[insert MP name] MP

House of Commons

London

SW1A 0AA

20 March 2020

Dear [insert MP name]

I am writing today as the [owner/director/manager] of [insert business name], a travel business located in your constituency, to ask you to urge the Government to take immediate action to support the travel industry through the global coronavirus crisis.

Travel and tourism is a UK success story and our business eco-system employs more than 3.2m people across the country. [insert business name], in [insert constituency name/town etc], is proud to have been part of that success story. But as the impact of the coronavirus outbreak becomes increasingly critical for the UK economy, we are becoming increasingly concerned about our own future.

In light of the ongoing global lockdown, our priority as an industry has been to ensure the safety of our customers, working very closely with the Foreign & Commonwealth Office to support repatriation efforts. However, as a business, we are also facing an urgent cash crisis. Consumers, travel companies and Government all need to work together to protect jobs and the UK economy, and it is for that reason that we are advocating for extraordinary temporary measures to be taken.

As our local MP, we would ask that you support ABTA – The Travel Association’s plan toenable immediate travel industry resilience and ensure long-term recovery:

1. **Financial liquidity**

Faced with both cancellations and a cliff-edge drop in bookings, travel businesses urgently need access to cash to pay their staff, rent and suppliers. The Government needs to take immediate action to:

* implement a mechanism through which direct funding to maintain employment can be channelled to employers
* enable the provision of Government underwritten loans to businesses of all sizes, with the access mechanisms for these loans made clear, and allow immediate deferment of HMRC payments for a period of six months
* temporarily suspend Air Passenger Duty

1. **Temporary changes to the Package Travel Regulations**

While we are not seeking to remove the consumer’s right to a refund, we believe that consumers will not see their money any quicker by enforcement of the current regulations. We are asking for the following changes to be implemented to protect both businesses and consumers:

* That refund credits should be allowed as an acceptable and enforceable alternative to immediate cash refunds, with all protections carried forward as part of a ‘Refund Credit Note’.
* That the 14-day window for refund payments should be extended to a 4-month period.
* That tour operators should not be responsible for providing refunds if these costs are not covered by the suppliers. Where those suppliers cannot or will not refund, there needs to be an emergency Government consumer hardship fund to fulfil refund payments.

1. **Airlines to pay refunds promptly to consumers and the trade**

Aviation infrastructure is a strategic UK asset and its rapid post-crisis recovery will be essential for the survival of the travel industry. We welcomed the Government’s announcement of a support package specifically for airlines and airports. However, we would ask that this funded assistance should be directed as a priority to the payment of refunds to trade intermediaries and the travelling consumer.

1. **Merchant Acquirers**

We are calling on the FCA and the PSR to examine the operations of Merchant Acquirers, who, in light of the pressures on financial payments systems following the COVID-19 outbreak, have been found to be varying terms, typically by restricting the flow of payments to the merchant, through increased retentions and security demands.

1. **Travel insurance**

In recent weeks, the travel insurance market has effectively withdrawn, or those underwriters still on sale for ‘trip’ insurance are excluding all COVID-19/pandemic risks for forward sales. This has resulted in significant confusion about cover for existing sales, which consequently poses a significant reputational risk issue. We would urge both the FCA and the Financial Ombudsman Service to look at this issue immediately, to support confidence in the sector during the recovery phase.

1. **Travel and tourism business rates relief**

We welcomed the publication of MHCLG guidance about the recently expanded retail and leisure business rate relief, which states that eligible properties include: travel agents, tourist attractions, hotels, holiday homes, and caravan parks. Government now needs to communicate clearly to local authorities the terms of this new guidance so that travel businesses can benefit.

1. **FCO travel advice**

The Foreign and Commonwealth Office travel advice has been rightly updated to reflect the changing situation throughout this crisis. Going forward, ABTA would ask that the advice closely tracks the Public Health advice when the situation in the UK improves, to help aid the recovery and rebooking phase of this crisis.

The travel industry stands ready to support the UK through this unprecedented crisis, but the Government needs to recognise the extraordinary circumstances under which businesses are now having to operate, and that time is running out. Ministerial intervention will be critical to ensure that otherwise healthy businesses are not forced to close, and thousands of jobs can be protected.

Yours sincerely,