



BHA Response to the Climate Change Consultation

The British Hospitality Association (BHA) welcomes the opportunity to contribute to this, and any other consultation affecting our industry, and would be more than happy to provide further information if required. The BHA welcomes measures to tackle climate change, but is mindful that such measures should not place additional regulatory burdens on the hospitality sector and should not disadvantage rural hotels and restaurants in particular.

Introduction

The BHA represents some 3000 establishments in Scotland alone and has been representing the hotel, restaurant and catering industry for 100 years. We represent all sections of the industry – individually owned hotels, restaurants and catering operations as well as group-owned properties, clubs and motorway service areas.

Tourism is the most important and sustainable industry in Scotland, and we fully support the aspiration in *Scottish Tourism – A Framework for Change* to increase turnover by 50% by 2015. The document puts tourism in its rightful place - at the heart of the Scottish economy, though this aspiration will be difficult to achieve unless there is sufficient investment in capacity, transport and skills.

The BHA Scotland Committee includes leading industry representatives. We work closely with the Scottish Tourism Forum, which provides our Secretariat in Scotland, and with VisitScotland, to ensure that there is a strategic and co-ordinated approach to tackling some of the most important issues facing our members and the industry as a whole.

The BHA believes that measures that can ensure the environment is protected and waste minimised are to be applauded. However, climate change targets, as envisaged in the proposed Climate Change (Scotland) Bill, will need careful consideration as these could have a negative effect on the market.

Current Situation

Our sector often has to anticipate market changes and many businesses run on low margins. Efficiency and robust marketing campaigns are therefore fundamental to the success of the sector. Part of this ever-present efficiency drive also delivers benefits to the environment, such as measures to reduce energy bills. The tourism sector has already adapted and has shown great initiative in anticipation of the proposed climate change regulations.

Increasingly, hoteliers and restaurateurs have been responding to tourists' desires for local produce and are increasingly sourcing high quality food products from within



Scotland. This not only promotes Scotland and its produce, it also reduces air miles and the carbon footprint.

Parts of the tourism sector have also found a new niche in the market for eco-tourism. More and more consumers want to go on wildlife or environmentally friendly holidays, going back to basics and experiencing something a little closer to nature. Although the initial cost of establishing an environmentally friendly hotel or restaurant may be expensive, in the long run it will prove more beneficial. However, there is always a concern that establishing a new form of tourism is a risk because of the potential financial pitfalls. The Scottish Government, through VisitScotland is already providing incentives to hotels and restaurants to move into the eco-friendly market, but more could undoubtedly be done.

The Scottish tourist industry is seeking to encourage more people from within the UK, and particularly from within Scotland itself, to visit parts of Scotland. In 2006, domestic tourism accounted for over 13 million trips, with expenditure of some £2.72 billion. However, the number of domestic tourists is falling. Encouraging people to holiday within the UK serves to benefit both the UK economy as a whole and the Scottish economy, reducing the carbon footprint. For many UK citizens the idea of a holiday is going abroad, but slowly the tourism industry is changing that view point. Scotland has so much to offer but not everybody is receiving that message.

Transport and Accessibility

As Scotland's terrain is mountainous and expansive, good transport links to (and between) rural communities should be an essential part of the overall strategy; relatively small changes to funding priorities or the introduction of targets can have a significant impact on the viability of our rural communities and on the contribution they can make to the Scottish economy.

Transport infrastructure is critical for the development of the Scottish tourism industry, particularly for rural hotels and restaurants. Tourism needs to be integral to strategic transport planning and a key consideration in the investment decision-making process.

One of the major concerns for the tourist industry is taxation and regulation on transport. Due to Scotland's unique landscape, tourists rely on public transport to get around, from buses to trains to ferries. It is important that these services are still able to operate a financially viable and reliable service to our customers. This requires constant funding and upgrading to meet the demands of the consumers. The tourist industry is more than happy to accommodate for more environmentally friendly modes of transport but this would require additional funding and even with such funding, can never deliver the linkages and advantages associated with the motor car. We are aware of the acute situation in the Highlands and Islands, where petrol prices are particularly



high. For that reason, the government must not use blunt taxation methods to price tourists out of their cars. The government should therefore encourage modal shift, but not to the detriment of allowing access to rural areas by car.

Taxation on air travel is also a concern. There are currently a rising number of international tourists to Scotland. In 2006, over 16 million tourists took overnight trips in Scotland and spent nearly £4.2 billion, supporting 9% of all employment. Overseas markets now contribute £1.4 billion to the Scottish economy.

Additional taxes on fuel or air prices may deter international tourists from visiting Scotland. International tourists, particularly from the USA, often have the most disposable income when travelling. It is therefore important to ensure that any taxes imposed on air travel or fuel costs are not excessive. As the range of destinations constantly increases for domestic and international tourists alike, Scotland is competing in an ever more competitive economic climate.

The BHA and our members want to encourage visitors to stay longer and to travel more broadly, to maximise the potential benefits of tourism to the economy and to help achieve the tourism growth target. The objective 'to reduce the need for travel' is at odds with the needs of tourists - enabling and encouraging increased environmentally friendly transport use by visitors will be a key factor in reducing climate change whilst achieving tourism growth.

Walking and cycling are increasingly popular as tourist activities, and Scotland already has a number of successes with regard to provision – particularly the National Cycle Route and long-distance walking routes such as the West Highland Way. BHA would support the continued development of our walking and cycling routes, and particularly the development of a linked network of routes, with links to/from local communities and investment in the maintenance and promotion of these routes, to build on these successes.

To encourage cycling activity their needs to be a sustained focus on providing better carriage facilities for bikes on public transport, and facilities to store bikes safely.

Regulation

The sector is already heavily regulated from Brussels and Westminster. It is therefore imperative to ensure that this industry does not have to experience any further debilitating regulations. Most of our members are small businesses therefore an extra layer of bureaucracy would create an additional strain to an already overburdened market. Further regulations could lead to price increases thus potentially putting tourists and visitors off.



Consistency

As the Scottish Government is no doubt aware the UK Government issued a consultation in March 2007, with the bill being introduced into the UK Parliament in November 2007. It is of great importance to the BHA to ensure consistency across the whole of the UK. The Scottish Government should make sure that the Scottish Climate Change Bill ties in with the UK Climate Change Bill to reduce any disruption to the markets. If the contrast between the two bills is too great it may create disadvantages between the two countries, destabilising the industry and disadvantaging Scotland.

Renewable Energy

In order to combat the effects of climate change there are an increasing number of applications for renewable energy projects. It is important that schemes such as wind farms (both on land and offshore), tidal power generators, geothermal and biomass do not have a negative impact on tourism or accessibility to the land.

In a recent Scottish Government publication, 'Economic Research Findings: The Economic Impact of Wind Farms on Scottish Tourism', a survey showed that three-quarters of tourists felt wind farms had a positive (39%) or neutral (36%) impact on the landscape. At present, those figures appear satisfactory. However, the research showed that tourists are concerned by the cumulative impact of wind farms and ensuring that they are not in areas of outstanding beauty. The government should therefore ensure national planning policy reflects these views.

Conclusion

The natural beauty of Scotland's landscape is a key factor in attracting visitors, and will play an increasingly important role as we develop our green tourism strategy. The BHA therefore welcomes the proposed Climate Change Bill but requests that careful consideration is taken when making decisions on the issues above.

The effect of climate change on the landscape is yet to be realised and current theories remain just that. The tourist industry would obviously like to preserve the landscape the way it is; this may require further regulations and energy saving targets.

We need to explore international examples of best practice in order to ensure that Scotland's actions against climate change do not cause a negative affect on Scottish tourism.

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