

# Citizen Participation and Public Petitions Committee

1st Meeting, 2022 (Session 6), Wednesday 19  
January 2022

## PE1889: Financial Support for Self-Employed People in the Travel Industry

### Note by the Clerk

**Lodged:** 27 July 2021

**Petitioner** Nikki Peachey

**Petition  
summary** Calling on the Scottish Parliament to urge the Scottish Government to provide tailored financial support to self-employed individuals working in the travel industry, whose businesses have been affected by the Covid-19 pandemic.

**Webpage** <https://petitions.parliament.scot/petitions/PE1889>

### Introduction

1. This is a continued petition last considered by the Committee on 3 November 2021.
2. At that meeting, the Committee agreed to write to the Scottish Government and industry representatives to seek their views on the actions called for by this petition.
3. A response has been received from ABTA, the Travel Association.

### Background

4. During its last consideration, the Committee considered submissions from the Scottish Government and the petitioner.

5. The Scottish Government submission outlined the various support measures that have already been offered to members of the travel sector throughout the pandemic.
6. The submission stated that a UK wide approach to dealing with the issues that the travel sector is facing was required and that the Scottish Government had therefore written to the UK Minister for Business and Industry seeking a dialogue on this issue.
7. The Committee did also write to the Scottish Government but to date a response has not been received.

## **ABTA submission**

8. In its submission, ABTA states that summer 2021 failed to deliver a meaningful restart for the Scottish travel sector. ABTA recognises the steps that the Government took in October to relax restrictions, however it feels that the Omicron variant will cause further issues which will delay recovery and compromise consumer confidence.
9. ABTA recently conducted a survey on behalf of the Save Future Travel Coalition which reported that the value of new bookings taken across summer and early autumn (June-October 2021) represented on average only 31% of the value of new bookings taken over the same period in 2019. In the most recent financial year most businesses were trading at levels of only around 1/5 of pre pandemic turnover.
10. ABTA notes that self-employed travel agents operate a variety of different business models and as such are only able to access part of the grants that have been made available. The submission explains that some staff have been required to issue refunds and manage booking requests on behalf of clients.
11. HMRC's data shows uptake of furlough by travel agencies and tour operators to 30th April 2021 was only 49% compared to 70% in hospitality. Owner-director led companies have been unable to furlough due to heavy workloads or due to their structure as limited companies.
12. The submission explains that ABTA has supported calls for the introduction of a support scheme specifically for company directors. The submission refers to the Northern Ireland Executives Limited Company Director Support Scheme (LCDSS) which provided an initial one-off taxable grant of £3500 to eligible company directors in January 2021.

13. ABTA believes that many of the grant funding schemes in Scotland have failed to recognise the impact of unique restrictions placed on travel. Many Local Authority administered schemes focused on physical constraints of COVID-19 such as the closure of premises or social distancing measures.
  
14. The submission explains that schemes such as temporary closure grants were only applicable to retail travel agents when premises were required to close, whereas online travel agents, tour operators and travel agent home workers were ineligible for this funding. As such, travel businesses without a rateable premise were not eligible for the one-off Travel Agent Fund payment launched by the Scottish Government in January 2021 or the Restart Grant Scheme.
  
15. Again, the submission refers to the Northern Ireland's Travel Agent (Coronavirus) Financial Assistance Scheme 2021 which included a one-off single payment of £3500 for self-employed travel agents working from home. Furthermore, the submission explains that ABTA is aware that many independent agents within their membership have had to re-mortgage or sell homes in order to keep their business alive.

## **Action**

The Committee is invited to consider what action it wishes to take.

**Clerk to the Committee**

## Annexe

The following submissions are circulated in connection with consideration of the petition at this meeting –

- [PE1889/C - Submission from ABTA – The Travel Association of 8 December 2021](#)