

# Coronavirus support Guide

This is an interactive document and you are able to click on any item in the list below for more information.

## What support is available for businesses?

Coronavirus Job Retention Scheme  
Statutory Sick Pay changes  
Deferral of VAT payments  
Coronavirus Business Interruption Loan Scheme  
Cash grants for small businesses  
Rates relief for certain businesses  
Time to pay agreements  
Insurance

## What support is available to self-employed?

Deferral of VAT payments  
Deferral of income tax payments  
Coronavirus Business Interruption Loan Scheme  
Benefits system  
Time to pay agreements  
Insurance  
Mortgage and rent breaks

## What support is available to employees?

Coronavirus Job Retention Scheme  
Statutory Sick Pay changes  
Benefits system  
Mortgage and rent breaks

## Sector specific support

Business rates holidays for retail, hospitality and leisure businesses  
Business rates holidays for nurseries  
Grants for certain businesses in hospitality, leisure and retail sector  
Hospitality Action grant for employees who work in hospitality sector

# Coronavirus support Guide

## Coronavirus Job Retention Scheme

The scheme announced on Friday 20 March provides employers with the support to continue to pay part of their employees' wages that would have otherwise been laid off. The scheme is open to all UK businesses. To get access to the scheme you need to:

- Designate affected employees as 'furloughed workers'. This is taken to mean that they are employees who would have been laid off due to the impact of Coronavirus.
- This needs to be discussed with, and communicated to, the relevant employees and is subject to the contract of employment that you have with them. It may be sensible to have a written agreement from them regarding this change in their status and reduction in pay. Legal/employment law advice may need to be sought.
- Information on furloughed workers and their earnings will need to be submitted to HMRC through a new online portal, of which we are expecting details soon.

HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. HMRC are working urgently to set up a system for reimbursement as currently existing systems are not set up to enable payments to employers. Employers can choose to top up the payment to the employees to their actual salary but they do not need to.

Employees should not undertake any work for employers while they are furloughed. For employees whose wages are reduced due to this scheme they may be able to receive additional support through universal credit and other benefits.

It is intended for the Coronavirus Job Retention Scheme to run for at least 3 months from 1 March 2020, but it will be extended if necessary.

It will cover the cost of wages backdated until 1 March 2020 and will be operational by the end of April, it also includes workers that may have been made redundant who were in employment on 28 February.

Further guidance is available at [www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-business-through-the-coronavirus-job-retention-scheme](https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-business-through-the-coronavirus-job-retention-scheme)

[Click here to go back to Main Page](#)

# Coronavirus support Guide

## Statutory sick pay changes

One of the first announcements in response to the Coronavirus outbreak was that for many businesses Statutory Sick Pay (SSP) will be reclaimable from the government. In addition it would be payable from Day 1 rather than Day 4. You are eligible to reclaim SSP if:

1. Your business is UK based.
2. Your business is a small or medium-sized and employs fewer than 250 employees as of 28 February 2020.

The refund will cover up to 2 weeks SSP per eligible employee who has been off work because of COVID-19. Fit notes are not required, however it is now possible to get an isolation note from [NHS 111 Online](#) for those with Covid-19 symptoms, or from the [NHS website](#) for those isolating who live with someone who has symptoms.

Employees qualify for sick pay where weekly earnings are at least £118 (2019/20) increasing to £120 from 6 April 2020, and the rates are as follows:

- £94.25 per week for 19/20 tax year
- £95.85 per week for 20/21 tax year

Employers may also have a company sick pay policy that will be paid in addition to any SSP but this will depend on the terms of the employment contract as this can often be discretionary.

[Click here to go back to Main Page](#)

# Coronavirus support Guide

## Deferral of VAT payments

VAT payments that are due to be made from 20 March until 30 June 2020 will be deferred. All business with a VAT liability are eligible, and there is no need to apply as the deferral is automatic. However, you may want to cancel your direct debit just in case, though this will need to be re-instated after. VAT refunds will continue to be paid by HMRC as normal.

## Deferral of Income Tax payments

To be eligible for this deferral you must be **self-employed**. Where you qualify self-assessment payments due on 31 July will be deferred until the 31 January 2021, again this is automatic and no application is necessary.

No penalties or late payment interest will be charged during this period.

All businesses and individuals that are experiencing temporary financial distress due to Covid-19 are able to arrange payment plans with HMRC via their Time to pay service.

## Time to Pay Service

All businesses and self-employed people in financial distress, and with outstanding tax liabilities, are eligible to receive support from this service. To access the scheme HMRC have set up a dedicated helpline on 0800 0159 559. You should contact this number if you are struggling or are going to struggle to meet any tax liabilities your business may have. It may be possible to:

- Arrange installment plans
- Suspend debt collection proceedings
- Cancel penalties/interest where you have administrative difficulties contacting HMRC or paying immediately

Among other things, availability of the above will depend on your own circumstances.

[Click here to go back to Main Page](#)

# Coronavirus support Guide

## Coronavirus Business Interruption Loan Scheme

This is now live and available to SMEs. It is to support businesses with access to loans, overdrafts, invoice finance and asset finance of up to £5 million for 6 years.

The government have also announced that they will now cover the first 12 months interest (previously this was just 6 months) and any lender fees levied, so there should be no upfront costs from seeking financing through this scheme.

You are eligible for the scheme if you are a UK based business with turnover of no more than £45 million per year. There are also additional criteria on the British Business Bank website which can be viewed at [www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/](http://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/) There are a number of sectors that are specifically excluded.

There are currently 40 accredited lenders which can be viewed at the above link. For many businesses it is likely that your existing lender is on the list. Often having an established relationship with your bank will help you in applying for further finance through this scheme.

One of the main issues facing businesses is the uncertainty of cash flow, and cash flow projections will likely be required to support an application. Having a solid borrowing proposal should ensure that you are provided with the financial assistance that your business needs.

The business proposal must show that “were it not for the current pandemic, would be considered viable by the lender”.

Although the government guarantee 80% of the debt, borrowers should remember that they always remain liable for the repayment of the loan.

[Click here to go back to Main Page](#)

# Coronavirus support Guide

## Business Rates Relief

A Business rates holiday for 12 months was announced in the budget on 11 March for many small businesses with a rateable value less than £51,000. Those eligible to receive a 50% retail discount will now receive 100%.

Businesses that qualify for this relief include shops, post offices, car showrooms, car hire, opticians, petrol stations, restaurants and cafes, takeaways and drinking establishments. In addition this was extended to cinemas and music venues for 2020/21. Hotels, guest and boarding houses and self-catering accommodation are also included. Similar reliefs are also available in Scotland.

On the 17 March Rishi Sunak also announced that the 12 month rates holiday would be extended to all businesses in the retail, hospitality and leisure sector to help with those struggling due to Coronavirus no matter the rateable value of the property.

On 23 March the gov.uk website was updated to include business rates holidays for nurseries. Businesses are eligible if:

- They are based in England
- The property is occupied by providers on Ofsted's Early Years Register
- The property is mainly used for the provision of Early Years Foundation Stage

Local authorities should begin re-issuing rates bills giving the further reductions in rates announced as soon as possible. So when you receive this, make sure you check that you are receiving the correct level of discount based on the recent announcements.

[Click here to go back to Main Page](#)

# Coronavirus support Guide

## Grants announced in response to COVID-19

Local authorities received detailed information regarding the administration of the various grants that have been announced on 24 March 2020, this is available to view at [www.gov.uk/government/publications/coronavirus-covid-19-guidance-on-business-support-grant-funding](http://www.gov.uk/government/publications/coronavirus-covid-19-guidance-on-business-support-grant-funding)

For retail, hospitality and leisure businesses in England that operate from smaller premises (a rateable value of between £15,000 and £51,000) grants of up to £25,000 will be made available. HMRC have said that guidance on the scheme will shortly be provided to local authorities and enquiries should be directed to your local authority.

For Scottish retail, hospitality and leisure business the £25,000 grant is available for properties with a rateable value between £18,000 and £51,000.

All businesses in England that pay little or no business rates due to small business rates relief or rural rate relief will be eligible for a grant of up to £10,000. There will be no need to apply for the grant as the local authorities will be contacting those eligible, but it is expected that this will not be until April.

Again a similar scheme is being administered in Scotland. Scottish businesses receiving Small business Bonus Scheme or Rural Relief discount will qualify for the £10,000 grant.

Additionally on 23 March 2020 Hospitality Action opened a grant scheme for employees in the hospitality industry. It is a one off cash grant of £250 for individuals currently working within the industry or who have worked in the industry within the last month. For instructions on how to apply visit [www.hospitalityaction.org.uk/get-help](http://www.hospitalityaction.org.uk/get-help)

[Click here to go back to Main Page](#)

# Coronavirus support Guide

## Benefits and Welfare

The government has relaxed many of the procedures around benefit claims for people who are struggling financially from having to self-isolate and being sick with Coronavirus. Additionally they have increased the amounts available to individuals needing to make a claim. These include:

- Those entitled to apply for universal credit will receive a month's advance upfront without physically having to attend a job centre
- Employment Support Allowance (ESA) will be payable from day 1 – claimants will not need to wait the 7 days and you don't have to provide a fit note.
- From 6 April the standard allowance for Universal Credit and the basic element of working tax credits are to be increased by £1,000.
- The minimum income floor for universal credit will be suspended meaning that self-employed individuals will be able to access universal credit at a rate equivalent to statutory sick pay.
- Housing benefit changes so that local housing allowance will cover at least 30% of market rents in your area

## Employment Support Allowance

To be eligible for ESA you have to have been employed or self-employed and have paid National insurance, usually in the last 2-3 years. Savings and investments can also affect the ESA you will receive. Further information on ESA is available at <https://www.gov.uk/employment-support-allowance>

## Universal Credit

You may be able to get Universal Credit if:

- you're on a low income or out of work
- you're 18 or over (there are some exceptions if you're 16 to 17)
- you're under State Pension age (or your partner is)
- you and your partner have £16,000 or less in savings between you
- you live in the UK

Dependent on your circumstances the amount of universal credit available to you may be higher than statutory sick pay, for example if you have children and pay for childcare costs. Further information and guidance is available at <https://www.gov.uk/universal-credit>

[Click here to go back to Main Page](#)



# Coronavirus support Guide

---

## Insurance

Businesses with business interruption insurance that covers pandemic situations and government shut downs should allow you to make a claim. All insurance policies should now be reviewed to assess the availability of cover.

Additionally it is worth reviewing any personal income protection cover that you may have, as again, a claim may be available to you.

## Mortgage and Rent Breaks

Mortgage companies will offer 3 month mortgage breaks to those facing financial difficulties from Coronavirus. Most banks have already sent communications to their customers with guidance on how to apply. You should visit your mortgage provider's website for further information regarding this.

Mortgage breaks are available on both residential mortgages and buy-to-let mortgages. You should remember that interest will still be charged on the balance outstanding, and it will extend the length of your mortgage.

Tenants can also apply for a 3 month holiday payment from their Landlord.

In the next three months no-one can be evicted or have their homes repossessed.

[Click here to go back to Main Page](#)