

Financing Facility Support

What help is available?	What does the help entail?	Which companies are eligible?	What is the criteria (if any) for applying?	How to apply	When will the finance be available?
<p>Coronavirus Business Interruption Loan Scheme (CBILS)</p>	<ul style="list-style-type: none"> Government is providing lenders with a guarantee of 80% on each loan. Scheme is designed to boost lenders' confidence in providing finance to small businesses. Scheme supports loans and other types of financing of up to £5 million in value. Scheme is offered through accredited lenders. Businesses can access the first 12 months of the finance interest-free, as government will cover the first 12 months of interest payments. Finance terms are up to six years for term loans and asset finance facilities and up to three years for overdrafts and invoice finance facilities. There is no fee for smaller businesses to access the scheme, but there is a fee for lenders to access it. At the discretion of the lender, the scheme may be used for unsecured lending for facilities of up to £250,000. Lenders will need to establish a lack or absence of security prior to business using CBILS for facilities above £250,000. 	<ul style="list-style-type: none"> Small businesses are eligible for this scheme. Businesses must generate more than 50% of turnover from trading activity. <p>Detailed eligibility criteria should be consulted here and an eligibility checklist can be consulted here.</p> <ul style="list-style-type: none"> CBILS covers a range of finance products including term facilities, overdrafts, invoice finance facilities and asset finance facilities. 	<ul style="list-style-type: none"> Business must be based in the UK in its business activity. Must have a turnover of no more than £45 million per annum. Must operate within an eligible industrial sector. Businesses must have a borrowing proposal, which would be considered viable by the lender were it not for the COVID-19 pandemic. 	<ul style="list-style-type: none"> Businesses should look to apply via a lender's website in the first instance. <p>A full list of participating lenders can be found here.</p> <p>The British Business Bank is accepting applications for new lenders to undergo accreditation.</p>	<p>This scheme has now launched. An in-depth FAQ page can be accessed here.</p>

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<p>Coronavirus Large Business Interruption Loan Scheme (CLBILS)</p>	<ul style="list-style-type: none"> • Government will provide lenders with a guarantee of 80% for loans. The guarantee will cover interest and fees, as well as the principle. • Scheme is designed to boost lenders' confidence in providing finance to businesses impacted by COVID-19. • Loans backed by guarantee under scheme will be offered at commercial rates of interest. • Larger businesses with a turnover of more than £250 million can borrow up to £50 million under the scheme. • The scheme is available through a series of accredited lenders, listed on the British Business Bank website (we expect there will be fewer than for CBILS). • Accredited lenders making use of the scheme will pay a small fee in order to benefit from a partial 80% government guarantee on each CLBILS facility. Lender fees will vary according to length of facility. • Government has made money available to support lending through the scheme of up to £25 million for borrowers with a group turnover of up to £250 million or £50 million for borrowers with a group turnover greater than £250 million. • No personal guarantees will be permitted for facilities under £250,000. • For facilities of £250,000 and over, claims on personal guarantees applied to scheme facility cannot exceed 20% of losses on the scheme facility after all other recoveries have been applied. 	<ul style="list-style-type: none"> • Businesses with an annual turnover of more than £45 million. • The scheme is open to sole trader, freelancers, body corporates, limited partnerships, limited liability partnerships or other legal entities carrying out a business activity in the UK with a turnover of over £45 million. • The turnover of the business must generate more than 50% of its turnover from trading activity. • Sole trader and freelancers are eligible as long as the business is operated through a business account. • Scheme is open to businesses operating in all sectors except for credit institutions (falling within the remit of Bank Recovery and Resolution Directive), insurers and reinsurers (not insurance brokers), building societies, public-sector bodies, further-education establishments (if they are grant-funded) and state-funded primary and secondary schools. • Finance provided can include loans, asset finance facilities, revolving credit facilities (including overdrafts) and invoice finance facilities lasting up to three years. 	<ul style="list-style-type: none"> • Must be UK-based in its business activity. • Must have a turnover of more than £45 million per annum. • Must confirm it has been impacted by COVID-19. • Must have a borrowing proposal, which, were it not for the current pandemic, would be considered viable by the lender, and for which the lender believes the provision of finance will enable the business to trade out of any short-to-medium term difficulty. • The amount borrowed should not be greater than (i) double the borrower's annual wage bill for the most recent year available; or (ii) 25% of the borrower's total turnover for the most recent year available; or (iii) with appropriate justification and based on self-certification of the borrower, the amount may be increased to cover their liquidity needs for the next 12 months. • The minimum term is three months and maximum term is three years. 	<ul style="list-style-type: none"> • Businesses should consider applying via their own lender's website in the first instance. • Not all accredited lenders can provide every type of finance available under the scheme. 	<p>This scheme opens on Monday 20 April 2020.</p>

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		<ul style="list-style-type: none"> • Larger businesses opting to participate in the Bank of England's CCFF scheme are not eligible for CLBILS. • Businesses can use the scheme while receiving other types of COVID-19 aid, other than CCFF. • Businesses that have had <i>de minimis</i> state aid in the past can still benefit from the scheme as long as the eligibility criteria is met. 			
Covid Corporate Financing Facility (CCFF)	<ul style="list-style-type: none"> • HM Treasury and the Bank of England are providing a financing facility to help companies bridge through COVID-19-related cash flow disruption. • CCFF provides funding by purchasing commercial paper of up to one-year maturity issued by businesses materially contributing to the UK economy. • The terms of CCFF will be comparable to those prevailing in markets prior to the COVID-19 economic shock. • The fund will purchase commercial paper during a defined period each business day. • The minimum size of an individual security that the fund will purchase from an individual participant is £1 million nominal. 	<ul style="list-style-type: none"> • UK-incorporated companies making a material contribution to the UK economy. • Businesses can have foreign-incorporated parents but must have genuine business in the UK. • Businesses capable of issuing commercial paper. <p>Terms and conditions can be found here.</p> <p>Businesses opting to participate in the CLBILS are not eligible for the CCFF scheme.</p>	<ul style="list-style-type: none"> • Businesses must be able to prove they were in sound financial health prior to the economic shock produced by COVID-19. • Businesses need not have previously issued commercial paper. • Commercial paper will need to have a maturity of one to 12 months; where possible 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; and issued directly into Euroclear and/or Clearstream. <p>Companies that do not have a credit rating can review the advice on this page.</p>	<p>Application forms have been published on the Bank of England's website and can be found here.</p> <p>The documents that need to be completed include: CCFF Application Form, Issuer Eligibility Form, Issuer Undertaking and Confidentiality Agreement, Guarantee document (if commercial paper is issued by entity other than primary entity in group) and associated legal opinion from primary group entity.</p> <p>Completed application documentation should be sent to CCFF-Applications@bankofEngland.co.uk.</p> <ul style="list-style-type: none"> • Businesses whose commercial paper will be offered to the fund in the primary market are asked to contact the Bank of England via the following email address: applications@bankofengland.co.uk 	<ul style="list-style-type: none"> • The facility is now available. <p>Application forms, terms and conditions, operating procedures and a full pricing schedule are available here.</p> <p>Not all banks issue commercial paper, a full list of the banks that do can be found here.</p> <ul style="list-style-type: none"> • Purchase operations are held every working day between 10 and 11:00 a.m.

Other Financial Support

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Coronavirus Job Retention Scheme	<ul style="list-style-type: none"> Businesses that cannot maintain their workforce due to COVID-19 can furlough their employees and apply for a grant covering 80% of their usual monthly wage costs. The grant covers wage costs of up to £2,500 a month plus the associated Employer National Insurance contributions and pensions contributions. Pension contributions are up to the level of the minimum automatic enrolment employer pension contribution on the subsidised furlough pay. The scheme is temporarily available for three months starting from 1 March 2020. 	<ul style="list-style-type: none"> All businesses whose operations have been severely affected by COVID-19. Any entity with a UK payroll including businesses, charities, recruitment agencies and public authorities. Apprentices can be furloughed in the same way as other employees and can continue to train while furloughed. Organisations receiving public funding specifically to provide necessary services to respond to COVID-19 are not expected to furlough staff. Individuals can furlough staff provided they pay them through PAYE and they were on their payroll on or before 28 February 2020. The grant is not limited to employees and can be claimed for office holders, salaried members of LLPs, agency workers and limb (b) workers paid via PAYE. 	<ul style="list-style-type: none"> Entities must have created and started a PAYE payroll scheme on or before 28 February 2020. Employers must be enrolled for PAYE online. Businesses must have a UK bank account. Employees can be on any type of employment contract, including full-time, part-time, agency, flexible or zero-hour contracts. If employers have made employees redundant on or after 28 February 2020, they can be re-employed and put on furlough. If an employee is working on reduced hours or for reduced pay, they will not be eligible for the scheme. 	<ul style="list-style-type: none"> Applications are through an online service that becomes available on 20 April 2020. 	<ul style="list-style-type: none"> The scheme is in place for four months starting from 1 March 2020. The scheme may be extended and employers can use the scheme anytime during the period it is available.
Insurance	<ul style="list-style-type: none"> Government has stated that since advice to avoid social gatherings on 17 March 2020, businesses with insurance cover for both pandemics and government-ordered closure will be able to make claims. 	<ul style="list-style-type: none"> Businesses with insurance cover for pandemics and/or government-ordered closure. 	<ul style="list-style-type: none"> Businesses will need to check the terms and conditions of their specific policies. 	<ul style="list-style-type: none"> Businesses will need to contact their insurance providers. 	<p>Claims can be made as of now.</p>

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Grant Relief From Business Rates	<ul style="list-style-type: none"> Additional funding provided for local authorities to support small businesses that benefit from the small business rate relief (SBBR) and pay little to no business rates. One-off grant of £10,000 to help meet ongoing business costs. 	<ul style="list-style-type: none"> Companies currently eligible for SBRR or rural rate relief. 		<ul style="list-style-type: none"> Eligible companies will be contacted by their local authorities and do not need to apply. 	Funding for the scheme will be provided to local authorities in early April. Guidance will be published soon.
Relief From Business Rates	<ul style="list-style-type: none"> A business rates holiday for retail, hospitality and leisure businesses for 2020 to 2021 tax year. Businesses that received the retail discount in the 2019 to 2020 tax year will be rebilled by their local authority as soon as possible. £25,000 grant will be provided to businesses operating from smaller premises, with a rateable value between £15,000 and £51,000. 	<ul style="list-style-type: none"> Retail, hospitality and leisure businesses. <p>Properties that will benefit from the relief will be occupied properties wholly/mainly used as:</p> <ul style="list-style-type: none"> Shops, restaurants, cafes, drinking establishments, cinemas, live music venues, properties for assembly and leisure, hotels, guest and boarding premises, and self-catering accommodation. 	<ul style="list-style-type: none"> Business must be based in England. 	<ul style="list-style-type: none"> No action to be taken. The business rates holiday will be applied to next council tax bill in April 2020. <p>A business rates calculator is available here to calculate the charge saved.</p> <p>Any enquiries on cash grants should be directed to the relevant local authority.</p>	<ul style="list-style-type: none"> Relief to apply as of April 2020. Guidance for local authorities published here.
Support for Businesses Paying Tax	<ul style="list-style-type: none"> Support made available for businesses and self-employed people in financial distress with their outstanding tax liabilities. Support is provided through HMRC's Time to Pay service. 	<ul style="list-style-type: none"> All arrangements are to be agreed on a case-by-case basis. Arrangements will be tailored to individual circumstances and liabilities. 	<ul style="list-style-type: none"> Businesses and self-employed people in financial distress. 	<ul style="list-style-type: none"> Calls can be to HMRC's dedicated helpline on 0800 0159 559. 	Calls can be made as of now.
Statutory Sick Pay (SSP)	<ul style="list-style-type: none"> Refund to cover up to two weeks' SSP per eligible employee off work due to COVID-19. Companies can reclaim expenditure for any employee who has claimed SSP because of COVID-19. The scheme covers all types of employment contracts, including full-time employees, part-time employees, employees on agency contracts and employees on flexible or zero-hour contracts. 	<ul style="list-style-type: none"> Business must be UK based. Business must be an SME. Business must have a PAYE payroll scheme that was created/started on or before 28 February 2020. Businesses must maintain records of the statutory sick payments for at least 3 years following a claim. 	<ul style="list-style-type: none"> Employers must have fewer than 250 employees determined by the number of people employed as of 28 February 2020. The scheme covers period of sickness starting on or after 13 March 2020. Employers should maintain records of staff absences and payments of SSP, but a GP fit note is not required from employees. 	<ul style="list-style-type: none"> A rebate scheme is being developed and further details will be available once the relevant legislation is passed. Records of all statutory sick payments will need to be kept including: reasons why an employee could not work, details of each period when an 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 SSP has been paid to. 	The government will be working to set up the repayment as soon as possible. No date has been set yet.

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		<p>SMEs:</p> <p>A company is considered an SME if it meets two out of three of the following criteria:</p> <ul style="list-style-type: none"> • Turnover of less than £25 million • Fewer than 250 employees as at 28 February 2020, and/or • Gross assets of less than £12.5 million 	<ul style="list-style-type: none"> • If evidence is required by an employer, those with COVID-19 symptoms can get an isolation note from NHS 111 online and those living with someone that has symptoms can obtain a note from the NHS website. • Eligible period for scheme will commence the day after the regulations on the extension of SSP to those staying at home comes into force. 		
<p>Self-Employment Income Support Scheme (SEISS)</p>	<ul style="list-style-type: none"> • Scheme allows people who are self-employed or a member of a partnership to claim a taxable grant worth 80% of trading profits up to a maximum of £2,500 per month for the next 3 months. 	<ul style="list-style-type: none"> • Must have submitted an Income Tax Self Assessment tax return for 2018-19 tax year. • Must have traded in 2019-20 tax year. • Must either be trading when applying or would be trading were it not for COVID-19. • Must intend to continue trading in 2020-21 tax year. • Must have lost trading/partnership profits as a result of COVID-19. 	<ul style="list-style-type: none"> • Self-employed trading profits must be less than £50,000. • More than half the person's income must come from self-employment. This test can be met if at least one or both of the following conditions applies: <ul style="list-style-type: none"> – Having trading profits/partnership trading profits in 2018-19 of less than £50,000 and these profits constitute more than half of total taxable income. – Having average trading profits in 2016-17, 2017-18, 2018-19 of less than £50,000 and these profits constitute more than half of average taxable income in same period. 	<ul style="list-style-type: none"> • HMRC will contact those eligible for the scheme and invite them to apply online. 	<p>This scheme has not yet launched.</p>

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Coronavirus Funding for Frontline Charities	<ul style="list-style-type: none"> The government has set out a £750 million package of support to provide funding for frontline charities. The funding is to ensure charities providing vital services can continue to do so during the COVID-19 pandemic. Charities will benefit from direct cash grants to ensure they can meet increased demand resulting from COVID-19. £360 million will be directly allocated by government departments to charities providing key services and supporting vulnerable people. £370 million is envisaged for small and medium-sized charities working to the benefit of local communities. 	<ul style="list-style-type: none"> UK charities providing vital services during the COVID-19 pandemic, including hospices and support for domestic abuse victims. Charities benefiting from the funding include hospices, victim charities, St John Ambulance, vulnerable children charities and Citizens Advice. 	<ul style="list-style-type: none"> Must provide a service considered vital during the pandemic. 	<ul style="list-style-type: none"> Government departments are working to identify priority recipients. 	The funding was announced on 8 April 2020.

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