

## 1. GOVERNMENT SUPPORT FOR BUSINESSES

The Government has stepped in to provide support to certain areas of the economy but even with this becoming available in the coming weeks, some of us will need advice on how to survive the lock down. Here are our thoughts.

1. Apply for all Government supports if you need them.
2. Stay strong - the health of you and your family is more important than your business.
3. Talk to us to help work through forecasts or get the figures needed for the bank.
4. Keep sane - You can't control this, relax and keep busy, research, get new skills, look for new technology and above all keep in regular contact with customers, suppliers, friends and family.
5. Plan for the end of the lock down – think about how you would do things differently in this changed world.

We cannot know how long this Pandemic will last and what the effects will be on business generally. What we can do is stay focused and committed to rebuilding our businesses.

Please contact us regarding Government, cash flow and payroll supports. Our business depends on yours and we are all in this together.

Here is a summary of the main Government supports available:

- Coronavirus Job Retention Scheme
- Self-Employment Income Support Scheme
- Deferring VAT and Income Tax payments
- A Statutory Sick Pay relief package for SMEs
- A 12-month business rates holiday for all retail, hospitality and leisure businesses in England
- Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
- Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
- The Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
- A new lending facility from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans
- HMRC Time To Pay Scheme
- 3 month extension period to accounts filing deadlines with Companies House

The full range of supports can be found at: <https://www.gov.uk/coronavirus/business-support>

Talk to us if you need help with any of the supports available.

## **2. SUPPORT FOR BUSINESSES PAYING TAX: TIME TO PAY SERVICE**

All businesses and self-employed people in financial distress, and with outstanding tax liabilities, may be eligible to receive support with their tax affairs through HMRC's Time to Pay service.

These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities. You are eligible if your business pays tax to the UK government and has outstanding tax liabilities.

If you have missed a tax payment or you might miss your next payment due to COVID-19, please call HMRC's dedicated helpline: 0800 0159 559. If you're worried about a future payment, please call them nearer the time.

## **3. SUPPORT FOR BUSINESSES WHO ARE PAYING SICK PAY TO EMPLOYEES**

The Government will make legislation to allow small and medium-sized businesses and employers to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID-19. The eligibility criteria for the scheme will be as follows:

- this refund will cover up to 2 weeks' SSP per eligible employee who has been off work because of COVID-19
- employers with fewer than 250 employees will be eligible - the size of an employer will be determined by the number of people they employed as of 28 February 2020
- employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19
- employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a GP fit note. If evidence is required by an employer, those with symptoms of coronavirus can get an isolation note from NHS 111 online and those who live with someone that have symptoms can get a note from the NHS website
- eligible period for the scheme will commence the day after the regulations on the extension of SSP to those staying at home comes into force
- the government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible.

You are eligible for the scheme if your business is UK based and your business is a small or medium-sized and employs fewer than 250 employees as of 28 February 2020.

## **4. SUPPORT FOR BUSINESSES THAT PAY BUSINESS RATES**

## **Business rates holiday for retail, hospitality and leisure businesses**

The Government is introducing a business rates holiday for retail, hospitality and leisure businesses in England for the 2020 to 2021 tax year.

Businesses that received the retail discount in the 2019 to 2020 tax year will be rebilled by their local authority as soon as possible.

You are eligible for the business rates holiday if:

- your business is based in England
- your business is in the retail, hospitality and/or leisure sector
- Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:
  - as shops, restaurants, cafes, drinking establishments, cinemas and live music venues
  - for assembly and leisure
  - as hotels, guest & boarding premises and self-catering accommodation

### **How to access the scheme:**

There is no action for you. This will apply to your next council tax bill in April 2020. However, local authorities may have to reissue your bill automatically to exclude the business rate charge. They will do this as soon as possible.

See: <https://www.gov.uk/calculate-your-business-rates> where you can estimate the business rate charge you will no longer have to pay and further guidance can be found at:

<https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>

## **5. CASH GRANTS FOR RETAIL, HOSPITALITY AND LEISURE BUSINESSES**

The Retail and Hospitality Grant Scheme provides businesses in the retail, hospitality and leisure sectors with a cash grant of up to £25,000 per property. For businesses in these sectors with a rateable value of under £15,000, they will receive a grant of £10,000. For businesses in these sectors with a rateable value of between £15,001 and £51,000, they will receive a grant of £25,000.

You are eligible for the grant if:

- your business is based in England
- your business is in the retail, hospitality and/or leisure sector

Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:

- as shops, restaurants, cafes, drinking establishments, cinemas and live music venues
- for assembly and leisure
- as hotels, guest and boarding premises and self-catering accommodation

#### **Accessing the scheme:**

You do not need to do anything. Your local authority will write to you if you are eligible for this grant. Guidance for local authorities on the scheme will be provided shortly. Any enquiries on eligibility for, or provision of, the reliefs and grants should be directed to the relevant local authority.

To find your local authority: <https://www.gov.uk/find-local-council>

## **6. SUPPORT FOR BUSINESSES THAT PAY LITTLE OR NO BUSINESS RATES**

The government will provide additional Small Business Grant Scheme funding for local authorities to support small businesses that already pay little or no business rates because of Small Business Rate Relief (SBRR), Rural Rate Relief (RRR) and tapered relief. This will provide a one-off grant of £10,000 to eligible businesses to help meet their ongoing business costs.

You are eligible if:

- your business is based in England
- you are a small business and already receive SBRR and/or RRR
- you are a business that occupies property

#### **How to access the scheme**

You do not need to do anything. Your local authority will write to you if you are eligible for this grant. Guidance for local authorities on the scheme will be provided shortly.

Any enquiries on eligibility for, or provision of, the reliefs and grants should be directed to the relevant local authority.

To find your local authority: <https://www.gov.uk/find-local-council>

## **7. SUPPORT FOR BUSINESSES THROUGH THE CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME**

A new temporary Coronavirus Business Interruption Loan Scheme, delivered by the British Business Bank, will launch this week to support primarily small and medium-sized businesses to access bank lending and overdrafts.

The government will provide lenders with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs. The government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £5 million in value.

Businesses can access the first 12 months of that finance interest free, as government will cover the first 12 months of interest payments.

**You are eligible for the scheme if:**

- your business is UK based, with turnover of no more than £45 million per year
- your business meets the other British Business Bank eligibility criteria

**How to access the scheme**

The full rules of the Scheme and the list of accredited lenders is available on the British Business Bank website: <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/>

All the major banks will offer the Scheme once it has launched. There are 40 accredited providers in all.

You should talk to your bank or finance provider (not the British Business Bank) as soon as possible and discuss your business plan with them. This will help your finance provider to act quickly once the Scheme has launched. If you have an existing loan with monthly repayments you may want to ask for a repayment holiday to help with cash flow.

The scheme will be available from early week commencing 23<sup>rd</sup> March. We will keep you informed on how to apply as the details emerge.

## **8. SUPPORT FOR LARGER FIRMS THROUGH THE COVID-19 CORPORATE FINANCING FACILITY**

Under the new Covid-19 Corporate Financing Facility, the Bank of England will buy short term debt from larger companies.

This will support your company if it has been affected by a short-term funding squeeze and allow you to finance your short-term liabilities. It will also support corporate finance markets overall and ease the supply of credit to all firms. All UK businesses are eligible. The scheme will be available early in week beginning 23 March 2020. We will provide information on how to access the scheme here shortly. More information is available from the Bank of England: <https://www.bankofengland.co.uk/markets/market-notices/2020/ccff-market-notice-march-2020>

## **9. COMPANIES TO RECEIVE 3-MONTH EXTENSION PERIOD TO FILE ACCOUNTS DURING COVID-19**

From 25 March 2020 businesses can apply for a 3-month extension for filing their accounts. This joint initiative between the government and Companies House will mean businesses can prioritise managing the impact of Coronavirus.

As part of the agreed measures, while companies will still have to apply for the 3-month extension to be granted, those citing issues around COVID-19 will be automatically and immediately granted an extension. Applications can be made through a fast-tracked online system which will take just 15 minutes to complete.

Please see:

<https://www.gov.uk/guidance/apply-for-more-time-to-file-your-companys-accounts>

Applying for an extension:

[https://beta.companieshouse.gov.uk/extensions?\\_ga=2.135485106.227783380.1584965618-962621089.1583406783](https://beta.companieshouse.gov.uk/extensions?_ga=2.135485106.227783380.1584965618-962621089.1583406783)

## **10. SUPPORT FOR BUSINESSES THROUGH THE BUSINESS BOUNCE BACK LOAN SCHEME (BBBL)**

The Government has announced a new 100% Government backed loan scheme for small businesses. Small businesses will benefit from a new fast-track finance scheme providing loans with a 100% government-backed guarantee for lenders. The new Bounce Back Loans scheme, which will provide loans of up to £50,000, will help bolster the existing package of support available to the smallest businesses affected by the coronavirus pandemic.

- Businesses will be able to borrow between £2,000 and £50,000 and access the cash within days.
- Loans will be interest free for the first 12 months, and businesses can apply online through a short and simple form.
- Loan terms will be up to 6 years.
- No repayments will be due during the first 12 months.

The scheme launched for applications on Monday 4 May. Businesses can access these loans through a network of accredited lenders. The government will work with lenders to ensure loans delivered through this scheme are advanced as quickly as possible and agree a low standardised level of interest for the remaining period of the loan:

You can apply for a loan if your business:

- is based in the UK
- has been negatively affected by coronavirus
- was not an 'undertaking in difficulty' on 31 December 2019.

#### WHO CANNOT APPLY

The following businesses are not eligible to apply:

- banks, insurers and reinsurers (but not insurance brokers)
- public-sector bodies
- further-education establishments if they are grant-funded
- state-funded primary and secondary schools
- if you are already claiming under the Coronavirus Business Interruption Loan Scheme (CBILS).

Further details see: <https://www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan>