

Support for businesses affected by coronavirus

Published 16 March 2020

Contents

- 3 **Overview**
- 3 **Support for businesses who are paying sick pay**
- 4 **Support for businesses who pay business rates**
- 4 **Support for businesses who pay little or no business rates**
- 4 **The Coronavirus Business Interruption Loan Scheme**
- 5 **Support for businesses paying tax**
- 5 **Insurance**
- 5 **Next steps**

Version 1.0 - published 16 March 2020

This document has been produced for general information for businesses only. The information is correct at the time of publication but may be subject to change.

For live updates from the government [click here](#).

Overview

The Chancellor has set out a package of temporary, timely and targeted measures to support public services, people and businesses through this period of disruption caused by COVID-19.

This includes a package of measures to support businesses including:

- a statutory sick pay relief package for SMEs
- a Business Rate Relief for small businesses and pubs
- small business grant funding of £3,000 for all business in receipt of Small Business Rates Relief (SBRR) and Rural Rates Relief
- the Coronavirus Business Interruption Loan Scheme to support long-term viable businesses who may need to respond to cash-flow pressures by seeking additional finance
- the HMRC Time To Pay Scheme

Support for businesses who are paying sick pay to employees

The government is to bring forward legislation to allow small- and medium-sized businesses and employers to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID-19.

The eligibility criteria for the scheme will be as follows:

- this refund will cover up to 2 weeks' SSP per eligible employee who has been off work because of COVID-19
- employers with fewer than 250 employees will be eligible - the size of an employer will be determined by the number of people they employed as of 28 February 2020
- employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19
- employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a GP fit note
- eligible period for the scheme will commence the day after the regulations on the extension of Statutory Sick Pay to those staying at home comes into force
- the government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible

Support for businesses who pay business rates

The Business Rates retail discount in England will be increased to 100% for the 2020 to 2021 tax year for properties below £51,000 rateable value.

The relief will also be expanded to the leisure and hospitality sectors in response to COVID-19.

Businesses that received the retail discount in the 2019 to 2020 tax year will be re-billed by their local authority as soon as possible.

Those businesses eligible for the newly expanded retail discount and/or the new pubs discount may need to apply to their local authority to receive the discount.

Any enquiries on eligibility for, or provision of, the reliefs should be directed to the relevant local authority. Guidance for local authorities on the application of the expanded retail discount will be published by 20 March

Support for businesses who pay little or no business rates

The government will provide an additional £2.2 billion funding for local authorities to support small businesses that already pay little or no business rates because of Small Business Rate Relief (SBRR).

This will provide a one-off grant of £3,000 to business currently eligible for SBRR or Rural Rate Relief, to help meet their ongoing business costs.

Support for businesses through the Coronavirus Business Interruption Loan Scheme

A new temporary Coronavirus Business Interruption Loan Scheme, delivered by the British Business Bank, will launch in a matter of weeks to support businesses to access bank lending and overdrafts.

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. The government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £1.2 million in value. This new guarantee will initially support up to £1 billion of lending on top of current support offered through the British Business Bank.

Support for businesses paying tax

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.

If you are concerned about being able to pay your tax due to COVID-19, call HMRC's dedicated helpline on 0800 0159 559.

Insurance

Businesses should check with their insurance provider if they are covered.

Many businesses are unlikely to be covered as most business interruption insurance policies are dependent on damage to property, which will exclude pandemics. Some businesses may have purchased a specific add on relating to notifiable diseases, but some of these will still specify damage to the building.

Some businesses may have purchased supply chain or denial of access cover which may meet their needs in this case.

Next steps

For advice on any of the measures covered in this document, or any issue relating to the impact of coronavirus, please contact the partner or key contact at your usual RfM office. Office details and contact numbers are available at rfm-more.co.uk