Factsheet on Coronavirus
Business Financial Support programmes
Updated 20 April 2020

All information in this factsheet is based on our current understanding of the rules as of 15 April 2020. Please ensure you keep up to date with the latest government guidance.
Business Assistance

Several government initiatives have been introduced to provide funding and other support to businesses impacted by COVID-19. There are broadly two categories; the first being funding based initiatives which aim to boost the cashflow and liquidity position in the short to medium term and the second being tax and grant based initiatives which aim to alleviate cost pressure and preserve cash.

This document seeks to provide businesses with an overview of the various initiatives that are available. It should be noted that all information is correct at the time of writing but given the rapidly evolving situation details of how some of the schemes will work in practice are still to be released.
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GENERAL BUSINESS ASSISTANCE

Coronavirus Job Retention Scheme
(Information last updated 20 April 2020)

The Coronavirus Job Retention Scheme will allow all UK employers to access support covering up to 80% of employee costs for those who are furloughed and kept on payroll, rather than being laid off (up to £2,500 per employee per month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employment pension contributions on that wage). This is backdated to 1 March 2020 and will last for an initial 3-month period.

Employees will require to be designated as ‘furloughed workers’ and notified of this change. Changing the status of employees will be subject to employment law and, depending on the employment contract, may be subject to negotiation. Employers may want to seek advice from an employment lawyer.

The scheme is open to all UK employers that had a PAYE payroll scheme as at 19 March 2020.

Information about the relevant employees and their earnings is required to be submitted to HMRC through a new portal service opened on 20 April. Claims can be submitted on behalf of clients by agents who are authorised to act for the business for PAYE purposes.

File only agents (who files your RTI return but doesn’t act for you on any other matters) won’t be authorised to make a claim on behalf of clients.

HMRC will make the payment via BACS to the claimants bank account after checking the claim.

HMRC Guidance

Statutory Sick Pay Relief
(Information last updated 15 April 2020)

Employers based in the UK with fewer than 250 employees (as of 28 February 2020) will be able to reclaim Statutory Sick Pay (SSP) for employees unable to work because of coronavirus. This refund will cover up to 2 weeks SSP, per eligible employee.

Employers should maintain records of staff absences and payments of SSP.

Employees will not require to provide a GP fit note, but if employers require evidence, those with symptoms of coronavirus or those who are living with someone that has symptoms, can get an isolation note from NHS 111 online.

The scheme will commence from the day after the regulations on the extension of SSP to those staying at home comes into force.

A rebate scheme is being developed and the government will work with employers over the coming months to set up the repayment mechanism. Further details will be provided in due course.

HMRC Guidance
Deferral of VAT payments
(Information last updated 15 April 2020)

VAT payments due between 20 March 2020 and 30 June 2020 will be deferred for all UK businesses. Liabilities accrued during this deferral period require to be repaid by the end of the 2020/21 financial year.

No applications are required to be made to access this deferral.

VAT returns should continue to be submitted by the normal due dates.

Where VAT is normally paid by direct debit, the direct debit instruction requires to be cancelled if the business wishes to defer their payment. This requires to be done in sufficient time for the cancellation to take effect. However, the direct debit instructions will require to be re-established for subsequent periods.

VAT refunds and reclaims will continue to be repaid as normal.

HMRC guidance

HMRC - Time to Pay Arrangements
(Information last updated 31 March 2020)

All businesses and self-employed people in financial distress, and with outstanding tax liabilities, may be eligible to receive support with their tax affairs through HMRC’s Time To Pay service. These arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities.

A dedicated helpline has been set up by HMRC, the number is 0800 024 1222.

Business rates holiday for hospitality, leisure and retail (E&W)
(Information last updated 31 March 2020)

There will be a Business Rates Retail Discount of 100% for one year, to cover all retail, leisure and hospitality businesses in England.

Businesses which received the retail discount in 2019/20 will be issued with a revised bill by their relevant local authority shortly. No action is required to be taken by the business to obtain this relief.

Guidance has been published for local authorities which provides more detailed information on the business premises which this will apply to.

A similar package has been announced by the Welsh Government, although they have decided that this will not apply to properties with a rateable value over £500,000.

Business rates holiday for nursery businesses (England)
(Information last updated 31 March 2020)

A Business Rates holiday will be given to nurseries in England for 2020/21 where the property is occupied by providers on Ofsted’s Early Years Register or which are wholly or mainly used for the provision of the early Years Foundation Stage.

Guidance for local authorities which provides more detailed information on the business premises which this will apply is available in the nursery discount guidance.

No action is required to be taken by the business to obtain this relief. Revised bills will be issued by their
relevant local authority shortly.

Business rates holiday for hospitality, leisure and retail (Scotland)
(Information last updated 31 March 2020)

There is a full year’s 100% non-domestic rates relief for retail, hospitality and tourism for 2020/21. To be eligible for this relief the property must be occupied. Properties that have closed temporarily due to the government’s coronavirus advice will be treated as occupied.

Guidance has been published for local authorities on mygov.scot which details which businesses qualify. No action is required to be taken by the business to obtain this relief, it will be applied to your bill by your local council.

Business rates holiday for aviation industry (Scotland)
(Information last updated 31 March 2020)

Scottish airports will get 100% rates relief for a year, as will organisations providing handling services for scheduled passenger flights in Scottish airports.

Due to the unique role that Loganair plays in providing connectivity in the Highlands and Islands, they will also get 100% rates relief for a year. No other airline will receive rate relief in Scotland.

Any organisation providing a “handling service” at Scottish airports are eligible, defined as doing one or more of the following activities; de-icing, re-fuelling, moving aircraft, waste servicing, allocation of seating, handling of baggage and supervision of boarding.

Non Domestic Rates Relief (Scotland)
(Information last updated 31 March 2020)

The Scottish Government has announced a 1.6% relief for all properties subject to non-domestic rates, effectively freezing the poundage rate for 2019/20 into 2020/21.

You do not need to apply for this relief, it will be applied to your bill by your local council.

Grants for retail, hospitality and leisure businesses (E&W)
(Information last updated 31 March 2020)

One-off grants of up to £25,000 per property will be available for businesses in the retail, hospitality and retail sectors, to help meet their ongoing business costs.

For businesses in these sectors with a rateable value of under £15,000, they will receive a grant of £10,000.

For businesses in these sectors with a rateable value of between £15,001 and £51,000, they will receive a grant of £25,000.

No action is required to obtain the grant. Local authorities will write to properties eligible for the grant.

Wales

For retail, leisure and hospitality businesses in Wales, a grant of £25,000 will be offered for businesses in these sectors with a rateable value of between £12,001 and £51,000.

For retail, leisure and hospitality businesses with a rateable value of £12,000 or less, they will be eligible for the general business grant (see Small Business Grant Scheme (E&W) below).
Grants will be administered through the Welsh Local Authorities. Businesses need to confirm their details through an online form.

Grants for retail, hospitality and leisure businesses (Scotland)
(Information last updated 15 April 2020)

Businesses in the hospitality, leisure and retail sector with buildings with a rateable value of between £18,001 and £51,000 can apply for a grant of £25,000. Refer to the mygov.scot website for a full listing of the businesses that qualify for this grant.

In addition to the 100% grant on the first property, ratepayers will also be eligible for a 75% grant on each subsequent property that meets the criteria.

If you are eligible for a grant, you do not need to repay it.

Businesses can apply for this grant via an application form on their local council website. Councils will aim to make payment within 10 working days of receiving the grant application form. Refer to the list of council websites at the end of this document.

Applications for grants on second and subsequent properties will open from 5 May.

Support for Scottish seafood fishing industry
(Information last updated 20 April 2020)

The Scottish Government has announced funding of over £5m will be offered to over 650 seafood fishing companies through a Sea Fisheries Hardship Fund. An initial payment of 50% of two months' average earnings will be made to owners of all full time Scottish registered fishing vessels of 12 metres in length and under.

An additional £3.5m has been announced for shellfish fishing vessels over 12m in length. Up to £21,370 will be available per vessel and businesses operating more than one vessel will have payments capped at £42,740.

Support is also available for the onshore processing industry and others in the shellfish growing sector.

Small Business Grant Scheme (E&W)
(Information last updated 31 March 2020)

One-off grants of £10,000 to businesses eligible for small business rate relief (SBBR) or rural rate relief (RRR) to help meet their ongoing business costs.

No action is required to obtain the grant. Local authorities will write to properties eligible for the grant.

Wales

The Welsh Government package also provides a £10,000 grant to all businesses eligible for Small Business Rates Relief with a rateable value of £12,000 or less.

Grants will be administered through the Welsh Local Authorities. Businesses need to confirm their details through an online form.
Small Business Grant Scheme (Scotland)
(Information last updated 15 April 2020)

A one-off grant of £10,000 will be available for small businesses in receipt of the Small Business Bonus Scheme or Rural Relief. It is also available to those businesses which benefit from Nursery Relief, Disabled Relief, Business Growth Accelerator, Sports Relief, Enterprise Areas Relief or Fresh Start but eligible for SBSS.

In addition to the 100% grant on the first property, ratepayers will also be eligible for a 75% grant on each subsequent property that meets the criteria for each grant.

Self-catering accommodation and caravans are eligible for a grant if they are a primary source of income for the ratepayer and they were let out for 140 days or more in financial year 2019-20.

If you are eligible for a grant, you do not need to repay it.

Businesses can apply for this grant via an application form on their local council website. Councils will aim to make payment within 10 working days of receiving the grant application form. Refer to the list of council websites at the end of this document.

Applications for grants on second and subsequent properties will open from 5 May.

Self-employed and micro and SME businesses (Scotland)
(Information last updated 15 April 2020)

The Scottish Government has announced funding of up to £100m targeted at newly self-employed people and businesses who are ineligible for other Scottish Government or UK Government schemes.

This fund will be channelled through local authorities and enterprise agencies with applications to be opened by the end of April 2020.

Further information on eligibility and operation of the scheme is awaited.

Sectoral specific grants
(Information last updated 17 April 2020)

A number of industry sectors have specific grants available. These include:

- Tech and Life Sciences - Future Fund
- Innovate UK
- Creative industries (Scotland)
- Screen Scotland Bursaries
- Independent film & TV production (Scotland)
- Aquaculture (shellfish growing and trout farming) (Scotland)
- Coastal businesses (Scotland) – Scottish Crown Estate Fund
Coronavirus Business Interruption Loan Scheme
(Information last updated 15 April 2020)

The Coronavirus Business Interruption Loan Scheme (CBILS), delivered by the British Business Bank, is now available through participating lenders to provide financial support to smaller businesses (SMEs) that are losing revenue and seeing their cashflow disrupted.

Applications can be made via over 40 accredited finance providers to access bank lending, overdrafts, invoice finance and asset finance of up to £5 million, interest free for an initial 12-month period (covered by the government). The government will provide lenders with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs but companies remain liable for the capital repayment. 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.

No personal guarantees will be able to be taken by lenders where the facility is under £250,000 and where the facility exceeds this personal guarantees will be limited to recovery of a maximum of 20% of the outstanding CBILS liability. Personal Guarantees cannot include security over the guarantors principal private residence.

Full rules of the scheme and a list of accredited lenders are available on the British Business Bank website.

Coronavirus Large Business Interruption Loan Scheme
(Information last updated 17 April 2020)

The Coronavirus Large Business Interruption Loan Scheme (CLBILS) will enable banks to make loans of up to £25 million to firms with an annual turnover of between £45 million and £500 million. The government will provide lenders with an 80% guarantee on individual loans for businesses that would be otherwise unable to access the finance they need. The new scheme will launch on 20 April and will support a wide range of businesses to access finance products including short term loans, overdrafts, invoice finance and asset finance. Businesses will remain responsible for repaying any facility they may takeout.

To be eligible, businesses must:

- be UK-based in its business activity
- have an annual turnover between £45 million and £500 million
- be unable to secure regular commercial financing
- have a borrowing proposal which the lender:
  - would consider viable, were it not for the COVID-19 pandemic
  - believes will enable you to trade out of any short-term to medium-term difficulty
- Businesses from any sector can apply, except for banks and building societies, insurers and reinsurers (but not insurance brokers) and public-sector organisations, including state-funded primary and secondary schools.

No personal guarantees will be able to be taken by lenders where the facility is under £250,000 and where the facility exceeds this personal guarantees will be limited to recovery of a maximum of 20% of the outstanding CLBILS liability.

Full rules of the scheme and a list of accredited lenders are available on the British Business Bank website.
Coronavirus Corporate Financing Facility
(Information last updated 15 April 2020)

For larger companies the Covid Corporate Financing Facility (CCFF) from the Bank of England will provide short term funding to non-financial businesses by purchasing commercial paper of up to one year maturity. This is to support businesses who were fundamentally sound pre coronavirus and are making a material contribution to the UK economy.

Minimum loan amount is £1m on terms comparable to those prevailing in markets in the period before the coronavirus.

The fund will be managed and administered by the Bank of England (BoE). Eligibility criteria and other information on how to access the facility is available on the Bank of England webpage.
SELF EMPLOYED ASSISTANCE

Self employed income support scheme
(Information last updated 15 April 2020)

This scheme will allow a taxable grant to be claimed worth 80% of average trading profits over the past three years, up to a maximum of £2,500 a month. It will be available for 3 months, but may be extended.

The scheme applies to self-employed or members of partnerships and who have

- submitted a Self Assessment tax return for the tax year 2018 to 2019
- traded in the tax year 2019 to 2020
- are trading when the grant application is made, or would be except for coronavirus
- intend to continue to trade in the tax year 2020 to 2021
- have lost trading profits due to coronavirus
- have average trading profits of no more than £50,000 and more than half of your total income for either:
  - the tax year 2018 to 2019
  - the average of the tax years 2016 to 2017, 2017 to 2018, and 2018 to 2019

The grant will be subject to Income Tax and National Insurance contributions but does not need to be repaid.

Grant recipients can continue to work or take on other employment including voluntary work whilst also receiving the grant.

HMRC will use data on the 2018 to 2019 tax returns already submitted or filed before the 23 April 2020 to identify those eligible. Amended 2018/19 tax returns submitted after 26 March 2020 will not be taken into account when working out eligibility or amount of the grant.

HMRC will aim to contact those eligible by mid May 2020 and invite claims to be submitted using a GOV.UK online service. This service is not yet available.

HMRC Guidance

Deferral of Self-Assessment payments
(Information last updated 31 March 2020)

Self-assessment payments due on 31 July 2020 may be deferred until 31 January 2021. No penalties or interest for late payment will be charged if payment is deferred.

This provision applies to anyone with a second self-assessment payment on account due on 31 July 2020, not just those who are self-employed.

No applications are required to be made to access this deferral.
Self-employed and micro and SME businesses (Scotland)
(Information last updated 15 April 2020)

The Scottish Government has announced funding of up to £100m targeted at newly self-employed people and businesses who are ineligible for other Scottish Government or UK Government schemes.

This fund will be channelled through local authorities and enterprise agencies with applications to be opened by the end of April 2020.

Further information on eligibility and operation of the scheme is awaited.
Useful helplines and contacts:

Helpline for Scottish businesses

Helpline providing businesses around Scotland with advice and guidance on COVID-19. The business helpline number is 0300 303 0660 (Mon – Fri, 8.30am to 5.30pm)

Business Support Helpline – England

If you are in England you can contact the Government’s Business support Helpline for free advice about how these schemes apply to your business on 0300 456 3565 (Mon – Fri, 9am to 6pm)

HMRC tax helpline

HMRC have set up a helpline for businesses and self-employed people who are concerned about paying their tax due to COVID-19. Call 0800 241 222 for help and advice (Mon – Fri, 8am to 4pm).

ICAS

In addition to the information listed in this document, please refer to the Coronavirus hub on the ICAS website which may also be of assistance to clients and businesses more generally.

Listing of Scottish Local Authority Websites

Aberdeen - scroll down to "Council Services" then click on "Businesses" to download the form
Aberdeenshire
Angus
Argyll and Bute
Clackmannanshire
Dumfries and Galloway - Scroll down to "Business Rates and Associated Grants"
Dundee
East Ayrshire
East Dunbartonshire
East Lothian - scroll down to "Business Support"
East Renfrewshire - scroll down and click on "Business Support
Edinburgh
Falkirk
Fife
Glasgow
Highland
Inverclyde
Midlothian
Moray
Na h-Eileanan Siar
North Ayrshire
North Lanarkshire
Orkney
Perth and Kinross
Renfrewshire
Scottish Borders
Shetland - scroll down to the "Businesses" section to download the form
South Ayrshire
South Lanarkshire
Stirling
West Dunbartonshire
West Lothian