direct contribution is £2.7bn which equates to 5.8% of Wales GDP compared to 3.9% in England, 4.9% in Scotland and 2.1% in NI.

2.2 This report also highlights the importance of tourism to employment in Wales. The total contribution in 2009 accounted for 0.17m jobs in Wales, 12.7% of the total workforce; this compares with 8.3% in England, 10.0% in Scotland and 4.7% in NI. The direct contribution supports around 0.09m jobs, 6.9% of the Wales workforce, considerably higher than the 4.4% figure for England, 4.2% for Scotland and 3.0% for NI.

2.3 Although high levels of employment in the Visitor Economy can be found in cities, rural areas are more dependent on the sector as it plays a large role in local economies and indeed communities, enhancing the provision of facilities and amenities that are also extensively used by residents as well as visitors.

2.4 In Wales, the rural economy has a particularly strong link with the Visitor Economy with the share of employees in Conwy estimated by Deloitte to be 16.7% with 15.1% in Pembrokeshire, 13.2% in Ceredigion, 12.2% in Gwynedd and 12.0% in Powys. 25% of all VAT registered businesses in Wales are in the Visitor Economy.

2.5 As a stable and dependable industry, tourism also has a vital role in the regeneration of urban communities within Wales. Tourism has proven itself strongly resilient to the ravages of the current economic downturn and this is especially relevant to rural Wales, where employment alternatives are limited. Tourism as an employer, as an economic driver and, perhaps just as significantly, as the custodian of community facilities & opportunities, is paramount and irreplaceable.

2.6 Tourism in Wales also has considerable potential for growth with Deloitte forecasting that the Visitor Economy by 2020 will provide a total contribution of 6.9% of the Wales GDP, supporting 188,000 jobs and accounting for 13.7% of total employment.

3. Our Response to questions on proposed new legislation – (Numbering as per guidance).

- ***Is there a need for a Bill to introduce a statutory food hygiene rating scheme in Wales? Please explain your answer.***

The WTA Executive believes this legislation is going to proceed regardless of consultation and therefore there is little point in providing a negative response to this question.

Whilst the WTA neither gives outright support or opposes the draft bill, members of the WTA are opposed to the plan, essentially because it is seen as premature in that this legislation is uncompetitive and places Wales at a disadvantage particularly as business to business establishments outside of Wales will be exempt from the legislation. A level playing field across the UK is seen as important.

- ***Do you think the Bill, as drafted, delivers the stated objectives as set out in the Explanatory Memorandum? Please explain your answer.***

The WTA will always welcome improvements made to public health and measures taken to improve standards and avoid the dangers associated with poor hygiene. However:

- The industry is generally concerned about the burden of red tape on micro and SME businesses generally and the scheme will add to this burden.
- The industry cannot understand why a zero rated business can remain open and are concerned that this is very damaging to consumer confidence and perceptions on the quality of a destination. We re-iterate that the score should simply be a pass or fail.

- ***Are the sections of the Bill appropriate in terms of introducing statutory food hygiene rating scheme in Wales? If not, how does the Bill need to change?***

The sections for introducing a bill such as this appear appropriate.

- ***How will the proposed Measure change what organisations do currently and what impact will such changes have, if any?***

It is difficult to see how any business can react other than to comply or be prosecuted?

- ***What are the potential barriers to implementing the provisions of the Bill (if any) and does the Bill take account of them?***

This is a question for the Food Standards Agency.

Powers to make subordinate legislation

- ***What are your views on powers in the Bill for Welsh Ministers to make subordinate legislation (i.e. statutory instruments, including regulations, orders and directions)?***

The draft bill is open ended which will undoubtedly lead to minor amendments that encourage successive governments to introduce new charges and possibly further more onerous regulation. For example - We recognise that there is currently no requirement for the need for ratings to be included in the business's advertising or promotional material, but we are concerned that this could be simply be changed at a later date and force a huge cost on the industry. There is already a nod to this in the guidance statement 27: ***There is also an opportunity..... for specific Welsh sectors such as the tourism industry to promote the new compulsory scheme?***

Is this the thin end of the wedge?

In answering this question, you may wish to consider Section 5 of the Explanatory Memorandum, which contains a table summarising the powers delegated to Welsh Ministers in the Bill to make orders and regulations, etc.

Financial Implications

- ***What are your views on the financial implications of the Bill?***

In answering this question you may wish to consider Part 2 of the Explanatory Memorandum (the Regulatory Impact Assessment), which estimates the costs and benefits of implementation of the Bill.

Increased hygiene standards demand the use of more resources (not that poor hygiene standard can justify a lack of business investment) but equipment is likely to need changing more frequently; there will be greater need for packaged items (such as vacuum pack rather than local veg) and disposable items (gloves; hair nets). As all businesses are forced to aim for a 4 or 5 or lose custom, this will increase costs on businesses at a time when our research shows the tourism industry is experiencing a squeeze on secondary spend in hotel restaurants; attraction cafes and other eating outlets.

If not absorbed by the business; which is difficult at a time when costs overall have risen and we are dealing with 20% VAT; these costs will inevitably be passed onto the consumer which could mean a certain amount of social exclusion for those on lower incomes and therefore loss of revenue. To simply assume that no business will be lost as customers opt for higher rated establishments may simply be wrong.

Environmentally we will see greater use of resources and potentially serviceable equipment being disposed of simply because the cost of replacement out ways repair, alongside the use of disposable items instead of the use of more durable items that require greater care and time to maintain.

We do not think it fair that rural businesses may be charged more under option 4 for being rural – there should be a standard table of costs for all businesses in Wales, as this is a Wales wide scheme, so regardless of location. Costs should be dependent only on the size of a business in relation to custom not on a rural location. Statement 119 does not make that clear in the guidance.

Other comments

- ***Are there any other comments you wish to make about specific sections of the Bill?***

Clause 3.5 – We believe that exemptions should be specified at the earliest opportunity and include self catering establishments that provide a welcome pack and outdoor activity providers that supply snacks and light lunches. On that basis, as stated in the guidance, once the Bill has completed Stage 1 of the Assembly's consideration we wish to be consulted.

The Bill will also make it an offence for a food business not to verbally divulge their hygiene rating when asked to do so. Will this mean the owner of the establishment will become liable for the behaviour of an employee, whether through malicious intent; ignorance or simply because they are busy. This cannot be correct; some allowance must be made for this.

We are still also concerned that you could end up in a situation of penalising a good establishment grade 4 or 5 for not displaying a sticker (perhaps because it fell off or was pulled off by a child); whilst at the same time a food authority may not close a grade 0 establishment down the road that could kill a child. Business 1 gets fined while business 2 just has to put up a 0 sticker?

If the business changes hands or indeed it changes its name and as long as there is no direct connection between the new owners and the previous owners then a charge free inspection should be authorised and once the new score is awarded the old whether lower or higher removed from all publicly visible media.

4. Future involvement of the tourism industry in Wales in this process

4.1 The WTA would like to be part of any future consultation/advisory process affecting policy on this matter as it is certain that such future and further activity will impact on the wider membership of tourism organisations that we represent in Wales and the tourism/visitor economy in general.

Consultation Response 'Food Hygiene Rating (Wales) Bill – June 2012'

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