

12th June 2020

Dear Sir/Madam,

We represent the outdoor provider sector in South Wales covering the region from Pembrokeshire in the west, to Builth Wells in the north and across to the English border encompassing South East Wales. Our members include adventure activity providers and activity centres in the public, private and third sectors. These range from local authority outdoor residential centres through to independent sole traders who often work on a sub-contract basis with larger providers. The nature of the business for the majority of members is seasonal and reliant on income generated during the peak Summer months in order to carry them through the Winter.

These often are located or operate in rural locations and employ collectively a large number of people in a rural area where jobs are scarce. They also make an enormous contribution to the economic wellbeing of those rural communities with spend generated by visitors. Their continued existence is imperative to supporting local communities and the facilities within them.

Although to date our sector has been supportive of the stance taken by Welsh Government to tackling the Covid 19 pandemic given recent statements it has become clear that there is real risk the sector won't be allowed to trade in any way shape or form this Summer period. The sector is facing a catastrophe and will be decimated if this approach prevails. We understand the approach has been a cautious one with a view to bringing the 'R' number down, protecting the NHS and preventing a second wave which could have an even bigger impact on the economy of Wales. From recent announcements it appears the first two tests are under control. There is no need to worry about a second wave having an impact on the economy as there will not be enough of us left to have an impact on unless something is done now.

Now is the time to be bold, balance the risk and allow our members to reopen. We appreciate it is a case of balancing Lives versus livelihoods which is an almost impossible task. However, the time has come to take the risk as to not act now within the next 3 weeks

spells the end for many of our members. The window of opportunity is closing fast - we have weeks rather than months. This is not just dramatic language for the sake of it - it's fact.

For the moment, the hospitality and tourism sector in Wales currently has no route map to re-opening. The next announcement on how lockdown might be released in Wales is due on 18th June but the indications from the Welsh Government are that we should expect little.

The failure to allow the sector to re-open sentences a number of these businesses to closure and many of the jobs to redundancy. All businesses are making decisions **now** about redundancies as they try to reconcile the partial removal of Furlough grants on 1st August with continued closure. Jobs will be lost over the next 7 weeks as companies make their best guess at future cashflow.

There is also a real human cost that we ask the Government to understand. The stress of being a business owner in this environment is creating extraordinary mental health pressure, even driving people to an ultimate decision over life and death.

It may help to summarize in a little more detail some of our concerns:

- As the rest of the UK opens up tourism, Wales is losing market share as its loyal followers head to competing areas in England and Scotland. Messaging needs to change as once people holiday elsewhere and habits are formed it could take several years before they return to Wales. We need to remain in lockstep.
- A route map to reopening is required as a matter of urgency within the next week;
- 2m social distancing needs to be reviewed as this effectively prevents us from operating or operating at a sufficient capacity to be financially viable;
- Anxiety for business owners and employees since March will already have put at risk mental health. As we approach the moment of truth for the sector, this could run out of control.
- A large proportion of our Summer season has already been lost. The limited time left, even if we are allowed to open, will not generate sufficient income to secure our futures although it will give us a fighting chance. However ongoing financial support will still be required from Government to ensure our members survive into 2021 – Through the winter scenario with little or no income.

- The outdoor sector lies at the heart of a rural economy. If certain categories of accommodation are allowed to open, then people visiting will not have anything to do. They come to experience the outdoors and our members play a large part in that. If the rug is pulled from beneath the sector, the ripple effect through the sector will be dramatic and long term.

Our members are staring over the precipice now and we know many are now looking at the future with trepidation. We know that already some have left the industry, some are making redundancies as of the 1<sup>st</sup> August and others are considering selling up never to return. If nothing changes then this will be the story for the whole sector within weeks!

We are asking that the First Minister and his Government rapidly review their strategy for the wider tourism and outdoor sector in particular in Wales, with a view to making an announcement at the next 3 weekly review on 18th June about a timetable for re-opening the sector during July.

Yours sincerely,

Jeff Calligan,

Chairman,

South Wales Outdoor Activities Providers Group