

Coronavirus (COVID-19) Guidance & Support

Updated 12 March 2021

The Government has put together a range of measures to support businesses, employers and the self-employed.

To find out what financial schemes you may be eligible for go to:

<https://www.gov.uk/business-coronavirus-support-finder>

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Support for Employers

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1. Coronavirus Statutory Sick Pay Rebate (SSP) Scheme.

The online service to claim back Statutory Sick Pay is available at:

<https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19>

Who can use the scheme?

The scheme is for employers and they can claim back up to 2 weeks of SSP if:

- They have already paid their employee's sick pay.
- They are claiming for an employee who is eligible to sick pay due to coronavirus.
- They have a PAYE payroll scheme that was created and started on or before 28 February 2020.
- They had fewer than 250 employees on 28 February across all PAYE payroll schemes.

Employees are eligible for sick pay due to coronavirus if:

- They meet the eligibility criteria for SSP: <https://www.gov.uk/employers-sick-pay/eligibility-and-form-ssp1>
- They were self-isolating on or after 13 March 2020 because they or someone they live with had symptoms of coronavirus.
- They started shielding on or after 16 April 2020 because of coronavirus.
- They started self-isolating on or after 28 May 2020 because they were notified by the NHS or public health authorities that they've come into contact with someone with coronavirus.

- They were self-isolating on or after 26 August 2020 because they have been notified by the NHS to self-isolate before surgery.

Employees will not qualify if:

- They are self-isolating after entering or returning to the UK, **and do not need to self-isolate for any other reason (see above).**
- They have been put on furlough as part of the CJRS.

Employees do not have to give their employer a doctor's note, but their employer can ask them for either an isolation note from NHS 111 or the NHS or GP letter telling them to shield because they're at high risk of severe illness from coronavirus.

What can employers claim?

Employers can claim up to 2 weeks SSP starting from the first qualifying day of sickness, if an employee is unable to work because they:

- Have coronavirus symptoms
- Are self-isolating because someone they live with has symptoms
- Are self-isolating because they've been notified by the NHS or public health bodies that they've come into contact with someone with coronavirus
- Have been advised by letter to shield because they're clinically extremely vulnerable and at very high risk of severe illness from coronavirus
- Have been notified by the NHS to self-isolate before surgery for up to 14 days

An employer can make more than one claim per employee but cannot claim for more than 2 weeks in total.

A qualifying day is a day on which an employee normally works. The weekly rate was £94.25 before 6 April 2020 and is now £95.85.

Record-keeping

Employers must keep the following records for at least 3 years following a claim:

- The reason why an employee could not work.
- Details of each period the employee could not work, including start and end dates.
- Details of the SSP qualifying days when an employee could not work.
- National insurance numbers of all employees to whom SSP has been paid.

2. Coronavirus Job Retention Scheme (CJRS).

The Coronavirus Job Retention Scheme has been extended until 30 September 2021.

Periods ending on or before 30 April 2021

Employers can claim for employees who were employed on 30 October 2020, as long as they have made a PAYE RTI submission to HMRC between 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee.

Employers do not need to have previously claimed for an employee before 30 October 2020 to make a claim.

Periods starting on or after 1 May 2021

Employers can claim for employees who were employed on 2 March 2021, as long as they have made a PAYE RTI submission between 20 March 2020 and 2 March 2021, notifying a payment of earnings for that employee.

Employers do not need to have previously claimed for an employee before 2 March 2021 to claim for periods starting on or after 1 May 2021.

How much can be claimed?

For periods ending on or before 30 June 2021 employers can claim 80% of an employee's usual salary for hours not worked, up to a maximum of £2,500 per month. From 1 July 2021 the level of grant will be reduced each month and employers will be asked to contribute towards the cost of their furloughed employees' wages.

Employers can furlough employees for any amount of time and any work pattern, while still being able to claim the grant for the hours not worked.

Employers will need to pay for employer National Insurance contributions and pension costs.

Who can claim?

To claim employers must have:

- Created and started a PAYE payroll scheme on or before 30 October 2020
- Created and started a PAYE payroll scheme on or before 2 March 2021 for period starting on or after 1 May 2021
- Enrolled for PAYE online
- A UK, Isle of Man or Channel Island bank account.

Employees you can claim for

Employers can claim for employees on any type of employment contract, including full-time, part-time. Agency, flexible or zero-hour contracts. Foreign national are eligible to be furloughed. Grants under the scheme are not counted as "access to public funds". Employees on all categories of visa can be furloughed.

For more information on how different employment conditions affect eligibility go to:

<https://www.gov.uk/guidance/check-which-employees-you-can-put-on-furlough-to-use-the-coronavirus-job-retention-scheme>

Agreeing to furlough employees

Employers should discuss with their staff and make any changes to the employment contract by agreement. When employers are making decisions in relation to the process, including deciding who to offer furlough to, equality and discrimination laws will apply in the usual way.

To be eligible for the grant, employers must have confirmed to their employee in writing that they have been furloughed.

Types of furlough

- Full furlough – employees cannot undertake any work for their employer whilst fully furloughed.
- Flexible furlough – flexibly furloughed employees can work for any amount of time and any work pattern, but they cannot do any work for their employer during the hours in which they are furloughed.

There is no minimum furlough period, agreed flexible furlough agreements can last any amount of time. Employees can enter into a flexible furlough agreement more than once.

Although flexible furlough agreements can last any amount of time, unless otherwise specified the period that an employer can claim for must be for a minimum claim period of 7 calendar days.

Details of claims that will be publicly available

HMRC will publish details of claims for periods starting on or after 1 December 2020 on GOV.UK.

This information will be published monthly, updating the previous month's information with any amendments.

For more information go to: <https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

CJRS and Salary Sacrifice Schemes

The interaction between the CJRS and salary sacrifice schemes is complex and could potentially mean that, in the case of salary sacrifice pension schemes, employers will need to amend their payroll processes to calculate the pension contribution to be paid to the pension scheme under the pension scheme rules.

For more information and a link to The Pension Regulator's detailed guidance go to: <https://www.cipp.org.uk/resources/news/tpr-guidance-cjrs-salary-sacrifice.html>

Support for Businesses that pay Business Rates

1. Local Restrictions Support Grant.
2. Closed Business Lockdown Payment.
3. Rates relief for the retail, hospitality & leisure sector in England.
4. Restart grants.

1. Local Restrictions Support Grant (LRSB)

Businesses that were open as usual, but then required to close due to national lockdowns imposed by the government may be eligible for the LRSB (Closed) Addendum schemes.

Businesses may be eligible if:

- They are based in England.
- They occupy property on which they pay business rates.
- They have been required to close because of the national lockdown from 5 January 2021 onwards, or between 5 November and 2 December 2020.
- They have been unable to provide their usual in-person customer service from their premises.

This could include non-essential retail, leisure, personal care, sports facilities. Tourism and hospitality businesses. It could also include businesses that operate primarily as an in-person venue, but which have been forced to close those services and provide a takeaway-only service instead.

Eligible businesses can get one grant for each non-domestic property.

Businesses excluded from the fund:

Businesses cannot get funding if:

- They continue to operate during the lockdown period because they do not depend on providing direct in-person services from their premises.
- They have chosen to close but have not been required to close as part of national restrictions.
- They are in administration, insolvent or have been struck off the Companies House register.
- They have exceeded the permitted subsidy limit.

Subsidy allowance

The new domestic subsidy allowance for the COVID-19 business support grants took effect on 4 March 2021. Applications made prior to that date are subject to the previous rules.

The scheme is covered by 3 subsidy allowances:

- Small Amounts of Financial Assistance Allowance – businesses are allowed up to £335,000 over any period of 3 years.
- COVID-19 Business Grant Allowance – businesses are allowed up to £1,600,000.
- COVID-19 Business Grant Special Allowance – if businesses have reached their limits under the Small Amounts of Financial Assistance allowance and COVID-19 Business Grant Allowance, they may be able to access a further allowance of funding under these scheme rules of up to £9,000,000, provided certain conditions are met.

Grants under these 3 allowances can be combined for a potential total allowance of up to £10,935,000.

The Grants

National lockdown between 5 November and 2 December 2020 (28-day qualifying restrictions period):

The application deadline for this grant is 31 March 2021.

Grants for this period are based on the rateable value of the property on 5 November 2020.

- If a business has a property with a rateable value of £15,000 or less, they may be eligible for a cash grant of £1,334 for this period.
- If a business has a property with a rateable value over £15,000 and less than £51,000, they may be eligible for a cash grant of £2,000 for this period.
- If a business has a property with a rateable value of £51,000 or above, they may be eligible for a cash grant of £3,000 for this period.

National lockdown from 5 January 2021

Grants for the period 5 January to 31 March 2021 will be based on the rateable value of the property on 5 January 2021.

First payment cycle, 5 January to 15 February 2021 (42-day qualifying restrictions period):

The application deadline for this grant is 31 March 2021.

- If a business has a property with a rateable value of £15,000 or less, they may be eligible for a cash grant of £2,001 for this period.
- If a business has a property with a rateable value over £15,000 and less than £51,000, they may be eligible for a cash grant of £3,000 for this period.

- If a business has a property with a rateable value of £51,000 or above, they may be eligible for a cash grant of £4,500 for this period.

Businesses will also be eligible for the one-off Closed Business Lockdown Payment, which their local council will pay together with the first payment cycle grant – see below.

Second payment cycle, 16 February to 31 March 2021 (44-day qualifying restrictions period):

The application deadline for this grant is 31 May 2021.

- If a business has a property with a rateable value of £15,000 or less, they may be eligible for a cash grant of £2,096 for this period.
- If a business has a property with a rateable value over £15,000 and less than £51,000, they may be eligible for a cash grant of £3,143 for this period.
- If a business has a property with a rateable value of £51,000 or above, they may be eligible for a cash grant of £4,714 for this period.

More information can be found at:

<https://www.gov.uk/guidance/check-if-your-business-is-eligible-for-a-coronavirus-grant-due-to-national-restrictions-for-closed-businesses>

Businesses should visit their local council's website to find out how to apply.

2. Closed Business Lockdown Payment (CBLP)

The CBLP supports businesses that have been required to close due to the national lockdown that began on 5 January 2021.

Eligible businesses may be entitled to a one-off cash grant of up to £9,000 from their local council.

Local councils will pay the same businesses that are eligible to receive the Local Restrictions Support Grant (Closed) Addendum – see above.

The application deadline is 31 March 2021- businesses should visit their local council's website to apply.

The grant will be based on the rateable value of the property on the first full day of restrictions:

- If a business has a property with a rateable value of £15,000 or less, they may be eligible for a one-off cash grant of £4,000.
- If a business has a property with a rateable value over £15,000 and less than £51,000, they may be eligible for a one-off cash grant of £6,000.
- If a business has a property with a rateable value of £51,000 or above, they may be eligible for a one-off cash grant of £9,000.

3. Rates Relief for the retail, hospitality & leisure businesses in England:

Business rates relief has been extended for eligible businesses in the retail, hospitality, leisure, and nursery sector.

Eligible businesses will continue to receive 100% relief through to 30 June 2021 and a further 66% relief through to 31 March 2022.

This will be capped at £2m per business for properties that were required to be closed on 5 January 2021, or £105,000 per business for other eligible properties.

4. Restart Grants

As they re-open after lockdown, non-essential retail businesses can claim up to £6,000 per premises. Hospitality, accommodation, leisure, personal care, and gym businesses can claim up to £18,000 per premises.

Support for the Self-Employed

- 1 The Self-Employed Income Support Scheme Fourth Grant.
- 2 The Self-Employed Income Support Scheme – claims for grants one, two and three are closed.

1. The Self-Employed Income Support Scheme Fourth Grant.

The fourth grant will be set at 80% of 3 months' average trading profits, paid out in a single instalment, capped at £7,500. The fourth grant will take into account 2019 to 2020 tax returns and will be open to those who became self-employed in tax year 2019 to 2020. The rest of the eligibility criteria remain unchanged.

Who can claim?

- A self-employed individual or member of a partnership.
- Based on the 2019/2020 self-assessment tax return, trading profits must be no more than £50,000 and at least equal to non-trading income.
- If a claimant is not eligible based on their 2019/2020 return, the returns for 2016/2017, 2017/2018, 2018/2019 and 2019/2020 will be looked at.
- The claimant must have traded in both 2019/2020 and 2020/2021 and their tax return for 2019/2020 must have been submitted by 2 March 2021.
- The claimant must either be currently trading but impacted by reduced demand due to coronavirus or have been trading but is temporarily unable to do so due to coronavirus.
- The claimant must declare that they intend to continue trading and that they reasonably believe there will be a significant reduction in their trading profits due to reduced business activity, capacity, demand, or inability to trade due to coronavirus.

What does the fourth grant cover?

The fourth grant will provide a taxable grant calculated at 80% of 3 months' average trading profits. The fourth grant will be paid out in a single instalment and capped at £7,500 in total.

How to claim.

The online claims service for the fourth grant will be available from late April 2021 until 31 May 2021.

HMRC will contact those who are eligible in mid-April to give them a personal claim date. This will be the date that they can make their claim from.

Further support.

The government has announced that there will be a fifth and final grant covering May to September.

Claims can be made from late July by those who are eligible.

The amount of the fifth grant will be determined by how much an individual's turnover has been reduced in the year April 2020 to April 2021.

The fifth grant will be worth:

- 80% of 3 months' average trading profits, capped at £7,500, for those with a turnover reduction of 30% or more.
- 30% of 3 months' average trading profits, capped at £2,850, for those with a turnover reduction of less than 30%.

Further guidance will be provided about the fourth and fifth grants in due course.

Please refer to:

<https://www.gov.uk/government/publications/self-employment-income-support-scheme-grant-extension/self-employment-income-support-scheme-grant-extension>

Payment of Tax

- 1 Time to pay
- 2 Deferral of VAT payments
- 3 Deferral of income tax payments

1. Time to pay:

- All businesses & self-employed people in financial distress, & with outstanding tax liabilities, may be eligible to receive support through HMRC's Time to Pay service.
- This allows businesses & individuals to pay off their debt by instalments over a period of time & the first payment can be delayed for up to 3 months.
- Arrangements will be agreed on a case-by-case basis.

HMRC can be contacted via webchat. Go to:

www.gov.uk/government/organisations/hm-revenue-customs/contact/coronavirus-covid-19-helpline

Or phone the coronavirus (COVID-19) helpline on: 0800 024 1222

- Taxpayers who have received a payment demand, like a tax bill or a letter threatening legal action should call the HMRC office that sent them the letter.
- Those who have not received a bill, or a letter can call the Payment Support Service on: 0300 200 3835
- Alternatively contact the Self-Assessment Payment Helpline on: 0300 200 3822

2. Deferral of VAT Payments:

If you deferred VAT payments due between 20 March 2020 and 30 June 2020 and still have payments to make, you can:

- Pay the deferred VAT in full, on or before 31 March 2021
- Join the VAT deferral new payment scheme – the online service is open between 23 February 2021 and 21 June 2021
- Contact HMRC by telephone on 0800 024 1222 by 30 June 2021 if you need extra help to pay

You may be charged interest or a penalty if you do not – pay the deferred VAT in full by 31 March 2021, opt into the new payment scheme by 21 June 2021 or agree extra help to pay with HMRC by 30 June 2021.

VAT deferral new payment scheme

The VAT deferral new payment scheme is open from 23 February 2021 up to and including 21 June 2021. (If you're on the Annual Accounting Scheme or VAT Payment on Account Scheme you can join the scheme from 10 March 2021).

The scheme lets you pay your deferred VAT in equal instalments, interest free and choose the number of instalments from 2 to 11, depending on when you join the scheme – if you join by 19 March 2021 you can pay in 11 instalments, 10 instalments if you join by 21 April 2021, 9 instalments if you join by 19 May 2021 and 8 if you join by 21 June 2021.

Before you join, you must:

- Create a Government Gateway account, if you don't already have one.
- Submit any outstanding VAT returns from the last 4 years.
- Correct errors on your VAT returns as soon as possible
- Make sure you know how much you owe, including the amount you originally deferred and how much you have already paid.

To use the online service, you must:

- Join the scheme yourself, your agent cannot do this for you.
- Still have deferred VAT to pay.
- Be up to date with your returns.
- Join by 21 June 2021.
- Pay the first instalment when you join.
- Pay your instalments by Direct Debit (there's an alternative entry route if you cannot pay by Direct Debit)

To join go to:

<https://www.gov.uk/guidance/deferral-of-vat-payments-due-to-coronavirus-covid-19>

In addition, if you need more help to pay your VAT, you may be eligible to get support through HMRC's Time To Pay Service. Go to: <https://www.gov.uk/difficulties-paying-hmrc>

3. Deferred Income Tax Payments:

If you deferred your July 2020 Payment on Account until 31 January 2021 you may have had these 3 payments to make on 31 January 2021:

- Your deferred July 2020 payment on account.
- Any 2019/2020 balancing charge.

- Your first 2020/2021 payment on account.

If you had difficulty making all 3 payments at once you may have chosen to set up a Time to Pay instalment arrangement with HMRC.

If you have not done so already, and if you owe up to £30,000 you can set up a time to pay instalment arrangement online up to 60 days after 31 January 2021, without having to contact HMRC directly.

Late payment penalties can be avoided if a time to pay arrangement is entered into before the tax payments become due and you pay all the tax owing under that arrangement on time.

Interest is chargeable on time to pay arrangements.

You should contact HMRC as soon as you can if you are unable to pay your Self-Assessment tax.

Go to: <https://www.gov.uk/government/organisations/hm-revenue-customs/contact/self-assessment>

Other Support for Businesses

- 1 Recovery Loan Scheme
- 2 Coronavirus Business Interruption Loan Scheme (CBILS)
- 3 Coronavirus Future Fund
- 4 Coronavirus Bounce Back Loan (BBL)
- 5 Coronavirus Large Business Interruption Loan Scheme (CLBILS)
- 6 COVID-19 Corporate Financing Facility (CCFF)

1. Recovery Loan Scheme

The Recovery Loan Scheme ensures businesses of any size can continue to access loans and other kinds of finance up to £10 million per business once the existing COVID-19 loan schemes close.

The finance can be used for any legitimate business purpose, including growth and investment.

The government guarantees 80% of the finance to the lender.

The scheme launches on 6 April 2021 and is open until 31 December 2021, subject to review.

For more information go to:

<https://www.gov.uk/guidance/recovery-loan-scheme>

2. Coronavirus Business Interruption Loan Scheme (CBILS):

The deadline for applications has been extended to 31 March 2021.

The scheme helps small & medium-sized businesses to access loans & other kinds of finance up to £5 million.

The government guarantees 80% of the finance to the lender & pays interest & any fees for the first 12 months.

Businesses that are eligible:

- Are based in the UK.
- Have an annual turnover of up to £45 million.
- Can demonstrate they would be viable if not for coronavirus.
- Can demonstrate they have been adversely affected by coronavirus.
- Can confirm they were not classed as a business in difficulty on 31 December 2019 if they want to borrow £30,000 or more.
- The scheme is not open to banks, insurers & reinsurers, public-sector bodies, or state-funded primary & secondary schools.

Length of the loan:

- Up to 3 years for overdrafts & invoice finance facilities.
- Up to 6 years for loans & asset finance facilities.

How to apply:

- Over 50 lenders are participating including all the main retail banks. Approaches should be made directly to the lender via their website.
- Businesses will need to say how much they'd like to borrow, what the money is for & how long they'd like to pay it back.
- Businesses will need to provide documents showing that they can repay the loan, such as business plans & cash flow forecasts.
- The lender will assess whether the loan is suitable, affordable & the right type of finance.
- Businesses that are turned down by one lender can approach others or use a broker.

To find a lender go to:

www.gov.uk/guidance/apply-for-the-coronavirus-business-interruption-loan-scheme

3. Coronavirus Future Fund

Closed to new applicants on 31 January 2021.

4. Coronavirus Bounce Back Loan (BBL)

Applications for the scheme have been extended to 31 March 2021 – however, most lenders require a background-check appointment and as there are a finite number of spots businesses should not leave it until the last minute to apply!

The scheme helps small & medium-sized businesses to borrow between £2,000 & up to 25% of their turnover. The maximum loan available is £50,000.

The government guarantees 100% of the loan & there will be no fees or interest to pay for the first 12 months. After 12 months the interest rate will be 2.5% a year.

Businesses that are eligible:

- Are based in the UK.
- Were established before 1 March 2020.
- Have been adversely impacted by the coronavirus.
- Can confirm that they're complying with additional state aid restrictions if they were classed as a business in difficulty on 31 December 2019.
- The scheme is not open to banks, insurers & reinsurers, public-sector bodies, or state-funded primary & secondary schools.

Businesses cannot apply if they're already claiming under the CBILS, CLBILS or COVID-19 Corporate Financing Facility.

If businesses have already received a loan of up to £50,000 under one of these schemes, they can transfer it to the BBL.

Length of the loan:

- The length of the loan is 6 years (now extended to 10), but it can be repaid early without a fee.
- No repayments will be due during the first 12 months.

How to apply:

- There are 11 lenders participating in the scheme including many of the retail banks.
- A suitable lender should be approached directly.
- An online application form will need to be completed, along with a self-declaration of eligibility.
- Businesses that are turned down by one lender can approach others or use a broker.

To find a lender go to:

www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan

5. Coronavirus Large Business Interruption Loan Scheme (CLBILS)

The deadline for applications has been extended to 31 March 2021.

The Coronavirus Large Business Interruption Loan Scheme supports UK based large businesses with an annual turnover of over £45 million, who have not received support under the Bank of England's COVID-19 Corporate Financing Facility (CCFF).

All viable businesses (if not for the pandemic) with turnover of more than £45 million per year that have been affected by coronavirus can apply.

Businesses can apply for loans, revolving credit facilities (including overdrafts), invoice finance and asset finance.

A lender can provide up to 25% of a business's annual turnover up to a maximum of £200 million.

Finance is available from 3 months to 3 years.

For more information go to:

www.gov.uk/guidance/apply-for-the-coronavirus-large-business-interruption-loan-scheme

6. COVID-19 Corporate Financing Facility (CCFF)

Under the COVID-19 Corporate Financing Facility the Bank of England will buy short-term debt from large companies.

The scheme is delivered through commercial lenders, backed by the Bank of England.

For more information go to:

<https://www.gov.uk/guidance/apply-for-the-covid-19-corporate-financing-facility>

The information contained in this guidance has been obtained from public sources and every attempt has been made to ensure its accuracy at the date of publication. This information is subject to change and we will not accept liability for losses arising from changes in the law or the interpretation thereof.