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CORONAVIRUS: BUSINESS IN CRISIS

A 'million hospitality jobs at risk' after PM's call for public to stay in

By Cyril Dixon

BORIS Johnson was warned yesterday that his "stay home" coronavirus plan threatened up to a million jobs at pubs, bars and restaurants.

Critics say the Prime Minister has left the hospitality industry facing financial disaster by telling Britons to avoid gatherings and crowded places.

Ahead of last night's announcement of financial help, including a rates holiday, landlords, brewers, restaurant owners and chefs demanded tax breaks and other measures to compensate for lost custom.

They also claimed he had denied many outlets access to "business interrupted" insurance payouts by failing to issue a compulsory closure order.

Emma McClarkin, chief executive of the British Beer & Pub Association, said Mr Johnson had forced the licensing trade into an "existential crisis".

"Forced pub closures without a meaningful support package will have a catastrophic financial and social impact," she added. The association has written to Downing Street asking for a six-month window on beer duty and business rates, and breaks on VAT, pay and corporation tax.

James Calder of the Society of Independent Brewers urged the Government to offer rent and tax breaks for brewers, and for licensing laws to be relaxed so they can sell and deliver drink directly to homes.

Tim Martin, chairman of pub giant Wetherspoon, said the "lockdown" would endanger the annual £120 billion tax revenues from hospitality.

"Lockdown delays the inevitable and destroys the tax base at the same time, which will cripple the NHS and the economy," he said.

Nik Antona, chairman of real ale

society Camra, said: "The Government has not defined how long people should stay away from pubs, but in a short time many pubs and breweries will close and never reopen."

Jane Pendlebury, chief executive of the Hospitality Professionals Association, said the latest advice was ambiguous, leaving many hospitality businesses in limbo.

She said: "Do we restock and reorder in anticipation of some trade – with the risk that this expense then goes to waste? Or do we simply take the hit and close completely?"

Mark Jones, chief executive of the Carluccio restaurant chain, said: "To do that to an industry without any fiscal support whatsoever condemns us to death effectively. We are days away from large-scale closures of restaurants throughout the UK."

UK Hospitality chief executive Kate Nicholls said the guidance left the industry in "limbo with no recourse to insurance", describing it as "catastrophic" for businesses and jobs. But the Association of British Insurers said most businesses would not have bought that kind of cover and it only usually applied to physical damage.

Mr Johnson's announcement was predicted to hit more entertainment outlets, as famous theatres, cinemas and museums shut their doors.

The Royal Albert Hall, the English National Ballet, the Tate and the British Museum have all closed.

Although there was no immediate concern over jobs, Tamara Rojo, artistic director of the English National Ballet, said the crisis would devastate a sector worth £11 billion.

She added: "For many this sudden closure without a clear ban means many venues, theatres, museums, won't be able to claim compensation

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for a devastating loss.” Major chains including Odeon, Cineworld and Picturehouse also announced plans to close for the foreseeable future, and Glastonbury was among music festivals to be hit.

And Britain’s top retailers yesterday joined forces to demand urgent action to save the high street.

The bosses of more than 50 of the UK’s best known chains have written to the Prime Minister and Chancellor.

The powerful joint letter was written by the Retailers Rates Action Group which represents stores including WHSmith, Iceland and Dixons Carphone as well as Starbucks, Burger King and Costa Coffee. Fashion outlets including H&M, Monsoon, Moss Bros, New Look, Primark, River Island, Ted Baker, Superdry and Urban Outfitters also signed.

They are calling for business rates to be suspended and help with cash flow issues. And they want Mr Johnson to say, like French President Emmanuel Macron, that “no business will be allowed to fail”.

Decline

Last night Jace Tyrrell, chief executive of New West End Company, which represents 600 retailers and businesses in London, said: “We have seen a 50 per cent decline in visitors, a figure that is growing daily. West End businesses are set to lose over £1 billion with tens of thousands of jobs at risk.”



Wetherspoons boss Tim Martin