

## Enterprise and Business Committee

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Meeting Venue:

**Committee Room 3 – Senedd**

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Meeting date:

**2 October 2014**

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Meeting time:

**09.40**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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### Agenda

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**Pre-Meeting in Private (09:40–10.00)**

**Formal Public Meeting (10.00)**

**1 Introductions, apologies and substitutions**

**2 Inquiry into Tourism – Evidence Session 9 (10.00–11.00) (Pages 1 – 29)**

**Ken Skates AM**, Deputy Minister for Culture, Sport and Tourism

**Manon Antoniazzi**, Deputy Director, Tourism & Marketing

**Dan Clayton-Jones**, Chair of Tourism Advisory Board

Attached Documents:

Research Brief on Tourism

EBC(4)–23–14 (p.1) – Minister for Culture, Sport and Tourism

### **3 Ports and Rail Electrification – Follow-up Scrutiny (11.00–12.00)** (Pages 30 – 69)

**Edwina Hart AM**, Minister for Economy, Science and Transport

**James Price**, Director General for Economy, Science and Transport

**Jeff Collins**, Director of Operations and Infrastructure, Economy, Science and Transport

Attached Documents:

Research Brief (English)

Research Brief Annex – Correspondence on Electrification

EBC(4)-23-14 (p.2) – Minister for Economy, Science and Transport

### **4 Papers to note (Pages 70 – 84)**

Attached Documents:

Letter from Minister for Economy, Science and Transport on Tourism Brand Strategy

Note of Meetings with Stakeholders for Tourism Inquiry (Pemb and Cardiff)

Forward Work Programme – Autumn 2014

**De-brief (12.00–12.15)**

Document is Restricted



Llywodraeth Cymru  
Welsh Government

## WELSH GOVERNMENT EVIDENCE TO - ENTERPRISE & BUSINESS COMMITTEE: INQUIRY INTO TOURISM

### 1. Tourism Strategy – *Partnership for Growth 2013-2020*

1.1 Tourism makes a vital contribution to the economic and social wellbeing of Wales. In 2012 the sector directly employed 117,400 or 9.3% of the workforce. Using the methodology developed by Deloitte's 2013 study to encompass jobs supported both directly and indirectly by the tourism economy in Wales, job totals reach 206,000 or 14.9% of total employment in Wales. As part of the Welsh Government's commitment to supporting and developing the tourism sector, the Tourism Advisory Board was tasked with developing proposals for a new Tourism Strategy for Wales. The tourism strategy *Partnership for Growth 2013-2020* was launched in June last year providing an overall vision for growing tourism by 10% by 2020.

1.2 This is a challenging target as real growth of 10% (after inflation) would equate to a growth of around 28% in total visitor spend by 2020 (including inflation at 2% per annum). However, the first year of the strategy has seen a rate of growth above that needed to achieve our ambition, with an increase in volume and value of trips supporting thousands of additional jobs.

### 2. Measuring Progress

2.1 The Welsh Government has identified a number of Strategic Indicators to monitor progress of the strategy against a range of key outcomes including visitor volume and earnings, market share, visitor satisfaction and employment in tourism.

2.2 These are supported by a separate set of Key Performance Indicators that measure the contribution that the Welsh Government is making via its activities to strategic outcomes including the following two Programme for Government (PfG) indicators:

*PfG – “Additional Spend in Wales generated by Tourism Marketing Campaigns.”*

The spend generated by all tourism marketing activities and campaigns in 2013 increased to £180m, largely driven by an increase in enquirers contacting the Welsh Government; including a 56% increase in traffic to the new website launched in June 2013 (year-on-year figures for 12 months before and after launch of the new website) and strong conversion of these enquiries to visits taken in Wales.

*PfG – “Proportion of UK population aware of Visit Wales marketing”*

The proportion of UK population aware of Welsh Government marketing was an average of 26% in 2013. This is in line with the average in 2012; but Wales has strengthened awareness of its marketing activity in its key UK market since 2009.

2.3 In summary, since the launch of the tourism strategy Welsh Government has:

- Reassessed its marketing activities and campaigns and launched the new visitwales.com website, which is delivering higher traffic than ever before.
- Relunched its travel trade work and refocused its PR programme on key markets, achieving high-profile coverage on TV and radio, in print and online.
- Aligned its capital grant programme to support the development of new and exciting products and drive up the overall quality and range of our tourism offer.
- Reviewed its investment in major events to deliver significant economic impact and raise Wales' international profile and reputation.
- Reviewed its governance and regional engagement structures.

2.4 In 2013 we saw growth in trips and spend from staying visitors from both GB and International markets to Wales. Overall trips by GB residents to Wales increased by 3.4% and expenditure from these visitors by 6.8%; holiday trips by GB residents to Wales increased by 3% and spend by 11.5%.

2.5 Trips to Wales by international visitors increased by 3.5 % in 2013, with expenditure on these visits up 2%. Holiday trips by international visitors increased by 14% and associated spend by 27% over 2012.

2.6 Early results for the first half of 2014 show continued growth. Provisional results from the Great Britain Tourism Survey for the first five months of 2014 show that total trips to Wales (3.47 million) were 14.6% up in comparison with the first five months of 2013, while the GB total was 2.9% down. Associated expenditure in Wales (£564 million) was up by 9.9% while spend in Britain as a whole was 2.9% down.

2.7 Holiday/leisure visits were up by 19.7% for Wales (to 2.07 million) compared with the first five months of 2013, while the GB total was 2.6% up. Expenditure on Holiday/Leisure trips to Wales was up 11.1%, while that for GB as a whole was up by 6.4%.

2.8 The GB Day Visits Survey results for the first six months of 2014 show that some 48 million day visits were made to destinations in Wales, some 19% up on the corresponding period in 2013 (40 million trips). Associated expenditure was 3% up. These figures also compare favourably with those for GB as a whole, for which trips were down by 1% and expenditure down 5%.

2.9 Visit Wales' Tourism Business Survey following the August Bank Holiday 2014 confirmed that the high season had been positive, with some 82% of tourism businesses in Wales received increased or similar levels of guests compared with August 2013, itself an

excellent month. The survey showed that 45% of all businesses had received more guests/visitors in August 2014 compared to August 2013, while some 37% of businesses experienced a similar level of business. This general pattern was replicated across all regions and sectors. Most businesses (76%) were confident about the upcoming Autumn season with 24% Very confident and 52% fairly confident.

2.10 In the 2013-14 financial year the following jobs and investment were generated from across all elements of tourism activities - including capital projects, cruise development and major events.

- 256 jobs created.
- 101 jobs safeguarded.
- 5,543 indirect jobs supported.
- £251m investment induced.

2.11 A detailed update (and overview) on first year progress against the tourism strategy and its related framework action plan is on the Welsh Government website <http://wales.gov.uk/topics/tourism/abouttourism/stratdevreports/?lang=en>

### **3. Wales Tourism Brand**

3.1 Over the last 18 months, the Welsh Government has invested in work to evolve a brand strategy and marketing narrative for Wales, embracing not only tourism but also foreign investment. Stakeholder meetings and presentations contributed to this process and the work has already delivered high-profile brand communication campaigns for Wales including the *Have you packed for Wales?* tourism campaign; refreshed marketing at Cardiff Airport; and *Just Ask Wales* - Wales's first major FDI campaign in a number of years.

3.2 All our marketing activity builds on the key principles which have been established:

- To place our high-quality products and destinations front and centre, helping to make our marketing credible and distinctive (this is a departure from the more generic approach of the past, and the approach of some of our competitors);
- To develop a brand that is consistently visible through sustained, targeted promotion and that is also highly credible, by showcasing our achievements and delivery in areas of core strength;
- To consistently challenge pre-conceived images of Wales and concerns that deter potential visitors from selecting Wales as a holiday destination: weather, warmth of welcome, ease of travel and product experience;

- To show that Wales is different from its competitors in ways that are relevant to diverse target markets with distinctive brand campaigns; and
- To focus on a core proposition that promotes Wales as an exciting place to visit, where there's always something fresh to discover, see and do.

3.3 The current strategy focuses on the overarching Wales brand. Our in-depth delivery strategy for Wales tourism marketing is currently undergoing further development. The aim is to realign our resources behind new and more integrated ways of working.

#### **4. Marketing**

4.1 Additional spend generated by visitors who were directly influenced to come to Wales due to all elements of our marketing activity was £180 million for 2013.

4.2 The GB domestic market remains the primary market for Wales. The main origin for holiday and other trips to Wales are from Wales itself and the adjacent regions of North West and West Midlands, which account for more than half of all domestic trips and spend to Wales.

4.3 On St David's Day 2014, the new £4 million "Have you Packed for Wales?" multi-media campaign was launched, including TV, radio, print, outdoor adverts/posters, digital and social media, targeting the UK and Republic of Ireland. The campaign was part-funded by the European Regional Development Fund under the umbrella Environment for Growth Programme, and has been delivered in partnership with Cadw, Natural Resources Wales and the Valleys Regional Park.

4.4 The campaign was devised by a leading Wales-based creative agency, and the creative sector in Wales has played a central role in its development. The main television advertisement was directed by Marc Evans, an award-winning Welsh film and television director, whilst the advertisement's soundtrack is a traditional Welsh song, sung by Cerys Matthews.

4.5 The campaign was developed to target our core audiences in the Midlands and North West England, as well as potential new markets for Wales in South East England and London. It has been used in the Republic of Ireland and was also shown on TV within Wales. The campaign aims to encourage Wales's target markets to reevaluate their perception of Wales by showcasing specific product and destination experiences in line with the strategy's focus on developing a product-led marketing approach for Wales.

4.6 Marketing activity targeting the UK consumer continued over the summer months with joint activity with The Telegraph to highlight the Dylan Thomas Centenary; and with The Guardian to promote the Wales Coast Path.

4.7 Visit Wales's Autumn UK & Ireland marketing activity will begin during September 2014, and will showcase Wales's food offering in the context of quality autumn breaks. The

campaign will include direct marketing contact with over 800,000 previous campaign respondents, online advertising and content development, and joint-activity with Aer Lingus Regional to promote the Dublin – Cardiff connection.

4.8 Planning for spring 2015 campaign activity in the UK, Ireland and Germany is currently in progress. Visit Wales will again be promoting Wales as a tourism destination on UK television screens during spring 2015.

### *Digital Marketing*

4.9 In addition to the targeted multi-channel campaigns, digital marketing achieves global reach. This includes the main [www.visitwales.com](http://www.visitwales.com) global website plus specific market websites for Germany, North America, France, Netherlands and Spain.

4.10 In 2013, our evaluation survey of UK visitors to the visitwales.com shows that 68% of web visitors took or were planning to take a trip to Wales. Approximately, 550,000 visitors were definitely influenced by the site and Welsh Government marketing contributed £140 million in additional visitor spend (from the total £163 million additional spend influenced from UK/Ireland market).

4.11 The new web site – visitwales.com reached its first birthday in June this year. If you make a comparison of our old site (including visitwales.co.uk) for the 12 months previous to launching the new site;

- We are circa 45% up in terms of unique users (from 1,852K to 2,686K)
- We are circa 56% up in terms of individual visits / sessions (from 2,245K to 3,496K)

We had over 14 million pages of content views on visitwales.com over the last 12 months (up from just over 9 million).

4.12 In addition to the main visitwales.com website, we also undertake social media activity – and have over 450,000 followers on Facebook and Twitter, and are also active on other platforms. We are increasingly innovating with digital advertising and content marketing activity - recent activity includes a mini-campaign of coastal drone films, produced by a leading Instagrammer from Wales and a Spotify promotion.

4.13 Work on a new German website to support marketing programmes in this market in 2014 is underway. There are also plans to further develop content for the US market and to refresh Wales's other 'brochure sites' for our established European markets in order to sustain a digital presence in these markets.

4.14 All tourism digital platforms are promoted by campaigns, search engine marketing and also via partner sites including VisitBritain. They provide a free to use opportunity for the large number of individual product and accommodation providers in Wales to promote themselves to a global audience. With information and direct links to the extensive range of



tourism products available in Wales the [www.visitwales.com](http://www.visitwales.com) website is a key one stop point of information for overseas visitors planning and booking a trip to Wales.

### *Overseas Marketing Campaigns*

4.15 In overseas territories, Wales now targets marketing investment in a smaller number of key markets to build on our current strengths. The decision was taken after analysis of markets worldwide on the basis not only of current strength, but also potential for growth.

4.16 Market factors considered included value, seasonal spread, yield, potential to generate repeat business, product fit, accessibility, competitiveness intensity, costs of market penetration, general consumer awareness of Wales, economic forecasts and political influences.

4.17 The Welsh Government now focusses on Ireland, Germany and USA with some ongoing travel trade and PR activity in other European markets. The Welsh Government also works with VisitBritain to deliver further PR, campaign and travel trade activity in these key markets and takes advantage of any significant opportunities that arise beyond these regions. For example, a series of tactical campaigns have been undertaken in wider international markets including activity to capitalise on new route development achieved by Cardiff Wales Airport. A secondee from the Tourism and Marketing team now works within VisitBritain to support closer co-operation.

### *Consumer Campaigns*

4.18 A major campaign to target the German market will be launched in early 2015. The campaigns team are currently in discussions with a number of potential partners including DFDS Seaways, KLM Germany, P&O Ferries and Dertour in regards to joint activity. They are also working with a media agency to identify opportunities for Wales's destination campaign activity. Campaign plans will be developed over the coming months and the campaign will launch in early January 2015 supported by the new website.

### *PR & Media Relations*

4.19 The Welsh Government undertakes an annual programme of PR and Media relations activity with the objective to increase media coverage of Wales in priority markets to improve its reputation as an appealing destination for tourism visits. Although our current approach is delivering results, the shift to digital and social media marketing has led to a realigning of our approach to PR to take even greater advantage of new opportunities.

4.20 This programme includes proactive targeting of key media in the priority international markets and building these relationships by arranging press and blogger visits; and providing regular news and information to travel, lifestyle and social media providers to secure positive coverage for Wales.

4.21 PR and Media Relations teams hosted 300 media visits in 2013 with bespoke itineraries for journalists, film crews and radio journalists around Wales. The programme

generated £35m of advertising value equivalent (what it would have cost to pay for these adverts).

4.22 The PR team also works closely with VisitBritain and the First Minister's team in relation to overseas marketing and trade missions to provide relevant marketing information on Wales to generate positive travel and lifestyle stories for Wales as a tourist destination.

#### *Travel Trade*

4.23 The travel trade activities were re-launched in 2013 through two industry workshops held in conjunction with VisitBritain followed by one-to-one sessions and contact. An enhanced travel trade programme has been delivered, including a range of platforms for business development.

4.24 The Welsh Government is exhibiting at World Travel Market 2014, ITB Berlin 2015 and Best of Britain & Ireland 2015 - providing platforms for more than 30 Wales suppliers. The Welsh Government is also attending a series of 'Meet the Buyer' style workshops, alongside Wales suppliers. The workshops include Explore GB, a major new travel trade event organised by VisitBritain bringing over 200 tour operators from their key markets worldwide. We will also have appointments with travel trade buyers through our wider global events programme including the established March Marketplace European Tour Operator Association (ETOA) event.

4.25 Additionally, the Welsh Government is sponsoring a range of activities and events at VisitBritain, UK Inbound and ETOA travel trade events to promote the Wales brand and highlight Wales-based tourism businesses.

4.26 Grant support for eligible businesses to attend overseas travel trade events is being made available through UKTI and the Welsh Government Tourism Overseas Business Development Visits scheme.

4.27 Familiarisation trips are being arranged during the financial year 2014/15 for key tour operators and travel agents considered to be 'best prospects' for further business. Trips since April 2014 most notably include travel agents and groups leaders from North America in association with CIE Tours, Tenon Tours and DH Tours; Japanese operators (JTB World Vacations and Miki Travel) following up the Welsh Government hosted Japan Operators Lunch; and Chinese operators CITS and Caissa. In February/March 2015 we will host groups of tour operators from priority markets – U.S.A and Germany, as well as Netherlands and Russia.

4.28 A new global Wales online destination training tool has gone live with a dedicated Wales module on VisitBritain's BritAgent online training programme, available across 30 markets in more than 10 languages to the travel trade to learn about Wales and how to sell it to their clients.

4.29 The Wales business-to-business travel trade website has delivered 25,030 unique visitors in 2014 and our e-newsletter programme to our global travel trade contact database is generating an average click to open rate (CTOR) of 39%.

## **5. Capital and Business Support**

5.1 On capital development work, we have aligned investment and partnership work more closely with the new focus on iconic, high quality, reputation-changing products and events

5.2 In 2013/2014 the Tourism Investment Support Scheme (TISS) assisted 34 businesses with just over £2 million of financial support. Against TISS spend in the same year some 119 jobs were created and 98 safeguarded (217 in total). This support induced total investment of £8.68m.

5.3 In line with the strategy, additional support has been provided from central ES&T funds for some innovative products which we are confident will make a visit to Wales even more compelling for visitors. Zip World and Bounce Below at the Llechwedd Slate Caverns, Blaenau Ffestiniog, for example, and Surf Snowdonia (Dolgarrog), are both high profile and high impact projects already attracting significant attention.

5.4 Several significant pipeline projects are also being discussed that complement the Tourism Strategy for Wales 'Partnership for Growth' including hotel and spa development, and all year round, all weather, attractions.

### *Tourism Business Support & Quality Grading & Promotion*

5.5 A priority of the Partnership for Growth Tourism Strategy is to improve the quality of the tourism product in Wales. One of the most effective ways of doing this is through the quality assurance grading scheme. Welsh Government's Quality Advisors will continue to advise business on how they can improve their grading and to refer the business to the Tourism Investment Support Scheme which provides grants to make improvements to achieve a higher grade. The quality assurance scheme enables businesses to maintain and improve standards in line with changing consumer needs and expectations.

5.6 Following the recent change to the regional engagement structure, the Quality Advisors now play a key role as an extension of the regional team. In addition to their grading role, they are also able to provide advice to the business and to signpost to an array of services/specialists in order to encourage and stimulate improvements in growth and quality.

### *EU Funding*

5.7 The Welsh Government has been working with partners to oversee the delivery of a number of EU funded projects under the Environment for Growth Programme. The programme totalled some £35 million and has delivered seven tourism centres of excellence via the coastal and sustainable tourism projects. The projects have recently delivered a

number of new iconic tourism products that are already helping to raise the profile and perception of Wales as a holiday destination. Developments include:

- A new visitor centre in Aberdaron called Porth y Swnt; Gethin Bike Park;
- a new international Mountain Bike Centre at Merthyr Tydfil;
- a new coastal watersports centre at Saundersfoot; and
- a new marina at Porthcawl.

5.8 The Digital Tourism Business Framework programme (DTBF) has been recognised by the EU as one of only 20 Cases of Innovation and Good Practice which enhance the Competitiveness of Tourism in the EU. The ICT Diagnostic Service element of the DTBF has been provided to 738 tourism businesses.

5.9 The Sharewales website, developed two years ago to assist tourism businesses to better engage in digital technologies has received 19,442 visit sessions. The site is to be mainstreamed with a move to the Tourism Zone on the wider Welsh Government business support website.

5.10 The financial commitment to the development of Innovative Projects now totals £3.1 million. By the programme's end on 31 December 2014 over 40 different organisations will have been assisted to develop a range of new tourism related digital products eg. digital trails around Laugharne, in this the Centenary year for Dylan Thomas; and an exciting augmented reality based digital tour around Llandudno, which brings to life the connection the town has always had with Lewis Carroll's Alice in Wonderland stories.

5.11 The Welsh Government is currently developing two EU structural fund (2014-2020) proposals which will help deliver on the ambitions of the tourism strategy. The proposals focus on accessing finance for the private sector to continue to deliver new and improved strategic tourism products; and funding to deliver a small number of tourism infrastructure projects that can deliver perception changing products.

## **6. Tourism Skills**

6.1 Developing people is a key strategic aim, as is increasing the profitability of the industry. This includes working in partnership with stakeholders to extend the season and support higher yield so that salaries improve over time.

6.2 As the Department for Education and Skills has the remit and funding budget to deliver training in the tourism industry it is a vital that Department for the Economy, Science and Transport work closely with them – and the education and training sector – to ensure that the right training and qualifications structures are in place to develop the performance of the sector and achieve the ambitions in the Tourism Strategy.

6.3 The Deputy Minister for Skills met with the Tourism Advisory Board in June 2014 and introduced his new plan for skills which was subsequently published in July 2014. Visit Wales will work closely with DfES to support the effective implementation of the plan in the Tourism sector.

6.4 Key actions on skills will now see the development of an evidence based skills framework to address the future challenges of successfully servicing new markets and developing more prestigious and highly paid employment opportunities. Key industry representatives have been invited to a workshop to participate in deciding how to take forward the action plan.

6.5 Other actions include the development of networks of excellence to offer wide-ranging skills development opportunities; further piloting and promoting the use of qualifications in the outdoor sector and improving the provision of direct support for business by analysing the skills needs of individual businesses and offering more integrated solutions.

6.6 The Welsh Government and tourism partners will exhibit at Skills Cymru careers events for the first time this year, and have been looking at the potential development of hospitality schools - led by the private sector - to help address training issues, qualifications and standards that will elevate tourism as a career and put in place career progression.

## **7. Major Events**

7.1 Since Welsh Government launched the major events strategy in 2010 we have made big strides in building Wales's position in the global events industry. Working with partners across Wales and the UK, we have built strong and effective relationships with international event owners, gaining their trust and confidence in Wales's event hosting capability.

7.2 As part of the grant funding conditions each event is required to undertake an impact assessment. It is estimated that the Welsh Government supported programme of 39 major sporting and cultural events in 2013/14 generated a direct economic impact of £61 million.

### *Events in Wales 2013 and 2014*

7.3 In 2013, Wales achieved two more 'firsts' - hosting an edition of WOMEX, the world's foremost professional event for folk, roots, ethnic and traditional music; and the first hosting within Europe of World Stage Design, an exhibition of international performance design, from the global industries of opera, theatre and dance. Wales again hosted the Wales GB Rally Championships, successfully moving it from South Wales to North Wales; and Red Bull Cliff Diving Series attracting competitors and spectators from all over the world. We also co-hosted (with England) the Rugby League World Cup with the Opening ceremony staged at the Millennium Stadium.

7.4 Other highlights among the 39 events supported by the MEU in 2013 included an equal split of music/culture events such as Wakestock (Gwynedd), Festival No6, (Gwynedd - winner of NME Best New Festival Award 2013), Swn (Cardiff - NME Best New Festival 2014) and Green Man Festivals; and sporting events including the Ironman Triathlon (Pembrokeshire), one and a half stages of the Tour of Britain cycle race (North and Mid Wales); and a leg of the Extreme Sailing World Series (Cardiff Bay).

7.5 In 2014 the Welsh Government is leading, in partnership with the Arts Council of Wales and local authority partners, a year-long festival to celebrate the centenary of the birth of Dylan Thomas.

7.6 We have also successfully hosted the Senior Open Championship at Royal Porthcawl - the first time one of golf's 'Majors' has been staged in Wales; the Amlin and Heineken Cup finals; the UEFA Supercup Final; and the International Paralympic Committee Athletics European Championships at Swansea University.

#### *Future Events/Projects*

7.7 Looking ahead to 2015, Glamorgan Cricket will further build its position among the world's leading international cricket venues by hosting the first match in the Ashes series; and the Millennium Stadium will host 8 matches of the Rugby World Cup, including two quarter finals.

7.8 We have also been successful in securing bids to host the 2016 World Half Marathon Championship, a consequence of the recognised success of hosting the annual Cardiff Half Marathon; and a stop-over leg of the Volvo Ocean Race in 2018 - the first return of this premier round-the-world sailing race to the UK in over a decade and the first visit ever to Wales. In April, Wales launched its bid to part host Euro 2020 football championships. UEFA will announce its decision on 19 September.

7.9 Going forward we are also continuing to support a thriving portfolio of arts and cultural events including Machynlleth Comedy Festival, Beyond the Border Storytelling Festival, Iris Festival Prize; Hay Festival and Festival No6.

## **8. NATO**

8.1 The successful delivery of the NATO Wales Summit 2014 has created a wider platform from which Wales's profile on the world stage can be strengthened. Welsh Government took full advantage of opportunities before and during the summit. Arguably, one of the key moments from the summit, in terms of promoting Wales came from President Barack Obama's remarks that he will encourage people in the United States to visit Wales. He praised the country's "extraordinary beauty, wonderful people and great hospitality".

8.2 Post summit, Welsh Government will use this, the wider visibility that has been generated by the summit and the relationships that have been developed to position Wales as a confident, capable and creative nation; and a world-class place for business, investment and tourism.

8.3 In advance of the summit Welsh Government worked with HM Government's Foreign and Commonwealth Office and VisitBritain through its GREAT marketing campaign and associated partners to improve the way Wales is positioned and promoted in GREAT marketing and branding activity.

8.4 We also produced distinctive brand messaging and materials to promote Wales as a business and tourism destination in its own right at and around the Summit. "Wales Made" could be seen at key destinations such as Newport and Cardiff train stations as well as the NATO village at Cardiff airport. This was used alongside GREAT Campaign branding where appropriate and new marketing materials including 2 films and a set of postcards for all delegates.

8.5 Working with Hoteliers, we also placed a range of materials into NATO delegate hotels to promote Wales as world-class place for business, investment and tourism and offered a "welcome host" staff training scheme for Hotels across South Wales hosting NATO related delegations, media etc.

8.6 In his written statement of 5 September 2014 the First Minister committed to publishing "an account of what the Welsh Government invested around the Wales NATO summit and an indication of the benefits to the Welsh economy." That account will be published in due course but some of the activity undertaken included:

- Working with the FCO Berlin to deliver a press visit for German Journalists from leading titles. The visit included trips to the Dylan Thomas Boat House and Welsh Whiskey, which has resulted in positive coverage.
- A PR visit around other business sectors that were directly related to the summit such as aerospace and defence. Some positive coverage has already come out of this visit.
- Working in partnership with the FCO and the Wales Office, we collaborated on an event at the Locarno suite in London. The event was an opportunity to raise the profile of Wales using a week before the summit. The event brought together existing and potential investors, diaspora and journalists. GREAT branded adverts carrying Welsh messaging was used throughout the event, showcasing Welsh strengths across a range of sectors.
- Destination information about Wales was featured on the NATO Wales 2014 drop box providing easy access to a range of ready content relating to tourism, business and food.

8.7 Moving forward, opportunities to use the successful delivery of the summit to generate further PR interest in Wales as a business tourism and leisure destination in our key markets of Germany and the USA are being developed.

## **9. Regional Work**

9.1 It was announced earlier this year that Welsh Government funding for the four Regional Tourism Partnerships will cease after September 2014.

9.2 This decision followed on from a consultation process with tourism businesses and stakeholders in Wales on future support for the regions. The outcome saw a clear call for closer, direct working relations with Welsh Government and reduced complexity in tourism support structures.

9.3 In response to this a Regional Engagement Team has been established within the Department of Economy, Science and Transport. The regional officers are based at the Government offices in Aberystwyth, Llandudno Junction, Treforest Estate and Penllergaer.

9.4 The regional engagement with the industry operates at three levels:

- At Local level, each region has two officers within the Department of Economy, Science and Transport who are responsible for working with businesses; local authorities; destination partnerships and trade associations on a one-to-one basis.
- At Regional level, an informal Forum is being established for each of the four regions. This Forum will take a wider, strategic view across the region and will consist of both public and private sector representation.
- At National level, a representative of each region is being appointed onto the Welsh Government Tourism Advisory Board.

9.5 Budget has been allocated to each region to deliver a variety of activities from PR to product development. This work is being carried out by a range of individual contractors, tourism associations and sectoral bodies, as relevant to each region.

## **10. VisitBritain**

10.1 We work closely with VisitBritain and have recently recruited a representative to work on behalf of the Welsh Government within the VisitBritain team in London. This individual will provide strategic leadership on projects, ensuring a joined-up approach, maximising on relevant opportunities for Wales and providing direct assistance with content and campaigns as required. The Chairman of the Minister's Tourism Advisory Board is also a member of the VisitBritain Board.

10.2 We are also feeding into the UK Government's GREAT campaign in terms of providing information on the products and experiences Wales has to offer visitors.

10.3 We are working with VisitBritain to strengthen the way it represents Wales overseas; and to identify clear VisitBritain roles and targets for Wales in terms of PR coverage, digital reach and campaign leads. Discussions are ongoing with other UK tourism authorities



about how VisitBritain can improve its strategic support for destinations within the UK, including establishing specific targets in this area.

10.4 This matter was highlighted in a recent Welsh Government Evidence Paper to the Welsh Affairs Committee during its investigation into how well UK bodies promote Wales abroad. We are also contributing to the current Triennial Review of VisitBritain and Visit England.

# Agenda Item 3

By virtue of paragraph(s) vi of Standing Order 17.42

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Carl Sargeant AC / AM  
Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref DC/CS/05947/12

Rt Hon Justine Greening MP  
Secretary of State for Transport  
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May 2012




Thank you for hosting our second meeting at Great Minster House on 26 April.

I am pleased that we were both able to recognise the work our departments have put into the development of the outline business cases for electrification in South Wales. Joint working has resulted in positive progress and should lead to decisions that are right for the rail network.

I was also glad of the opportunity to discuss the strategic importance of electrification for the region, beyond the significant benefit it offers in terms of reducing the burden on the taxpayer. Electrification of the Valley Lines offers the opportunity for a step change in mobility and connectivity to employment centres for our Valleys communities, as well as a larger employment catchment area for businesses looking to invest in the region. Electrification of the Great Western Main Line to Swansea would support regional growth by enhancing Swansea's role as an economic centre. Strengthening the strategic east-west economic corridor in South Wales is also a priority in terms of the Trans-European Network. I would be happy to provide you with an additional paper on these issues.

We discussed what needs to happen next to move us towards a positive outcome for your announcement of the HLOS at the end of July. I would like to see our officials continue to work together on the potential options for financing electrification. We agreed to meet again to discuss these options ahead of any decision.



**Carl Sargeant AC / AM**  
Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities

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Wedi'i argraffu ar bapur wedi'i ailgylchu **Page 45**

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Carl Sargeant AC / AM  
Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref MB/CS/2128/12  
Constituency Members of  
Parliament (SEWTA and  
SWWITCH area)  
Assembly Members (SEWTA and  
SWWITCH area)

16th May 2012

Dear colleagues,

Electrification of the Great Western Main Line and the Valley Lines are two of a number of projects competing for limited funding in the next railway investment period, and we are now entering the critical decision making stage. The Secretary of State will announce her decision on which projects she wants to take forward in her High Level Output Statement in July.

I would like to take this opportunity to give you an update on the Welsh Government's position on electrification in South Wales, and offer to discuss in more detail how we can work together to secure this step-change investment in the rail infrastructure.

The Welsh Government took the lead on developing the business case for electrification in June 2011. Since then the Welsh Government, Department for Transport and Network Rail have worked together to produce outline business cases that both the Secretary of State and I have been able to recognise. Joint working has resulted in positive progress and should lead to decisions that are right for the rail network.

The economic case for electrification is compelling. An efficient rail network would help to ensure that South Wales has the infrastructure to underpin economic growth. Rail in South Wales plays an important role in the labour market, and delivers the connectivity that will ensure our key economic centres continue to grow.

The Welsh Government's plan is to facilitate the wider economic region in South Wales to function as a more integrated whole, with a series of overlapping labour markets served by fast and frequent public transport. I have already taken steps toward achieving this through the prioritised National Transport Plan, in which I committed to improving journey times and delivering capacity for growth, recognising the importance of east-west connectivity. However, investment in rail infrastructure is reserved and we need the Secretary of State to commit to electrification of the railways.

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Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

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I am also aware of the need to achieve enhanced services at the same time as reducing the cost of the railway, leading to a fairer deal for passengers and taxpayers. There is no doubt that the cost of providing diesel train services will continue to grow over the coming decades, particularly as more and more of the UK railway network is electrified and the rail industry adapts to a greater need for electric trains. This means the burden on the taxpayer is likely to increase, and without electrification there are few options for reducing cost whilst meeting our objectives. We also have an aging fleet of inefficient diesel trains and these will need to be replaced within the next franchise. We could continue to use diesel, or make the most of the opportunity to introduce more efficient trains.

Electrification offers the potential for a step-change in South Wales. Electrifying the railways would significantly reduce the cost of running services, which in turn reduces the burden on the taxpayer. It would also improve connectivity and capacity for growth in one investment. We can also achieve greater surety on the supply and cost of energy needed to power trains, and give substantial environmental benefits by reducing CO<sub>2</sub> and particulate emissions.

Importantly, our work on the business cases for electrification shows that the cost savings against diesel services are sufficient to cover the cost of the investment within 30 years. By investing in electrification now, the UK Government would be securing lower costs for the future.

In my discussions with the Secretary of State I have emphasised that a decision to electrify across South Wales would enable the co-ordination of reserved and devolved funding. Local and regional investment could focus on increasing demand, through more park and ride at rail stations, and by co-ordinating investment in the bus network.

We also have a one-off opportunity to take advantage of the synergies between electrification of the Valley Lines network and the Great Western Main Line to Swansea. A significant section of the route is used by both Main Line and Valley Line services (from Cardiff to Bridgend). Electrifying in the forthcoming control period means we can look at the case for electrification as a whole, not as a set of separate schemes.

I hope that you will find this letter helpful in updating you on the electrification Business Case. Should you require any further information, I would welcome the opportunity to meet with you.



**Carl Sargeant AC / AM**

Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities

Carl Sargeant AC / AM  
Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref SF/CS/1911/12  
Rt Hon Justine Greening MP  
Secretary of State for Transport  
Great Minster House  
33 Horseferry Road  
LONDON  
SW1P 4DR

12<sup>th</sup> June 2012

*Den Justine*

Further to our meeting on 26 April and my subsequent letter of 9 May, we agreed that our officials should continue to work together on the analysis of options for financing electrification.

Our officials have now completed a detailed financial analysis of the Valley Lines outline business case, comparing the forecast operating cost savings and higher revenue requirement resulting from electrification with the capital costs of the required infrastructure, against the forecast cost of continued diesel services. The analysis indicates that, over a 30 year period, the financial benefits of electrification will repay the capital cost of investment. This is based on the assumption that the capital cost of electrification would be added to Network Rail's Regulatory Asset Base with repayments met through the Wales and Borders franchise through the fixed Track Access Charge.

Electrification of the Great Western Main Line from Cardiff to Swansea would provide a strengthened east-west economic corridor in south Wales and would enhance Swansea's role as an economic hub. Electrification to Swansea presents the opportunity to review the franchise arrangements for rail services west of Swansea. Those services currently provided through the Great Western franchise could, in principle, become part of the Wales and Borders franchise from 2018.

Clearly, any decision to progress these electrification proposals will alter the funding requirement for the next Wales and Border franchise. On this basis, our officials should continue to discuss these issues and report to us when more detail is available.

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I am happy to meet again to further discuss this ahead of any decision. It would also be useful if our offices could co-ordinate an approach to the announcement of HLOS in relation to the impact in Wales.

A handwritten signature in black ink, appearing to read 'Carl Sargeant'.

**Carl Sargeant AC / AM**

Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities



**From the Secretary of State**

Carl Sargeant AM  
Minister for Local Government & Communities  
Welsh Government  
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13<sup>th</sup> July 2012

*Dear Carl,*

## **WALES RAIL ELECTRIFICATION AND THE HIGH LEVEL OUTPUT SPECIFICATION FOR 2014-19**

I was delighted we were able to agree a way forward on electrification for Wales today, recognising the transformational nature of this project, and its importance for the long term to the Welsh economy.

The electrification of the Valley Lines will be a key enabler of economic growth. It will help commuters into Cardiff with the potential for faster journeys and more capacity. It will help more people access new jobs in the city and allows firms to recruit from a wider pool of workers. In the shorter term, this investment will create jobs in the manufacturing and construction sectors.

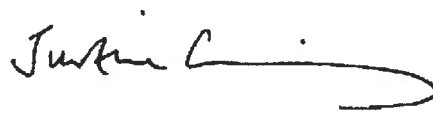
I believe a willingness on both sides to work to reach a positive conclusion has led to a deal which will be perhaps the most significant infrastructure announcement for Wales for many years. Specifically we agreed:

- the next Wales and Borders franchise specification should include electric services on the Valley lines, with a specific access charge on the franchise to repay the infrastructure investment by Network Rail. On that basis, I will include electrification of the full Valley lines including Ebbw Vale, Maesteg and the Vale of Glamorgan within my High Level Output Specification (HLOS) for the period 2014-19. This will include electrification of the main line between Cardiff and Bridgend; and



- I will allow bidders for the next Great Western franchise the opportunity to consider whether they would wish to continue the operation of through services west of Swansea or to operate alternative connecting services. On that basis, I will include electrification between Bridgend and Swansea in HLOS.

I know that our officials have been in dialogue about what this would mean in practice for the specification of the next Wales and Borders franchise. Once again, I am very grateful for the way we have been able to work together on this to secure a strong and fair outcome for Wales within HLOS. I am sure you will be as pleased with this outcome as I am.

A handwritten signature in black ink, appearing to read 'Justin Greening', with a long, sweeping underline that extends to the right.

**JUSTINE GREENING**

Carl Sargeant AC / AM  
Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref CS/06648/12

Rt Hon Justine Greening MP  
Secretary of State for Transport  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

24 July 2012

Thank you for your letter of 13 July. I too am glad we were able to work together to agree a way of taking forward electrification, and I can confirm our agreement as set out in your letter.

It is important that we build on this joint working to ensure successful delivery of electrification. I know that my officials are already working with Network Rail on the next steps, such as timetable for delivering Valley Lines electrification. Clearly, our officials need to continue their dialogue on rail matters that affect Wales, and I will be keeping a close interest in how electrification of the Great Western Main Line progresses, from GRIP Stage 3 onwards.

Our agreement on taking forward electrification is a significant step forward for rail in Wales, and I look forward to working with you and your Ministerial colleagues on the next steps.

**Carl Sargeant AC / AM**  
Y Gweinidog Llywodraeth Leol a Chymunedau  
Minister for Local Government and Communities

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*Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)*

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Rt. Hon. Patrick McLoughlin MP  
Secretary of State for Transport  
Department for Transport

[TransportSecretary@dft.gsi.gov.uk](mailto:TransportSecretary@dft.gsi.gov.uk)

07 August 2013

Dear Patrick,

I am writing to propose how we might make progress in agreeing the process to specify and procure the next Wales and orders franchise, ensure the efficient delivery of electrification of the Valley Lines network and the arrangements for the future of the Severn Crossings.

The current Wales and orders franchise ends in 201 . I am clear that the Welsh Government will want to play a key role in letting the next franchise. You are already progressing plans to devolve rail franchising to the regions in England. I want to open discussion about transferring those functions to the Welsh Ministers and the appropriate financial settlement to underpin such a change.

Good progress is being made on the next stages of Valley Lines electrification. It is in the interests of both our Governments and rail passengers in England and in Wales that we ensure that the funding and delivery mechanism is the most efficient one possible. I believe that we need to test the proposed approach that has been developed by our officials since our predecessors agreed the principles which enabled the project to be included in the HL S in July 2012. This will put us in a position to provide the absolute clarity that the office of the Rail Regulator and Network Rail require.

The future of the Severn Crossings has been subject to some discussion over the last year or so both in the context of the discussions with HM Treasury on the M4 around Newport and as a consequence of the Wales Affairs Select Committee s inquiry.

The First Minister has made our position very clear and that is that decisions on the tolls after the end of the current Concession should be made by the Welsh Ministers. Our priority, after securing the maintenance of the Crossings, would be to reduce the tolls.

I believe that it is time for us to open a direct discussion on this issue rather than allow speculation to persist.

I believe it would be appropriate for senior officials to meet over the summer to work through an approach to all of the above and produce proposals that you and I can discuss. I am keen to make progress and to have certainty about the way forward as early as possible, this will then allow us to concentrate on effective delivery.

I have asked my Director General, James Price, to contact his counterparts in your department to take this forward.

A handwritten signature in black ink, appearing to be 'JP', written in a cursive style.



Eich cyf Your ref  
Ein cyf ur ref  
The Rt Hon Patrick McLoughlin MP  
Secretary of State for Transport  
Westminster Government

TransportSecretary dft.gsi.gov.uk

12 November 2013

Dear Patrick

I am writing following the discussion at the Joint Ministerial Committee 16 October at which the Prime Minister provided confirmation to the First Minister that the Main Line electrification to Swansea and the Valley Lines electrification schemes will be funded by the UK Government.

You will wish to know that the Prime Minister reiterated this position in his C Wales interview on 31 October and again, more formally, in the Wales Office Written Statement on 1 November. It would seem that the most sensible way for the scheme to be delivered would be to add it to the SFA and be delivered as part of Network Rail's HLE enhancements programme.

It is now timely for our respective officials to continue the work they have been doing to deliver a formal transfer of rail powers to Wales as soon as possible. I will therefore ask my officials to expedite this work, based solely on the operational costs of the next franchise, but excluding the costs of infrastructure electrification which will fall to the UK Government.

I look forward to continuing to work with you to ensure Wales is benefitting directly and indirectly from the investment to modernise the UK's rail network.



Department  
for Transport

Edwina Hart MBE CStJ AC/AM  
Minister for Economy, Science and Transport  
Welsh Government  
Cardiff Bay  
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CF99 1NA

From the Secretary of State  
The Rt. Hon. Patrick McLoughlin

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Our Ref: MC90452

**19 DEC 2013**

*Edwina*

Thank you for your letter of 12 November explaining your view that the Prime Minister has decided the Main Line electrification to Swansea and the Valley Lines electrification schemes will now be funded by the UK Government. I apologise for the delay in responding to you.

I am sorry to say that I fear a misunderstanding must have arisen. The UK Government has no intention to change the electrification funding arrangements agreed between our predecessors in July 2012. The Wales Office Written Statement of 1 November did not indicate any such change.

I am therefore continuing to work on the basis that the Welsh Government still requires the electrification of the Valley Lines, including the railway between Bridgend and Swansea, and the UK Government still requires the electrification of the Great Western Main Line between London and Cardiff and between Bridgend and Swansea, the latter dependent on the continuing commitment to electrification of Cardiff to Bridgend by the Welsh Government. The work will be undertaken by Network Rail using funding attained through the Periodic Review mechanism. The repayment costs for the capital works will be borne by the train operating companies through the franchises managed by each government.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and the Secretary of State for Wales.

*Patrick*

**THE RT. HON. PATRICK McLOUGHLIN**



Rt Hon David Cameron MP  
Prime Minister  
10 Downing Street  
London  
SW1A 2AA

23<sup>rd</sup> January 2014

Dear David

I am writing to follow up a letter (attached) from your Secretary of State for Transport to the Economy Minister here about rail electrification, which you were copied into. The letter has caused us some concern because, as you can see, it seems to cast doubt on your commitment to deliver the projects in Wales.

You were clear in advance of your announcement on Silk part 1 in November 2013 that the UK Government is putting up the money for the electrification of the rail lines up to Swansea, and the Valley Lines. You made this commitment very clear at our last meeting of the Joint Ministerial Committee at No. 10 in October 2013 and again in your public comments to the media when you last visited Cardiff.

In December, your Government announced that Wales is to benefit by almost £2bn from the programme to modernise the rail network in its National Investment Plan. In your Plan the electrification of the Great Western and the Valley Lines comprise one of your Top 40 priority investments which, together, make up the £180bn that you have committed the UK Government to invest across the whole of the United Kingdom.

If you are unable to commit the capital funding required to deliver the Valley Lines project as part of your £180bn pipeline, then an alternative model would be to fund it via a revenue arrangement with repayment to Network Rail for the capital borrowing. This could be through the conventional Network Grant / Access Charge arrangements, as is the case for the other railway investments you have announced. Alternatively, as suggested in the Secretary of State's letter, it could be through a special charge on the operators that use the Valley Lines. This approach would require a solid agreement from the UK Government that it would meet that cost as part of the future franchise subsidy transfer to the Welsh Government. If you agree, I would be very content for my officials here to discuss operational practicalities with officials at DfT.

I hope that we can reach common ground on this. Enhancement of rail capacity is essential for improving competitiveness across all parts of the UK and it would be very regrettable if the UK Government were seen to be treating rail capacity in Wales less favourably than other parts of the UK. I look forward to your response.

Copies of this letter go to the Secretaries of State for Transport and Wales in Whitehall, and the Minister for Economy, Science and Transport here.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carwyn Jones', written in a cursive style.

**CARWYN JONES**





Rt Hon David Cameron MP  
Prime Minister  
10 Downing Street  
London  
SW1A 2AA

6<sup>th</sup> March 2014

Dear David

I am writing following my letter of 23 January regarding the funding of Valleys Line Electrification, to which I have not received a response.

The Welsh Government has recently received correspondence from Network Rail which indicates that the statements made by you confirming that the UK Government is paying for the project may not have been properly communicated to the DFT and Network Rail. We have received correspondence from Network Rail which states that unless they are given clarity on the funding position by 17 March the project will be put on hold and work will stop. Naturally, this is a matter of the highest concern since electrification of the Valleys Line is a key priority for developing prosperity in those communities.

When you visited Wales last November you made it very clear in your public, as well as private, comments that electrification is one of the primary ways in which the UK Government is assisting economic development in Wales. The rail network is also – I hope you will agree – part of the glue that binds together the Union into a common business community. In order to remove the doubts which are now seriously threatening to undermine rapid progress on electrification I would ask that you act very promptly to restate your position that the UK Government is paying for the project and - crucially – to make this clear to the DFT and Network Rail.

Significant work was undertaken between the Welsh Government and the DFT to provide a way for this project to be announced and go ahead and this timetable cannot be allowed to slip without damaging the economic prospects of the Valleys relative to other parts of the UK. I enclose copies of correspondence exchanged at the time the agreement was reached by way of background.

There are at least two ways in which the UK Government can fund this project: either through directly funding the capital or, alternatively, through the track access charges via a potential transfer to the Welsh Government over the next franchising period. I have no strong view as to which funding method is adopted and my officials stand ready to agree the detail of either – as a matter of urgency.

Since Network Rail has imposed a deadline of the 17 March it is essential that there is an early resolution to this matter. In order to avoid further difficulties I would, therefore, appreciate your urgent clarification by Friday the 14<sup>th</sup> March.

I am copying this letter to the Deputy Prime Minister, the Secretary of State for Wales and the Secretary of State for Transport.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carwyn Jones', written in a cursive style.

**CARWYN JONES**



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

14 March 2014

Dear Carolyn,

Thank you for your letters of 23 January and 6 March about the electrification of the Valleys Line. Please accept my apologies for the delay in my response.

I completely agree with you about the importance of the electrification projects in Wales and the benefit and economic growth they will bring to many communities. The UK Government has been consistent in demonstrating our support for electrification in Wales, both through direct and indirect funding.

As you are aware, we are directly funding the electrification of the Great Western Main Line through to Cardiff through Network Rail, and have committed to funding the electrification of the line from Bridgend to Swansea as part of the agreement made with the Welsh Government in 2012. The UK Government also provides indirect financial backing for Network Rail to enable them to undertake a wider programme of capital works, such as Crossrail and the electrification of the Valley Lines, including the main line between Cardiff and Bridgend. It appears that a misunderstanding has arisen that the Valley Lines electrification will be directly funded by the UK Government but that was never the case.

Under the funding mechanism agreed between the Department for Transport and the Welsh Government in the letters of July 2012, Network Rail will raise the capital to fund the works to electrify the Valley Lines and the line from Cardiff to Bridgend. As per the standard regulated approach for delivering rail enhancements, the costs of the enhanced infrastructure will be recovered from increased track access charges paid by the train operating companies who use that part of the network. Responsibility for the Wales and Borders franchise costs is devolved to the Welsh Government.

As you rightly say, electrification is an important factor in assisting the economic development of Wales. I hope that the commitments of the UK and Welsh Governments to electrification will play a major role in supporting economic growth in Wales. I am sure you agree it is now vital for our officials to work together to deliver these crucial projects.

I am copying this letter to the Deputy Prime Minister, the Secretary of State for Wales, the Secretary of State for Transport and the Chief Secretary to the Treasury.

Yours,  
David

The Right Honourable Carwyn Jones AM



Assembly Members

1<sup>st</sup> April 2014

Dear Assembly Member

During my Assembly Questions on 18 March, I promised to share correspondence we have had with the UK Government on the electrification of the Valleys Lines.

Please find copies of correspondence attached.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carwyn Jones'. The signature is fluid and cursive, with a large initial 'C' and a long, sweeping tail.

**CARWYN JONES**

## **Welsh Government Evidence to the Enterprise and Business Committee Inquiry on International Connectivity through Ports and Airports and on Mainline Rail Electrification**

### **Introduction**

This evidence paper provides an update to the Committee on mainline electrification. It also provides an update on progress in relation to the Committee's recommendations on Welsh ports in their report on International connectivity and further developments that have been made since the Committee's report was published.

### **Update on mainline electrification**

The railway provides an important means of connectivity to serve the needs of businesses, people and communities and supports both passengers and freight. Responsibility for rail services and rail infrastructure is not devolved, but the Welsh Government has taken an increasing role in this field.

Electrification of the Great Western Main Line from Cardiff to Swansea will provide a strengthened east-west economic corridor and enhance Swansea's role as an economic hub.

In March 2011 the then Secretary of State for Transport announced the decision to electrify the Great Western Main Line between London and Cardiff only. Following this announcement the Welsh Government, working with the Department for Transport and Network Rail, developed the outline business cases for electrification of the Great Western Main Line to Swansea, and of the Valley Lines network. These cases demonstrated the case for the investment, and the Secretary of State for Transport subsequently included the projects in the 2014 – 2019 railway investment period.

Electrification represents the first step towards achieving the Welsh Government's vision for a modernised rail infrastructure across Wales. The recent Metro studies take electrification of the Valley Lines as the essential starting point. An electrified rail network is more economical to operate and maintain which will deliver value for money to the taxpayer. Passengers will travel in a more environmentally sustainable way and experience a quieter, faster journey with savings of up to 20% on existing timetables.

The case for electrification, and the funding arrangements discussed between Governments, is set out in the correspondence that the First Minister has made available to Assembly Members.

Discussions with the UK Government to ensure delivery of electrification in Wales are ongoing.

## **Update on the recommendations from the report on International connectivity through Welsh ports and airports**

Recommendation 9 – The Welsh Government should continue to facilitate and commit to effective engagement with the UK Government on ports policy including discussion on the suitability of the existing devolutionary settlement and any changes that are necessary to benefit Wales.

The Welsh Government continues to engage with the UK Government on matters relating to ports in Wales. My officials recently met their counterparts in the Department for Transport to discuss the review of Trust Ports which the UK government is conducting and I will be submitting evidence to inform the UK Government's consideration of this issue.

My officials also met last week representatives of the Welsh Ports Group regarding this matter.

The Welsh Government's evidence to the Part II of the Silk Commission made the case for devolution of ports policy. This was accepted by the Commission and reflected as a recommendation in their second report.

Recommendation 10 - The Welsh Government should publish a revised Wales Freight Strategy, which has a greater emphasis on rail freight, by the end of 2012, and negotiate the needs of rail freight in Wales for the next Network Rail Control Period.

A review of the Wales Freight Strategy was commissioned in 2012. The Wales Freight Group was reconvened to enable them to inform the review process. The Group considered the outcome of the review at the start of 2013.

In 2013 the Freight Task and Finish Group was established to advise on strategic issues affecting freight transport in the light of wider economic development priorities, and to focus on key interventions needed to support the development of Enterprise Zones and commercial and business centres more widely.

The Task and Finish Group reported at Easter 2014. The report was published and a Written Statement on its recommendations was made on 9 May 2014:

<http://wales.gov.uk/about/cabinet/cabinetstatements/2014/freight/?lang=en>.  
<http://wales.gov.uk/topics/transport/freight/wales-freight-group/?lang=en>

The recommendations are now being implemented.

Recommendation 11 - The Welsh Government should commission feasibility studies into the development of short sea shipping and port-centric logistics at Welsh ports to identify potential opportunities as well as obstacles to development.

The Freight Task and Finish Group considered these issues as part of its deliberations. They did not identify a case for commissioning further studies on these subjects.

The Welsh Government is very aware of the importance of Short Sea Shipping and will continue to monitor that sector and take advice where necessary. With vessels becoming larger and port calls lower in number, Short Sea routes or distribution routes will potentially have an increased role within the overall context of shipping. Ports are vital to Wales' economic growth. My officials are working with individual ports and other businesses to explore the scope for development and identify where the Welsh Government can assist. Welsh Government will consider utilising all levers at its disposal so that the full potential of ports can be realised.

There are many opportunities for the Welsh Government to capitalise on the potential of Welsh ports as economic drivers, and we are investigating ways where we can play an enterprising role in supporting the infrastructure that will enable Welsh ports to flourish.

A prime example being the Milford Haven Waterway which is one of the deepest natural harbours in the world and is recognised as a major energy hub, with an excellent port infrastructure and good access to the national gas and electricity infrastructure networks.

Recommendation 12 - The Welsh Government should champion the interests of Welsh ports and ferry operators in relation to debates on port border checks and EU sulphur emissions limits.
---

The Freight Task and Finish Group identified a short-term opportunity to market the competitiveness for short sea shipping routes in light of the longer timetable for reducing sulphur emissions from shipping in the Irish Sea, compared to other short sea routes. The Welsh Government will look for opportunities to support marketing by ports in Wales which reflects their competitiveness for short sea shipping routes, for example by including it as an integral part of the offer to relevant inward investment to Wales.

The port border checks relate to public health and are a matter for the Minister for Health and Social Security.

Recommendation 13 - The Welsh Government should press the UK Government to examine the business case for electrification of relief lines on the Great Western Main Line to ensure rail freight containers can travel easily to and from Welsh ports. Gauge clearance should also be advocated for all current and future infrastructure proposals for the same reason.
--

The Welsh Government continues to work with the UK Government on the delivery of electrification of the Great Western mainline.

The Welsh Government is engaged in discussions with Network Rail on proposals for a possible project to enhance gauge clearance on the Great Western mainline.



Recommendation 14 - The Welsh Government should press the Department for Transport to submit Welsh rail projects eligible for funding under the Connecting Europe Facility so that Wales can benefit fully from resources available to develop the Trans-European Transport Network.

The Welsh Government has engaged proactively with the UK Government on the new TEN-T framework and continues to explore opportunities to develop projects for consideration under the Connecting Europe Facility.

I have discussed the matter with Robert Goodwill MP, Parliamentary Under Secretary of State for Transport, in advance of his attendance at an informal Transport Council focused on TEN-T to ensure that he was fully briefed on the issues from Wales' perspective.

Recommendation 15 - The Welsh Government should clarify its intentions for Enterprise Zones that include Welsh ports or airports so that Wales can fully benefit from this initiative.

We are working hard to enable a business environment that can help support the commercial development of airports and ports and the wider role that they play in their local economies. One of the means with which we are achieving this is through linking some of our airports and ports to our Enterprise Zones. We are clear on our intentions to use Enterprise Zones as a means of supporting and stimulating commercial activity and investment in and around airports and ports. So for example:

- our ambitions to support the development of Llanbedr Airport are an important element of the **Snowdonia Enterprise Zone**, where masterplanning has been undertaken to optimise the site and its three runways to deliver on our long-term strategic vision for Llanbedr.
- we are working closely with Milford Haven Port Authority on developments within the port. The deep sea port of Milford Haven is a key selling point to potential investors in the **Haven Waterway Enterprise Zone**. In addition, the Haverfordwest (Withybush) Airport site and businesses seeking to locate within it are able to benefit from the specific incentives, support and infrastructure investment available in the **Haven Waterway Enterprise Zone**.
- Cardiff Airport and St Athan Airport form an Enterprise Zone in their own right and we are marketing the Zone as a prime location for aerospace businesses in particular.
- the Port of Holyhead is an essential component to the economy of North Wales and links Ireland to the rest of Europe. The port will play a key role in the development of Wylfa Newydd and has the potential to attract investment from a number of sectors including renewable energy.

- Welsh Government holds land at Waterston and is actively seeking investors from all sectors including renewable and traditional energy companies as well as emerging marine technologies.

Recommendation 16 - The Welsh Government should reflect the strategic importance of ports in the renewable energy supply chain in Welsh energy policies and seek optimum benefits for Wales from UK renewable energy opportunities.

The Welsh Government is working with WEFO to facilitate the development of the renewable energy sector within the emerging EU funding proposal.

Energy Wales: A Low Carbon Transition, published in March 2012, sets out priorities for a transition to a low carbon economy. In addition the Energy and Environment Sector panel priorities recognise the strategic importance of ports and their integral role on our ability to make this transition.

We recognise that Welsh ports, some of which have 24hr deep water access, are well placed to meet the needs of developers and we are working with them and other key partners to realise the full economic potential for the whole sector.

Over recent years the Port of Mostyn has become a key regional centre for the assembly, installation and maintenance of offshore turbines with four major wind farms constructed from the port over the last five years.

Despite the disappointing news regarding the offshore wind farm “Rhiannon” and “Atlantic Array” we are hopeful that there are still potential opportunities for Welsh Ports for future investment in offshore wind, marine demonstration zones and the Swansea Bay tidal lagoon. My officials are working with port operators and investors to maximise the benefits renewable energy opportunities present throughout the supply chain.

Recommendation 17 - The Welsh Government should encourage port operators to improve the tourist experience at their facilities and consult potential stakeholders on how best to fund berthing facilities that will attract cruise liners.

Consultation on berthing is ongoing between the Welsh Government, Stena and Anglesey Aluminium (AAM) regarding the future use of the jetty in Holyhead. Regular meetings are held with Stena regarding the future development of Fishguard and regular meetings are also held with Milford Haven and the Association of British Ports regarding any future developments and berthing charges.

Shore side services are being developed with new initiatives such as a German Ambassador course provision in order to fulfil German speaking cruise passenger needs. We are also looking at further developing the linguistic guide provision for other key languages.

The Welsh Government is holding itinerary workshops throughout Wales in order to develop a new boutique tour offering in conjunction with the ground handlers. Local people from different sectors are involved in the workshops, along with various outside stakeholders, such as new attractions and local authorities.

In order to increase the cruise lines product knowledge of Wales and its Port facilities, the Welsh Government offers familiarisation visits to cruise executives so that they can experience and understand the Welsh cruise product. These visits are also offered to the ground handlers to increase their product knowledge of the destination provision.

Recommendation 18 - The Welsh Government should support Cruise Wales to devise and implement, in conjunction with Visit Wales, a strategic marketing plan to promote Wales's tourist offer and selected Welsh port destinations to international cruise operators.

Cruise Wales has a marketing plan in place which is linked to the Visit Wales annual Business Plan and the overall tourism strategy "A Partnership for Growth".

The Welsh Government invests in a Wales exhibition stand for Seatrade Europe and Cruise Shipping Miami which is attended by top cruise executives from cruise lines in UK, Europe and USA. This gives an opportunity to showcase Wales' cruise product and discuss any new developments directly with the cruise lines. These exhibitions also give an insight into the up-to-date, latent wants and needs of the cruise industry on a global basis.

Recommendation 19 - The Welsh Government should ensure the sustainable development of Welsh ports and airports is addressed through Local Development Plans, and encourage local authorities to collaborate with each other where the impacts of those developments have wider regional implications.

We continue to scrutinise Local Development Plans for conformity with national planning policy which contains provisions to protect the accessibility of Welsh ports and airports.

Research on Local Development Orders (LDOs) has been published and the Planning Division have held dissemination seminars to raise awareness of them.

## **Summary**

Welsh Government activity on ports and electrification is part of a wider coherent and strategic approach to economic development and transport infrastructure. The Welsh Government has a clear interest in supporting improvements to transport infrastructure to generate wider economic benefits and in serving Wales's interest.

Welsh Ministers will continue to pursue additional powers where relevant to ensure that all possible policy tools can be leveraged to maximise Welsh Government impact.



Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref  
Ein cyf/Our ref

William Graham AM  
Chair, Enterprise and Business Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

08 July 2014

Dear William

## **Inquiry into Tourism**

Thank you for your letter of 17 June 2014.

As you know, the issue about the Google search result for the term “Visit Britain” has already been satisfactorily addressed. VisitBritain has now updated its title tag to include Wales and Google has indexed it as such so it now appears in the search results.

Turning to brand development, the work initiated by Mike Ashton, recruited to Welsh Government on a short term secondment, has already delivered high profile brand communication campaigns in Wales including the “*Have you packed for Wales?*” tourism campaign, refreshed marketing at Cardiff Airport and *Just Ask Wales*.

The work is currently being taken forward under the leadership of my new Director of Marketing, building on the key branding principles which have been established:

- to promoting Wales as an exciting place to visit, where there’s always something fresh to discover, see and do. We want to encourage potential

visitors to think again about Wales by showcasing the variety and richness of the experiences available;

- to place our high-quality products and destinations front and centre, helping to make our marketing credible and distinctive. This is a departure from the more generic approach of the past, and the approach of some of our competitors;
- to develop a brand that is consistently visible through sustained, targeted promotion and highly credible by showcasing our achievements and delivery in areas of core strength;
- to consistently challenge pre-conceived images of Wales and concerns that deter potential visitors from selecting Wales as a holiday destination: weather, warmth of welcome, ease of travel and product experience. The aim is to invite re-evaluation, investigation and trial; and
- to show that Wales is different from its competitors in ways that are relevant to diverse target markets with distinctive brand campaigns.

I trust this is helpful.

A handwritten signature in black ink, appearing to be 'L. J. Jones', written in a cursive style.

## **Enterprise and Business Committee**

### **Inquiry into Tourism**

#### **Engagement event with stakeholders**

**Oriel y Parc, St Davids, Pembrokeshire, Thursday 26 June 2014**

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#### **Purpose**

The aim of this event was for Members of the Enterprise and Business Committee to hear the views and experiences of local tourism businesses.

The following people took part in the event:

Joyce Watson AM (Chair)

Julie James AM

Suzy Davies AM (substitute for Byron Davies)

James Parkin, Pembrokeshire Coast National Park

Dr Beth Swan, Venture Jet

Andrew Tuddenham, National Trust

Simon Morris, Bluestone Wales

Ellen Llewellyn, Aberglasney

Dilys Burrell, Anna's Welsh Zoo

The Very Reverend Jonathan Lean, Dean of St Davids Cathedral

## Summary of the main points made

### 1. Barriers to growth

- The weather!
- The rationalisation of school holidays has had a huge impact on the summer season, effectively reducing it to five weeks.
- Unreliable broadband and mobile phone connections
- Locating tourist information centres in libraries has limited access to the services they can provide, due to libraries' limited opening hours.

### 2. Marketing Strategy

- Some small businesses don't feel they benefit directly from Pembrokeshire County Council's marketing strategy, although it is generally felt that the Council do a good job of promoting Pembrokeshire as a high quality destination.
- More dialogue with Pembrokeshire Council over their marketing strategy would be helpful.
- Events like Ironman Wales bring significant numbers of visitors to Pembrokeshire outside of peak season and should be encouraged as the economic impacts are significant.
- The market is very reliant on repeat visitors and has a very loyal customer base. Once people have holidayed in Pembrokeshire, they tend to return year after year, but the difficulty is in attracting them initially.
- Greater emphasis on Pembrokeshire's unique selling points is needed.
- Consideration should be given to creating tourism packages for special interest groups (eg birdwatching, walking and photography).
- It was felt that a co-ordinated approach amongst local businesses in relation to flexible opening times was an important factor in providing a quality product to the consumer. It was suggested that Visit Wales could act as a conduit in implementing a through ticketing strategy.

### Support from Visit Wales

- There is a lack of clarity around what Visit Wales does and how it spends its money.

- Businesses are not clear about how the data collected by Visit Wales helps drive up their business.
- The Visit Wales website is hard to navigate and doesn't work effectively as a portal. Some of the businesses reported difficulties in getting up-to-date information about their business on to the Visit Wales website.
- If a business doesn't have a presence on the Visit Wales website it also doesn't appear on the Visit Britain website.
- It was felt that a single point of contact at Visit Wales would be beneficial.
- There was a general feeling that Visit Wales could improve their overall communication with businesses.
- Provision of timely, current data was seen as beneficial to businesses in forward planning and predicting future trends. It was felt that the data produced by Visit Wales was made available too late for meaningful use by businesses. Earlier access to data would be welcomed by businesses even if it were still in draft form and had not been officially ratified.
- Visit Wales needs a presence on Trip Advisor.
- The 'Have you packed for Wales' campaign is generally well regarded, although there is some concern that the adventure holiday aspect is predominantly aimed at young people.
- Faith tourism is an increasing market but it wasn't felt that there was enough support for this sector to help it grow.

### **Support from Welsh Government Major Events Team**

- Generally, experience of working with the Major Events Team has been positive.

### **Regional Tourism Partnerships**

- There was a view that the proposed changes to the regional tourism partnerships have not been well managed and that Pembrokeshire will lose out as a result.



## **Enterprise and Business Committee**

Inquiry into Tourism

**Engagement event with stakeholders**

**National Museum, Cardiff – Thursday 26 June 2014**

**Session 1, 10:30–11:30**

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### **Purpose**

The aim of this event was for Members of the Enterprise and Business Committee to hear the views and experiences of local tourism businesses.

The following people took part in the event:

William Graham AM (Chair)

Neil Anderson, Associate Director, Capital Traffic

Kevin Burt, Manager, Cardiff Castle

Keith Davies AM

Eluned Parrott AM

Steve Salamon, Owner, Wally's Delicatessen

Natalie Taylor, Community Liaison Manager, Flat Holm Island/Cardiff Harbour Authority

### **Summary of the main points made**

#### **Redevelopment of Cardiff city centre**

- The St David's 2 development had been a boost to retail, though the effect was waning. The rise of online shopping and out-of-town retail parks meant that shopping was less important for drawing people into the city centre.
- The cost of car parking was an issue for city-centre tourism.
- Where shops were lying empty in Cardiff's arcades, this was often because they were owned by London-based landlords who were prepared to wait for someone to pay the price they wanted.

## **Tourism in Cardiff**

- More could be made of Cardiff's Victorian shopping heritage and independent retailers. A comparison was made with the marketing of Brighton's Lanes district.
- Cardiff's attempts to create a 'Brewery Quarter' and 'Castle Quarter' had not worked because they were too small, but an 'Arcade Quarter' could be viable. Exeter had successfully used colour coding to define different areas of its city centre.
- The castle is the biggest visitor attraction in central Cardiff. Along with Flat Holm Island Tours, it was using social media as a free alternative to traditional marketing methods. The castle had no capacity for outreach activities, but 56,000 people who live or work in the city had signed up to a 'Castle Key' scheme whereby they have free access to the site for three years.
- Among the castle's most popular events are the banquet nights, but although it holds more than 200 a year, the margins are low, with most of the profits going to tour operators.
- It was difficult to get Visit Wales to promote Flat Holm. The island was involved in collaborative marketing as part of the South Wales Attractions Partnership, and the best way of marketing the island was off the back of other attractions people visit.
- An online presence was now more important than hard-copy marketing. The Castle had reduced its spend on marketing by 30% over the last 10 years.
- Cardiff needed more distinctive branding.
- Culinary tourism was a growing market and Cardiff would benefit from a Michelin-starred restaurant.

## **Tourism in Cardiff Bay**

- Cardiff Bay might not have the right mix of visitor attractions, with too much emphasis on the night-time economy of bars and restaurants and too few retail opportunities. It was felt that Roald Dahl Plass was a wasted space, and that a market or event should be held there every weekend. It was suggested that Riverside Market might benefit from relocating to Roald Dahl Plass and attracting tourists as well as local customers.

- Attractions in the Bay could strengthen their collaborative work as the 'arc of entertainment', which runs from the Doctor Who Experience to Cardiff International White Water.
- The Extreme Sailing Series, which has been supported by the Welsh Government Major Events Unit, had been very successful.
- The Bay is quiet in the winter, but the Cardiff Harbour Authority (Cardiff Council) in partnership with the Waterfront Partners is looking at a six-week winter festival.
- Melbourne's reclaimed Bay area is a good example of how to do more to attract tourists.

### **Transport links**

- The lack of a good link between the city centre and the Bay was a problem. An extension to the water-bus service was suggested. Cardiff Harbour Authority had gone out to tender for a passenger waterbus transportation service, to act as a commuter and leisure/tourism service, a number of years ago, but the costs and subsidy that was expected from the public sector, and the risk for the private sector, were too high.
- A tram or trolley-bus link was also suggested.
- The fact that the Bay's rail link runs to Queen St rather than Central station is also a problem. Although there is a bus service from Central station to the Bay, and through-ticketing via PlusBus, this is not widely known outside Cardiff itself.
- A Wales tourism card was suggested, allowing visitors to use public transport more effectively.

### **Tourist information**

- This was seen as a major weakness in Cardiff.
- Tourism bodies should work with hoteliers to improve the information available to visitors in the places where they stay.
- More could be done with maps to help tourists. The information design used by the tourism industry in Wales is not especially clear. Many free maps, including online maps, are of poor quality, and Ordnance Survey maps are expensive. Capital Traffic's written submission to the inquiry proposes investigating mapping options for the tourism industry in Wales.

- However, Cardiff Bay provides tourist maps from the Cardiff Bay Visitor Centre and the Waterfront partners have developed a leaflet and map highlighting attractions, points of interest, etc. in the Bay.
- It was difficult to find information about Cardiff Castle, for example, on the Visit Wales website. VisitBritain was better, but still not particularly effective.

### **Changing models of governance for public sector tourism**

- Cardiff Castle was considering whether to adopt trust status. In recent years it had received £8 million of lottery funding and £10 million of capital funding from Cardiff Council. It had traded at a surplus for the last four years.
- Flat Holm Island has been run by Cardiff Council since 1996, initially in conjunction with Vale of Glamorgan Council. Money had been tight since the economic downturn and the council had recommended community asset transfer, with the RSPB and National Trust in talks.

## **Enterprise and Business Committee**

### **Inquiry into Tourism**

#### **Engagement event with stakeholders**

**National Museum, Cardiff – Thursday 26 June 2014**

**Session 2, 11:45 to 12:45**

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#### **Purpose**

The aim of this event was for Members of the Enterprise and Business Committee to hear the views and experiences of local tourism businesses.

The following people took part in the event:

William Graham AM (Chair)

Keith Davies AM

Stephen Davies, Managing Director, Penderyn Distillery

Chris Hadfield, Manager, Cardiff International White Water

Eluned Parrott AM

David Pearce, Strategic Director (Business Performance), Wales  
Millennium Centre

Peter Trevitt, CEO, Techniquest

#### **Summary of the main points made**

##### **Branding of Wales and Cardiff**

- Wales needs a clear and distinctive brand. This should be based on new research and aligned with a tourism strategy.
- Cardiff seemed unsure whether to prioritise the Bay or the city centre, with the focus switching from one to the other. It needed to find a way to market both.
- More could be done to market the Bay, in particular, to families.
- Tourist destinations within Wales could be 'twinned', to encourage visitors to move from one to another.

## **Welsh Government Tourism Support**

- The VisitWales website was not helpful in terms of directing tourists to the Penderyn distillery. Even when you search for 'Penderyn' you are not directed to the relevant page.
- Support for tourism in Wales is too fragmented.
- Wales had had a more coherent approach to promoting tourism under the old tourist board.

## **Transport links**

- The lack of an effective rail link between the Bay and city centre was a big issue. The original plans for redevelopment of the Bay had featured a monorail, but this was never built.
- Similarly, the A4232 link road was planned to connect with the M4 to the east of Cardiff, but was never completed; as a result, satnavs send tourists to the Bay through the industrial area around Rover Way, which is hardly the scenic route.
- Wales's proximity to London and Heathrow should be a strength, and something that differentiates us from Scotland, but our internal transport infrastructure lets us down.
- The recent improvements to Cardiff Airport were welcome.
- Wales needs a tourism presence at Paddington station.

## **Development of the Bay**

- It was difficult to move around the Bay. The Bay does not need more big buildings, but work on the spaces in between, including connections.
- Pont y Werin had increased footfall to the White Water Centre.
- A capital city like Cardiff should have an exhibition centre, ideally with two large halls and an auditorium capacity of over 2,000. If this were located between the Bay and city centre it might act as a link between the two.
- Bay attractions – including Techniquist, the WMC and Cardiff International White Water work to market themselves collaboratively, but the panel still felt the Bay was yet to reach its full tourism potential. It was felt that businesses could do more to encourage tourists to visit several attractions in one trip to the Bay.

## **Road signage**

- It is difficult for attractions to persuade the relevant agencies to put up brown road signs for tourists.
- The amount they charge for putting up brown road signs was prohibitive: figures were quoted of £18,000 for a trunk road and £250,000 for the M4.
- Tourist destinations north of the M4 were poorly served by signage on the motorway.
- Government could do much more to provide a streamlined, joined-up service to tourism businesses as far as road signage was concerned.
- Retailers like McDonald's were getting signage when local tourism businesses were being turned down.
- The Committee might look at the French model of a 'tourism corridor' in road signage, perhaps using new digital signs.

## **Distinctive Welsh products**

- Wales lacks strong food and drink brands. Penderyn has been a pioneer in this regard.
- Scottish tourism was partly based around distinctive products, such as whisky. Wales could make a different offer, based around experiences. It was suggested that though the Scottish tourism brand was perhaps better known than an equivalent Welsh brand, the tourism product in Wales was in many respects better.
- Much of the best Welsh produce is perishable, and so not easily adaptable to the tourism market.

Committee Service, June 2014

Draft timetable for autumn 2014 – agreed business in bold and *provisional business in italics*

Meeting date	Inquiry / scrutiny topic	Comments
2 Oct am	<b>Tourism, Ports, Electrification</b>	09.40 Pre-meeting 10.00 Tourism (Dep Minister for Culture, Sport and Tourism) 11.00 Ports and Electrification (Minister for EST) 12.00–12.15 De-brief
2 Oct pm	<b>Scrutiny of the Welsh Language and Economic Development Task and Finish Group</b>	13.30 Pre-meeting 13.45 Elin Rhys and Martin Rhisiart 14.45 De-brief
8 Oct	<b>Economic Priority Sectors – Sector Panel Chairs</b>	09.15 Pre-meeting 09.35–10.20 Tom Kelly, ICT Ron Jones, Creative Chris Nott, Chair, Financial and Professional Services 10.20–10.30 Break 10.30–11.15 David Joyce, Construction Gareth Jenkins, Advanced Materials and Manufacturing



		11.15–12.00 David Williams, Energy and Environment Panel Dr Grahame Guildford, Deputy Chair, Life Sciences 12.00–12.15 De–brief
16 Oct am	<b>Draft Budget Scrutiny</b>  <b>Assisting Older People into Work</b>	09.15 Pre–meeting 09.30–10.30 Minister for Education and Skills Deputy Minister for Skills and Technology 10.30 De–brief/question allocation for pm 11:00 Scoping paper
16 Oct pm	<b>Draft Budget Scrutiny</b>	13.00–15.00 Minister for EST Deputy Minister for Culture, Sport and Tourism
22 Oct	<i>Draft Tourism report</i>	
w/c 27 Oct	<b>Half–term break</b>	
6 Nov am	<b>Assisting young people into work</b>	
6 Nov pm	<b>Assisting young people into work</b>	
12 Nov	<b>Assisting young people into work</b>	
20 Nov am	<i>Launch of tourism report</i>	

20 Nov pm	Assisting young people into work – outreach	
26 Nov	Assisting young people into work	<i>Ministers</i>
4 Dec am	Enterprise Zones, City Regions and Metro	
4 Dec pm	Enterprise Zones, City Regions and Metro	13.00–14.30 Minister for EST 14.30–15.00 De-brief
10 Dec	Next Generation Broadband update	09.15–09.30 Pre-meeting 09.30–10.30 Deputy Minister for Skills and Technology
w/c 15 Dec	Christmas Recess	

Spring 2015

Europe Update (EU Opps report, Horizon 2020 and INTERREG) – one-day

Regeneration – one-day

Wales and Borders Rail Franchise update – one-day

Assisting older people into work – inquiry