

Media Release

Date: 19 August 2021

Payroll Co-Funding Scheme to close at end of September

The Policy & Resources Committee has announced that the Payroll Co-Funding Scheme will close at the end of September 2021, as travel activity increases and the Bailiwick learns to live responsibly with COVID-19.

The Committee agreed that this was the appropriate time to close the scheme, following the traditional end of the visitor season when more normal trading conditions will apply.

This mirrors the decisions of the UK and Jersey governments to close their respective payroll support schemes.

The Visitor Accommodation Scheme and the Visitor Attraction Scheme, will continue until the end of March 2022 in line with previous announcements.

For businesses who still need ongoing support, the Business Disruption Loan Guarantee Scheme (BDLGS) is also available until the end of the year to help businesses borrow, in the event that they are unable to satisfy normal lending criteria set by banks.

In recognition that the substantial support provided to businesses over the past 18 months has come at a significant cost to the taxpayer, the Committee will be releasing a financial summary of the cost of business support.

Deputy Mark Helyar, Treasury lead for the Policy & Resources Committee said

‘The Payroll Co-Funding Scheme was never going to continue indefinitely. It was always the intention that this taxpayer-funded support would cease when trading conditions allowed businesses to operate at more reasonable levels, which is what we are starting to see.

‘Looking back to the original intentions of these measures, the aim was to support viable businesses who were impacted by COVID-19, and that is what we have done, in some cases for the past 19 months. Now is the right time to close this scheme as we all learn to live responsibly with COVID-19. We will continue to monitor the situation carefully and listen to industry feedback wherever conditions become challenging.’

The taxi industry is one sector that will see their business support cease as the Payroll Co-Funding Scheme closes. In light of this, the Committee *for the Environment & Infrastructure*

will look to commence its proposed review of the taxi and private hire industry as soon as possible.