

Hospitality December sales down nearly 50% on 2019 levels as Omicron hit, trade body reports

Hospitality firms saw December sales slump to nearly half of levels reported in 2019 as Omicron fears saw Britons stay home either side of Christmas, according to a major trade body.

Latest data from UK Hospitality found custom at its members' pubs, bars and restaurants was down 40-50% compared with the same month pre-pandemic in 2019.

The organisation's chief executive, Kate Nicholls, said that on average venues' sales were down 60% on Christmas Day, 25% on Christmas Eve and 35% on Boxing Day.

Writing on Twitter, Nicholls said that the average British venue lost £10,000 in the week before Christmas alone.

The CEO pointed out that UK Hospitality research shows that today "a third of venues have no cash reserves" and "75% [of venues] have less than three months" worth of cash in the bank.

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The update comes a day after the [boss](#) of [Suffolk](#)-based brewer [Adnams](#) said his sector had lost around 50% of its Christmas trade. (Adnams owns 50 pubs and hotels, and supplies others in the industry).

Speaking to the BBC's Today Program, the brewer's CEO, Andy Wood, warned that hospitality is facing the "economic equivalent of long Covid".

He said: "We have lost most of Christmas where the industry usually makes cash that sees it through January, February and March."

The government's Plan B measures came into force on December 13. The plan's work from home order, continued guidance from health officials to be cautious and consider plans, plus public wariness over losing Christmas with family due to catching the highly-transmissible Omicron variant, saw bookings devastated in some of the sector's crucial trading weeks of the year.

Business leaders immediately called for state assistance, and [just before Christmas Chancellor Rishi Sunak announced a £1 billion emergency support package](#).

Eligible businesses are able to apply for one-off grants of up to £6,000 per premises as part of the package, which also includes more money to help smaller firms cover the costs of statutory sick pay.

Business groups have called on the Treasury to also provide longer term support measures, such as extending the 12.5% VAT rate for hospitality beyond next April, restructured business rates, and the reintroduction of a flexi-furlough scheme to help firms through the coming months.

A Treasury spokesperson told the BBC: "We've supported people's jobs and incomes throughout the pandemic through our £400bn package of support, and will continue to do so through our additional £1bn support package for the hospitality and leisure sector.

"Hospitality businesses are also still benefitting from a 75% cut in business rates over the year, reduced VAT, eviction protection, government-backed loans, Time to Pay and our reintroduced Statutory Sick Pay Rebate Scheme."