COVID-19 Business Impact Survey November 2020 – The English Riviera

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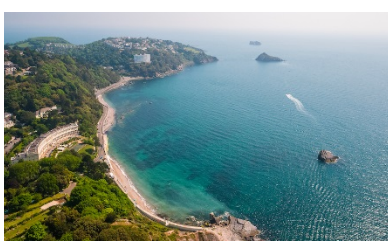
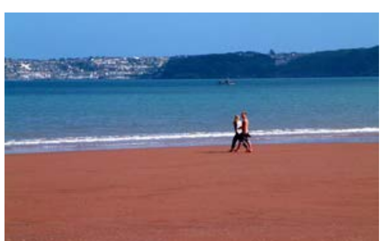




Summary

- This report contains a summary of the findings from the COVID-19 Business Impact Survey for the month of November 2020 undertaken on behalf of The English Riviera BID during December 2020.

- This months survey has a sample of 95 businesses.

- 69% of businesses responding to the survey were accommodation providers, 18% were food and drink businesses and 5% were visitor/leisure attractions. 1% in each case were a sports or activities-based business or a retail business. 5% were an other business type.

- 72% of the accommodation businesses were serviced accommodation providers including 27% who were B&B's, 23% guest houses and 22% who were hotels. 26% were self catering businesses (23% with multiple units and 3% single units). 3% were a holiday park.

- 65% of businesses had a rateable value of under £15k, 18% £15-51k and 12% over £51k.

- 41% of businesses were based in Torquay, 28% in Paignton, 16% in Brixham and 12% in Babbacombe. 3% were based elsewhere on The English Riviera.

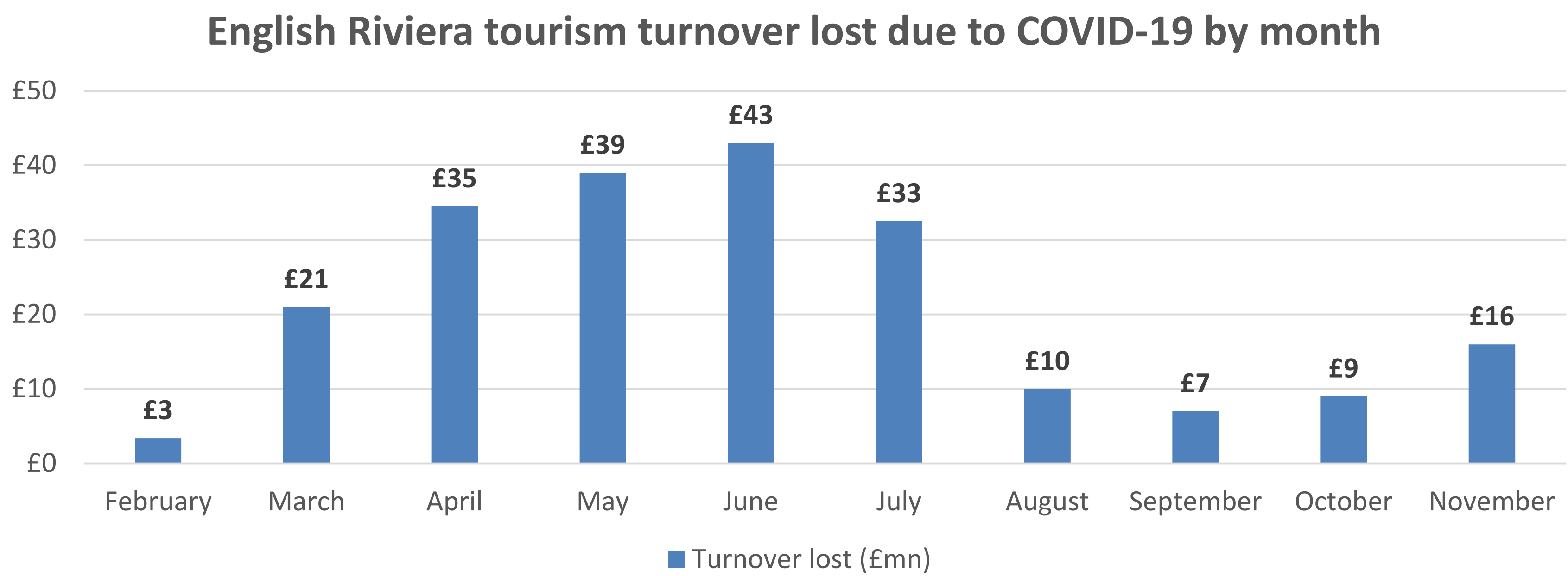
- 83% of businesses said their business was closed for the whole of November as a result of the COVID-19 pandemic, 13% had been closed for part of the month and 4% were open for the whole month.

- 25% of businesses said their business had re-opened, 46% said they had not yet re-opened but were planning to in the near future whilst 28% had no plans to reopen.

- National tourism survey data, local area survey data and Cambridge Model data from 2018 has been used to model the outputs in this report.

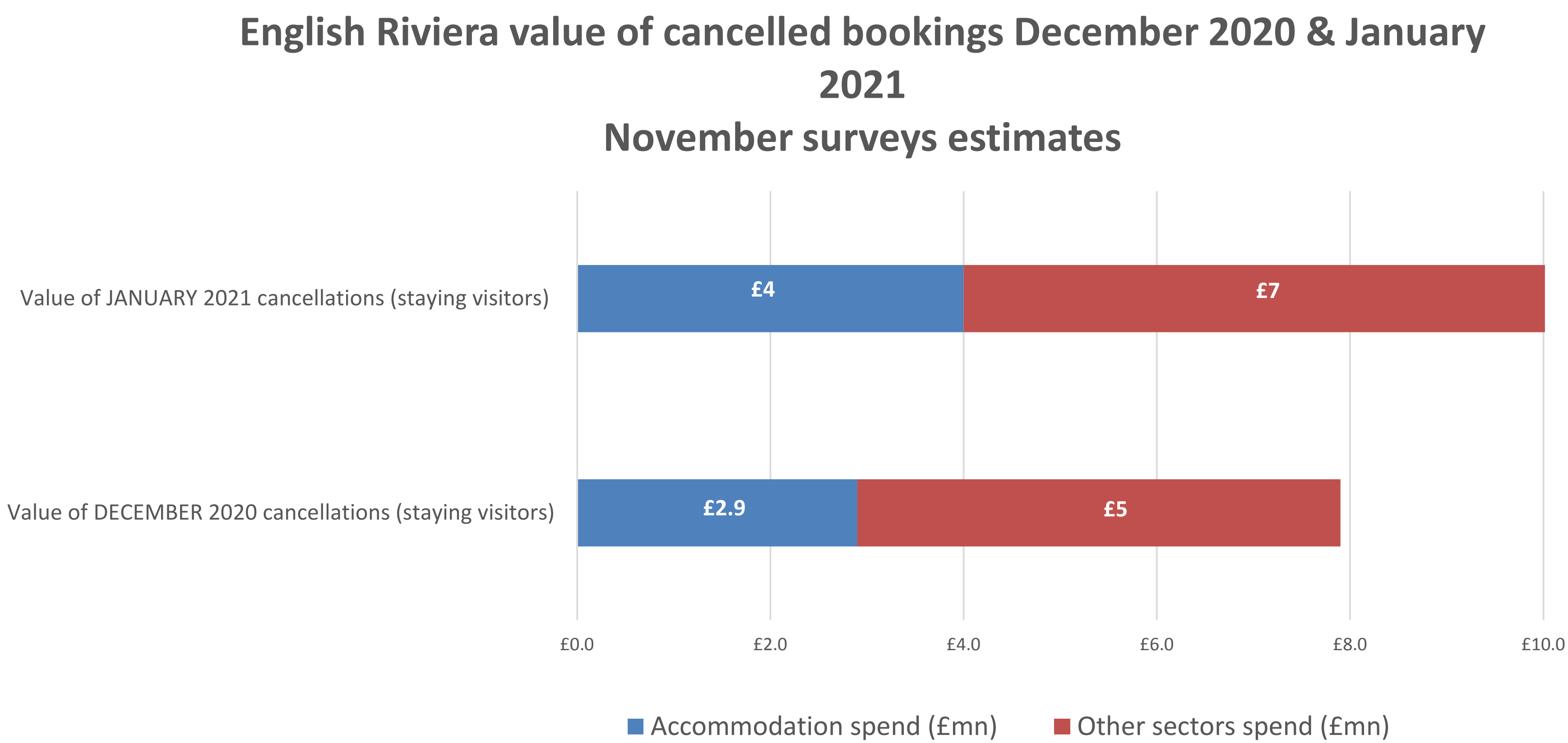
- Our thanks again go to all businesses that have taken part in the survey this month and to those organisations that have assisted us with the promotion of the survey. It's very much appreciated. We send everyone our best wishes at this very difficult time and the best of luck for the challenging months 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



- To the end of November it is estimated that approximately £216 million of anticipated tourism business turnover has been lost on The English Riviera due to COVID-19 since February.
- 96% of turnover was lost in November (£16 mn), 39% of October turnover (£9 mn), 17% of September turnover (£7 mn), 14% of August turnover (£10 mn), 50% of July turnover (£33 mn), 95% of June turnover (£43 mn), 99% in each case during May (£39 mn) and April (£35 mn), 81% of March turnover (£21 mn) and 14% of February turnover (£3.4 mn).
- In November it is estimated that, as a result of the lost tourism spend, approximately £3 million that would have been spent in the supply chain by tourism related businesses on the purchase of local goods and services is unlikely to have occurred. However, tourism businesses will be stuck with some overheads that they still have to cover.
- 83% of businesses were closed during November as a result of COVID-19, 13% were closed for part of the month and just 4% had remained open. The overall change in turnover for all businesses trading was -76% compared to November 2019.

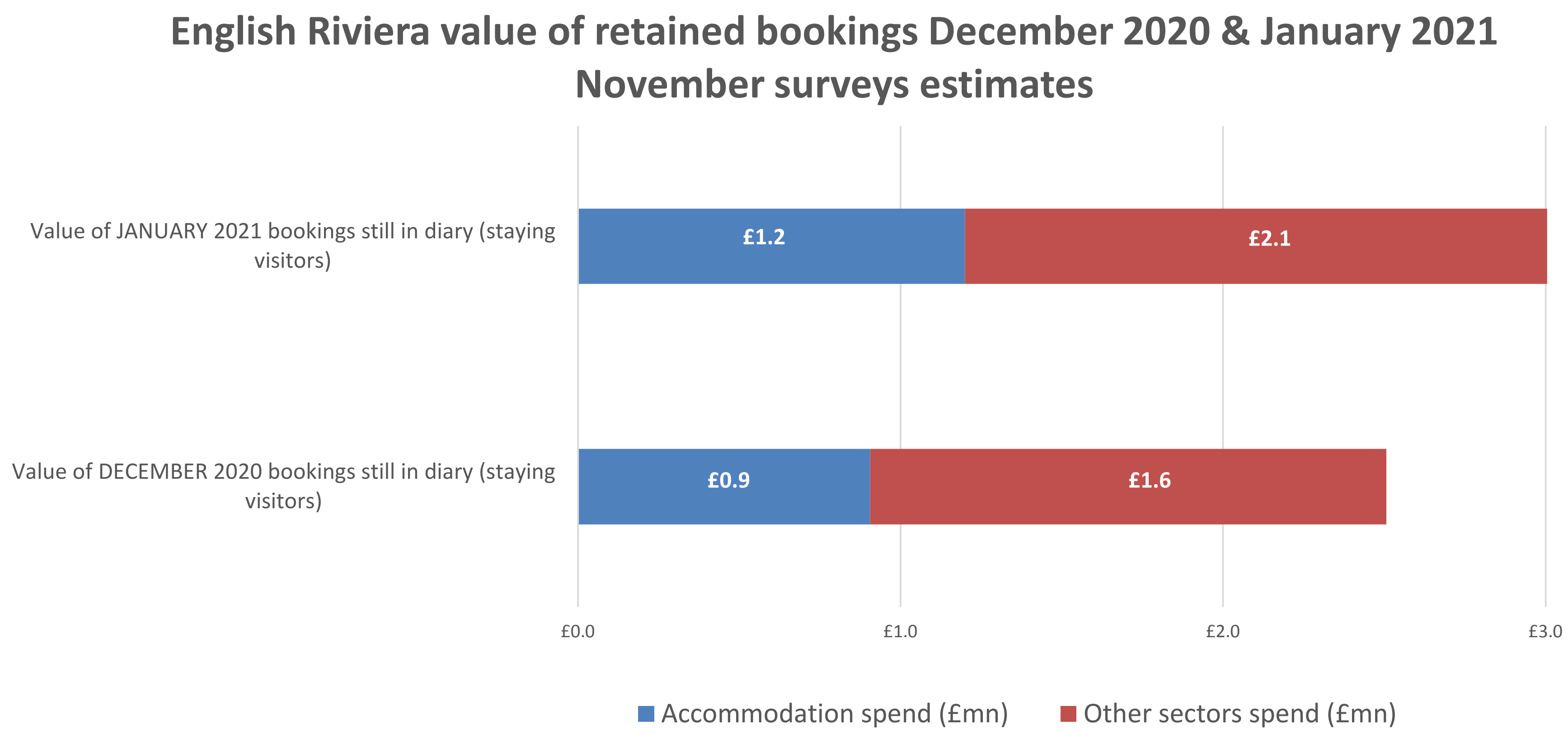
Key results – Economic Impacts



- At the time of completing the survey businesses estimated that £7.9 millions worth of staying visitor bookings for December 2020 had been cancelled (approximately 62% of the anticipated staying visitor value in the area during this month) and an estimated £11 millions worth of staying visitor bookings for January 2021 (approximately 69% of the anticipated staying visitor value in the area during this month). The breakdown of how this spend would be likely to have occurred in the accommodation and other tourism sectors (retail, food and drink, attractions/entertainment and transport) is shown in the chart above for each month.

- It is estimated that as a result of the cancelled bookings during December 2020 and January 2021 approximately £3 million (£1mn and £2mn for December 2020 and January 2021 respectively) will not be spent in the supply chain by tourism related businesses on the purchase of local goods and services.

Key results – Economic Impacts

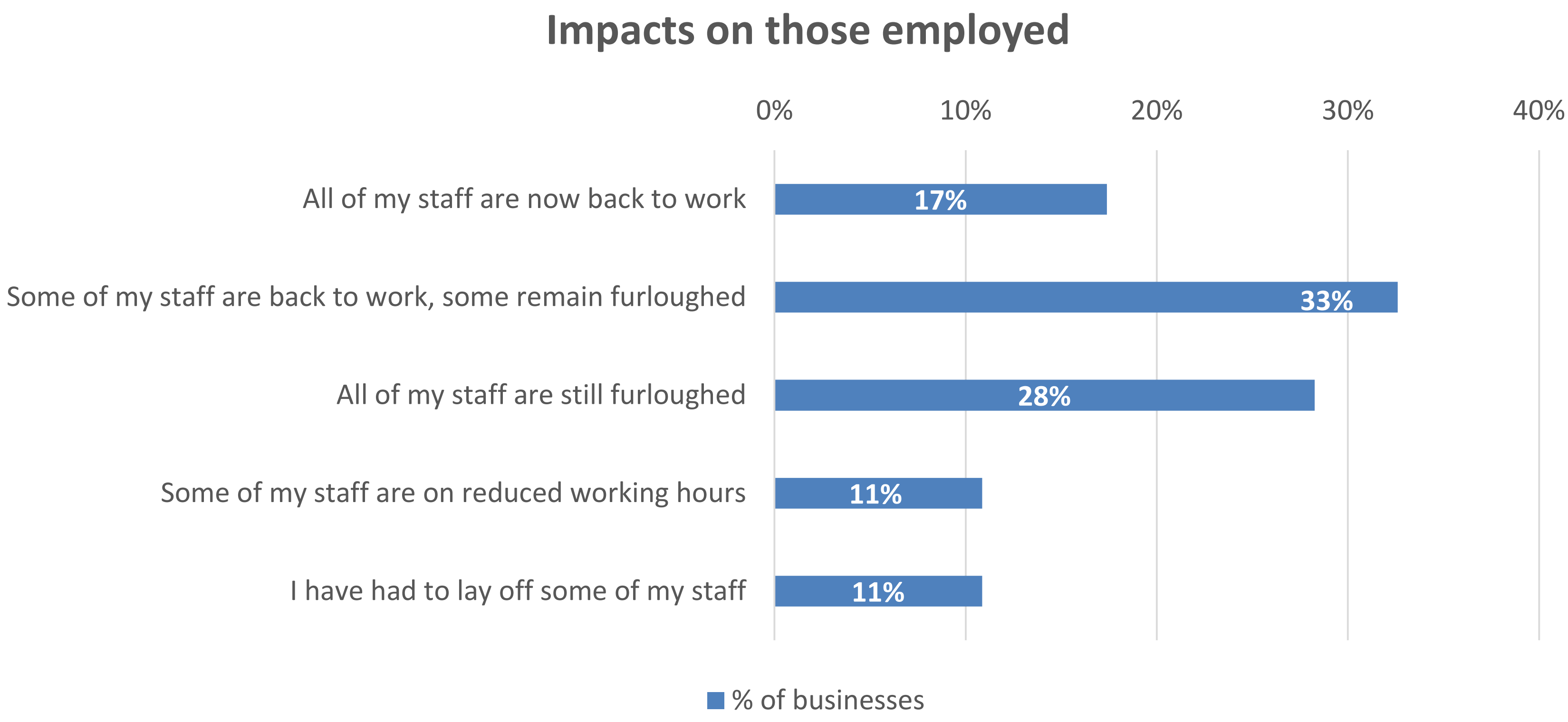


- At the time of completing the survey an estimated £2.5 millions worth of visitor bookings for December 2020 were held by accommodation businesses (approximately 19% of the anticipated staying visitor value in the area during this month) and an estimated £3.3 millions worth of staying visitor bookings for January 2021 (approximately 22% of the anticipated staying visitor value in the area during this month). The breakdown of how this spend would be likely to have occurred in the accommodation and other tourism sectors (retail, food and drink, attractions/entertainment and transport) is shown in the chart above for December.

- It is estimated that as a result of the retained tourism spend during December 2020 and January 2021 approximately £1.6 million (£0.7 mn and £0.9 mn for December 2020 and January 2021 respectively) will be spent in the supply chain by tourism related businesses on the purchase of local goods and services.

Key results – Employment Impacts

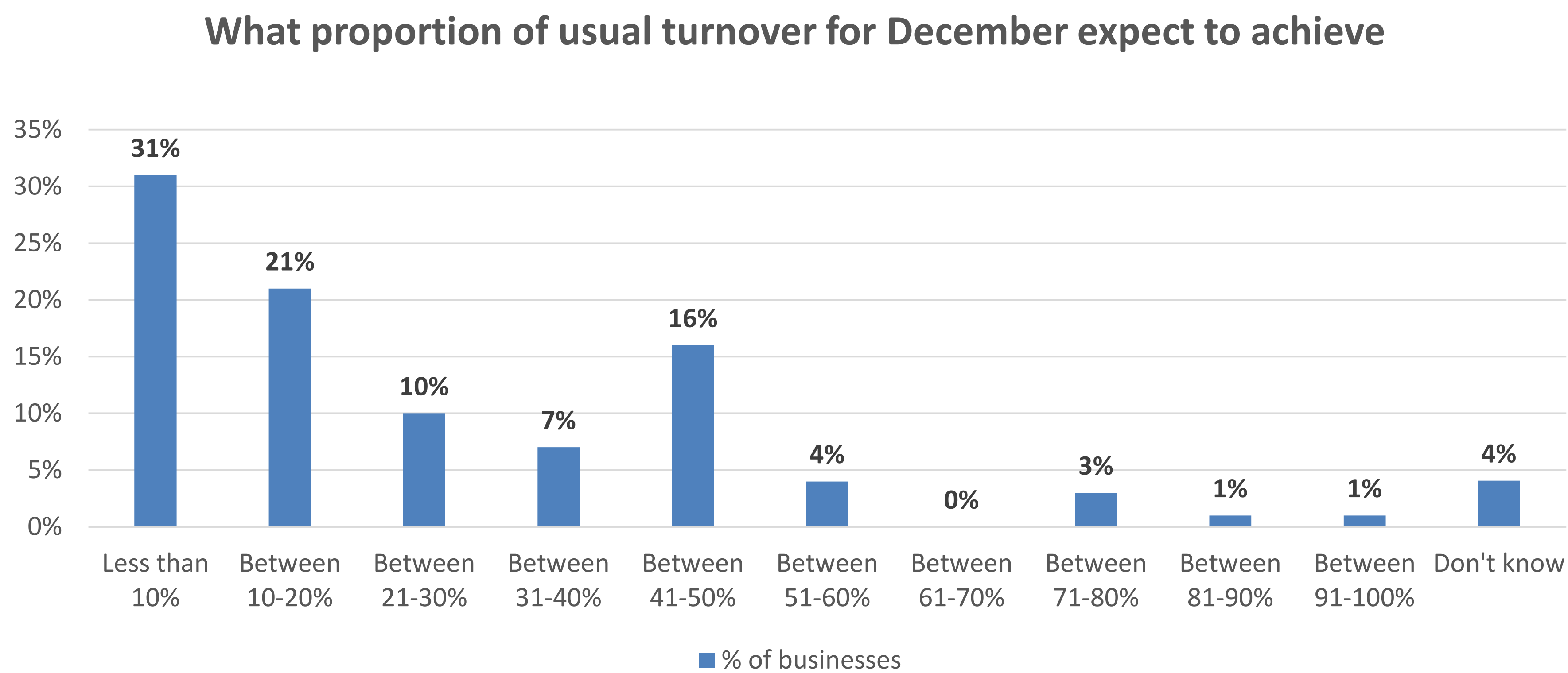
- 58% of businesses responding to the survey didn't have any staff. The current employment impacts of those with staff are shown in the chart below.



- 33% of businesses said some of their staff were back to work but some remained furloughed and 28% that all of their staff were still furloughed. 17% of businesses said that all of their staff were now back to work and 11% in each case said that some of their staff were on reduced working hours or that they had laid off some of their staff.

Key results – Anticipated December Turnover

- At the time of data collection businesses were asked under the current tier restrictions in their area, what proportion of their usual turnover for December they expected to achieve.

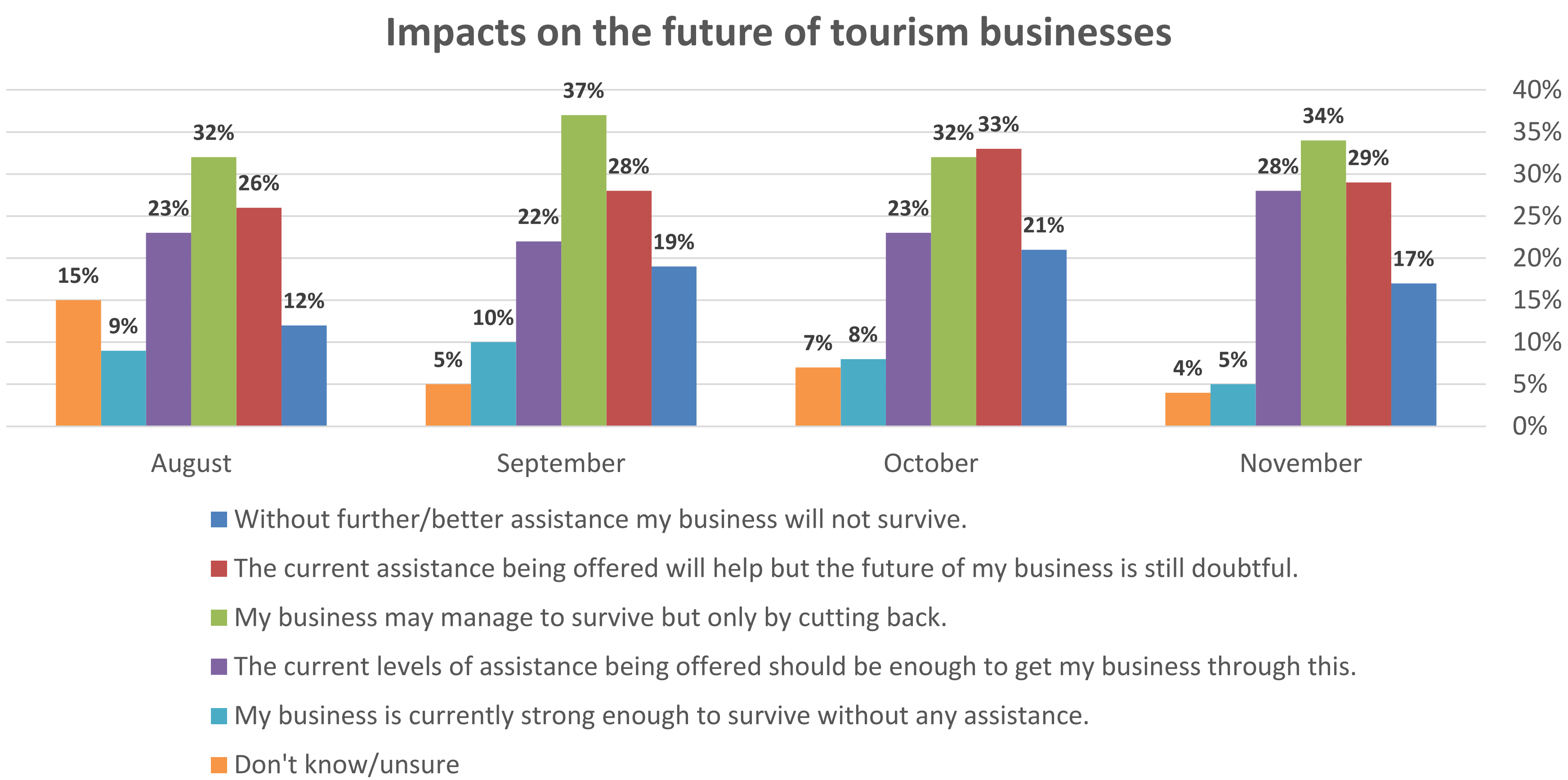


- 31% of businesses said that they expected to achieve less than 10% of their usual turnover for December.

- 54% expected to achieve between 10 and 50% of their usual turnover for the month including 21% who expected to achieve between 10-20% of their usual turnover for the month, 17% between 21-40% and 16% between 41-50%.

- 9% expected to achieve 50% or more of their usual turnover for December including 4% who expected to achieve between 51-60%, 3% between 71-80% and 2% between 81-100%.

Key results – The Future



- 46% of businesses were doubtful about surviving the coming months (including 17% who said without further/better assistance their business will not survive) compared with 54%, 47% and 38% of businesses saying the same during the October, September and August surveys respectively.

- 33% of businesses were confident of surviving the coming months (31% during October and 32% in each case during the September and August surveys) and 34% felt making cut backs would be their only way to survive (32%, 37% and 32% during the October, September and August surveys respectively).

Key results – Sample of other comments on impacts

We are permitted to open (with restricted rooms due to Covid regulations) and to invite guests to stay. Unfortunately the majority of our customer base is from Tier 3 areas and these guests are not permitted to travel. In addition to this, those that are permitted to travel from Tier 1 and 2 are not encouraged to visit under the restrictions that are in place for example having to have a 'substantial' meal when the guest would just like a quick drink.

Since being able to reopen in December guests have stayed away due to the current restrictions of the Tier systems. We have noticed a drop off of guest numbers in December this year.

The additional small business rate relief grant and increase of the Self Employment Income Support back up to 80% for these three months will be of great help. December - we have had one weekend which was booked way back but have lost a 4 day booking for the whole hotel because of the uncertainty over Christmas and as no one knows about New Year restrictions bookings for that have also cancelled or deferred. Had planned attractions like train of lights gone ahead we would likely have traded all December weekends though realistically no one wants to holiday under tier 2 restrictions - we may as well be in tier 3 and officially closed.

It continues to dampen long lead bookings so most business is being booked at relatively short lead times. We have had to remove certain soft furnishings and other items that help create a cosy atmosphere in order to reduce areas where the virus could linger and the cleaning that would be needed. Our cleaning costs and time required have increased and we are allowing an extra grace day between bookings to allow for cleaning and settling of the atmosphere with consequent dead time when we earn no revenue.

We are not getting future bookings for next year April-October which is our main season as yet.

All of our bookings for December cancelled due to Tier restrictions and lack of confidence. As always, information is coming through too vaguely and too late regarding what is allowed ref coach holidays, so we may not be open over the Christmas period either. We always close in January to do improvements and maintenance work etc., so have no bookings then. We rely on profit made over the previous months to see us through until business picks up properly again in the spring, but as we have only been open for 3 months for the whole of 2020 we do not have this cushion now and will need to borrow a lot of money to survive.

We usually have a busy period between Christmas and into the New year. This year we have no bookings. People are reluctant to book due to uncertainty and the current tier system. Not a lot we can do about that!

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