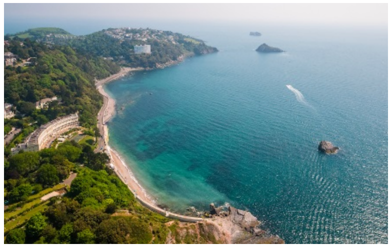
COVID-19 Business Impact Survey

The English Riviera
March 2021

Published by The South West Research Company Ltd

May 2021





Summary

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

- This months survey has a sample of 91 businesses.

- 75% of businesses responding to the survey were accommodation providers, 14% were food and drink businesses and 4% were visitor/leisure attractions. 2% were a sports or activities-based business and 4% were an other business type.

- 65% of the accommodation businesses were serviced accommodation providers including 31% who were B&B's, 19% who were hotels and 15% who were guest houses. 28% were self catering businesses (13% with multiple units and 15% single units). 6% were a holiday park and 1% an other accommodation type.

- 75% of businesses had a rateable value of under £15k, 13% £15-51k and 11% over £51k.

- 42% of businesses were based in Torquay, 25% in Paignton, 20% in Brixham and 11% in Babbacombe. 2% were based elsewhere on The English Riviera.

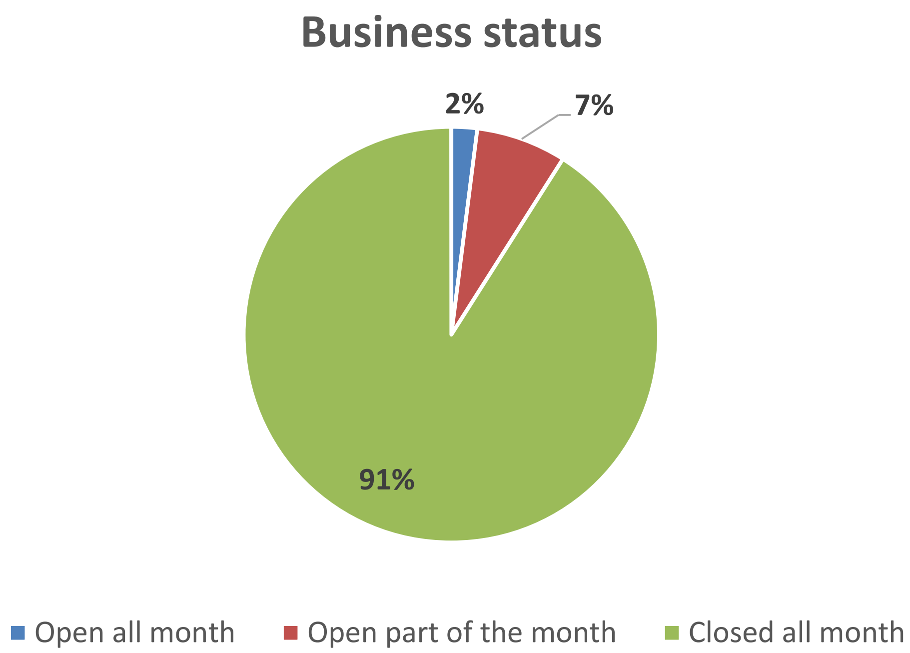
- 91% of businesses said their business was closed for the whole of March as a result of the COVID-19 pandemic, 7% had been closed for part of the month whilst 2% were open for the whole month.

- 74% of businesses said their business would remain closed for the whole of April and 7% said they were open but operating at reduced capacity. 9% in each case said they would either be opening later during April but at a reduced capacity or that they would be opening later during the month (April) and operating at full capacity. 2% said they were fully open and operational.

- 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 send everyone our best wishes at this very difficult time and the best of luck for the challenging months ahead. 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 – Economic Impacts Due to Covid March 2021

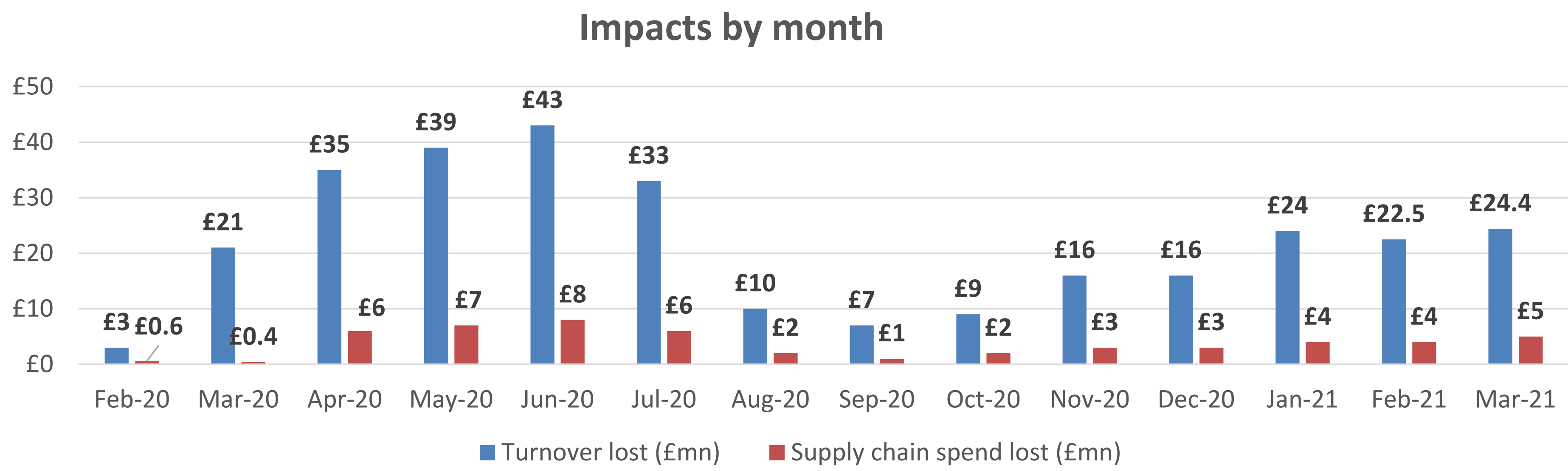


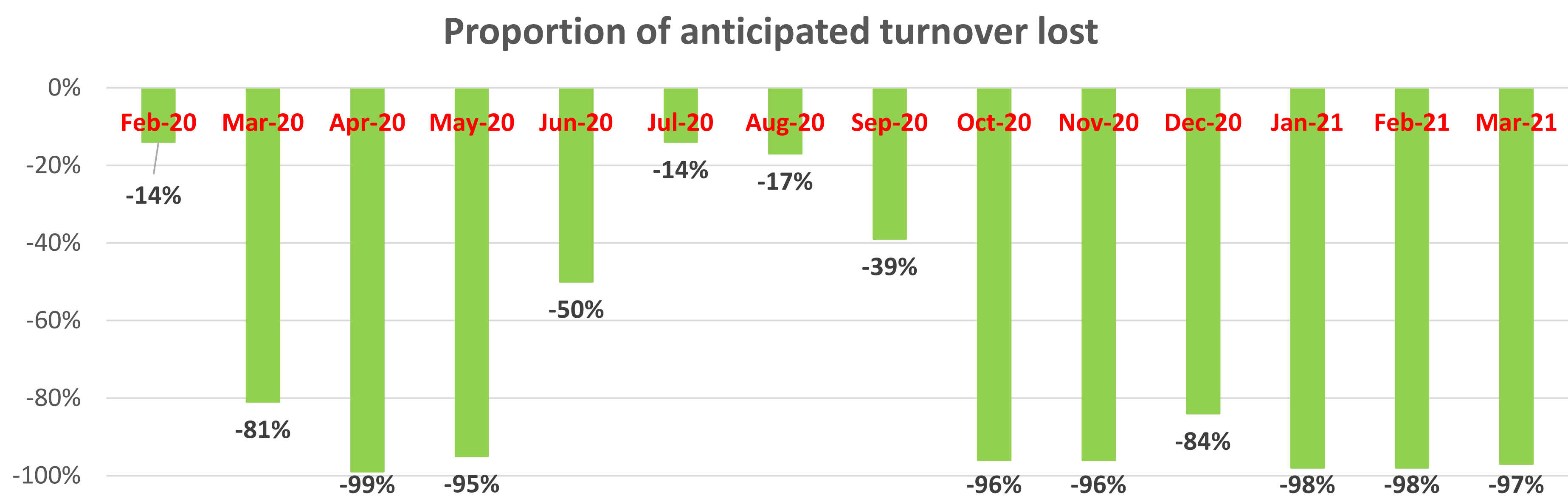
- 91% of businesses were closed during March as a result of COVID-19, 7% were closed for part of the month and just 2% had remained open.
- Those businesses still open to some degree were operating at -63% turnover levels compared to March 2019*.

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

March turnover change	**- 97%**
March turnover lost	**£24.4 mn**
March supply chain spend lost	**£5 mn**

Key results – Economic Impacts Due to Covid by Month 2020 & 2021





Key results – Economic Impacts Due to Covid (to March 2021)

- It is estimated that approximately £232 million of anticipated tourism business turnover was lost on the English Riviera during 2020 due to COVID-19, 55% of the total anticipated turnover for the year. An additional £70.9 million of anticipated tourism business turnover has been lost to the end of March 2021 resulting in a total loss to date on the English Riviera (including 2020) of approximately £302.9 million.

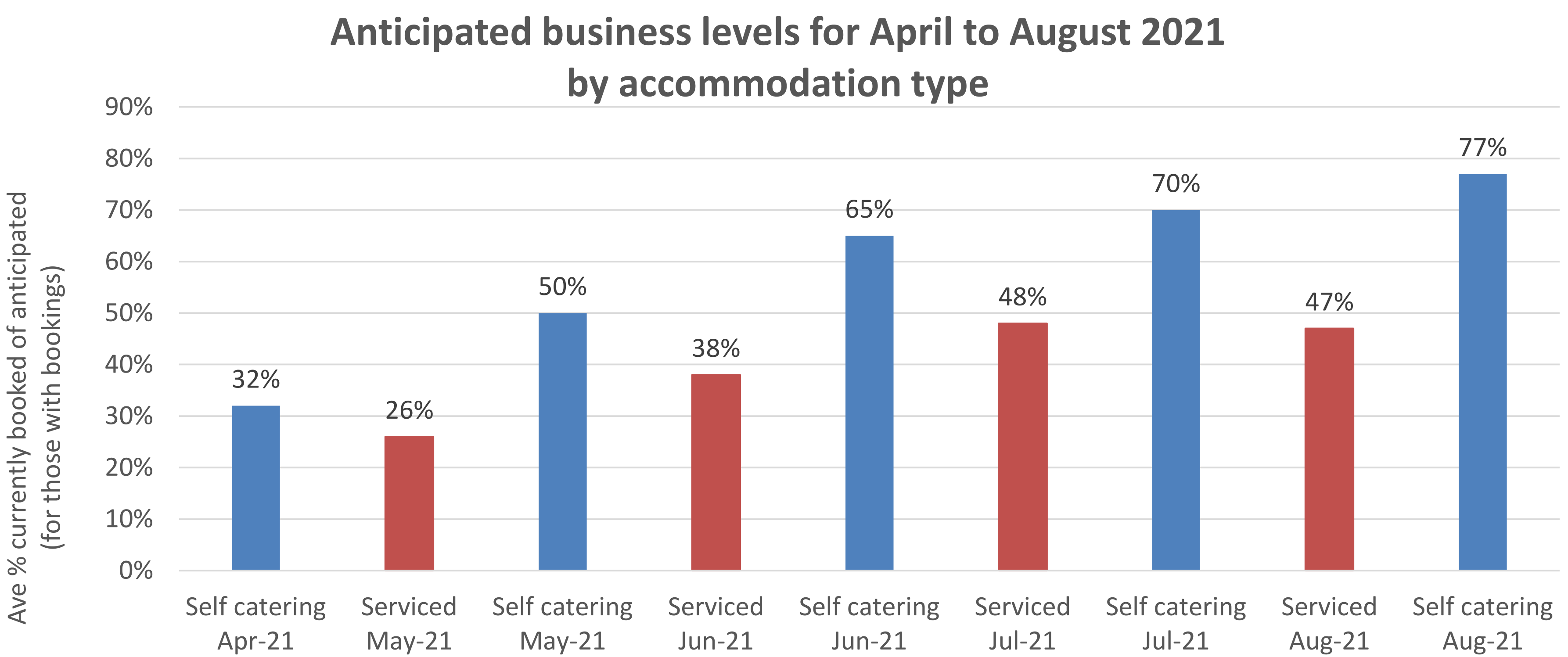
- In addition, it is estimated that, as a result of the lost tourism spend, approximately £39 million that would have been spent in the supply chain by tourism related businesses on the purchase of local goods and services during 2020 is unlikely to have occurred. An additional £13 million of supply chain spend has been lost to the end of March 2021 resulting in a total loss to date (including 2020) of approximately £52 million.

Key results – Anticipated business levels April to August 2021

- Businesses were asked to think about the levels of business they expect to achieve overall in a typical year during May to August (serviced accommodation) and April to August (self catering accommodation) and to estimate approximately what proportion of this business they currently already have booked in for each of these months.

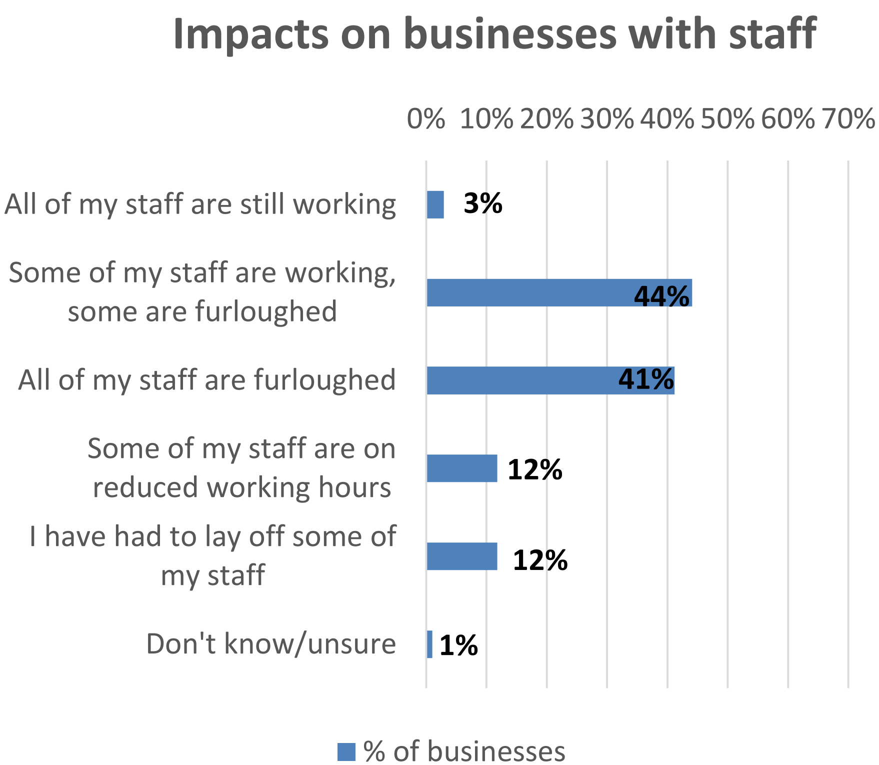
- Self catering businesses with bookings estimated that they had an average of 77% of their expected business levels already booked in for August, 70% for July and 65% for June, compared with 47%, 48% and 38% of serviced accommodation businesses saying the same in each case respectively. In comparison, April and May business already booked in was relatively low for April (32% self catering and 26% serviced) and May (50% self catering and 38% serviced).

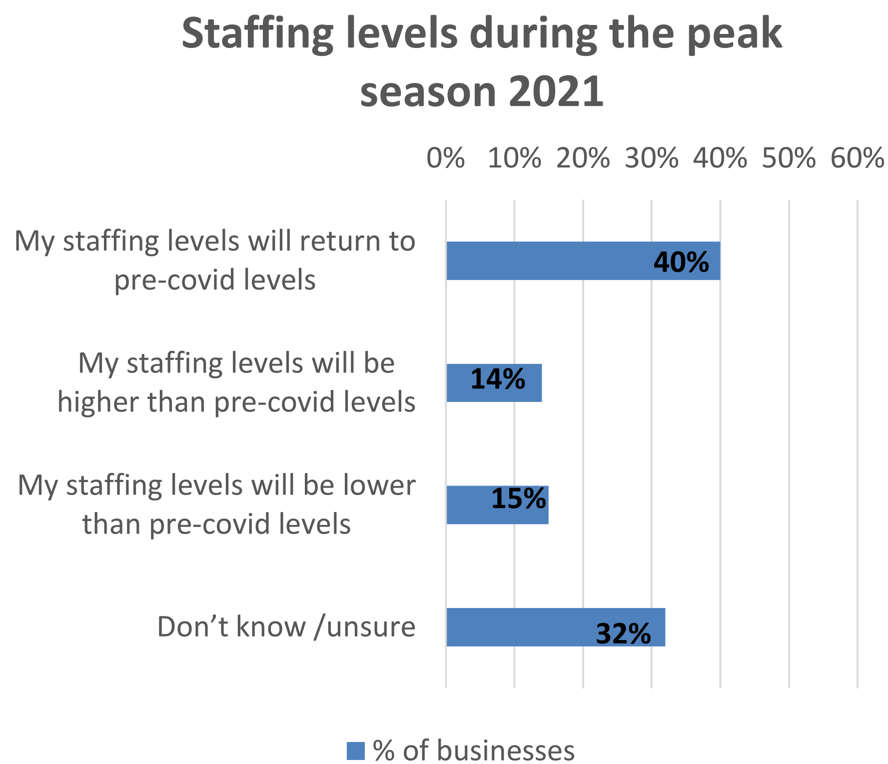
- Businesses estimated that, on average, 20% of all the bookings they currently have until the end of August are deferred business which they were unable to fulfil due to the pandemic.



Key results – Employment Impacts

- 65% 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.

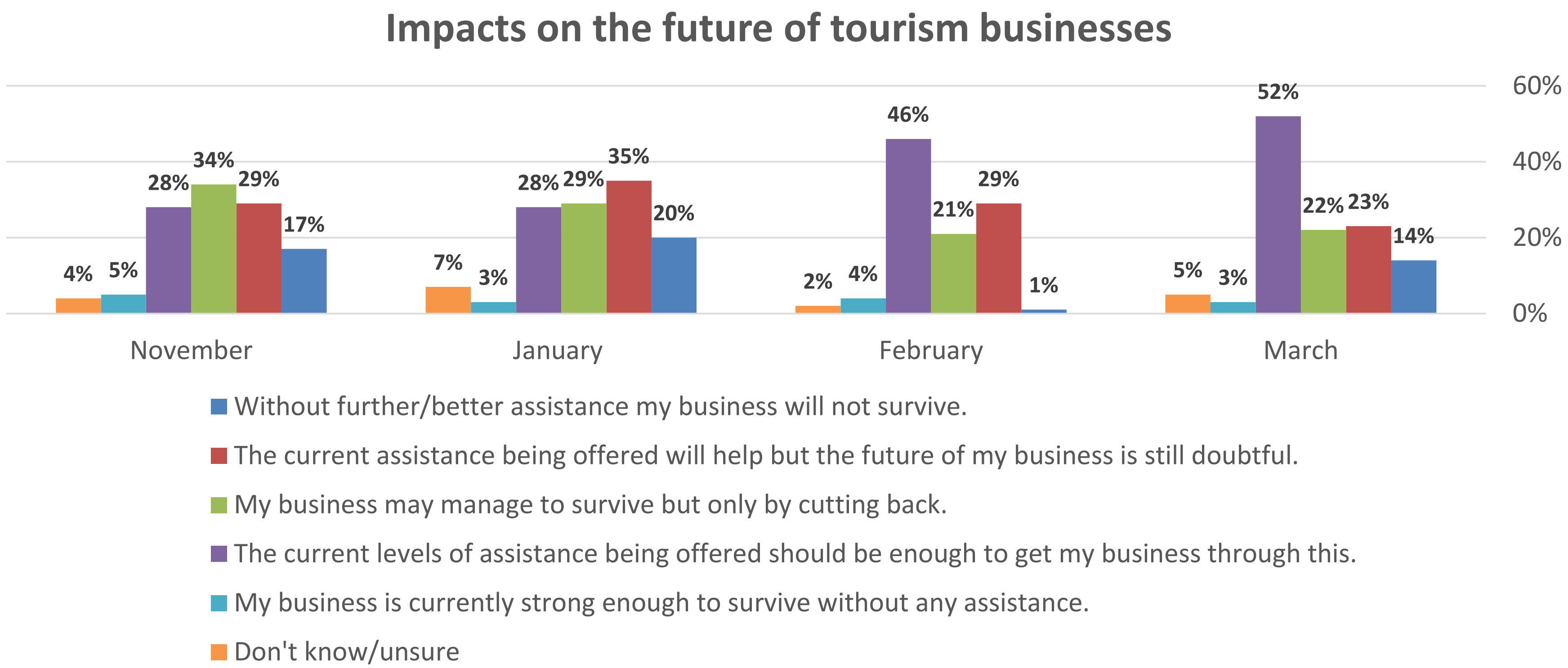




- 44% of businesses some of their staff were working but some remained furloughed and 41% said that all of their staff were still furloughed. 12% in each case said they have had to lay off some of their staff or that some of their staff were on reduced working hours. Just 3% said that all of their staff were still working.

- When asked what they envisage will happen to their staffing levels during the peak season this year (July/August) 40% of businesses said their staffing levels will return to pre-covid levels, 15% said they will be lower than pre-covid levels and 14% said their staffing levels will be higher than pre-covid levels. 32% 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



- 37% of businesses were doubtful about surviving the coming months (including 14% who said without further/better assistance their business will not survive) compared with 30%, 55% and 46% of businesses saying the same during the February, January and November surveys respectively.

- 55% of businesses were confident of surviving the coming months (50% during February, 31% during January and 33% during the November surveys) and 22% felt making cut backs would be their only way to survive (21%, 29% and 34% during the February, January and November surveys respectively).

- When asked how optimistic they were for the prospects of the tourism industry in their area during 2021 businesses gave an average score of 6.89 out of a maximum of 10 compared with 6.62 during the February 2021 survey.

Key results – Sample of other comments on impacts

Booking levels are very low and we are worried that they will not return.

We have summer bookings, future business looks good but a third wave summer lockdown due to a new variant could be catastrophic.

Not too worried about having to close. More worried about the impact from those who don't follow the guidelines and take in visitors regardless. Also worried about the numbers of customers trying to push the rules.

As has happened all through the pandemic our industry, despite having all the tightest rules, were first to be closed and last to be allowed to re-open despite being the safest environment to be in. We have no outdoor space so are at an unfair advantage against other businesses who have outdoor areas to use. We potentially will end up being forgotten and will seriously have to cut our losses and close.

As we do not take children we do not have to rely on school holiday trade. I think potential guests are still waiting for clarification about foreign travel. I do believe we will have a good season this year. Our July bookings are strong and I am confident that August will be good too. As always I think the weather has an impact on our last minute bookings.

It's definitely been good for my business because people are coming as soon as they can and booking ahead more than usual, probably to be sure to get somewhere. These are entirely self-contained units for two people and so they feel really safe.

Feel visitors are waiting to see how the road map progresses and will be booking much closer to travel dates despite us offering risk free bookings.

I have had to employ a cleaner to help get through additional cleaning. Previously I did it all myself. So far I have refunded over £7,000 to customers.

Continued uncertainty around the pandemic, vaccines etc. The weather will play a major part. We are not accepting 1 night bookings as the cleaning and sanitising costs make it unprofitable. We will open at reduced capacity again to be as safe as possible - this in turn impacts negatively on the ability to get on an even keel.

We will be going into yet another winter period at the end of this year with reduced levels of savings due to the reduced yearly income.

We are selling up and looking for new, smaller premises that can be more 'covid proof' i.e. self-catering instead of catered.

Recently purchased business. No support at all has been received but all bills have still been due. We are currently around £20k out of pocket for 2021 alone. Open everything fully now. Currently rules are contradictory and not realistic.

COVID-19 Business Impact Survey

The English Riviera
March 2021