



mia

meetings industry association

UK Events
Survey

January 2021

BACKGROUND

For three decades the [Meetings Industry Association](#) (mia) has been representing business meeting, seminar, conference and events venues alongside specialist sector-specific audio-visual suppliers, production houses and agencies, professional event organisers and equipment hire providers.

Our rapidly growing membership features 800+ venues including residential and non-residential conference centres, hotels with events space, large national exhibition spaces, sporting and academic venues, independents as well as corporate groups featuring a number of properties.

Prior to the outbreak of COVID-19 it was estimated that mia members employed in the region of 280,000 people who were not only crucial to the local economy throughout the UK but, were also economic and income generators for other sectors and essentially hubs for core business activity.

The figures from this latest report, which have been shared with the newly-reformed All-Party Parliamentary Group for Events and with the UK Government's Department for Digital Culture Media & Sport (DCMS), is based on the responses of 248 organisations operating within the sector, who we estimate represent 37,057 employees.

EXECUTIVE SUMMARY

Business meetings and events organisations will only be viable for another 7.5 months, according to this latest mia research.

The study of 250 venues, hotels and suppliers, revealed how 90% believe they cannot survive beyond the next two years without any additional government support, after enduring average revenue losses of over £2,560,000 to date.

Even if the government were to allow business meetings and events to proceed from April with limits to 50% of their capacity, 71% state it would take beyond 12 months to return to profitability.


As a result of such losses, the impact of COVID-19 on booking and enquiry levels and the government support packages currently available, nearly three-quarters (74%) have had to reduce their full-time employees by an average 38%. For 13% – this figure has risen to between 81-100% of their workforce being made redundant.

Most organisations (90%) have utilised the Job Retention Scheme and currently, on average, over half (53%) of the employees represented in the survey are on furlough. Of those, 81% listed operational roles (kitchen, catering, housekeeping) and 76% noted venue/event management staff are currently on furlough. Sales and marketing functions have also seen 66% placed on furlough alongside over two-thirds (39%) of leadership roles.


When it comes to government support, almost three-quarters (71%) of respondents have found it relatively straight forward to obtain business rate relief from their local authority.

However, one third (33%) of respondents have seen their organisation rejected for government support that they felt it should have been provided – including business rate relief, CBILS, local grants, bounce back loans. Reasons for rejection include having a rateable value too high, being a not-for profit organisation and not being classed as a ‘Hospitality’ business for eligible grants.


The majority of the sector (83%) has made it very clear that an extension of the furlough scheme to the end of Q3 would be of greatest benefit, followed by a sector-specific recovery package (76%) to support corporate confidence.



“DESPITE US HAVING A WAREHOUSE WITH A RATEABLE VALUE OF UNDER £51,000, MERTON COUNCIL DENIED US THE RETAIL AND HOSPITALITY GRANT AND BUSINESS RATES RELIEF BECAUSE WE WERE NOT OPEN TO THE GENERAL PUBLIC DESPITE COUNTLESS OTHER COUNCILS AWARDING SIMILAR EVENT PRODUCTION BUSINESSES THE GRANT.”




“BUSINESS RATES RELIEF - WE ARE AN EVENT ORGANISER AND RENT OFFICE SPACE. GUILDFORD COUNCIL REJECTED MY REQUEST BASED ON THE FACT THAT IF WE RENT AN OFFICE WE ARE A BUSINESS AND NOT COVERED AS A RETAILER, LEISURE, OR HOSPITALITY. WE HAVE ALSO BEEN DENIED ANY SUPPORT GRANTS FOR THE SAME REASON.”



“WE WERE REJECTED FOR A LOCAL RESTRICTION GRANT AS THE LOCAL AUTHORITY CONSIDERED US TO FALL OUTSIDE OF THE HOSPITALITY BRACKET EVEN THOUGH 85% OF OUR BUILDING IS DEDICATED VENUE SPACE FOR EVENTS AND CONFERENCES.”

Meanwhile, as a unique business-to-business sector, nearly two-thirds (65%) would like to see the responsibility for the sector switched from the government's department for Digital, Culture, Media and Sport (DCMS) to the department for Business, Energy and Industrial Strategy (BEIS) to ensure its interests are correctly represented.

Over half (56%) are keen for an extended business rates holiday to April 2022 and 55% would like to see the government underwrite events insurance to mitigate risk and stimulate corporate confidence and demand.



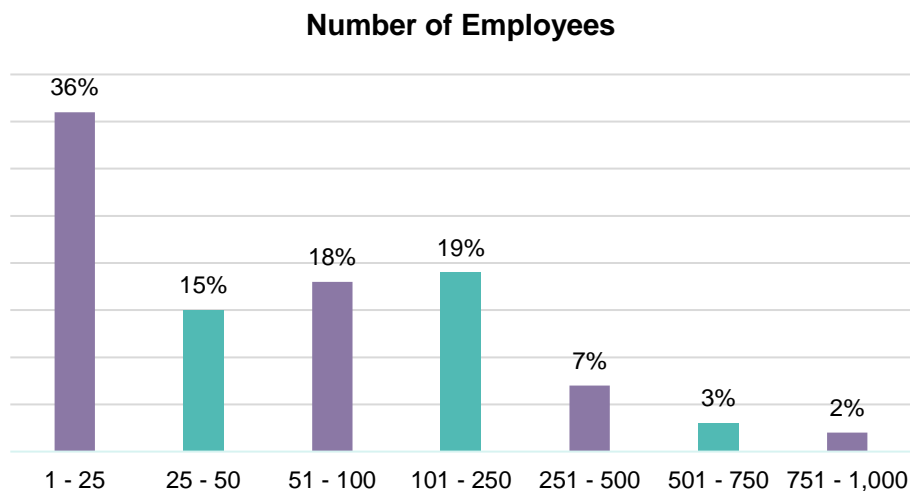
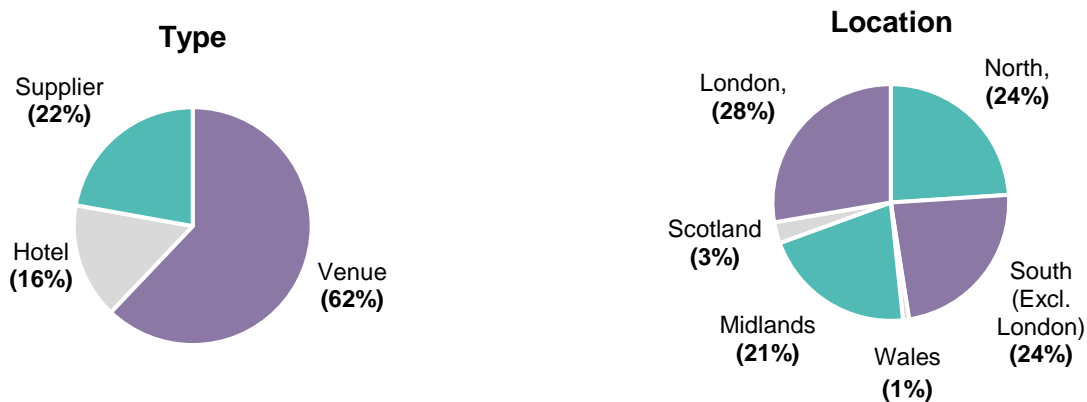
“BUSINES RATES RELIEF - WE ARE A 100% HOSPITALITY BUSINESS THAT HAS BEEN DENIED SUPPORT BECAUSE CUSTOMERS DO NOT COME TO OUR PREMISES - WE CATER FOR THEM AT SITES ALL OVER LONDON AND BEYOND. THE EXTENSION PROPOSED WILL BE OF NO USE TO US, UNLESS WE CAN BE INCLUDED IN THE RELIEF.”

1 | PROFILING RESPONDENTS

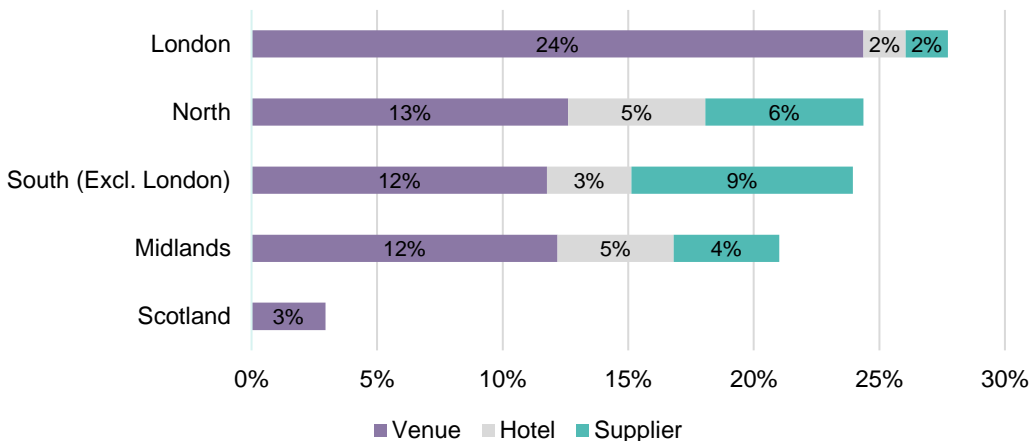
When evaluating the profiles of the 248 survey respondents, almost two-thirds (**62%**) of those are from professionals representing venues, with other respondents representing hotels (**16%**) or organisations serving as suppliers to the sector (**22%**).

As a sector that serves local economies throughout the UK, there is low level of deviation between respondents representing organisations within England, with a range of just **7%** between those situated in the North, Midlands and South (excl. London) and London.

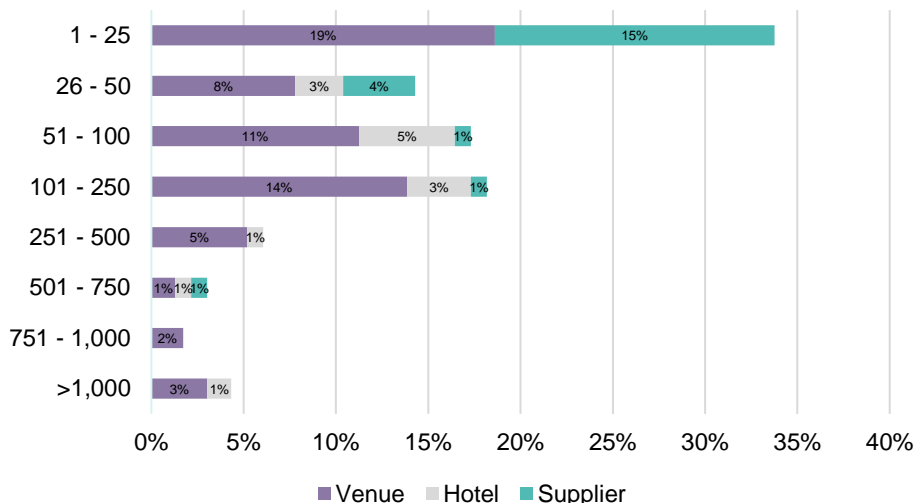
From responses collected on behalf of the sector we can see that organisations employing between 1-25 employees have the greatest representation (**36%**). Segmenting responses into finer detail, this is largely due to the proportion of suppliers represented, with the majority (**69%**) of suppliers situated within this employment range. By comparison, the average venue represented within this survey employs **177** employees, while for hotels this figure is **241** employees.



Breakdown by location



Breakdown by no. employees



2 | STAFFING

Throughout the course of the pandemic, the correlation between revenue losses and its devastating impact upon staffing has been well-documented in our prior research. For the sector, almost three quarters (**74%**) have unsurprisingly, yet unfortunately, had to reduce their number of total full-time employees, confirmed by **73%** of venues, **67%** of suppliers and a staggering **97%** of hotels represented.

While most organisations within the sector (**87%**) are making necessary use of the Job Retention Scheme as a means of retaining workforces and providing a lifeline to their staff, devastatingly it can be found that on average more than a third (**38%**) of employees at organisations represented within this survey have been made redundant to date as a consequence of COVID-19. With no means of generating income to support with labor costs, a staggering 13% of respondents have also highlighted

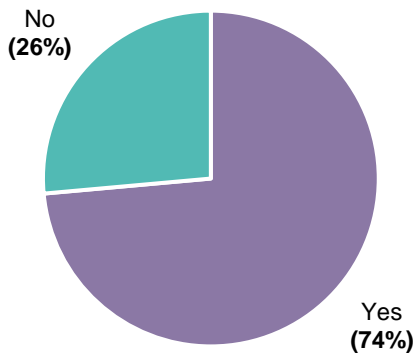
that between 81-100% of their workforce has been made redundant, reinforcing concerns of the impending end to the sectors viability explored later in this report.

As ongoing restrictions continue to prevent any form of substantial or sustainable operation for business properties, on average more than half of employees at venues (**58%**) and hotels (**60%**) are currently on furlough, with the subjected roles preponderantly identified as Operations (**27%**), Venue and Event Management (**25%**), Sales and marketing (**22%**). Similarly, with supplier trade subsequently challenged due to the closure of these properties, an average **35%** of employees across suppliers serving the sector are currently on furlough.

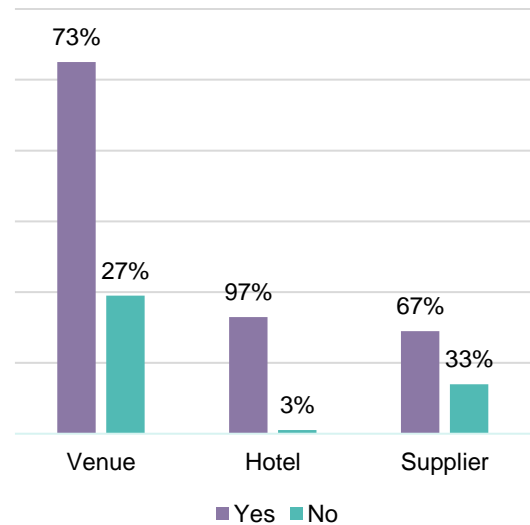
With demand for the sector's services severely threatened until restrictions are reduced, government clarity is provided and consumer confidence slowly begins to rebuild, for many organisations it is simply not viable to maintain staffing levels whilst incurring 100% of subsequent labor costs. On average more than half (**53%**) of employees at organisations represented within this survey are currently on furlough, with 16% stating this applies to more than 95% of their organisations workforce.

As will be explored within the response to government support and review of necessary interventions, the expiration of the Job Retention Schemed simply must therefore be extended beyond April 2021 to avoid a surge in the sector's already harrowing redundancy rate.

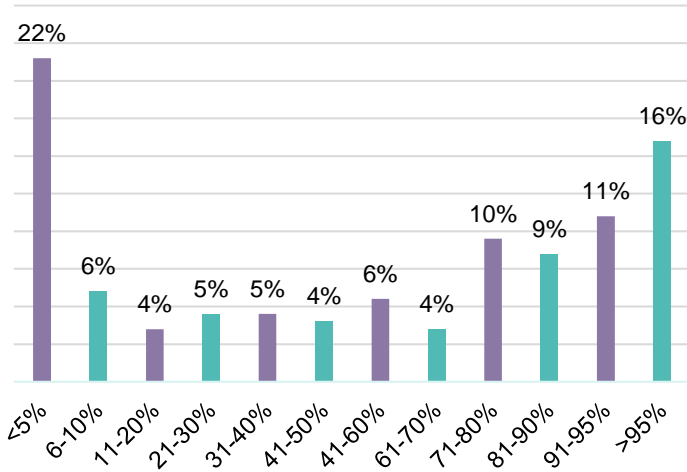
In the past 10 months, has your organisation had to reduce its number of total full-time employees?



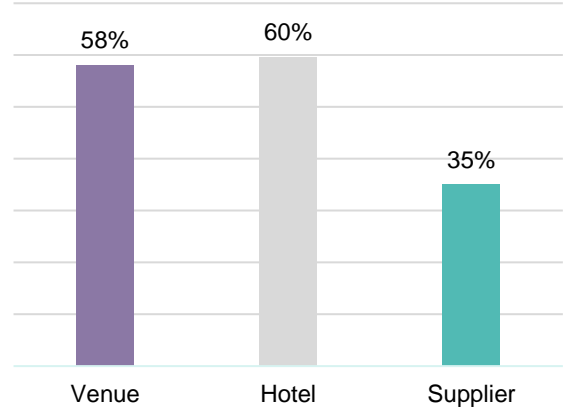
Response by organisation type



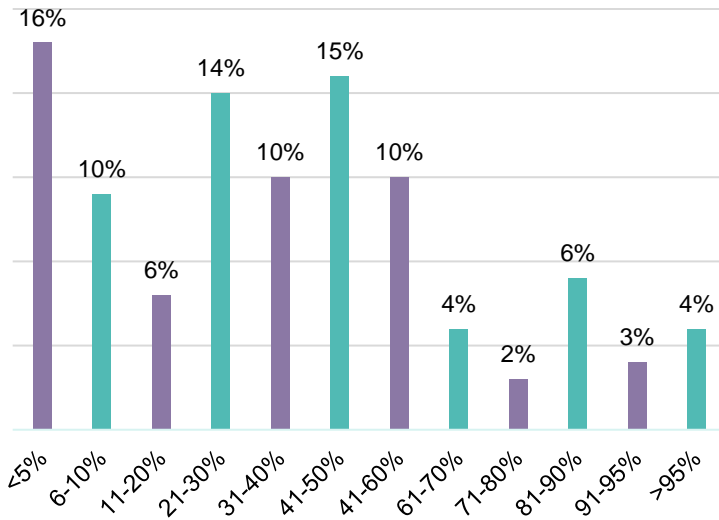
What percentage of your organisation is currently furloughed?



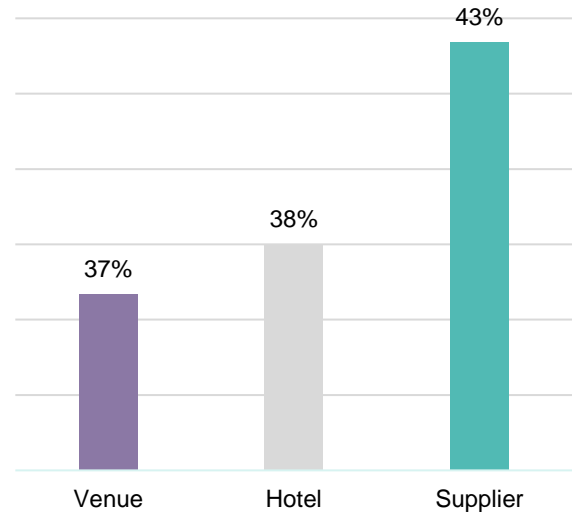
Average proportion of organisation on furlough, by organisation type



What percentage of your staff have been made redundant to date as a result of COVID-19?



Average redundancy rate, by organisation type



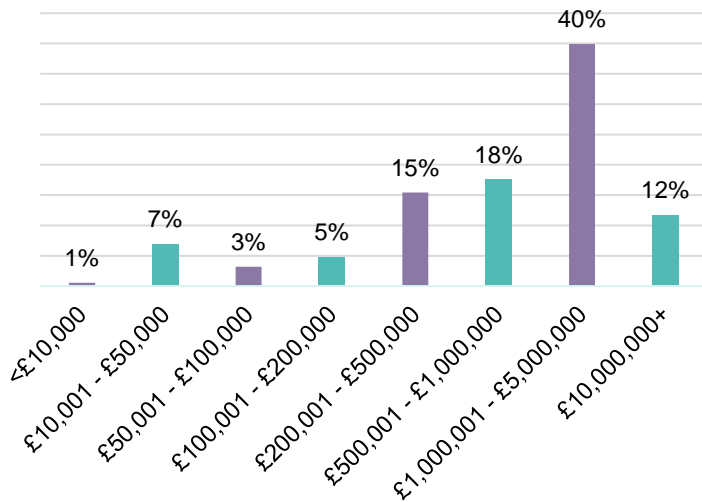
3 | REVENUE LOSSES

So, why are redundancy levels and staffing levels and under such severe threat, particularly with the Job Retention Scheme available to compensate for 80% of labor costs. With no demand for on-site events for the foreseeable, all while restrictions prevent any form of ‘gathering’, the revenue streams for these organisations are severely obstructed. This isn’t just a current threat either, as we approach almost 12 months since such restrictions first came into place.

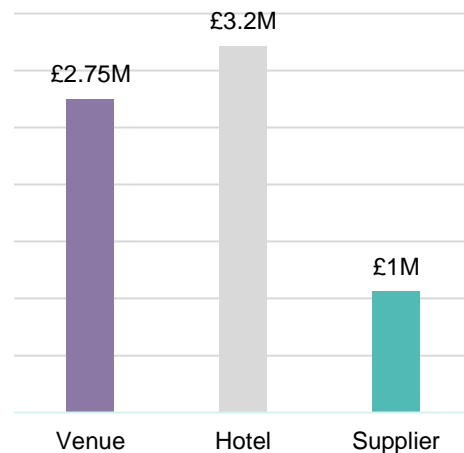
Here we start to identify the route cause of the bigger picture, with the impact upon demand for the sector’s service baring significant repercussions for bookings, subsequent revenue and consequential staffing levels. For **40%** of organisations within the sector, it is forecast that between £1,000,001 and £5,000,001 worth of revenue has been lost as a result of COVID-19 so far. For venues the average revenue loss is forecasted at **£2,747,541**, with hotels forecasting **£3,215,455** and suppliers **£1,061,539**. Add to this the ongoing operational costs for these organisations, and we can begin to comprehend that cost-cutting exercises that simply have to take place for organisations to remain viable.

And when it comes to viability, time is sadly running out. Based on the current lockdown, booking and enquiry levels, as well as current government support available, a shocking **78%** of organisations operating in the sector are forecasting that their organisation will not be viable within 12 months’ time. Almost half (**48%**) of respondents feel that their organisation has just 6 months left if the current state of affairs are upheld, with the average venue (6 months), supplier (6 months) and hotel (7 months) all signifying the impending collapse of any chances for not just recovery, but ultimately survival.

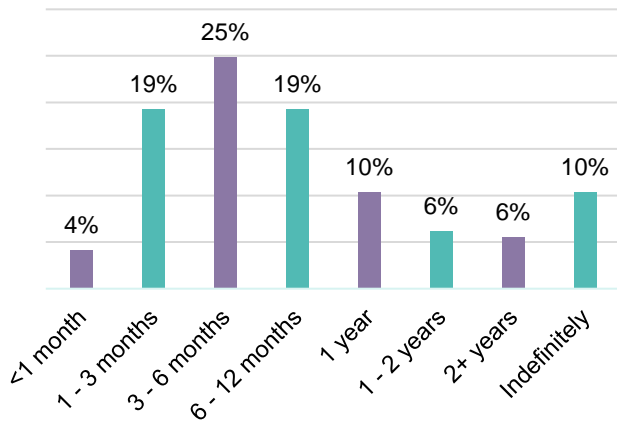
What is currently your total predicted revenue losses to date due to COVID-19?



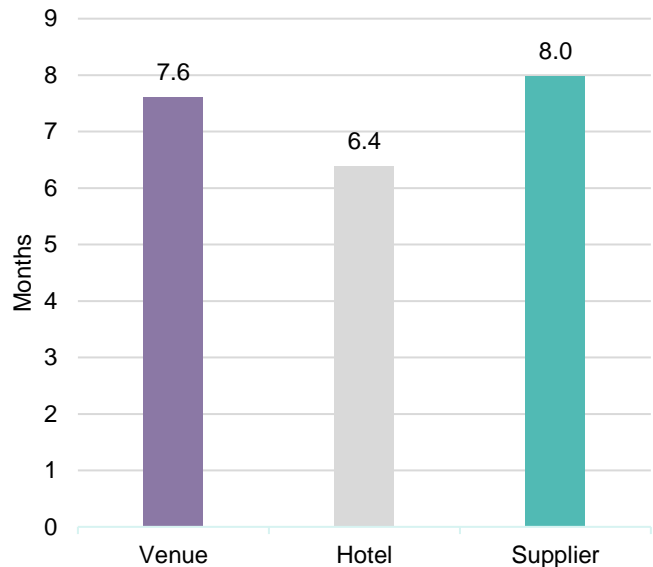
Average predicted revenue losses, by organisation type



Based on the current lockdown, booking and enquiry levels, as well as government support packages available, for how much longer do you expect that your organisation can remain viable?



Average length of viability, by organisation type



4 | GOVERNMENT SUPPORT

Throughout the course of the pandemic, we have been tirelessly lobbying for intervention, with crippling revenue losses amidst the current rules and regulations leaving government as the only source of survival for many.

While our findings indicate that nearly all organisations represented (>91%) have utilised the support package currently available, for some gaining such support hasn't been a straightforward process, while the consensus remains that more needs to be, and is long due to be done to shelter survival chances.

As expressed earlier in this report, **87%** of organisations have utilised the Job Retention Scheme, with the majority (**83%**) stressing that the scheme must extend until at least the end of Q3 to support with any potential reopening phase that may be permitted. Additionally, organisations are making use of VAT deferment (**38%**), the Coronavirus Business Interruption Loan Scheme (CBILS) (**26%**), Corporation Tax deferrals (**15%**) and other parts of the support package.

Following the Job Retention Scheme, the second-most utilised part of the current support package is Business Rates Relief (**33%**), however unfortunately with ongoing and well-documented issues surrounding definitions for the sector and hospitality, **29%** have sadly had to fight to prove their eligibility. This frustratingly remains a running theme throughout the sector, with local authority proving a significant barrier to the support available, with the terms of eligibility still open to various interpretations. In fact, exactly one-third of organisations (**33.33%**) represented have been rejected for support that they feel it should have been eligible for.

When evaluating the utilisation of the current support package, the Job Retention Scheme evidently leads the way in terms of effective support for the sector. Concerns remain that without a tailored package of support for the sector, like other sectors have been provided so far, the sector's plight will not be effectively halted. Even if the government were to allow business meetings and events to proceed from April for up to 50% of a venues' capacity, **71%** state that it would take beyond 12 months to return to profitability. With the revenue losses and costs borne to date, government need to therefore look at the bigger picture when it comes to the sector, with respondents now vowing for the following support to aid recovery and the sectors continuity.

➤ **Extend furlough until the end of Q3 (83%)**

Enabling businesses to plan for recovery and invest to safeguard jobs. It is the only viable way we can retain our workforce and prevent a surge in unemployment.

➤ **Provide a recovery package (76%)**

Sector specific support to build corporate confidence, reflecting similar interventions offered to other industries.

➤ **Change in government responsibility (65%)**

As a unique business-to-business sector, the events industry should move from the DCMS to BEIS to ensure our interests are correctly represented within Government.

➤ **Extend business rates holiday to April 2022 (56%)**

Including clear eligibility definitions to ensure consistency as there is ongoing disparity among Local Authorities as to whether the sector is absorbed within the government's definition of 'Retail, Hospitality and Leisure.'

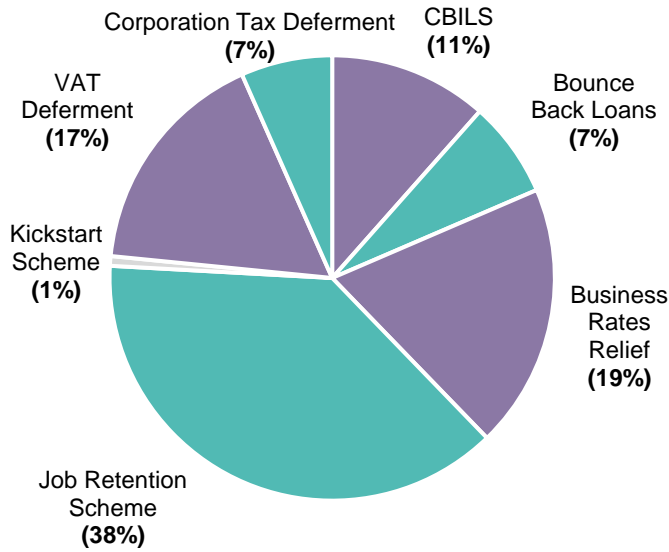
➤ **Underwrite events insurance (55%)**

To mitigate risk and stimulate corporate confidence and demand.

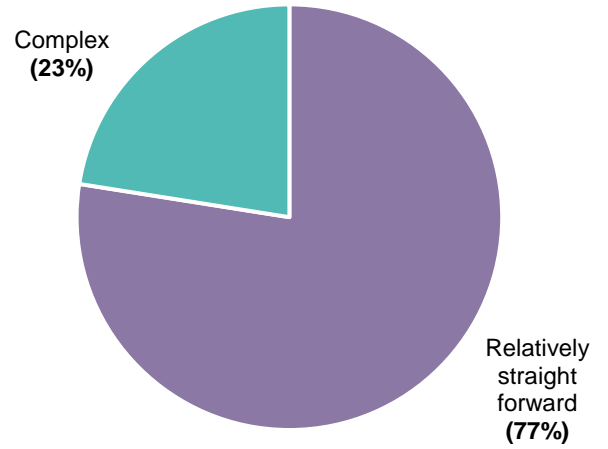
➤ **Extend CBILS and Bounce Back (30%)**

Application date extension and a delayed repayment start date for those who have already received this support for an additional 12 months.

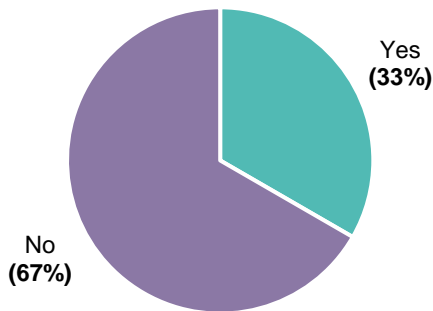
Which elements of the government's support package has your organisation been successful in obtaining to date?



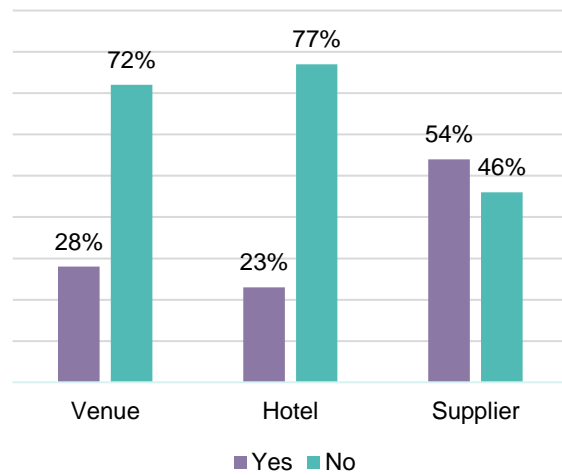
How easy has it been for your organisation to obtain Business Rates Relief from your local authority?



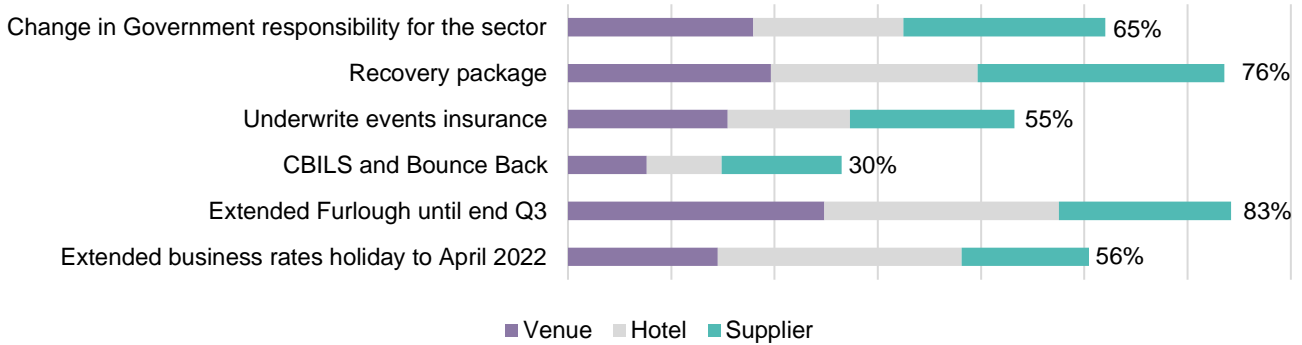
Has your organisation been rejected for government support that you feel it shouldn't have been?



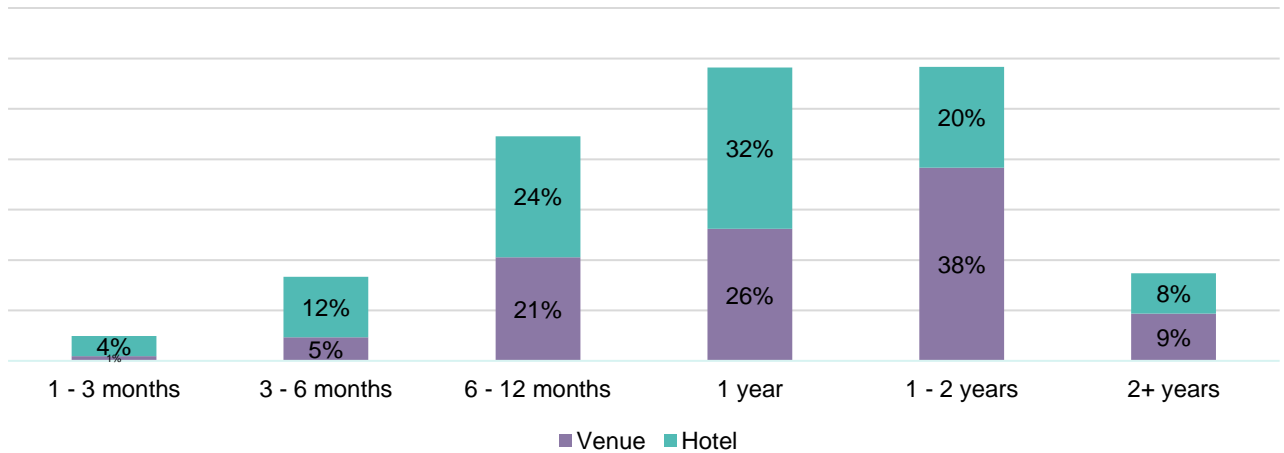
Response, by organisation type



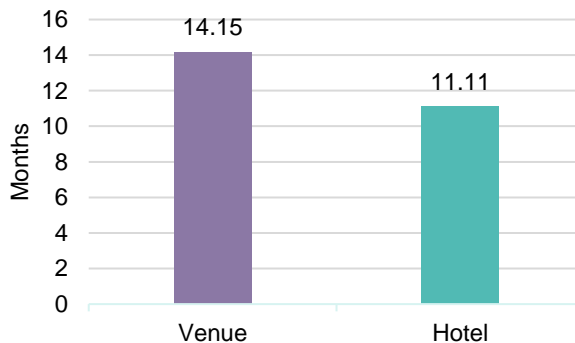
Which of the following do you feel is crucial for your organisation and the sector?



Assuming the government allows business meetings and events of up to 50% of your venue's capacity to commence from April 2021, when do you forecast seeing a return to profitability?



Average duration, by organisation type



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