



Holiday Home Association News

Edition 170 October 2020

Winter of Discontent

Unconfirmed reports reaching HHA HQ say that Father Christmas will be required to self-isolate over the coming festive season and that regulations will in any case forbid him from entering properties not in his household via chimneys.

Restrictions in the government's new system of "tiers" have been spreading and now cover more than half the population, resulting in a large number of cancellations of UK holidays.

The government has announced a new support scheme for businesses geographically located in tier 2 and 3 areas but this does not offer support to businesses in tier 3 areas that depend on customers from tiers 2 and 3.

It remains possible for households to holiday together as a family or household unit but in tier 3 areas the official advice is not to travel for a holiday. People who live in tier 2 and 3 areas, which is now most of the population, are forbidden from taking holidays with people they do not live with, and this is expected to have

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a major impact on Christmas bookings in the industry, many of which are usually for family gatherings of one sort or another.

The current state of the regulations as they affect holiday homes is:

Tier 1.

Those living in Tier 1 may holiday with anyone they like in a Tier 1 location subject to the rule-of-six, so the number of people in the property cannot exceed 6 unless they are all from the same or linked households.

This living in Tier 1 may not mix with other households (unless linked) in a holiday home that is located in a tier 2 or 3 area.

Tier 2

People living in Tier 2 areas (which includes all of London and other big centres of population) are banned from household mixing anywhere at all. In theory, stopping to chat to a passing friend in a shopping centre is criminal behaviour. There are no restrictions on travel. They can book holiday homes in

any location so long as there is no mixing with other households – so no family get-togethers or breaks with friends.

Tier 3

This unfortunate enough to live in Tier 3 areas are also not permitted to mix with any other household, anywhere at all. The main difference between Tiers 2 and 3 is the list of businesses required to close but holiday homes are not required to be closed. Holiday homes may continue in business to accommodate single or linked households only.

People living in a Tier 3 area are advised to avoid travel – however this is not mandatory so they may still take holidays if they are following the other restrictions.

Exemptions

Exemptions are a source of potential confusion and argument, because in many cases they are not defined.

Linked households (often called support bubbles) have been covered before. A household with only one person in it who is aged 18 and over may link with any other household to form an exclusive single household even though they live apart.

Where “reasonably necessary” for specific purposes:

- Work purposes, also the provision of voluntary or charitable services. We simply don’t know how this might be interpreted in the context of accommodation. Certainly if you are having your property refurbished and it is more than a one-person job that is clearly allowed. But whether a group of workers who are refurbishing another nearby property, but live far away,

could stay in your property is less certain. If they are key workers there will almost certainly be no questions asked although the tier regulations don’t refer to key workers specifically. At the end of the day it comes down to what is reasonably necessary, a judgement that a court of law would have to make.

- To provide care or assistance to a vulnerable person. There is no definition of what this means and everyone who is 70 or over is a vulnerable person so there are a lot of vulnerable people around. Arguably “assistance” could be anything from driving, cooking, or housework to lifting grandma out of the bath. It is not a carte blanche for the over 70s to holiday with younger people, however. Unless there are special needs it is unlikely that grandma needs more than one person to give her assistance so it probably isn’t reasonably necessary for all her grandchildren to go with her – one will do. But if an elderly couple take along a younger family member to provide them with support that they need to have that should be perfectly OK. Of course, there could be arguments about whether the old couple need any help but provided that they have at least some needs they should be on the right side of the law. There will be lots of grey areas around this so one hopes that nosey neighbours or suspicious police officers will take a fairly generous view.
- To facilitate a house move. We can understand that a household might need a temporary home in between moving out and moving in, but the need for other people to stay with them would be rare – perhaps a couple in their 60s might need the help of two

young adult grandsons with big muscles who would carry the furniture and stay the night?

All these rules are, of course, extremely off-putting to customers who might decide that it was “reasonably necessary” to stay at home and hide in a cupboard rather than take a holiday at all. The latest data from Public Health England does not identify infections caught in holiday accommodation but it is clear from their analysis that very few infections if any are being transmitted on UK holidays or even in restaurants and pubs etc. The home is clearly the place where most people catch it. And to keep our heads from spinning whilst all around are dancing like headless chickens, the ONS reports that there are currently only 6.8% more deaths from all causes than the average over five years for the time of year. Our tourism industry is suffering but is not responsible!

Support in Tiers 2 and 3

A new support scheme is soon to be introduced that will benefit members whose businesses are located in tier 2 or 3 areas.

Details of the new Local Restrictions Support Grant have yet to be published but we do know some key information about this.

Firstly, the grant will be administered by local authorities who will decide the detailed criteria on eligibility for themselves. That is likely to create anomalies and unfairness across council boundaries!

The grants will be available to hospitality and leisure businesses. The amounts depend on your rateable value:

- £15,000 or under, grants of £934 per month.
- £15,000 to £51,000, grants of £1,400 per month.
- £51,000 and over, grants of £2,100 per month.

It is not clear yet whether councils have to stick exactly to these amounts or whether they have discretion. Nothing has been said about seasonality so it could be the case that owners of holiday homes who might have considered closing during the winter would be better off remaining open for business, even if they don't have any customers, in order to preserve their eligibility.

Businesses in Tier 3 may be eligible for larger grants than the standard ones.

Holiday home owners who pay Council Tax might be eligible for a discretionary grant – this remains uncertain as yet but was the case in Tier 3 previously.

The grants will be back-dated where the business operates in an area that has been under restrictions on socialising for some time.

It may be a while before we have the fine details on this scheme and there will be different criteria in all local authority areas. Unfortunately, businesses located in Tier 1 won't be eligible even though customers coming from Tiers 1 and 2 may have cancelled in substantial numbers.

Job Support Scheme

The furlough scheme ends on 31st October and from 1st November a new scheme takes over. It is a bit more complicated than furlough but allows for a subsidy for employees who are working reduced hours over the winter due to reduced demand. This scheme may be of value to agencies who may expect not to have the volume of new bookings over the winter due to the enormous uncertainty as to the prospects for holidays of any sort at home or abroad in 2021. The usual flurry of holiday planning after the New Year may be submerged in gloom.

The JSS starts to operate from 1 November and covers all of the UK. For every hour not worked, the employee will be paid up to two-thirds of their usual salary.

The employee will need to work a minimum of 20% of their usual hours and the employer will continue to pay them as normal for the hours worked. Alongside this, the employee will receive 66.67% of their normal pay for the hours not worked - this will be made up of contributions from the employer and from the government. The employer will pay 5% of salary for the hours not worked, up to a maximum of £125 per month, with the discretion to pay more than this if they wish.

The government will pay the remainder of 61.67%, of salary for the hours not worked, up to a maximum of £1,541.75 per month. This will ensure employees continue to receive at least 73% of their normal wages, where they earn £3,125 a month or less.

So if an agency employs, in normal times, 4 customer service staff but with the reduced level of business can only afford to employ two such staff, an alternative to redundancies is to put all four of the staff on reduced hours. This may be fairer for them and will make it easier for the agency to gear up to full staff in the spring if the sun starts shining and we all wake up after a bad dream.

Employers using the scheme will also be able to claim the Job Retention Bonus (JRB) for each employee that meets the eligibility criteria of the JRB. This is worth £1,000 per employee. This is a bonus that you can claim if you have employed a person continuously since the coronavirus emergency began.

HSE Guidance on RIDDOR

The HSE has published new guidance on the Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations as they apply to Covid-19. These are the regulations that require you to report to the HSE when an employee is injured at work. It is the "diseases" part that is the subject here.

Firstly, you don't have to report to the HSE when a customer tests positive or has symptoms of Covid-19. This is only about your employees.

If an employee catches the disease and there is reason to believe that he/she probably caught it at work, then it has to be reported. There is a slightly grey area here as a positive test is quite unreliable and in some cases the person will just go to bed and feel miserable and won't get

tested. In other cases a person will be without symptoms. The law requires reporting when a person receives a diagnosis of any disease attributed to an occupational exposure to a biological agent, but the grey area is what constitutes a diagnosis? Normally this would mean a diagnosis by a doctor. The HSE says in the current situation that “Responsible persons should consider any official confirmation of COVID-19 infection such as from a public testing body as being equivalent to a registered medical practitioner’s diagnosis.” This is, however, advice and could be disputed, especially if there are no symptoms.

You also have to consider whether there is reasonable evidence that the person caught the illness at work. The HSE says

*For an occupational exposure to be judged as the **likely** cause of the disease, it should be more likely than not that the person’s work was the source of exposure to coronavirus as opposed to general societal exposure. Such cases may not be easy to identify when COVID-19 is prevalent in the general population.*

Work with the general public, as opposed to work with persons known to be infected, is not considered sufficient evidence to indicate that a COVID-19 diagnosis is likely to be attributable to occupational exposure. Such cases do not require a report.

Responsible persons do not need to conduct extensive enquiries in seeking to determine whether a COVID-19 infection is work-related. The judgement should be made on the basis of the information available. There is no requirement for RIDDOR reports to be submitted on a precautionary basis, where there is no evidence to suggest that occupational

exposure was the likely cause of an infection.

It is unlikely that there will be any Covid-related “dangerous occurrences” in holiday letting. Not impossible, however. A dangerous occurrence would be when there is *Any accident or incident which results or could have resulted in the release or escape of a biological agent likely to cause severe human infection or illness.*

It is hard to envisage a scenario in which this would arise.

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Last call on Business rates

31st October is the deadline for responses to the government consultation on reform of the business rates system.

<https://www.gov.uk/government/consultations/hm-treasury-fundamental-review-of-business-rates-call-for-evidence>

HHA has submitted views that fundamental reform is essential to create a local taxation system fit for purpose. The alternatives of a land value tax or a tax based on actual turnover would be fairer to everyone. The hugely complex and hard-to-understand receipts and

payments method of calculation the rateable value of a property for which there is no rental market needs to be abolished.

There is just time to enter your own response!

Spies in the Air

Online giant AirBNB is, according to a Reuters report, now committed to sharing owners' earnings data with HMRC. We know that no HHA member would ever intentionally fail to declare income but it would be best to ensure no errors have accidentally occurred.

The company also said it would partner with HMRC and share data on the earnings of hosts for its platform covering 2017/18 and 2018/19.

Airbnb has faced pressure from governments and regulators around the world to ensure that the users of its platforms -- private individuals who offer their homes as short-term lets -- pay the appropriate taxes.

HMRC is expected to address any issues over hosts' payment of tax in 2021/2022.

"We have taken steps in HMRC to consider sectors, such as short-term property letting, where we may not be collecting the full amount of tax owed," HMRC said in a statement regarding the data sharing agreement.

The long-running negotiations between the company and HMRC have also resulted in a substantial payment of taxes due to the treasury.

HHA Subscriptions

During the pandemic, HHA has not been collecting subscription renewals but all good things must come to an end. Doing what we can for beleaguered members we will be giving everyone a three-month extension if they renew promptly when renewal requests are sent out as they must be in the next month. HHA has some reserves in the bank but these are declining and therefore we will be seeking subscriptions shortly.

Times are tough, we know, but we hope we have been, and continue to be, useful to members during this year of crisis and beyond. We depend on subscription income, however, so do please renew when the request drops in your in-box.

Checking your Guests

The Government has launched a postcode tracker where you can enter any postcode and it will tell you the Alert level of the area and provide a link through to the guidance for that alert level. If you enter a postcode for Wales, Scotland or Northern Ireland, you will be directed to the landing page for Coronavirus control in these administrations. This will be very handy for business checking as to whether customers are coming from different tier areas.

<https://www.gov.uk/find-coronavirus-local-restrictions>

**Happy
Halloween**

Enjoy Halloween this weekend, and remember, remember 5th November!