**BHA Hospitality Day 10 October 2017**

This was the third annual Hospitality Day at Parliament, which aimed to discuss opportunities for growth, employment, skills and talent, as well as celebrate the achievements of the sector. Further, BHA wanted MPs to understand the impact of policy on the hospitality industry and to how improvements could further economic growth. As the fourth largest employer in the UK, BHA believe the sector should command greater influence when policy is decided.

The 8 objectives of the day were:

* To increase the number of MPs acting as champions for the sector in Parliament.
* Ask if MPs would table Parliamentary questions to the new Prime Minister and ministers on key policy issues, or to host events to draw attention to the benefits of the sector to the UK.
* To increase BHA member participation in direct lobbying.
* To increase ministers’ understanding of the sector and the careers within it.
* To increase MP membership of the All Party Parliamentary Group for the Visitor Economy.
* To gain political intelligence and policy insight from MPs.
* To provide networking opportunities for BHA members.
* To represent the diversity of the hospitality and tourism, industry across the UK, showcasing the diversity of businesses, large and small.

The event was attended by a large number of businesses from across the UK, and by a number of regional MPs. The day comprised a briefing for BHA members, meetings organised by region with regional MPs, and a reception hosted by Nigel Huddleston MP, addressed by Rt Hon Karen Brady MP, Secretary of State for Digital, Culture, Media and Sport.

**BHA identified four priority areas:**

1. Ensuring a workforce supply which facilitates growth and promoting hospitality as an industry of choice to British workers:

This related to the likely, and evident, impact of Brexit and immigration policy. The hospitality sector is already feeling the impact of Brexit, with EU nationals choosing to leave the UK, resulting in a skills gap. This is exacerbated as the sector grows, and could stifle continued growth. One solution is to raise the profile of Hospitality as a career, although the GEM report suggests this will be a challenge. It is also disappointing that Hospitality and catering are not included in the first round of vocational, T-level (Technical Level) qualifications.

A further issue is the rising minimum wage. With a sector where many receive the minimum wage, increases put strain on employers, most of who are SMEs, and could damage employment levels.

1. Taxation and Competitiveness

Increases in business rates, increased payroll costs and the impact of Brexit are stretching the sector. BHA argue that Government must shape a tax system which values hospitality and tourism as a major employer and allows businesses to invest in their staff and product. This could include a fundamental reform of the business rates system and a reduction in VAT on accommodation and attractions, from the current 20% to 5%. This would reduce the price of holidays in the UK, making it a more desirable location for both domestic and overseas visitors. Currently, the UK has a disadvantage over its neighbours, who levy between 6% (Belgium) and 12% (Sweden) VAT on accommodation. It has been suggested that what the Treasury loses in VAT would be more than recovered in increased business, jobs, and reduced unemployment.

1. Creating a fair digital landscape for the hospitality industry

This relates to on-line travel agents and also the impact of home sharing platforms. In the former case, these platforms wield considerable power over individual businesses, and more transparency is needed in how these sites rate and rank businesses and the information they provide. Home sharing platforms such as Airbnb act as intermediaries, but without any responsibility, such that ‘hosts’ can operate without conforming to the various regulations imposed on businesses. BHA are looking to ensure a safe environment and a fair and competitive market. The UK is slow in developing methods of regulatory enforcement for the sharing economy, in comparison to other countries, and BHA believe there needs to be effective enforcement by independent authorities, rather than voluntary codes of practice (and thus self-regulation).

1. Working towards a healthier nation.

BHA are fully committed to an ambition to reduce childhood obesity, and recognises the sector’s role in this. However, it is important that such ambitions take a more holistic approach to the problem, for instance, also working towards a stronger emphasis on physical activity in the school curriculum.

Discussions with MPs (within the SE region meeting) evidenced a willingness to listen, and to hear the challenges the sector faces. They acknowledged that they are not necessarily aware of these issues and encouraged participants to raise such issues with their local MPs. A case in point being the t-level qualifications not including hospitality and catering at a time when the sector is facing a growing skills gap. MPs were sympathetic to many of the issues raised, but were not in a position to influence these (the MPs present were in opposition parties, not part of the Cabinet).

**We should take up the opportunity to lobby our MPs about policy decisions that adversely affect the sector. MPs can be contacted through their offices, which can be identified through: http://www.parliament.uk/mps-lords-and-offices/mps/.**