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| Senedd Cymru | Welsh Parliament |
| Pwyllgor yr Economi, Seilwaith a Sgiliau | Economy, Infrastructure and Skills Committee |
| Effeithiau COVID-19: Galwad Agored am dystiolaeth a phrofiadau | Impacts of COVID-19: Open Call for evidence and experiences |
| EIS(5) COV - 30 | |
| Ymateb gan: Country Land and Business Association Limited | Response from: Country Land and Business Association Limited |



Survey results *CLA Cymru update*

November 2020

Response to Senedd Committees consultation on the impact of the Covid-19 outbreak

Introduction

The Country Land and Business Association (CLA) is *the* organisation representing land-based businesses in Wales from agriculture, forestry and pisciculture, to rural manufacture, retail, tourism and hospitality. We are a well-established organisation covering England and Wales with around 30,000 members. In Wales, CLA Cymru's membership reaches nearly 3,000 rural businesses, where we play a full and dynamic part in Welsh Government and stakeholder engagement. The information in this document provides details of the pandemic's effects on our members up until the end of August. We would be happy to provide further information in the future as the pandemic progresses.

CLA Cymru are experts in rural issues, we represent many farmers and land managers, but a wide range of other kinds of business as well, all of whom have been affected by the crisis. While farming has continued (albeit with challenging market fluctuations), businesses in tourism, non-food retail and hospitality have been closed. Those who have opened again are still confronted by restrictions which affect their capacity and turnover. The second wave and potential further waves has subdued recovery, lowered morale and creates greater uncertainty.

As a representative organisation, we have been affected. Our capacity to recruit members has been significantly restricted, some staff have been furloughed, and we have had to remodel our working practices in line with the Welsh Government guidelines. We have demonstrated our value to many members – informing and advising them of support available, and representing their views to government. We have lost some members – but not as many as one may have feared. We have been particularly useful in informing/supporting members with interests within Wales, but who live outside the country – and are less exposed to Welsh Government announcements and news. As a team we have become home-based workers – which has its challenges as well as some environmental benefits. One response to the crisis has been an initiative systematically to call hundreds of members to check their wellbeing and business health, and to identify issues which we have fed back to Welsh Government through a range of stakeholder groups such as the Agriculture Resilience Group (ARG) and the DEERA Minister's "Round Tables."

We have also continued to discuss Covid and its impact upon our members through our Welsh national committee meeting *Polisi Cymru*, regional branch committees and CLA HQ

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Policy Committee. A task and finish group on tourism was also organised to understand the specific impacts of Covid on our members who operate tourism enterprises. Finally, in order to gain specific insights from our members on the impacts of Covid on their businesses we commissioned a survey to identify specific impacts. The key findings are outlined below. The first section covers the impacts that were felt by all sectors, with the subsequent sections covering the impacts for landowners/farmers and tourism businesses.

All Sectors

- Respondents stated that the Welsh Government was not working sufficiently closely with the UK government to make the situation clear and understandable for Welsh businesses. There was no attempt to resolve inconsistencies or cross-border issues – in fact C19 became a devolved partisan political issue: the needs of these communities were ignored. This criticism could be the result of a lack of communication from UK Government with the Senedd and other devolved administrations. Reports in the press highlighting the lack of COBRA meetings between the nations of the UK would support this argument. This lack of collaboration particularly affected those businesses who either trade across the border or regularly travel across the border.
- The general public and businesses in England did not receive information about restrictions in Wales. This caused lack of awareness, let alone confusion and frustration for some of our members.
- Members reported a relatively low impact on farm staff during this period, the most significant was in tourism businesses where staff had to be furloughed. However, so far this did not yet result in the redundancy of any full-time staff. This is likely due to the main respondents of the survey being family businesses – or SMEs where a business owner-manager furloughed him/herself in order to retain valuable staff. Regarding part time staff there were reports that additional workers were not employed or their employments was cut short.
- No reports of cancellation of training or development activities were reported in the respondents' businesses but there was no suggestion that any were planned to begin with, making evaluation of this question more difficult.
- The respondents thought that the Welsh Government communications were inadequate and the steps they needed to take to open their businesses were not clear.
- There was a sense that the Labour Government in Wales was determined to be – and be seen to be – different for partisan political reasons – at the cost of businesses in Wales. This has been counter-productive for progress of devolution in Wales.

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- All business types identified the need for a tax and grant system that helps them recover quickly. The reduction in VAT for tourism businesses is a critical part of supporting businesses affected by Covid.
- Remote businesses in rural Wales identified connectivity issues as a key concern even before Covid. With the more data usage that businesses needed following the health crisis (video conferencing, online sales, Government form filling) areas with poor connectivity struggled even more.
- Many businesses experienced a welcome upsurge in online business on which they hope to capitalise in the future. Government must do everything possible to support this.

Landowners + Farmers

- Respondents identified the need for information on local Covid cases to be shared quickly with all business in the vicinity to allow business owners to make the right decisions to protect staff and revenue.
- The crisis has highlighted the need for education in the countryside code – there were many reports of members of the public violating the guidance, notably young people no longer in school or college. This included littering, sheep worrying, failure to adhere to marked paths, and travelling in areas that were restricted.
- Farmers and landowners with public rights of way on their property were confused as to the regulations and precautions they needed to take. This included uncertainty regarding sanitising touch points and the need for additional signage. There was inconsistency about timing, guidelines and communication about some popular footpaths.
- Farmers who had diversified into small-scale tourism experienced some discrimination from local authorities causing the CLA to intervene on their behalf. To their credit, local authorities did modify their legibility criteria.

Tourism

- The most intensely affected sector by travel restrictions was tourism. All respondents reported a significant impact on trade and revenue.
- Not all respondents to the survey had received financial support, but those involved with the task and finish group considered the financial compensation to be satisfactory and considered the organisation of the fund to be well managed. Fears were raised that the funding may be off-set by a 're-taxing' at a later date.

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- All participants have applied a significant amount of mitigation measures in a short time frame to ensure they are compliant and keep their customers safe. They are restructuring the business models they use to minimise human contact and prevent community spread as far as possible.
- There is a belief that the regulations were too ‘urban centric’ the rural economy could have opened before it was eventually allowed and this harmed the businesses that operate there.

The key findings to come from the Task and Finish group are also summarised below, these are added in for reference but it is acknowledged that they have a certain degree of crossover with the above findings.

1. **Certainty** on guidance about the short and medium term -. It is now clear that we will have to manage the economy and virus together;
2. **Clear/simple guidelines** that businesses can quickly understand and respond to;
3. **Better/clearer public communications** so we all know what we need to do and what we’re able to do;
4. **Similarity and consistency of approach on guidance with England** recognising that many of our businesses operate UK wide and don’t want to be disadvantaged;
5. **Improved national marketing for farming and agricultural products;**
6. **Further support, and the consideration of additional grants** if businesses are threatened with closure to the impact of Covid.