

Dyddiad:	28 Tachwedd 2002.
Amser:	9.00 -12.30
Lleoliad:	Ystafell Bwyllgora 1, Y Cynulliad Cenedlaethol, Bae Caerdydd.
Teitl:	Adolygiad ar hynt gwaith Bwrdd Croeso Cymru yn ystod y flwyddyn gyfredol.

Diben a Chamau i'w Cymryd

1. Hysbysu'r Pwyllgor o hynt gwaith Bwrdd Croeso Cymru o'i gymharu â'r blaenoriaethau strategol a'r targedau gweithredol a amlinellir yn Llythyr Cylch Gwaith y Bwrdd Croeso ar gyfer 2002-3 a'r [Cynllun Corfforaethol](#) cysylltiedig.
2. Gwahoddir y Pwyllgor i nodi a gwneud sylwadau am yr adroddiad ar hynt gwaith y Bwrdd Croeso yn ystod yr hanner blwyddyn gyfredol yn **Atodiad A**.
3. Bydd Philip Evans, Cadeirydd y Bwrdd Croeso, Jonathan Jones, Prif Weithredwr y Bwrdd Croeso a Steve Webb, y Cyfarwyddwr Strategaeth yn bresennol yn y cyfarfod i ateb unrhyw gwestiynau.

Cydymffurfio

4. Sefydlwyd Bwrdd Croeso Cymru gan Ddeddf Datblygu Twristiaeth 1969 a chafodd ei bwerau eu cryfhau gan Ddeddf Twristiaeth (Hyrwyddo Dramor) (Cymru) 1992. Mae pwerau o dan y Deddfau hyn wedi'u trosglwyddo i'r Cynulliad ac wedi'u dirprwyo i'r Gweinidog dros Ddatblygu Economaidd. Nid oes unrhyw faterion yn ymwneud â rheoleidd-dra neu briodoldeb.

Goblygiadau Ariannol

5. Mae'r costau sy'n deillio o weithgareddau'r Bwrdd Croeso yn cael eu talu o gyllideb y Bwrdd. Y cymhorthdal sylfaenol i gyllideb y Bwrdd Croeso ar gyfer 2002-03 yw £20.784 miliwn. Caiff hyn ei adolygu ym mis Ionawr 2003. Mae'r Bwrdd Croeso hefyd wedi llwyddo i sicrhau arian Amcan 1 gwerth £15.3 miliwn ynghyd ag arian cyfatebol gan y Cynulliad ar gyfer y blynyddoedd nesaf.

Mae gweddill y ddogfen hon ar gael yn Saesneg yn unig.

ANNEX A

<p>BWRDD CROESO CYMRU / WALES TOURIST BOARD HALF YEARLY PERFORMANCE REPORT 2002-2003</p>

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**BWRDD CROESO CYMRU / WALES TOURIST BOARD
HALF YEARLY PERFORMANCE REPORT 2002-2003**

1. INTRODUCTION

This progress report describes WTB's interim performance in achieving the strategic and operational priorities contained within the Remit Letter for 2002-03.

WTB has received a record level of grant-in-aid funds for 2002/2003. WTB's Corporate and Operational Plans describe how these funds will be used to improve the economic and social prosperity of Wales. In 2002-03 there will be a focus on improving the tourism product and increasing marketing throughout the UK and overseas. There has been an increase in the overall grant in aid baseline from £20.0m to £22.6m and, in addition, WTB has also granted £2m by the Assembly towards the Adfywio Scheme, which it will administer jointly with the Countryside Council for Wales as part of the Rural Recovery Plan for this financial year.

WTB has consulted with the WDA, ELWa and the WLGA on its draft Corporate Plan and has consulted regularly with colleagues in the Assembly's Economic Policy Division on matters of policy and operational priorities. WTB has also made progress in preparing a Memorandum of Understanding with WLGA, ELWa and Cardiff County Council during the year. WTB has complied in full with its Management Statement and Financial Memorandum.

WTB has participated fully in the work of the Economic Research Advisory Panel being brought together by the Assembly Government, which includes representatives of the main ASPBs, social partners, academics, applied researchers and officials in the relevant Assembly policy groups. Following two meetings of this Panel, a proposed economic research programme for 2003/2006 has been presented to the Welsh Assembly Government for consideration.

WTB has worked closely with the reviewers who have prepared both the Interim Stage 1 and the Stage 2 Discussion Draft of WTB's Quinquennial Review. WTB has submitted a written response to the Assembly on the recommendations of the Interim Report.

2. PROGRESS AGAINST SPECIFIC TARGETS

The following table indicates actual performance to the end of September 2002:-

WTB: Interim Performance Against Target 2002/2003

	Target	Interim
A. <u>Tourism Spend</u>	6%	3% **see below
B. <u>Capital Investment</u>		
i) Leverage:(WTB:Total Project Cost)	1:5.0	1:6.2
ii) Private sector investment	£15.5 m	£25.5m
iii) Total investment generated	£28 m	£34.9m
iv) Full Time Equivalent Direct Jobs		
- created	400	407
- safeguarded	100	59
**** see note below		
C. <u>Marketing</u>		
i) Main UK Marketing Campaign ROI	30:1	25:1
ii) ROI from primary overseas markets	12:1	12:1
iii) Destination Management System Number of businesses actively:		
- using VisitWales.com (and maintaining data)	5,000	2041
- using VisitWales.com for E- Commerce/bookings	1,000	202
iv) Star Quality Grading Scheme Proportion of 3,4 and 5 star accommodation businesses to increase from 74%	76%	81%

** Based on All Tourism Spend (Jan – July) 2002.
(All Holiday Spend has increased by 11%).

**** The targets set by Assembly Government did not include the money made available for Objective 1 and Adfywio. In addition we have assisted several large private sector projects including the Mcleans development in Wrexham and Henllys Hall, Beaumaris which have influenced the very good progress that has been made against target.

3. COMMENTARY

A. Tourism Spend

The target requires WTB to contribute towards an average annual increase in tourism expenditure of at least 6%. Figures from the United Kingdom

Tourism Survey indicates that All Tourism Spending by UK residents to Wales during the January – June period has increased from £817m in 2001 to £839m in 2002, a rise of 3%. It is interesting to note that over the same periods, spending from the more discretionary holiday market has increased by 11% from £591m to £656m. Figures from the International Passenger Survey which measures the incidence of overseas tourism into the UK are not yet available for Wales for 2002.

B. Capital Investment

The results reflect the fact that WTB's Investment Support scheme is discretionary and our assessment process identifies, nurtures and supports projects which deliver on these key economic indicators while adding value to the existing tourism product.

The Integrated Business Support Scheme (funded via Objective 1 and Pathways to Prosperity) made excellent progress this year. In 2002/03, 100 projects benefited from a total of £5.5 million at an enhanced rate of assistance made available by these additional funds. The scheme has been running since July 2000 and in total 220 businesses have directly accessed £10.6 million. The overall budget for the scheme is £10.6 million. (With allocation to date in 2002/03 the fund is now exhausted). WTB has shown that it can distribute Objective 1 funds into the private sector – quickly and efficiently.

Additional monies were also made available during the year via the Rural Recovery Package - £452k was allocated under the Adfywio scheme. The scheme provided support to 21 businesses; the awards allowed each to carry out necessary works to integrate their tourism businesses more closely with open air recreation, outdoor leisure and the natural environment in the aftermath of the foot and mouth crisis.

The general level of interest in the scheme is increasing, as our work becomes more proactive and focused. During the year WTB's business consultants continued to seek out good investment opportunities, identify business winners and to encourage the acceleration of development. 617 general enquiries were handled which resulted in 123 detailed applications for financial assistance being processed.

Leverage

Leverage is the measurement of investment secured by WTB assistance. The ratio of 1:6.2 indicates that every £1 of WTB assistance levered out an additional £6.20 of investment in tourism, comfortably ahead of the target. In order to achieve the target leverage ratio of 1:5.0, percentage support from WTB towards individual capital projects needs to average 20%. For 2002/2003, WTB support to date has been closer to 16%.

Private Sector Investment/Total Investment Created

During 2002/2003, WTB financial assistance to September 2002 has generated an interim total of £34.9m capital investment (against a 2002/2003 target of £28m). £25.5m (73%) has been from the private sector to date (against a 2002/2003 target of £15.5m).

Full Time Equivalent Direct Jobs - Created

A total of 407 [Full Time Equivalent Direct] jobs (excluding indirect and construction) were created by WTB's scheme of financial assistance by the end of September 2002 (against a 2002/2003 target of 400).

Full Time Equivalent Direct Jobs - Safeguarded

A total of 59 [Full Time Equivalent Direct] jobs (excluding indirect and construction) were safeguarded by WTB's scheme of financial assistance by the end of September 2002 (against a 2002/2003 target of 100).

C. Marketing

The marketing year 2002 sees the first major uplift in the scope of WTB campaigns resulting from enhanced budgets. We still face a difficult marketing environment particularly with regard to overseas markets. ROI will not be known until later in the financial year but across most campaigns, response levels are performing well. UKTS figures up until the end of July show an 11% increase in holiday tourism expenditure, whilst the International passenger survey results for the UK as a whole show a rise of in all tourism expenditure.

i) Main UK Marketing Campaign Return on Investment

WTB is increasingly seeking to measure the effectiveness of the different marketing activities, which it undertakes in order to inform the future allocation of funds in its primary UK and overseas markets. WTB has worked closely with Assembly Government and colleagues to define strategic targets, which can be measured effectively and against which WTB's performance can be held to be more directly accountable. A key part of the UK marketing campaign is a highly targeted direct marketing initiative, which seeks to maximise brochure enquiries and influence decisions to visit Wales. WTB evaluates the success of the campaign by monitoring the number of brochure enquiries and by measuring its effect on "converting" people to holiday in Wales. Against a target of 300,000 enquires, 320,000 had been received by October 2002.

Although we have passed our response target for the year we are cautiously predicting an ROI of 25:1 on the direct marketing element of the UK campaign. This is because we have some trend data showing that enquiries are not converting to bookings in the same proportions as

previously. We are also going through a process of standardising the ROI Analysis methodology.

Another key objective of the UK campaign was to raise awareness of Wales as a holiday destination. We have monitored awareness of and reactions to the Big Country campaign. We have found that across the UK unprompted awareness of Wales Tourist Board Advertising rose from 7% before the campaign to a peak of 25%- this is higher than any other destination and is a very positive figure. We are also very encouraged by several indicators suggesting that the messages within the campaign are getting through and that it is making potential visitors more positive about Wales

ii) Return on Investment from Primary Overseas Markets

WTB is also developing a series of ROI figures for a range of overseas marketing activities. These cover our main partnership campaigns with BTA, other direct marketing initiatives and exhibition programme measurement.

At the time of writing it is too early to predict the average ROI on the direct response element of our overseas activities. Generally response levels have been encouraging, but we suspect that conversion levels will be moderate in the current environment. One of the key reasons for moving head with our overseas activity despite the difficult climate was to raise awareness of Wales so that we would be in a stronger position to compete when the market becomes more favourable.

iii) Destination Management System

Number of businesses actively using VisitWales.com (and maintaining data)

There are currently 2041 products publishing on VisitWales – i.e. 40% of the original target. These products cover all aspects of tourism but can broadly be divided into 65% accommodation and the remainder “things to do”. Work is now in hand to communicate specifically with sectors such as event organisers and restaurant operators.

Number of businesses actively using VisitWales.com for E-Commerce /bookings

10% of the businesses are accepting bookings “on line”. Many businesses are still nervous about accepting bookings on-line through the system. We are continuing to inform businesses about the benefits of accepting bookings through system, but we still hold to the principle of choice for businesses to determine how they wish to use the system.

iv) Star Quality Grading Scheme

Proportion of 3,4 and 5 star accommodation businesses to increase from 74%

Currently the proportion of 3,4 and 5 star accommodation businesses stands at 81% demonstrating that quality grading encourages improvement in product quality.

4. ECONOMIC CONTEXT

The WTB is committed to transforming the economy of Wales and works within the framework set out in the Welsh Assembly Government's 10-year National Economic Development Strategy, "A Winning Wales". WTB has ensured that its activities are in accord with the aims, policies and programmes of the Assembly Government and are working towards the tourism industry targets set out in betterWales.com and the "Putting Wales First" Partnership Agreement.

i) Developmental Themes

The Assembly Government and themes of sustainable development, tackling social disadvantage and promoting equal opportunities as outlined in "A Plan for Wales 2001" run through all aspects of WTB policy and continue to be developed. WTB intends to work closely with EOC regarding sustainable development. The WTB is aware of its responsibilities under the Human Rights Act.

ii) Working in Partnership

WTB acts strategically and in partnership with other ASPBs and key stakeholders such as local authorities by taking account of the principles set out in the Assembly Government's Local Government Partnership Scheme and by working within the agreed model of balanced representation from the public sector, social partners and the voluntary sector. During the year, WTB has worked with key partner organisations to prepare Memoranda of Understanding, which seek to clarify working relationships and our respective roles and responsibilities. Draft MoU are in place with ELWa, WLGA and Cardiff County Council. Links between the Board and the Assembly Government are acknowledged by use of the Welsh Assembly Government logo in its publicity at events, festivals and business fairs throughout Wales. A number of media launches involving the First Minister and the Minister for Economic Development have been held in North East, North West and South East Wales.

iii) Funding Opportunities

The availability of EU funding provides a unique opportunity to allocate significant additional funding for tourism during the period 2000-2006. It will be important to apply these additional funds carefully within a clear strategic framework so that tourism's contribution to Welsh GDP is improved.

WTB continues to play a key part in the Partnership Management Board to oversee the implementation of a regional action plan for tourism in the Objective 1 West Wales and the Valleys area. WTB chairs this Partnership Management Board and will give the highest priority to ensuring that EU funds are applied wisely to improve the competitive position of tourism in Wales.

WTB is taking full advantage of Match funding opportunities provided by the Assembly Government, which are essentially Pathway to Prosperity funds.

5. STRATEGIC PRIORITIES

In pursuing the aims of “A Winning Wales” the Board has made progress on all of its strategic priorities as follows:

i) Implementing Wales’ national tourism strategy “Achieving Our Potential”

Good progress has been made in taking forward a number of the 49 action points identified in the strategy. Specific progress has been made in the following key areas:-

- WTB has led the preparation of a Cultural Tourism Strategy for Wales in consultation with key partners;
- WTB has, through research, evolved the tourism branding for Wales in domestic and overseas markets. We continue to work closely with the Assembly Government and with other ASPBs in developing a consistent approach to the distinctive branding of Wales;
- WTB has continued to improve its understanding of the priority market segments which offer most growth potential for Wales and has been developing a range of activity product plans through consultation and with key partners for Golf, Walking, Cycling, Fishing, Horse-riding and the general Activities market;
- WTB has undertaken research into the feasibility of establishing a Wales Convention Bureau;
- WTB has prepared a framework for a partnership approach to tourism research in Wales which will involve a more coordinated programme of joint research and a more effective sharing of research findings;
- WTB has established a Contact Centre to act as the first point of contact for all enquiries about Wales;
- WTB has consulted widely on the merits of establishing a statutory registration scheme for accommodation for Wales and has forwarded a report with its recommendations to the Assembly Government;
- WTB has continued to participate in the Green Sea Partnership to improve the quality of beach facilities around the coastline of Wales.

ii) Promoting Information and Communication Technologies

A key part of the roll out of the VisitWales project has been the increasing the awareness of ICT by tourism businesses across Wales. Through the year 800 tourism businesses have attended a one day training course on how to use the Mybusiness.visitwales system which for many is the first time they have used a computer as part of their businesses

operation. This has been combined with “workshop” opportunities and presentations across Wales.

WTB's Integrated Business Support (IBS) initiative actively encourages the use of ICT within tourism businesses, particularly the SME sector. The initiative has assisted in engaging over 2000 businesses to promote their product via visitwales.com Wales' Destination Management System. 680 businesses to date have undertaken a one-day visitwales.com training course to enable them to maximise the potential of promoting their business via the Internet. Over 7000 tourism businesses a year are signposted via visitwales.com and WTB's Business Support initiative to other ICT initiatives in Wales including the Welsh Development Agency's SME Broadband Satellite Subsidy Scheme and Opportunity Wales. WTB has been designated Opportunity Wales' lead delivery partner for the tourism sector in the Objective 1 area of Wales and has been allocated funding for two e-commerce advisors until 2004.

iii) Ensuring that European Structural Funds are used to maximum effect

To maximise the tourism contribution of EU structural funds to support the aims of “A Winning Wales “ and “AOP”, WTB has been active in ensuring that tourism interests are taken into account in key committees and partnerships responsible for the main structural fund programmes. This helps to ensure adequate funding is available for both WTB and the tourism sector more generally, and that such EU funding is delivered in a strategic, coherent manner in accordance with domestic policy.

The work has a number of facets including a representational role; developing EU projects; advising partners; and reviewing action plans etc.

iv) Support tourism development in Rural Areas

Under the first phase of the Rural Recovery Plan, WTB invested heavily in the development of a series of Product Development Action Plans. These plans seek to identify market opportunities and outline the development requirements needed to ensure that full potential is reached. The suite of plans is nearing completion and includes Action Plans for cycling, walking, fishing, riding and general activities. The allocation of the Adfywio fund is prioritised according to project fit with these strategies.

Real growth opportunities are identified and the potential results are quantified. The Welsh competitive advantage for Rural Tourism/Activities is well defined and continued co-ordinated

development and marketing effort will bring added value to the rural economy.

v) Support and invest in sustainable tourism and recreation and promotion of Green Tourism – taking account of the Wales Woodland Strategy

We have promoted the introduction of Integrated Quality Management by local authorities through part funding officers in each of the 15 TGAs. IQM seeks to secure environmental, economic and cultural benefits for host communities whilst progressively improving the quality of the visitor experience.

WTB is represented on both the Woodlands for Wales Strategy Forum & Tourism and Recreation Working group. Progress is being made on action plans. The Green Sea Partnership continues to meet quarterly. The group is working with Pembrokeshire Council on improving the infrastructure of beaches.

Regarding the Environmental Accreditation Scheme, WTB is working in partnership with Arena Network to develop the Green Dragon Environmental Standard for use in the tourism industry in Wales. A pilot has been run and the scheme is to be launched formally early in 2003. WTB is also represented on the Snowdonia Green Key Partnership and will represent the tourism sector on the steering group of Interpret Wales to support the National Nature Reserves.

vi) Promote Welsh culture, heritage and environment as key strengths

This will be taken forward in respect of culture and heritage by the Cultural Tourism Strategy which will be launched early in the new year. The South Wales Industrial Heritage Initiative is also being set up. Partner funds have been arranged. WTB continues to support the Valuing Our Environment group and have ensured that the environment, culture and heritage are recognised as key strengths in the Tourism Growth Area Action Plans.

vii) Contribute towards the development of an international branding of Wales

We continue to work closely with the Assembly Government in terms of the new brand strategy for Wales. and are seeking to incorporate the ideas into our own work. New Brand response campaigns have been introduced in the USA, Netherlands and Belgium. In the US the “ Wales-Go a little further” Campaigns targets “ safe explorers”. Whilst in Holland and Belgium we

conducted a test TV campaign on the theme of Wales – Come live the legend”. We have also just completed the process of appointing a new European Agency; separate to the BTA to create a new Brand Response Campaign for the next 2 years.

6. OPERATIONAL PRIORITIES

In working towards the strategic aims of “A Winning Wales” the Board has played a full part in taking forward the appropriate actions and specifically as follows:

i) Work with other bodies to help develop an “Events Strategy” to support and attract major events to Wales

The Wales Tourist Boards Event Marketing Support Scheme has been in operation since June 2002. Under the scheme 16 major events have been supported to the tune of £275k. A regional support scheme through the Regional Tourism Partnerships has also been developed to compliment the national scheme.

The Wales Tourist Board has worked closely with other major bodies such as the Sports Council for Wales, The Welsh Development Agency Cardiff County Council and The Gwynedd Events Agency in attracting and bidding for major events to come to Wales. We are implementing many of the key elements within the Event lead Tourism Framework that our board approved on April 2001. The WTB is a key organisation in the development of the Assembly Government’s National Events Strategy for Wales.

ii) Fully exploit the opportunities that the Ryder Cup will present, both in the UK and overseas. Continuation of WTB’s role in delivering the commitments made in the Bid Document

The Wales Tourist Board is playing a key role in taking forward a Golf Tourism Strategy for Wales and in exploiting the association with Ryder Cup. The Board subject to obtaining the necessary resources to take it forward approved a new Golf Tourism Strategy. We have also created a new Golf Campaign – “ Wales – golf as it should be” which will be launched in December. We work very closely with the embryonic Ryder Cup company to maximise the benefits, including collaborating closely in trying to attract the Solheim cup to Wales in 2007.

iii) Play an effective part in implementing the Rural Recovery Plan and continue its involvement with the work of the Wales Rural Partnership

In April we ran the “Openspace “ Campaign with the final £500,000 tranch of our Rural Recovery funds. This promoted holidays in the Countryside and was designed to stimulate visits in the Spring and Early Summer period. This included a 24 page guide on activities in rural Wales launched at the opening of the Glyndwr Way. 4.7 million copies were produced and distributed via national press titles, specialist magazines and the UK consumer database. A specific website was created to support the campaign and this contained information on all of the rural operators that had submitted additional details and special offers. A dedicated phone number at the VisitWales centre has been created to support the campaign.

See also Strategic Priority iv) above.

iv) Continue its work in developing and supporting tourism projects under EU programmes by maximising Objective 1 and utilising match funding resources where necessary

WTB continues to service the Regional Tourism Partnership for Objective 1, providing assistance to potential applicants prior to submission of projects to WEFO and monitoring the implementation of the Objective 1 Regional Action Plan. A number of key projects have been submitted for funding including WTB bids for Integrated Tourism SME Support (Phase 2); for Farm Tourism Diversification and for E-Tourism Destination. Projects are also being developed with other partners, notably Pembrokeshire County Council (Green Sea); CCW (Eco-Tourism) and TTFW (Phase 2).

Various EU Bids are also actively being developed under the Objective 2 & Transitional programme; Objective 3 and Interreg 111a (Wales-Ireland) programmes.

For all these EU projects, WTB is in regular contact with the Assembly Government regarding the availability of match funding – principally from the Pathways to Prosperity Fund.

v) Produce a framework Cultural Tourism Strategy to help promote opportunities for visitors to experience

**the cultural and environmental assets of Wales,
working closely with Cymru'n Creu**

The Cultural Tourism Strategy is nearing completion and will be submitted to and launched by the Minister. Key Cymru'n Creu partners have been consulted on the final report e.g. ACW, NMGW, Cadw, WLB, WLGA, ELWa and WDA. We are also working with the Sports Council on the preparation of a Sports Tourism Strategy.

- vi) Work closely with the BTA in assessing and monitoring Wales' overseas markets following the Foot & Mouth outbreak and the terrorist attacks in the USA. Review planned marketing campaigns both at home and overseas in the light of the market assessment**

As mentioned earlier we still face a difficult market in terms of attracting overseas visitors and we need to balance this against the need to raise brand awareness of Wales internationally. We represented all of the national tourist boards on the Steering Group for the Million Visitor Campaign. The Big Country campaign was positioned to take advantage of the more favourable climate for domestic holidays within the UK.

- vii) Formally establish four Regional Tourism Partnerships which will have the responsibility for implementing regional tourism strategies in their areas. In doing this, establishing effective working partnerships with the support of local authorities and the local tourism industry**

Four RTPs have been established in Wales, coterminous with the four economic fora areas. Their main role is to lead the implementation of the four regional strategies. The RTPs will work in partnership with the WTB, local authorities, the private sector and with other organisations to undertake a range of marketing, product investment and business support activities on behalf of the tourism industry. Most of these activities will be delivered under contract by third parties. The RTPs have small executive teams who report to a Board of Management with an equal public/private sector membership.

- viii) Press on with the final stages of implementing the Destination Management System and promote its use within the tourism industry**

It is anticipated that the final technical development will be rolled out by the end of November 2002. In the meantime tourism business across Wales continue to receive regular updates as to the development of the system and how they can use it as part of their marketing

ix) Provide the Assembly Government with a Report and recommendations on the possible introduction of a Statutory Registration Scheme for accommodation in Wales

The report was submitted to the Assembly Government during August 2002 and further discussions have taken place, and are required, before an Assembly decision on the way forward can be made.

x) Work with ELWa and TTFW and other training bodies to improve training, skills, professionalism and career structure within the tourism industry

WTB has provided TTFW with an annual grant of £170,000 including the secondment of the previous WTB training manager to lead the new organisation until November 2004. WTB has supported TTFW in their negotiations for a financial contribution from ELWa and we await the outcome.

See also Economic Context ii) above for MoU with ELWa.

xi) Work with the Assembly Government on re-notifying its Section 4 Capital Grant Scheme to the European Commission

The project review group set up to take forward the recommendations of the first stage of the Quinquennial review has concluded that there is no need to re-notify the Section 4 capital grant scheme.

xii) Work with the Business Connect network in Wales to provide specialist business support for the tourism industry

Following the National Assembly for Wales (NAW) Review of Business Support WTB took immediate steps to improve its communications with the wider business support network in Wales. The review identified a need to; 1) Clearly define the roles and responsibilities of the main providers of business support and 2) Improve the effectiveness and efficiency of partnership working among the agencies providing business support

It was also identified that, 'The Wales Tourist Board should continue to focus on the delivery of specialist services to tourism businesses. However it should seek to integrate its services with the wider business support available by becoming an active member of the regional business advice consortia...'

To achieve integration, WTB has improved communications with its external partners including the four Regional Tourism Partnerships, Local Authorities, Education and Learning Wales (ELWa) and in particular the WDA led Business Connect. This has ensured that duplication of services has been avoided and, through improved communications of its work, WTB's role in the delivery of specialist business support in Wales has been strengthened.

A Business Support Unit has been established to handle all specialist business support enquiries to WTB. Business 'start-up' enquiries are signposted to the Business Connect Gateway where they may access general business advice. In the same way, Business Connect Gateway refer businesses requiring specific tourism advice to WTB's Business Support Unit. The unit also manages WTB's links with WDA and the Regional Business Support Consortia on a National level. WTB's regional network of Business Advisers liaise directly with WDA Business Connect offices on a local level.

7. TRENDS IN ANNUAL TARGETS

The Assembly Government sets annual targets for WTB. Increasingly in recent years these targets have been defined specifically to relate to outputs directly related to WTB's programmed activities. The following table includes details of the 2002/2003 targets and summarises progress in the achievement of these targets for the 2001/2002 financial years.

NAW targets 2001/2002, 2002/2003

	PERFORMANCE MEASURE	2001/2002 TARGET	2001/2002 ACTUAL	2002/2003 TARGET	2002/2003 INTERIM
1	Private Sector investment generated	£13.5m	£19.8m	£15.5m	£25.5m
2	Total investment generated	£25m	£34.3m	£28m	£34.9m
3	Leverage ratio WTB grant:total project cost	1:5.0	1:6.6	1:5.0	1:6.2
4	No of jobs created/safeguarded	500	1,240	500	466
5	UK marketing campaign Return on Investment	30:1	20:1	30:1	25:1
6	Return on Investment from primary overseas markets	N/A	N/A	12:1	12:1
7a	Number of businesses actively using VisitWales.com and maintaining data	N/A	-	5,000	2,041
7b	Number of businesses using VisitWales.com for E-Commerce/bookings	N/A	-	1,000	202
8	Star Quality Grading Scheme – proportion of 3,4 and 5 star accommodation businesses to increase	N/A	74%	76%	81%