



# Opportunities for Global Growth in Britain's Events Sector

A Policy Document for the UK Events industry

# "Events, dear boy, events"

*(Attributed to Prime Minister Harold Macmillan in response to a journalist who supposedly asked what he feared most)*



Politics may be unpredictable, but there's absolute certainty that support for the Events Industry in Britain will reap big benefits in terms of greater trade, increased exports, more inward investment, stronger community cohesion and higher levels of civic and national pride.

Events shape a destination's identity, engender creative enterprise, stimulate innovation, facilitate knowledge transfer, engender professional development and augment the visitor economy.

Britain's economic and cultural profile is enhanced through the rich diversity of events held across the nations in cities, resorts and rural locations in a unique array of specialised event venues.

Britain plays host to an impressive number of high profile world events from major political, commercial, medical, scientific and educational conferences and trade fairs to leading edge cultural, sporting and music festivals.

Through the universally acclaimed expertise of Britain's event organising companies, using their unrivalled creative and logistical skills, Britain provides a world-class showcase for business meetings and conferences, association congresses, exhibitions and trade fairs, outdoor events, motivational travel programmes, corporate hospitality, cultural and sporting events and festivals.

This policy document outlines the issues, opportunities and challenges that will help Britain achieve a more competitive, more profitable and higher profile as it repositions itself following the decision to leave the European Union.

Events can play a major role in asserting Britain's international trading strength, highlighting the components of its emerging industrial strategy, its creativity and commercial inventiveness and bringing the country together to present its intrinsic values.

Indeed "events, dear boy, events" can be used to showcase what makes Britain such a great partner for the new opportunities that lie ahead.

# Ten Reasons Why Meetings & Events Are Important to Britain

- 1.** Britain's Events industry is worth over **£41 billion** to the economy through direct visitor spend
- 2.** Events account for around **35%** of the UK visitor economy. Inbound business visits to Britain equate to **23.5%** of all visits and **24%** of all overseas visitor spend
- 3.** Conferences, meetings, incentive travel and exhibitions contribute over **£21 billion** to tax revenues. There are around **1.34 million meetings** held in Britain each year worth **£19.2 billion**
- 4.** UK exhibitions attract over **13 million visitors** each year generating **£11 billion** in spend, boosting trade and exports through over £150 billion of goods sold at exhibitions and trade shows. Britain's leading UK exhibitors generate 72% of their earnings overseas representing **£2 billion** of export earnings from over 1000 events attracting 340,000 exhibitors and 6.3 million attendees
- 5.** The spend by those accompanying attendees at business events is worth nearly **£8 billion**
- 6.** The events sector is served by **25,000 businesses**, mainly small and medium-sized enterprises, which provide valuable support services, including hotels, attractions, transport companies, florists, caterers, retailers and local traders. Amongst these are world-class event businesses which generate significant revenues outside of Britain
- 7.** The Sector employs over **530,000 people**. The Sector provides skilled employment to a diverse workforce. It offers engaging careers for young and old, male and female, skilled and less skilled across all cultures. It maximises a wide range of creative, technical and personal talents to produce inspirational events. It is a sector with massive potential for growth and employment for future generations
- 8.** Meetings & Events contribute to infrastructure development on a national, regional and local level from both the public and private sectors. Over **£1 billion** of new infrastructure development is being stimulated by events, including significant investment in new facilities at existing event venues
- 9.** Meetings and events support and serve other **wealth creating industries** and complement Britain's priority industrial sectors, with major customers in the automotive, pharmaceutical, scientific, manufacturing and educational sectors
- 10.** Events help **develop diversity** in our local culture and heritage providing opportunities for further destination expansion and growth. They have a positive social impact on society, contributing to health and well being, education, social diversity, community spirit and civic pride



# Events Will Help Shape Britain's Future Post Brexit

*“World class events generate business opportunities and revenue and create a global showcase for UK expertise, capabilities and skills”*

The latest available data estimates that the individual segments of the events sector are worth:

- Conferences and meetings - £19.2 billion
- UK Exhibitions and trade shows - £11 billion
- Global Exhibitions by UK Organisers - £2 billion
- Sporting events - £2.3 billion
- Music events - £2.3 billion
- Incentive travel and performance improvement - £1.2 billion
- Corporate hospitality - £1.2 billion
- Outdoor events - £1.1 billion
- Festivals and Cultural events £1.1 billion

**Total £41.4 billion**

Plus:

- Accompanying attendees of business delegates and exhibitors are estimated to spend an additional £7.7 billion during their stay in Britain
- Trade transacted and facilitated at exhibitions and business events is conservatively estimated to be worth over £150 billion
- Intellectual capital, knowledge exchange and educational opportunities are immeasurable but immense



# Opportunities for Global Growth

This manifesto has been prepared by the Business Visits and Events Partnership (BVEP) in order to provide a clear view of both the key policies and new opportunities which our partners believe will help Britain transition into a new global role post exit from the EU.

It builds on the manifesto produced by the BVEP ahead of the last UK general election held in May 2015 and also incorporates issues identified in the BVEP Events Industry Referendum Impact Survey which was conducted in the summer of 2016.

Drawing on responses from a broad range of event industry venues, suppliers and contractors, the survey revealed the top four priorities facing event professionals following the decision to leave the EU. Nearly two thirds (62%) of respondents identified their number one priority as "safeguarding trade" by reducing uncertainty and engaging with new markets. The second highest consideration was reviewing existing legislation in order to ensure future business can be conducted efficiently (16%). The third most important issue was investing in UK infrastructure to improve Britain's competitive position in the global market (12%). The final priority was investing in people in order to manage the impact of changes to foreign worker status in the UK (9%).

Britain's reputation as an events destination was another major interest for survey respondents including: the potential perception of the UK as protectionist and unfriendly; damage to the UK's reputation for being a modern international leader and trendsetter; and the

danger of European conventions stopping the inclusion of the UK on their rotation patterns.

The survey also highlighted opportunities that have emerged since the EU referendum result. The fall in the value of sterling was cited as an opportunity for some businesses, although this was offset against projects being delivered in Europe where margins were being eroded due to the exchange rate. An increase in domestic business was cited by some respondents, particularly in relation to the need for additional conferences and meetings required by clients to help support SMEs face a more competitive trading future.

However, the report drafted to support the survey results also suggested that there is an opportunity for the industry to position itself as an integral part of the broader trading nation that needs to re-define itself with the EU and forge new trade agreements with other international markets. In other words, the future success of the UK events industry is also inexorably linked to the longer term impacts on the key industrial sectors it serves.

Based on the inputs from this survey and the subsequent report produced for consideration by the BVEP partners, the content of this paper represents a comprehensive and considered response from the UK Events Industry, focussing on the opportunities and challenges that lie ahead. It also identifies where the sector should be supporting other common areas of interest identified by trade sectors associated with or supported by the creativity and innovation of the multi-faceted UK events business.



## 1. Make a bigger role for government working with the events industry

### *Key opportunities*

- a) To increase the number of world class international events held in the UK
- b) To grow the number of UK domestic events held in the UK for both corporate clients and associations
- c) To raise the profile of the Events Industry Board to ensure more tangible cross-government department working to apply the maximum government “soft power” support for event bids and involvement of key government departments and Ministers in the process
- d) To place the use of events as a central part of the industrial strategy, international trade development, inward investment and business growth by promoting Britain as a world-class event destination
- e) To create a strong partnership with the Department for International Trade
- f) To increase the role and resource of VisitBritain in promoting overseas business visits and events to Britain, fully integrating Events into the GREAT programme and showcasing Britain as a leading global destination for business, cultural and sporting events
- g) To promote the use of Britain’s creative talent and event organising services to be exported world-wide
- h) To incorporate the events sector into the Government’s creative industries strategy

## 2. Grow infrastructure, enable greater access and increase investment

### *Key opportunities*

- a) To undertake a comprehensive review of existing capacity of conference and exhibition facilities with the objective to justify increased space in existing and new venues in order to grow capacity and enable Britain to compete with international competitors
- b) To encourage new investment by offering fiscal incentives, relaxing current planning regulations and ensure that current policy to free up public land includes local economic activity considerations such as multi-event venues and the wider use of fixed term temporary structures

#### **Supporting others:**

- c) To urge for the solution to provide more air capacity to link with major event destinations within Britain to be implemented as soon as possible
- d) To improve transport connectivity between ports of entry and event venues to ensure ease of access
- e) To encourage local authorities to provide city-wide support (such as security, infrastructure, accessibility, integrated transportation packages) and more use of bespoke subvention packages (e.g. joint sharing of marketing costs with city venue owners)



### 3. Create a more competitive tax regime

#### *Key opportunities*

- a) To reduce VAT levels on accommodation, conference and event services in line with European levels
- b) To reform the Tour Operator Margin Scheme to re-introduce a B2B opt-out option
- c) To incentivise inward investment in new and additional event infrastructure
- d) To provide tax incentives for hosting overseas buyers and conference attendees where events are designed to create and support export led trade opportunities

#### **Supporting others:**

- e) To introduce allowances to businesses using events held in Britain to grow inward investment and exports
- f) To reduce Air Passenger Duty
- g) To reduce corporation tax



## 4. Avoid greater regulation

### *Key opportunities*

- a) To provide an innovative and flexible regulatory framework that stimulates productivity and efficiency
- b) To make movement of people engaged in the events sector as easy as possible, recognising their unique creative, logistical, marketing and service skills. In particular to ensure that Britain's creative and production talents are not impeded from operating world-wide and that Britain can attract those same skills and talents from overseas
- c) To ensure no additional bureaucracy in transferring goods and business samples to conferences and exhibition in Britain and overseas
- d) Recognising the value to Britain's economy of business visitors attending business events in Britain, to facilitate their visits by not imposing any undue or onerous travel and entry restrictions
- e) To create a "special events" visa (e.g. a 30 day conference visa) in order to provide a more positive welcome, supported by easier and better value online visa application services
- f) To reduce the cost and procedure for visa issuance to business travellers
- g) To adopt a system that creates minimal travel restrictions or costs of travel to events in Britain in relation to the present arrangements for the movement of delegates to and from events in Britain and overseas

### **Supporting others:**

- h) To reform the Package Travel Regulations to remove from regulation B2B transactions with large corporate customers
- i) To reform ATOL licensing to create a level playing field between tour operators and airlines to exempt transactions between event management companies and large corporate customers



## 5. Support the industry and business sectors that sustain the Events Industry

### *Key opportunities*

- a) To demonstrate the role and contribution of the UK events sector in the global commercial and creative industries
- b) To ensure that the event industry in Britain is aligned more clearly with the key industrial sectors identified by the Government and that the support it provides through the economic impact of its activity is positioned as an integral part of Britain's global commercial profile
- c) To re-evaluate the framework for continuing skills development and professional development within the events industry

### **Supporting others:**

- d) To maintain and increase funding to enable continuing professional development and the attraction of international students to study and work in Britain
- e) To enable Britain's hospitality industry to retain and attract the resources it needs to provide first class international service
- f) By introducing an accommodation charter in order to facilitate forward booking accommodation for major events
- g) To maintain an approach that safeguards the social and economic impact of funding currently provided by the EU in key sectors (e.g. scientific research, agriculture and the creative industries)
- h) Supporting other industrial sectors especially where it affects Britain's main exports, (such as automotive, food, aviation IT, finance, pharmaceuticals, professional services and new technologies), in order to ensure that these industries will continue to flourish and use events in Britain to showcase their products
- i) To ensure that the continued access of UK airlines to European markets and the benefit of the Open Skies agreement and the EC Single European Sky initiative are retained



# About the Business Visits & Events Partnership

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

- Garner the cohesive opinion of these stakeholders and collectively influence and develop policies, practices and strategies that support and generate growth in the sector and,
- Raise sector awareness through clear communications of the social and economic benefits of the business visits and events sector.

The Partnership seeks to provide a cohesive point of view for the entire business visits and events sector. The BVEP works with prominent sector leaders including its partners, government departments and agencies to influence and develop policies and practices favourable to the growth of business events, and trade and creative enterprise through business visits and events.

It has the support of the leading trade and professional organisations and government agencies with a shared interest in the economic benefit and growth of conferences, meetings, exhibitions, trade fairs, incentive travel, corporate hospitality, ceremonies, as well as other business, sporting, cultural and festival events.

## Partners:

- Association for Conferences and Events
- Association for Events Management Education
- Association of British Professional Conference Organisers
- Core Cities
- EVCOM (Event & Visual Communication Association)
- Event Industry Forum
- Event Marketing Association
- Events Industry Alliance
- Hotel Booking Agents Association
- International Congress & Convention Association
- International Live Events Association
- London & Partners
- Meet in Ireland
- Meetings Professionals International UK Chapter
- National Outdoor Events Association
- Production Services Association
- Professional Convention Management Association
- Tourism Northern Ireland
- Visit Wales
- VisitBritain
- VisitScotland Business Tourism Unit

## Supporting Government bodies:

- Department for Culture, Media & Sport
- Department for International Trade