

Coronavirus COVID-19 Steps to take to secure your business



PRESS RELEASE

From Jane Watson

Business Management Consultant to the Bridal Industry

www.bridalbusiness.co.uk



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Firstly, can I ask you all to please keep safe and look after yourself, family and of course friends and neighbours where possible. I do hope the following is useful and will be helpful in securing your business until we can all get back on track.

Asking for a holiday payment period for your rent

If you are renting your business premises, speak to your landlord 'NOW', if possible directly or if this is not possible send an urgent email. Ask if you can have a rental payment holiday of up to a maximum of six months.

If we are allowed and the climate permits you to open your businesses up for customers then you will perhaps need an extra couple of months to get trade moving again so explain to your landlord why you may need this amount of time.

If the answer is 'no' try and negotiate as to what he / she would suggest as a reduced payment and ask for any suggestions to help your business.

For example: if you have paid a 3 month holding deposit when you first signed your lease, ask if you can use this for the next quarter rent and replace it over a set period once trading again.

The best approach is

Keep calm and don't lose your temper. Remember they may be struggling for income too and this property may be the only one the landlord has and therefore the only source of income for him / her.

How can you make up the back rent?

Offer to increase your monthly rental payments after the government has given permission for businesses are allowed to trade.

For example, if your rent is £12k a year (£1k a month) and you owe £6k in back rent, offer to pay the back rent over the next 12 months (after you start trading) making your monthly rent £1,500 per calendar month.

Business rates

If they haven't already, the local council could or should be able to stop these costs. If you've paid for the year in advance, speak to them to try and obtain a refund as you will need as much income as possible to continue to trade.

Bank overdraft / loans

Again, speak to your bank. Don't be afraid to approach them. They already know what a terrible situation many businesses will be in with no income, so ask them to not charge any penalties or any charges for non-payment of your overdraft or loans. If you have loans with other companies, contact them urgently to avoid your business being at risk. Don't wait, call them now! If you take out a new loan for any reason, make sure you double check the terms and conditions and can afford the repayments, government loans may be interest free for first 6 months but find out what interest rate you would pay after the interest free period.

Your suppliers

Again, contact them, explain to them your personal situation and perhaps ask to set up a payment plan once you start trading again. As I have said, it 'will' take time to start fully trading again and for your customers to feel confident to make plans.

You must keep advertising!

Keep up your Facebook, Pinterest and Instagram posts as social media is all free advertising. If you can afford it, post some paid for advertising on social media: £50 on Facebook will allow many people to see your posts and consider setting up a helpline for brides-to-be and interact with them on Facebook.

Ask your web designer to put a banner on your web site clearly telling brides how they can contact you, and don't forget to also put a banner on your Facebook page etc.

Staff and customers

Set up a Skype or Zoom meeting and talk to your staff regarding their input for your social media posts. Have training sessions online (a pyjama party!) – there is so much you can do to keep the flow and contact with your staff and current / future brides.

Phone calls/orders/computer

Have all calls from your business phone transferred to your home or mobile number so you have constant contact with your customers. Keep your order file with you so you can immediately answer questions from worried brides. Make sure you can access your computer remotely or back up to an external hard drive to use at home. Please remember you must keep client's details in a safe and secure place for GDPR compliance.

Competition

This is a good time to contact your competitors, be a leader not a follower! Reach out to other small businesses, network together and exchange ideas as to how you can move forward. This could be a game changer for you all to start talking now and keep up the contact when this is all over. Perhaps share ideas such as how you can all bring brides to your area, pricing, offers and more.

I would be willing to visit your area (once the lock down is lifted) or speak over Skype or Zoom to give a talk about your businesses in general and how working together, not against each other, could help improve your business at this critical time and in general (contact me via my email to discuss janewatson@bridalbusiness.co.uk).

Self-employed

If you have not already done so talk to your accountant ASAP to complete your accounts so you can claim from the Governments proposals, I'm sure your accountant will be happy with any extra work at this time.

The government has now announced it's plan to help the self employed which it is calling "**Self employed income support**". HMRC will contact you if you are eligible for the scheme and invite you to apply online.

The scheme allows you to claim a taxable grant worth 80% of your trading profits to a maximum of £2,500 per month for the next 3 months. This might be extended. The amount will be paid in one lump sum, and they hope to do this near the beginning of June. To work out the figure you will receive HMRC will take an average based on your total trading profit for previous years.

Full details can be found in the link below, but the key elements are that you must have submitted your Income Tax Self Assessment tax return for the tax year 2018-19, have traded in the tax year 2019-20, are trading when you apply (or you would be except for COVID-19 implications), you intend to continue to trade in the tax year 2020-21, have lost trading or partnership trading profits due to COVID-19 and your self-employed trading profits are less than £50,000 and more than half of your income come from self-employment.

You can find out more here:

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

If you require financial help in the meantime the recommendation is that you apply for Universal Credit.

If you need any help, please visit my Facebook page, where we can set up a Q & A session to help each other.

If it's really urgent or more personal that you don't want to share on Facebook, please call 07909 520247, be patient as the line may be busy (please do not leave messages).

Finally

I would like to say a big thank you for your services to this amazing industry and I look forward to the possibility of being able to help any of you in the future.

Should you need to book a one-to-one consultation for the management of your businesses going forward, any appointments booked and paid for during the next 6 months will be reduced.

Please keep yourselves and family safe and follow the government guide rules, we will get through this.

Web site: www.bridalbusiness.co.uk

Email: janewatson@bridalbusiness.co.uk

Facebook: www.facebook.com/bridalretailers

Tel: 07909 520247

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