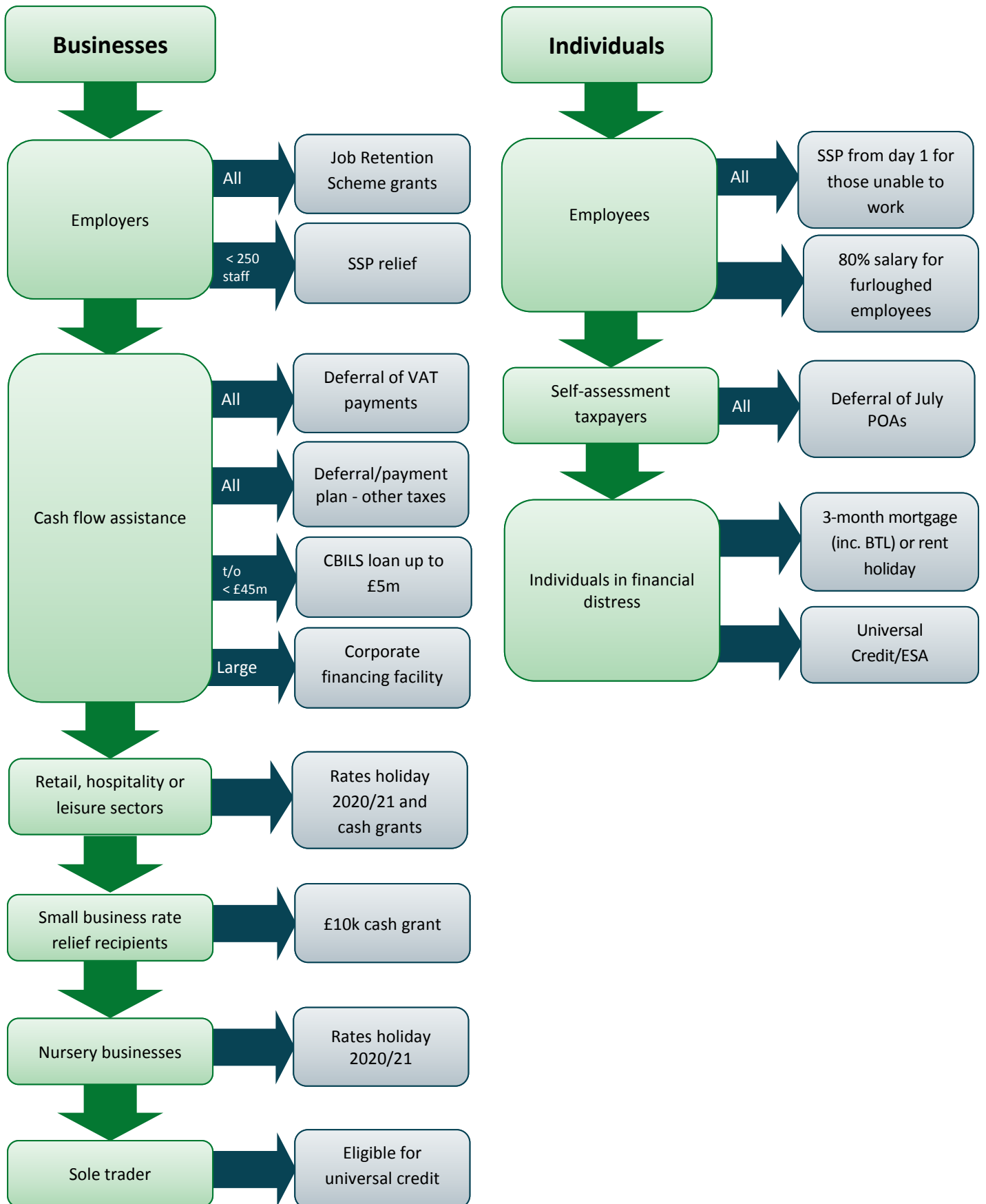


COVID-19: WHAT HELP IS AVAILABLE?





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HELP FOR EMPLOYERS

Coronavirus Job Retention Scheme

WHAT IS AVAILABLE?

Government grants will cover 80% of the salary of PAYE employees who would otherwise have been laid off, backdated to 1 March 2020, up to a cap of £2,500 per month.

It is intended that the scheme will run for at least 3 months from 1 March 2020 and this may be extended if necessary.

It is at the employer's discretion whether to fund the difference.

WHEN WILL IT BE AVAILABLE?

The scheme will be open before the end of April. HMRC are working to develop their systems to allow payments to be made to employers.

In the interim, you may wish to consider applying for a loan under the Coronavirus Business Interruption Loan Scheme.

WHO IS IT AVAILABLE FOR?

This scheme is available to all employers, there are no requirements.

HOW TO APPLY?

To claim under the scheme employers will need to:

- designate affected employees as 'furloughed workers' and notify employees of this change. Changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation; and
- submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal. HMRC will set out further details on the information required.

An employee furlough is a mandatory suspension from work. Furloughed employees are absolutely banned from doing any work on behalf of their employer whatsoever.

Statutory Sick Pay relief package for SMEs

WHAT IS AVAILABLE?

Small-and medium-sized businesses and employers can reclaim up to two weeks' Statutory Sick Pay (SSP) per eligible employee paid for sickness absence due to COVID-19. The rate of SSP is £94.25 per week.

If you're a director of a limited company, you can pay yourself two weeks of SSP if you need to self-isolate subject to meeting the minimum salary requirement for SSP of at least £118 per week (£6,136 per annum).

WHEN WILL IT BE AVAILABLE?

The 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.

WHO IS IT AVAILABLE FOR?

Small or medium-sized businesses with fewer than 250 employees as at 28 February 2020.

HOW TO APPLY?

The method for reclaiming the SSP has not yet been announced. The Government are working to set up the reclaim scheme as soon as possible.

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 has symptoms can get a note from the [NHS website](#).

HELP FOR BUSINESSES

Deferral of VAT payments

WHAT IS AVAILABLE?

The next quarter of VAT payments will be deferred, meaning businesses will not need to make VAT payments until the end of June 2020. Businesses will then have until the end of the 2020-21 tax year to settle any liabilities that have accumulated during the deferral period.

WHEN WILL IT BE AVAILABLE?

The deferral will apply from 20 March 2020 until 30 June 2020.

WHO IS IT AVAILABLE FOR?

All UK businesses.

HOW TO APPLY?

The deferral applies automatically. VAT refunds and reclaims will be paid by the Government as normal.

HMRC Time To Pay scheme

WHAT IS AVAILABLE?

HMRC have always had the discretion to agree payment terms for taxes where businesses are struggling financially. They are now offering more generous payment terms for taxes.

We have seen businesses being given up to at least mid-June to pay February, March, April 2020 PAYE bills, with the arrears being payable thereafter via a payment plan.

HOW TO APPLY?

Call HMRC's dedicated Covid-19 helpline on 0800 0159 559 or speak to your Barnes Roffe contact.

Retail, hospitality and leisure businesses – grants and rate relief

WHAT IS AVAILABLE?

1. No rates payable for the 2020-2021 tax year.
2. Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000.
3. Grant funding of £10,000 for businesses in these sectors with a rateable value of under £15,000.

WHO IS IT AVAILABLE FOR?

All businesses in the retail, hospitality and leisure sector based in England.

Properties that will benefit from the rate relief will be occupied properties 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

Grants are only available to businesses with property with a rateable value between £15,000 and £51,000 (businesses with a lower rateable value property may be eligible for the small business rate relief grant – see below).

HOW TO APPLY?

There is no action required. The rates relief 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. Your local authority will write to you if you are eligible for a grant.

Grant for recipients of small business rate relief

WHAT IS AVAILABLE?

A one-off cash grant of £10,000.

WHO IS IT AVAILABLE FOR?

Small businesses already receiving [small business rate relief](#) (generally, businesses with one property with a rateable value < £15,000) and/or [rural rate relief](#), based in England, and occupying property.

HOW TO APPLY?

The cash grants will be administered by local authorities. Your local authority will write to you if you are eligible for this grant.

Business rates holiday for nursery businesses

WHAT IS AVAILABLE?

No rates payable for the 2020-2021 tax year.

WHO IS IT AVAILABLE FOR?

Properties that will benefit from the relief will be hereditaments:

- occupied by providers on Ofsted's Early Years Register
- wholly or mainly used for the provision of the Early Years Foundation Stage

HOW TO APPLY?

There is no action required. The rates relief 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 which will be done as soon as possible.

Coronavirus Business Interruption Loan Scheme

WHAT IS AVAILABLE?

Loans of up to £5 million, interest free for 12 months.

The borrower remains liable for 100% of the debt. The lender receives a guarantee of 80% of the loan amount from the Government to enable more loans to be approved.

As well as loans, there are many other types of finance supported by the programme, such as:

- Term facilities
- Overdrafts
- Invoice finance facilities
- Asset finance facilities

More information is available from the [CBILS website](#).

WHO IS IT AVAILABLE FOR?

UK-based businesses with turnover of no more than £45 million.

The business must be unable to meet a lender's normal lending requirements for a fully commercial loan or other facility but would be considered viable in the longer-term.

The business must meet the other British Business Bank eligibility criteria. There are a small number of [ineligible and restricted sectors](#) including certain farming, financial, educational, business, employers and membership organisations, religious, political and household employers.

WHEN IS IT AVAILABLE?

The scheme will be available from early in the week commencing 23 March 2020.

HOW TO APPLY?

Delivered by lenders that partner with the British Business Bank. All the major banks will offer the Scheme once it has launched. There are [40 accredited providers](#).

You should talk to your bank or finance provider 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.

BBB suggest applying via the lender's website in the first instance.

Speak to your Barnes Roffe contact as we can assist with preparing business plans and forecasts for you.

COVID-19 corporate financing facility

WHAT IS AVAILABLE?

The Bank of England has set up a scheme to finance working capital by purchasing commercial paper from larger businesses. The scheme will operate for at least 12 months.

WHO IS IT AVAILABLE FOR?

All UK businesses 'making a material contribution to the UK economy'. UK incorporated companies, including those with foreign-incorporated parents and with a genuine business in the UK, will normally be regarded as meeting this requirement. Companies with significant employment in the UK or with their headquarters in the UK will normally be regarded as meeting this requirement.

Businesses do not need to have previously issued commercial paper in order to participate, but they must meet the eligible securities criteria (see the [Bank of England website](#) for more details)

WHEN IS IT AVAILABLE?

Monday 23 March 2020.

HOW TO APPLY?

Application form and full terms will be published on the [Bank of England website](#).

HELP FOR INDIVIDUALS

Deferral of income tax payments

WHAT IS AVAILABLE?

Income Tax Self-Assessment payments on account due on 31 July 2020 will be deferred until 31 January 2021.

HMRC have also scaled up their [Time to Pay](#) offer to all individuals who are in temporary financial distress as a result of COVID-19 and have outstanding tax liabilities.

HOW TO APPLY?

This is an automatic offer with no applications required. No penalties or interest for late payment will be charged in the deferral period.

Time to Pay arrangements are available via HMRC's dedicated helpline: 0800 0159 559.

Pay for furloughed employees

WHAT IS AVAILABLE?

COVID-19 is likely to cause many businesses financial difficulties. Employers can now access grants from the Government to avoid the need to lay off staff ([Coronavirus Job Retention Scheme](#)).

In order to qualify, the employer will need to classify relevant employees as "furloughed workers". This means that the worker is kept on the payroll but does no work for the employer while furloughed. The grant will cover up to 80% of the employee's salary, up to a cap of £2,500 per month. The employer may fund the difference but does not have to.

Where employees' salary is reduced as a result of these changes, they may be [eligible for support through the welfare system](#), including Universal Credit.

The scheme is intended to run for at least 3 months from 1 March 2020, but will be extended if necessary.

Mortgage and rent holiday

Mortgage borrowers in England and Wales can apply for a three-month payment holiday from their lender. Interest will continue to be charged on the amount owed.

Tenants can apply for a three-month payment holiday from their landlord. Guidance will be issued to landlords in due course. Buy-to-let mortgages are also eligible for the mortgage holiday.

No one can be evicted from their home or have their home repossessed over the next three months.

More information to be forthcoming but see the [18 March 2020 press release](#) for more details.

Universal Credit/Employment and Support Allowance

Individuals not eligible for SSP – those who are self-employed or earning below the Lower Earnings Limit of £118 per week – who have COVID-19 or are advised to stay at home, can make a claim for Universal Credit and/or new style Employment and Support Allowance.

If you are eligible for new style Employment and Support Allowance, it will now be payable from day 1 of sickness, rather than day 8, if you have COVID-19 or are advised to stay at home.

An individual affected by coronavirus will be able to apply for Universal Credit and can receive up to a month's advance upfront without physically attending a jobcentre.

From 6 April the requirements of the Minimum Income Floor will be temporarily relaxed. This change will apply to all Universal Credit claimants and will last for the duration of the outbreak.

Visit the [DWP website](#) for more details and to check eligibility.

Sick pay

Eligible employees (earning over £118 per week) who are too ill to work are entitled to £94.25 per week Statutory Sick Pay (SSP), for up to 28 weeks.

Employees staying at home because of COVID-19 can now claim SSP. This includes individuals who are caring for people in the same household and therefore have been advised to do a household quarantine

The Government is legislating for SSP to be paid from day 1, rather than day 4, of absence from work due to COVID-19. Once the legislation has been passed, this will apply retrospectively from 13 March 2020.