



Around 150 members of the Coach Tourism Association gathered in Cambridge at the end of February for the trade body's annual conference and workshop. On the agenda, Brexit, ULEZ and city tourism. **Stuart Render** reports

Over the years, the Coach Tourism Association (CTA) annual conference has provided a valuable opportunity for coach operators from across the UK to network with fellow operators and tourism suppliers, and to hear from industry experts on the main issues of the day. This year was no exception, with the impending arrival of Brexit and London's Ultra Low Emission Zone (ULEZ) clearly giving event organisers the opportunity to deliver a juicy conference agenda.

Getting things moving, Tom Jenkins, the straight-talking CEO of ETOA, the European

Tour Operators Association, gave delegates an update on Brexit. He said that he'd had to give quite a bit of thought to what he could say. He wasn't out to change anyone's minds, or to persuade anyone about the pros and cons of anything. However, travelling to Brussels almost every week had given him a clear view of how the UK was being seen by those across the other side of the English Channel.

Presenting a slide with the title 'UK is mad,' he said there were some similarities with 1992 and the emergence of Mad Cow Disease. He reminded delegates that the UK was seen as a dominant soft superpower, the single market

had been an initiative coming from Margaret Thatcher, that all official meetings in Brussels were conducted in English, and that English officials dominate committees. He said that the UK, as a successful power in Europe, has always been seen as being seriously engaged with the EU.

However, the EU also recognised that the referendum decision was a popular vote to leave. Tom explained that there were three approaches that Brussels could take. The first was to be as obstructive as possible, both in the hope that the UK would serve as an example to other countries, and that the UK would in fact give up. The second was to negotiate and offer compromises. This would give time to see what might happen, and might help the Prime Minister save face. The third was to be as helpful as possible, but as Tom made clear, this was never an option.

After running through how the UK had got to where it is, and in so doing describing the EU's position as 'awesomely powerful,' he

gave delegates an update on the five possible outcomes.

These are:

- The deal gets passed;
- A no-deal Brexit;
- Article 50 gets delayed by three months;
- Article 50 gets delayed by 21 months; or
- There's another vote.

Tom explained that if the deal does get passed there will be a further two years of frantic negotiations: "What you've witnessed so far is simply an argument about how you walk up to the door, not what happens when you're outside the door," he said. He added that there will be a huge parliamentary process with the likelihood of up to 10 years of bills to address the extraordinary amount to work to separate EU and UK law. In the event of a no-deal Brexit, it is unclear whether the UK would stay within the EU VAT regime.

Tom revealed that the UK is viewed by many as engaging in an act of self-mutilation. He said that among other countries there's really no desire to assist the UK. Indeed, helping with Brexit is seen in some quarters as being profoundly anti-European. "No-one will attack us, but no-one will defend us either," he said.

Border checks

Of particular interest to delegates involved in continental European travel is what might happen at the UK border. Tom explained that EU law on border checks taking place at the EU's external borders distinguishes between controls of EU citizens and of 'third country' nationals. From the withdrawal date, UK nationals will not be entitled to use the separate lanes provided for EU/EEA/CH citizens and will therefore be subject to the same entry conditions as other 'third country' nationals.

The checks will include, in addition to the possession of a valid travel document:

Tom Jenkins, CEO of the European Tour Operators Association



- The duration of stay;
- The purpose and the conditions of the intended stay; and
- The existence of sufficient means of subsistence.

Tom explained that all of this has been shown to take an extra 90 seconds per person. "That might not sound a lot," he said, "but that's an extra two hours per aircraft. At the Channel ports, around 20,000 people travel outbound each day, and we're reliant on the French to handle the extra checks. There needs to be a twentyfold investment by the French authorities to keep the delay down to 24 hours."

Delegates were told that there's been a near total silence from member states on border control activity. Only Portugal has said it will create a third lane for UK citizens. France has said nothing, and Spain, clearly pursuing its own populist agenda, has sought to impose Schengen visas on those living in Gibraltar, so raising the potential of visas being needed for UK citizens for the first time.

Tour Operators Margin Scheme (TOMS)

UK operators will be familiar with the fact that TOMS is contingent on the UK being in the Customs Union. Once outside of that, non-EU tour operators selling travel services that take place within the EU will need to register for VAT in each EU member state in which those travel services take place.

Tom highlighted that this would be a major problem for both coach operators and tour wholesalers, with a likely need to complete multiple VAT returns. Against all of these potential headaches, Tom told delegates that in his view, delaying Article 50 is the only possible option: "The UK might ask for the three-month extension, but what's the point of that? It's likely then that the offer will be a delay of 21 months. This might come with a further set of EU conditions of course."

City tourism and sustainability

Bringing the Brexit presentation to an end, Tom's famous dry wit was to the fore. "Before you resort to self-harm, we'll move on."

Focusing on sustainability and climate change, he explained to delegates that tourism is deemed to be particularly damaging to air quality and, of course, is non-essential. However, he also made the contra-argument that tourism contributes massively, both economically and culturally.

Delegates were reminded of the media's focus on 'over tourism.' Whilst there is indeed a problem in some areas – Venice, Italy's Cinque Terre, Dubrovnik – Tom made the point that, in general, over tourism only affects around 10% of destinations. He went on to say that of that 10%, over tourism affects only 10% of the space, and only 10% of the time. It's a micro-problem, but of course it gets the attention.



Diane Brown, Elaine Johnson and Lee Johnson from Johnson Bros Tours meet Louisa Fortune from Jurys Inn and Leonardo Hotels UK & Ireland

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Raising a laugh among delegates, Tom pointed out that the one group of people that really hate tourists are, er, other tourists.

Reflecting ETOA's own focus on these issues, Tom said that destinations should make more effort to explain when these 10% periods are: "This will give responsible tourists the opportunity to plan, and in so doing, support the destination and offer a better visitor experience."

In terms of the impact on the environment, and due to their size and visibility, coaches are often seen as being part of the problem and not, as they should be, part of the solution. Tom explained that Rome has introduced 'massive' restrictions on coach access to the historic centre. The populist move, which has reduced access by around 75%, was made to reduce congestion and pollution. A laudable aim, but it seems the city planners failed to realise that coach passengers then need to travel from the coach parking areas into the centre. The result? A significant increase in cars, taxis and smaller coaches.

Returning to these shores, Tom raised another laugh by quoting an official of Westminster City Council, talking some time ago about improving the streets of the capital: "I want to clear the streets of dog s**t and tourist coaches." In Camden an official was quoted as saying: "Coaches have the lowest priority in our planning, below that of chauffeur-driven limos."

Times have moved on, and there has been a somewhat more enlightened view emanating from the London Boroughs in recent years. However, the introduction of the ULEZ on 8 April looks set to materially change the landscape of not only coach tourism in the capital, but also of the way many coach businesses are run across the UK.

In closing his presentation, Tom reminded delegates that ETOA, which promotes itself as the 'European tourism association,' will continue to work with its European partners to highlight the role of the coach as a solution to many of the tourism challenges facing destinations today. He indicated that many coach operators are members and he would be delighted to welcome more.

Lively debate

The topic of low emission zones (LEZ) was picked up again in a lively 'question time' panel discussion. Joining the panel was Jason Edwards, Director of Edwards Coaches, Dave Parry, Owner of Parrys International, Robert Shaw, Director of Harry Shaw City Cruiser Holidays, and Andy Warrender, Coaching Manager at the Confederation of Passenger

Operator poll

At the CTA Conference, the opportunity was taken to ask coach operator members whether the uncertainty over Brexit has resulted in any noticeable change in tour bookings. Here are their responses:

Bakers Dolphin, Somerset

Our continental tours are marginally down, but that's due to a raft of different reasons. Brexit really hasn't had much of an effect on us.

Eastons Holidays, Norfolk

We've seen a year-on-year increase in bookings of around 100%. We've invested heavily over the year in our fleet and the quality of our product. We're just in the process of buying a new tri-axle Mercedes-Benz Tourismo.

Johnson Bros. Nottinghamshire

Our continental bookings are up from last year. Domestic bookings are there, but we're finding that people are waiting to see what happens.

Johnsons Coach Travel, Warwickshire

Brexit hasn't had much of an effect on us so far.

R.B. Travel, Northamptonshire

Not noticed any change at the moment. Our continental tours are doing very well.

Richmond's Coaches, Hertfordshire

We've noticed no change whatsoever!

Titterton Holidays, Cumbria

We've noticed some uncertainty on our continental bookings. There's a 'wait-and-see' attitude. Our domestic programme is doing well.

Woods Travel, West Sussex

In our experience, people are ignoring Brexit and continuing to book with us to get away.

“In Camden an official was quoted as saying: 'Coaches have the lowest priority in our planning, below that of chauffeur-driven limos'”



Transport (CPT) UK.

Responding to a questions from the floor asking whether being Euro VI-compliant means operators can charge more, Jason Edwards reminded the audience that the market remains price sensitive: "Yes, of course it would be good to charge more to reflect the true costs of investing in new vehicles. However, as a responsible operator, upgrading the fleet is something we have to do. For us, it's important to show to clients and prospective clients the exceptional value they're getting for their money."

Andy Warrender pointed out that compliance is a leveller in many ways. "For as long as I can remember, the operators that invest in new vehicles have expressed concern that some operators seem happy to run older vehicles around, and can therefore charge less for the same work. The need to comply with Euro VI emission regulations, or pay a daily fine, alters the financials of the way some of these smaller operators will work."

Answering a question asking for advice for operators with older vehicles, Robert Shaw said that in his opinion it will be better in the long term to sell older vehicles and consider buying new. However, he made the point that some local authorities planning their own emission zones are considering putting grants out there that operators may eventually be able to access to retrofit older vehicles. "It may be worth waiting to see what individual authorities do," he said.

The effect of emission zones on the financial wellbeing of a coach operators may also be at risk. Robert said that the policy of insisting on Euro VI-compliant vehicles will destroy the balance sheet of some operators as the value of older vehicles is written down significantly faster: "The economics of school contracts will also be affected," he said. "Schools won't be able to afford to hire new coaches. This may mean fewer trips to London, and the resulting effect on tourism attractions and businesses in the capital."

Four choices

Operators have four choices of course if they wish to remain in business: buy new vehicles, retrofit existing vehicles, pay the daily charge (fine), or avoid London and other emission zones completely.

Responding to a question asking what advice the panel would give to smaller operators on this, Andy Warrender pointed out that every business will be in a different situation: "Let's look at an operator with a non-Euro VI-compliant vehicle," he said. "Say they run six tours a year that spend around 15 days in



Approximately 150 CTA members attended the event

London. They'll have to pay 15 daily charges of £100. That's £1,500. They're really not going to see the benefit of paying around £18,000 on upgrading their vehicle. For most smaller operators, justifying the cost of buying new or retrofitting simply isn't worthwhile."

Dave Parry takes a similar view: "Our fleet is fully compliant," he said. "However, for an operator considering whether to upgrade or pay the charge, I'd pay the charge. Compared to other cities, such as Paris, the daily charge is quite cheap."

The speed of introduction of the new Euro VI legislation is also causing concerns.

Jason Edwards told delegates that some of the new Euro VI engines are often unreliable: "We absolutely need better reliability," he said. "The people who come up with this new legislation don't take this sort of thing into account."

Responding to a comment that the coach industry is being singled out, Jason said that coaches are often treated as the lowest of the low. "We bring a lot of business to destinations in both low and high seasons, our drivers are highly trained, and our vehicles are spot on. We spend a lot of money and people work their socks off to keep the wheels turning, and this is how we're treated. It demonstrates the importance of a combined voice to lobby government."

Dave Parry shares that view: "Coaches are being picked on because as an industry we are far too quiet. The coach is under-represented. We don't operate on the same level playing field as other transport modes."

Highlighting the situation in London, Andy Warrender said: "Coaches only account for 3% of NOx emissions in London, but compared to air and rail, road transport has many more opportunities to do something about air quality in the capital. Transport for London (TfL) has

forecast a 96% compliance rate for the ULEZ. In reality that's not going to be achieved.

However, this might disincentivise any further increases in the daily charge and, over time, encourage more new vehicles. There's a final point. Don't automatically assume your coach is compliant. TfL has a 'ULEZ Vehicle Checker' that requires you to put in your coach's registration number. The site is also useful if you want to check any vehicle."

ETOA update

Following on from the CTA Conference, ETOA issued an update on 27 February. If a deal is agreed, the UK effectively stays in the EU until the end of the transition period and existing operations remain the same until subsequent agreements are made. If a 'no deal' is agreed, the UK intends to join the Interbus Agreement. This will allow occasional services such as coach tours to continue to operate by UK coach companies in the EU, and by EU coach companies in the UK. However, the Interbus Agreement does not allow for cabotage.

Drivers may need an International Driving permit and Green Card certificate, but it depends on a national basis. Until the UK joins the Interbus Agreement, the European Council has provisionally agreed with the European Parliament to allow the continuation of road passenger services until 31 December 2019. This is conditional on reciprocity from the UK Government, and the European Council and Parliament formally adopting the regulation.

UK Government guidance can be found at www.gov.uk/guidance/prepare-to-drive-in-the-eu-after-brex-it. //



More information:

www.coachtourismassociation.co.uk
www.etoa.org