



## Support for your business

The States of Guernsey have been advising all Bailiwick businesses to put in place contingency plans in relation to COVID-19. We fully understand that for many businesses, continuing to provide goods and services in line with the fast moving public health advice is complex and we appreciate the hard work that that businesses are doing to prepare for any necessary changes to 'business as usual'.

We also recognise that contingency planning can be problematic and may result in worry and a financial burden. The States of Guernsey have therefore put in place a range of financial easements aimed at supporting all businesses in the coming months.

This range of financial easements are aimed at ensuring that your business retains as much capital as possible and that some of the larger outgoings which relate to your commitments to the States of Guernsey are deferred for the next few months (Quarter 1 and Quarter 2). For example, some of the easements relate to deferrals on Social Insurance payments, commercial Tax on Real Property ('TRP'), and reliefs on rents on States owned property.

To assist you, and ensure that you are considering the right easements for your business, we have prepared the following advice and guidance on how we can work together to ensure that the financial impacts to your business are managed as best as possible in the coming months.

## What do I need to do next?

### Take a 'Deep Breath', we are in this together!

**As a first step** – 'Take a breath' and do not make any immediate decisions, but plan and think carefully about what is going to work best for you and your business in the coming weeks and months.

**Please do not take any immediate action in relation to staff until you have reached a final conclusion and spoken to a Member of our Business Support Team from Business and Innovation and Skills.**

### How long should I financially plan for?

When business planning, you should be thinking about timescales. At the current time it is incredibly difficult to forecast future developments and as they are subject to change. However, at this point in time, we think it is better to plan, and think about timescales, in months more than weeks. Ideally, you should be financially planning for the first two quarters of 2020 whilst considering impacts until the end of 2020 and beyond.

### Can my business adapt or work differently?

You will need to consider how you can scale or adapt your business. Are you already seeing a decline in sales or in demand for services that you provide? Can your business adapt to the changes, are there any untapped opportunities that can be capitalised on locally? If this is not possible, then don't worry, you need to consider some of the other practical advice below.





## Stop, Go or Pause?

Is your business the type of business that can be 'paused'? This does not mean closed, this means can you advise your customers that for a temporary period due to the current circumstances you are pausing the sales or services you offer and will, when appropriate be back in business. Again, this sounds worrying but every other Guernsey based business is in the same situation so scaling back or pausing could be a good option.

## Have an open discussion with your landlord – they will understand!

We know it might be a difficult conversation, but please speak to your landlord who will hopefully understand the situation. Find out whether if rents can be deferred.

**It is important to note that the States of Guernsey are setting the example in this area.**

## Have an open discussion with your banks Commercial Team, they will understand too!

Guernsey benefits from having some very high quality retail and commercial banking services – book an appointment to speak to your bank's Commercial Business Manager.

Your Bank does understand that we are in this together and they are working on developing solutions such as flexible borrowing which may be an option to see you through. Flexible borrowing solutions maybe available in relation to domestic mortgages, too, so find out more about those if that would assist.

We know that borrowing money maybe the only option and we recognise that this could be complex and problematic to achieve in such a short space of time. Therefore we are working on a scheme with local clearing banks to provide some support to eligible businesses and once this has been formalised, further details will be released soon.

## Is the States of Guernsey one of your customers?

We know and understand how important cash flow is for you. If we are one of your customers, we have taken extra measures to ensure that money owing for any services or goods you provide is paid as soon as possible, once the invoice has been processed instead of following our normal 30 day payment terms.

## Utilities Bills

## Waste, Water and Electricity.

The States of Guernsey owned and operated utility companies, Guernsey Electricity and Guernsey Water's priority is to maintain the essential supplies to our customers at all times. We understand at times such as these, some of their customers are likely to experience financial difficulties potentially impacting their ability to pay bills. Every customers' circumstances will be different and these utilities will consider allowing customers to make agreed alternative payment arrangements without fear of late payment charges or interest or being cut off until the these difficult times pass.





We have told you what you can do – it's now our turn!

## Is the States of Guernsey your landlord?

If you operate your business from or within a States of Guernsey land, or property then we will be considering deferring rents due for Quarter 1, and Quarter 2 of 2020.

**This easement covers business rents only and not residential property.**

## Moorings fees for Commercial Fishermen.

We know that things are going to be difficult for all business sectors but we know that Guernsey fishermen are already seeing the hard impacts to their business. To assist, we have taken the decision to suspend fees for Commercial fishermen who moor their vessels in St Peter Port and St Sampson harbours.

This measure is applied as an extension of the rent relief, will only be applicable to registered and licensed commercial fishermen, and will apply for all mooring fees due for all of 2020.

## Tax on Real Property ('TRP')

We know that Tax on Real Property ('TRP') is a significant financial obligation for many businesses and therefore we want to ease this financial burden on you and defer any collection of TRP for the remainder of this year (2020). We know that some businesses pay this by direct debit and therefore these will be suspended where appropriate for the time being.

However, not all businesses are eligible for relief on TRP as not all businesses are impacted by the COVID-19 virus in the same way. We have taken the decision for the time being to exclude professional services and regulated finance businesses.

We do understand that in some cases your landlord will pay the TRP for the property that you operate your business from, and those landlords should be encouraged to pass the temporary relief onto your business.

## Social Security

We know that Social Insurance instalments are due in mid-April and therefore we want to take this into consideration and to defer payments for 'Employer' contributions for both Quarter 1, and Quarter 2 (due mid-July), with the intention to review this easement again during Quarter 2.

Please note that you will still be required to submit your quarterly employer returns by 15<sup>th</sup> April and 15<sup>th</sup> July.

**Again, this deferment will not apply to professional services and regulated finance.**

**The easement will also apply to self-employed individuals which, given the higher rates applicable, will hopefully some significant financial support at a time when it is most needed.**





## Hardship Fund

This will be administered via Social Security to support those in greatest need who may not otherwise qualify for Income Support or Sickness Benefit.

This will help the tourism, hospitality and construction sectors for example by enabling workers who have been laid off to secure short-term financial support so that they do not leave the future labour market.

Social Security Team on **732516** or email [hardshipfund@gov.gg](mailto:hardshipfund@gov.gg). Our Social Security Team speak Portuguese, French and German

## Who do I contact?

### We are here to help!

We know it's a worrying time, but we are here to help and there is a small team of Business Officers ready to take your calls and work through the solutions with you. We can offer advice and guidance and will assist where we can when problems occur.

Please do give us a call to talk things through, if we can't help you then we will put you in touch with other colleagues within the States of Guernsey to help and support you. Please call our dedicated 'Helpline' on **743803** and by email at [business.support@gov.gg](mailto:business.support@gov.gg) we will do our best to link you up with the relevant States services.

### I have already paid my Rent/TRP/Social Insurance or would like to request a deferral

If you have already paid your rent, TRP or Social Insurance and want to be considered for financial relief then please email [financial.support@gov.gg](mailto:financial.support@gov.gg) with the title "refund". Your query will be passed on to the relevant teams to process as a priority. If you urgently require a refund to be processed please phone **740202** if the request relates to social insurance or **717315** if the request relates to TRP.

If you would like to discuss deferral or staggered payments, please email [financial.support@gov.gg](mailto:financial.support@gov.gg) with the title "deferral" and the relevant team will be in contact with you as soon as they can.

## Hardship Fund

As highlighted above, the Hardship fund is aimed at individuals more than businesses. The fund will be dealt with by our Social Security Team on **732516** or email [hardshipfund@gov.gg](mailto:hardshipfund@gov.gg). Our Social Security Team speak Portuguese, French and German

