

GUIDE

COVID-19 business support measures

As at 16 July 2021

SHOOSMITHS

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COVID-19 is having a significant impact on businesses and the economy. Responding to this, the UK Government has unveiled new measures, alongside existing funding initiatives, to help businesses navigate this challenging time.

This guide is designed to summarise these support measures and help you identify which are applicable to your business.

If of additional interest, please also see our separate guides on:

- *Business Continuity (A summary of the practical measures taken by the government and other bodies to enable businesses to continue trading during the COVID-19 pandemic); and*
- *Support and Considerations for individuals and families managing their legal affairs during Covid 19 (A guide outlining our views on some of the practical, legal aspects arising for individuals and their families).*

Both additional guides are also maintained regularly and are available for download from the Shoosmiths Coronavirus COVID-19 hub.

Business funding available during COVID-19

As part of its “temporary, timely and targeted” support for public services, people and businesses through this period of disruption caused by COVID-19, the government announced and has continued to update a package of measures to support businesses including (amongst other things):

- The Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
- The Coronavirus Large Business Interruption Loan Scheme for businesses with turnover of more than £45m
- The Small Business Grant Funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
- The Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
- The Bounce Back Loan Scheme offering loans of up to £50,000 to businesses which have not accessed one of the other lending schemes
- The Future Fund offering convertible loans of up to £5 million for innovative companies
- The Reopening High Streets Safely Fund offering local authorities funding on a per capita basis.
- The Discretionary Grant Fund offering grants of up to £25,000 for small businesses.
- The Kick-starting Tourism Package offering grants between £1,000 and £5,000 to small businesses.
- The small and medium business grant of between £1,000 - £5,000.

We will also be looking at the following financial support that is available to UK businesses which trade internationally:

- The Export Working Capital Scheme
- The Direct Lending Facility
- The Buyer Creditor Facility
- The Supplier Credit Financing Facility
- The Export Insurance Policy
- The Recovery Loan Scheme to support and protect businesses as they grow and recover from the disruption of the Covid-19 pandemic.

Details regarding these schemes follows, with further information available by accessing [the British Business website](#) and [the Bank of England website](#).

| Support measure: | Description: | Eligibility: | What is the monetary value of the package: | When available: | How to access: |
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| Future Fund | This Future Fund will subscribe for convertible loans between £125,000 to £5m which match the contributions made by qualifying investors into eligible companies. | <p>Guidance from https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/future-fund/ confirms businesses will be eligible if they satisfy the following criteria:</p> <ul style="list-style-type: none"> the company must have raised at least £250,000 in equity from third party investors in the last 5 years (1 April 2015 to 19 April 2020) if the company is a member of a corporate group, it must be the ultimate parent the company cannot have any of its shares listed on a regulated market, a multilateral trading facility, a recognised investment exchange and/or any other similar market, stock exchange or listing venue the company must be a UK incorporated limited company the company must have been incorporated on or before 31 December 2019 at least one of the following must be true for the company: <ul style="list-style-type: none"> half or more employees are UK based half or more revenues are from UK sales | <p>Convertible loans between £125,000 to £5 million in value, such amount to not exceed the amount of funding provided by qualifying investors under the same convertible loan note agreement.</p> <p>The full terms are set out on the British Business Bank website, alongside a convertible loan note agreement and various FAQs. The terms of the convertible loan note agreement are non-negotiable, save for:</p> <ul style="list-style-type: none"> interest rate (which has to be at least 8%) the conversion discount rate (which has to be at least 20%) headroom for investments on the same terms which may be made within 90 days of the Future Fund's investment (although such amounts will not be matched by the Future Fund) any valuation cap on conversion <p>The convertible loan may not be used to:</p> <ul style="list-style-type: none"> repay any borrowings; pay any dividends; pay any bonuses; or pay any advisory fees. | <p>The scheme has now closed for new applicants. The Future Fund scheme is processing applications which were correctly completed and submitted by a lead investor and matched by the investee business before 23:59 GMT on Sunday 31 January 2021, when the scheme closed to new applications.</p> | <p>The lead investor needs to make an application online through the British Business Bank website for matched funding. The company will then be contacted for further details and to confirm the details provided by the investor(s).</p> <p>Solicitors must be instructed to hold completion funds and provide confirmation of the same to the Future Fund. Further details are available here.</p> |
| Bounce Back Loan Scheme | This scheme provides loans to businesses which have not accessed one of the other lending schemes up to the value of 25% of their turnover with a cap of £50,000. | <p>To be eligible, a business must:</p> <ul style="list-style-type: none"> be based in the UK have been adversely affected by Covid-19 is not in bankruptcy, liquidation or undergoing debt restructuring have been established before 1 March 2020 <p>If a business was classed as a business in difficulty on 31 December 2019 then they will need to confirm that they are complying with additional state aid restrictions. Further education establishments are eligible for the scheme.</p> <p>The following businesses are not eligible for this scheme:</p> <ul style="list-style-type: none"> banks, insurers and reinsurers (but not insurance brokers) public-sector organisations state-funded primary and secondary schools <p>Businesses who are claiming under the CBILS, CLBILS or CCFF cannot apply for this scheme. It is possible to transfer a loan of up to £50,000 received under the CBILS, CLBILS or CCFF scheme to the bounce back loan scheme, this can be arranged with your lender until 4 November 2020.</p> | <p>The loan will be for a term of up to 6 years, interest, capital and fee free for the first 12 months and is backed by a 100% government guarantee. Interest will be charged at a fixed rate of 2.5% per year for 6 years.</p> <p>No repayment will be due within the first 12 months and businesses can repay the loan without incurring early repayment charges.</p> <p>No personal guarantees and no enforcement against business owners' personal residential property or primary personal vehicle.</p> | <p>The scheme closed to new applications and top-up applications on 31 March 2021.</p> | <p>Businesses can apply through an online application directly on an accredited lender's website. If one accredited lender rejects your application you can apply to another accredited lender. The scheme is to be provided through British Business Bank accredited lenders. Further details are available on the government website.</p> |

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| Coronavirus Business Interruption Loan Scheme (CBILS) | <p>Support to businesses to access bank lending and overdrafts.</p> <p>Businesses can access the first 12 months of that finance interest free and free of any lender-levied fees.</p> <p>The scheme will support a range of business finance products, including:</p> <ol style="list-style-type: none"> 1. Term facilities 2. Overdrafts 3. Invoice finance facilities 4. Asset finance facilities <p>Finance terms are up to six years for term loans and asset finance facilities. For overdrafts and invoice finance facilities, terms will be up to three years.</p> | <p>The scheme is primarily for small and medium sized businesses.</p> <p>A business will be eligible for the scheme ifit:</p> <ol style="list-style-type: none"> 1. is UK based 2. has turnover of no more than £45m per annum <p>is operating within an eligible industrial sector (a small number of industrial sectors are not eligible for support). The business must generate more than 50% of its turnover from trading activity.</p> <p>Further education establishments are eligible for the scheme.</p> <p>From 30 July 2020, small businesses with less than 50 employees and an annual turnover of less than £9m can apply for CBILS provided they are not:</p> <ol style="list-style-type: none"> 1. subject to collective insolvency procedure under national law 2. in receipt of rescue aid (which has not been repaid) or restructuring aid (and are still subject to a restructuring plan) <p>Small businesses with more than 50 employees and an annual turnover of more than £9,000 will still be subject to the undertaking in difficulty test.</p> | <p>The government guarantee of 80% on each loan 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 £5m.</p> <p>The scheme may be used for unsecured lending for facilities of £250,000 and under. For facilities above £250,000, the lender must establish a lack or absence of security prior to businesses using CBILS. If the lender can offer finance on normal commercial terms without the need to make use of the scheme, they will do so.</p> <p>Lenders are prohibited from requesting personal guarantees for loans under £250,000.</p> | <p>The scheme closed for new applications on 31 March 2021.</p> | <p>The scheme is available through accredited lenders which are listed on the British Business Bank website. If one accredited lender rejects your application you can apply to another accredited lender.</p> <p>Approach one of participating lenders to discuss the borrowing needs and the proposed business plan.</p> <p>Talk to finance provider directly (not the British Business Bank). This will help the chosen finance provider to act quickly.</p> |

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| Coronavirus Large Business Interruption Loan Scheme (CLBILS) | <p>The scheme will support a range of business finance products, including:</p> <ol style="list-style-type: none"> 1. Term facilities 2. Overdrafts 3. Invoice finance facilities 4. Asset finance facilities <p>Facilities will be offered by commercial lenders at commercial rates of interest.</p> <p>Repayment terms will be limited to a maximum of three years.</p> | <p>The scheme is primarily for larger businesses. A business will be eligible for the scheme if it:</p> <ol style="list-style-type: none"> 1. be UK based in its business activity 2. has annual turnover of more than £45m per annum 3. can self-certify that it has been adversely impacted by the coronavirus 4. has not received a facility under either the Bank of England's Covid Corporate Financing Facility or the CLBILS scheme 5. has a proposal which the business' lender would consider viable but for the impact of coronavirus and will enable the business to trade through short to medium term difficulties 6. is operating within an eligible industrial sector. All sectors excluding banks and building societies, insurers and re-insurers (brokers not excluded) and public-sector organisations (including schools). <p>Further education establishments are eligible for the scheme.</p> | <p>The government guarantee of 80% on each loan to give lenders further confidence in continuing to provide finance to larger businesses.</p> <p>The maximum value of a facility provided under the scheme is £200m, for invoice finance facilities and asset finance facilities the maximum value remains at £50m.</p> <p>Businesses which borrow more than £50m under the scheme will be subject to further restrictions on dividend payments, senior pay and share buy-backs during the life of the loan.</p> <p>Under the scheme, lenders will not take personal guarantees of any form for facilities below £250,000. For facilities above this amount, personal guarantees may still be required, but claims cannot exceed 20% of losses after all other recoveries have been applied.</p> | <p>The scheme closed for new applications on 31 March 2021.</p> | <p>CLBILS will be available through a range of accredited lenders, businesses should consider applying via the lender's website in the first instance.</p> |
| COVID-19 Corporate Financing Facility | <p>HM Treasury and the Bank of England will provide funding to companies by purchasing sterling commercial paper of up to one- year maturity issued by companies making a material contribution to the UK economy.</p> <p>Commercial paper is an unsecured, short term debt instrument issued by a company.</p> | <p>Companies and their finance subsidiaries that make a material contribution to economic activity in the United Kingdom and who can demonstrate they were in sound financial health prior to the coronavirus outbreak will be eligible.</p> <p>The Bank of England has stated that the clearest way to demonstrate that the company was in sound financial health prior to the coronavirus outbreak is to have or acquire a rating from one of the major credit rating agencies. Companies that do not currently have a rating can contact one of the major credit rating agencies to seek an assessment of credit quality which they can share with the Bank of England for the purposes of this scheme.</p> <p>To determine eligibility, the Bank of England will look at, amongst other things:</p> <ol style="list-style-type: none"> 1. numbers of employees in the UK; 2. whether the headquarters is in the UK; and 3. whether it generates significant revenues in the UK. <p>Banks, building societies, insurance companies and other financial sector entities regulated by the Bank of England or the Financial Conduct Authority will not be eligible for the scheme.</p> <p>The application form, terms and conditions and pricing schedule are available on the Bank of England website.</p> <p>Details of issuers and securities purchased will not be disclosed publicly. Companies who use the scheme will be required to sign a confidentiality agreement.</p> | <p>The minimum size of an individual security that the scheme will purchase from an individual participant is £1m nominal.</p> <p>The scheme will purchase commercial paper with the following characteristics:</p> <ol style="list-style-type: none"> 1. maturity of one week to 12 months; 2. where available, a credit rating of A-3/P-3/F-3 from at least one of Standard & Poor's Moody's and Fitch as at 1 March 2020; 3. issued directly into Eurostream and/or Clearstream; and 4. governed by English Law and subject to the jurisdiction of the English Courts. <p>Securities issued by a finance subsidiary are required to be guaranteed by their parent company.</p> | <p>The scheme closed to new purchases on 23 March 2021.</p> | <p>Companies are advised to speak to their bank in the first instance. However not all banks issue commercial paper and, if this is the case, UK Finance will provide a list of banks that are able to assist. If eligible, the bank will arrange for the commercial paper to be issued to the scheme.</p> <p>If the Bank of England confirm eligibility before 16:00 on a working day, the company can sell commercial paper to the bank on the next working day.</p> |

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| Export Working Capital Scheme (Note: this is not a new scheme but one which can be used to support businesses in the current crisis) | UK Export Finance (UKEF) works with banks and insurance brokers to help companies of all sizes fulfil and get paid for export contracts. It provides guarantees, loans and insurance on behalf of the government that can protect UK exporters facing delayed payments or transit restrictions. Help from UKEF. | The transaction must satisfy UKEF's eligibility criteria, which includes the requirements that: <ol style="list-style-type: none"> the exporter must be carrying on business in the UK, Isle of Man or Channel Islands; and the exporter must have entered, or be intending to enter, into a contract for the supply of goods and/or services with a company or other organisation that carries on business outside the UK. All transactions supported by UKEF must satisfy: <ol style="list-style-type: none"> foreign content policy; and anti-bribery and corruption and environmental, social and human rights due diligence processes. The transaction may not be supported if there are sanctions imposed on the country of the overseas customer. | UKEF guarantees up to 80% of the risk to lenders to cover the credit risks associated with export working capital facilities both pre- and post- shipment. There is no minimum or maximum value for the working capital facility. | This scheme is already in place. | There is a list of approved lenders with which applicants can discuss the scheme. This includes most of the main clearing banks who can deal with the applications directly. There is a list of additional Approved Lenders. The application should be discussed with them directly and there is a UKEF application form to be completed in addition to that. |
| Supplier Credit Financing Facility (Note: this is not a new scheme but one which can be used to support businesses in the current crisis) | Supplier Credit Loan Facility This facility has been partially replaced by the Standard Buyer Loan Guarantee on 23 February 2021. The Supplier Credit Loan Facility currently only supports Bills and Notes facilities. Supplier Credit Bills and Notes Facility Covers payments due under bills of exchange, or promissory notes, purchased by a bank from a UK exporter. The exporter will have received them in payment for capital goods and/or services supplied to an overseas buyer. | The transaction must satisfy UKEF's eligibility criteria, which includes the requirements that: <ol style="list-style-type: none"> the exporter must be carrying on business in the UK; and the bank must be acceptable to UKEF. All transactions supported by UKEF must satisfy: <ol style="list-style-type: none"> foreign content policy; and anti-bribery and corruption and environmental, social and human rights due diligence processes. The transaction may not be supported if there are sanctions imposed on the country of the buyer or borrower. | The maximum amount that can be made available under the facility is 85% of the contract value. A minimum of 15% of the contract value must be paid directly to the exporter by the buyer before the facility starts to be repaid. Of the 15%, a down payment of at least 5% should be received upon contract signature. | The Supplier Credit Bills and Notes Facility is already in place. The Supplier Credit Loan Facility was partially replaced with the Standard Buyer Loan Guarantee on 23 February 2021. | Supplier Credit Bills and Notes Facility can be accessed directly through UKEF or via participating banks. Depending on our country cover position, businesses may also need to submit a sustainable lending form. |

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| Standard Buyer Loan Guarantee | <p>The Standard Buyer Loan Guarantee covers a loan to an overseas buyer to finance the purchase of capital goods, services and/or intangibles from a UK supplier. This is typically relevant for contracts between £1 million to £30 million.</p> | <p>The transaction must satisfy UKEF's eligibility criteria, which includes the requirements that:</p> <ol style="list-style-type: none"> 1. the supplier must be carrying on business in the UK; and 2. the bank must be acceptable to UKEF. <p>All transactions supported by UKEF must satisfy:</p> <ol style="list-style-type: none"> 3. foreign content policy; and 4. anti-bribery and corruption and environmental, social and human rights due diligence processes. <p>The transaction may not be supported if there are sanctions imposed on the country of the buyer or borrower.</p> | <p>The maximum amount that can be made available under the facility is 85% of the contract value. A minimum of 15% of the contract value must be paid directly to the supplier by the buyer before the facility starts to be repaid. Of the 15%, a down payment of at least 5% should be received upon contract signature.</p> | <p>This scheme is already in place.</p> | <p>Application are via UKEF and initial contact will bethrough their customer services team.</p> |
| Buyer Credit Facility (Note: this is not a new scheme but one which can be used to support businesses in the current crisis) | <p>Buyer Credit Facility provides a guarantee to a bank making a loan to an overseas buyer, so that capital goods, service and/or intangibles can be purchased.</p> <p>This facility enables the exporter to receive payment up-front as though it was a cash contract, while the buyer can access extended repayment terms.</p> <p>The loan is typically repaid over a period of two years or longer by the borrower, while the exporter receives payment via the credit facility as amounts fall due under the export contract.</p> <p>Loans can be made in the main trading currencies, as well as more than 60 local currencies.</p> | <p>Buyer Credit Facility provides a guarantee to a bank making a loan to an overseas buyer, so that capital goods, service and/or intangibles can be purchased.</p> <p>This facility enables the exporter to receive payment up-front as though it was a cash contract, while the buyer can access extended repayment terms. UKEF can consider support for corporate (private), sovereign and public buyers. Its flexible support can be used for a range of structures including:</p> <ol style="list-style-type: none"> 1. lines of credit; 2. limited recourse project finance; 3. Islamic finance (sukuk); 4. Public-Private Partnerships (PPPs); 5. capital markets refinancing; and 6. the transaction must satisfy UKEF's eligibility criteria, which includes the requirements that: <ul style="list-style-type: none"> • the exporter must be carrying on business in the UK • the export contract must have a value of at least £5m or the equivalent in foreign currency • the bank making the loan must be acceptable to us • the period for repayment of the loan must be at least two years <p>All transactions supported by UKEF must satisfy:</p> <ol style="list-style-type: none"> 1. foreign content policy; and 2. anti-bribery and corruption and environmental, social and human rights due diligence processes. <p>The transaction may not be supported if there are sanctions imposed on the country of the overseas buyer.</p> | <p>The export contract must have a value of at least £5m or the equivalent in foreign currency.</p> <p>The maximum amount that can be made available under the loan is 85% of the contract value. A minimum of 15% of the contract value must be paid directly to the exporter by the buyer before the loan starts to be repaid. Of the 15%, a down payment of at least 5% should be received upon contract signature.</p> <p>Country cover indicators show what cover is available for the export country.</p> | <p>This scheme is already available.</p> | <p>Application are via UKEF and initial contact will bethrough their customer services team.</p> |

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| Direct Lending Facility (Note: this is not a new scheme but one which can be used to support businesses in the current crisis) | UK Export Finance (UKEF) provides loans within an overall limit of £3 billion to overseas buyers, allowing them to finance the purchase of capital goods and/or services from UK exporters. Each transaction can be made in up to eight currencies, with a value limit of £200m. The funding provided is at a fixed rate of interest. | The transaction must satisfy UKEF's eligibility criteria, which includes the requirement that: the contract must demonstrate how it is conducive to supporting or developing exports from the UK. All transactions supported by UKEF must satisfy: <ol style="list-style-type: none"> foreign content policy; and anti-bribery and corruption and environmental, social and human rights due diligence processes. The transaction may not be supported if there are sanctions imposed on the country of the overseas buyer or borrower. | There is no fixed lower limit, although for loans below £5m (or the foreign currency equivalent), may be offered alternative export finance options. In most cases, direct loans will not exceed £200m. However, more flexible approach may be offered depending: <ol style="list-style-type: none"> on the remaining resources of the facility at the time a high value application is received; and on the strategic importance (to the national interest) of the proposed transaction. | The scheme is already available. | Application are via UKEF and initial contact will bethrough their customer services team. |
| Export Insurance Policy (Note: this is not a new scheme but one which can be used to support businesses in the current crisis) | Export Insurance Policy offers cover against the risk of: <ol style="list-style-type: none"> not being paid under an export contract; and not being able to recover the costs of performing that contract because of certain events which prevent its performance or lead to its termination. | The transaction must satisfy UKEF's eligibility criteria, which includes the requirements that: the exporter must be carrying on business in the UK and the bank must be acceptable to UKEF. All transactions supported by UKEF must satisfy: <ol style="list-style-type: none"> foreign content policy; and anti-bribery and corruption and environmental, social and human rights due diligence processes. The transaction may not be supported if there are sanctions imposed on the country of the buyer or borrower. | If the duration of the contract is less than two years, it is are unable to offer cover if the buyer is in a country belonging to the European Union, or in certain other high- income countries. Exporters taking export insurance policies receive: <ol style="list-style-type: none"> up to 95% cover; and cover against loss suffered due to specified risks. Polices cover costs incurred if the export contract is terminated because the buyer defaults before the goods are delivered, or if the buyer fails to pay due to specified political, economic or administrative events. | This scheme is already available. | Export Insurance Policy can be accessed directly through UKEF or through the network of 40 approved brokers. Specimen policies are also available on line to assess suitability of a particular contract. |
| Kick-starting Tourism Package | This scheme provides a grant of between £1,000 - £5,000 for small businesses in tourist destinations. | Small businesses in tourist destinations in England are eligible. | A grant of between £1,000 - £5,000 which businesses can use to pay for the following: <ol style="list-style-type: none"> specialist professional advice such as human resources, accountants, legal or financial advice; new technology and online systems; and new minor equipment. 100% of the grant will come from the government with no obligation for businesses to contribute financially. | This scheme is already available. | Funding will be allocated to each Local Growth Hub in England based on how much of their employment base is linked to tourism and hospitality businesses. Businesses are advised to get in contact with their Local Growth Hub to check eligibility. |

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| Small and medium business grant of between £1,000 - £5,000 | This scheme provides a grant of between £1,000 - £5,000 to small and medium sized businesses. | Small and medium businesses in England. | A grant of between £1,000 - £5,000 which businesses can use to pay for the following: 1. specialist professional advice such as human resources, accountants, legal or financial advice; 2. new technology and online systems; and 3. new minor equipment. 100% of the grant will come from the government with no obligation for businesses to contribute financially. | This scheme is already available. | Funding will be allocated to each Local Growth Hub in England. Businesses are advised to get in contact with their Local Growth Hub to check eligibility. |
| Small Business Grant Funding of £10,000 | This scheme provides a grant of £10,000 for small businesses that already pay little or no business rates because of Small Business Rate Relief (SBRR) or Rural Rates Relief (RRR). | The scheme is available to businesses that satisfy the following: 1. business is based in England 2. small business which on 11 March 2020 were eligible for SBRR and/orRRR 3. business that occupies property The following are not eligible for this grant: <ul style="list-style-type: none"> car parks, parking spaces properties occupied for personal use (e.g. private stables and beachhuts) businesses which as of 11 March 2020 were in liquidation or dissolved | A grant of £10,000 per property. Businesses cannot receive the £25,000 grant for retail, hospitality, and leisure businesses in addition to this grant on the same property. | This scheme is now closed. | All eligible Businesses should have received their grant by 30 September 2020. Businesses should contact their local authority if they believe they are eligible for the grant and have not yet received it. |
| Grant funding of £25,000 for retail, hospitality and leisure businesses | The Retail and Hospitality Grant Scheme provides: <ul style="list-style-type: none"> Businesses in these sectors with a property which on 11 March 2020 has a rateable value of up to and including £15,000, will receive a grant of £10,000. Businesses in these sectors with a property which on 11 March 2020 has a rateable value of over £15,000 and less than £51,000, will receive a grant of £25,000. | To be eligible the business has to be based in England and in the retail, hospitality and/or leisure sector and in receipt of the Expanded Retail Discount. Properties that will benefit from the relief will be occupied and wholly or mainly being used: 1. as shops, restaurants, cafes, drinking establishments, cinemas, and live music venues 2. for assembly and leisure 3. as hotels, guest and boarding premises and self-catering accommodation The following are not eligible for this grant: <ul style="list-style-type: none"> car parks and parking spaces properties occupied for personal use (e.g.: private stables and beachhuts) businesses with a rateable value of £51,000 or over businesses which as of 11 March 2020 were in liquidation or dissolved | A grant of £25,000 per property. Businesses cannot receive the small business grant in addition to this grant on the same property. | This scheme is now closed. | All eligible Businesses should have received their grant by 30 September 2020 with their local authority writing to confirm if they are eligible for the grant. Businesses should contact their local authority if they believe they are eligible for the grant and have not yet received it. |

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| Discretionary Grant Fund | This Scheme provides small businesses with a grant of £25,000, £10,000 or any amount under £10,000. | <p>The allocation of funding will be to small businesses with ongoing fixed property-related costs prioritizing businesses in shared spaces, regular market traders, small charity properties that would meet the criteria for Small Business Rates Relief, and bed and breakfasts that pay council tax rather than business rates. The allocation can also be made by the local authority to other businesses based on local business need.</p> <p>Small businesses with fixed property costs that are not eligible for the Small Business Grant or the Retail, Hospitality and Leisure Grant may be eligible for this grant. To be eligible the business must be:</p> <ol style="list-style-type: none"> 1. based in England 2. has relatively high ongoing fixed property-related costs 3. occupies property (or part of a property) with a rateable value or annual mortgage/rent payments below £51,000 4. was trading on 11 March 2020 <p>Local councils have been advised to prioritise the following businesses:</p> <ul style="list-style-type: none"> • small businesses in shared offices or other flexible workspaces, such as units in industrial parks or incubators • regular market traders • bed and breakfasts paying council tax instead of business rates • charity properties getting charitable business rates relief, which are not eligible for small business rates relief or rural rate relief. | <p>The maximum grant will be £25,000. There will also be grants of £10,000 and discretionary grant of under £10,000.</p> <p>Businesses do not have to pay back the grant but it will be taxable. Only businesses which make an overall profit once grant income is included will be subject to tax.</p> | This scheme is now closed. | All eligible Businesses should have received their grant by 30 September 2020. Businesses should contact their local authority if they believe they are eligible for the grant and have not yet received it. |
| Extension of Business Improvement Districts (BIDs) arrangements | <p>BIDs will be able to extend the maximum duration of their BID arrangements until 31 March 2021 by delaying BID ballots due to take place this year. This enables BIDs, and the local authorities who administer the ballot process, to concentrate on responding to the current emergency.</p> <p>The government has separately announced a cash injection of £6.1 million to cover the day to day operating costs of BIDs for a three month period. The money will be paid to local authorities and allocated by them to BIDs in their areas.</p> | <p>The measures apply to any BID in England due to ballot between now and 31 March 2021.</p> <p>The additional £6.1 million will be allocated via local authorities to the 261 existing BIDs.</p> | Details of how the £6.1 million will be allocated between local authorities and then allocated to BIDs in their respective areas has not been given. | BIDs should be notified by their local authority of the amount to be allocated to them. | The change to the duration of BIDs will come into force now that the Coronavirus Bill has received Royal Assent. No action is required. |

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| Reopening High Streets Safely Fund | <p>The fund will help councils introduce safety measures including new signs, street markings and temporary barriers to deal with social distancing not only in high streets and town and city centres, but also in other public spaces like beachfronts and promenades.</p> <p>Councils will also be able to use the fund to develop local marketing campaigns to explain the changes to the public and reassure them that their high streets and other commercial areas are safe.</p> | All local authorities in England. | £50 million to be allocated between local authorities on a per-capita basis. | This scheme is already available. | Monies will be allocated to local authorities by central government. |
| Welsh Government – Economic Resilience Fund Boost | <p>In this announcement: https://gov.wales/340m-support-welsh-businesses-new-coronavirus-rules-announced made on 30th November the Welsh Government announced it was making a further £340m available through the Economic Resilience Fund to support businesses affected by the new changes to the regulations. This will include a specific fund to support hospitality and tourism businesses</p> | <p>The Restrictions Business Fund will enable eligible businesses in the hospitality, tourism and leisure sectors which pay non-domestic rates (NDR) to access grants of up to £5,000. It is estimated around 60,000 businesses, with a rateable value of under £150,000 will receive this support. Businesses not on the NDR system, will be able to continue to apply to local authorities for the Lockdown Discretionary Grant of up to £2,000.</p> <p>In addition, hospitality, tourism and leisure businesses will be able to access a sector specific Economic Resilience Fund grant scheme. Small and medium sized businesses meeting the criteria could receive up to £100k. Larger Welsh-based businesses could receive up to a maximum of £150k. This part of the package is expected to support up to 8,000 businesses in these sectors and a further 2,000 in the related supply chains.</p> | The new support is split into two funds: a £160m Restrictions Business Fund and a £180m sector-specific Economic Resilience Fund grant scheme. | Announced on 30 th November – More information about the funding and how it can be accessed will be published on the Business Wales website. | More information about the funding and how it can be accessed will be published on the Business Wales website. |
| Closed Businesses Lockdown Payment | Support in the form of one-off payments made to ratepayers of businesses mandated to close by Government from 5 January 2021. | Businesses that have been mandated to close by Government from 5 January 2021, including non-essential retail, leisure, personal care, sports facilities and hospitality businesses. | <p>One-off grant of up to £9,000 per property as follows:</p> <ul style="list-style-type: none"> • Properties with a rateable value of £15,000 and under – £4,000; • Properties with a rateable value over £15,000 and less than £51,000 – £6,000; and • Properties with a rateable value of £51,000 and above – £9,000. | 5 January 2021 to 30 April 2021. | Application to be made to local authority by 31 March 2021. |

| Support measure: | Description: | Eligibility: | What is the monetary value of the package: | When available: | How to access: |
|---|---|--|---|---|--|
| Local Restrictions Support Grant (Closed) Addendum | This is an extension of the support available to the ratepayers of businesses mandated to close as a result of the Tier system. Instead of a 14-day payment cycle, businesses will receive a 42-day allocation. | Businesses that have been mandated to close by Government from 5 January 2021, including non-essential retail, leisure, personal care, sports facilities and hospitality businesses. | <p>Payments of up to £4,500 per property as follows:</p> <ul style="list-style-type: none"> • Properties with a rateable value of £15,000 and under – £2,001 per 42-day qualifying restriction period; • Properties with a rateable value over £15,000 and less than £51,000 – £3,000 per 42-day qualifying restriction period; and • Properties with a rateable value of £51,000 and above – £4,500 per 42-day qualifying restriction period. | 5 January 2021 – 30 April 2021. | Application to be made to local authority by 31 March 2021. |
| The Recovery Loan Scheme | The Scheme supports access to finance for UK businesses as they grow and recover from the disruption of the COVID-19 pandemic. | <p>Businesses of any size trading in UK, whether or not they have already received support under earlier Covid-19 guarantee schemes, will have access to loans and other kinds of finance so they can recover after the pandemic and transition period. The business must be viable if it were not for the pandemic and must have been adversely affected by it and not in collective insolvency proceedings. (Different criteria apply to businesses in distress under the Northern Ireland Protocol.)</p> <p>The borrower remains 100% liable for the debt, but the Scheme provides government guarantee for up to 80% of the finance to the lender.</p> <p>Loans are available through the normal network of accredited lenders, listed on the British Business Bank's website.</p> | Term loans and overdrafts of £25,000+ and invoice finance of £1,000+, up to £10 million, is available per business for up to 3 and 6 years respectively. The actual amount offered and the terms are at the discretion of participating lenders. | 6 th April 2021 – 31 December 2021, subject to review. | <p>The scheme is available through accredited lenders which are listed on the British Business Bank website.</p> <p>Talk to your finance provider directly (not the British Business Bank) or apply on an accredited lender's website.</p> |

Employer support

Support for employers and the self-employed during COVID-19

As part of its support for both employers and the self-employed, the government has announced that it is:-

- Introducing a Coronavirus Job Retention Scheme
- Increasing access to Universal Credit and implementing a new Employment and Support Allowance
- Providing certain bonuses to employers who take on new starters as part of a Kickstart Scheme
- Introducing a Self-employed Income Support Scheme
- Changing statutory sick pay rules

| Support measure: | Description: | Eligibility: | When available; | How to access: |
|---|--|--|--|---|
| Statutory Sick Pay (SSP) relief package for SMEs | <p>Employers can reclaim up to two weeks SSP per eligible employee paid for sickness absence due to COVID-19. The government has amended the SSP rules to clarify that employees who are self-isolating or are shielding can receive SSP (subject to them meeting the other eligibility criteria). The SSP rules have also been updated to reflect the extended isolation requirements which mean that an employee isolating as an individual or as part of a household will be entitled to receive SSP for the duration of their isolation (subject to them meeting the other eligibility criteria).</p> <p>The government has also legislated for SSP to be paid from day one rather than day four where employees are absent due to having COVID-19 or from having to self-isolate.</p> | <p>Small and medium sized UK businesses with less than 250 employees (based on the number of people employed as of 28 February 2020) who had a PAYE payroll scheme created or started on or before 28 February 2020.</p> | <p>The eligible period for the rebate scheme began on 13 March 2020.</p> | <p>Eligible employers can apply for reimbursement of SSP paid for the two weeks using the new online service.</p> <p>Employers should maintain records of staff absences and payments of SSP. Employees will not need to provide a GP fit note but can get an isolation note from NHS 111 Online.</p> <p>Employers will need to keep records of all the SSP payments that they want to claim including the reason why the employee could not work and details of the period when the employee could not work. Such records will need to be kept for at least 3 years following the claim.</p> |

| Support measure: | Description: | Eligibility: | When available; | How to access: |
|---|---|---|--|---|
| Coronavirus Job Retention Scheme | <p>This is a scheme through which employers can access support to continue paying part of their employees' salary where the employer's operations have been affected by coronavirus.</p> <p>Following the announcements on 31 October 2020, 5 November 2020, 17 December 2020 and 3 March 2021, the scheme has been extended until 30 September 2021.</p> | <p>In respect of the extended scheme for November 2020 – April 2021 any UK employer with a PAYE payroll scheme can access the scheme for eligible employees, being those who were on the payroll on or before 30 October 2020 and for whom an RTI submission to HMRC was made between 20 March and 30 October 2020. Where an employee has left or been made redundant on or after 23 September, they can be re-employed and claimed for under the scheme.</p> <p>In respect of the extended scheme from May 2021 any UK employer with a PAYE payroll scheme can access the scheme for eligible employees, being those who were on the payroll on or before 2 March 2021 and for whom an RTI submission to HMRC was made between 20 March 2020 and 2 March 2021. Where an employee has left or been made redundant on or after 23 September, they can be re-employed and claimed for under the scheme.</p> <p>In respect of the extended scheme neither the employer nor the employee needs to have previously used the original scheme.</p> | <p>The scheme will cover reimbursement of regular wages for employees who were on the employer's payroll on 30 October 2020.</p> <p>Claims must be for a minimum period of 7 consecutive calendar days. There are monthly deadlines for submitting claims, so claims relating to relating to June must have been made by 14 July 2021 and claims relating to July must be made by 16 August.</p> | <p>Employers need to:</p> <ul style="list-style-type: none"> • agree the furlough arrangements with their employees and confirm this to them in writing • submit information to HMRC about the workers that have been furloughed and their earnings via a new online portal. <p>Under the extended scheme for 1 November 2020 – 30 June 2021, the government will contribute up to 80% of furloughed workers regular wages which are not worked up to the cap of £2,500 per month but employers will have to cover the employer NICs and pension contributions on the furlough pay. From 1 July 2021 the level of grant will be reduced as follows:</p> <ul style="list-style-type: none"> • For July 2021, the government will contribute 70% of furloughed workers regular wages which are not worked up to a cap of £2,187.50, with employers contributing the additional 10% up to a cap of £312.50 along with the employer NICs and pension contributions; • For August and September 2021, the government will contribute 60% of furloughed workers regular wages which are not worked up to a cap of £1,875, with employers contributing the additional 20% up to a cap of £625 along with the employer NICs and pension contributions. <p>Staff are able to carry out some work on a part time basis and still be on furlough for the remainder of their normal hours when they are not working, known as flexible furlough. However, employees should do no work during the hours they are on furlough. Employers can claim for the furloughed hours under the scheme but will be responsible for paying their staff during the hours they work (including pension contributions and employer NICs). Employers need to agree any reduced working arrangements with workers in writing (and keep this written record for 5 years) and the arrangements must cover at least one week.</p> <p>Employers will need to submit data on the usual hours a worker would be expected to work in a claim period and the actual hours worked. Further information about making claims under the scheme is available on the government website.</p> <p>Since 1 December 2020, HMRC publishes on the internet the name of employers who use the scheme together with a reasonable indication of the amount claimed and employees can find out if their employer has claimed for them under the scheme in their personal tax account.</p> <p>The government has also provided guidance on how to repay grants where an incorrect claim is made, as well as the consequences for not doing so. Further information on this can be found in our article: https://www.shoosmiths.co.uk/insights/articles/cjrs-employers-who-overclaim-face-costly-consequences</p> <p>The government has announced that for claim periods starting on or after 1 December 2020 an employer cannot claim for any days during which an employee is serving contractual or statutory notice period for the employer (which include people serving notice of retirement or resignation) or is on unpaid leave.</p> |

| Support measure: | Description: | Eligibility: | When available: | How to access: |
|--|--|---|--|---|
| Kickstart Scheme | Employers who hire certain young workers will receive funding towards the National Minimum Wage of that worker for 6 months. | Employers who create a new job placement for an individual aged between 16 – 24 years old who is at risk of long-term unemployment and claiming Universal Credit. The funding will be conditional on the business proving the jobs are newly created and the jobs must be for a minimum of 25 hours a week and be paid at least the National Minimum Wage (NMW). Employers will be able to pay more than NMW but will only be able to receive funding from the government in respect of the NMW. In addition, £1,500 per job placement will be available for set up costs and training. Employers must also provide training to the individual to develop their skills and experience and support them in getting a permanent role. | 2 September 2020. The first placements are available from November 2020 and the scheme will run initially until December 2021. | <p>The application process is now open via the government website. From 3 February 2021 employers will be able to apply directly without the need for a minimum threshold of 30 job placements. Employers can also still chose to partner with Kickstart gateways that are already working with the scheme and their joint application should be submitted by the Kickstart gateway. From 28 January 2021 applications from new Kickstart gateways were closed.</p> <p>Applications are considered by a panel and, if successful, the employer will be sent a grant agreement which will need to be signed and returned before the placement can begin. Candidates will be matched to the job placements via Jobcentre Plus and the employer can interview for the most suitable candidate. All funding will be paid in arrears.</p> <p>For further information see our article: The kickstart scheme - are you eligible?</p> |
| Trainees – Employer incentive payment | A bonus of £1,000 per new trainee taken on regardless of duration of work placement. Traineeships should last between 6 weeks and twelve months depending on the needs of the learner. | <p>All employers who hire a new trainee (aged 19 to 24 with a Level 3 qualification or below) from 1 September 2020 until 31 July 2021. Each employer can claim a maximum of ten incentive payments.</p> <p>In addition, the government will triple the number of trainee places available to further encourage the use of traineeships.</p> | 1 September 2020 up to 31 July 2021 subject to availability of funding. | Payments will be made on completion of the work placement. |
| Apprenticeships | A bonus of £2,000 for each new apprentice aged 16 - 24 at the start date or £1,500 for each new apprentice aged 25 or over where the apprentice started between 1 August 2020 and 31 March 2021. Only one incentive payment will be made per individual apprentice across all employers. The payment can be used on anything to support the organisations costs. On 3 March, the government announced that the bonus would be increased to £3,000 for each new apprentice regardless of age hired between 1 April and 30 September 2021. | Employers who create and recruit a new employee into a new apprenticeship from 1 August 2020. The new apprenticeship must start between 1 August 2020 and 30 September 2021. The individual cannot have had a contract of employment with the employer within the 6 months leading up to 1 August 2020 (except where the individual was employed under the Kickstart Scheme and is progressing from that Scheme onto the apprenticeship). Employers will be required to sign a declaration confirming that the individual is a new employee when making a claim. | 1 August 2020 and 30 September 2021.. | <p>Claims should be made through the apprenticeship service. Employers will be eligible for 50% 90 days after the apprenticeship start date, and the remaining 50% 365 days after the apprenticeship start date if the apprentice is still employed and undertaking their apprenticeship. Claims will be validated against data supplied to the apprenticeship service by the training provider.</p> <p>Claims for the £2,000 incentive payment can be made up to 31 May 2021. Claims for the £3,000 incentive payment can be made from 1 June 2021.</p> |

| Support measure: | Description: | Eligibility: | When available: | How to access: |
|---|--|---|-----------------|--|
| Universal Credit | <p>Eligible individuals will now more easily be able to make a claim for Universal Credit (a monthly payment to help with living costs).</p> <p>From 6 April 2020 the standard allowance in Universal Credit increased by £20 per week for one year on top of planned annual uprating. From 30 March 2020, payments of Universal Credit were no longer calculated using an assumed level of earnings called the Minimum Income Floor but are based on actual earnings. The government has confirmed that these measures will be in place until 30 September 2021.</p> <p>In addition, on 3 March the government announced a one-off payment of £500 for individuals who are part of a working household in receipt of tax credits.</p> | <p>Universal Credit is available for self-employed individuals or employees earning below the Lower Earnings Limit of £118 per week, aged between 18 and state pension age with savings of £16,000 or less.</p> | 30 March 2020 | <p>Eligible individuals will need to make a claim directly from the government.</p> <p>In respect of the one-off payment, HMRC will contact eligible individuals and payment should be received by 23 April 2021.</p> |
| Employment and Support Allowance | <p>Eligible individuals will be able to apply for a new Employment and Support Allowance (ESA) where they are unable to claim statutory sick pay.</p> | <p>The ESA is available to individuals under state pension age who have a disability or health condition that affects how much they can work. They must have worked as an employee or been self-employed and paid enough NIC contributions usually in the last 2 to 3 years.</p> <p>Individuals who are unable to claim statutory sick pay can apply for the new style ESA if:</p> <ul style="list-style-type: none"> • they or their child are high risk because they have an underlying health condition • they or their child are self-isolating | 6 April 2020 | <p>Eligible individuals will need to make a claim directly from the government. Interviews and assessments will be done by telephone.</p> <p>If eligible, the Employment and Support Allowance will be payable from day one of sickness rather than day eight, for anyone who has COVID-19 or who has to self-isolate.</p> |

| Support measure: | Description: | Eligibility: | When available: | How to access: |
|--|--|---|--|--|
| Self-employment Income Support Scheme | <p>The Self-employment Income Support Scheme (SEISS) was introduced to support self-employed individuals who have lost income due to coronavirus. Initially there were two grants available but a further two grants were announced last Autumn. These further grants were paid in two lump sum instalments each covering a 3-month period.</p> <p>Both the third grant, covering 1 November 2020 to 31 January 2021, and the fourth grant, covering 1 February to 30 April 2021, consist of a taxable grant covering 80% of 3 months' average monthly trading profits, capped at £7,500.</p> <p>The government has also announced a fifth and final grant covering May to September 2021. The amount of this grant will depend on how much turnover has been reduced in the year April 2020 to April 2021. For those with a turnover reduction of 30% or more, the grant will be 80% of 3 months' average monthly trading profits, capped at £7,500. For those with a turnover reduction of less than 30% the grant will be 30% of 3 months' average monthly trading profits, capped at £2,850.</p> <p>The grants are subject to Income Tax and self-employed National Insurance contributions but do not need to be repaid. Any grant received will be treated as part of self-employment income and may affect the amount of Universal Credit received.</p> | <p>Self-employed individuals including members of partnerships whose business has been adversely affected by coronavirus (for example if they are shielding or on sick leave, have fewer or no customers or their staff are unable to come in to work) provided they have:</p> <ul style="list-style-type: none"> traded in the tax year 2019-20 and have submitted their 2019/2020 tax return by 2 March 2021; traded in the tax year 2020 to 2021 and be currently trading; have trading profits no more than £50,000 and at least equal to non-trading income <p>For the fifth grant, individuals must reasonably believe there will be a significant reduction in trading profits due to reduced business activity, capacity, demand or inability to trade due to coronavirus from May 2021 to September 2021. Individuals do not need to have made a claim for the first or second grant in order to claim for the third or fourth grant.</p> <p>Claims should not be made if the self-employed individual is above the state aid limits or operating a trade through a trust.</p> <p>Records should be kept to show how the pandemic has adversely affected the business at the time of the claim, the amount claimed and the grant claim reference.</p> | <p>Self-employed individuals are able to check if they are eligible for the SEISS using the government's online tool:</p> <p>https://www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference</p> | <p>Individuals can no longer apply for the first, second, third or fourth grant.</p> <p>The online claims service for the fifth grant will be open to claims from late July 2021, and claims must be made on or before 30 September 2021.</p> <p>Guidance on how to calculate turnover and how trading conditions need to have been affected in order to claim the fifth grant is now available on the government website.</p> |

| Support measure: | Description: | Eligibility: | When available: | How to access: |
|--|--|--|------------------------|--|
| Test and Trace Support Payments | <p>Individuals on low incomes who cannot work from home and who have lost income as a result of self-isolating will receive a payment of £500 on top of any benefits and SSP that they may currently receive.</p> <p>NB: The Health Protection (Coronavirus, Restrictions) (Self-Isolation) (England) Regulations 2020 set out mandatory periods for self-isolation. It is an offence for an employer to knowingly permit a worker (including an agency worker) to attend any place other than where the individual is self-isolating. Any employer who fails to do so will face a fine, starting at £1,000. There is also an obligation on the worker to <i>tell</i> their employer that they are self-isolating.</p> | <p>Anyone in England on low income who has been told to self-isolate by NHS Test and Trace who is unable to work from home and who will lose income as a result of self-isolating.</p> <p>Low income includes anyone receiving:-</p> <ul style="list-style-type: none"> - Universal Credit - Working Tax Credit - Income-based Employment and Support Allowance - Income-based Jobseeker's Allowance - Income Support - Housing Benefit - Pension Credit or <p>Otherwise on low income and facing financial hardship as a result of not being able to work while self-isolating</p> | From 28 September 2020 | <p>The payments will be administered by local authorities</p> <p>Individuals should contact their local authority to find out how to apply. Claims must be made within 28 days of the first day of self-isolation.</p> |

Premises support

| Support measure: | Description: | Eligibility: | When available; | How to access: |
|-------------------------------|---|--|--|---|
| Rates holiday | Occupiers of premises in the retail, leisure and hospitality sectors will receive a 100% business rates holiday for the year 2020/21. | Properties accessible by members of the general public will benefit from the relief. Head office premises would not, therefore, qualify. Premises that have closed temporarily due to the government's advice on COVID-19 should be treated as occupied for the purposes of the relief. Since the guidance was originally introduced the government has announced that it will be extended to estate agents, lettings agencies and bingo halls that have closed due to COVID-19 measures. | Effective immediately. | No action required. Local authorities will not issue rating demands for premises benefitting from the rates holiday. |
| Rating revaluation | A revaluation of business rates will no longer take place in 2021 to help reduce uncertainty for firms affected by the impacts of coronavirus. Legislation had been introduced to bring the next revaluation forward by one year from 2022 to 2021 but, following the recent economic impacts of the coronavirus pandemic, ministers want to ensure businesses have more certainty during this difficult time. The government is continuing work on the fundamental review of business rates, with the key aims of reducing the overall burden on businesses, improving the current business rates system, and considering more fundamental changes in the medium-to-long term. The call for evidence for the review will be published in the coming months. | All premises that are subject to business rates. | Effective immediately. | No action required. |
| Deferring CIL payments | The government has published proposals to benefit small to medium-sized developers to give local authorities the right to defer the payment of Community Infrastructure Levy payment due on development works. Local authorities will also be able to temporarily disapply late payment interest and given a discretion to return interest already charged where they consider it appropriate to do so. | The proposals will apply to developers with an annual turnover of less than £45m. Legislation will need to be passed to implement the proposals. However, the government says, "existing flexibilities and the government's clear intention to legislate should give authorities confidence to use their enforcement powers with discretion and provide some comfort to developers that, where appropriate, they will not be charged extra for matters that were outside of their control". | CIL regulations are subject to an affirmative resolution procedure, which requires debate in Parliament. | Developers should speak to local authorities to agree deferrals and to seek repayment of late-payment interest where appropriate. |

Tax

| Support measure: | Description: | Eligibility: | When available; | How to access: |
|--|--|--|-----------------|--|
| Time to Pay | <p>HMRC's Time to Pay service provides SMEs and the self-employed the opportunity and flexibility to defer tax payments for those who cannot currently afford to meet their outstanding tax liabilities.</p> <p>Additionally, while the outbreak continues, the 3.5% annual interest on deferred tax payments will be waived.</p> | <p>Businesses which pay tax to UK Government and have (or expect to have imminently) outstanding tax liabilities.</p> <p>Arrangements with HMRC are negotiated and agreed on a case-by-case basis.</p> | Now | Call HMRC's dedicated helpline on 0800 024 1222. |
| VAT Deferral | <p>HMRC will defer any VAT payments for UK businesses that are due to be paid in the period 20 March 2020 until 30 June 2020. Any such deferred payments may be paid in 11 interest free payments during the 2021/2022 financial year.</p> | All UK businesses. | Now | No application required. Businesses simply do not need to make a VAT payment during this period. |
| Income Tax Deferral | <p>For Income Tax Self-Assessment, payments due on 31 July 2020 will be deferred until 31 January 2021.</p> <p>HMRC is also offering all those affected the ability to create a Budget Payment Plan to support those who want to put aside funds to cover their next self-assessment tax bill. This allows the taxpayer to set up a direct debit of an amount they are comfortable in paying now which will go towards paying their next self-assessment tax return.</p> | <p>All individuals and businesses that are due to pay their second self-assessment payment on account on 31 July 2020.</p> <p>To be eligible for the Budget Payment Plan, you must be up to date with all previous self-assessment payments.</p> | Now | No application required. |
| Deferral of IR35 | <p>The government announced on 17 March 2020 that the off-payroll working rules (commonly known as IR35) – that would have applied for people contracting their services to large or medium-sized organisations outside the public sector – will be delayed for one year from 6 April 2020 until 6 April 2021.</p> | All contractors providing a service (via a personal services company) to medium to large organisations outside the public sector based in the UK. | N/A | N/A |
| Temporary VAT cuts within the hospitality and tourism sectors | <p>The rate of VAT applicable on most tourism and hospitality related activities has been temporarily cut from 20% to 5%.</p> <p>In the hospitality section, a 5% VAT rate will apply to eat in, or take-away food and non-alcoholic drinks supplied from pubs, bars, cafes, restaurants and similar premises.</p> <p>In the tourism sector, supplies of accommodation at hotels, B&Bs, campsites and caravan sites and admission to attractions such as cinemas, theme parks and zoos and more across the UK will benefit from a 5% VAT rate.</p> | Applies to all UK business providing these services. | Now | From 15 July 2020 to 31 March 2021 |

Business rescue

| Support measure: | Description: | Eligibility: | When available; | How to access: |
|--|--|---|-----------------|--|
| Prohibition on operation of termination clauses for reasons of a party's insolvency | Measures designed to assist distressed businesses to continue to receive goods and services from their suppliers. | Companies in insolvency processes and those in the new rescue regimes (see below). | Now | Automatic application on entry into insolvency process or new rescue regime. |
| New business rescue regime: Business Rescue Moratorium | A moratorium for companies for an initial (extendable) period of 20 business days giving them breathing space from creditors enforcing their debts and a payment holiday from (essentially) trade creditors for a period of time whilst they seek a rescue or restructure. | Companies will need to be insolvent or at risk of becoming so. | Now | Directors of company filing papers at court (similar to an out of court administration). |
| New business rescue regime: Restructuring Plan | A new restructuring plan, similar in structure to a scheme of arrangement, in which creditors will be split into classes and which will bind creditors to the plan whilst allowing for cram-down of some creditors' rights. | Available to solvent and insolvent companies but only where they have encountered or are likely to encounter financial difficulties which are affecting or are likely to affect their ability to carry on business. | Now | Similar to a scheme of arrangement in which proposals are circulated to members and creditors, with a court hearing to confirm classes have been properly convened, and a second hearing following approval of the Plan at the class meetings to sanction the plan as a whole. |

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