

Support for Businesses Affected by COVID-19

On 17 March 2020, St Helena Government (SHG) announced measures to prevent COVID-19 from reaching the Island as well as limiting the spread of the virus, if it were to be confirmed here. Between 30 March and 24 June, enhanced social distancing measures were in place to minimise the risk of coronavirus to the Island. Recognising the impact these measures would have on the local economy, SHG and ESH introduced several support mechanisms to reduce the burden on local businesses, effective through to June 2020.

While there are still no regular flights to St Helena, the 24 June decision by the Incident Executive Group (IEG) to lift social distancing measures means that local activities could resume without restriction. After assessing the situation, Executive Council approved a second phase of Hardship Support on 7 July, effective retroactively from 1 July with the aim to keep people in the hospitality sector in employment. The previous Extended Sick Leave and Enforced Business Closure support schemes from SHG and the Adjustment Scheme from ESH, did not continue because they were no longer relevant since the Island continues to be COVID-19 free and commercial flights have ceased.

The two remaining support schemes, i.e. Hardship Support and Essential Cost Assistance Support, were reassessed at an Executive meeting held on 29 September. At this meeting, a third phase of reduced support was approved to sectors still being impacted by the disruption of commercial flights into the island, i.e.

- Tourist accommodation providers - Note: tourism accommodation means premises that is rented out on a short-term basis (i.e. 30 days or less) and is currently unoccupied;
- Tourism activity providers, including both land- and marine-based;
- Other tourist related businesses, eg taxi's, car hire, souvenir shops, producers supplying accommodation providers, etc.

Hardship Support is intended to assist businesses in keeping employees on their payroll during the period of support whereas the Essential Cost Assistance Support will assist businesses with their ongoing business expenses

As this is an evolving situation, SHG will continue to evaluate the impacts of COVID-19 response measures. The support schemes described below will be reassessed no later than 31 December 2020.

Each eligible business can make one application. Where several businesses are under the same ownership, or operating out of one building, the funding is limited to one grant.

1. Hardship Support for Highly Impacted Sectors

Eligible privately-owned businesses can apply for monthly Hardship Support of £250 for the first owner/director living on St Helena, £162.50 for the second owner/director and £162.50

per additional full-time employee. After an application is made and approved, the business will receive payment for the month of application and each following month in which support is available. It is assumed that an individual can only be a full-time owner/director or employee of one business.

Hardship Support is available to owners of companies or sole proprietorships for whom more than half of their annual income is earned in the eligible sectors.

2. Essential Cost Assistance Support

Furthermore, to assist eligible privately-owned businesses with essential business costs, they can apply for grants of up to a maximum of £250 towards essential costs for business premises, i.e. rent, utilities, internet costs or business insurance. Businesses in these specific sectors, will need to submit with the application form, the relative invoice or receipt if payment had already been made, for the period October - December 2020, bearing in mind that refunds to businesses need to be undertaken by no later than 31 December 2020.

This support is available to all businesses in the eligible sectors, even if the owners of companies or sole proprietorships earn less than half of their annual income from these businesses.

To apply for support

Businesses in qualifying sectors that were previously approved for the Hardship Support will continue to receive payment for the duration of the second phase. New applications for either scheme should be made in the attached forms and should be sent to Delia Du Preez via email: delia.dupreez@esh.co.sh

The following information will be required in order to process the application.

- Name and contact details of the business
- Name of registered owner
- Tax registration number
- Name and address of each employee you are claiming for
- Declaration that more than 50% of the owner/director's income is derived from the profit of a business in an eligible sector for the Hardship Support
- Confirmation of business account number into which the funds should be transferred.

The application will be processed and payment made within seven business days following approval of the award to your business bank account.

SHG / ESH

30 September 2020