



Holiday Home Association News

Edition 162 May 2020

Critical workers can now be accommodated freely.

The government published new regulations on 13th May, coming into force immediately, that give self-caterers more freedom to accommodate critical workers.

2020 No. 500

PUBLIC HEALTH, ENGLAND

The Health Protection (Coronavirus, Restrictions)
(England) (Amendment) (No. 2) Regulations 2020

| | | |
|------------------------|---------|----------------------------------|
| Made | - - - - | 12th May 2020 |
| Laid before Parliament | | at 9.30 a.m. on 13th May 2020 |
| Coming into force | - - | 13th May 2020 |

Whilst some self-caterers have accommodated key workers already, in theory this could only be done at the request of the Secretary of State or the local authority. Now the gates have been opened to accommodate all critical workers and the list of these is quite lengthy.

Somewhat bizarrely the list of who is designated as a key worker is contained in a government guidance document issued in early May by the Department for Education. Here is a summary of the main categories.

In News 162:

- Small changes in regulations allows keyworkers to stay in cottages
- Furlough further
- The 50 page roadmap
- New discretionary fund
- Business rates revaluation postponed

- **Health and Social Care.** This includes anyone working in these fields or providing ancillary services or support, or making things used by social care workers such as protective equipment, medicines, or working in the “health and social care supply chain” which includes quite a lot of workers.
- **Education and Childcare.** This includes social workers as well as those engaged in schools etc.
- **Key Public Services.** This includes some interesting professions. Justice system workers, religious staff, and charities and workers delivering key frontline services, as well as undertakers. Also included here are journalists and broadcasters who are providing public service broadcasting. Interestingly as there is no punctuation we are left to wonder whether this means all journalists, plus broadcasters engaged in public service broadcasting, or just the journalists

who are thus engaged, along with the broadcasters!

- **Local and national government workers**, if they are essential to delivering key public services relating to covid-19 or payment of benefits or other key services. As most local government services are to some extent essential, apart from, perhaps, leisure services, this is fairly wide-ranging.
- **Food production and distribution.** This is very wide-ranging indeed, and in addition to food includes “other necessary goods”. The example given for a “necessary good” is hygiene products but this is not exclusive but many goods might be determined as necessary.
- **Public Safety and National Security.** We are tempted to ask how a self-caterer is to know that a person working as a spy for MI5 is genuine, given that he or she would be unable to talk about his work and we doubt that MI5 would confirm any information at all. However, police, fire, border force, prison staff, and armed forces engaged in the covid-19 response are a bit easier to identify and are all included here.
- **Transport workers.** This includes both passenger and freight, and all the supply chain relating to essential supplies.
- **Utilities, communications, and financial services.** This includes oil, gas, sewerage, water supply, telecommunications, waste disposal, IT and postal services.

Some of these things are hard to define but again it is a wide-ranging list.

These people are not entitled to have a holiday in your cottage, however, they must need to stay in it in connection with work. The freedom to rent cottages to key workers does not appear to include their spouses or partners or children, which is yet another oddity in the way regulations are being hastily written at the moment. If a doctor wants to stay in your cottage for work reasons, and his wife (who can work from home in a non-critical job) wants to come with him, we think prosecution is not very likely even though the law does not specifically permit providing accommodation to families of key workers.

These changes will only be a comfort to a minority of holiday home owners, because, unfortunately, you cannot currently rent a cottage to anyone at all for the purposes of a holiday and you cannot rent it to anyone for work if they are not a key worker.

For the full “keyworker list” see:

<https://www.gov.uk/government/publications/coronavirus-covid-19-maintaining-educational-provision/guidance-for-schools-colleges-and-local-authorities-on-maintaining-educational-provision>

The 50 Page Roadmap – what’s in it for Tourism?

The government published a 50 page roadmap of its plans for pulling the country out of lockdown, on 11th May.

There is little cheer in this document for UK tourism generally, and it is looking increasingly likely that the summer season will be disrupted.

If there is one thing that's clear, it is that no holiday accommodation will open before 4th July. After that, we only have a "maybe" and we certainly do not know what leisure and hospitality amenities might be unlocked first.

HHA has written to the Secretary of State pointing out that accommodation in self-catering properties is low-risk, but we fear that government epidemiologists want to limit people travelling around the country for leisure as part of the virus control measures.

It is also clear that the government is putting a lot of emphasis on social distancing. There are to be "covid secure" standards for a range of businesses and this range will undoubtedly include hotels but we don't know if there will be any specific guidance for self-catering. By the very nature of it, self-catering will be self-policing and we may struggle to imagine that people will stay 2m apart when enjoying a stay in Rose Cottage! There is a fair degree of emphasis on "households" so it might be that households will at some point be able to holiday together but without the addition of any family or friends who do not normally live together. The government document is vague on many fronts and we simply do not know what the rules might be.

Enhanced cleaning programmes are likely to be a part of all the covid-secure standards.

Coupled with the clear intention to impose social distancing rules on all manner of amenities including all the

hospitality venues and attractions that tourists enjoy, which is hardly going to make for a great holiday, the prospects for this summer do not look good.

Furlough going further

As widely reported the furlough scheme has been extended to October with the present conditions. However from August there will be the opportunity to part-furlough. That means full time staff being subsidised to work part time or one week on, one week off, etc. As usual with government pronouncements we do not have any detail as yet. It will be useful where it has proved more economical for firms to do no work at all than a bit of work – one of the obvious results of the current scheme.

Retail, Hospitality and Leisure Grant – Tax

The government has confirmed that these grants, of £10,000 or £25,000, will be subject to tax. However, they also say that "Only businesses which make an overall profit once grant income is included will be subject to tax.". Given the state of the tourism industry that may not be many businesses.

Discretionary Fund for the fall-betweens

There is to be a new discretionary fund administered by local authorities to make grants of up to £25,000 to businesses that are badly affected by covid-19 and not eligible for other funding.

At present details of this fund are sketchy and the detailed guidance promised has not been issued. However, we expect the criteria to be:

- Have fewer than 50 employees
- Be able to demonstrate they've seen a significant drop in income due to Coronavirus restriction measures

And that the priorities will include:

- Those in shared spaces
- Regular market traders
- Small charity properties
- Bed and breakfasts that pay council tax rather than business rates

Because this is going to be at the discretion of your local council, the decision-making will vary around the country and each local council will make its own decisions. One local authority, Warrington, has already opened up to applications without waiting for the detailed guidance. We will report on the detail in a future edition of HHA News.

#Stayhomepaytax

There is a useful and fairly detailed guidance page available about the taxation of employees who are working from home:

<https://www.gov.uk/guidance/how-to-treat-certain-expenses-and-benefits-provided-to-employees-during-coronavirus-covid-19>

This also links to the guidance on what expense payments are taxable for example if you paid for a mobile phone that the employee can also use to read the *Daily Telegraph* and the *Morning Star*

over bacon and eggs, some of the costs will be taxable.

Business Rates Revaluation Postponed

The next business rates revaluation will now be in 2022 not 2021, it has been announced.

Matt Hancock on Holidays

The Health Secretary has given a pessimistic comment on the likelihood of any of us taking summer holidays this year, in the UK or abroad. Quoted in The Guardian *"We will seek to reopen hospitality from early July if we keep successfully reducing the spread of this virus but I think social distancing of some kind is going to continue," Hancock said.*

HHA Contacts:

ce@holidayhomeassociation.org.uk

Tel: 020 7078 7329

Legal helpline: 0113 2580033

Tax helpline: 0330 043 0046

Please do not send letters by post at present.