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Subject: Government safety net for Welsh businesses is 'full of holes'

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Government safety net for Welsh businesses is 'full of holes'

Businesses falling through the net as funding fails

Businesses across North Wales affected by Covid-19 are still being failed by promises of government support, despite the latest round of grants being announced.

Plaid Cymru's North Wales MS Llyr Gruffydd said he had been contacted by many businesses that don't fit into the categories for Welsh Government support and said he was disappointed that the latest round of grants support, which was meant to address those falling between the gaps, had failed to help all in need.

Mr Gruffydd said: **"Whether you're a plumber who operates from home and a van, a business operating from within another business or a charter boat firm, there are too many holes in the Government's safety net. This latest round of grants was supposed to address all those businesses that didn't fit into neat categories and was the result of pressure from Plaid Cymru MSs and local councils that had ample evidence of the kinds of businesses falling through the net.**

"The minister said he was looking at a further scheme that would help other businesses but this is still some weeks away - it's not good enough and won't be arriving in time for some businesses who have been desperately hoping for some concrete news.

"After three months of lockdown and the prospect of a summer season being wiped out, many businesses in the region urgently need to support. The failure to fund all businesses affected by the lockdown, something that was not the fault of the businesses themselves, risks wiping out well-established companies with the loss of jobs and income in many of our communities.

"I'm calling on the Economy minister, who also has the title of Minister for the North, to urgently deliver the support that our small businesses need to sustain themselves through the lockdown and coming months."

Mr Gruffydd said he and Plaid Cymru colleagues in the Senedd had lobbied the minister to address these specific issues: **"The minister has publicly called for examples of businesses that didn't meet the initial criteria and councils had supplied that information. But it seems to have fallen on deaf ears as many of these businesses will still not qualify for assistance. This could spell disaster if they go to the wall as a result and that will make economic recovery all the harder over the coming months and years."**

Mr Gruffydd cited the case of GO Angling Charter Services, a commercial charter boat company on Ynys Môn, which had lost its spring income and now faced losing its summer season too. Mr Gruffydd added: **"Many businesses in Wales are seasonal and they've just seen their most lucrative season wiped out. That's why we need to ensure that help is in place to tide them over not just the lockdown but through the winter months or we will see large parts of the economy disappear by this time next year."**

Gethyn Owen, who operates GO Angling, said: **"The charter industry was one of the first industries to be affected by COVID-19 and potentially one of the last to begin operating again. Due to travel restrictions placed on customers and social distancing measures. Most operators' vessels are an average of 10-11 metres in length and licensed by the Maritime Coastguard Agency to carry 12 passengers and 2 crew members. It is impossible to socially distance that number of passengers and to operate with less than 8 passengers to aid social distancing, whatever your line of work is not economically viable.**

"None of our members qualify for the current small business grants fund as we do not occupy property that pays business rates however we do operate small businesses and operate in the leisure sector.

"W"**We seriously require immediate access to the small business grants fund to ensure industry survival for all leisure and commercial based businesses operating vessels under the Maritime and Coastguard Agency Small Commercial Vessel Codes of practice. We have been forced to cease operating because of the government's actions to the Coronavirus outbreak and desperately require a level of support in parity with others."**

CASE STUDY - GETHYN OWEN, GO ANGLING CHARTER SERVICES

The current package of assistance made available by the both the UK & Welsh governments do not support the majority of our charter boat industry.

What I am asking for at this time is a fair level of support for charter boat businesses and other similar small ventures that are at risk of closure.

We require immediate access to the small business grants fund to ensure industry survival for all leisure and commercial based businesses operating vessels under the Maritime and Coastguard Agency Small Commercial Vessel Codes of practice is paramount. We have been forced to cease operating because of the government's actions to the Corona Virus outbreak We realise these are unprecedented times and the government's response so far has been fantastic but we urge you Please do not forget about us.

All businesses involved in charter operations contribute vast amounts of revenue to coastal communities directly. Moorings, passenger levies to a local authority, support of local marine engineers, marinas with lift-out facilities, chandleries and through the secondary spend of passengers. Pubs, Accommodation, activity-specific equipment providers (shops), parking. The health benefits of what we offer are also massive particularly to mental health.

Self-employed operators are entitled to claim through the self-employment income support scheme. Payments from this scheme will only support the continuation of living (FROM JUNE at

the earliest). Many of these self-employed operators reinvest their money into their businesses and operate at a loss. What help will they receive?

All operator's vessels comply with Her Majesty's Maritime Coastguard Agency small commercial vessel (SCV) codes of practice.

All of these operations are generally seasonal (April-October inclusive) Some of these Charters will operate twelve months a year but 95-98% of revenues are generated during the 'peak' months (NOW).

Every Charter boat in the country will have fixed overheads of between £5,000-£20,000 per year depending on location and scale of operation before a key is turned and a charter taken to sea.

The charter industry was one of the first industries to be affected by COVID-19 and potentially one of the last to begin operating again. Due to travel restrictions placed on customers and social distancing measures. Most operators' vessels are an average of 10-11 metres in length and licensed by the Maritime Coastguard Agency to carry 12 passengers and 2 crew members. It is impossible to socially distance that number of passengers and to operate with less than 8 passengers to aid social distancing, whatever your line of work is not economically viable.

The industry has just come through one of the worst winters for thirty years for days at sea. For some of us, we are still recovering from the destruction caused by Storm Emma in March of 2018. Combined with the above operators will potentially have to survive until next April (2021) with ZERO BUSINESS ASSISTANCE, ZERO REVENUE AND ZERO CASH FLOW.

A lack of cash flow kills businesses like ours, with all our fixed overheads still chargeable at this time.

We do not qualify currently for small business rates relief package as our vessels do not come under ratable property however contribute to business rates for the local authority or private marina through our berthing fees. Marina operators have subsequently received a freeze on rates for 12 months. Berthing fees countrywide are largely still being charged at full rate to customers.

None of our members qualify for the current small business grants fund as we do not occupy property that pays business rates however we do operate small businesses and operate in the leisure sector.

We seriously require immediate access to the small business grants fund to ensure industry survival for all leisure and commercial based businesses operating vessels under the Maritime and Coastguard Agency Small Commercial Vessel Codes of practice. We have been forced to cease operating because of the government's actions to the Coronavirus outbreak and desperately require a level of support in parity with others.

ENDS

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