

Derek McCallan
NILGA
Bradford Court
Upper Galwally
Castlereagh
BT8 6RB

4 May 2020

Dear Mr McCallan,

COVID-19 GRANTS: SUPPORT YOUR MARINE BUSINESSES

I write to urge you to support the leisure marine industry as it comes to terms with the devastating impact of coronavirus.

We understand you will be receiving many such requests, however despite the contribution to the Northern Irish economy this sector is often overlooked.

The sector represents the full spectrum of the marine industry, including charter, marinas, moorings, boatyards, boat hire, small boat builders and repairers, passenger and day boat operators and a myriad of small service sector companies which support them.

We ask that you show your support in one simple way: by agreeing and accepting that businesses in the marine leisure sector fall under the 'leisure' or 'tourism' category outlined by the Northern Ireland Executive and are therefore eligible to receive one of these grants. Currently harbours are listed as an eligible party, but the status of the other businesses I mentioned in the previous paragraph is uncertain.

Whilst we support the financial measures announced by the UK Government and the Northern Ireland Executive, the issue for our members is now one of clarity. British Marine's priority is to ensure our members understand what support is available to them, which is why I urge you to clarify and confirm that businesses in the leisure marine industry will qualify for the grants announced by the Northern Ireland Executive.

We know that many members are facing potential hardship - and the character of these businesses makes them particularly vulnerable. Firstly, they are reliant on a short season (April – October) for almost all their income; secondly, the majority are small family-owned businesses with small reserves.

Thirdly, these businesses typically have narrow profit margins with most unable to take on debt or repay large loans. Finally, we know many of these businesses only take on a small number of employees, which means the measures already announced by Government are of limited assistance to them.

Early conversations with our members have told us that many waterway, boat hire and charter businesses have reported cancellations, with little or no new inquiries. They have been clear - without further financial support and access to the grants they expect to make further job cuts.

This is not insignificant either. In fact, our latest statistics show that the associated expenditures from boating-related tourism contributes more than £9bn in turnover across the UK and the sector employs approximately 38,000 employees. Businesses in the marine industry, most of which are small, deliver over £6bn in direct and indirect GVA to the UK economy each year and support approximately 211,000 jobs through direct and indirect effects.

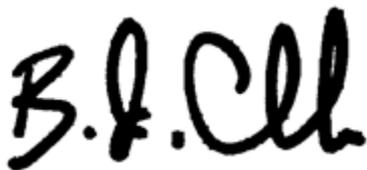
We have already received clarification from the Local Government Association on the issue of grant eligibility in England and Wales. British Marine was pleased to see marinas; boat hire and passenger boats recognised as leisure facilities and we strongly encourage NILGA to follow this example in Northern Ireland by issuing a similar statement.

Our other main issue with the administration of the grants in Northern Ireland is the requirement for business to have a rateable value in order to be eligible. Some of our members do not have premises, and as such do not have a rateable value. This means they fall through the cracks in terms of support available to them and are not in a position to take out further loans. We are therefore making representations for grants to be made available to businesses in the leisure marine industry which do not pay business rates.

We want to ensure that our member businesses can, wherever possible, resume business activities with the appropriate social distancing measures in place as soon as the restrictions on movement are eased.

With businesses in the sector at serious financial risk, I hope you will carefully consider the impact of any decision regarding grant eligibility on the future of businesses in the leisure marine industry and their employees.

Yours sincerely



Brian Clark
Head of Policy, Public Affairs and Research

British Marine

About British Marine

British Marine is the membership organisation for the UK leisure, superyacht and small commercial marine industry. We have 1,500 member companies, most of which are small and medium sized businesses and they provide the boats, marine equipment, facilities and services that enables 4 million people to enjoy boating and water sports on the coastal and inland waterways of the UK every year. We support the industry through a range of services and operate the Southampton International Boat Show, which provides a world leading showcase for UK marine businesses.