

**Pathways to Recovery  
Covid-19 and the Hospitality and Tourism Sector  
A response to the All Party Parliamentary Group on Hospitality and Tourism**

**1 May 2020**

**Introduction**

The National Association for Areas of Outstanding Natural Beauty (NAAONB) is a charity that promotes the conservation and enhancement of natural beauty, and advances the education, understanding and appreciation of the public in relation to this, in and around Areas of Outstanding Natural Beauty (AONBs), other Protected Areas, and those landscapes for which designation might be pursued.

In addition, the NAAONB promotes the efficiency and effectiveness of those organisations promoting or representing AONBs, other Protected Areas and those landscapes for which designation might be pursued. Its membership comprises AONB partnerships, local authorities, private sector bodies, and individuals with an interest in promoting the aims of the NAAONB.

A number of AONB partnerships<sup>1</sup> may have responded individually to this consultation and the comments of the NAAONB should be seen as supportive and supplementary to these.

**Consultation questions**

***1. What further, or continued, financial measures do you envisage your business needing from Government in the recovery period when restrictions begin to be lifted? If relevant, please refer to both national and devolved Governments.***

- **Many businesses do not meet current criteria for Government support**, so are falling through the gaps. This includes businesses that don't pay business rates, but still have on going costs. The Government needs to review its support criteria.  
For example, 27 Destination Management Organisations (DMOs) in the South West were successful in securing £28,000 of funding from the £1.3 million fund that the Government ring-fenced. However, Visit Dorset is not eligible to apply as it is not 100% private funded.
- **The Furlough scheme is generous but the rules can be very restrictive** and will limit businesses in their ability to prepare for re-opening. This will especially impact on not for profit organisations Any business with a 'site' to maintain are typically still paying around 30-40% of the running costs even when closed to visitors- so they are cash negative. The Government needs to provide more flexibility in the Furlough scheme.

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<sup>1</sup> AONB partnerships, with a lower case p, is the generic term used by The NAAONB to refer to AONB Partnerships, Conservation Boards and any other organisation recognized as the lead governance body for an AONB.

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For example, some premises require regular maintenance work and may have animals that require caring for on site. Also the scheme does not cover seasonal jobs, which often start in March, potentially resulting in the loss of regular seasonal staff to other jobs.

- The Furlough scheme needs to continue throughout the recovery period while businesses build up to being fully operational again. This will be essential to avoid unemployment.  
We recommend that financial measures and support continue for sufficient time for businesses to recover fully, possibly with a gradual reduction as businesses move to working at full capacity again.
- **Providers of accommodation are concerned at having to refund cash they don't currently have.** A pro-active move would be to put in place a government backed 'deposit voucher' scheme which can be used against a future stay. This would support the sector and remove the worry over cash flow.
- **Even when businesses are 'open', they are likely to still be making a sizeable loss** due to reduced footfall and social distancing measures. Losses will need to be factored in for some time, and Long term support provided.
- **The issue of running under capacity is likely to be most acute in restaurants and cafés** which may be able to open with limited covers – perhaps not enough to run at a profit without financial support. Also demand for serviced accommodation will likely lag behind non-serviced, due to people being less likely to tolerate the risks associated with businesses with higher numbers of other guests and social interactions.
- Outdoor recreation providers are also likely to need extended support (such as organised running events), where they will likely start after accommodation businesses begin to open.

***2. What impact would a staggered reopening have on your businesses? (For example, if businesses are permitted to reopen but with existing social distancing measures retained; hotels open with no bar or restaurant area; or a cap being introduced on venue numbers).***

- A staggered reopening could be challenging for businesses to manage, as they will need to balance the economics of numbers of staff needed versus the overheads of running the business.
- For example, if social distancing parameters mean a significant reduction in footfall, and therefore income, some businesses may not be able justify being able to open at all. Likewise, if staggered opening means some businesses open and others don't, then this could mean significant pressure on those that open, and finding themselves unable to cope with the high number of people visiting.
- **The industry is concerned at the lack of clear information and a proposed pathway**, with timescales, to full recovery. Tourism businesses will have lost an entire year of income because of the seasonal nature of the industry.
- **A staggered re-opening will require clear rules**, such as limitations on numbers in venues (which in turn may affect 'ambiance', such as in pubs and restaurants), and accommodation having to be empty for a certain period. For example, in Germany rooms have to be deep cleaned after each visit (even after a one night stay).
- **The unpredictable nature of the situation will require regular review, updating and communication of guidelines**, for example if businesses need to close down again in the event of is another surge in cases. Will businesses get any ongoing support after re-opening – they will need it if they are to survive.
- **Some businesses may struggle to open safely.** For example, AONBs with visitor centres would potentially see an uplift in numbers. However, they might struggle to re-open if they cannot guarantee ongoing physical distancing (even though they could possibly create 'in / out flow' and possibly deliver some of the services outside in a larger space).
- **A staggered reopening could be challenging for businesses to manage**, as they will need to balance the economics of numbers of staff needed versus the overheads of running the business. For example, if social distancing measures result in reduced footfall, and therefore income, some businesses may not be able to open at all. Likewise, if staggered opening means some businesses

open and others don't, this could put significant pressure on those that open, and finding themselves unable to cope with the high number of visitors.

**3. *What specific operational difficulties do you anticipate when looking to reopen your business and will you need Government assistance and guidance ahead of this?***

- **Once restrictions are lifted the risks and uncertainty remain**, with full recovery is unlikely until the 2022 season. For example, some staff may still need to be furloughed if business is slow to build momentum.
- **Many visitors and local residents in AONBs may not spend money at previous levels**, even if tourism businesses start opening. It is inevitable that consumer behaviour will change, with many people struggling financially due to the impacts of Covid19 and not considering leisure spending a priority. In addition, people may have perceived health risks and be more cautious in their approach.
- **Businesses running events will struggle with cash-flow issues, for example**, where events or show tickets have been purchased but the shows have been postponed until 2021.
- **Businesses will be reluctant to seek loans** as this is considered too risky in the face of continued uncertainty.
- **Overseas visitor numbers are predicted to be lower for some time**, meaning that businesses previously reliant on a large percentage of overseas visitors will need to consider concentrating on domestic visitors.
- We recommend that on-going Government support be provided to ensure businesses can survive.

**4. *How long will it take for businesses to change or reactivate their supply chains and what difficulties may be present in doing this?***

- **This is difficult to assess** and made more complicated by the fact that it is by no means clear whether (and when) all sectors of the visitor economy can open safely.
- **The tourism and hospitality industry will take time to start operating fully**. Staff will need to be re-trained and, if social distancing rules, are still in place food and drink areas will need to be re-configured. Supplies will need to be purchased and full cleaning schedules completed to ensure venues are safe.
- **The speed at which businesses can build momentum again will depend on whether supply chains have been maintained**. Businesses that have closed completely will need to build this again, whereas those that have moved to online deliveries etc may have retained a degree of flexibility.

**5. *What, if any, more guidance do you feel that you need on cleaning and hygiene measures ahead of reopening?***

- **Rules and guidance on cleaning and hygiene will need to be clear, consistent and unambiguous**, with an effective means of review and updating, plus communicating it to businesses, all in their supply chains, and visitors and customers.
- **Sector-specific guidance** on physical distancing and cleanliness standards will need to be set out.

**6. *What fiscal measures should be taken to boost business in the hospitality and tourism sectors in the immediate aftermath of COVID-19 restrictions being lifted?***

- **Many tourism and hospitality businesses will not open as normal once lockdown ends**, not least because of their seasonal nature.
- A key consideration in effectively supporting businesses will be how the Government calculates losses and how it then sets about supporting tourism businesses.

- **Visitor numbers are likely to be considerably reduced for many businesses and attractions after lockdown** because many people won't want to go to back visiting public spaces, especially those with indoor spaces. So, while the losses may taper, they will still potentially exist for quite some time.  
**In contrast, some rural UK destinations will likely see a surge in visitors** and demand this summer/autumn if - as seems likely - UK tourists will be locked out of their usual foreign destinations. UK destinations may struggle to meet this demand in terms of maintaining continuous physical distancing and hygiene rules, securing sufficient staff etc.

**7. What steps should the Government take to boost UK inbound tourism when social distancing measures are lifted?**

- **The Government's focus should be on encouraging and supporting domestic tourism** and that from near-European markets, where people can travel sustainably by train, bus and ferry, for example, and so contributing to the zero-Carbon imperative.
- Tourism's success is largely defined as 'growth in visitor numbers', the so-called 'global volume growth model'. **Covid19 should lead to a critical reconsideration of the 'global volume growth model'** in global tourism, due to the interrelated risks of global travel (for example, tourism indirectly supports pandemics and is a major source of greenhouse gas emissions) as well as tourism's contribution to climate change
- **The public should be encouraged to continue to support community retail and food outlets** - markets, farmers' markets, independent retailers and local producers.
- Covid19 has resulted in increased community cohesion and cooperation, which can be built on to support local initiatives and to shop with small, independent businesses, rather than moving back to solely using supermarkets.
- AONBs already provide information and advice to visitors and would be willing to share ideas and information on how to boost domestic tourism and build the resilience of local communities.

**8. Are there any other key areas of support that you feel either sector, or your individual business, require outside the scope of the above questions? If so, please outline in under 500 words.**

- The profile of tourism, and the income and jobs it generates, should be raised within **Central Government and long-term local authority strategic plans** as a result of the current situation.
- **The seasonal nature of many hospitality and tourism businesses** must be addressed, especially as this renders many such businesses especially vulnerable.
- **Many businesses will be forced to reduce the quality of their offer** as they attempt to maximise income and increase footfall in the short-term. This may create reputational issues and shift the user group and audience.
- **Active visitor management will be required in many areas**, especially in AONBs, once Covid19 restrictions start to be lifted.
- **We recommend a coordinated, multi sector approach to ensure careful visitor management** and promotion of a wide range of locations across the county to help avoid congestion at 'honey-pot' sites. This will be essential to ensure both public safety and to manage pressure from potentially high visitor numbers on the local land and sea scape, local communities and important sites for natural and cultural heritage.
- **The Government will also need to carefully manage tensions that will arise between visitors and rural communities** that remain nervous of people bringing in infection as restrictions start to be relaxed. AONBs are well-placed to advise on how to strategically manage this sensitive issue.

## Concluding remarks

As a network of AONB partnerships, we are already exploring how, post-Covid19, we can play our part in **developing and supporting a thriving, resilient and sustainable rural economy**. Sustainable tourism and hospitality is a key element of that recovery - both in protected landscapes, but also more widely across the UK.

The Covid19 lockdown has introduced more people to nature and their local green spaces, and **highlighted the benefits of the natural world for people's health and wellbeing**. Indeed, a key part of the Government's advice has been to urge people to take a walk from their home and to enjoy their garden, if they have one. This new-found appreciation of nature and outdoor exercise may translate into more lasting patterns of behaviour and demand which we believe needs to be channelled towards developing and supporting sustainable tourism – **tourism that benefits the local economy and local communities, while drawing on environmental quality without undermining it**.

The Government therefore now needs to take this opportunity to build resilient communities, businesses and landscapes. All indications are that domestic tourism will recover first, and this is likely to include a demand for distinctive local experiences. Now is therefore the time to **'invest' in local communities** to boost resilience and create an attractive, sustainable and functioning destination. A key part of this approach will focus on local distinctiveness, supporting local suppliers (and therefore communities), and offering better products and experiences that are rooted in local qualities and distinctiveness.

This approach will also lead to the creation of a **powerful marketing narrative**, telling an authentic story of a business and how it nestles in its surroundings - both environmentally and from a community perspective - and will feed into a desire from visitors to have a sense that, through their choices, they are contributing positively to their chosen destination.

The National Association of AONBs and the AONB partnership would be pleased to discuss further the points made in this document, and contribute to the Government's thinking as it plans the nation's recovery from the coronavirus pandemic.