



W: www.businessvisitsandeventspartnership.com
E: info@businessvisitsandeventspartnership.com

Stephen McGuinness

Clerk
DCMS Committee
McGuinnessS@parliament.uk

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Select Committee's Inquiry on Promoting Britain Abroad

Thank you for the opportunity to respond to the Select Committee's Inquiry on Promoting Britain Abroad.

The Business Visits & Events Partnership (BVEP) is an umbrella organisation representing twenty four leading trade and professional organisations, government agencies and other significant influencers in the business visits and events sector.

BVEP's vision is to support sustainable growth for the United Kingdom's Events Industry.

The Events Industry comprises a number of diverse industry sectors covering, meetings, conferences, exhibitions, trade shows, incentive travel, event hospitality, ceremonies, sporting, cultural and festivals as well as other services provided to travellers and attendees to events.

Prior to the pandemic the UK Events Industry was worth £70 billion in visitor spend and accounted for trade valued in excess of £165 billion.

This is equivalent to around **50% of all spend in the visitor economy**, with approximately 45% emanating from business events, such as meetings, conference, exhibitions and trade fairs and 55% from leisure, cultural, sporting and music events and festivals.

International business visits to the UK represented 22% of all visits, contributing 8.4 million visits and £4.5 billion in spend. There are over 5 million inbound visits to the UK annually to attend a business event, out of a total of 8.4 million business visits, generating a spend of £3.5 billion and almost 20 million overnight stays. Inbound business events attendees are valuable visitors, spending 30% more on average than leisure visitors. Research has found that delegates from outside Europe spent £1,748 on average, compared to £990 by delegates from within Europe, and £329 for UK delegates. Crucially, delegates who extend their trip for leisure spend twice as much as those who do not.

The precise impact of the pandemic on sales is not yet fully documented. However, the Events Industry was the first sector of the economy to be closed and the last sector to reopen, causing businesses within it to sustain far greater impairments to their trading status and balance sheets than in other tourism sectors. **It is estimated that the cost of these closures to visitor spend was at its peak running at £57 billion – a loss of over 80%.**

Whilst business activity is now unrestricted, the rebuilding of consumer and buyer confidence is taking time and the long lead in time to the booking and planning of events means that the immediate recovery in 2022 will at best result in around 60% of pre pandemic levels **and full recovery may not be reached until 2024 at best.**

Whilst immediate recovery in enquiries and booking levels has been encouraging for the 2nd quarter of 2022 onwards, **full recovery will inevitably be impacted by changes in business attitudes to attending in person meetings, the rise in use of digital communications and the impact of sustainability on international travel.** The substantial increases in operating costs are also expected to have an adverse impact on the profitability of events which may result in further consolidation in the number of activities undertaken by organisers.

Responding specifically to the Select Committee's main lines of inquiry

What needs to be done to re-establish the UK as a holiday destination for international travellers?

- What should Government and the tourism boards be doing to support the inbound tourism industry in its recovery?

- What will the impact on the UK's hospitality, cultural and heritage sectors be if inbound tourism is slow to recover to pre-pandemic levels?

The BVEP, in common with other sectors of the Tourism Industry, believes that it is necessary to **rebuild both consumer and event buyer confidence**. As a first step this requires the removal of all COVID restrictions, which has now been done. Unlike other sectors of the visitor economy, the Events Industry was subject to a rigorous government research programme undertaken in conjunction with Public Health England and government scientists, to ensure that events could be carried out safely and secure.

The overwhelming evidence was that controlled gatherings of the sort experienced in business events and most organised leisure events were safe - indeed safer than other settings such as retail and indoor entertainment. Building on this, through the world-class professionalism of UK **event organisers, rigorous risk-assessments have been adopted, which provide strong reassurance too organisers and attendees**.

The Industry, together with the Events Industry Board (a working group of the Tourism Industry Council) has identified the need for a **government and industry confidence building programme** to emphasise to both domestic and international buyers and audiences that it is safe and positive to attend events in the UK. Such communications should include a message from the Prime Minister and other senior Ministers highlighting the UK's objective, within the Tourism Recovery Plan, of becoming "the World's Meeting Place".

Failure in recovery of inbound tourism, especially business visits, will have a marked impact on the ability of the visitor economy overall to recover as **nearly a quarter of all visits are to attend event related activities**.

Reductions in business visits will also have a knock-on effect on trade activities, exports and inward investment.

The funding of promoting business events by **VisitBritain** is fundamental to the recovery process. At the time of writing, VisitBritain does not know the allocation of expenditure that will be made available for business events. This includes the funding of the **Business Events Growth Programme**, where a fund of £300,000 has consistently produced a return in excess of 20:1. This programme is designed to win new international events to be held in the UK, attract more overseas visitors to events held in the UK and to create new events that will also attract overseas visitors. This is the only form of subvention offered by the UK government and it does not compare favourably with incentives offered by competitive destinations.

It is critical that the Programme is confirmed for 2022 onwards, ideally providing a guarantee of funding for a three-year period (due to the long lead time in organising international events). Given the strong competitive environment for recovery in other Nations, there is a strong case for the sum made available to be augmented to enable more bids to be funded and more delegates attracted.

Does the Tourism Recovery Plan go far enough to support the industry's recovery from the Covid-19 pandemic?

What are the biggest challenges to delivering the plan?

The Tourism Recovery Plan includes a distinct section on “Supporting business events”. (Paragraphs 112-121).

The plan recognises the significant disruption to the Industry. It acknowledges that for the tourism sector to deliver on its overall framework, that the business events sector **“has to be firing on all cylinders”**.

It states that the government wants to improve the attractiveness of the UK's already strong offer and become the **World's Meeting Place**.

It concurs that the events can play a major role in **asserting Britain's international trading strength, highlighting components of its industrial strategy, its creativity and its commercial inventiveness**. The benefits include, research sharing, knowledge transfer, professional development, networking and relationship building and inward investment opportunities.

In the Recovery Plan, **the government commits to invest in events infrastructure, enhance its ministerial advocacy programme, produce a strategy for sustainable events, assess gaps in business event provision, identify skills and capacity gaps**.

It should be noted that the government had published in 2019 an **International Business Events Action Plan**, produced in conjunction with the Events Industry Board and presented as part of the Tourism Sector Deal. This laid out in most respects the Tourism Recovery Plan commitments and work on its implementation was well underway, when the pandemic struck.

Therefore, in many respects the Tourism Recovery Plan is a restart of the process concluded with the publication of the Action plan in 2019.

The Events Industry Board, which was a separate government and industry partnership, created by DCMS in 2015, following the publication of a Business Events Strategy, has now become a working group of the Tourism Industry Council.

At the reformed Board's meeting on the 1st February 2022, **priority themes were agreed to be developed in greater detail for presentation to the Tourism Industry Council**.

These are:

- **Addressing immediate recovery** issues to include labour shortages and supply chain issues. This probably now needs to be extended to consider the impact of high operating costs on event viability.
- **Confidence building** - To articulate how the UK Government can effectively provide support to industry led communications designed to restore and enhance confidence in business meetings and other events.
- **The Delegate's journey**: Improving the UK's welcome for event visitors. – how to see the UK's strengths, demonstrate its keenness to host business events, smooth out potential post Brexit issues, transport and logistics.
- **Identifying how the UK (government and industry) could most effectively support events in the UK government's target sectors**. This will consider how best to retain and

grow existing events, encourage the creation of new events, including an appeal to UK companies to hold existing international events in the UK and increase their use of live events in the UK.

One of the biggest challenges in delivering the plan is securing amongst policymakers and influencers **a clear understanding of the importance of events within the overall economy, which extends far beyond merely tourism.**

Almost **every government department has an inert interest in the broad spectrum that comprises the Events Industry**, but all events will talk in some way to each department's objectives, whether it be a travel show to DCMS, or an agricultural show to DEFRA or an aviation show to the ministry of Defence or a motor show to the Department of Transport.

To overcome the lack of understanding across Whitehall of the power of events to further the government economic and social policies, **a cross Whitehall Group of senior officials in key government departments**, has been established by the business events section within DCMS. This meets to examine how best to engage across Whitehall on specific events.

Whilst some progress is being made in this better joined up approach, the resources for fulfilling **a strategic delivery approach to the Industry** are still far too diverse and scattered across government departments and agencies, leading to no cohesive plan for the sector.

This clearly manifested itself in the **Committee's recent report on Major Events**, highlighting the lack of strategic positioning and legacy benefits from the Commonwealth Games and the Unboxed 2022 Festival.

The Partnership has proposed that there is a good case for a standalone body responsible for the strategic delivery of a world-class and competitive UK Events Industry, charged with winning more international events to be created on a similar basis to UK Sport and the Arts Council. This concept has previously met with interest from DCMS Officials, but due to resource and funding never progressed further. The likelihood of a pooling of existing resources could lead to greater targeting of international events and a reduction in overall expenditures across government departments.

What should the UK be doing to maintain its status as a 'soft power superpower' and further promote its culture and heritage on the global stage?

- **How can the UK capitalise on its exit from the European Union?**

Whilst the UK's exit from the European Union has introduced a number of **additional burdens** on the Events Industry, including extra paperwork for persons attending events in a working capacity, for the temporary importation of goods and merchandise for exhibiting at trade shows and for cultural events tourism within the EU and the UK, **there are opportunities to increase business activity both within the UK and overseas:**

- The UK as a destination remains very much at the **centre of the global market place geographically.**
- **English as a business language** remain pre-eminent.
- The UK as a destination offers to event attendees **a rich variety of entertainment and hospitality experiences.**
- The UK is seen as a **world leader in creative and logistical skills.**
- The UK is regarded as having some of the **world's leading talent in event management.**

- The UK's event companies are amongst the **leading players in organising international events outside of the UK**, bringing considerable export value to their activities.
- The UK has a rich variety of historic, **cultural and contemporary purpose-built event venues**.

Many UK companies have held their business events overseas. However, given the rise in corporate concerns relating to sustainability, ESG and business costs, it is highly probable that more UK companies will seek to host their events within the UK. Therefore, an opportunity exists to market such a proposition to UK companies.

The UK is home to seven of the top twenty international exhibition companies. More needs to be done to encourage these companies to stage more events in the UK.

Another objective must be to **demonstrate the productive benefit-in person events**, against those of digital events, to encourage more organisers to return to live formats or use the combination of both in developing more hybrid events, to attract larger audiences.

The Department of International Trade is presently promoting exports and has recently ended the **Trade Access Programme (TAP)** which has been invaluable in assisting small businesses to exhibit at trade events.

The value of events for export sales generation should not be underestimated. Trade events is an unrivalled medium for SMEs to exhibit their goods and services and development business opportunities. These opportunities can be best facilitated by helping exhibitors to exhibit at both overseas and domestic shows.

DIT is however focussed on outbound missions, whereas support for inbound missions would be of considerable benefit to the UK's events industry and its visitor economy.

Our understanding is that DCMS were not consulted on the changes to the Scheme, further highlighting the need for recognition that there does need to be more cross Whitehall engagement in respect of policies towards stimulating business travel and associated business events.

- **What are the biggest threats to the status of 'soft power superpower'?**

As was clearly demonstrated by the hosting of the G7 in Cornwall and COP26 in Glasgow in 2021, international events held in the UK can be a **major global shop window for the UK to showcase its products and services** and carry enormous weight in prompting the UK credentials as a **world superpower and trading nation**.

They afford Ministers the opportunity to **host and lead international diplomacy and conduct international trade negotiations**.

The Committee will be aware of the importance of using events in 2022 for the recovery of the visitor economy. The Prime Minister in endorsing the recovery of tourism and announcing the £10 million marketing programme of VisitBritain highlighted the Queen's platinum Jubilee, the Commonwealth Games, the Unboxed 2022 Festival has key reasons to visit the UK.

Similarly, the City of Culture, London's Tech Week and Fashion Fair, Liverpool's, Festival of Business, The World Travel Market, Glastonbury, Wimbledon, Rugby World Cup are all examples of **international events that showcase Britain on a world stage and contribute to our global economic and social profile**.

The role of the FCO is often understated here. Britain's embassies and the British Council are often involved in supporting the winning of international business, cultural and sporting events to the UK, both by helping to present bids and hosting delegations,

Failing to support an advocacy programme, designed to win international events could jeopardies the UK's status in soft power. The Recovery Plan commits UK government Ministers to deliver keynote speeches on a regular basis at international business events held in the UK. **Failing to support existing business events which draw significant international audiences** also jeopardises this, particularly in a hugely competitive market where European Cities especially are vying to attract those events.

Furthermore, **the government commits to work with GREAT and VisitBritain** to designate sector specific UK-wide event ambassadors, who will promote the UK as a location for and advocate for events in key industrial sectors.

The government has also agreed to develop a target list of international business events to focus on bring to and retaining in the UK. We believe the government should also **develop a target list for existing UK based events** to help ensure they both are retained, but help them grow.

Failure to continue to co-ordinate a strong rolling programme of business, cultural and community events will have a profound impact on Britani's image as a "happening destination" for both business activity and cultural world hub.

All of this narrative feeds into its status as a soft power superpower.

Attached are three reports which amplify the points made in this submission.

1. The UK Government's International Business Events Action Plan (2019 -2025)
2. The Shape of Events (Report by the BVEP -September 2021)
3. The UK Events Report -Executive Summary (2019).

I hope the Committee will find this response to their Inquiry of interest. The BVEP will be happy to answer any questions arising from this response and equally happy to give verbal evidence to the Committee to this or any other future relevant Inquiry.

Kind regards



Chris Skeith OBE
Chairman.



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About the BVEP

The Business Visits and Events Partnership's (BVEP) vision is to support sustainable growth for the UK's £70 billion UK Events Industry. BVEP's mission is to support growth across the entire sector via advocacy, networking, collaboration and a collective voice.

BVEP's objectives are to:

- Operate an umbrella organisation to represent, promote and further the interest of member organisations involved in the United Kingdom Events Industry
- Advance the interests, standing, quality, sustainability and growth of the United Kingdom Events' Industry
- Seek greater collaboration across the Events' Industry sectors on common issues
- Forge close links with Government departments, including devolved Governments where possible via representation that can influence favourable policies towards the Industry. In particular, maintain strong relationships with key sponsoring departments, DCMS, DIT and BEIS
- Seek a stronger link with the Creative Industries and other related sectors
- Encourage joint events
- Increase the focus on professionalism and skills development.

BVEP PARTNERS

Association of British Professional Conference Organisers (ABPCO)
Association for Events Management Education (AEME)
beam (formerly HBAA)
Business Travel Association (BTA)
Core Cities
Events Industry Alliance (EIA)
Events Industry Forum (EIF)
Event Marketing Association (EMA)
Event & Visual Communication Association (EVCOM)
International Association of Speakers Bureaus (IASB)
International Congress & Convention Association (ICCA)
London & Partners
Meet in Ireland
Meetings Industry Association (MIA)
Meetings Professionals International UK & Ireland (MPI)
National Outdoors Events Association (NOEA)
Production Services Association (PSA)
Professional Convention Management Association (PCMA)
Professional Lighting and Sound Association (PLASA)
Tourism Northern Ireland
Unique Venues of London (UVL)
VisitBritain/VisitEngland
VisitScotland
Visit Wales.

Supporting Government Bodies

Department for Digital, Culture Media and Sport (DCMS)
Department for International Trade (DIT).