

All

We have just finished the Tourism Industry Council conference call with the Culture Secretary, Oliver Dowden who is self-isolating at the moment as his wife has shown signs of Coronavirus. The format of the call was that the Culture Secretary outlined that he understood the impact that the measures announced yesterday were having on the sector, how he and the Tourism Minister are working hard to ensure that the issues and needs of the industry are being taken into account at COBRA meetings and meetings of the economic impact subgroup of COBRA established yesterday and chaired by the Business Secretary.

We were then given an update on the medical situation by Thomas Wake Senior Medical Advisor at Public Health England who gave us today's infect count (407) and the reason for the Government's change in policy. Their view is that the UK is about 2-3 weeks behind Italy in the infection curve – although London is ahead of the rest of the country.

We then had an overview of the situation from the industry's perspective by Simon Vincent (co-chair of the TIC and EVP of Hilton EMEA) who summed up the anger/frustration of the industry at yesterday's announcement, the impact that it would have on the sector and called on the Govt to follow the lead of France and do *"whatever it takes to ensure that no business fails"*. As part of this he emphasised the need for Govt to:

- Waive Business rates payments.
- Immediately cancel/defer VAT payments
- Support short term employment costs

The importance of maintaining cashflow for tourism businesses, especially at the start of the season when reverses were low, was highlighted. If this support was not immediate, there would be very significant job losses across the industry and a great many good, viable companies would go under. The key is decisive, clear action now to avoid sector-wide decline in the sector and a greater demand on the public purse later on.

A small number of Council Members were invited to speak from different components of the sector (inbound, outbound, attractions, pubs and Kate representing the Tourism Alliance as well as UK Hospitality. All reinforced the key points – that retaining liquidity was central to the survival of businesses, that all businesses needed relief from Business Rates and Taxes for the foreseeable future, that retaining capacity in the industry was essential if it was to be able to recover and that Govt had to provide much better clarity and certainty in its statements in future. The need to act immediately was emphasised as redundancies were already starting.

In response, the Culture Secretary said he was unable to discuss the support measures ahead of the Chancellor's speech at 7pm, but intimated that they would seek to address liquidity issues. He recognised the seriousness of the situation and stated that the measures to be announced tonight were the start of a process and would be added to as required. He also said that there would be weekly Tourism Industry Conference Calls to assess the developing situation and discuss what more needed to be done. On the issue of insurance he asked that input be provided to officials on what could be done to support businesses. He also asked for suggestions as to what could be done in terms of relaxing regulation to support the sector – the main suggestion from the meeting being to suspend parts of the Package Travel Regulations requiring refunds within 14 days so that credits could be given instead.

That's pretty much it for the moment. The Chancellors speech tonight is obviously extremely important so if you can provide me with any feedback you have on the adequacy (or otherwise) of the measures when they are announced, I'll collate these tomorrow and feed them back to DCMS.

Kurt Janson
Director