

Subject: Covid-19 Support for businesses

As many of you are already aware the government has put in place some schemes to support businesses during this period of disruption caused by Covid-19.

We are writing to inform you of the schemes currently in place and how and who can put in a claim. This memo should highlight the key facts of each scheme. Please note this information is being updated frequently therefore we can only pass on what we know at this time and once further announcements have been made we will update you. We also ask you refer to this online link to look out for updates -

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

Due to high demand we are not able to assess each case individually informing you of what you can and cannot claim therefore we ask you email us once you have read through this document with the schemes you believe you are eligible for and if you need help with claims. Once we have your email we will be able to help with any questions you have.

Job retention scheme - All UK Businesses are eligible

This scheme has been put in place to minimise the number of employees who would have otherwise been laid off. HMRC will reimburse 80% of 'furloughed workers' wage costs, please note you will need to designate employees as 'furloughed workers'. The employee needs to be notified of this change and of course this is subject to employment laws. Once the employees have been designated and notified the business needs to submit this information to HMRC through an online portal, this has not been set up yet along with the repayment facility.

The reimbursement is to be capped at up to £2500.00 per month, per employee.

As mentioned this is for employees that would have been laid off, please take this into consideration and designate accordingly.

VAT Payments – All UK Businesses are eligible

No application required

HMRC will support businesses by deferring payments for VAT.

The deferral will apply for payments due between 20/03/20 to 30/06/20, businesses will have until 5th April 2021 to clear any outstanding liabilities. Please note although the payments can be deferred the calculation and submission must still take place. This means we will still require your paperwork to file the returns.

VAT refunds and reclaims will be paid as normal.

Income tax payments – If you are Self-Employed you are eligible. No application required

For those of you who have payments on account due on 31st July 2020 you may defer this payment until 31st January 2021. No penalties or late payment interest will be added in this deferral period. Please note you may also have your balancing payment for 5th April 20 & 1st POA for 5th April 2021 to pay on this date.

There is further support under time to pay service – this is for all businesses and self employed people facing financial difficulties. Cases are assessed individually and you will need to contact HMRC directly on 0800 0159 559.

Sick pay for employees – Reclaim

Eligibility – Small and medium sized business & fewer than 250 employees as at 28/02/20

HMRC will refund up to 2 weeks' SSP per eligible employee who is off because of Covid-19. Employers should keep and maintain records of absences and SSP paid – if paying someone SSP we should have any relevant documents sent to us when processing the payroll. Employees do not need to provide you with a fit note and although HMRC are encouraging employers to go without, if needed employees can phone 111 to get an isolation note or download a form from the NHS website. **The government are yet to release a system for this to be reclaimed and will work with employers over the coming months to get this ready as soon as possible, the legislation has also not passed yet.** That being said it is highly important to maintain all records for when the time comes a claim can be made. We are working on answering your queries regarding employees eligibility for SSP, due to a substantial amount of individual cases we ask for patience whilst we complete the relevant research.

Business rates holiday & grants – Retail, hospitality & leisure businesses

No action to take this will be applied to your 20-21 council tax bill in April 20.

You are eligible if your business is based in England and is in the sectors shown above.

Properties that will benefit are those being used wholly or mainly as shops, restaurants, cafes, drinking establishments, cinemas, live music venues, hotels, guest & boarding premises, for assembly and leisure and self catering accommodation.

If your business falls into the sectors above you may also be eligible for a cash grant for up to £25,000 per property, depending on the rateable value.

Businesses in this sector with a rateable value of under £15,000 can receive a grant of £10,000.

Businesses in this sector with a rateable value between £15,001 - £51,000 can receive a grant of £25,000. The eligibility is the same as above, for the business rates holiday.

For the grant you do not need to do anything, your local council will write to you and inform you if you are eligible.

Grant for businesses that pay little or no business rates

Eligibility – business is based in England, you pay little or no business rates because of SBRR (small business rates relief) and/or RRR (rural rate relief) and tapered relief, you are a business that occupies a property.

This will provide a one off grant of £10,000 to those who are eligible to help with on going business

costs. You do not need to apply for this as your local authority will write to you if you are eligible.

Business interruption loan scheme – from British Business Bank

Eligibility – UK Based business, with a turnover of no more than £45 million per year & your business meets the other British Business Bank eligibility criteria.

Support to small and medium sized businesses to access bank lending and overdrafts. The government will provide lenders with a guarantee of 80% on each loan (subject to per-lender caps on claims) to give lenders further confidence in providing finance to SMEs. There will be no charge for the guarantee and will support loans up to £5 million. **Talk to your bank or finance provider as soon as possible to discuss a plan with them, this scheme will be available from today Monday 23rd March.**

Larger firms – Corporate Financing Facility

All UK businesses are eligible

The Bank of England will buy short term debt from larger companies. This will allow companies to finance short term liabilities. This will be available from today 23rd March. Information on how to access the scheme is not yet available.

Another point to highlight is some of you may be eligible to claim on your insurance policies, due to the government advising all pubs etc. to close. This will differ depending on your individual case and you should refer to your terms and conditions to see if Pandemics are included however it would be a good idea to get into contact with your provider and find out.

We appreciate you will have questions as this is a confusing time for everyone, we will try our best to get back to you as soon as we can. Although in rare circumstances we will contact via telephone, due to the change in operation email is the preferred method for the time being.

Thank you for your patience and cooperation.

The John Doyle Partnership