

COVID-19 Risk Management Tips

As the challenge of COVID-19 spreads and the government and local authorities respond with wider restrictions, it is critical for businesses to plan to get through the crisis.

Businesses should consider how they might maintain key functions when a significant number of your people might not be able to work, are self-isolating, or need to care for family for an extended period.

ICIB has compiled these tips to help consider the next steps.

Hygiene

The [Healthline website](#) is the primary reference point for advice on COVID-19. It is regularly updated to keep pace with the rapidly evolving circumstances and announcements.

Hopefully the tips for managing hygiene are now second nature for your business;

- Vigorous hand washing
- Providing hand sanitiser and wipes
- Flu injections planned for the upcoming winter season
- Avoid close contact including shaking hands etc.
- Request that staff do not attend work if they are unwell, regardless of whether they consider it to be COVID-19 or a bad cold.
- Make sure all staff are aware of the symptoms of COVID-19 and will immediately seek medical attention and notify you if they have those symptoms.
- Importantly, if you do suspect any symptoms, contact the dedicated COVID-19 health line **0800 358 5453**. Do Not visit your local GP without prior phone contact.

Working from Home

There is a real possibility that some, or even all, of your team may need to work from home for an extended period.

It is important to maintain as much of your business operations as possible so you can continue to be there for your customers.

- Do critical staff have external access to key client records? What reliance do you have on paper records?
- How will your business manage the work-flow and connectivity of your team to ensure that the work gets done?
- Do your technology providers have their own continuity plans in place so they can continue to service your business?
- Will your technology enable employees to login from home and complete their daily tasks?
- What are your employee's hardware requirements at their home?

- Have you recently tested remote connections between home and work? – consider a dry-run test with employees working from home for a day
- Can you divert your landline to your mobile each day (or leave diverted)?
- Be on the look-out for phishing emails that relate to COVID-19. Unfortunately, this type of topical subjects are high phishing attack targets - no subject is apparently off-limits to attackers.
- How will you manage banking or cash handling (if any)?

USEFUL Link: <https://getready.govt.nz/prepared/work>

Business Continuity Plans (BCP)

Great simplified BCP templates can be found on-line with a quick google search.

Take the time to quickly draft a BCP for your business which considers the COVID-19 impact across a number of scenarios (e.g Quick recovery, Medium Term impact, Extensive Community outbreak etc)

The response plan should focus on identifying key business functions, staff contact, maintaining communication channels, how you will operate remotely, customer and supplier contact etc.

USEFUL LINK: <https://worksafe.govt.nz/topic-and-industry/work-related-health/workplace-preparedness-for-novel-coronavirus/>

Employee Wellbeing

Set up a system for a daily catch up in teams or as a business to check in how employees are feeling? This may be by conference call, Skype video or chat, text messaging or email.

People may be under pressure due to partners being out of work as a result of the virus, worry about getting ill, worry about family members overseas, so it is important they feel supported.

Now is a good time to check that all employee after-hours contact info and next-of-kin details are up to date. Consider how you will get a mass, emergency communication out to your team. Make sure key contacts are in your phone.

Consider the effect of absences on sick leave, bereavement leave and holiday pay

including whether you will allow negative balances, and how your business will fairly treat all staff in different circumstances

USEFUL LINK: <https://www.employment.govt.nz/about/news-and-updates/workplace-response-coronavirus-covid-19/>

Government business support package

The recently announced \$12 billion package includes:

- \$5.1b in **wage subsidies** comprising:
 - Flat rate of \$585.80 for people working 20 hours or more per week, and \$350 for people working less than 20 hours per week.
 - Paid as a lump sum to cover 12 weeks per employee
 - Businesses need to show a 30 percent decline in revenue for any month between January and June 2020
 - Applications can be made [here](#).
 - Maximum subsidy to a business is \$150,000
- \$126 million in COVID-19 leave and **self-isolation support**
 - Available for 8 weeks from 17 March 2020;
 - Covers full-time, part-time and casual employees, and contractors who need to self-isolate and cannot work from home; or are caring for dependents
 - Paid at a flat rate of \$585.80 for people working 20 hours or more per week, and \$350 for people working less than 20 hours per week.
 - Payable for 14 days - but employers can apply more than once.
 - Applications can be made [here](#).
- \$100 million **redeployment package**
- \$2.8 billion in **business tax changes** to free up cash flow:
 - Depreciation deductions reintroduced for industrial and commercial buildings. Available as part of normal tax filing processes (no application required).
 - Ability to deduct the full cost of assets up to \$5,000 in the year they purchased them (up from \$500), rather than having to spread the cost over the life of the asset. Applies to the 2020/2021 income year.
 - Threshold for paying provisional tax increases from \$2,500 to \$5,000 - effectively extending the tax payment until 7th February 2022.
 - The IRD can waive interest on late tax payments (at their discretion)

Cashflow management measures

Take full advantage of Government support measures
Contact your landlord and ask for a rent review or rent holiday
Ask your bank to discuss relief options such as extending the term of your loan, or temporarily convert to interest-only repayments
Explore staffing options (check employment agreements) such as stand-downs, 9-day fortnights, reduced hours, enforced leave and salary reductions by mutual agreement
Explore reducing stock levels whilst protecting your supply chain, and ask suppliers for more lenient payment terms
Consider any options to get cash in by discounting sales
Explore a cost-out budget review, check all line items and identify cost that can be avoided or deferred

Client Meetings

Consider whether a face to face meeting is necessary or whether you can catch up by phone or video conference, skype or face time etc.
If a personal visit is appropriate, what pre-agreements have been made re personal contact / handshakes etc.
Do your customers have their own restrictions on external visitors?
Have your customers recently been overseas?

Travel

With the recently introduced 14-day self-isolation requirement in NZ following international travel, many companies are considering travel bans.
Is any upcoming travel essential, or can it be conducted by other means (video or phone conference) so travel can be deferred?

Life & Health Insurances

Our specialist Life & Health team are available to answer specific questions relating to health insurance in addition to income protection/disablement, trauma and life cover (*insurance@iciblife.co.nz*).

Testing and related treatment services for COVID-19 would likely be carried out as an urgent matter through the Public Health system rather than through private health insurance. COVID-19 is not an exclusion through our life-based insurances however please refer to your policy document or ask us if you would like additional reassurance.

Please do not hesitate to contact us if you have any questions regarding the above or how your business should approach specific circumstances.