

Covid-19 – Online Tourism Business Survey

Prepared for: Great Yarmouth Tourism and
Business Improvement Area

March 2021

Prepared by:



On behalf of:



Introduction and Methodology and approach

This report evaluates the immediate and ongoing impacts of Covid- 19 to Tourism Business in Greater Yarmouth, as well as assessing the long-term economic impact.

Methodology

The results are based on a monthly online survey to businesses in the Greater Yarmouth area. It uses a structured questionnaire, adapting some questions and adding / removing other questions as the situation evolves. We are using a 'Have your say' online platform style survey, based on personalised email invitations to fill in a short online questionnaire. The survey allows to closely monitor the immediate impact of COVID - 19 on an ongoing basis. The survey is fully managed in-house by Destination Research using Typeform software package, which offers full online and mobile functionalities. The results of the survey are being used and distributed by GYT BIA.

Outputs

The monthly report reflects on the very latest industry sentiment. This and subsequent reports will include a summary of immediate reactions, longer term recovery plan actions as well as general business performance. This March report is based on a sample of 54 responses. This and subsequent reports will include a breakdown of responses for the current and past months as well as an average of all responses for the year to date.

Outcomes

Ultimately, the research should allow Greater Yarmouth Tourism and Business Improvement Area (GYTBIA) to:

- Provide a forum for consistent and comprehensive analysis of the implications of the Coronavirus (COVID-19) pandemic on the local tourism industry.
- Act as the one-stop-shop communications channel for the local tourism industry in relation to Coronavirus (COVID-19).



Key developments:

Latest updates for businesses affected by COVID-19

The Government made a budget announcement on the 3rd March outlining tax and spend policies. Details are as follows:

- **Coronavirus Job Retention Scheme (CJRS) extension** - The CJRS will be extended across the UK for five months until 30 September 2021.
- **UK Self-Employment Income Support Scheme (SEISS) fourth and fifth grants confirmed.** the fourth SEISS grant will be worth 80% of three months' average trading profits, paid out in a single instalment and capped at £7,500 in total. There will be a fifth and final SEISS grant covering May to September. The value of the grant will be determined by a turnover test.
- **Restart Grants** - The government will provide 'Restart Grants' in England of up to £6,000 per premises for non-essential retail businesses and up to £18,000 per premises for hospitality, accommodation, leisure, personal care and gym businesses.
- **VAT Reduction** - The temporary reduced rate of 5% VAT for goods and services supplied by the UK tourism and hospitality sector will be extended until 30 September 2021. A 12.5% rate will apply for the subsequent six months until 31 March 2022.
- **Business rates relief** - Eligible retail, hospitality and leisure properties in England will receive 100% business rates relief from 1 April 2021 to 30 June 2021, followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022.
- **Statutory Sick Pay (SSP) Rebate Scheme**
Small and medium-sized employers across the UK will continue to be able to reclaim up to two weeks of eligible SSP costs per employee.



Key developments:

- **VAT Deferral New Payment Scheme** - Any business that took advantage of the original VAT deferral on VAT returns from 20 March through to the end of June 2020 can now opt to use the VAT Deferral New Payment Scheme to pay that deferred VAT in up to eleven equal payments from March 2021, rather than one larger payment due by 31 March 2021.

Extended loss carry back for businesses - The trading loss carry-back rule will be temporarily extended from the existing one year to three years. This will be available for both incorporated and unincorporated businesses.

Other measures include:

- £300 million to extend the Culture Recovery Fund to continue to support theatres, museums and other cultural organisations in England.
- £90 million for continued support for government-sponsored National Museums and cultural bodies in England.
- £300 million for continued support to major spectator sports in England, supporting clubs and governing bodies.
- Duty rates on beer, cider, wine and spirits will be frozen for another year.
- Employers in England who provide trainees with work experience will continue to be funded at a rate of £1,000 per trainee.
- Employers in England who hire a new apprentice between 1 April 2021 and 30 September 2021 will receive £3,000 per new hire.
- £7 million fund will be available from July 2021 to help employers in England set up and expand portable apprenticeships.
- A new Help to Grow training scheme over three years for SMEs on digital skills and management skills.
- Zoo Animals Fund extended for a further three months until 30 June 2021, providing licensed zoos and aquariums in England with continued support for animal care and essential maintenance costs.
- Funding (over £1 billion) for a further 45 towns in England through the Towns Fund.

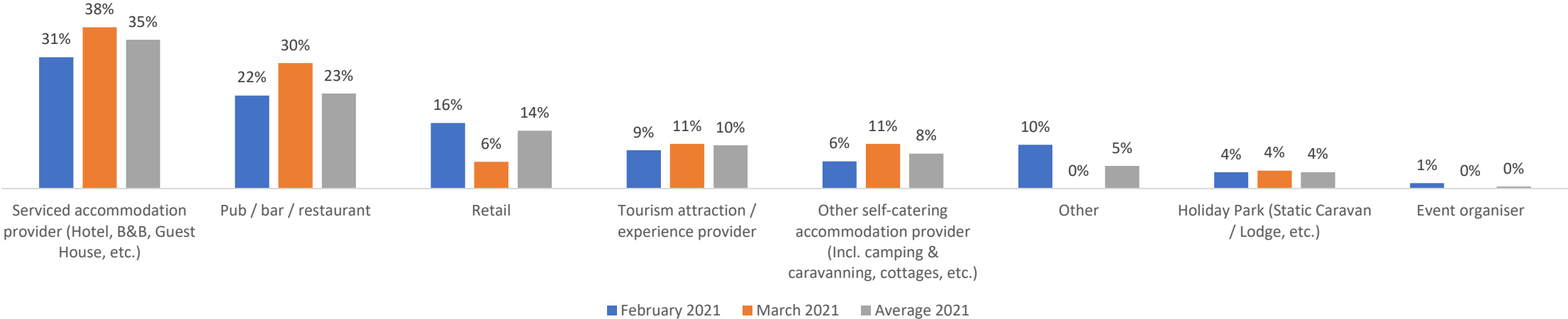


Research Outputs – Business Profile

About half (53%) respondents are accommodation providers. Of these, serviced accommodation businesses account for about four in ten (38%). Non-service include campsites, cottages (11% combined) and holiday parks (4%).

This month there has been an increase in the proportion of pubs and restaurants (30%, up from 22%). The rest of the sample is made up of tourism attractions (11%) and retail (6%).

Type of Business



Q: What type of business do you run? (54)

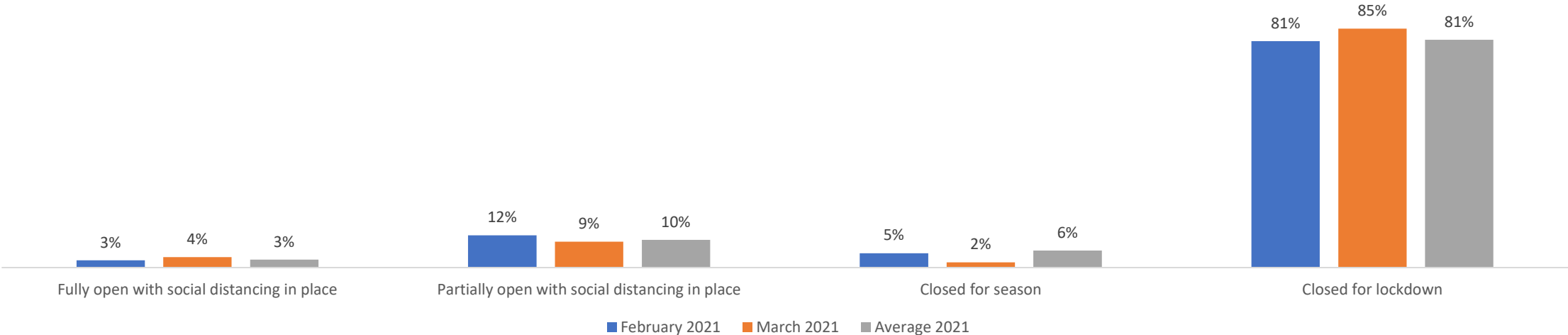


Research Outputs – Current Status

More than four out of five responds (85%) are currently closed due to lockdown restrictions. A further 2% are closed for the season.

A small proportion of respondents (13%) were open with social distancing measures in place. Of these, 9% were partially open and 4% were fully open.

Current Status of Business



Q: What is the current status of your business? (54)

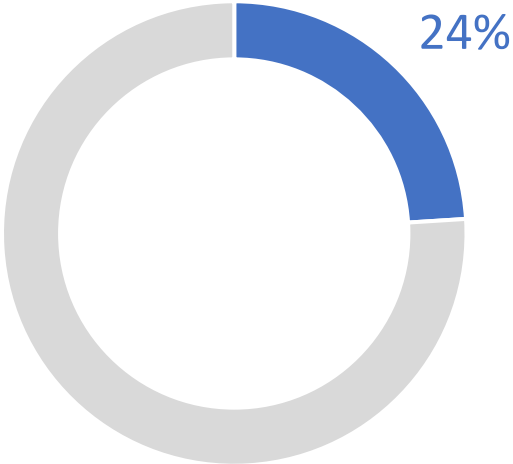


Research Outputs – Current Status

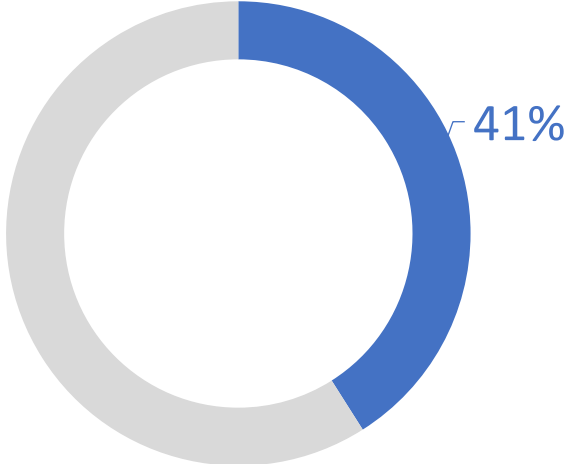
Those that remain open are operating at 24% of their usual capacity. As a result, their volume of trade during the week prior to completing the survey was 41% of the level achieved the same week the previous year.

Current staff levels account for 40% of the usual staff levels employed before the start of the pandemic.

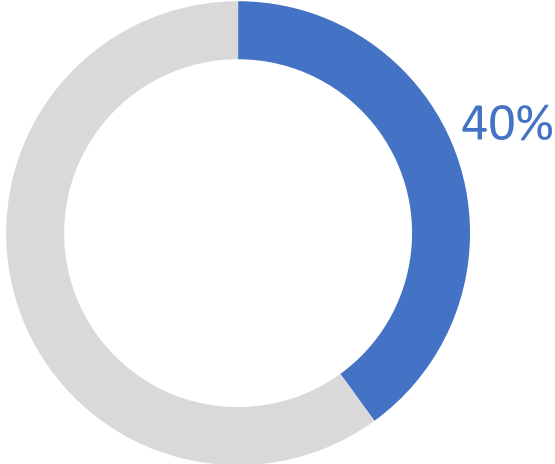
Percentage of usual capacity operating at



Percentage of trade last week compared to the same week last year



Percentage of usual staffing levels operating at

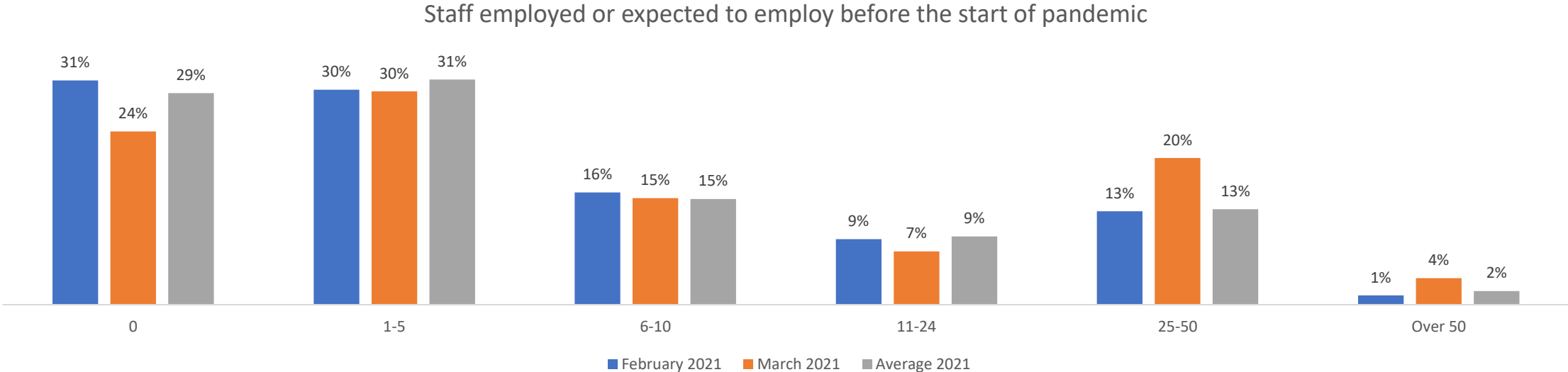


Q: If you are open, approximately what percentage of your usual capacity are you operating at? (54)
Q: What was your percentage of trade last week compared to the same week last year? (54)
Q: Approximately what percentage of your usual staffing levels are you operating at? (54)



Research Outputs – Staff and employment changes

Two thirds of businesses taking part in the survey were small or micro businesses. A quarter (24%) don't employ any staff other than the business owners. Three in ten (30%) employ between 1 and 5 members of staff. Businesses with 6 to 10 employees account for 15%, followed by the 25-50 (20%), the 11-24 group (7%), and larger businesses, with over 50 employees (4%).



Q: How many staff did you employ or expected to employ before the start of the pandemic? (54)

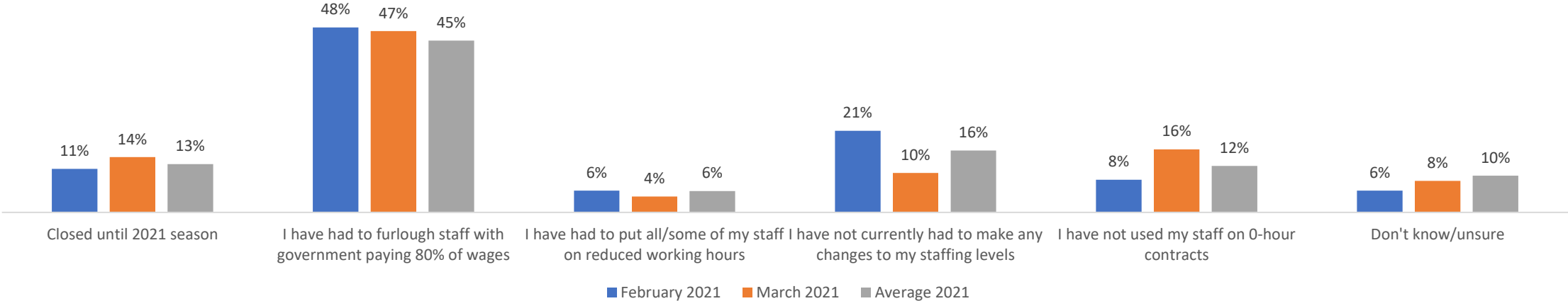


Research Outputs – Staff and employment changes

The most significant effect of the pandemic was having to furlough staff with government paying 80% of wages, affecting 47% of respondents. Furthermore, 16% had not used their staff on 0-hour contracts and 4% had to put some or all of their staff on reduced working hours.

One in ten (10%), didn't have to make any changes to their staff and a further 8% were unsure or unable to answer.

Effect of Covid-19 on staffing levels to date



Q: What other effect has Covid-19 had on your staffing levels to date? (53)



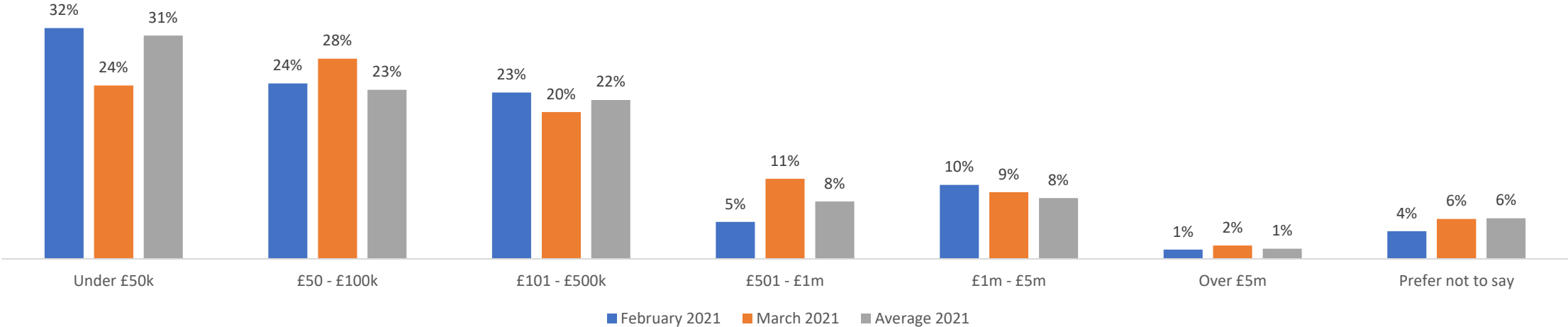
Research Outputs – Impact on business turnover

As mentioned earlier, a significant proportion of businesses taking part in the survey were smaller businesses and this is reflected on the turnover figures for 2019. Just under a quarter (24%) achieved a turnover of under £50k, a further 28% made between £50k and £100k and 20% achieved a turnover of between £101k and £500k.

The remaining 21% include larger turnovers (11% achieved between half a million and a million pounds, 9% between one and five million and 1% over £5 million).

Note that 6% of respondents preferred not to disclose their performance information.

Company’s approximate turnover in 2019



Q: What was your company’s approximate turnover 2019? (54)

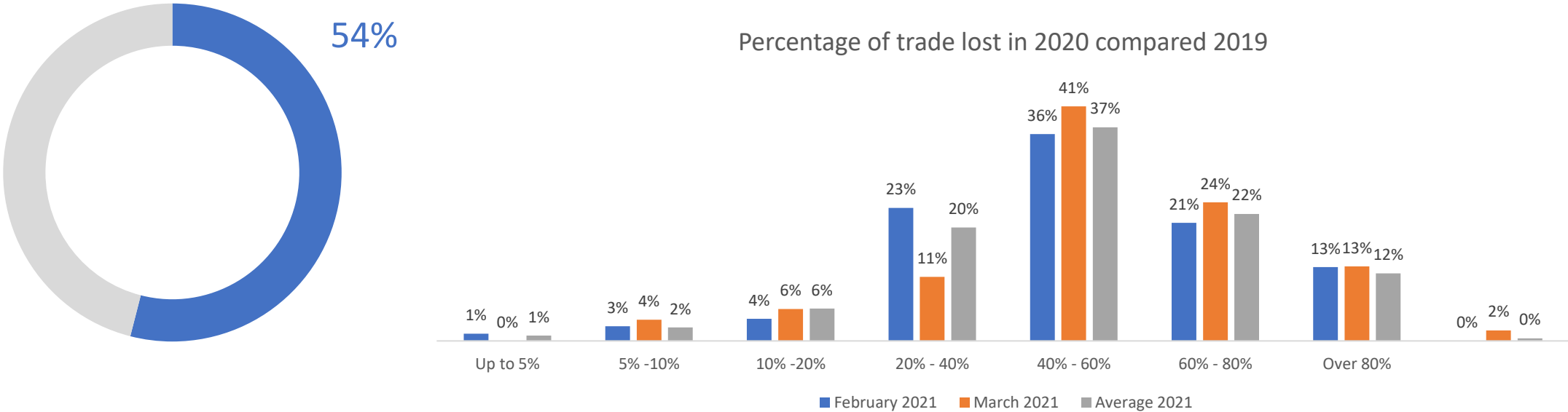


Research Outputs – Impact on business turnover

About two in five (41%) lost between 40% and 60% of turnover. One in five respondents lost up to 40% of their 2020 turnover, compared to 2019. Of these, 211 lost between 20% and 40%, with the rest losing less than 20%.

A quarter lost up to 80% and 13% suffering losses of more than 80% in trade, compared to 2019.

On average, businesses taking part in the survey saw a 54% loss in trade during 2020 compared 2019



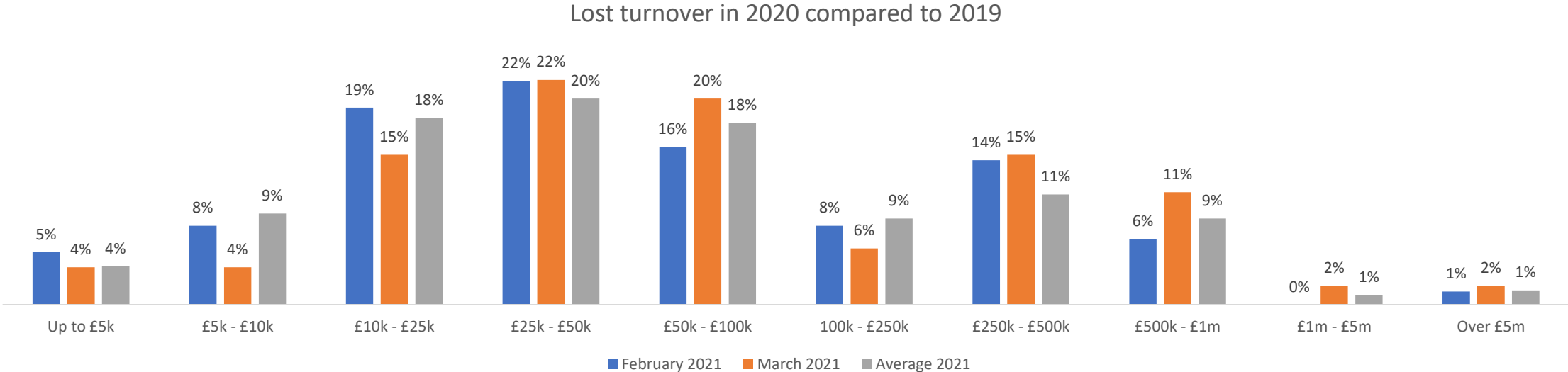
Q: If your trade has decreased what percentage of trade would you say you have lost in 2020 compared 2019? (52)



Research Outputs – Impact on business turnover

In most cases (65%), the loss of turnover in 2020 compared to 2019 was up to £100k. Of these, 23% lost up to £25k, with 22% loosing between £25k and £50k and 20% reporting losses of between £50k and £100k.

One in five (21%) report losses of between £100k and £500k and 15% lost over £500k.

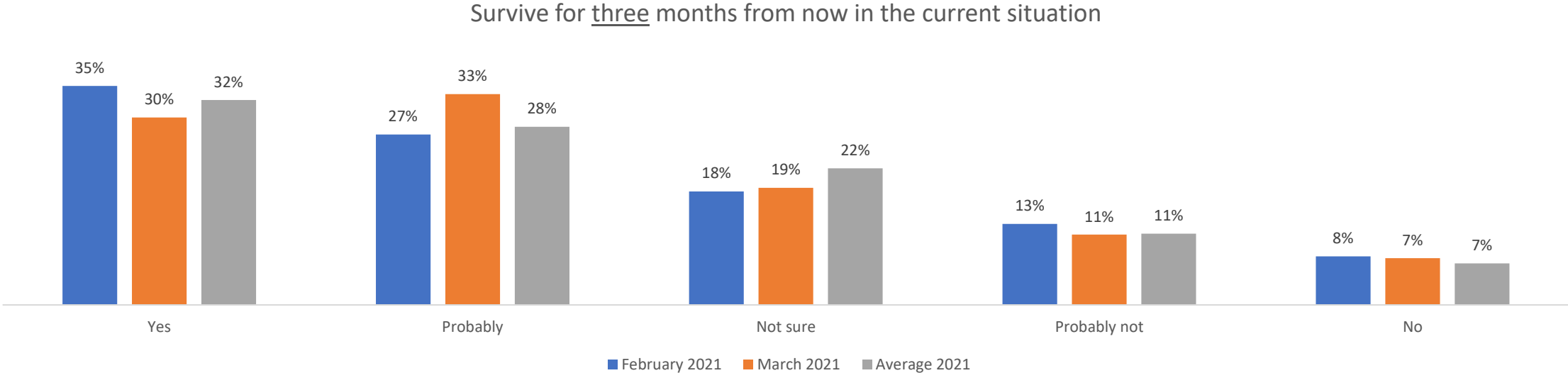


Q: Approximately how much could this mean in terms of lost turnover in 2020 compared to 2019? (54)



Research Outputs – Business Survival

Just over three in five businesses (63%) have a positive outlook on their likelihood or surviving the next three months. A further 19% are still not sure and 18% don't expect to survive longer than three months.



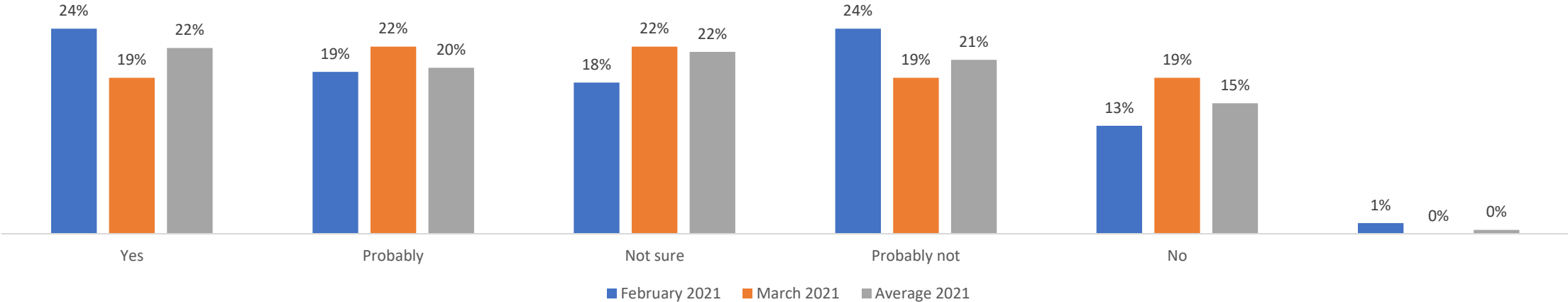
Q: Would your business survive for **three months** from now in the current situation? (54)



Research Outputs – Business Survival

Just over two in five (41%) are confident they will survive for six months in the current situation. Those ‘not sure’ about their survival after six months account for 22% of the sample. Importantly, over a third (38%) think they probably won’t survive after six months.

Survive for six months from now in the current situation



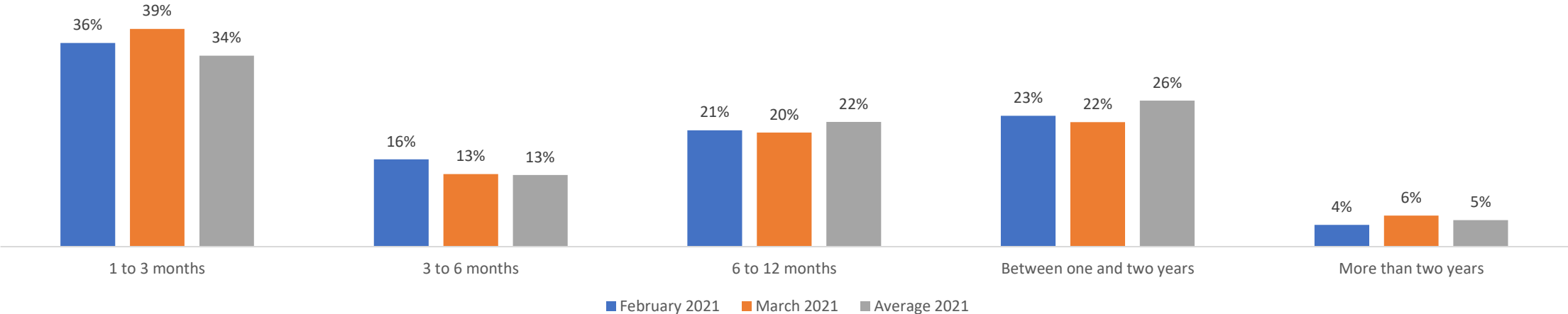
Q: Would your business survive for **six months** from now in the current situation? (54)



Research Outputs – Business Recovery

Should trading restrictions linked to Covid-19 end today, just over half of respondents (52%) are expecting to need up to 6 months (with 39% needing only up to 3 months). Two in five (20%) estimate that all trading restrictions were to end today, it would take their company between 6 months and a year to get back to business as usual. Finally, Just under a quarter (22%) would expect to need between one and two years or in some cases even longer (6%) to recover.

Time required to get back to business as usual if Covid 19 and all trading restrictions were to end today

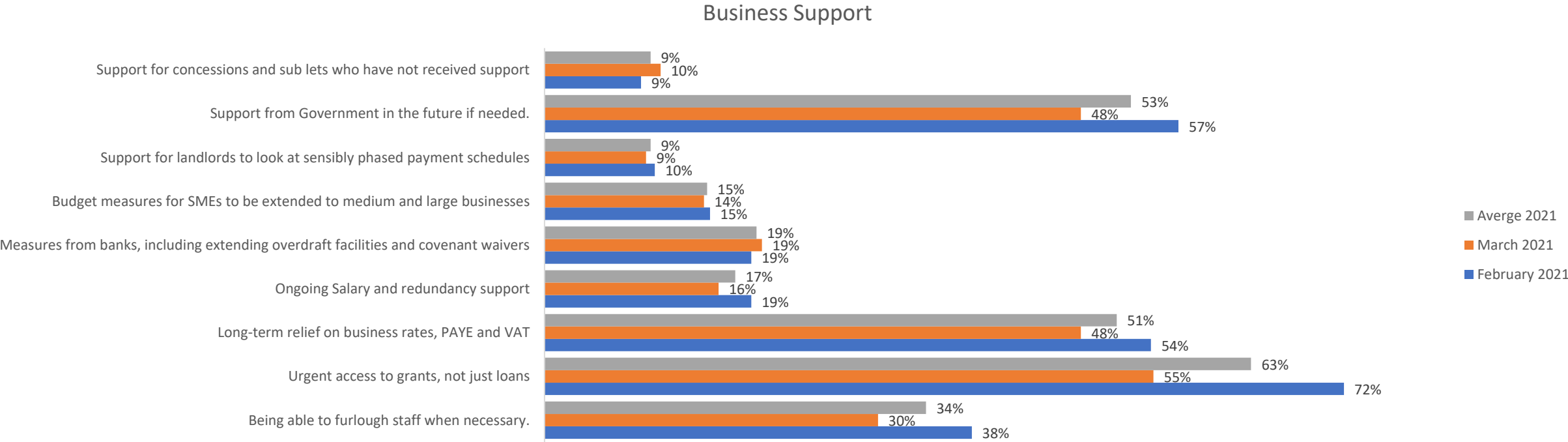


Q: If Covid 19 and all trading restrictions were to end today, how long would you estimate it would take for your company to get back to business as usual? (54)



Research Outputs – Business Support

Just over half of respondents (55%) are requesting urgent access to grants, not just loans, and 48% say they will welcome support from government in the future, if needed. Those requesting long term relief on business rates, PAYE and VAT also account for 48% of respondents. Three in ten (30%) would like to be able to furlough staff when necessary.



Q: What support from Government would be crucial for your business going forward? (54)





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