



# **BII** *Survey Results*

## **Summer Trading for Licensees**

**September 2021**

**Find out more via**

**[www.bii.org](http://www.bii.org)**

# Snapshot of respondents

36% Tenancy with a pub company/brewer

35% Freetraders

23% Lease with pub company/brewer

6% Other

Read the break  
down of trading  
levels on the next  
page



**89%**

**... run a  
single pub**



# Summer Trading

June - August 2021

(Compared to the same period of trading in 2019)

*We asked respondents their thoughts...*

**84%**

**Are trading below 2019 levels**

**15%**

**Are trading under 50%**

**40%**

**Are trading between 50% and 75%**

**29%**

**Are trading between 75% and 99% of 2019**

**12%**

**Are trading over 100% compared to summer 2019**

**4%**

**Are trading the same**

**"We've massively cut back operating hours due to staff shortages, and are closing a night per week to give what staff we have a day off - for their health and mental wellbeing."**

**"CO2 shortages are a big problem"**

**"There is a lack of confidence in the general public, leading to much lower footfall and customer levels, this is way too low to open one of our two venues."**

# Operational Challenges

**61% say...** they cannot recruit enough staff to keep up with their current workload

**47% say...** they are having difficulties getting drinks deliveries to cope with demand

**33% say...** they are having difficulty with staffing due to self-isolation

**33% say...** that they are experiencing high levels of no shows

**27% say...** they're having difficulties getting food deliveries to cope with demand

**26% say...** they have insufficient funds to keep up with outgoing costs

**25% say...** they're finding it difficult as customers are cancelling bookings last minute

**14% say...** customers are unhappy with service because of high demand & staffing



# Staffing: Wages

We asked respondents how wage rises are impacting their businesses...

*Front of House*

**76%**

have seen a rise in staff wages

*Back of House*

**73%**

have seen a rise in staff wages

Of those paying higher wages

**30%**

have put wages up by up to 5%

**41%**

have put wages up by up to 10%

**26%**

have put wages up by up to 5%

**38%**

have put wages up by up to 10%

**21%**

have put wages up by up to 20%

**8%**

have seen rises up to 50%

**24%**

have put wages up by up to 20%

**12%**

have seen rises up to 50%

# Staffing: Vacancies

Of those that do have vacancies...

4 in 5

pubs currently have vacancies that they are struggling to fill

10%

have more than 40% of their roles currently vacant

60%

are trying to fill 15% of their staff roles currently

28%

are trying to fill up to 30% of their staff roles

76%

are paying higher wages

36%

are reducing staff hours

36%

are increasing benefits

## Retention Measures

"Working 80 plus hours a week, I can't afford to raise wages. I am fighting but weary."

"Through the pandemic, staff were paid 100% of wages - 20% by us. This has fostered strong loyalty."

"We're paying our bonuses in crypto currency."

# Government Staffing Initiatives

**82% say...**

they have not successfully accessed Government initiatives supporting recruitment

**8% say...**

they have successfully employed staff under the Kickstart Scheme

**10% say...**

they have employed the use of apprenticeships to boost their workforce

**0.5% say...**

they have utilised the benefits of traineeships in their business

"Exploring these are an issue because of the hours I'm working."



# Stocking Issues

## Food & drink costs

Of those who serve food...

**2/3**

have seen rises in costs of over 10%

**1/2**

have seen rises in costs of up to 25%

**1/6**

have seen rises in costs of up to 50%

Rising drinks costs are similar...

**1/3**

have seen rises in costs of over 10%

**1/3**

have seen rises in costs of up to 25%

**1/20**

have seen rises in costs of up to 50%

"Our suppliers are finding it difficult to cope in many ways."

"I am constantly having to order from multiple sources to get maximum supply."



# Stocking Issues

**72% say...**

**they have run out of core lines in their food and drink offering**

**66% say...**

**they have seen large price increases**

**44% say...**

**they have had to simplify and redesign their menu**

**26% say...**

**a lack of choice for customers has impacted trading levels**

"We are now working to two days turnaround for deliveries, instead of one, and I'm having to deal with these deliveries myself because of the unpredictability of booking slots available."

"It takes a lot of extra time trying to source alternative products, I've had to find many suppliers last minute. Our biggest sellers (in terms of food) have been out of stock for weeks."



# Costs & Payments

## Utilities

**1 in 2**

have seen rises  
in costs of over  
10%

**1 in 3**

have seen rises  
in costs of up  
to 25%

**1 in 6**

have seen rises  
in costs of up  
to 50%

## Card vs. Cash

We asked what level of card payments/cashless payments respondents saw before the pandemic vs after...

**48%**

was the pre-pandemic average

**75%**

is the current average in 2021

The use of credit card receipts in hospitality as a measure of trade, doesn't take into account this major change in payment type.



# Debts & Rent

**59% say...** they have taken a Bounceback Loan

**\*24% say...** they have no debt as a result of the restrictions placed last year

**19% say...** they have unpaid rent debt still outstanding

**17% say...** they have borrowed money from family and friends

**17% say...** they have taken a CBILS or bank loan

**13% say...** they have unpaid creditors

**83%**

are now paying 100% of their rent/mortgage payments

**\*"All the money I have saved for my family has gone. I was hoping to retire in 2 years but that option has gone out of the window."**

# Total Debt & Trading into Autumn

**£51k**

is the average debt per site (for those who have taken debt)

**4 yrs**

is the average time it will take to repay this debt

**24%**

have no debt, but have utilised help from friends, families and savings

The majority of licensees with pandemic specific debt have reported debts of between £40k and £80k

**"Completely depleted our accumulated cash reserve"**

We asked respondents how they expect their business to trade over the next 6 months:

**58%**

believe they will only break even

**14%**

will trade at a loss, with further debt

**28%**

anticipate profitable trading

# Future Investment

*Looking Ahead*

**1 in 2**

... WILL NOT be investing any money into their business in the next 12 months, due to lack of funds/existing debt levels

**1 in 6**

... WILL invest, but will need to take further debt in order to do so

**1 in 3**

... WILL invest, and plan to use their own funding to develop their business

It's important to note that many licensees have already had to invest heavily into their businesses due to changes in restrictions last year and adapting to promote customer confidence levels.



# Support Needed

*Business critical priorities*

Full business rates cancellation

Fundamental reform of business rates system

VAT cut to 5% on all products until April 22

An immediate and specific reduction in duty on draught products in pubs

"Gov needs to recognise the importance of small businesses, particularly pubs to their communities. The social impact and value is huge in most cases, and this should be measured and reflected in vat or tax rebates."





The BII is the leading independent membership organisation for professionals in the licensed trade today. With a network of over 9,000, and growing, we inspire, develop and support our members and their businesses to thrive.



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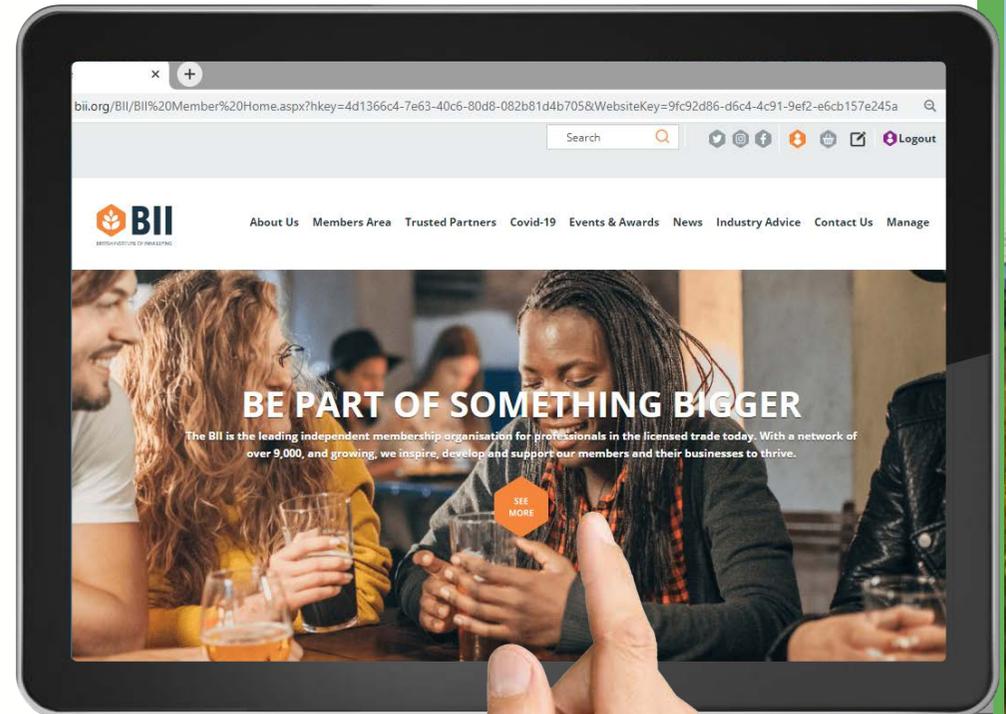
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