

QUEENSTOWN LAKES DISTRICT COUNCIL

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Southern Lakes Business Response Group

COVID-19 – Update 16 – 16/04/2020 – 4.00pm

Here's the latest update from the **Southern Lakes Business Response & Recovery team**. Updates in red.

Today the government announced details on what moving to Level 3 looks like for businesses and workers, including what businesses can open and what steps they need to take to keep their staff and customers safe. <u>Details here and below.</u>

Prime Minister Jacinda Ardern did reiterate the risk of going to Alert Level 3 too early. She clarified we will move to Level 3 only when we have met four criteria:

- We know that community transmission is under control and the transmission rate is very low.
- We have robust measures at the border stopping new infection.
- We have tracing and testing capacity to shut down any new outbreak.
- We have supplies for, and capacity, in the health system.

On April 20, Cabinet will make a decision on whether New Zealand will change Alert Levels or stay at Alert Level 4. The next group update will be on Monday after the Prime Minister's announcement at 1pm.

What's new?

Level 3 update

Today the government released more details and clarification around what businesses can open under Level 3, when we move to that level. Most, but not all, businesses can start to open under Alert Level 3. They must take health measures to keep their workers safe. A self-accreditation system will be unveiled next week for businesses to register they are trading.

Highlights below and full details online here.

To download the detailed alert level information click here. PDF in folder.

• Workers must work from home if they can.

• Workplaces must operate safely – keeping one metre between workers, recording who is working together, limiting interaction between groups of workers, disinfecting surfaces, and maintaining high hygiene standards

• Retail and hospitality businesses can only open for delivery and contactless pre-ordered pick up – customers cannot enter stores.

• Supermarkets, dairies and petrol stations can continue to allow customers into their stores, with the same restrictions and measures in place as Alert Level 4.

• Businesses cannot offer services which involve face-to-face contact or sustained close contact (e.g. hairdressing, massage, house cleaning, or door-to-door salespeople).

• Other in-home services can be delivered if it is safe to do so (like tradespeople for repairs or installations) – keep two metre separation from those in the house.

Travel under Level 3 - Travel is still restricted under Level 3 and is only allowed for permitted movement in your local area – e.g. for going to work or school, shopping, or getting exercise. Regional travel is allowed for permitted movement, with some exceptions.

Immigration New Zealand - The Government has agreed to relax visa conditions for a short period to allow temporary migrant workers and international students to further assist with our essential services during the COVID-19 response. **Details are:**

- Temporary migrants already employed in essential services will be able to vary their hours and be redeployed to do other roles within their current workplaces. They can also do their current role in different workplaces to help essential businesses keep operating while New Zealand remains at Alert Level 3 or 4 and six weeks after that.
- It is anticipated this will help employers in essential industries to maintain their labour pool as we understand hiring would be very difficult while New Zealand remains at Alert Level 3 or 4. The six week period following a reduction in the New Zealand Alert Level to Level 2 or below will enable employers to recruit local staff or retrain existing staff to meet changes in demand.
- Any amendment to an employee's conditions of work must be compliant with normal New Zealand employment law and the individual or collective employment agreement relevant to the employee.
- Businesses that are considered essential to support New Zealand during Alert Level 3 or 4 can be found <u>on the website here.</u>

Trade update - Trade can help New Zealand to rebound, rebuild and recover from the COVID 19 pandemic, Minister for Trade and Export Growth David Parker said today. The Minister said steps are being taken to support exporters and that will help New Zealand rebuild and recover in the medium term. <u>Click here to read the full release.</u>

QLDC Rates relief

Queenstown Lakes District Council's elected members today adopted a new Rent Relief Policy to help mitigate the potential social and economic impacts of COVID-19 in the district aimed at QLDC's 717 tenancies, licences and leases throughout the district.

At an extraordinary meeting of full Council, Councillors voted unanimously to adopt the new policy to complement central government's economic support package. The full release can be read online here. PDF in folder as not online yet

The adopted policy contains a number of principles summarised below:

- Immediate relief provided to affected small-to-medium organisations in the form of a twomonth rent waiver.
- Relief provided to large organisations who are affected by COVID-19. The Relief will be negotiated with the individual organisations taking into account their terms and circumstances.
- Immediate relief provided to residential tenancies in the form of a 30% rent reduction over a three-month period.
- Rent relief for other licence holders will remain under review.

QLDC Mayor Jim Boult referred to tenancies as "a relationship to be nurtured, not just a transaction".

He added: "All relationships have ups and downs, and this is a low point where we need to work together and support one another to get through successfully. The Council has received a number of requests for rent relief in recent weeks and we anticipate more to come. Providing some form of short-term relief now gives residents and businesses that are struggling a chance to survive and find a new normal in a post-COVID-19 reality," he said.

"If you're a landlord with struggling residential or commercial tenants, I would encourage you to also look at what you can realistically offer to support and retain these tenancies for the longer term. And if you're a tenant in need, now is the time to reach out to your landlord and see whether an agreement can be reached to give you the breathing space you need. It's in nobody's interest to see empty properties or residents and businesses without a roof over their heads."

Reminder:

The Government yesterday announced a suite of new measures to provide relief for small and medium-sized businesses during the COVID-19 pandemic.

The new measures include:

- \$3.1 billion tax loss carry-back scheme (estimated cost over the next two years)
- \$60 million estimated annual savings to business each year from changes to the tax loss continuity rules
- \$25 million in the next 12 months for further business consultancy support
- Greater flexibility for affected businesses affected to meet their tax obligations
- Measures to support commercial tenants and landlords

Commercial leases

The Government also announced it will extend the current 10 working day timeframe that commercial landlords may cancel the lease to 30 working days. This will be for both the period the tenant is in arrears before the notice is given, and for the period to remedy the breach.

The Government will also extend the timeframes for lenders from 20 to 40 working days for mortgaged land, and from 10 to 20 working days for mortgaged goods. This will apply to commercial mortgages and home loans. However, the already announced mortgage deferrals are likely to be the first port of call for residential borrowers.

Webinars

Tourism and Hospitality specific

Eat Sleep Event Repeat - Webinar

There is no denying that the effects of COVID-19 are proving both dramatic and widespread across all industries, and particularly so for those that specialise in bringing people together.

Open to all members of the broader events community, the second version of this forum is a chance to hear from key food and drinks event producers about how they are managing the short and long term challenges of the current COVID-19 situation. Click here to register.

Hospitality industry - The Restaurant Association is holding weekly webinars for members and non-members on topics including restructuring, social media marketing, food costing and more. <u>Click here for all training and webinars</u>

How to shift to a virtual event strategy - Online now

Events can take months to plan. Years, even. So what happens when, in one unpredictable moment, you find yourself facing the choice of having to postpone, cancel, or go virtual with your event season? Check-out this webinar that looks at building meaningful online events, and lessons learned about creating experiences and community in any situation. <u>Click here to watch this</u> <u>webinar from HubSpot.</u>

General business and economic

Harnessing your Resilience during COVID-19 - facilitated by Workplace Support Southern Training & Development Manager, Trudy Schievink.

• Thursday 23rd April 10am - Click here to register

We are living through an unprecedented event that means our world is changing rapidly around us. Now is the time for us to ensure we are looking after ourselves so we can in turn, look after others. How we view these challenges and respond to this specific event will influence the way we navigate through this COVID-19 crisis.

This one-hour online webinar introduces how resiliency can enhance our capacity to effectively manage during this crisis. It includes identifying sources and symptoms of stress, explores the importance of harnessing resiliency and introduces resiliency strategies and resources.

Tax and COVID-19: What you need to know - Monday 20 April 10am

Stephen Richard, Technical Director for Tax Advisory with FINDEX will brief you on the changes to tax legislation resulting from the Government's COVID-19 relief package as well as penalty and interest remission for late tax payments. Register in advance for this webinar: <u>Click here</u>

Preparing for the Redundancy Process - Hosted by John Farrow (Employment Partner) Anderson Lloyd - **Tuesday 21st April 2020**

Unfortunately for some businesses the Government's Wage Subsidy cannot prevent the inevitable. Redundancies need to be based on a sound business rationale but also need to be procedurally fair. A flawed redundancy can give rise to personal grievances and a successful personal grievance can result in compensation and lost wages, in addition to any redundancy compensation that you have already paid as part of your redundancy process.

In this Webinar John will discuss the restructuring and redundancy processes, including good faith consultation requirements; provision of necessary information and consideration of redeployment options. **Register in advance for this webinar:** <u>Click here</u>

FAQs

Business FAQs on COVID-19 - How do I apply for the subsidy, what does it mean for my business, the economy, my staff etc. <u>BDO has set up a great resource here.</u>

General FAQs on COVID-19 - What it is, what self-isolation and level 4 means etc. <u>Click here for</u> <u>the COVID-19 website</u>.

Local FAQs on COVID-19 - What services are available, how can I get help etc. <u>Click here for local</u> <u>Council information.</u>

Local Business FAQs- Up-to-date local information for businesses here.

We are here to help, so if you have any concerns, or are not getting the support you need, from the resources, please contact anyone below.

Destination Queenstown – Ann Lockhart – CEO – <u>annl@queenstownNZ.nz</u>

Queenstown Chamber - Anna Mickell - CEO - ceo@queenstownchamber.org.nz

Lake Wanaka Tourism – James Helmore – GM – james@wanaka.co.nz

Ignite Wanaka Chamber – Naomi Lindsay – Executive Officer – naomi@ignitewanaka.co.nz

QLDC Economic Development – Peter Harris – Economic Development Manager <u>peter.harris@qldc.govt.nz</u>

Regional Business Partners – Tara Druce – Business Advisor – tara@otagorbp.co.nz