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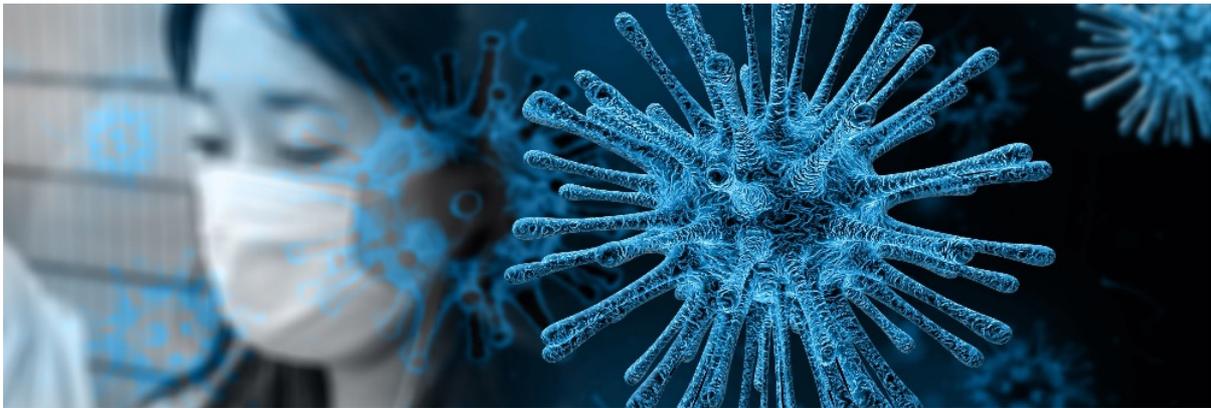
# Visit Cornwall

Industry 

## INDUSTRY NEWS

### Coronavirus Update

### March 30th 2020



#### Visit Cornwall Weekly Update

We are sorry if we have failed to respond to any of your communications, but we are currently swamped with emails, averaging 200+ per day, and numerous telephone calls each day. Most of the questions relate to the information that we provide in this update, so please read the newsletter, and check the links out.

We are in completely unknown territory here, and any suggestions from Visit Cornwall are to assist you in reacting and responding to this crisis and if necessary, you should consult with your professional advisors as Visit Cornwall is not a legal or financial advice service.

**Please check regularly for updates**

## Coronavirus (COVID-19) Business Impact Survey - March 2020

This survey has been set up to evaluate the effects of the COVID-19 virus on tourism and hospitality businesses in the region during the month of March 2020. It should only take a few minutes for you to answer the questions. The survey is being undertaken by The South West Research Company on behalf of VisitCornwall and VisitDevon, who have supported this regional study.

### Business Impact Survey

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## We need your help!

We are looking for potential accommodation for key workers and NHS staff within Holiday Parks, Holiday Resorts and Self-catering complexes.

This type of accommodation provides the most practical solution for minimising cross infection etc.

If you feel you have such accommodation and are interested in offering this service please email: [abi@visitcornwall.com](mailto:abi@visitcornwall.com)

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### Cornish and UK Tourism has been shut down by the UK Government

We were told to close the sector down by the Government for the three-week period from the 24th March until the 16<sup>th</sup> April, it is expected that this closure will be extended depending on how the virus crisis evolves. The only exception being to accommodate key workers

The Government statement is clear and can be found here.

<https://www.gov.uk/government/publications/further-businesses-and-premises-to-close/further-businesses-and-premises-to-close-guidance>

The Guidance notes on who is a key worker can be found here and scrolling down:

Here's guidance on essential travel.

<https://www.gov.uk/government/news/covid-19-essential-travel-guidance>

## Communications to Customers

Your own business has or is planning to send out communications to those customers who have bookings in the lockdown period. Obviously, there may well be different responses to different customers, such as those that have visited before and will do in the future vs new customers who booked a cheap deal. Here are some suggestions you may want to consider using as appropriate

- *We are writing to you with regarding the closure of leisure and hospitality businesses and the instruction to British people not to do undertake any non-essential travel following the lockdown announced by the Prime Minister on the 23<sup>rd</sup> March 2020*
- *We have been instructed to close our business from .....to and we will be reviewing matters on a weekly basis as this crisis evolves. In the meantime, our closure means that if you have insurance, you are now able to claim, if you need copies of bookings/payments to provide to insurers, let us know.*
- *You may also want to come back to Cornwall when the crisis is over and if so please let us know if you would be happy to accept a credit note in full against a future holiday, or an agreed later date. This would help us enormously.*
- *This is uncharted territory for all of us, please be patient whilst we try to resolve matters, especially regarding the business support initiative announced by the Government.*

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## Statement from Visit Cornwall

### Cancellation and Refunds

#### Patience and Understanding at this time please

Given the fast-moving situation of the Covid-19 pandemic and especially the Prime Minister's orders to close all holiday accommodation, tourism businesses are coping with events completely outside their control whilst facing an avalanche of cancellations and refund requests.

We have tremendous sympathy for our visitors who have had their holidays and breaks in Cornwall cancelled as a result of the current crisis. We feel for them, as we know they have been looking forward to enjoying the wonderful food and drink, the beaches, coast path and beautiful gardens and so much more. We will miss them and are looking forward to seeing them later in the year and we fully understand their worries and concerns regarding their deposits and booking payments and everyone is trying their best to resolve matters as quickly as possible.

However, at the current time Visit Cornwall, as well as hundreds of tourism businesses in Cornwall are being bombarded with emails and calls from concerned customers. All businesses now have very few staff (some have none at all), and this is added to frustrations of customers who are emailing and calling for information and requests.

We fully recognise the concerns of our customers, but can we request that they allow businesses reasonable time to cope with this situation. Many businesses, when pushed are having to say, "I cannot or will not refund at this time". This is due to businesses having to cope with:-

- dealing with the impact on their business;
- consulting with and laying off or furloughing the vast majority of their staff;
- cashflow management issues;
- attempting to fully understand and access the very recently announced Government financial support.

off (furloughing) staff. This will result in businesses having to bank-roll six weeks of staff wages before they hopefully receive reimbursement from the Government at the end of April. This is combined with having no income themselves and no guarantee that their insurers will pay-out due to the forced closure. This means they are simply not able to agree or process refunds at the current time and in some instances, due to the sheer nature and speed of this crisis, may never be able to.

Put simply, businesses are struggling and almost all are in a position of 'can't pay' and not necessarily 'won't pay'.

It should be noted that in certain bookings terms and conditions there may be a clause where if the cancellation of the booking is due to circumstances beyond the control of the company, then consumers may not necessarily be entitled to a refund and should make a claim from their personal travel insurer as a quicker resolution.

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## Business Support for Cornish Tourism Businesses

### Business Rates Support

If you have a tourism business in England and Wales that has a Rateable Value of under £51,000, HMG has announced two major supports.

- A Business Rate payment holiday until April 2021,
- A support Grant of either £10,000 if your Rateable Value is under £15,000 and a support grant of £25,000 if your Rateable Value is over £15,000 and under £51,000.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/874772/small-business-grant-fund-and-retail-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874772/small-business-grant-fund-and-retail-guidance.pdf)

- **Small Business Rates Relief?**

<https://www.gov.uk/apply-for-business-rate-relief/small-business-rate-relief>

This guidance sets out details and eligibility criteria for the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RHLGF), informing local authorities about the operation and delivery of the two funding schemes.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/874772/small-business-grant-fund-and-retail-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874772/small-business-grant-fund-and-retail-guidance.pdf)

Payment should commence from the 9<sup>th</sup> April 2020

## **PAYE Support**

### **Job Retention Scheme Guidance (JRS)**

Key points include:

<https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

## **Retaining VAT on Cancellations**

The following HMRC rules on this became effective from 1<sup>st</sup> March 2019.

<https://www.gov.uk/guidance/hotels-holiday-accommodation-and-vat-notice-7093>

<https://www.gov.uk/guidance/deferral-of-vat-payments-due-to-coronavirus-covid-19>

## **Self Employed Support**

Last week the chancellor announced support for the Self-Employed. Details will be released soon but the key points of the scheme are:

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

## Cash Flow Support from British Business Bank

We are getting very mixed responses from our members about how much or how little support they are getting from their Banks. We have raised this with the regional and national agencies and Government department.

The kind of support that could be available is:

Further Guidelines Regarding the Coronavirus Business Interruption Loan Scheme (CBILS)

<https://www.businesssupport.gov.uk/coronavirus-business-interruption-loan-scheme/>

## Filing Accounts

Additionally, the Government has announced that businesses will be able to apply for a 3-month extension for filing their accounts. Further information on how to apply for an extension can be found here:

<https://www.gov.uk/guidance/apply-for-more-time-to-file-your-companys-accounts>

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<https://www.gov.uk/guidance/apply-for-more-time-to-file-your-companys-accounts>

## Business Interruption Insurance

does not cover COVID-19.

What can you do to help try and get some Government response on this? A survey has set up by Andrew Bowie MP who is gathering evidence to present to the Treasury on this.

Please click on this link and fill in the short survey, thanks:

[https://docs.google.com/forms/d/e/1FAIpQLSfKU5zVivpmlSCWTkbqNo4Rv6FT8wsIjdms7ip6FbMAbHD\\_mg/viewform?usp=sf\\_link](https://docs.google.com/forms/d/e/1FAIpQLSfKU5zVivpmlSCWTkbqNo4Rv6FT8wsIjdms7ip6FbMAbHD_mg/viewform?usp=sf_link)

## Changes to Insolvency and Company Rules

Over the weekend BEIS minister, Alok Sharma, announced that the Government would be introducing legislation to support businesses that would otherwise be operating illegally due to being technically insolvent. There will be a temporary suspension of “wrongful trading” rules which make it a criminal offence for a company to keep trading if they know the business is unable to repay its debts, with new rules allowing companies undergoing restructuring to continue to access supplies and raw materials. This will also remove the threat of Directors having personal liability for their business and will apply retrospectively from March 1.

He also announced that companies required to hold Annual General Meetings will be able to do so flexibly in a matter compatible with public health guidance such as holding the AGM online, or by phone using only proxy voting.

## Guidance on Mental Health and Wellbeing

While everyone is working hard to deal with the business and employment impacts of Coronavirus, one of the overlooked issues of this is the impact on the mental health of business owners and employees. To help with this, the Government has produced guidance on how to protect people from the psychological impacts which is worth sending out to support your members. The key suggestions are:

<https://www.gov.uk/government/publications/covid-19-guidance-for-the-public-on-mental-health-and-wellbeing>

on top of the actual wage cost

- To be eligible you must have created and started a PAYE payroll scheme for the employee by 28 February 2020 but they can be on any form of contract including zero Hours contracts and agency contracts
- The government expects that the scheme will not be used by many public sector organisations or organisations receiving public funding
- The scheme also covers employees who were made redundant since 28 February 2020, if they are rehired.
- A furloughed employee can not undertake work for or on behalf of the company/organisation – although they can undertake training but should be paid at 100% for the training period
- Employees who are working on reduced hours, or for reduced pay, are not be eligible
- The 80% calculated is to be based on the employee's pre-tax salary
- Employees must be paid the lower of 80% of their salary, or £2,500 even if this means they end up receiving a wage below the national living wage
- To claim, you will need:
  - your ePAYE reference number
  - the number of employees being furloughed
  - the claim period (start and end date)
  - amount claimed (per the minimum length of furloughing of 3 weeks)
  - your bank account number and sort code
  - your contact name
  - your phone number
- You can only submit one claim at least every 3 weeks, which is the minimum length an employee can be furloughed for. Claims can be backdated until the 1 March if applicable.
- The self-employed will receive a direct cash grant of 80% of their average profits, up to £2,500 per month
- The scheme is open to anyone with average profits of £50,000 or less.
- The scheme will operate for three months initially but could be extended
- The system will take time to establish and grants won't be available until June – at which time those eligible will receive a payment for the whole three-month period. So, in effect, this will be a one-off grant to the self-employed

those without 3 years of returns, the Treasury will look at what they do have but there will be nothing for the newly self-employed without any filed accounts.

- Interest holidays
- Payment holidays
- Loans at reduced rates
- Discounted overdraft extensions
- Consider how to connect with others
- Help and support others
- Talk about your worries
- Look after your physical wellbeing
- Look after your sleep
- Try to manage difficult feelings
- Manage your media and information intake
- Get the facts
- Think about your new daily routine
- Do things you enjoy
- Set goals
- Keep your mind active
- Take time to relax and focus on the present
- If you can, once a day get outside, or bring nature in

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## Key Lobbying from Visit Cornwall over the following week

To enable an employer who has made a formal offer of employment to a seasonal worker to furlough them if the offer was made before the 28<sup>th</sup> of February and that the business would not be taking on any more seasonal workers than in the previous year.

To add our pressure to others demanding that the business interruption loan scheme should be made easier to access with no on reasonable demands from the banks

To pressure HMG to look into the behaviour of insurance policies, both with regards to how Business Interruption Insurance is being refused, as well as Travel Insurance Companies refusing guests

To ensure the Government issues guidelines on cancellations and suitable changes to consumer protection to ensure business can recover when the crisis is over

To ask the Government to ensure the Online Travel Agents are supporting the industry at this time, and not making a bad situation far worse by enforcing their terms and conditions on suppliers

To support those who earn their income from FHL (Furnished Holiday lets) to be allowed the same support under the Self-Employed support offered late last week by the Chancellor

To pressure for relaxing regulations for Accommodation and Holiday parks to aid the recovery and to help to have a strong autumn.

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## Your Visit England/AA quality grading

Any of you that have Visit England or AA quality assessments and direct debits looming, these have been postponed to post July 1<sup>st</sup> and April Direct Debits have been pushed forwards to July. More information here:

<https://www.visitenglandassessmentservices.com/coronavirus/>

### Visit England

Visit England have agreed to re-direct all international marketing budgets to support domestic tourism post the lockdown. Visit England also have a reasonably good resources hub for COVID-19 information. This can be found here: <https://bit.ly/2wBKmW9>

### Other links

[HMRC has produced guidance](#) to help employers find out what equipment, services or supplies are taxable if your employees are working from home due to coronavirus.

A minor update to the [guidance on closing businesses and venues](#) has been

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Finally, we are already starting the initial work on planning for the recovery, working in partnership with Government Departments, Cornwall Council, NHS Kernow & the Local Enterprise Partnership to ensure a joined-up approach to coping with this crisis as best we can.

Please note we are still all working and here to support you the best we can in these difficult times. You can still contact the team via their Visit Cornwall emails, or at [industry@visitcornwall.com](mailto:industry@visitcornwall.com)

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