

Status of Covid-19 business support measures

Purpose: To provide the West Midlands' Covid-19 economic impact group with the latest status of business support measures. This is vital so businesses are informed about when and how they will receive assistance, as well as the type of support on offer.

Content: It will add to information available through [government's website](#) with regional intelligence. All updates through coronavirusresponse@wmca.org.uk.

Type of support	Detail	Delivery route	Timing and status
Business Rates	<p>12-month business rates holiday for all retail, hospitality and leisure businesses in England.</p> <p>Also now includes nurseries.</p>	Via local authorities	<p>Applied for business rates tax bill in April 2020. Local authorities now reissued £zero bills.</p> <p><u>No action is required from businesses to receive the holiday.</u></p> <p>If firms would like to understand the value of the benefit to them, visit the government's business rates calculator.</p>
Business Grants	<p>Local Restrictions Grant (open/Tier 2) – Grants of up to £2100 per month to support businesses with trade effected by local restrictions</p> <p>Local Restrictions Grant (closed/Tier 4) – Grants of up to £3000 a month to support businesses forced to close by local restrictions</p> <p>One off payment of up to £9000 for businesses not eligible for LRSG (Closed)</p> <p>Local Restrictions Support Grant (Closed) – Extension of the LRG scheme adapted for the National Lockdown in force from 5th January</p>	<p>Via local authorities</p> <p>All enquiries on eligibility for, and provision of, grants should be directed to the relevant local authority.</p>	<p>For more information please follow the link to the relevant local authority here.</p>
Pay and welfare	Government to reimburse up to 14 days statutory sick pay for each employee who is sick or self-isolates from day one	Via HMRC.	<p>This function has now gone live, employers can claim back their statutory sick payments through the portal available here.</p> <p>Employees can get an 'isolation note' online from the NHS.</p>

	<p>Coronavirus Job Retention Scheme for all UK employers to continue paying 80% of furloughed workers wage costs, up to a cap of £2,500 per month for those employees that would otherwise have been laid off.</p>	<p>Via HMRC. Businesses will need to submit information to an online portal about furloughed employees.</p>	<p>Government published guidance for firms about which workers are covered and the steps they need to take. Guidance also available for employees.</p> <p>The scheme is now live, businesses can submit a claim via the online portal available here.</p> <p>The Coronavirus Job Retention Scheme will run until March 2021, with a review planned for January 2021.</p>
	<p>People on low incomes and self-employed are eligible for Universal Credit. From 6 April the standard allowance and basic element in Working Tax Credit will each increase by £20 on top of the planned uprating for 1 year.</p>	<p>Via https://www.understandinguniversalcredit.gov.uk/coronavirus/</p>	<p>From 6 April the requirements of the Minimum Income Floor will be temporarily relaxed.</p> <p>New claimants will not need to attend the jobcentre to demonstrate gainful self-employment.</p>
	<p>Local Housing Allowance rates increased to the 30th percentile of market rents.</p>	<p>Automatically via universal credit.</p>	<p>This applies from April to all private renters who are new or existing Universal Credit housing element claimants and to existing Housing Benefit claimants.</p>
	<p>Self-employment income support scheme (SEISS) to provide a grant to self-employed individuals or partnerships, worth 80% of their profits up to a cap of £2,500 per month.</p>	<p>Via HMRC</p>	<p>Individuals should not contact HMRC now. HMRC will use existing information to check eligibility and invite applications once the scheme is operational. HMRC will then pay the grant directly to eligible claimants' bank account.</p> <p>For eligible individuals who have not submitted their returns for 2018-19, they will have 4 weeks' notice (to 24 April) to file their returns and therefore become eligible for this scheme.</p> <p>The Self-employment income support scheme opened a second round of applications on 17th August 2020. Those eligible must submit their claim by the 19th October 2020.</p> <p>An additional round of SEISS will cover February to April 2021.</p> <p>Further guidance can be found here.</p>

Business Loans	Coronavirus Business Interruption Loan Scheme (CBILS) offering loans of up to £5 million for SMEs through the British Business Bank.	Via banks and commercial lenders, overseen by British Business Bank	<p>CBILS available from Monday 23 March and <u>businesses encouraged to discuss with banks immediately.</u></p> <p>Updated on 3rd April, all businesses can access CBILS, not just those unable to access normal commercial support.</p> <p>Loans under £250,000 will not require a personal guarantee from businesses.</p> <p>Coverage includes: Term loans, Overdrafts, Asset finance and Invoice finance.</p>
	Coronavirus Large Business Interruption Loan Scheme (CLBILS) offering loans of up to £25 million to firms with an annual turnover of £45-£250 million, and of up to £50 million to firms with an annual turnover of over £250 million, with an 80% guarantee.	Via banks and commercial lenders, overseen by British Business Bank	<p>CLBILS available from Monday 20th April, businesses are encouraged to discuss with banks.</p> <p>A list of lenders accredited to deliver CLBILS can be found here.</p>
	<p>Bounce Back Loan Scheme providing loans of between £2,000 and £50,000 to SMEs negatively affected by coronavirus, with a maximum term of 6 years, no fees in the first 12 months, and a 100% Government guarantee.</p> <p>Businesses that are in receipt of CBILS are <u>not eligible for a Bounce Back Loan.</u></p>	Via British Business Bank and partners.	<p>Scheme available from 4th May.</p> <p>Business should apply for the loan through the bank that holds their business account, a list of accredited lenders can be found here.</p> <p>Businesses already in receipt of CBILS up to the value of £50,000, can apply to have their CBILS transferred to a Bounce Back loan.</p>
	Term Funding Scheme for SMEs (TFSME) A new lending facility from the Bank of England to the UK banks to help support lending to SMEs, helping them bridge coronavirus disruption to their cashflows through loans.	Via banks	<p>Facility available.</p> <p>Businesses encouraged to discuss with banks immediately.</p>

	Covid Corporate Financing Facility (CCFF) - a Bank of England/HMT scheme to purchase commercial paper from large, investment grade UK corporates to provide immediate cash flow support at pre-crisis terms.	Via Bank of England	See https://www.bankofengland.co.uk/news/2020/march/the-covid-corporate-financing-facility
Support for Innovation and Start-ups	<p>Future Fund: £500 million fund to support high growth companies.</p> <p>Loans of between £125,000 and £5 million, with a matched contribution from private investors, will convert to equity on the company's next qualifying funding round.</p> <p>Eligibility will be restricted to unlisted UK registered companies, that have previously raised at least £250,000 in equity investment from third parties in the last five years.</p>	Via British Businesses Bank	<p>Businesses can apply for the Future Fund here.</p> <p>Initial funding will be open until the end of September, with the scale of the fund being kept under review.</p>
	<p>£750 million for R&D intensive small and medium size firms.</p> <p>£200 million will be used to accelerate grant and loan payments to 2,500 existing Innovate UK customers on an opt-in basis.</p> <p>The remaining £550 million will be used to increase support to existing customers and pay, £175,000 of support to around 1,200 firms not currently in receipt of Innovate UK funding.</p>	Via Innovate UK	<p>The first payments of £175,000 will be made available in mid-May.</p> <p>Further detail on eligibility criteria and fund operation will be published in due course.</p>
Deferring tax liabilities	HMRC Time To Pay Scheme to renegotiate payment schedule.	HMRC helpline open now: 0800 024 1222.	Active now.

	Deferring VAT payments for 3 months (until 30 June 2020) for all UK businesses.	Via HMRC	This is an <u>automatic offer with no applications required</u> . Businesses will not need to make a VAT payment during this period. VAT refunds and reclaims will be paid by the government as normal.
	Self-assessed Income Tax payments due for self-employed people in July 2020 will be deferred to January 2021.	Via HMRC	This is an <u>automatic offer with no applications required</u> . No penalties or interest for late payment will be charged in the deferral period.
Business Insolvency and Wrongful Trading Legislation	Suspension of business insolvency legislation which formerly made directors personally liable for business debts.	Via HMRC	This is an <u>automatic offer with no applications required</u> . The legislation regulating businesses solvency and wrongful trading will be suspended for three months (backdated from 1st March).
	A temporary moratorium for businesses undergoing a restructuring process, during which time they cannot be put into administration by creditors and will continue to be able to access materials	Via HMRC	These measures mean that companies can continue to pay staff and suppliers even if there is a risk that the company could become insolvent, and without the company directors becoming liable for payment of debt.