

Coronavirus - Bulletin 5

Business Financial Support Guide

Resource Kit

This bulletin outlines the current position on the Government's various measures to support businesses during the crisis. It focusses only on those measures relevant to conveyancing firms, not retail business or those closed by the pandemic. For more details on any of the points below go to: <https://www.gov.uk/business-coronavirus-support-finder>.

Version 5.1 - The information here is correct as at 3 February 2021.

Coronavirus Bounce Back Loan

This scheme is open to applications until 31 March 2021. You can top-up an existing loan until that date. Note that the loan terms have been varied

Coronavirus Business Interruption Loan

This scheme is open until 31 March 21. The govt guarantees 80% to the lender and pays any interest for the first 12 months

SEIS - self-employed income support

The Self-Employment Income Support Scheme grant extension provides critical support to the self-employed.

There have been two rounds of grants so far, up to February 2021. There will be a fourth grant round covering February 2021 to April 2021. The Government will set out further details, including the level, of the fourth grant in due course.

Under the previous rounds, to be eligible for the grant extension self-employed individuals, including members of partnerships, had to have been previously eligible for the Self-Employment Income Support Scheme first and second grant (although they did not have to have claimed the previous grants) and had to declare that they intend to continue to trade and either:

- were currently actively trading but are impacted by reduced demand due to coronavirus
- were previously trading but are temporarily unable to do so due to coronavirus

Grants were paid in 2 lump sum instalments each covering a 3 month period.

CJRS Furlough scheme extended further

The Coronavirus Job Retention Scheme has been extended until 30 April 2021. If you are an employer with a PAYE scheme, you can get support to continue paying part of your employees' salary instead of making staff redundant. HMRC will pay 80% of employees' usual salary, up to a maximum of £2,500 per month.

Claims for furlough days in January 2021 must be made by 15 February 2021. You can no longer submit claims for claim periods ending on or before 31 October 2020.

You can claim for employees who were employed on 30 October 2020, as long as you have made a PAYE RTI submission to HMRC between the 20 March 2020 and 30 October 2020, notifying a payment of earnings for that employee.

This may differ where you have made employees redundant, or they stopped working for you on or after 23 September 2020 and you have subsequently re-employed them. You do not need to have previously claimed for an employee before the 30 October 2020 to claim. Employers can furlough employees for any amount of time and any work pattern, while still being able to claim the grant for the hours not worked.

You will need to pay for employer National Insurance contributions and pension costs.

Deferred VAT - no change

If you had a VAT payment due between 20 March 2020 and 30 June 2020, you have the option to defer payment until 31 March 2021.

On 24 September 2020, the Chancellor announced that businesses who deferred VAT due from 20 March to 30 June 2020 will 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, you can make smaller payments up to the end of March 2022, interest free.

You will need to opt-in to the scheme, and for those who do, this means that your VAT liabilities due between 20 March and 30 June 2020 do not need to be paid in full until the end of March 2022. Those that can pay their deferred VAT can still do so by 31 March 2021.

The Local Restrictions Support Grant (LRSG (Open)) - no change

Businesses that have not had to close but which have been severely impacted due to local restrictions (Local COVID alert levels: High or Very High) may be eligible for LRSG (Open).

Eligible businesses may be entitled to a cash grant from their local council for each 28 day period under local restrictions. Local councils have the discretion to provide grant funding for businesses under this scheme. They will use their discretion in identifying the right businesses to receive this funding, based on their application process. The funding to be targeted at hospitality, hotel, bed & breakfast and leisure businesses. It is unlikely to apply to licensed conveyancers.

Business Interruption Insurance

The Supreme Court decided in favour of the FCA and dismissed the appeals by the insurance industry. This opens the door for claims under some B.I.I. policies. You will need to obtain specific advice from your broker as claims may be very specific to the precise wording of the policies and the facts of each case.

Closed Businesses Lockdown Payment

- The Closed Businesses Lockdown Payment (CBLP) supports businesses that have been required to close due to the national restrictions, beginning 5 January 2021. Eligible businesses may be entitled to a one-off cash grant of up to £9,000 from their local council. A business may be eligible if it:
 - is based in England
 - occupies property on which it pays business rates (and is the ratepayer)
 - has been required to close because of the national restrictions from 5 January 2021 onwards
 - has been unable to provide its usual in-person customer service from its premises
- This could include non-essential retail, leisure, personal care, sports facilities, tourism and hospitality businesses. It could also include businesses that operate primarily as an in-person venue, but which have been forced to close those services and provide a takeaway-only service instead.
- Eligible businesses can get one grant for each non-domestic property.
- You cannot get funding if:
 - you can continue to operate during the period of restrictions because you do not depend on providing direct in-person services from your premises (for example, accountants or conveyancers)
 - you have chosen to close, but have not been required to close as part of national restrictions
 - your business is in administration, insolvent or has been struck off the Companies House register

Kickstart scheme

The Kickstart Scheme provides funding to create new job placements for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment. The job placements created with Kickstart Scheme funding must be new jobs.

From 3 February 2021, employers can apply directly to the Kickstart scheme for any number of job placements.

Employers of all sizes can apply for funding which covers:

- 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for 25 hours per week for a total of 6 months
- associated employer National Insurance contributions
- employer minimum automatic enrolment contributions

You'll get £1,500 funding per job placement. This is for setup costs and to support the young person develop their employability skills.

Coronavirus SSP Rebate Scheme

You may be eligible for the Coronavirus Statutory Sick Pay Rebate Scheme to claim back employees' coronavirus-related Statutory Sick Pay (SSP) paid to current or former employees.

You can claim back up to 2 weeks of SSP if:

- you have already paid your employee's sick pay
- you're claiming for an employee who's eligible for sick pay due to coronavirus
- you have a PAYE payroll scheme that was created and started on or before 28 February 2020
- you had fewer than 250 employees on 28 February 2020 across all your PAYE payroll schemes

Employees do not have to give you a doctor's fit note for you to make a claim.

The scheme covers all types of employment contracts, including:

- full-time employees
- part-time employees
- employees on agency contracts
- employees on flexible or zero-hour contracts
- fixed term contracts

The repayment will cover up to 2 weeks SSP starting from the first qualifying day of sickness, if an employee is unable to work because they:

- have coronavirus symptoms
- are self-isolating because someone they live with has symptoms
- are self-isolating because they've been notified by the NHS or public health bodies that they've come into contact with someone with coronavirus
- have been advised by letter to shield because they're clinically extremely vulnerable and at very high risk of severe illness from coronavirus
- have been notified by the NHS to self-isolate before surgery for up to 14 days

You can make more than one claim per employee, but you cannot claim for more than 2 weeks in total.

If you're claiming for wage costs through the Coronavirus Job Retention Scheme you can claim back from both the Coronavirus Job Retention Scheme and the Coronavirus Statutory Sick Pay Rebate Scheme for the same employee but not for the same period of time.

Business rates relief - retail and leisure sector

(England only) Businesses in the retail, hospitality and leisure sectors in England will not have to pay business rates for the 2020 to 2021 tax year.