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Hurdles facing vending sector

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Many will associate the vending industry with the snack and fizzy drink machines in train stations, but present day it is made up of much more than that.

From micro-markets to coffee dispense machines, hot meals to vegan-only, vending and coffee machines touch most sectors across the country and contribute approximately £2.2bn to the UK economy.

It has, however, been an incredibly difficult year for vending. The pandemic is predicted to cause significant disruption as two-thirds of vending operators are already reporting serious turnover reduction, with some losing all revenue and therefore bracing for the loss of up to one in five jobs.

In an industry employing nearly 25,000 this could result in 5,000 people finding themselves out of work. Outside the disruption of the pandemic, vending is also currently facing 36 pieces of legislation, each with notable operational and financial implications.

Aside from the furlough scheme, our vending operators have quite rightly needed to turn to Local Authority grants such as the Additional Restriction Grant (ARG) to keep businesses afloat. ARGs are as stated by The Treasury, "... Those businesses which – while not legally forced to close – are nonetheless severely impacted by the restrictions put in place to control the spread of Covid-19 [and] businesses which supply the retail, hospitality, and leisure sectors".

As the hospitality and service industry has been one of the most impacted,

vending operators were relieved to hear about the chance to gain this support from respective local councils but to our shock, have found that a high number in England have simply been declined. After further investigation into the progress of the ARGs, what we found was nothing short of atrocious, and it seems the worst offenders are in Yorkshire.

Whilst nationally the most-recently available data shows there has been an overall improvement in the number of grants awarded by Local Authorities since the start of the scheme last year, in Yorkshire there are still many areas lagging behind, showing a continued reluctance to release this funding despite significant amounts being allocated by Central Government.

The Local Authorities ranked the lowest for allocating these grants include Calderdale Council releasing just 11.5 per cent, the City of Bradford Metropolitan District Council just 28.2 per cent and Leeds City Council releasing just 18.1 per cent of funding. Across Yorkshire, Local Authorities have now released a total of just £104,406,662 of the available £160,762,081 (64.9 per cent).

Moving forwards, Local Authorities across the Yorkshire region need to think long and hard about their motivations and start helping those people who work in affected services such as ours. Vending operators, whose workers have been classed as essential key workers, need the support now or many of them simply won't be around when workplaces, leisure centres and retail reopen.

We're calling on Local Authorities to act now, before it's too late.

