

Practical ACTION to support the survival of businesses impacted by Covid-19.

Across the ENI network we are engaging directly with more than 3,500 businesses, across all sectors, every week. We are the most active and engaged interface with NI's 135,000 enterprises, across all sectors, throughout the region. Over the past few days, the rising concerns and in many cases palpable despair from our micro, small and self-employed business owners is a loud and clear call for immediate, impactful action to help them with the provision of unambiguous effective survival support.

Many from the business community have called for emergency discussions to address the evolving Covid-19 impact on our economy. The Enterprise Northern Ireland network supports this call and its urgency. We propose an emergency action focused meeting with the Executive Office, departmental ministers, senior civil servants and relevant business development and representative organisations - ***with the aim of immediately implementing a critical programme of measures and support to help small and micro businesses and the self-employed survive during the weeks and months ahead.***

We cannot afford ambiguity; we need clear advice and the easiest of access to and implementation of support measures. Whilst the hospitality sector is without doubt one of the first sectors visibly lunging towards the impact of the crisis and therefore in need of significant support now – we must put various targeted practical support measures in place for **all businesses, in all sectors, immediately.**

We propose:

- I. The establishing, **today**, of a dedicated, resourced coordination team (**CV-19 Business Task Force**). This team should be able to work remotely/separately but communicate constantly and share information and resources with the use of a virtual comms platform. Set-up of this needs to be informed by Invest NI, Intertrade Ireland, Enterprise NI, local councils, business representative groups and chambers.
- II. A **CV-19 business helpline/portal** – structured in a cellular (remote) format, through harnessing available technology and therefore being able to deliver accurate, real-time, advice, help and signposting on a one-to-one and a one-to-many (live advice webinars). This critical delivery needs to be resourced. Set-up needs to be informed by Invest NI, Intertrade Ireland, Enterprise NI, local councils, business representative groups and chambers. This needs to be established in **the coming days**.

The primary reason for business failure in the coming period will be **running out of cash**, causing a disabling of critical business activity. The result will be multiple closures, multiple bankruptcies a surge in redundancy and closure-related job losses. The cost of allowing that to happen, both economically and societally, is too dangerously high to contemplate. It would take several costly years to rebuild the economy and repair the damage in local communities. **We need action now.**

There are **three areas of critical support** that micro, small and self-employed businesses need immediately. This **list is not exhaustive** and will change as the situation evolves in the coming weeks/months.

1. LIQUIDITY SUPPORT Businesses, due to supply disruption and sales drop-off/postponement need liquidity support such as:

- A collective call from NI Executive and NI Business to UK Government. Clear deferment period (6 months) for VAT, PAYE, Personal Tax (for self-employed) & Corporation Tax with a clear extended time to pay after the payment holiday - likely to be a 24-month instalment spread, with no punitive interest and/or administration costs. HMRC have gone some way with a helpline dealing with businesses on an individual basis (instalment basis), suspending debt collection and cancelling some penalties and interest charges – micro and small businesses need more than this.
- Clarity on how to get sick pay payments repaid quickly to micro and small businesses. This must be instantaneously as payments to absent staff are made. Also, a call to Westminster for this to be extended beyond the proposed 14 days to 8 weeks is vital.
- Introduction, immediately, of 100% rates relief in line with England & Scotland.
- Reschedule rates payment period to (July '20 to March '21) providing cashflow relief over next 4 months.
- Immediate directive to government departments, local government and large private sector organisations to pay small and micro businesses, for any supplies, on receipt of goods/services.

Coordinated support from banks and other lenders to include:

- Immediate introduction of the COVID-19 Business Interruption Loan Scheme by the approved banks servicing NI business. Banks should immediately promote this to their clients and provide unencumbered immediate access to this facility, without looking for security/PGs etc. on the 20% not secured by Government.
- Proposed four-month repayment holiday on business borrowings and commercial mortgages. Four months added to the end of existing term (with no additional punitive interest or admin charges or calls for PGs)
- Proposed extension of funds across elements of the NI access to finance framework (NIATF) and proposed four-month repayment holiday on all (NIATF) loan funds with these deferred repayments added to the end of existing term.

2. SURVIVAL SUPPORT.

All the items in section above, plus:

- For small and micro businesses (predominantly, by nature, service businesses) who will potentially lose all sales for a period, a proposed **survival grant** (as opposed to disruption loan) to cover minimum fixed costs during a period of no income.

3. OPERATIONS ADVICE & SUPPORT.

Advice & Support provided through the COVID-19 business helpline/portal should provide the following. This list is not exhaustive and will be updated as circumstances evolve.

Healthcare of employees, staff, suppliers and stakeholders.

- How to prioritise the health of business owners, their employees, suppliers and customers.
 - Actionable plans and templates to move, when possible, to a working from home (remote working) approach for part/all a business's team.
 - Immediate clarity on plans for schools/college closure to inform childcare / working from home planning (including how long the initial closure period expected to be)
 - Clarity/guidance on dealing with COVID-19 related staff absence.
 - Advice on social spacing for various business types (customer and non-customer facing)
 - Advice/guidance on using communications technology to assist business continuity.
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- **Mechanics of accessing liquidity/survival support**
 - How to get sick pay payments compensated simply and rapidly.
 - Advice on the processing, sensitively and effectively, of potential staff lay-offs.
 - How to rapidly access and prepare to apply for COVID-19 Business Interruption Loan Scheme Small Business Loan Guarantee Scheme and other newly introduced soft loan and grant schemes.
 - Signposting to existing and emerging initiatives from large suppliers around credit extension and stock financing.
 - Advice (with templates) on how to quickly design and implement an effective Business Continuity Plan.
 - Advice on how to forecast when a supply chain hiatus means you can't service customers.
 - Advice/guidance on checking business interruption insurance cover.

We continue to work and engage, this morning, with micro, small and self-employed enterprises (commercial, social, charitable) right throughout Northern Ireland – representing 99.2% of all businesses in our economy. Practical actionable support is needed immediately to limit the number of businesses that will unfortunately cease in the coming period. We are the most active and engaged interface with NI's 135,000 enterprises, across all sectors, throughout the region.

We call for an action focused meeting, today, with the Executive Office, the ministerial team at Stormont and key stakeholders in business support and representation. We are ready to work collectively, from today, to activate a critical programme of measures and support.

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