

The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London SW1A 2HQ

3 April 2020

Dear Chancellor

Your Support Sought for Tourism Businesses

The Tourism Alliance is the umbrella Trade Association for the UK tourism and hospitality Industry (see attached membership list). This industry comprises a vibrant mix of 240,000 inbound, outbound and domestic businesses. Together, these businesses represent UK's third largest employer, providing jobs for 3.2m and contributing over £145bn pa to the UK economy.

However, more important than the sector's size and revenue generating capacity, is it's the ability to quickly contribute to the UK's economic recovery. This ability was recognised in 2010 when, at the height of the Global Economic Crisis, the Government identified tourism as one of six key industries that could provide much needed employment and growth to reshape and rebalance the UK economy.

Subsequent research by the Office for National Statistics found that in the three years between 2010 and 2013, the tourism and hospitality industry provided almost a third of the 900,000 new jobs created in the UK. Even more importantly, unlike other industries, these jobs were distributed throughout the UK – across rural, urban and seaside communities.

As such, these 240,000 businesses greatly appreciate the Government's support through the Coronavirus Job Retention and stand ready to provide the same economic growth and employment opportunities that will be required when the current restrictions are removed. However, to make sure that we are able to do this, we need your help to resolve the following issues.

1. Seasonal workers who started on/after 1 March are ineligible to furlough

Tourism is, to a large extent, a seasonal activity with an inevitable peak in the summer months. As such, seasonal workers constitute a significant component of the sector. Indeed, research by ONS estimates that there are around 380,000 seasonal workers within the tourism industry.

A large number of these workers are employed over the main summer season which is between Easter and October. However, under the current Job Retention Scheme rules, it seems those who were recruited and have a contract of employment to start work on or after 1 March are ineligible for furloughing even though they may be returning to work for the same business over the summer season for many years and rely on this work for their yearly income.

We plead the case for these seasonal workers that they may be furloughed, particularly where there is auditable evidence of their employment prior to 28 February 2020.

2. Essential security and maintenance

Many businesses in our sector have had to furlough their staff because there is no income being generated to pay them. However, because furloughed staff cannot undertake any work:

- these businesses will not be able to undertake the maintenance required to ensure that they are ready to welcome customers back as soon as the lock-down ends
- the staff will not be able to help keep the vacant premises secure and free from damage so that the business doesn't suffer further loss and, again, is ready to open as soon as the lock-down ends.

Government is paying for 80% of furloughed staff time, might there be the flexibility for at least the remaining 20% to be used to protect their employer's business and therefore their job?

We ask for some sort of scheme, or flexibility to allow at least for minimum essential grounds maintenance and security in our land-based park businesses please.

3. Winter is coming

Although it is unknown at this stage exactly when businesses will be able to reopen to the public, it looks likely that this will not be until much of the 2020 tourism season has ended. If this is the case, not only will these businesses have lost the majority of their 2020 income, they will then have to survive the winter until the 2021 tourism season begins.

We fear that, if support is withdrawn, these businesses will run out of cash over the winter period and go under even if the virus threat is behind us.

We ask please that you provide the ongoing support seasonal tourism businesses will need, even if the country returns to a 'new normal' sometime this summer.

While we are pleading for the survival of businesses in this important component of the UK tourism industry, this is also a plea to support the local economies which depend on revenue generated by tourism businesses.

Yours faithfully



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Tourism Alliance Membership

ABTA - The Travel Association
Airport Operators Association
AIPO
ALVA
ANTOR
Association of Group Travel Organisers
ASAP
ATHE
BACTA
Bed & Breakfast Association
British Beer & Pub Association
British Destinations
British Educational Travel Association
British Holiday & Home Parks Association
British Marine Federation
Business Visits & Events Partnership
Camping & Caravanning Club
Caravan and Motorhome Club
Churches Visitor and Tourism Association
Coach Tourism Association
Confederation of Passenger Transport
Country Land and Business Association
Cumbria Tourism
English UK
European Holiday Home Association
European Tour Operators Association
Family Holiday Association
Go New Forest
Group Travel Business Forum
Heritage Railway Association
Heritage Alliance
Historic Houses
Holiday Home Association
Institute of Tourist Guiding
Liverpool City Region LEP
Marketing Manchester
National Caravan Council
National Coastal Tourism Academy
National Trust
Outdoor Industries Association
Professional Self Caterers Association
Premier Cottages
Resort Development Organisation
South West Tourism Alliance
The Tourism Society
Tourism For All
Tourism Management Institute
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Visit Kent
Visit Lincoln
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