

All Party Parliamentary Group for Hospitality and Tourism: Pathways to Recovery Consultation

Consultation Questions:

- 1. What further, or continued, financial measures do you envisage your business needing from Government in the recovery period when restrictions begin to be lifted? If relevant, please refer to both national and devolved Governments.***

A continuation of financial support is needed, particularly given seasonality and the fact that many businesses rely on their summer earnings to get through the winter. This is a general comment that arose with regards to staffing, overheads, rents, paying for operating systems, business rates and VAT relief, etc.

The key themes that emerged around financial support included the extension of the **furloughing** period given the fact that the summer season is compromised. Support until businesses are fully operational is requested, particularly in the case that businesses will be partly operational, where staff will be required, while not being able to operate all their revenue streams. Concerns around the CJRS support for businesses in the winter months were also raised, with businesses not wanting to lose valuable staff members, particularly in the rebuild stage, which is likely to be long based on the assumptions around a gradual increase in consumer demand. Moving to a more flexible furlough scheme, which allows employees to return to work on a part-time basis, whilst retaining some element of Government support, would be hugely beneficial as businesses begin to rebuild, or partially re-open.

Continued and additional **loans and grants** to help with the rebuild, particularly if severe social distancing measures will be imposed will be needed. Grants to replace rejected insurance claims are also mentioned. There is a particular concern among businesses that are over the £51k business rates threshold and for whom there is very little in the way of grant support – particularly as many are concerned about taking on more debt.

The need for **support for self-employed** was raised to mitigate loss of earnings given the prolonged absence of income.

2. What impact would a staggered reopening have on your businesses? (For example, if businesses are permitted to reopen but with existing social distancing measures retained; hotels open with no bar or restaurant area; or a cap being introduced on venue numbers)

There are mixed opinions about a staggered reopening based on the size and nature of the businesses and their reliability on other services. Whilst some see it as 'better than nothing', a larger number of businesses tend to believe this approach will have

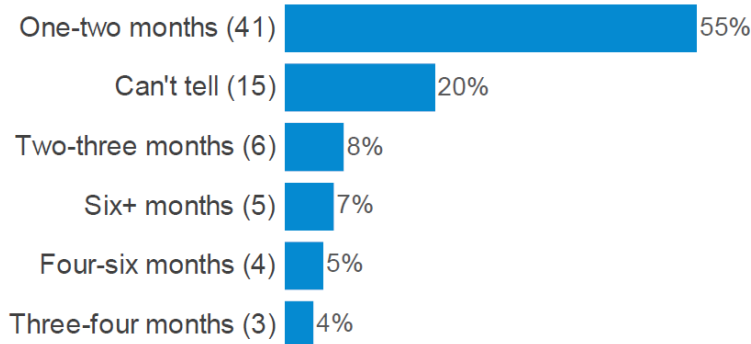
more negative impacts than positive ones. Key feedback to support this includes comments around **venues being too old** to accommodate social distancing measures, difficulties for **small accommodation** providers as they will not be able to increase revenue by serving meals to customers, while others argued that they depend on restaurants, and coffeeshops to be open. **Hotels** also mention it is a difficult decision for them to make to "start trading again as anything lower than 70% occupancy means operating at a loss". There are also concerns about the approach requiring **staff** to be available but with the business only generating a **capped revenue**, as well as worries around the ability to sustain current staffing levels. Respondents mentioned challenges arising from covering business **overheads**, but also a need to rethink the entire **business model**. Other fears highlighted came from businesses that heavily rely on **groups**, mentioning various logistical challenges, as well as those ones that offer experiences.

3. What specific operational difficulties do you anticipate when looking to reopen your business and will you need Government assistance and guidance ahead of this?

The key things mentioned revolved around assistance on **social distancing**, advice on **health and safety** covering the premises, staff and customers, and an overall plea for clear and **detailed policies and guidelines** on what will they be required to do in the transition to 'business as usual', coming from hotels, attractions, restaurants, events venues and organisers, to mention a few. Some respondents felt that suppliers, particularly smaller, local ones may have been affected permanently. Many businesses argued that it is difficult to give specific examples at this point as they are still unsure what measures will be announced. **Clarity** around the challenges brought by the fact that some businesses rely on **volunteers**, the majority of them being vulnerable, is also urgently needed and respondents also highlighted concerns about volunteers being actually afraid to return.

If support for staff wages is not given and businesses will have to let some of their staff go, respondents state it will then be more costly to hire back and train **new staff**. Another financial implication that is significant and for which businesses would like Government support is related to the cost of **PPE** equipment.

4. How long do you envisage that it will take you to reactivate your supply chain once the guidelines are relaxed?



5. What, if any, additional guidance do you feel that you need on cleaning and hygiene measures ahead of reopening?

There were less detailed responses to this question as many covered cleaning and hygiene in their response to question 3. Also, many businesses mention that they do not need additional guidance. But for those that do, they would benefit to get **recommendations** on cleaning products, guidance on how often **deep cleaning** should be done, what **protective equipment** is needed, how to **train** cleaning **personnel** in light of the pandemic (specific videos and tutorials that staff could watch before returning to work), but also guidance for customer facing personnel (tills, receptions), including volunteers.

Businesses feel it is essential to be given all the **clear guidelines and criteria** in the run-up and after opening their doors to customers to avoid complaints of this nature, or even worse, to avoid being sued. They also want to better understand which measures are essential and which ones are desirable, or recommended.

6. What fiscal measures should be taken to boost business in the hospitality and tourism sectors in the immediate aftermath of COVID-19 restrictions being lifted?

Businesses once again highlight the need for continued Government **financial support**, the need for additional cash grants during recovery, with payment plans of PAYE and Corporation Tax being mentioned, VAT and business rates relief, and the continued, revised and flexible **furlough** scheme. Businesses argue it is difficult to furlough employees due to the business being closed or events being cancelled, but to still have someone working on selling and getting business through the doors for next year.

Businesses also identify a need for grants and **funding** for **advertising** and **marketing** activities, as well as a **national campaign** to encourage the domestic market to **support local economies first**. Incentives around public transportation are also seen as making a difference, especially after this period, when people will be more cash conscious and think twice before taking spending decisions.

7. What steps should the Government take to boost UK inbound tourism when social distancing measures are lifted?

A number of respondents feel that first and foremost, priority should be given to stimulating domestic travel and gradually build on that. There were comments around the fact that attracting inbound visitors before a vaccine is available might not be the best way forward, as people will be afraid to travel. On the other hand, above and beyond the financial support already mentioned in the earlier questions, some of the suggestions included **heavy investment in marketing** and promotion, prioritising **key markets** to start with, raising **awareness** around the steps taken by the UK tourism industry in ensuring visitors' safety, and setting up campaigns featuring the country as being **open for business and welcoming**.

8. Are there any other key areas of support that your feel either sector, or your individual business, require outside the scope of the above questions? If so, please outline in under 500 words.

Businesses need **clear guidance** on the issue of **liability**. If a business takes all the necessary steps to follow social distancing guidelines, but their customers do not adhere to guidelines, what are the appropriate **steps for enforcement**? And how can the business ensure that they are not liable should the customer falls ill. What steps can businesses take to protect themselves?

An example situation: A campsite can put all necessary measures in place to ensure that their customers are safe, including asking families not to mix outside of their own households. What steps can the campsite take to stop two different families from continuing to mix together? Should the families become ill after this, would the campsite be liable?