

COVID-19 Summary of Government Financial Support United Kingdom

5 January 2020

Version 8



Around the globe, many Governments have reacted quickly to try to mitigate COVID-19's impact by implementing financial support schemes and resources to help support local businesses. As lockdown has progressed, certain measures, which were temporarily enacted, have come to an end. This guide uses the traffic light system below to show the current status of the measures:-

-  = Measure expired
-  = Measures are set to expire in 1-2 weeks
-  = Ongoing measure

Financing Facility Support United Kingdom

What help is available?	What does the help entail?	Which companies are eligible?	What are 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. However, the government intends to allow CBILS lenders to extend the term of a loan up to ten years. There is no fee for smaller businesses to access the scheme, but there is a fee for lenders to access it. For all facilities, including those over £250,000, CBILS can now support lending to smaller businesses even where a lender considers there to be sufficient security. Insufficient security is no longer a condition to access the scheme. No personal guarantees can be given for facilities under £250,000. Personal guarantees may be required, at a lender's discretion, for facilities above £250,000, but these are capped at a maximum of 20% of the outstanding balance of the CBILS facility after the 	<ul style="list-style-type: none"> Small businesses are eligible for this scheme. Business must generate more than 50% of turnover from trading activity. Detailed eligibility criteria should be consulted here and an eligibility checklist can be consulted here 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. Business must have a turnover of no more than £45 million per annum. Business must operate within an eligible industrial sector. Business must have a borrowing proposal, which would be considered viable by the lender were it not for the COVID-19 pandemic. Business must self-certify that it has been adversely impacted by COVID-19. Business must not have been classed as an 'undertaking in difficulty', if applying to borrow £30,000 or more. Originally, the determination as to whether a business constituted an 'undertaking in difficulty' was as at 31 December 2019. However, new guidance issued on 25 September 2020 allows for the 'undertaking in difficulty' assessment to be determined at the date of application for a scheme facility. This means that a business that was an 'undertaking in difficulty' on 31 December 2019 but, at 	<ul style="list-style-type: none"> Businesses should look to apply via a lender's website in the first instance. A full list of participating lenders can be found here. The British Business Bank is accepting applications for new lenders to undergo accreditation. Not all accredited lenders can provide every type of finance available under the scheme. An in-depth FAQ page can be accessed here. 	<ul style="list-style-type: none"> CBILS has been extended for new applications to 31 March 2021.

	<p>proceeds of business assets have been applied.</p> <ul style="list-style-type: none"> • A Principal Private Residence (PPR) cannot be taken as security to support a personal guarantee or as security for a CBILS-backed facility. 		<p>the date of application for a scheme facility, is no longer an 'undertaking in difficulty' will now be (in principle) eligible for the scheme.</p>		
<p>Coronavirus Large Business Interruption Loan Scheme (CLBILS)</p>	<ul style="list-style-type: none"> • Government is providing lenders with a guarantee of 80% for loans. The guarantee covers 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 is offered at commercial rates of interest. • The scheme is available through a series of accredited lenders, listed on the British Business Bank website. • Accredited lenders making use of the scheme pay a small fee in order to benefit from a partial 80% government guarantee on each CLBILS facility. Lender fees vary according to length of facility. • No personal guarantees are 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. • Finance terms are from three months to three years. • Larger businesses are now able to borrow up to 25% of turnover, up to a maximum of £200 million. The previous maximum loan size available under this scheme was £50 million. 	<ul style="list-style-type: none"> • Businesses with an annual turnover of more than £45 million. • The scheme is open to sole traders, 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 traders and freelancers are eligible as long as the business is operated through a business account. • Finance provided can include loans, asset finance facilities, revolving credit facilities (including overdrafts) and invoice finance facilities lasting up to three years. • 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 	<ul style="list-style-type: none"> • Business must be UK-based in its business activity. • Business must have a turnover of more than £45 million per annum. • Business 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. • Business must self-certify that it has been adversely impacted by COVID-19. • Business must not have received a facility under the CCFF scheme, CBILS or Bounce Back Loan Scheme. • 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 	<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. • A full list of participating lenders can be found here. • Lenders who wish to offer larger loans need to undergo further accreditation checks. • An in-depth FAQ page can be accessed here. 	<ul style="list-style-type: none"> • CLBILS has been extended for new applications to 31 March 2021.

	<ul style="list-style-type: none"> Government has announced that the scheme has been expanded to ensure that large firms that do not qualify for CCFF can meet their cash flow needs. 	<p>other types of COVID-19 aid, other than CCFF.</p> <ul style="list-style-type: none"> 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. 	<p>their liquidity needs for the next 12 months.</p> <ul style="list-style-type: none"> 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. Business must not have been classed as an 'undertaking in difficulty'. Originally, the determination as to whether a business constituted an 'undertaking in difficulty' was as at 31 December 2019. However, new guidance issued on 25 September 2020 allows for the 'undertaking in difficulty' assessment to be determined at the date of application for a scheme facility. This means that a business that was an 'undertaking in difficulty' on 31 December 2019 but, at the date of application for a scheme facility, is no longer an 'undertaking in difficulty' will now be (in principle) eligible for the scheme. Businesses borrowing more than £50 million are subject to restrictions on dividend payments, senior pay and 		
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			<p>share buy-backs during the period of the loan, including a ban on dividend payments and cash bonuses, except where previously agreed. More information is available British Business Bank website here.</p> <ul style="list-style-type: none"> Restrictions on businesses wishing to borrow more than £50 million include: not making any dividend payments other than those that have already been declared; not making any share buybacks; not paying any cash bonuses, or awarding any pay rises to senior management (including the board) except where they were (a) declared before the CLBILS loan was taken out, (b) the payment is in keeping with similar payments made in the preceding 12 months, and (c) payment does not have a material negative impact on borrower's ability to repay the loan. More information is available British Business Bank website here. 		
<p>Covid Corporate Financing Facility (CCFF)</p>	<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. 	<ul style="list-style-type: none"> UK-incorporated companies, and their finance subsidiaries, making a material contribution to the UK economy. Businesses can have foreign-incorporated parents but must have genuine business in the UK. 	<ul style="list-style-type: none"> Business must be able to prove they were in sound financial health prior to the economic shock produced by COVID-19. Business need not have previously issued commercial paper. Commercial paper needs to have a maturity of one to 12 	<ul style="list-style-type: none"> Application forms have been published on the Bank of England's website and can be found here. The documents that need to be completed include: CCFF Application Form, Issuer Eligibility Form, Issuer Undertaking and Confidentiality Agreement, 	<ul style="list-style-type: none"> The facility is now available. Application forms, terms and conditions, operating procedures and a full pricing schedule are available here. Not all banks issue commercial paper, a full

	<ul style="list-style-type: none"> • The terms of CCFF are comparable to those prevailing in markets prior to the COVID-19 economic shock. • The fund purchases commercial paper during a defined period each business day. • The minimum size of an individual security that the fund purchases from an individual participant is £1 million nominal. 	<ul style="list-style-type: none"> • Businesses capable of issuing commercial paper. • Terms and conditions can be found here. • Businesses opting to participate in the CLBILS are not eligible for the CCFF scheme. • The Bank of England has published a list of companies who are benefiting under CCFF as well as additional information on the usage of the scheme here. 	<p>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> <ul style="list-style-type: none"> • Companies that do not have a credit rating can review the advice on this page. • As of 19 May 2020, businesses wanting to borrow money beyond 12 months are subject to restrictions on dividend payments, senior pay and share buy-backs during the period of the loan, including a ban on dividend payments and cash bonuses, except where previously agreed. 	<p>Guarantee document (if commercial paper is issued by entity other than primary entity in group) and associated legal opinion from primary group entity.</p> <ul style="list-style-type: none"> • Completed application documentation should be sent to ccff-applications@bankofengland.co.uk. • Businesses whose commercial paper is 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 • The CCFF closed to new applications from counterparties and issuers looking to become eligible on 31 December 2020. Eligible issuers that have already signed up to the CCFF as at 31 December 2020 will continue to be able to issue new Commercial Paper until the closure of the CCFF. • The CCFF will close for new purchases of Commercial Paper from eligible issuers with effect from 23 March 2021. This means that the facility will make no purchases of Commercial Paper after 22 March 2021. 	<p>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. • The CCFF will close for new purchases from issuers with effect from 23 March 2021. This means that the Facility will make no purchases of Commercial Paper after 22 March 2021.
<p>Coronavirus Future Fund</p>	<ul style="list-style-type: none"> • The scheme issues convertible loans between £125,000 to £5 million to innovative companies that are facing 	<ul style="list-style-type: none"> • Businesses based in the UK and able to raise at least 	<ul style="list-style-type: none"> • Company must have raised at least £250,000 in equity from third-party investors in 	<ul style="list-style-type: none"> • The investor, or lead investor of a group of investors, applies for the 	<ul style="list-style-type: none"> • The scheme is open to applications until 31 January 2021.

	<p>financial difficulties due to the COVID-19 outbreak.</p> <ul style="list-style-type: none"> The scheme is aimed at businesses that are unable to access other government business support programmes because they are either pre-revenue or pre-profit and typically rely on equity investment. Government provides loans subject to at least equal match funding from private investors. The scheme delivers an initial commitment of £250 million of new government funding. The convertible loans may be suitable for businesses that rely on equity investment and are unable to access the CBILS. The scheme is delivered in partnership with the British Business Bank. The headline terms have been published and can be accessed here. 	<p>equal match funding from private investors.</p> <ul style="list-style-type: none"> In order to be eligible for the scheme, each of the investor(s) and the company must meet specific criteria. Investor eligibility criteria can be found here. 	<p>previous funding rounds in the last five years (from 1 April 2015 to 19 April 2020, inclusive).</p> <ul style="list-style-type: none"> If the company is a member of a corporate group, it must be the ultimate parent company. Company must not have any of its shares or other securities listed on a regulated market, a multilateral trading facility, a recognised investment exchange and/or any other similar market, stock exchange or listing venue. Company must be a UK incorporated limited company. Company must have been incorporated on or before 31 December 2019. At least one of the following must be true for the company: half or more employees are UK-based; and/or half or more revenues are from UK sales. 	<p>fund by certifying that they meet the scheme eligibility criteria and by providing key investment details. The business will then need to confirm the accuracy of the investment application before submitting the full application.</p> <ul style="list-style-type: none"> Applications are via the British Business Bank website. The British Business Bank has stated that the application form asks a number of questions on diversity and inclusion to help monitor the diversity of the portfolio loans backed by the scheme. 	
<p>Bounce Back Loan Scheme</p>	<ul style="list-style-type: none"> Businesses can apply for new Bounce Back Loans for 25% of their turnover. Loans are available for a minimum of £2,000 up to a maximum of £50,000, with the government paying the interest for the first 12 months. After 12 months, the interest rate will be 2.5% a year. Most businesses should receive their loans within 24 hours of approval. 	<ul style="list-style-type: none"> Small businesses based in the UK and established before 1 March 2020. Business must have been negatively affected by COVID-19. 	<ul style="list-style-type: none"> Business must be based in the UK in its business activity and must have been impacted by COVID-19. Business must not have been classed as a "business in difficulty" on 31 December 2019. Business must be engaged in trading or commercial activity in the UK and must 	<ul style="list-style-type: none"> Applications are via a "simple, quick, standard form" that businesses will need to fill in. The scheme is delivered through a network of accredited lenders. If a business has already received a loan of up to £50,000 under CBILS and would like to transfer it into the Bounce Back Loan 	<ul style="list-style-type: none"> The scheme is open to applications until 31 March 2021.

	<ul style="list-style-type: none"> The government guarantees 100% of the loan to the lender. Loan terms will be up to 6 years and no repayments will be due during the first 12 months. The government is working with lenders to agree a low rate of interest for the remaining period of the loan. On 24 September 2020, the government announced that the new 'Pay as you Grow' options will allow all businesses that borrowed under the BBLS to have the option to repay their loan over a period of up to ten years. The new 'Pay as you Grow' options will also enable UK businesses to move temporarily to interest-only payments for periods of up to six months (an option which can be used up to three times), or to pause their repayments entirely for up to six months (an option which can be used once and only after having made six payments). 		<p>have been established by 1 March 2020.</p> <ul style="list-style-type: none"> Business must not be using the CBILS, CLBILS or CCFF, unless the Bounce Back Loan will refinance the whole facility. Business must not be in bankruptcy or liquidation or undergoing debt restructuring at the time it submits its application for finance. Business must derive more than 50% of its income from its trading activity (this does not apply to charities or further-education colleges). Business must not be in a restricted sector. The scheme is not available to businesses in the following sectors: credit institutions, insurance companies, public sector organisations and state-funded primary and secondary schools. 	<p>Scheme, it can arrange to do so via its lender until 31 January 2021.</p> <ul style="list-style-type: none"> Further information is available on the British Business Bank website here. 	
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Other Financial 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?
Employment measures:					
Coronavirus Job Retention Scheme (CJRS)	<ul style="list-style-type: none"> Businesses that cannot maintain their workforce due to COVID-19 can continue to furlough their employees and apply for a grant under the scheme. 	<ul style="list-style-type: none"> All UK businesses whose operations have been severely affected by COVID-19. 	<ul style="list-style-type: none"> Eligible employers will be able to claim for employees who were employed and on their 	<ul style="list-style-type: none"> Applications will once again be through an online gateway which is currently 	<ul style="list-style-type: none"> Support under the extended scheme has been available from 1

	<ul style="list-style-type: none"> For claim periods running to the end of April 2021, the government will pay 80% of wages up to a cap of £2,500 for hours not worked by employees and employers must pay employees for any hours worked as normal, as well as employer National Insurance contributions and employer pension contributions for those hours. The £2,500 cap is reduced proportionately to the number of unworked hours. The existing CJRS calculation of 80% of usual wages and of usual hours will apply to all employees who were eligible under CJRS even if a claim was not made in respect of that employee under CJRS to 31 October 2020. Where an employee was not previously eligible for CJRS, the calculation will take account of updated reference periods. Full details of the calculation have been shared in guidance. 	<ul style="list-style-type: none"> Businesses will be able to use the extended scheme even if they did not use the CJRS previously and whether their businesses remain open or are required to close under local or national restrictions. Any entity with a UK payroll including businesses, charities, recruitment agencies and public authorities. The government expects that publicly funded organisations will not use the scheme, but partially publicly funded organisations may be eligible. There is no financial impact assessment test. 	<p>PAYE payroll on 30 October 2020. The employer must have made a PAYE Real Time Information submission to HMRC between 20 March and 30 October, notifying a payment of earnings for those employees.</p> <ul style="list-style-type: none"> Employees do not need to have been furloughed under the CJRS previously. Employees who were on the payroll on 23 September 2020 but were made redundant or stopped working for their employer after that date can be re-employed and claimed for under the scheme. Employees can be on any type of employment contract, including full-time, part-time, agency, flexible or zero-hour contracts. To be eligible for the grant, employers must have confirmed to their employee (or reached collective agreement with a trade union) in writing that they have been furloughed or flexibly furloughed. 	<p>being updated to reflect the extension.</p> <ul style="list-style-type: none"> Employers must keep a written record of any agreements with employees for at least five years. Records of the amount claimed and the claim period for each employee must be kept for 6 years. Full guidance for the CJRS extension has now been published. The guidance for claim periods from February onwards will be published following the government's review. 	<p>November and will run until the end of April 2021</p>
<p>Statutory Sick Pay (SSP)</p>	<ul style="list-style-type: none"> Refund to cover up to two weeks' SSP per eligible employee off work due to COVID-19. Refund would cover employees in a variety of circumstances, including those who are 	<ul style="list-style-type: none"> Businesses must be UK based. Business must be an SME. Businesses must have a PAYE payroll scheme that 	<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. 	<ul style="list-style-type: none"> There is an online service to claim back SSP. Records of all SSP will need to be kept including: reasons why an employee 	<ul style="list-style-type: none"> The online service to claim is now available.

	<p>eligible for SSP because they or someone they live with has coronavirus symptoms or has tested positive for coronavirus, they have been notified by the NHS or public health authorities that they have been in contact with someone with coronavirus, etc</p> <ul style="list-style-type: none"> • A business can claim from the first qualifying day the employee is off work. A 'qualifying day' is a day an employee usually works on. • The current weekly rate is £95.85. Employers who pay more than the weekly rate of SSP can only claim up to the weekly rate paid. • 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. 	<p>was created/started on or before 28 February 2020.</p> <ul style="list-style-type: none"> • Businesses must maintain records of the statutory sick payments for at least 3 years following a claim. 	<ul style="list-style-type: none"> • 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. • 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. • The claim amount should not take a business above the state aid limit under the EU Commission temporary framework, when combined with other aid received under the framework. For most businesses the maximum level of state aid that may be received is €800,000. 	<p>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.</p>	
<p>Self-Employment Income Support Scheme (SEISS) grant extension</p>	<ul style="list-style-type: none"> • The grant extension is for self-employed individuals who are currently eligible for the Self-Employment Income Support Scheme and are actively continuing to trade, but are facing reduced demand due to coronavirus (COVID-19). • The extension will provide two grants and will last for six months, from November 2020 to April 2021. Grants will be paid in two lump sum instalments each covering a three-month period. The first grant will cover a three-month period from 1 November 2020 until 31 January 2021. The Government will provide a taxable grant 	<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. 	<ul style="list-style-type: none"> • To be eligible for the grant extension self-employed individuals, including members of partnerships, must: <ul style="list-style-type: none"> – have been previously eligible for the Self-Employment Income Support Scheme (although they do not have to have claimed the previous grants); and 	<ul style="list-style-type: none"> • The online service for the third grant has been available since 30 November 2020. • Further guidance can be found on GOV.UK here. 	<ul style="list-style-type: none"> • The scheme has been extended. The extension will last for six months, from November 2020 to April 2021.

	<p>calculated at 80% of 3 months average monthly trading profits, paid out in a single instalment and capped at £7,500 in total.</p> <ul style="list-style-type: none"> The first grant will be increased from the previously announced level of 55% of trading profits to 80% for November 2020. This therefore increases the total level of the grant from 55% to 80% of trading profits for 1 November 2020 to 31 January 2021. The second grant will cover a three-month period from 1 February 2021 until 30 April 2021. HMRC will review the level of the second grant and set this in due course. The grants are subject to Income Tax and National Insurance Contributions. 	<ul style="list-style-type: none"> Must have lost trading/partnership profits as a result of COVID-19. 	<ul style="list-style-type: none"> declare that they intend to continue to trade and either: <ol style="list-style-type: none"> are currently actively trading and intend to continue to trade; or were previously trading but are temporarily unable to do so due to coronavirus. 		
<p>Tax measures:</p>					
<p>Value Added Tax (VAT) Deferral New Payment Scheme</p>	<ul style="list-style-type: none"> The VAT payments deferral scheme ended on 30 June 2020. However, on 24 September 2020, the Chancellor announced businesses who deferred VAT due from 20 March to 30 June 2020 now have the option to pay in smaller payments over a longer period. Instead of paying the full amount by the end of March 2021, businesses that deferred VAT due from 20 March to 30 June 2020 can make smaller payments up to the end of March 2022, interest free. 	<ul style="list-style-type: none"> All UK VAT-registered businesses that deferred VAT due from 20 March to 30 June 2020. 	<ul style="list-style-type: none"> Deferring VAT due from 20 March to 30 June 2020 under the VAT payments deferral scheme. 	<ul style="list-style-type: none"> Businesses that deferred VAT due from 20 March to 30 June 2020 will need to opt-in to the scheme. 	<ul style="list-style-type: none"> The VAT payments deferral scheme ended on 30 June 2020. However, businesses who deferred VAT due from 20 March to 30 June 2020 now have the option to pay in smaller payments over a longer period.
<p>Relief From Business Rates (Retail, hospitality and leisure sector)</p>	<ul style="list-style-type: none"> A business rates holiday for retail, hospitality and leisure businesses for 2020 to 2021 tax year. 	<ul style="list-style-type: none"> Retail, hospitality and leisure businesses. Properties that will benefit from the relief will be occupied properties wholly/mainly used as: <ul style="list-style-type: none"> Shops, restaurants, cafes, drinking establishments, cinemas, live music venues, properties for 	<ul style="list-style-type: none"> Business must be based in England. Similar schemes are available in Scotland, Wales and Northern Ireland. 	<ul style="list-style-type: none"> No action to be taken. Local councils will apply the discount automatically. A business rates calculator is available here to calculate the charge saved. 	<ul style="list-style-type: none"> Business Rates Relief applies to your business rates bills for the 2020 to 2021 tax year.

		<p>assembly and leisure, hotels, guest and boarding premises, and self-catering accommodation.</p>			
<p>Temporary reduced rate of VAT for hospitality, holiday accommodation and attractions</p>	<ul style="list-style-type: none"> On 8 July 2020, the government announced that it would introduce a temporary 5% reduced rate of VAT for certain supplies of hospitality, hotel and holiday accommodation, and admissions to certain attractions. 	<ul style="list-style-type: none"> The following supplies will benefit from the temporary 5% reduced rate of VAT: <ul style="list-style-type: none"> food and non-alcoholic beverages sold for on-premises consumption, for example, in restaurants, cafes and pubs hot takeaway food and hot takeaway non-alcoholic beverages sleeping accommodation in hotels or similar establishments, holiday accommodation, pitch fees for caravans and tents, and associated facilities admissions to the following attractions that are not already eligible for the cultural VAT exemption such as: <ul style="list-style-type: none"> theatres circuses fairs amusement parks concerts museums zoos cinemas exhibitions similar cultural events and facilities 	<ul style="list-style-type: none"> Being an organisations that make supplies of hospitality, hotel and holiday accommodation and admission to certain attractions, and their advisers. 		<ul style="list-style-type: none"> The changes take effect from 15 July 2020 and the government is extending the temporary reduced rate of VAT (5%) from 12 January to 31 March 2021.

		<ul style="list-style-type: none"> Where admission to these attractions is covered by the existing cultural exemption, the exemption will take precedence. 			
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. This allows businesses and individuals to enter an agreement to pay outstanding tax liabilities in instalments, over a period of time, with the possibility of delaying the first payment for up to 3 months. 	<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 with outstanding tax liabilities. 	<ul style="list-style-type: none"> Calls can be to HMRC's dedicated helpline on 0800 024 1222 (Monday to Friday 8am to 4pm). 	<ul style="list-style-type: none"> Calls can be made as of now.
Grant measures:					
Local Restrictions Support Grant (LRSB) schemes	<ul style="list-style-type: none"> The LRSB schemes are designed to support business providing in-person services to customers from their business premises that are either: <ul style="list-style-type: none"> required to close under widespread national 'lockdown' restrictions or Local Covid Alert Level 'Very High' restrictions – the Local Restrictions Support Grant (Closed) scheme, or able to remain open but have been severely impacted by Local Covid Alert Level 'High' or 'Very High' restrictions – the Local Restrictions Support Grant (Open) scheme. The LRSB schemes work in combination with an adjustment mechanism that takes into account support already provided. <p>Local Restrictions Support Grant (Closed Businesses) scheme</p> <ul style="list-style-type: none"> For eligible businesses that were open as usual but then required to close for a consecutive period of no less than 14 days due to national 'lockdown' restrictions or 	<ul style="list-style-type: none"> The LRSB schemes are available to businesses that pay business rates on their premises. Businesses must be solvent. Businesses that were in administration, are insolvent or where a striking-off notice has been made will not be eligible for grants. The precise eligibility criteria differs slightly depending on the applicable scheme: <p>Local Restrictions Support Grant (Closed Businesses) scheme</p> <ul style="list-style-type: none"> Businesses must have been open as usual, providing in-person services to customers from their business premises, before being required to close for a consecutive period of not less than 14 	<ul style="list-style-type: none"> Business must be based in England. Local Authorities should set out the scope of their discretionary grant scheme on their websites. Similar schemes are expected to be available in Scotland, Wales and Northern Ireland. 	<ul style="list-style-type: none"> The LRSB scheme is operated by local authorities. The government will provide additional funding to the Local Authorities to meet the cost. Grants for businesses in these areas will be available at the sole discretion (in terms of eligibility and precise grant) of the relevant Local Authority. Eligible affected businesses should contact their Local Authority to apply for the grants. 	<ul style="list-style-type: none"> Funding for the LRSB schemes will be provided to local authorities. Local authorities will determine the payment schedule and timings for the grants. Funding for areas that have been subject to restrictions on socialising already (before the tier system was introduced) will be backdated to the point at which the restrictions were imposed (back to 1 August 2020). This scheme is initially expected to run until April 2021 (but will be reviewed in January).

	<p>restrictions in an area with a Very High local COVID alert level, grants of up to:</p> <ul style="list-style-type: none"> ▪ £667 per 14-day restriction period (£1,334 per 28-day restriction period under national restrictions), per property, will be provided to businesses operating from premises with a rateable value up to and including £15,000. ▪ £1,000 per 14-day restriction period (£2,000 per 28-day restriction period under national restrictions), per property, will be provided to businesses operating from premises with a rateable value over £15,000 but less than £51,000. ▪ £1,500 per 14-day restriction period (£3,000 per 28-day restriction period under national restrictions), per property, will be provided to businesses operating from premises with a rateable value of £51,000 or over. <p>Local Restrictions Support Grant (Open Businesses) scheme</p> <ul style="list-style-type: none"> • For eligible businesses that are able to remain open but are severely impacted by the restrictions in areas with either a Very High or High local COVID alert level, discretionary implied grants of up to: <ul style="list-style-type: none"> ▪ £934 per 28-day period, per property, for businesses operating from premises with a rateable value up to and including £15,000. ▪ £1,400 per 28-day period, per property, for businesses operating from premises with a rateable value over £15,000 but less than £51,000. ▪ £2,100 per 28-day period, per property, for businesses operating from premises with a rateable value of £51,000 or over. 	<p>days (on or after 9 September 2020) under either:</p> <ul style="list-style-type: none"> ▪ widespread national 'lockdown' restrictions; or ▪ Local COVID Alert Level 'Very High' restrictions. <ul style="list-style-type: none"> • Businesses eligible are all those mandated to close including non-essential retail, leisure, personal care, sports facilities and hospitality businesses. • Businesses ineligible for support include those that: <ul style="list-style-type: none"> ▪ do not depend on providing direct in-person services from premises and can operate their services effectively remotely; ▪ are subject to restrictions that are implemented for less than 14 days; ▪ are closed for less than 14 days; ▪ have chosen to close but were not required to do so. <p>Local Restrictions Support Grant (Open Businesses) scheme</p> <ul style="list-style-type: none"> • The grants are discretionary. Local Authorities have the freedom to determine the precise eligibility criteria. • Local Authorities will receive funding from central government based on the 			
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	<ul style="list-style-type: none"> • The Local Restrictions Support Grant (Open Businesses) Scheme ceases to apply when national restrictions are imposed by the government. • Local Authorities for areas subject to national and Local Covid Alert Level Very High restrictions will also receive additional funding under the Additional Restrictions Grant scheme. Local Authorities will receive a one-off lump sum amount equal to £20 per head in the area when the restrictions are imposed. The government intend the additional funding to cover grants for businesses that have been severely affected by restrictions but which would not otherwise be eligible under the main LRGS schemes (e.g. market traders that do not occupy a property on which they pay business rates). • It should be noted that any grant income received by an eligible business is taxable. 	<p>number of hospitality, accommodation and other leisure businesses in that area and the government expect the funding to be targeted at businesses in the hospitality and leisure sector.</p> <p>Additional Restrictions Grant scheme</p> <ul style="list-style-type: none"> • The grants are discretionary. Local Authorities will determine which businesses are eligible for grants from this additional funding. Local Authorities will also have discretion on how, and how much, funding will be provided. • Local Authorities will receive funding from central government. • Grants count towards State aid provided to a business. The total de minimis State aid that a business is allowed to receive over a 3-year period is €200,000. If the business has already reached that threshold, it may still be eligible for funding under the COVID-19 Temporary Framework. The limit for the Temporary Framework is €800,000 (which, when combined with de minimis State aid, brings the upper limit on total aid available to a company to €1 million). 			
<p>Coronavirus Funding for Frontline Charities</p>	<ul style="list-style-type: none"> • The government has set out a £750 million package of support to provide funding for frontline charities. 	<ul style="list-style-type: none"> • UK charities providing vital services during the COVID-19 pandemic, including 	<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. 	<ul style="list-style-type: none"> • The funding was announced on 8 April 2020.

	<ul style="list-style-type: none"> 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. 	<p>hospices and support for domestic abuse victims.</p> <ul style="list-style-type: none"> Charities benefiting from the funding include hospices, victim charities, St John Ambulance, vulnerable children charities and Citizens Advice. 			
<p>Grants for retail, hospitality and leisure businesses</p>	<ul style="list-style-type: none"> Businesses in the retail, hospitality and leisure sectors are to receive a one-off grant worth up to £9,000 per property. There will also be a new £594 discretionary fund made available for councils to support other business. 	<ul style="list-style-type: none"> The one-off top-ups will be granted to closed businesses as follows: <ul style="list-style-type: none"> £4,000 for businesses with a rateable value of £15,000 or under £6,000 for businesses with a rateable value between £15,000 and £51,000 £9,000 for businesses with a rateable value of over £51,000 	<ul style="list-style-type: none"> Further details are to be provided by the government in due course. 	<ul style="list-style-type: none"> Further details are to be provided by the government in due course. 	<ul style="list-style-type: none"> The grants were announced on 05 January 2021.
<p>Other measures:</p>					
<p>Insurance</p>	<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. 	<ul style="list-style-type: none"> Claims can be made as of now.

Key Contacts



James Collis

Partner, London

T +44 207 655 1355

E james.collis@squirepb.com



John Alderton

Partner, Leeds

T +44 113 284 7026

E john.alderton@squirepb.com

Local Connections
Global Influence