

Fri 18th Dec 2020 - Friday Opinion

A kick in the baubles by Ted Schama, Nick Weir, Duncan Lillie and Victoria Oates

Despair and anger. Those words summarise what the majority of the hospitality sector is feeling right now. And it is understandable.

The government's seemingly baseless targeting of the industry in its fight against coronavirus, a fight the statistics indicate we are not winning based on comparisons with other countries, was already causing untold damage. But the moving of London and parts of Essex and Hertfordshire into tier three is likely to be the straw that breaks the camel's back for many operators, and probably some landlords too.

Earlier this week, the latest unemployment figures revealed the hospitality sector is bearing the brunt of the economic impact. According to the ONS, the industry accounts for a third of the job losses. What the headlines do not convey is the majority of those affected are younger people, a demographic that has been continually hard hit throughout the pandemic. And tier three could lead to a further 160,000 job losses, compounding an already dire situation.

And then we have the food waste as a consequence of giving London just 24 hours to prepare for tier three. Millions of pounds of food is literally being thrown away because restaurants, cafes and bars have had to close their doors, which is ironic given the stance the government took over free school meals.

All this is happening too with little evidence to back it up, or that the measures work. A cynic might argue the government is using the pandemic to mask another agenda, introducing measures it knows will fundamentally and permanently change the industry and consumer behaviour. But to what end and does it justify the human and economic impact the hospitality sector is unfairly bearing?

After a tough year, is this really how we all want to finish it?

The short answer has to be no. We need to be rallying now as a sector to ensure we fare better in 2021. That is easier said than done though, so perhaps we should all work together to focus on achieving a few fundamental milestones in the new year. While not an operator or a landlord, we work exclusively in the hospitality sector, so feel its pain as keenly as everyone else, and are as passionate about the need to rebuild as the industry's most ardent advocates. So this is our take on where we go next:

1. Secure a minister for hospitality. We called for this in early October and the mantle has been taken up across the industry. We need to be shouting collectively and loudly for the government to do the right thing and give the sector a voice on the inside. The good news is, more than 150,000 people have signed the petition, which means the government must

consider it as a subject for debate by MPs. We are not there yet though, so we must continue to push for this to happen

2. Undertake a genuine and progressive reform of the business rates system. Doing so will require boldness and creativity, not least because of the scale of what is at stake in terms of tax revenue. Yet failure to do so, and to do so quickly, will decimate the ability of many town and city centres across the UK to recover from the impact of the successive lockdowns and tier restrictions

3. The government needs to take its head out of the sand and deal with the debt mountain accumulating as a consequence of the forfeiture moratoria and lack of action on rents. While intervention in business may not be a Conservative policy, the moment for inaction passed a long time ago. By doing nothing though, the government is taking the industry back decades, and with it high streets, towns and cities across the UK. And this is not a plea to bail out landlords or operators, simply a request to recognise there is a significant issue, and to meet the sector at least a third of the way. If not, the shutters will not be raised, doors will remain closed, and lights will stay switched off in restaurants, bars, cafes, theatres, cinemas and nightclubs the length and breadth of the country

If anyone of influence in the government is reading this, these requests are not unreasonable given the importance of the hospitality sector to the UK. It is the fourth biggest employer in the country, accounting for around six million direct and indirect jobs, and generates over £70bn of GVA to the UK economy directly.

More than that, as we look to rebuild our towns and cities, the industry's operators will have a vital role to play due to their significance in creating a sense of place and community. From grabbing a cup of coffee on the way to work, to enjoying lunch somewhere new while visiting a city, to catching up with friends or colleagues for a pint or dinner after work, the hospitality industry is what makes our society tick – day in, day out – whatever the weather and regardless of what is going on.

It is also a highly entrepreneurial sector. After all, so many in the hospitality industry make a living by making something. It is an industry that innovates, that has made pivoting an art form. It is an industry of people passionate about their product and the people they provide it to. Individually and collectively, they have a fire that can help ignite the nation's recovery. Please do not extinguish it.

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