

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



Published by The South West Research Company Ltd



December 2020

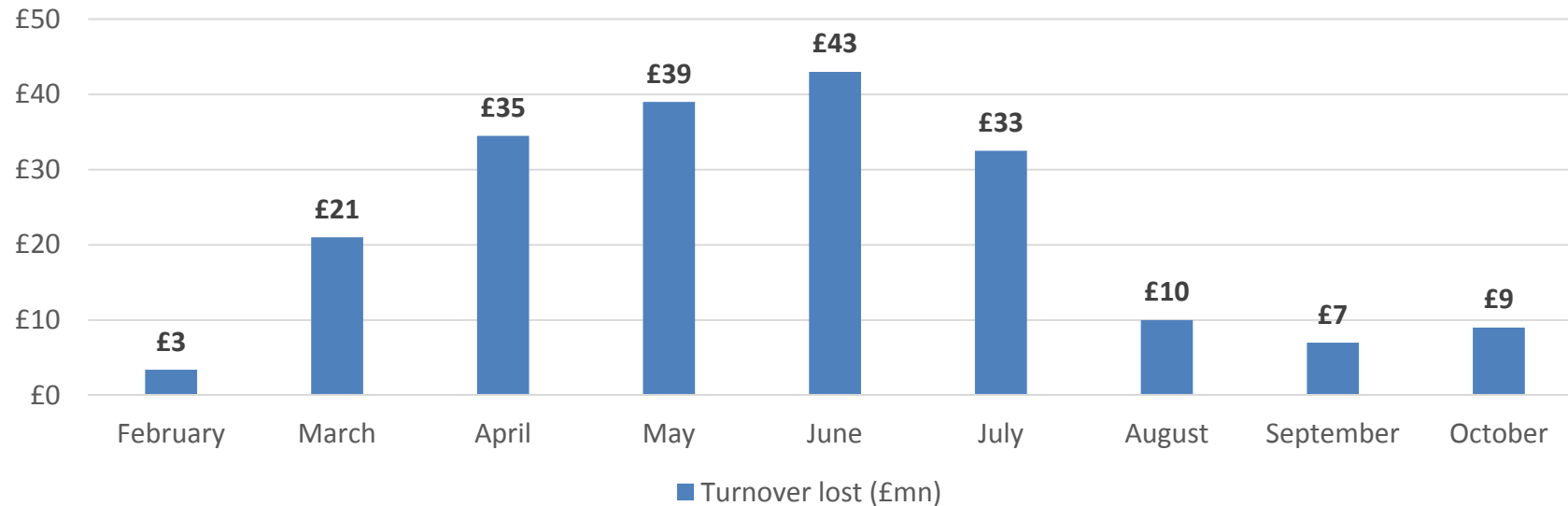


Summary

- This report contains a summary of the findings from the COVID-19 Business Impact Survey for the month of October 2020 undertaken on behalf of The English Riviera BID during November 2020.
- This months survey has a sample of 114 businesses.
- 79% of businesses responding to the survey were accommodation providers, 16% were food and drink businesses and 4% were visitor/leisure attractions. 2% were an other business type.
- 68% of the accommodation businesses were serviced accommodation providers including 24% who were B&B's, 21% guest houses and 23% who were hotels. 29% were self catering businesses (19% with multiple units and 10% single units). 3% were a holiday park.
- 67% of businesses had a rateable value of under £15k, 16% £15-51k and 10% over £51k.
- 45% of businesses were based in Torquay, 21% in Paignton, 19% in Brixham and 10% in Babbacombe. 5% were based elsewhere on The English Riviera.
- 14% of businesses said their business was closed for the whole of October as a result of the COVID-19 pandemic, 20% had been closed for part of the month and 66% were open for the whole month.
- 84% of businesses said their business was now closed, 11% said they were not closed but were operating at reduced capacity and just 4% said they were still fully open.
- 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

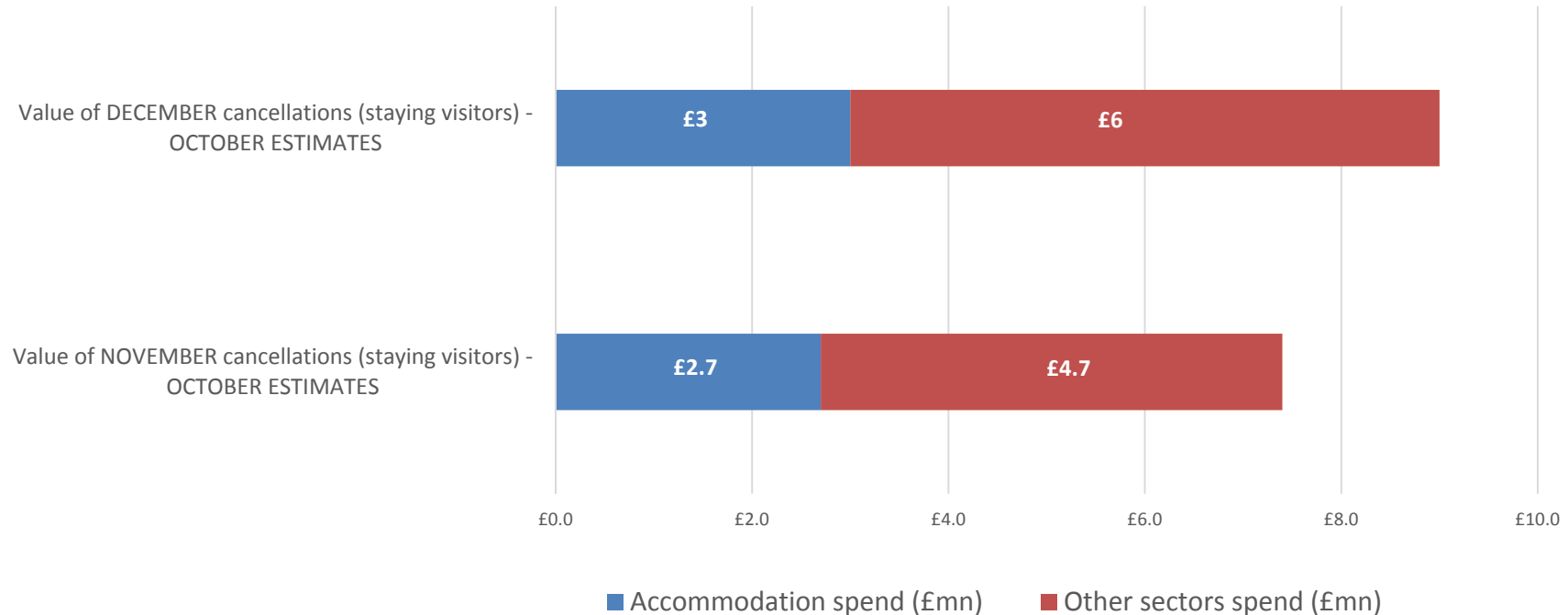
English Riviera tourism turnover lost due to COVID-19 by month



- To the end of October it is estimated that approximately £200 million of anticipated tourism business turnover has been lost on The English Riviera due to COVID-19 since February.
- 39% of turnover was lost in October (£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 October it is estimated that, as a result of the lost tourism spend, approximately £2 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.
- 14% of businesses were closed during October as a result of COVID-19 and 55% of those still open to some degree were operating at decreased turnover levels compared to October 2019. The overall change in turnover for all businesses trading was -29% compared to October 2019.

Key results – Economic Impacts

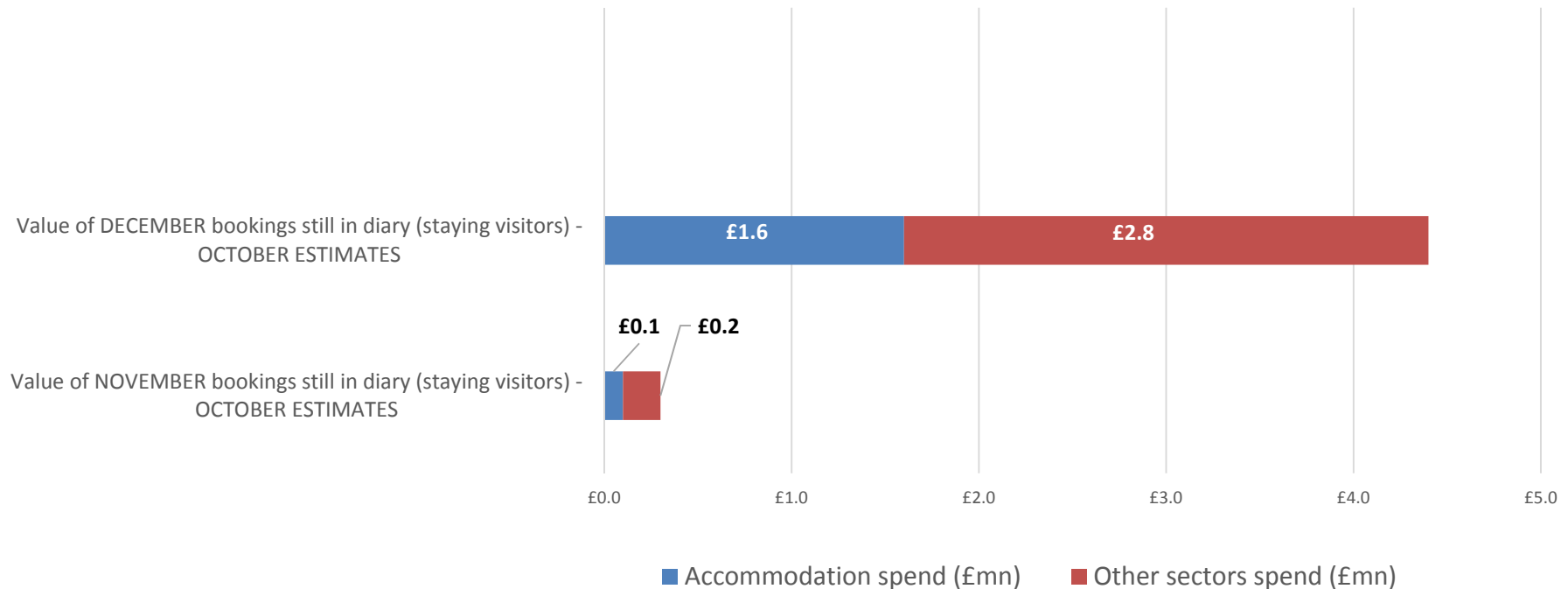
English Riviera value of cancelled bookings November & December October surveys estimates



- At the time of completing the survey businesses estimated that £7.5 millions worth of staying visitor bookings for November had been cancelled (approximately 100% of the anticipated staying visitor value in the area during this month) and an estimated £9 millions worth of staying visitor bookings for December (approximately 70% 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 November and December approximately £3 million (£1mn and £2mn for November and December 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

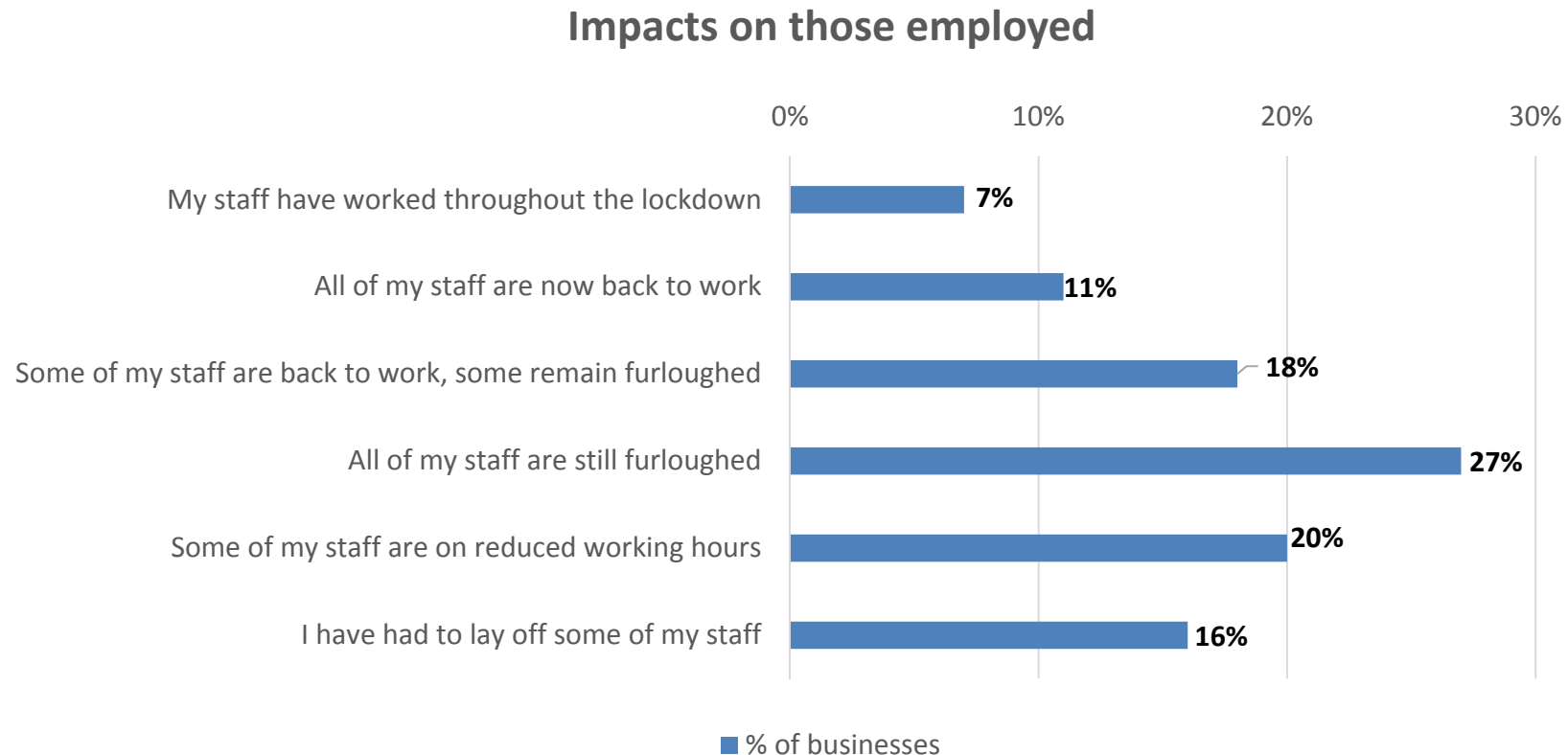
English Riviera value of retained bookings November & December October surveys estimates



- At the time of completing the survey an estimated £0.3 millions worth of visitor bookings for November were held by accommodation businesses (approximately 4% of the anticipated staying visitor value in the area during this month) and an estimated £4.4 millions worth of staying visitor bookings for December (approximately 34% 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 November and December approximately £1.3 million (£0.1 mn and £1.2 mn for November and December respectively) will be spent in the supply chain by tourism related businesses on the purchase of local goods and services.

Key results – Employment Impacts

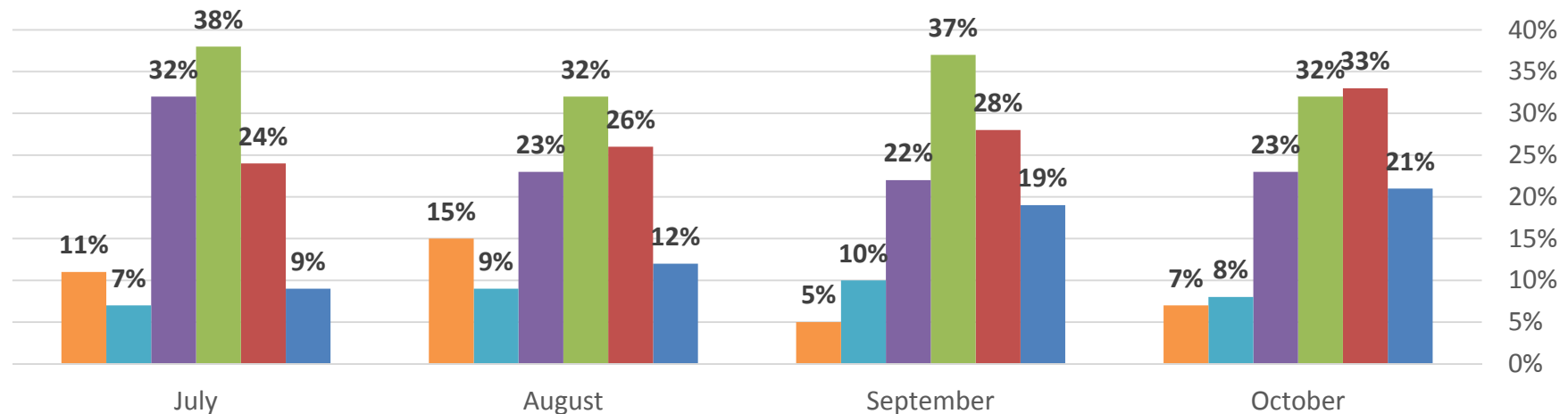
- 60% of businesses responding to the survey didn't have any staff. The current employment impacts of those with staff are shown in the chart below.



- 27% of businesses said that all of their staff were still furloughed. 20% of businesses said that some of their staff were on reduced working hours, 18% said some of their staff were back to work but some remained furloughed. 16% said that they had laid off some of their staff and 11% that all of their staff were now back to work. 7% said their staff had worked throughout the lockdown period.

Key results – The Future

Impacts on the future of tourism businesses



- Without further/better assistance my business will not survive.
- The current assistance being offered will help but the future of my business is still doubtful.
- My business may manage to survive but only by cutting back.
- The current levels of assistance being offered should be enough to get my business through this.
- My business is currently strong enough to survive without any assistance.
- Don't know/unsure

- 54% of businesses were doubtful about surviving the coming months (including 21% who said without further/better assistance their business will not survive) compared with 47%, 38% and 33% of businesses saying the same during the September, August and July surveys respectively.
- 31% of businesses were confident of surviving the coming months (32% in each case during September and August and 39% July) and 32% felt making cut backs would be their only way to survive (37%, 32% and 38% during the September, August and July surveys respectively).

Key results – Sample of other comments on impacts

The lack of attractions being offered for the winter period does not give a positive image for the Bay. The negative Covid reports which are reported for the whole of Devon does not help, as the Bay is relatively low, but puts people off.

Horrendous overall. No enquiries at all due to lockdown and future uncertainty. We attract mainly working couples many of whom have been adversely affected and quite rightly going away is way down in their priorities.

If the winter continues with a lock down then open up policy it will be impossible to plan a route through all this. The government needs to show some planning and direction for the next 3-6 months. We need to learn to live and operate with the virus.

Having to pay NI and Pension plus accruing holiday pay liability for nearly 50 staff will put the business into significant losses.

October occupancy stats don't paint the right picture... the announcement of full table service everywhere and 10pm curfew effectively killed off potential trade - no-one wants a holiday when you have to be back in your hotel room at 10pm! Such a shame as there was potential for October to be a strong month but all of our trade was repeat business/advance bookings. 10pm curfew is a killer for holiday trade. Obviously have to be closed until November as our insurance forbids us to take in the homeless. Not currently advertising December as every likelihood the lockdown will continue way beyond 2nd December, or if not, Torbay will be in Tier 3 anyway!

The last minute changes to the rules and uncertainty brought on by the second lockdown is definitely putting people off booking except at very short notice.

Covid has significantly reduced annual revenues. This has reduced considerably the amount of planned investment that was due to take place. Some of pre COVID planned investment would have created additional jobs and would have improved the existing offering/standards. Currently we are unable to commit to any future investment until we know fully the impact of COVID. The business has had to use planned investment capital to survive the Pandemic, subsidising our employee's incomes and covering costs whilst revenue has been cut off.

It 's been a very difficult time. There are still running costs to pay, but with no income we're making a loss.

We need more financial support to be able to survive.

COVID-19 Business Impact Survey October 2020 - The English Riviera

