

'Coaching is a leisure industry': trade associations

Posted by Milton Nicholls on Fri 1st May 2020 - 14:00PM | No Comments



Four powerful group tourism associations have joined forces to argue strongly that coach operations are leisure businesses, and should have the same support as holiday companies.

Trade associations representing thousands of tourist businesses, together with the Local Government Association, have written to the Chancellor of the Exchequer asking him to urgently change civil servants' interpretation of his Coronavirus Business Rates Relief Scheme, launched to support the UK's hospitality and leisure industries.

Tour and coach operators, represented by the Coach Tourism Association, English language schools, destination management organisations and tourism and hospitality charities are being excluded from the scheme despite Rishi Sunak specifically extending it to all businesses in the hospitality and leisure industries on March 17. He said: "Every single shop, pub, theatre, music venue and restaurant, and any other business in the retail, hospitality or leisure sector, will pay no business rates whatsoever for 12 months, and if they have a rateable value of less than £51,000, they will now get a cash grant as well."

However, guidance from the Ministry of Housing, Communities and Local Government says any relief to these businesses does not qualify for support because they are not in premises which customers enter to make a purchase. “This distinction is both arbitrary and counter to the Chancellor’s repeated statements that ALL businesses in the leisure sector are eligible for support,” says the letter, adding: “Failing to support these businesses puts at risk many thousands of businesses that generate a large percentage of the £25bn per annum that the UK earns from inbound tourism.”

Kurt Janson of [the Tourism Alliance](#) which co-ordinated the letter from eight tourism, English language teaching and transport trade associations as well as the Local Government Association, said: “It is hard to see how these businesses do not qualify as part of the leisure sector in Government eyes. If this is not a lack of understanding, it is a false economy: these businesses generate so much income and so many jobs for local communities that it will be devastating if they are forced under through lack of support.”

Tom Jenkins, CEO of [ETOA, the European Tourism Association](#) representing 1,200 organisations, said: “Spending by international visitors is a vital component in the UK service economy. Without them, shops, restaurants, theatres and attractions cease to be viable. Those companies that sell the UK throughout the world are vital export businesses. Over years they have invested in global distribution networks centred on expertise based in the UK. These export companies now face a total loss of business in 2020. For the UK to recover in 2021 they must be allowed to survive. With assistance they have a chance; without this, tens of billions of future income will disappear.”

Jodie Gray, interim chief executive of [English UK](#) which represents around 400 English language teaching centres throughout the UK, said: “The UK is a world leader in ELT, attracting 550,000 students every year, many of whom go on to study at our universities. But most centres were hit early by Covid-19 travel restrictions, won’t be able to teach during the summer peak, and occupy large buildings incurring high office rates. We believe many will cease trading without this support.”

Joss Croft, CEO of [UKInbound](#) said the travel and hospitality industry in the UK had been hit hardest and fastest due to the COVID-19 pandemic, and was likely to take the longest to recover, especially those businesses entirely reliant on international tourism.

“However, it is perhaps not widely understood in central or local Government that although we don’t deal directly with the public, many tourism businesses such as tour operators, destin

Emma English, Executive Director of the [British Educational Travel Association](#), said: “Last year BETA’s 120+ members served over 36 million young travellers internationally, providing them with study, work and tourism experiences. Our members are coach operators, tour operators, language schools and businesses that have a large intrinsic value to the UK economy. To be excluded from a scheme put in place to support tourism businesses due to a lack of understanding is hugely disappointing.

“Without this support these businesses will simply not survive, resulting in billions of future revenue being lost. The furlough scheme has been of huge support, but many businesses now urgently need the rates relief support to weather the storm.”

*The coach industry is central to the leisure sector and it is deeply disappointing that this decision has been reached. It suggests a worrying lack of understanding from government about the sector: **Graham Vidler, CPT***

Confederation of Passenger Transport UK (CPT) Chief Executive Graham Vidler said: “The coach industry is central to the leisure sector and it is deeply disappointing that this decision has been reached. It suggests a worrying lack of understanding from government about the sector. Coach tourism contributes over £7bn a year to the UK economy helping ensure people can enjoy sporting events, festivals, theme parks, theatres and trips to tourism hotspots across the country. With the industry facing an 18-month winter this funding would have helped provide a much-needed lifeline to businesses that we need to survive the current crisis to help the leisure industry gear up quickly as soon as it is able to do so.”

John Wales, chairman of the [Coach Tourism Association](#), said: “It is staggering that government has retracted support for the coach industry on the basis it is not part of the leisure sector. Coaches play a vital role in both our transport system and the leisure industry transporting millions of people on day trips, holidays, on school trips, to theatre, music and sporting events. The industry is worth £6 billion to the economy and business casualties are mounting daily. Urgent help is needed, so the greenest form of transport



John Wales, CTA Chairman

Blackpool and Cleveleys MP Paul Maynard said: “As the MP for the nation’s premier seaside resort, I see just how exposed the tourism sector is right now, and how uncertain the future is. In Scotland, a £20m fund has been set up for those businesses that aren’t covered by business rates – and we need something similar right now in England – for the many parts of the tourism sector not covered. This will be a season unlike any other for Blackpool – and the whole visitor economy needs support, otherwise even the parts currently getting support may struggle”.

Simon Kirby of Kirby’s Coaches, a member of the Coach Tourism Association, commented: “It is hard to understand the argument that coach companies do not fit the category of tourism and leisure. Our coach depot not only houses our coaches and workshop but also provides a departure point annually for approximately 10,000 people. In the last 12 months our business has undertaken 643 day excursions and holidays providing leisure experiences for 21,679 people, we have conveyed 152 groups of foreign visitors on holidays of average eight days spent around the UK, 92 rail replacement services and another 250 excursions and holiday experiences for social and school groups. We also provide employment for 25 local people.

“Our clients are highly likely to be the last group to be allowed to socialise therefore ALL of the above is in jeopardy if we aren’t given the help we as an industry need for survival.”

The letter has also been signed by the Local Government Association, whose members will only be reimbursed for granted business rate relief to tourism businesses if they fall within the official scope of the scheme. The LGA is highlighting the importance of supporting these businesses and the wider tourism supply chain, as their failure will significantly impact local communities, including the ability of councils to raise income to reinvest in local public services.

The letter has been signed by the Tourism Alliance, CPT, ETOA, UKInbound, Coach Tourism Association and English UK.

Why this decision doesn’t make sense

Anomalies in the current scheme mean that

- a travel agent which sells a customer a ticket for a tour is eligible for support but the tour operator or coach operator that makes the booking and/or takes the customer on the tour is not eligible for support
- that children’s nurseries are eligible for support but ELT centres which host over half a million international students annual are not, and car hire companies are eligible but coach hire companies are not

[Login / Register](#)[Like](#)[Follow](#)[Search](#)**Bus&Coach**
Buyer

whatsoever for 12 months, and if they have a rateable value of less than £51,000, they will now get a cash grant as well."

Leave a Reply

Your email address will not be published. Required fields are marked *

Name *

Email *

Website

Post Comment



in

