

COVID-19: FROM SURVIVAL TO RECOVERY

Supporting the Hotel & Visitor Accommodation Industry through the Crisis

UPDATE: 1 JUNE 2020

Introduction

Hotel Solutions produced its 'From Survival to Recovery' paper in May 2020 to provide an analysis of how the COVID-19 crisis has affected the UK hotel and visitor accommodation industry in order to begin to identify how DMOs and local authority tourism teams can support their hotel and visitor accommodation businesses through the crisis and into the reopening and recovery phases. The following paper provides updates and further information as it has come to light.

Winners

New research by Sawday's shows that **self-catering breaks and holidays** will be in high demand once coronavirus lockdown restrictions are lifted. Its survey of over 4,000 UK travellers found that the industry is set for an Indian summer of domestic travel, with having your own space, hygiene and flexibility of booking terms being top concerns when making a booking. <https://www.boutiquehotelier.com/self-catering-accommodation-set-to-be-in-high-demand-when-customer-confidence-returns/>

Cool Camping is reporting a substantial increase in interest in **glamping holidays**, with an 8-month high in bookings in May. The sharp increase in bookings coincides with Cool Camping introducing a new Coronavirus Booking Guarantee offering guests the opportunity to pay just 20% to make their initial reservation and flexibility to amend their booking for up to 18 months if their holiday is affected by the pandemic.

<https://www.glampingbusiness.com/2020/05/20/bookings-hit-eight-month-high-on-coolcamping-com-following-the-launch-of-new-coronavirus-booking-guarantee/>

A new survey from **Stay in a Pub** shows that 80% of its customers feel 'pretty comfortable' to stay overnight in a pub after the COVID-19 lockdown restrictions are lifted. 41% of customers said they would be completely comfortable, while just 8% said they felt somewhat uncomfortable about staying in a pub. Customers said that they would expect high standards of hygiene and social distancing measures, evidenced through a nationally recognised COVID Secure kitemark or accreditation. There is also an expectation that hand sanitisers will be provided, staff will wear face masks and gloves, and there will be periods of at least 24 hours between stays to allow time for deep cleaning to be undertaken.

<https://www.boutiquehotelier.com/80-of-consumers-pretty-comfortable-to-stay-in-a-pub-post-covid-19/>

Holiday parks are expected to enjoy a surge in popularity when they are finally allowed to open, due to the lower risk that they pose in terms of spreading coronavirus compared to hotels, but will still need to introduce measures to ensure guest and staff safety. Haven is aiming to reopen all 36 of its UK holiday parks from 3 July, provided the government has eased the lockdown rules. It will introduce new measures, such as timed slots for check-in, one-way paths and a food ordering app. Cleaning protocols will be enhanced and all cleaned caravans will be sealed ready for the next guests to arrive. In the expectation that it will need to operate strict social distancing measures, Haven will be offering heavily discounted 'Hideaway' breaks that won't include access to its swimming pools, pubs,

restaurants, kid's play areas, entertainment centres and activities. Haven will also be offering a free Coronavirus Book with Confidence Guarantee allowing customers to change their holiday dates at no extra charge or to receive a full no-quibble refund if they are unable to take their booked holiday due to coronavirus.

Dog-friendly travel booking site PetsPyjamas has reported a 41% increase in forward bookings. While the uplift is primarily for getaways to be taken later in 2020 or early 2021, 19% of customers said that they will travel with their dog as soon as lockdown restrictions are lifted. 43% were slightly more cautious, saying that they would prefer to wait for a month to see how things settle down. Only 7% of PetsPyjamas customers said that they would wait until summer 2021 before holidaying again.

New research from AirDNA shows a 127% increase in global **short-term rental** bookings through Airbnb and Vrbo as countries start to come out of COVID-19 lockdowns. The markets rebounding the fastest are drive-to domestic leisure destinations. Recovery in cities is much slower. www.airdna.co/blog/global-vacation-rental-bookings-skyrocket-by-127-after-surge-in-domestic-tourism

Coastal and rural hotels are gearing up to reopen on 4 July. Watergate Bay in Cornwall is reporting an occupancy level close to 87% for July and very high occupancy for August. The group's other hotel, Another Place, in the Lake District, is also reporting strong bookings for the summer period.

St Michaels Resort in Falmouth is opening a new 8-bedroom beach house on 4 July in a bid to capture the rise in demand for **exclusive-use private accommodation** in the wake of the coronavirus pandemic.

Losers

The **coach holiday market** has been dealt a blow with the announcement that two leading operators have gone into administration. The Specialist Leisure Group, which offered coach holidays under the Shearings, National Holidays and Caledonian Travel brands and operated 44 hotels as part of Bay Hotels, Coast & Country Hotels and Country Living Hotels, went into administration on 22 May with the loss of 2,500 jobs and the cancellation of 64,000 bookings. Earlier in May, the directors of the David Urquhart Group took the decision to wind up the company's coach tour business and to sell its three Scottish hotels.

Travelodge has warned that it may be forced to pursue a company voluntary agreement (CVA) unless it is able to negotiate with its landlords to waive up to £146m in rent.

Smaller hotel companies and independent hotels with less market share and cash could lose out to the larger hotel brands that will be more able to convince consumers that they have robust hygiene protocols in place and have greater flexibility to reduce rates in order to rebuild business levels quickly if they need to. This could result in a surge in mergers and acquisitions as smaller hotel operators struggle to bounce back or face bankruptcy.

Airbnb is laying off 25% of its global workforce as the COVID-19 crisis continues, and is drawing back on its plans to develop its Airbnb Luxe offer and the HotelTonight booking platform that it acquired in 2019. CEO Brian Chesky has indicated that going forward Airbnb will focus more on getting back to its roots as a home sharing platform.

Consumer Behaviour

The **Scottish Tourism Index**, a new survey undertaken by 56 Degree Insight to monitor the tourism and leisure desires and concerns of the Scottish people, identifies four key changes in attitudes about holidays and breaks in terms of people:

- Avoiding public transport and/or choosing to travel only by private car;
- Avoiding international travel due to fears of travelling by air;
- Avoiding busy places and being very aware of social distancing;
- Being more aware of cleanliness and hygiene standards.

Scots' holidaying horizons when restrictions are lifted are also generally likely to have reduced in scale. Initially at least, day trips have the highest appeal, followed by Scottish breaks and holidays, then holidays elsewhere in Britain, and finally holidays overseas.

<https://www.56degreeinsight.com/scottish-tourism-index>

As part of the trend for people to do more things online, social media platform **Pinterest** is seeing record levels of engagement as consumers seek inspiration in lockdown. Image searches have increased by 60% year on year and 'saves' have risen by 40%.

DMO Recovery Plans and Support

Marketing Peak District & Derbyshire is offering business grants of up to £10,000 to help visitor economy businesses to rebuild their business and develop their digital assets in the wake of the coronavirus pandemic. The grants are available to support a wide range of activities such as website development, new photography, the creation of virtual tours, the implementation of cashless payment systems, improving accessibility for people with disabilities, environmental measures, and facilities for cyclists. The grant programme is part of Marketing Peak District & Derbyshire's European Regional development Fund project.

<https://www.visitpeakdistrict.com/industry/business-support/erdf-project-phase-2/business-grants-scheme>

Welcome to Yorkshire is currently working on a COVID-19 recovery plan under the banner of #Yorkshire Together, with the aim of helping hospitality businesses and visitor attractions to reopen, recover and rebuild for the 'first day back' whenever it is legally safe to welcome customers again. It has so far held two industry webinars to discuss the way forward. It has been agreed to keep talking and sharing good practice. The idea of looking at 'safe trial' attractions and towns has also been floated. <https://industry.yorkshire.com/>

Reopening

The **UK Government's COVID-19 Recovery Strategy- 'Our Plan to Rebuild'** currently envisages accommodation businesses being allowed to reopen after 4 July, subject to compliance with COVID-19 Secure guidelines once they are published.

Visit Britain is currently working across the tourism industry and with the UK Government to develop a common industry standard quality mark to help give consumers confidence that UK tourism businesses, attractions and destinations are safe to visit again. While discussions are ongoing with the industry, plans may include businesses completing a free online assessment to check that they are taking the necessary steps to adhere to the official government guidelines as they are issued. Businesses that successfully complete the assessment will be provided with a quality mark and certificate to demonstrate that they have been through the process.

UKHospitality is currently drawing up a series of best practice protocols for the safe reopening of different types of hospitality business, including accommodation establishments and holiday parks. The protocols are intended to provide guidance for businesses to devise their own safe reopening plans tailored to their individual site. They have now been submitted to government for endorsement.

Quality in Tourism is currently developing a Post-COVID Recovery Accreditation scheme for different types of accommodation business; restaurants, bars and pubs; and visitor attractions. The scheme will give participating businesses access to guidance notes on safe reopening, EHO approved COVID-19 cleaning protocols, risk assessment templates and online training videos. Accreditation will be through desktop checks and eventually property inspections by Quality in Tourism's trained assessors. Charges will apply. Accommodation businesses can register their interest in the scheme through Quality in Tourism's website www.qualityintourism.com/quality-assessment/safe-clean-and-legal. The Best Western Great Britain hotel consortium has just signed up to the Quality in Tourism scheme for all 297 of its UK hotels.

The **UK Housekeepers' Association** is launching a new 'Housekeeping COVID-19 Secure Standard' on 1 June, developed through a strategic partnership with Umbrella Training. www.ukha.co.uk/news/590/45/New-COVID-Secure-Housekeeping-Standards-coming-soon

Visit Lincoln is planning to provide COVID-19 safety signage bundles for its partner businesses to help them to reopen safely.

Expedia Group has started to give accommodation businesses the opportunity to highlight their health and safety protocols as part of their entries on its site.

As **Spain** eases out of its lockdown restrictions, hotels are reopening to a 'new normal' of strict health and safety protocols. Government health and safety guidelines have been drawn up that require vigorous cleaning and disinfection multiple times a day, as well as changes to the guest experience, such as a ban on buffets. Kitchens are being transformed to reduce handling. Hotels are installing screens between tables in their dining rooms and introducing staggered dining hours and room service by staff in masks and gloves. Coffee makers, minibars, carpets, extra bedding and ornaments are being removed from hotel bedrooms. Strict social distancing and disinfecting regimes will be in place for common areas, swimming pools and gyms. Contactless credit card payment is being promoted and mobile phone apps are being introduced for guest check-in and check-out, food and drink menus and ordering, keyless room entry and in-room controls.

HVS London sees rebuilding consumer confidence as the key challenge for hotels once COVID-19 restrictions are lifted. Building trust between hotels and their customers will be paramount. Hygiene and cleaning protocols will be top of the agenda, with global hotel operators such as Marriott, Hilton and Accor already launching programmes to communicate and promote high standards of hygiene and cleanliness. Hotel operators will need to look at how they can best protect their guests and staff at every interface, introducing measures such as screens and social distancing. HVS anticipates that most hotels will reopen gradually, bringing rooms back into use and rehiring staff as demand increases. www.hvs.com/article/8781-hotels-count-the-cost-of-covid-19-pandemic-and-look-to-remodel-business-to-rebuild-consumer-confidence

Accor has launched a new ALLSAFE cleanliness standard for all of its hotels across the globe. Developed with, and vetted by Bureau Veritas, one of the world's leading testing, inspection and certification companies, the ALLSAFE label establishes some of the most stringent cleaning standards and operational procedures in the hospitality industry. It includes frequent disinfection of all high-touch areas such as lifts and public toilets and an enhanced room cleaning programme using hospital grade cleaning materials and regular deep cleaning of upholstery and carpets. Social distancing and guest safety measures will be introduced in all hotels, including spacing of restaurant tables and seating in public areas, provision of hand sanitiser, wipes and face masks for guests, guest temperature measurement, desk-free check-in and contactless payment. All staff are going through a comprehensive safety and hygiene training programme. Accor has also entered into a partnership with AXA to provide medical support to hotel guests.

<https://group.accor.com/en/Actualites/2020/05/allsafe-cleanliness-prevention-label>

IHG Hotels & Resorts, which operates brands in the UK including Holiday Inn, Holiday Inn Express, Crowne Plaza, Hotel Indigo, Voco and Staybridge Suites, has launched a new 'Clean Promise' to give guests the confidence to stay in its hotels again and the protection that its hotel teams need. The company's long-standing IHG Way of Clean procedures, developed with industry leading experts Cleveland Clinic, Ecolab and Diversey, are being expanded with additional COVID-19 protocols. Going forward IHG guests can expect to see reduced contact at check-in, touchless transactions, front-desk screens, sanitiser stations, visible verification of sanitised items in guest rooms (e.g. glassware, TV remote controls), a reduction of in-room furnishings and high-touch items, deep cleaning of high-touch surfaces in public areas, social distancing measures in restaurants, bars and lounges, and new standards and service approaches to buffets and room service.

<https://www.ihg.com/content/gb/en/customer-care/clean-promise>

Industry Support

The Professional Association of Self-Caterers (PASC UK) provides useful information and support for self-catering operators on its website. www.pascuk.co.uk/covid-19

The **Hospitality Professionals Association (HOSPA)** website includes a range of offers of support from its sponsors and partners during the coronavirus crisis. www.hospa.org/crisis-support

Hospitality software and solutions company **Agilysys** www.agilysys.com/en offers a range of contactless solutions to support social distancing measures in hospitality businesses.

Leading hotel access control provider **TLJ** has launched a new antiBac product range to support the safe reopening of hotels. The range includes smartphone room keys, no-touch exit buttons, key card sanitiser ovens and anti-bacterial handle coatings.

<https://tljlimited.com>

Government Support

UKHospitality has launched a new campaign to highlight that hospitality businesses are ready to reopen in a safe and sustainable way given the right government support. The **#FAIR4Hospitality** campaign outlines four primary areas in which the UK and devolved governments can deliver for Britain and allow hospitality to play a leading role in the country's economic recovery:

- **Wellbeing:** Endorse the sector's best-practice protocols and risk assessments for a COVID Secure restart
- **Workers:** Ensure the furlough scheme is retained at full rate for hospitality until businesses successfully restart
- **Communities:** Regulate to provide a 'National Time Out' on rent payments for the remainder of the year and a solution to address debt and costs for business
- **Consumers:** Cut the rate of VAT for hospitality businesses to help boost confidence and incentivise visits to tourist destinations.

UKHospitality is encouraging all hospitality businesses to write to their MPs in an effort to get them to support the campaign. www.ukhospitality.org.uk/page/FAIR4HOSPITALITY

Scotland's top hoteliers have written to Scotland's First Minister asking for continued support for the Scottish hospitality sector to prevent the collapse of businesses as a result of the coronavirus pandemic. They are asking for support in 5 key areas:

- **Furlough:** A specific extension for hospitality staff beyond October to give the sector enough time to get back on its feet.
- **Rent:** More Scottish Government support against inflexible landlords who are still demanding full rent.
- **Business Rates:** An extension of the business rates holiday into next year to give the sector time to recover.
- **Funding:** Scotland needs an Independent Hospitality Development Fund to help businesses here adjust to new trading and target and build domestic tourism.
- **Validation:** With consumers nervous about venturing out again, they say a Covid Code is required to reassure the public that specific steps have been taken to keep them safe.

Hotel & Visitor Accommodation Investment

While hotel and visitor accommodation investment activity has slowed considerably, new development and refurbishment projects have continued to be unveiled and progressed across the UK:

- The team behind Watergate Bay in Cornwall and Another Place in the Lake District has acquired Amport House in Hampshire to redevelop as the second Another Place hotel. The country mansion, which formerly operated as a British Armed Forces Chaplaincy Centre will be converted into a 50-bedroom hotel with two restaurants and bars, leisure facilities and a children's play centre.
- A 100-bedroom hotel and restaurant are being proposed as part of a £12m regeneration project in Mansfield, Nottinghamshire that has been submitted for planning permission. The scheme, proposed by Mansfield-based developers ARBA Group, also includes three restaurants, retail space and car parking.
- A 100-bedroom hotel is proposed as part of the £120m Strawberry Place regeneration scheme in Newcastle-upon-Tyne, alongside office space, residential apartments and bars and restaurants. Developers, The High Street Group, have now finalised the purchase of the land and are in discussions with a construction partner and potential occupiers.
- Kier Property and CTP have received detailed planning consent for a 284-bedroom hotel and 102,000 sq ft office building as the first phase of their Pall Mall development in Liverpool. The developers are in discussions with an international hotel operator to lease the hotel.
- Plans have been submitted to Northumberland County Council by Northumberland Estates to convert a number of listed buildings at a former school in Alnwick into a 47-bedroom hotel with a gym, restaurant and bar, to be operated by the operators of The Cookie Jar boutique hotel in the town.
- A planning application has been submitted to Edinburgh City Council for the conversion of the former HMRC office, Meldrum House, into a 166-bedroom hotel to be operated under The Resident hotel brand (formerly Nadler Hotels).
- The Coaching Inn Group has restarted the £1m refurbishment of its latest acquisition, the Rutland Arms in Bakewell, Derbyshire, after securing £2.5m of funding from NatWest through the Coronavirus Business Interruption Loan Scheme.
- Latin American luxury hostel operator Selina has submitted plans to Liverpool City Council to add 20 bedrooms and a co-working space to its Selina Liverpool hostel, acquired in 2019. The plans also include the creation of a wellness centre, new café and cocktail bar and a revamped beer garden.
- A planning application has been submitted to Nottingham City Council by a joint venture between Locksley Hotels and hotel group Ascena for a 162-bedroom 4-star hotel as part of a multi-million-pound redevelopment of the Guildhall in Nottingham city centre. The hotel will include a rooftop fine dining restaurant, spa and wedding and conference facilities.
- Plans to add 12 guest bedrooms to the Chapel Spa day spa in Cheltenham town centre were approved by Cheltenham Borough Council at the end of May.

- Work on a 144-bedroom, 4-star Holiday Inn hotel is set to get underway in Blackpool in June as Blackpool Council and Muse Developments progress Phase Two of the Talbot Gateway project.
- The Hut Group has submitted plans to Manchester City Council for the upgrading of the Great John Street Hotel. The project includes the refurbishment of the hotel's bedrooms to a 5-star boutique standard (which will be reduced from 30 to 24 in the process), a glasshouse extension and glazed external lift and an improved rooftop bar area.
- Hotel Brooklyn is set to open its second UK hotel in Leicester in the summer of 2022 next to Leicester Tigers' rugby stadium. The hotel will have 191 bedrooms, two restaurants and conference facilities.



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