

Written evidence submitted by Rachael Johnson

Non-eligibility in being able to claim Self-Employed Income Support Grants for owners of Furnished Holiday Lets (FHL's)

My Evidence

- Mine and my husband's main income is from our single holiday let. This is a large property and our main job. We undertake all the advertising and marketing, booking management, cleaning, changeovers and maintenance.
- Due to the way our income is recorded on our self-assessment returns in the Land & Property pages as a Furnished Holiday Let the income is treated as 'non trading profit' and therefore is not considered as self-employed income and makes us ineligible for SEISS. The Professional Association of Self-caterers (PASC UK) estimates that 80% of holiday let owners find themselves in the same position.
- We both do other self-employed work but this makes up less than 50% of our total income.
- Since lockdown all of our income has ceased as the holiday let has had to close with currently no date for reopening. My other self-employment involves Marketing and Administration for a large holiday park so all work ceased there from the middle of March. My husband's other self-employment was for a Garden Centre which was closed and is now suffering from its losses.
- As our holiday let sleeps 10 people and all of our bookings include people from more than one household it is unlikely that we will be able to re-open on 4th July as is expected for other smaller holiday lets.
- As our property was fully booked throughout July and August prior to the pandemic we have taken balance payments as they have become due, however we may well have to refund these guests if we are unable to fulfil their bookings. This in turn has meant that we have not been able to claim Universal Credit as we have taken balance payments even though we cannot spend the money in case we have to refund our guests.
- We have been able to take out a Bounce back loan but this falls far short of losses and will have to be paid back – this is unfair as furloughed and other self-employed workers have received payments that don't have to be paid back.
- Having moved some booking credits for cancellations from the end of March through to early July to 2021 we will still be feeling the impact next year when we will have to start paying back our Bounce back loan.
- We have so far lost all of our income for April, May and June and are very likely to lose it for July, August and September. Due to the seasonal nature of the business this makes up around 80% of our annual income.

The Chancellor announced that the Government would 'do whatever it takes' to help business and individuals through the financial crisis caused by Covid-19 but people such as ourselves have been forgotten about. **Please can the Treasury reconsider allowing profits from FHL's to be considered when assessing eligibility for SEISS**

June 2020