

CAVENDISH

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Weekly Monitoring
Friday 19th April



EIA Update

Earlier this week the EIA met with the Joint Head of Visitor Economy and Head of Tourism from DCMS to discuss possible options for the Minister of Tourism's engagement with the sector in both the short term (such as a possible industry roundtable, activation of the Visit Britain Trade Show Report and venue tours), and the creation of a longer term plan post-election. We have been invited to a workshop to propose some ideas, and help create a plan which is a significant step forward with a number of manifesto asks, not least raising awareness of the sector, but also our desire for a strategic plan for events.

Separately we are speaking with officials from DCMS and DBT on a potential trade mission to Saudi Arabia, and through these conversations a number of organisers have been asked to register for EVENT Futures next month in Riyadh which is part of KSA's Vision 2030 and the opening event for a yearlong programme of activity between UK Gov and KSA.

Political Update

This week saw the return of Parliament after the Easter recess and as such there has been an upturn in activity around the Prime Minister's current priorities, such as the staged prohibition of smoking, and the Rwanda Bill.

Rishi Sunak faced further headaches over the Rwanda Bill and declared that Lords and MPs will 'sit and vote' on Monday 22nd April until the Bill is passed into law. This comes

after the 'ping pong' between the House of Lords and the House of Commons has spanned a period of three weeks with four rounds, the record is five rounds held by the early 2000s Prevention of Terrorism Act.

The former First Minister of Scotland, Nicola Sturgeon's husband has been charged with embezzlement.

This week is also the final full week before the local elections in England, due on Thursday 2nd May. Political attentions across all three main parties will therefore be focused a burst of campaigning for the mayoral authority, English district, and Police and Crime Commissioner polls. A by-election is also due in Blackpool on 2nd May, but that has largely been written off by the Conservatives. The results in key districts and marginals will likely have a bearing on the Prime Minister's immediate future.

News

Wage growth slows

Wage growth has slowed less than anticipated, raising the likelihood of the Bank of England delaying interest rate cuts. The Office for National Statistics reported that regular pay growth for the three months to the end of February slowed to 6%, from 6.1% in the previous period, contrary to the expected slip to 5.8%.

Inflation falls

On Wednesday 17th April the ONS announced that the Consumer Price Index (inflation rate) had fallen to 3.2% in March 2024 compared to 3.4% in February 2024. This is the new lowest rate in two and a half years. This has caused the price of some food products to fall such as meat and crumpet prices. In contrast Consumer Price Index including house occupiers costs remained at 3.8% from February to March 2024.

Number of People Out of Work due to Long-Term Sickness Rises

The number of individuals out of work due to long-term sickness has surged to a record high of over 2.8 million, an increase of approximately 700,000 over the past three years, fuelled by a rise in long-term illness exacerbated by the Covid pandemic. This rise in economic inactivity has contributed to inflationary pressures, as a shrinking pool of available workers has boosted wage growth and hindered efforts to control inflation.

DCMS Lead Non-Executive Board Member Reappointed

Claudia Arney has been reappointed as the Department for Culture Media and Sports Lead Non-Executive Board Member for another three years.

UK - US SME Dialogue held in Belfast

On 16th April the 8th UK-US SME Dialogue was attended by over 85 US and UK small and medium sized businesses. The Dialogue allows an opportunity for businesses to come together to discuss opportunities and difficulties they are facing. At this years dialogue attendees discussed opportunities in the Creative Industries, Intellectual Property, import and exporting issues and access to SME finance.

During the event the Department for Business and Trade launched the UK and U.S. Intellectual Property (IP) toolkits for businesses to protect their IP within the other country.

Updated advice on traveling abroad for work

The Department for Business and Trade has published updated information on traveling abroad for work to 29 countries within Europe including France, Italy, and Spain. For each country the update is slightly different. If you are travelling abroad for work or want to a specific country more information on specific countries can be found [here](#), or [France](#), [Germany](#), [Spain](#), [Netherlands](#), [Italy](#)

Parliament

House of Parliament

Written Question on Tourism Tax

Andrew Rosindell asked the Chancellor what assessment he has made of the potential impact of re-introducing tax-free shopping for international visitors on retail businesses?

Nigel Huddleston, Financial Secretary, responded:

"The government published its next steps on tax-free shopping in the Spring Budget 2024 which is available [here](#).

"The OBR published a review of the original 2020 costing of the withdrawal of tax-free shopping in the Economic and Fiscal Outlook on 6 March, with a follow up supplementary document published on 11 March, which is available [here](#).

"The government welcomes further submissions in response to the OBR's findings."

Finance Bill second reading

During the Finance Bill's second reading, Drew Hendry, moved to add an amendment and moved to decline the Second Reading due to the lack of reduction in VAT for hospitality and tourism sectors amongst other reasons. Later in the debate he asked where the reduction in VAT for the tourism sector was in the Bill. This was countered

by Nigel Mills asking how in an age of struggling tax revenue the SNPs thought a cut in VAT could be introduced.

The amendment was not passed and the bill now moves forward.

**For any queries regarding this round-up
please get in touch today.**

Get in touch

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