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## COVID-19 BUSINESS

## ACTION CHECKLIST

Business Topic	Issue/Question	Comments/suggestions/queries/ (Add your own notes)
<b>Business Continuity Plan</b>	Do you have a Business Continuity Plan (BCP)?	
	If you do have a BCP, then, in the context of impact: Have you recently consulted it? Have you recently tested it? Have you considered if and how you can implement it? Does it need to be revised in the light of Covid-19?	
<b>Information: General</b>	Is your business-related information (hard copy or digital) stored at your business premises?	Is that information instead kept elsewhere (e.g. your home)? If not, would it be safer if kept at home or elsewhere?
	Whether kept at your business premises or at home, is it backed up at another location?	
	If any information is kept at your business premises, is it all lawfully accessible?	Is it? If not, why not? It would not be lawful to access if the actions needed to do so would infringe Covid-19 legal restrictions. Would accessing it involve breaching any self-isolation/social distancing requirements?
	Can you practicably and easily access it if you or your staff need it for the purpose of the business?	How? For example, are you able to travel to the location concerned, and do you have keys, or access to keys needed?
	Is the information all adequately protected from loss or theft?	
	Are you able to continue copying/backing up your information, given any constraints in current circumstances?	
	If you are operating your business entirely or partly from your business premises, is your information (hard copy or digital) sufficiently secure?	Could it be wrongfully accessed, disclosed, copied or used by an inappropriate / unauthorised person (e.g. by anyone living in or with access to your home)?
<b>Personal Data</b>	If any of the above Business Information comprises personal data, do the effects of Covid-19 or actions that you have taken to mitigate the effects of Covid 19 give rise to a risk of a data breach or other breach of data protection legislation?	

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<b>IT</b>	Are you dependent on IT? If so, see relevant point in “Information: General” below, “Information: General” above, “People: Home working” below. Will you need to incur additional expense to ensure IT is installed at or accessible from a home working base or other home working sites?		You might purchase or hire such alternative facilities. See our “IT Disaster Recovery” subfolder <a href="#">here</a> .
<b>Equipment: General</b>	Can your business function without particular equipment, machinery, or consumables that it usually uses but which are not used every day?		
	Is any or all of that equipment etc at your business premises? If so, is it or will it be unattended to a greater extent than normal?		
	Is any of that equipment etc at increased risk of theft or damage if not being attended?		If so, can you increase security measures, or can any/all items be moved to a more secure location? If moved, can these items still be used to meet your needs?
	Does your insurance policy protect those items from damage if the premises are unattended some or all of the time?		Check the policy.
	Does continued use of any such item depend on repair or replacement?		If so, is that repair etc facility still available on both a routine and call out basis?
	If any important tool, equipment, plant or machinery is stored at or other non-business premises, do you and staff have access to parts/consumables for it at that new site and do you have access to parts?		
<b>Premises</b>	Are your business premises (or will they be) unattended, and if so, which, before Covid-19, they were attended?		
	If so, will that be in breach of your insurance policy?		Check the policy
	If unattended, is there a greater risk of loss or damage to contents either occurring or being promptly detected?		For example, loss or damage due to defects in any electrical or plumbing installations, fire or water leaks could occur.
	Are appliances switched off when the premises are unattended?		
	Are all external doors, windows etc properly shut when the premises are unattended?		
	If you are not using your business premises at all or are not using them appropriately, turned off all stopcocks, valves and electrical equipment at your premises?		
<b>Home working</b>	Have you identified whether and when you might need to work from home?		

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	Have you considered whether in practical terms you can have staff working from home?		
	Do you have a suitable home workspace to use if you have staff working from home?		
	If you have a business partner or employee/s, would you be able to agree terms to work from their home?		
	Is it safe for you/them to work from home?		
	If you/they work from home, do you/they have all the necessary facilities there to do so?		
	If you/they do not have the necessary space at home, do you/they have any other options for ensuring that the work concerned can be carried out?		
	If you/they do have the space needed to work from home, do you/they have the IT or other facilities needed, are you able to procure them if necessary?	Yes	You might purchase or hire such facilities; in relation to IT, see the "IT Disaster Recovery" subfolder <a href="#">here</a> .
	Does your home insurance cover such homeworking?		Check the policy
<b>People</b>	Have you or any of your staff had to cease work or self-isolate?		
	Are you and they clear as to whether they are entitled to: - receive sickness or other benefits? - be paid salary by you?		
	Are you and they clear what needs to be done in the event of a staff member being on sick leave or sickness or other benefits?	Yes	
	If your business can be open and operational and you are able to comply with Covid-19 legal restrictions on its operation, is it practicable for you to have staff working at your business premises?	Yes	For example, is it practicable for them to observe social-distancing, and are they able to travel to reach their workplace?
	If not, can they (or some of them) effectively work from home. Can you alter their role so that they can do the tasks required by your business needs?	Yes	Have you checked out how that would impact on the position under employment law? Would you need or be able to agree a variation to your employment relationship with them?
	Is there or will there be as a consequence of Covid-19 an inability to carry out work at your premises or elsewhere, or do you need to furlough (suspend) any staff or terminate their employment?		
	Which staff would you select for furloughing or terminating? Have you considered the fairness and lawfulness of that selection?		
	Could you keep some or all staff, but reduce their hours of work, if that is lawful?		
	Could you assign any staff to different roles, and do you/they not already have the necessary skills?		
	Can any work be absorbed by other staff if there is a reduction in staff?		

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	Can you arrange with agencies to replace staff at temporarily?		Do you know what agencies would charge relative to the salary and other employment costs that you currently bear?
<b>Financial viability: Cash flow problems</b>	Due to Covid-19, is your cash flow insufficient, or your liabilities so that the viability of your business	er	Consider whether you could mitigate the problem as follows: <ul style="list-style-type: none"> <li>(a) Come to an arrangement with suppliers and other third parties to pay them over a longer timescale, if necessary, with interest to reflect credit given by them;</li> <li>(b) Grant early payment discount to your customers in return for paying before end of the period that you normally allow them;</li> <li>(c) Sell off any assets not likely to be needed for some time or at all;</li> <li>(d) Sell off any surplus stocks of materials/goods at significant discount;</li> <li>(e) Borrow cash to use as working capital from family, friends, or bank or other lender;</li> <li>(f) Apply for any available Covid -19 related small business funding grant or loan;</li> <li>(g) Agree a rent holiday or reduced rent with the landlord of your business premises;</li> <li>(h) Check whether HMRC will allow you to pay tax in instalments or will waive penalty charges for late payment;</li> <li>(i) Check with your Local Authority to see if you can be given a Business Rates holiday.</li> </ul>
<b>Financial viability: Cash flow problems not remediable</b>	Will you be unable to mitigate the cash flow problem above means?	e	Consider making a significant change to the business to reduce the threat to its viability. For example, could you cease supply of <u>either</u> : <ul style="list-style-type: none"> <li>(a) Some types or aspects of your existing products or services, whilst continuing or ramping up other existing products or services? or</li> <li>(b) All existing products or services, and begin provision of new types of products or services instead?</li> </ul>
	Would it be feasible to cease supply any of your products? comments in next column.		Bear in mind that if you do decide to cease such supply, you might then be left with stocks of goods or materials or assets which you cannot use or dispose of and/or you might need to invest in new types of stocks or assets in order to supply other types of products or services.

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<p><b>Financial viability: Insolvency likely</b></p>	<p>If any of the above actions would not remove the consider whether to recast the business into a sm This might reduce actual/potential turnover but m and overall risk of cessation of trading/insolvency</p>	<p>ds</p> <p>For example, could you do any of the following? Would any of these actions be a solution:</p> <ul style="list-style-type: none"> <li>(a) Make all staff redundant and operate as self-employed individual with no partners, staff or shareholders (except you and perhaps family members);</li> <li>(b) Dispose of business premises, if possible, and work at home (by selling or surrendering the lease on the premises, but check if the landlord will agree);</li> <li>(c) If working at home is not feasible, share premises with another business which no longer needs such large premises, if agreeable to the landlord;</li> <li>(d) Terminate or vary any contracts under which you obtain any goods/services of a type or quantity not needed;</li> <li>(e) Replace terminated contracts with others, as necessary;</li> <li>(f) Alter the type of goods/services/customers that you supply.</li> </ul> <p>Would the consequent costs / liabilities be acceptable?</p>
<p><b>Insurance</b></p>	<p>Do you have a copy of the insurance company's policy (and a copy) held? Are you familiar with the types and levels of cover? Have you carefully checked to see whether it covers (see column) Does it cover business interruption due to Covid-19? What adverse effects of business interruption does it cover? Does it provide cover against lost income and/or profits in the circumstances? Are there any thresholds or limits on such claims? Are you documenting your loss, to assist with any claims you have? Are you able to mitigate the loss?</p>	<p>in</p> <p>You need to check your policy carefully to see whether the specific wording of your policy covers the circumstances. Wording will vary from policy to policy. Beware that the wording may be vague or there may be no relevant wording at all. As well as reading the wording about cover, you need to look at the wording of exclusions. Whether or not the wording is clear, you should consider taking advice as to whether you have a valid claim under your policy.</p> <p>Some policies will cover loss due to an outbreak of infectious disease or other event at the insured's business premises only, and <i>not</i> where the outbreak is outside, i.e. in the community. Some policies will cover closure or restriction due to infectious disease but <i>not</i> where it is a pandemic, but many will not provide such cover. Many policies cover only diseases named in the policy, not others.</p> <p>Many policies cover direct physical loss or damage to your premises, not indirect or economic effects of a pandemic.</p>

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		Insurers will not cover any amount of loss to the extent that it is or should have been mitigated.
<b>Customers</b>	Due to Covid-19 or otherwise, are customers delaying payment and/or do they have insufficient resources and/or might they cease placing orders or might they	<p>You might consider:</p> <ul style="list-style-type: none"> <li>(a) Analysing your suppliers' position as far as you can to see what problems they might be experiencing;</li> <li>(b) If they are still trading and you think they are solvent, extending credit to them in return for interest accruing on invoices where the date of actual payment exceeds credit period you agreed with them;</li> <li>(c) Setting up an arrangement for a means of securing payment. (e.g. retention of title over goods, 3<sup>rd</sup> party guarantee, cash on delivery). Is it practical to do so, and would it in practice provide security?</li> <li>(d) Ceasing further supplies to them;</li> <li>(e) If you have an ongoing contract with them (for supply from time to time when ordered or on another basis), terminating the sale contract. Check if you would incur a liability under the contract;</li> <li>(f) Finding new customers in place of those customers;</li> <li>(g) Confine your customer base to those based in the UK.</li> </ul>
	Due to a general reduction in economic activity, has demand declined? If so, could you increase orders?	Consider whether you could incentivise any customer by offering reduced prices per unit (even if order quantity is below a customer's pre-Covid 19 order level), or by offering significant discount for an order quantity equal to the quantity ordered by the customer pre-Covid 19?
<b>Suppliers</b>	<p>Are you affected by supplier problems such as such as:</p> <ul style="list-style-type: none"> <li>(a) Delay or failure to deliver goods or provide services;</li> <li>(b) Having insufficient resources to meet its obligations or failure;</li> <li>(c) Ceasing trading.</li> </ul> <p>Might any of your suppliers be high risk, and as a result could you lose your orders?</p>	<p>Consider the following possible actions:</p> <ul style="list-style-type: none"> <li>(a) Discuss with supplier whether they are able instead to supply part of the order if that would be amenable to you;</li> <li>(b) Cancel the purchase contract;</li> <li>(c) Procure the goods/services from one or more alternative sources;</li> <li>(d) Claim for damages to the extent that the purchase contract entitled you to do so;</li> <li>(e) Analyse your suppliers' position as far as you can to see what problems they might be experiencing, e.g. if you buy finished goods from them, do they obtain</li> </ul>

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			components from a supplier/country which itself may have a problem maintaining that supply (in particular if their supplier is outside the UK?); (f) Deal only with suppliers based in the UK to minimise supply/transport problems.
	Are you having or likely to have difficulty paying your suppliers?		Consider whether you can approach any existing or new suppliers to obtain their agreement to granting you more favourable payment terms.
<b>Stocks</b>	Are you managing stock levels to minimise the risk of stock levels being lower than needed?	or	If orders from suppliers are late or are not going to be supplied at all, will you run short? If your customer orders shrink or dry up completely, will you be accumulating stocks that you do not need? Can you (without liability) cancel any orders made to your suppliers? Can you bear the cost of carrying stocks which exceed your needs?
<b>Logistics</b>	Do you have a goods/materials storage facility? Due to Covid-19, does your level of trading no longer justify such a large facility? Do you need to mitigate sales losses by providing goods to customers instead of supplying them from your premises?		See "Stocks" above. Are you able to cancel your storage facility (without liability) or take on a smaller facility (if indeed any facility is still needed), and thereby save costs? Will stock levels rise to a level which is more than can be stored in your storage facility? Are you able to cancel any supplies not yet delivered? If you will deliver, do you have in house or external transport facilities that can meet your delivery schedules? Have you communicated to customers that that delivery facility is available? Have you calculated the cost of providing delivery and can you realistically recharge that cost to customers?

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Comments/Notes:

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Carried out by:	
Signature:	
Approved by:	
Signature:	
