COVID-19 Business Impact Survey

The English Riviera
August 2021

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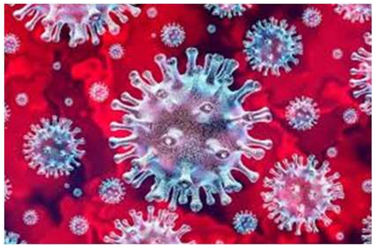
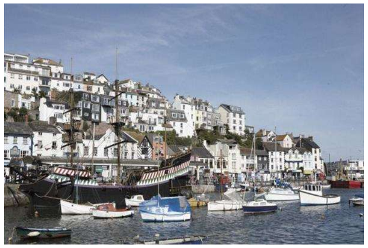




Summary

- This report contains a summary of the findings from the COVID-19 Business Impact Survey for the month of August 2021 undertaken on behalf of The English Riviera BID during September 2021.

- This months survey has a sample of 51 businesses.

- 69% of businesses responding to the survey were accommodation providers, 16% were food and drink businesses and 8% were visitor/leisure attractions. 6% were a sports of activities-based business and 2% categorised themselves as an 'other' business type.

- 68% of the accommodation businesses were serviced accommodation providers including 31% who were B&B's, 20% who were hotels and 17% who were guest houses. 23% were self catering businesses (17% with multiple units and 6% single units). 9% were a holiday park.

- 69% of businesses had a rateable value of under £15k, 10% £15-51k and 20% over £51k.

- 43% of businesses were based in Torquay, 31% in Paignton and 12% in each case in Brixham or Babbacombe. 2% were based elsewhere on The English Riviera.

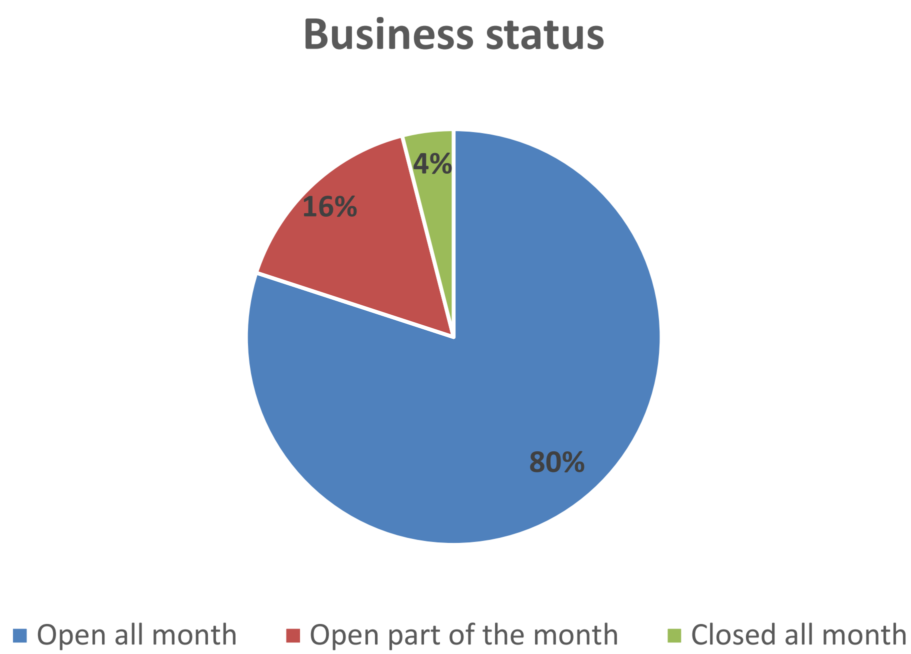
- 80% of businesses said their business had been open for the whole of August whilst 16% said they had been closed for part of the month and just 4% for the whole month as a result of the COVID-19 pandemic.

- 75% of businesses said they were now fully open whilst 25% said they were now open but operating at reduced capacity.

- National tourism survey data, local area survey data and Cambridge Model data has been used to model the outputs in this report.

- Our thanks again go to all businesses that have taken part in the survey this month and to those organisations that have assisted us with the promotion of the survey. It's very much appreciated. We wish everyone the best as the Covid restrictions are lifted and things start to fully re-open and return to normal. The content of this document is researched, verified and provided exclusively by the South West Research Company Ltd. and is for general use only and is not intended to amount to advice on which you should rely. The South West Research Company do not accept any liability for any loss or damage arising from the use of, or reliance on the information.

Key results – August 2021 overview



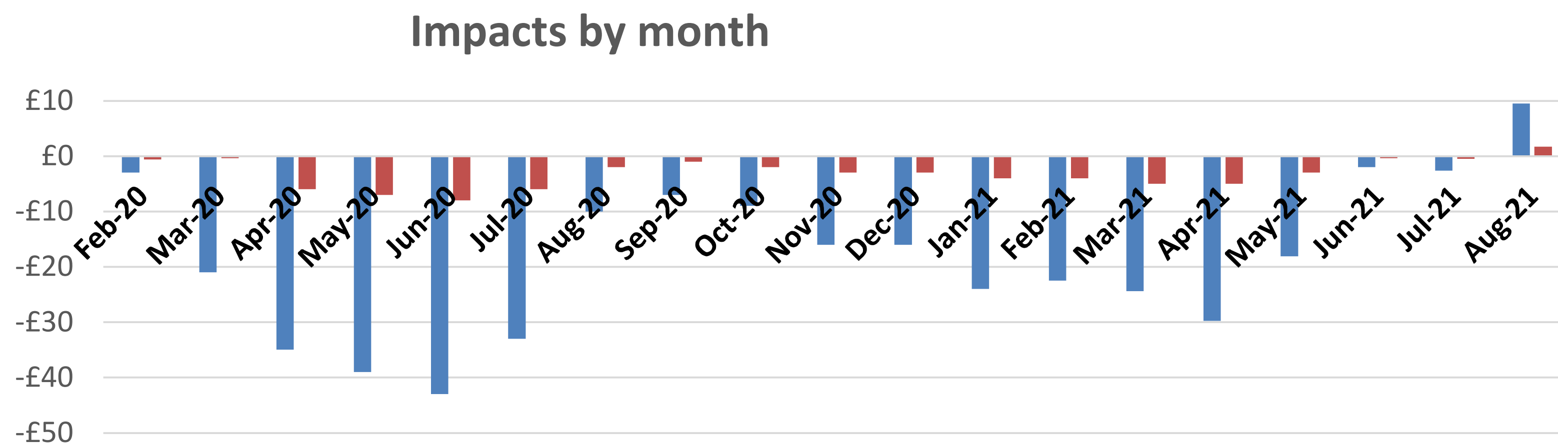
- 80% of businesses said their business had been open for the whole of August whilst 16% said they had been closed for part of the month and just 4% for the whole month as a result of the COVID-19 pandemic.

- Those businesses open to some degree were operating at +15% turnover levels compared to August 2019*.

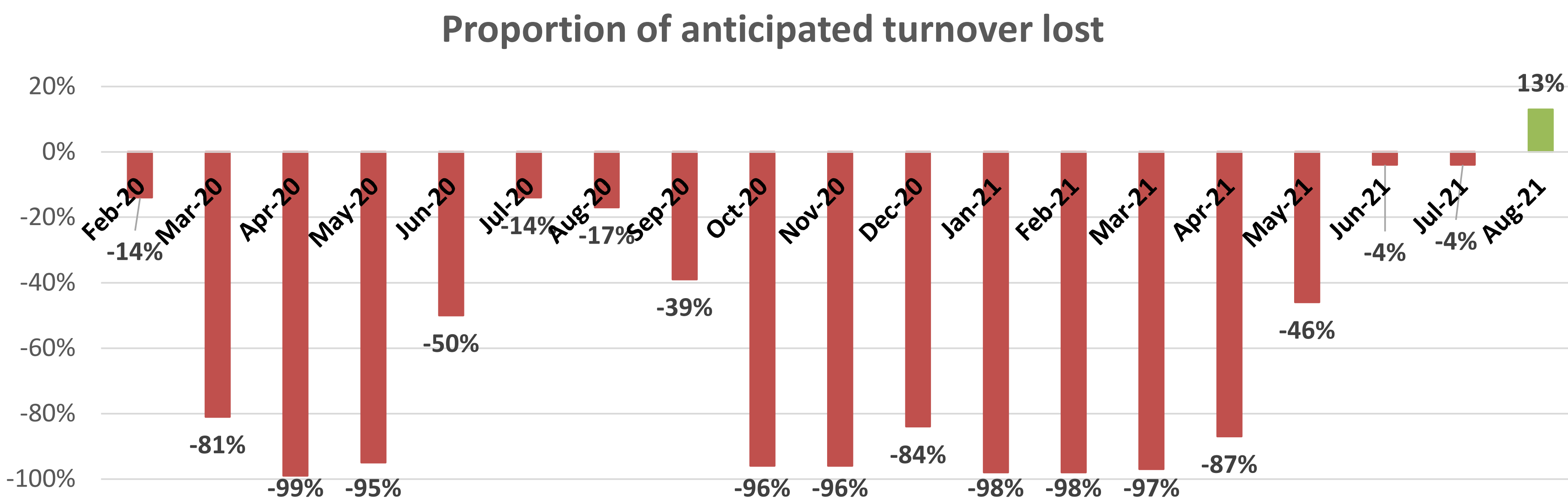
* Please note that a comparison with August 2019 was used as it was not affected by the impacts of Covid-19 (unlike August 2020).

August turnover change	**+13%**
August turnover lost	**+£9.5 mn**
August supply chain spend lost	**+£1.7 mn**

Key results – Economic Impacts by Month 2020 & 2021



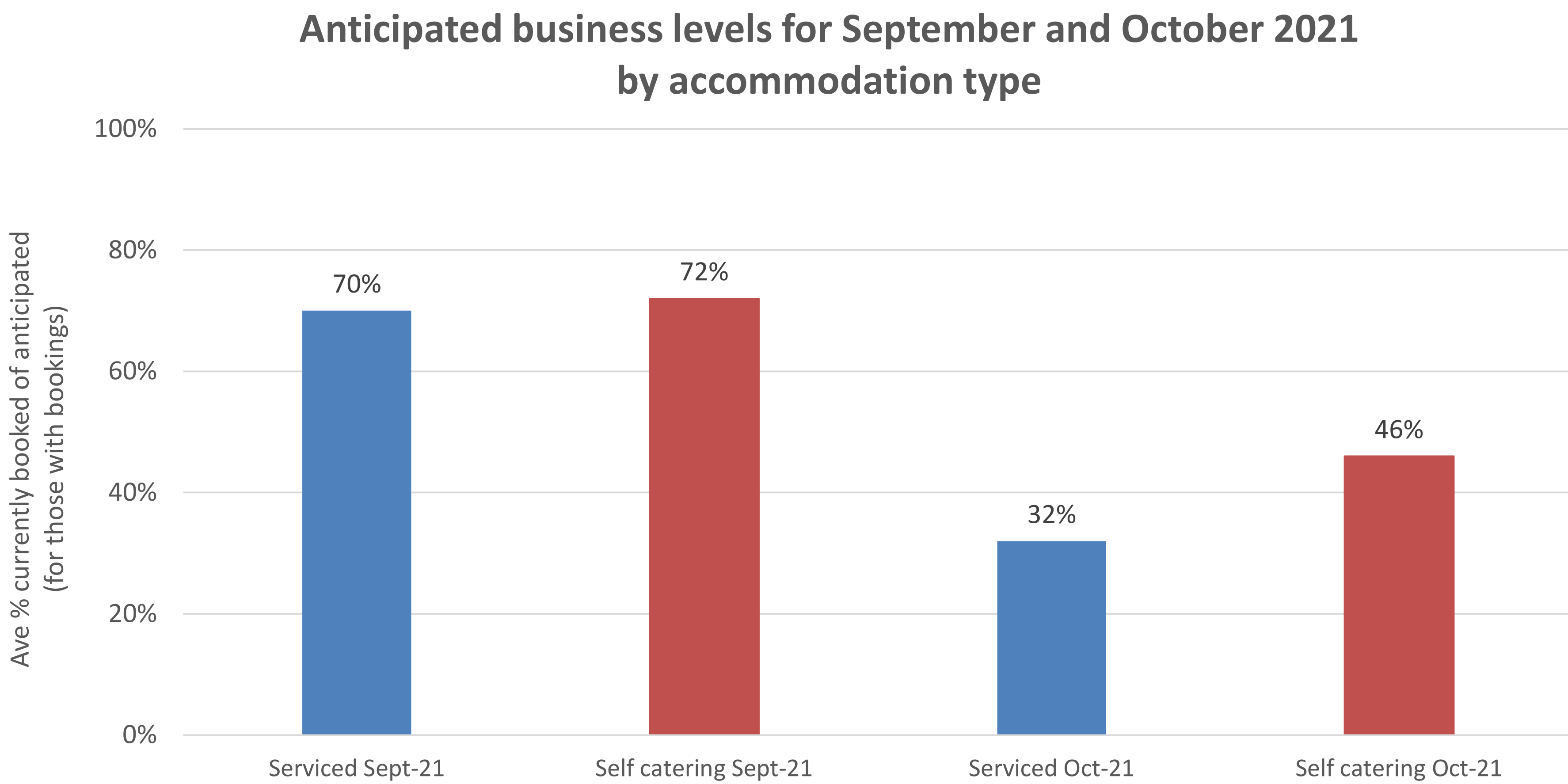
	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21
Turnover change (£mn)	-£3	-£21	-£35	-£39	-£43	-£33	-£10	-£7	-£9	-£16	-£16	-£24	-£22.5	-£24.4	-£29.8	-£18.1	-£2	-£2.6	£9.5
Supply chain spend change (£mn)	-£0.6	-£0.4	-£6	-£7	-£8	-£6	-£2	-£1	-£2	-£3	-£3	-£4	-£4	-£5	-£5	-£3	-£0.4	-£0.5	£1.7



Key results – Anticipated business levels September and October 2021

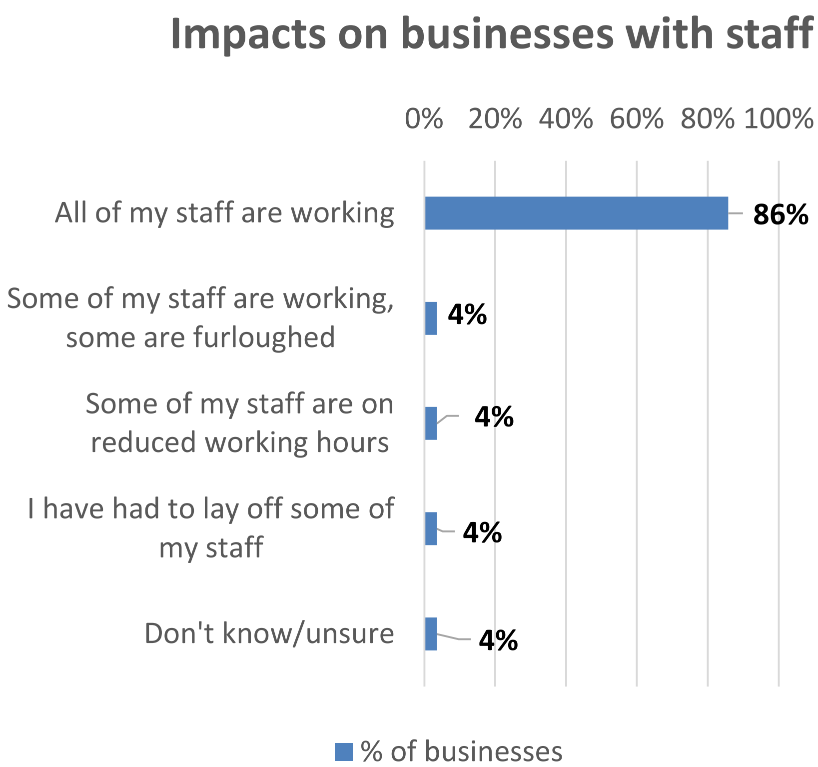
- Businesses were asked to think about the levels of business they expect to achieve overall in a typical year during September and October and to estimate approximately what proportion of this business they currently already have booked in for each of these months.

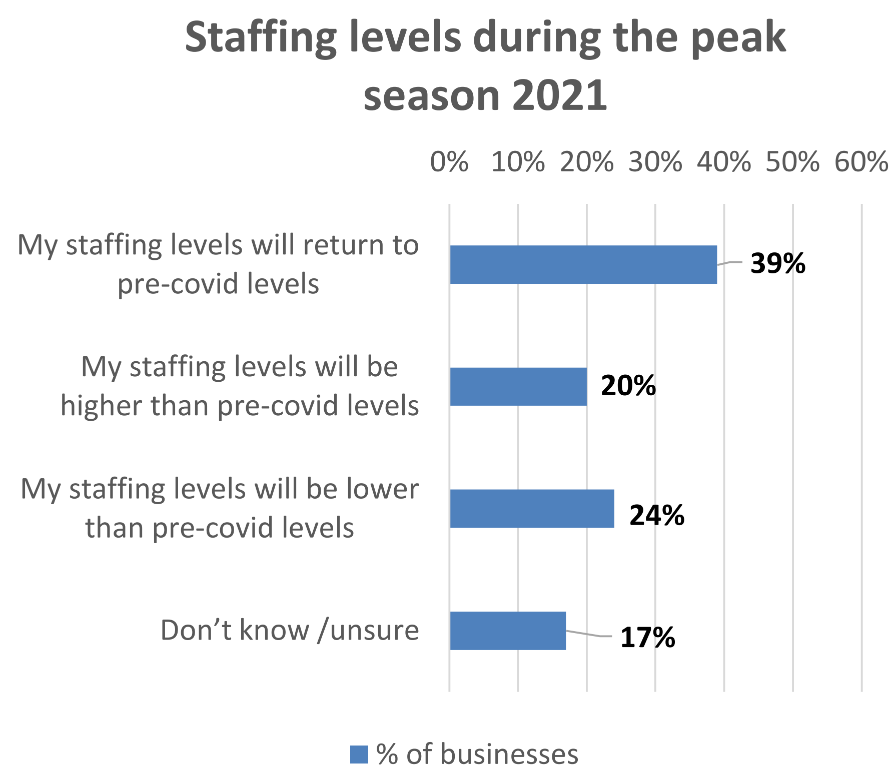
- Self catering businesses with bookings estimated that they had an average of 46% of their expected business levels already booked in for October and 72% for September compared with 32% and 70% of serviced accommodation businesses saying the same for each month respectively.



Key results – Employment Impacts

- 49% of businesses responding to the survey didn't have any staff. The current employment impacts of those with staff are shown in the chart below.

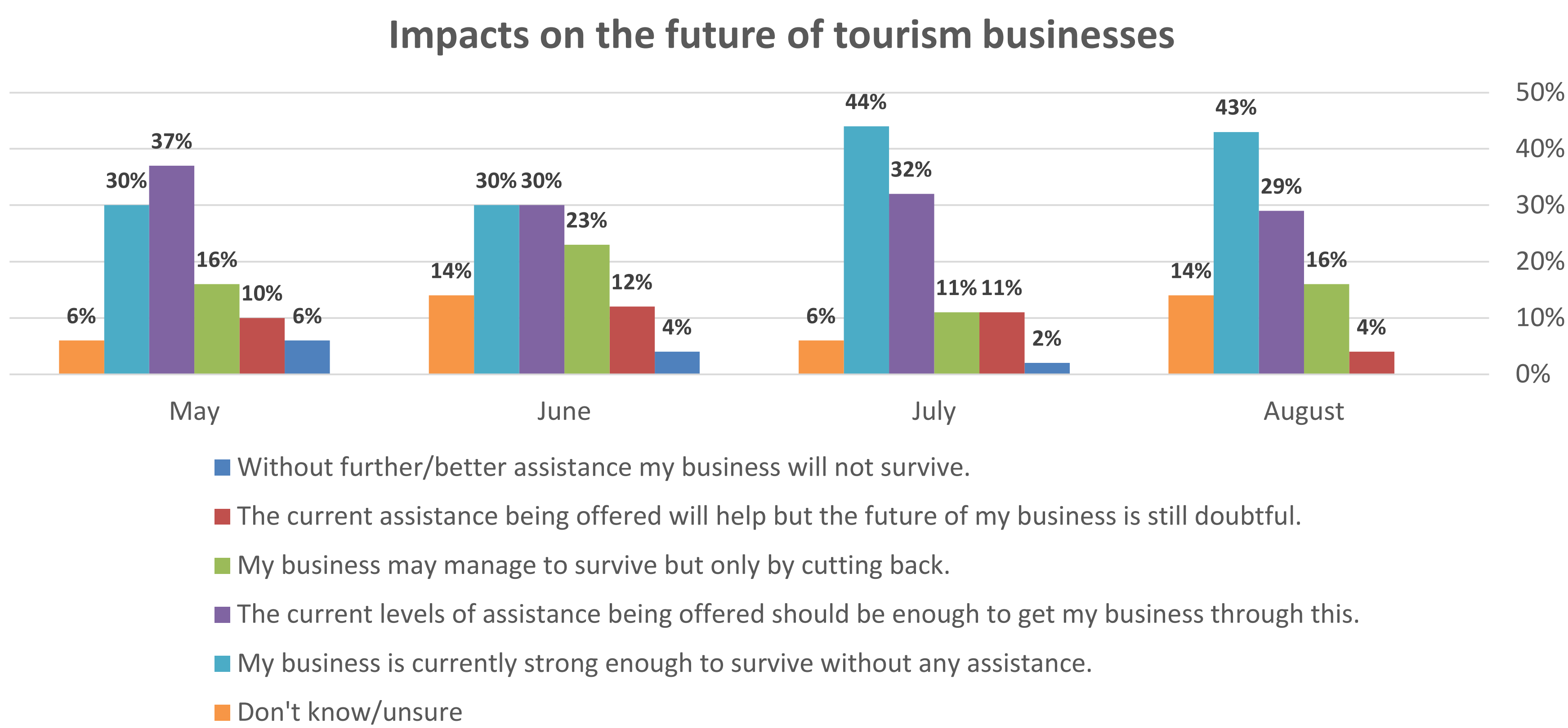




- 86% of businesses said that all of their staff are working. 4% in each case said that some of their staff are working, some are furloughed or that some of their staff are on reduced working hours or that they had to lay off some of their staff.

- When asked what they envisage will happen to their staffing levels during the peak season this year, 39% of businesses said their staffing levels will return to pre-covid levels, 24% said their staffing levels will be lower than pre-covid levels and 20% said they would be higher. 17% didn't know/were unsure at the time of data collection what would happen to their staffing levels during the peak season.

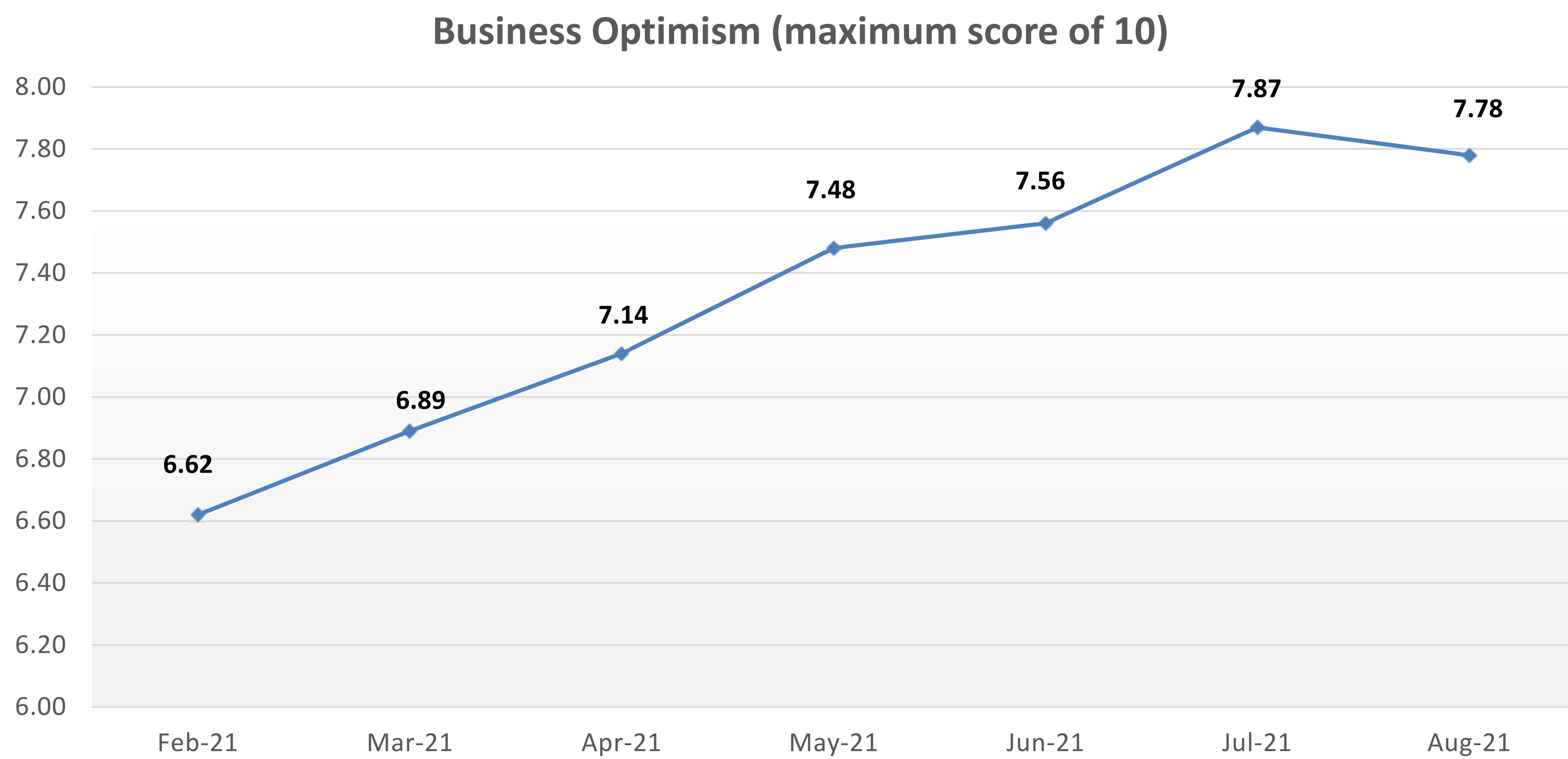
Key results – The Future



- 4% of businesses were doubtful about surviving the coming months compared with 13% of businesses saying the same during July and 16% in each case during the June and May surveys.

- 72% of businesses were confident of surviving the coming months (76% during July, 60% during June and 67% during May) and 16% felt making cut backs would be their only way to survive (11% during July, 23% during June and 16% during May).

Regional performance – Business optimism and performance feedback



- When asked how optimistic they were for the prospects of the tourism industry in their area during 2021 businesses gave an average score of 7.78 out of a maximum of 10, slightly lower compared with last month which saw the highest optimism score achieved during 2021 to date.

Key results – Sample of other comments on impacts

Track and trace needs to be revised as a lot of restaurants have low levels of staff making our customers unable to book or having to wait 60 minutes to be seated even with advanced bookings. Companies should let customers know if certain things aren't available e.g. the wave machine will not be working due to staff shortages.

We are trading at a level that does not require us to employ any staff and allows us to continue to implement guidelines for working safely and protecting ourselves and guests. We are following the enhanced response area guidelines and asking guests to wear masks in public areas at our B&B.

Unsure business will continue at its present rate due to the high rates of covid at present in the bay.

Guests are still very uncertain over covid with Torbay having a high rate which has resulted in cancellations.

Since reopening it has been record busting month after month with the main focus on keeping pace with the demand and give the best level of service possible. Although this level of business is most welcome it has to be remembered that it is only allowing your business to catch up with itself in financial terms and we will need this demand to continue well into 2022.
Hoping that the NHS can cope with this winter and that there will be no restrictions. Staffing in general is the biggest concern for next year and needs some serious solutions and ideas.

Though I have said that turnover was up in August compared to August in 2019, it is important to note that this is the only month where this has happened this year. April through to July was lower in turnover as a result of Covid.

To protect our visitors and to provide reassurance, we are putting the bungalow into quarantine three days before each visit.

Room closures in August to avoid breaking the VAT threshold means a 95% occupancy rather than 100% but turnover is up as prices are higher. There are still issues battling the VAT threshold, as previously stated this could have a knock-on effect on winter refurbishment and therefore revenue for contractors. Also, likely we will not be able to re-open before May which would mean missing lucrative spring/Easter trade which could impact turnover in 22/23 tax year.

Staffing remains very difficult due to (a) the jobs market reopening and experienced staff moving on to new roles and (b) the pressure on all local businesses means there are no experienced staff looking for jobs. Perhaps also c) Brexit and furlough- related reductions in available labour too...?
As a result, we remain closed on Wednesdays and have reduced our opening times on all days. Despite this we had a stellar summer which was particularly helped by the reduction in VAT.

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