



Cumbria Tourism
At the heart of our visitor economy

Cumbria Tourism

BUSINESS SURVEY FOLLOWING STORMS AND SEVERE WEATHER EVENTS DECEMBER 2015

Introduction

Severe weather and flooding during the weekend of the 5th and 6th of December 2015 affected many parts of Cumbria including Appleby, Carlisle, Cockermouth, Kendal, Keswick, Glenridding, and Windermere. This was followed by further flooding events later in the month.

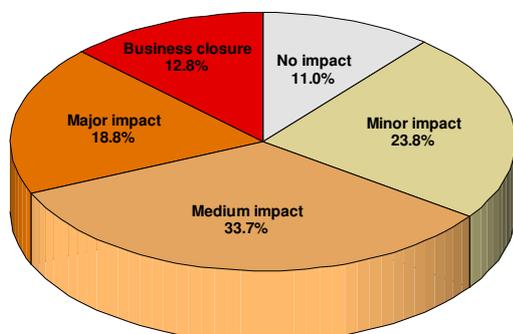
Cumbria Tourism has been surveying all tourism businesses to identify the nature and level of impact, assess for how long the impact may be felt, and identify what priorities are needed for action. An online survey began on Monday 7th December 2015, and has been distributed to all known tourism businesses, whether members of Cumbria Tourism or not. This work is ongoing.

284 responses have been received to date. Key findings:

- 89% of tourism businesses have felt some level of impact.
- 13% have had to close - up to 238 days for one business, 34 days on average.
- Cost of repairs for the current sample of businesses estimated at £10m - up to £3.6m for an individual business, and £100,000 on average.
- Cost of loss of business (which can affect even those in areas with no floods or infrastructure issues) estimated at £5.9m for this sample - up to £2.2m for an individual business and around £36,400 per business on average. Total cost for this sample including repairs and loss of business is £15.9m.
- 60% have had cancellations, and 64% are experiencing reduced bookings and enquiries. 59% are concerned about damaged PR/public perceptions.
- 59% are suffering from road/bridge closures, 36% actually flooded; 35% suffering staff access issues.
- Assistance required primarily is positive PR/marketing to build consumer confidence (92%); road/bridge/infrastructure improvements (51%); and money for marketing (40%).
- A Recovery Plan for the county needs to involve positive PR/marketing to build consumer confidence (92%), road/bridge/infrastructure improvements (77%); flood prevention measures (63%), rate relief (57%) and money for marketing (52%).

Q1 EXTENT OF IMPACT

Just over three quarters (76%) of tourism businesses have been affected by the floods, from minor to major impact. A further 13% have had to close. In total 89% have felt some impact.



(NB The severity of impact is subjective. In general, businesses with temporary access issues, minor property damage or short term cancellations described themselves as minor impact; those with more severe property damage, temporary closure, longer term access issues and cancellations described the impact as medium; and those with extensive property damage, ongoing access issues, or severely impacted bookings classed the impact as major).

Business closure was up to 238 days, and on average 34 days.

Q3 COST OF DAMAGE

Businesses were asked to estimate the cost of any repairs.

Average Cost	Maximum Cost for Single Site	Total Cost for Sample	Sample
£100,443	£3,600,000	£10,044,300	100

On average, repairs were going to cost each business £100,000, and £10m for the sample overall.

Q4 COST OF LOSS OF BUSINESS

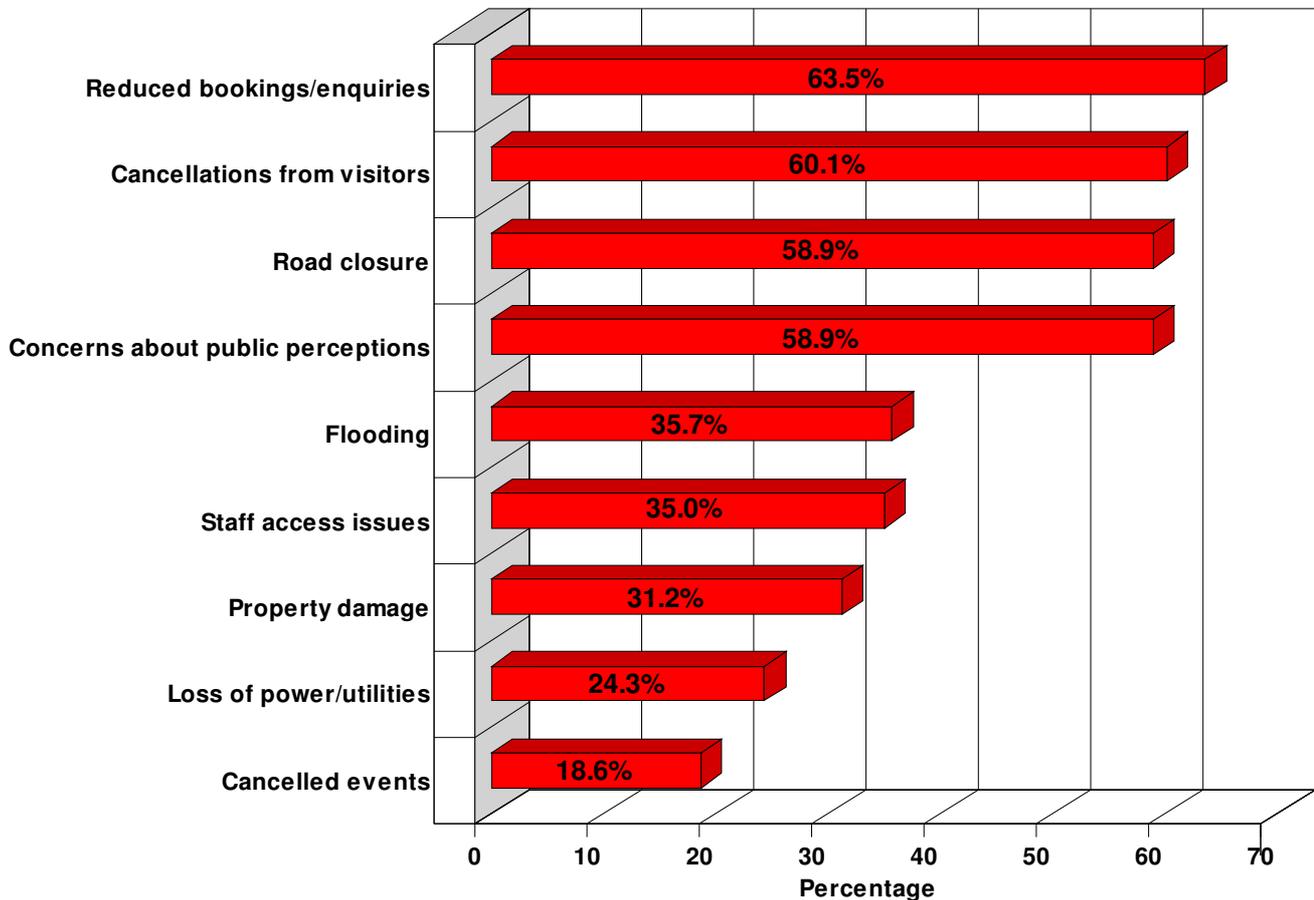
Businesses were asked to estimate the cost of loss of business, including any cancelled bookings. Losses can be felt even in areas that have suffered no physical impact, as consumer confidence falls and visitors change their plans:

Average Loss	Maximum Loss for Single Site	Total Loss for Sample	Sample
£36,372	£2,200,000	£5,855,842	161

On average, each enterprise has lost over £36,000 in terms of loss of business, and up to £2.2m for a single site. In total this sample estimates losses at £5.9m. However, many people mentioned that it was too early to assess the extent of any damage, or loss of business – that figures were of losses so far. When combined with figures for damages and repairs – this comes to £15.9m total cost to this sample of tourism businesses.

Q5 IMPACT IN DETAIL

Businesses are extremely concerned about the extent to which the footage of floods in the national media has affected bookings in both the immediate and long term. 64% have reduced levels of booking and enquiries, and 60% have had cancellations. Over half (59%) are concerned about public perceptions.



Road closures have affected 59% of businesses, and 35% have staff access issues. Access issues affect trade, supplies, and staff.

Many people said that although not directly affected by flood damage, visitors were still cancelling, and bookings had tailed off.

" No damage to property and business open as normal but have received cancellations from all guests booked in during the next 10 days and no new bookings made."

" Flooding impact to our building was minimal, Bridge outside is closed & main road is saying ROAD CLOSED however access IS available from the A 591 - since road closure we have dropped 50 % of business at least."

" We are a tour operator using accommodation throughout Cumbria. We estimate around 40 of our accommodations have been flooded, putting many of our bookings in jeopardy. We have had clients from UK, US, and Australia raising concerns about their already booked holidays, or enquirers who are now telling us they won't be booking as a result of the floods."

" Business remained intact however the situation on Saturday meant we had to cancel an evening event and send staff and customers home just after lunch. We didn't open on Sunday. As a retailer our lifeblood is footfall - since opening on Saturday December 5th our footfall is down 67%."

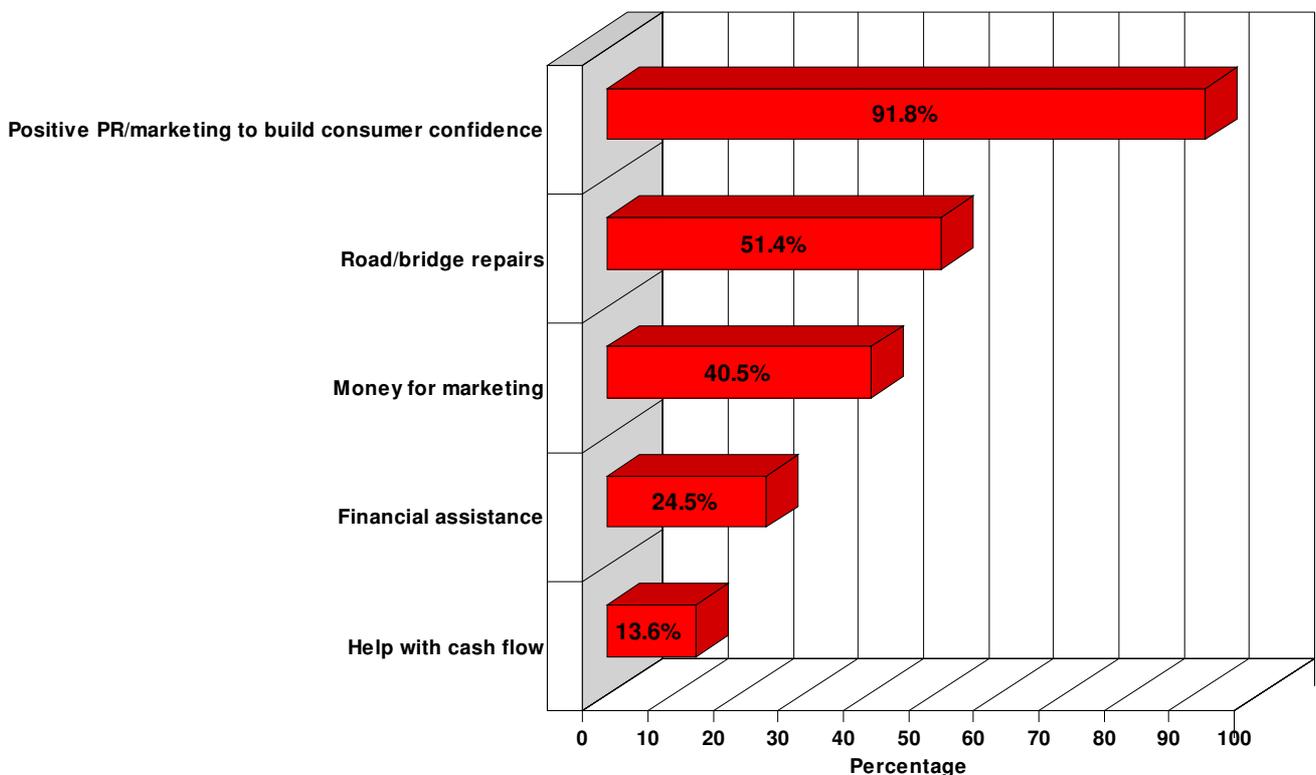
Cumbria Tourism Flood Impact Survey

“ Reduced interest and cancellations as a result of news images. Even though we are largely unaffected and access is fine, we are still suffering cancellations and reduced enquiries. No-one wants to have a holiday in a disaster zone, and our location is fine now but people do not know that.”

This is a crucial time of year for tourism businesses in Cumbria – the lucrative time in the run up to Christmas and the New Year is relied on to build up profits to see them through the quieter months of January to March. Cancellations and reduced bookings will affect cash flow and business viability.

Q6 ASSISTANCE REQUIRED

Nine out of ten (92%) tourism businesses say they need positive PR and marketing to build consumer confidence. Half need road and bridge repairs, while 40% think money for marketing will help their business.



Businesses report that visitors think the whole county is affected, that access is limited, and are concerned that even if they get here there will be little for them to do. As a result the main thing they want is to see positive publicity and especially television coverage. They want a clear message to go out saying that any affected areas are small, that most of the county is ready and waiting to welcome visitors and that we need their support more than ever. Many mentioned repairing the A591 between Grasmere and Keswick should be a priority.

“ Get the message out that Cumbria is OPEN”

“ The need to send a positive message to make sure it does not have a negative impact on next season”

“ We need people to come back to Cumbria! Scenes of Cumbria under water and news of bridge/road closures not great for public perception. Especially as now Cumbria is back on its feet.”

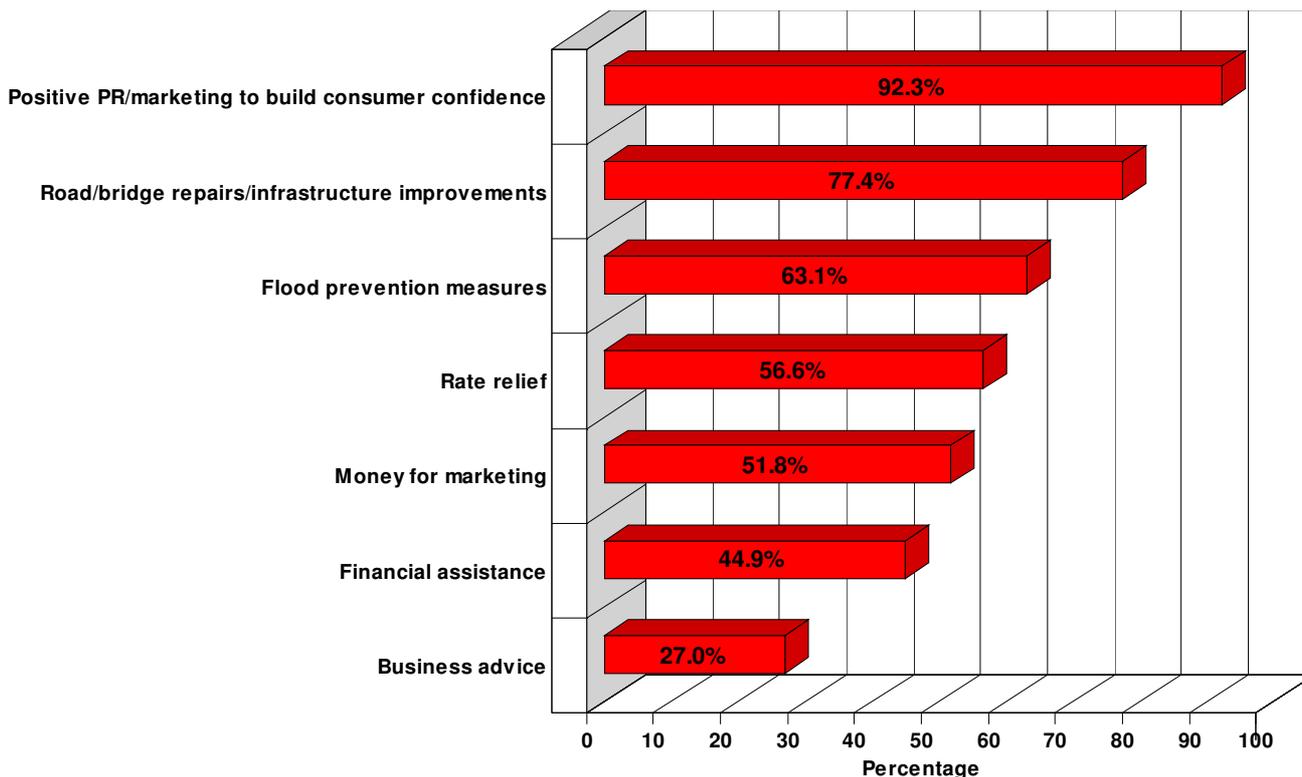
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- " The [presumably lengthy] closure of the A591 between Grasmere and Keswick means no central route through the Lake District. I think we must research, develop and promote tourist routes/itineraries from the periphery IN, rather than from the centre radiating OUT, to make it clear that all parts are accessible, but from less obvious directions and less familiar routes - so that a visit will be a 'new', 'fresh' experience. Petrol within Cumbria at £1 per litre or less. And an ex-Army Bailey Bridge at Pooley Bridge asap; ditto for other major link bridges."*
- " Positive messages to visitors. Prioritising repairing A591. Government support to repair infrastructure and build consumer confidence."*
- " We need to get out the message worldwide that the floods have not had a lasting impact. We need roads repaired and bridges replaced/opened. (We have huge extra logistical costs in delivering our holidays at present. Paths and footbridges need repaired. All this needs to be done by the start of the season, and we need certainty it is going to happen now. (By then end of March we have taken 70% of our booking for the year)."*
- " There is nothing in local or national news about the business or towns that have not been effected. There is only negative news which is driving cancellations."*
- " Clearly the A591 needs repairing ASAP, but the potential customers need to be reassured that it is still an area worth visiting and there is still plenty to see despite accessibility issues"*
- " Tourism is central to the economy of Keswick (and the Lake District as a whole of course) therefore the most important thing that local & national agencies can do is encourage potential visitors to return to our area as soon as possible; critically over the Christmas holidays. The 2 weeks around Christmas are the busiest weeks of our year...but that will only happen if people are in the area. I appreciate that some areas are not accessible & some accommodation providers are out of action but we need to get the message out that the area is open, there are plenty of places to stay and that visitors and their spending power will play a vital part in the regeneration of Cumbria."*
- " A rapid national campaign is essential. eg the Lake District is open for business. Most businesses are unaffected, plus this would tap into peoples solidarity - eg the best way to get Cumbria up and running is to support its tourism industry. The reopening of key roads must be a priority - eg the Grasmere to Keswick road. This is vital."*
- " It may be worthwhile to highlight that Cumbria is "More than The Lakes" and substantial areas were not affected by the recent flooding and rains. Tough I know but true."*
- " People from outside the county need to be reassured that Cumbria is open for business and that the terrible images they have seen in the papers and on the tv do not apply to the whole of the county. We fully understand the difficulties of surveying roads and bridges for damage, but PLEASE can we have signs that either state businesses are open as usual, or that successfully guide our guests along diverted routes."*

Q7 RECOVERY PLAN FOR THE COUNTY

Businesses were asked about what initiatives they would like to see put forward as part of a Recovery Plan for the county. Again, positive PR is the most important initiative requested by the tourism industry (92%). Just over three quarters need road/bridge repairs and infrastructure improvements.

63% want flood prevention measure, and 57% requested rate relief. 45% need financial assistance, and 52% require money for marketing. Over a quarter would benefit from business advice.



They were given the opportunity to describe anything else they felt was important. Some mentioned cuts in VAT, better co-ordination and consultation, and tv marketing campaigns.

" Cut in VAT rate for hospitality industry"

" This is an ideal time to bring in tourism VAT at 5%. This will give B&BS, presently working under an effective turnover ceiling, the ability to invest in their properties, and crucially, improve their ability to borrow against the business. We need to reverse (at least) the proposed £9 a day parking charges proposed by Allerdale for Keswick."

" but please.. why encourage visitors to come when the place is a scene of destruction. Why not say Cumbria is on hold and have a huge re launch at the beginning of march when there are lambs and green grass? in some respects visitors make our job of recovery more complicated."

" Consultation with all businesses, possibly at a public meeting to discuss strategies."

" We have to keep national media/tv at the forefront of putting the message across that this beautiful county is OPEN."

" TV coverage which shows what a great place the lakes is. That you can still visit. National TV coverage and ad campaigns sending a very positive message. We are only on the national news for bad weather normally."

ANALYSIS BY AREA

In this section, data has been broken down by area where sample sizes allow.

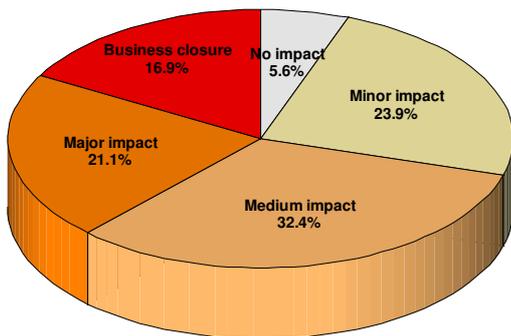
Sample sizes are:

- Allerdale 71
- Barrow 1
- Carlisle 16
- Copeland 8
- Eden 41
- South Lakeland 157

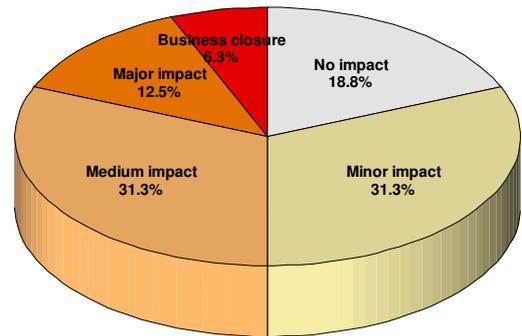
Q1 EXTENT OF IMPACT

Allerdale (77%) and South Lakeland (78%) have the highest proportions of tourism businesses overall affected by the floods, from minor to major impact, and these areas also have the highest proportions reporting a 'major' impact. Allerdale and Eden have the highest proportions of business closures (17% and 15% respectively).

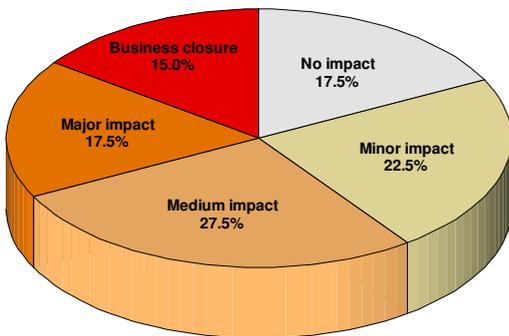
Allerdale



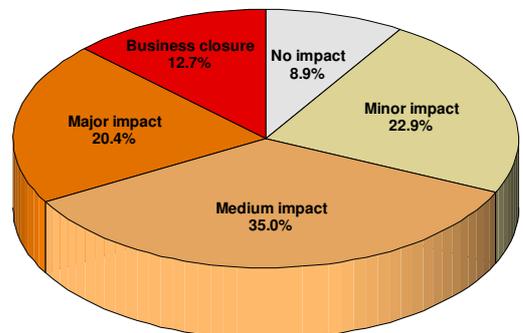
Carlisle



Eden



South Lakeland



Average business closure was highest in Allerdale at 48 days, followed by Carlisle at 40 days, South Lakeland at 25 days and Eden at 23 days.

Q3 COST OF DAMAGE

Businesses were asked to estimate the cost of any repairs.

District	Average Cost	Maximum Cost for Single Site	Total Cost for Sample	Sample
Allerdale	£81,971	£1,000,000	£2,295,200	28
Carlisle	£5,125	£20,000	£20,500	4
Eden	£199,454	£1,200,000	£2,592,900	13
South Lakeland	£124,295	£3,600,000	£7,457,700	60

Average cost of repairs per business is highest in Eden and South Lakeland. Total costs are highest for South Lakeland.

Q4 COST OF LOSS OF BUSINESS

Businesses were asked to estimate the cost of loss of business, including any cancelled bookings. Losses can be felt even in areas that have suffered no physical impact, as consumer confidence falls and visitors change their plans:

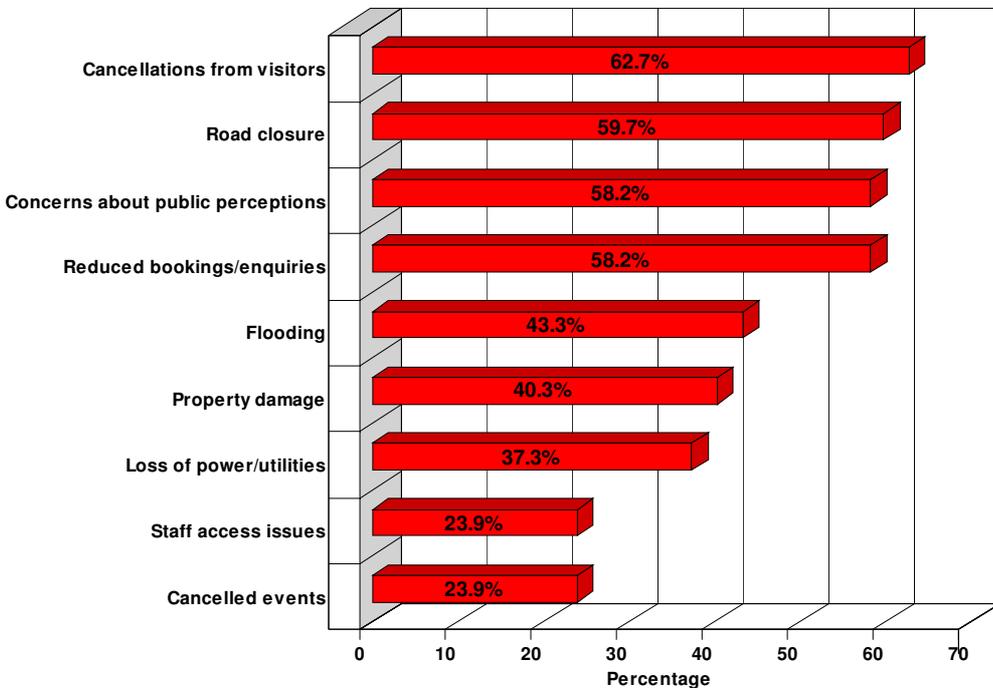
District	Average Loss	Maximum Loss for Single Site	Total Loss for Sample	Sample
Allerdale	£20,743	£400,000	£995,680	48
Carlisle	£10,928	£50,000	£76,500	7
Eden	£94,464	£1,500,000	£2,078,200	22
South Lakeland	£36,448	£2,200,000	£3,207,462	88

Average loss of business is highest in Eden, and South Lakeland, and overall losses reported to date are also largest in these two districts.

Q5 IMPACT IN DETAIL

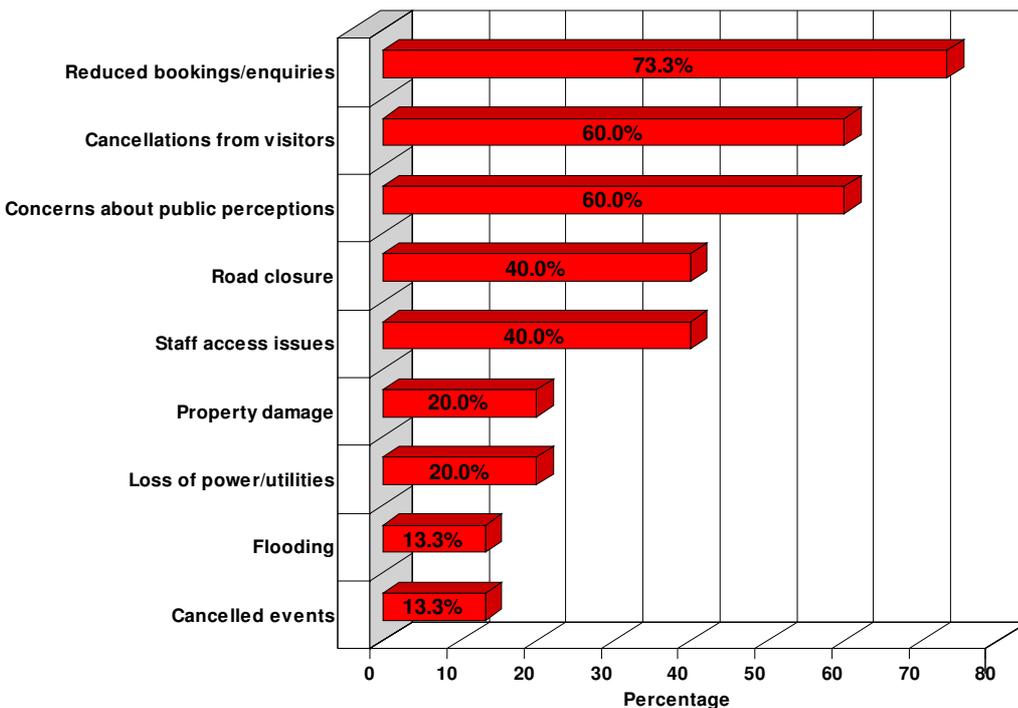
Allerdale

The proportion of tourism businesses that were themselves flooded is highest in Allerdale (43%). Allerdale tourism businesses (along with South Lakeland businesses) are more likely to have suffered from cancellations (63%).



Carlisle

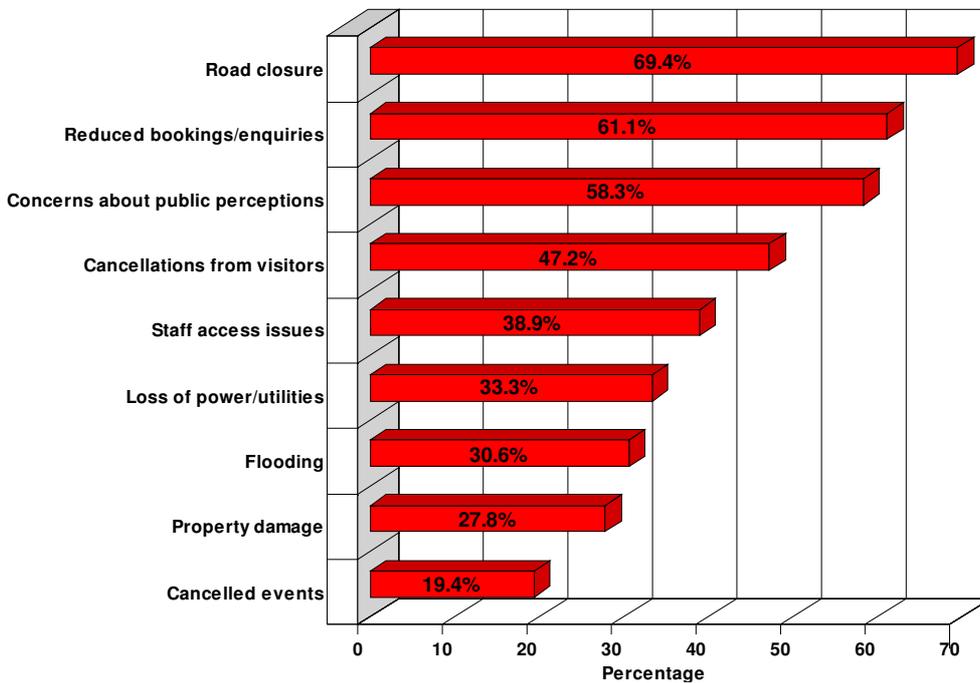
Carlisle tourism businesses are less likely to be suffering from the effects of road closures (40%) but are more likely to report reduced levels of bookings and enquiries (73%).



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Eden

The proportion of tourism businesses suffering from adverse effects of road closure is highest in Eden (69%).



South Lakeland

The proportion of tourism businesses that were themselves flooded is highest in Allerdale (43%). South Lakeland tourism businesses (along with Allerdale businesses) are more likely to have suffered from cancellations (63%).

