

Coronavirus – Summary of UK Government Funding

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Scheme name	Who it's for	Details	Application process	Website link
<p>Covid Commercial Financing Facility</p>	<p>Large businesses that had a short-term or long-term rating of investment grade or financial health equivalent to investment grade before being affected by Coronavirus.</p>	<p>Loan scheme launched by the Bank of England for large firms that make a material contribution to the economy.</p> <p>The scheme is intended to enable them to bridge cash flow disruption from Coronavirus using loans.</p> <p>Support will last for up to 12 months.</p>	<p>Large businesses can apply using the information here: www.bankofengland.co.uk/markets/covid-corporate-financing-facility.</p>	
<p>Coronavirus Business Interruption Loan Scheme (CBILS)</p>	<p>UK-based small businesses with an annual turnover of £45 million or below, operating in an eligible industry.</p> <p>(See sectors that are ineligible for this funding.)</p> <p>Businesses also must not have been in receipt of de minimis state aid over the equivalent of €200,000 in this and the last two fiscal years.</p> <p>Business must have sound proposals.</p>	<p>A scheme through the British Business Bank, which will lend eligible businesses between £1,000 and £5 million.</p> <p>The Government will absorb interest costs in these loans for the first 12 months.</p> <p>It is important to remember that the borrower is ultimately liable for the debt. Lenders may require a personal guarantee where more than £250,000 is borrowed, however, this cannot be a main residence and where the business defaults, the bank can only seek to recover 20 per cent of the outstanding balance after the sale of business assets. You should seek legal advice if you are asked to provide security for a CBILS loan.</p>	<p>To apply for a loan under the scheme, please visit: www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/accredited-lenders.</p> <p>Using the tool on this page, you can narrow down lenders by region and the type of loan you wish to apply for.</p> <p>Once you have identified the lender you wish to apply to, you will need to contact that lender using the details provided by the British Business Bank to proceed with your application, via the lender's own process.</p>	

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Time to Pay (TTP) Arrangements	<p>Available to any business, providing they can show that all other avenues for financing have been exhausted.</p>	<p>Although TTP is not a new concept, HMRC is providing additional capacity to deal with enquiries to its helpline.</p> <p>Under the TTP arrangement, your business may be able to defer VAT, Corporation Tax, Income Tax, and payroll-related tax bills.</p> <p>HMRC would then agree arrangements for the tax debt to be repaid in instalments.</p>	<p>Phone HMRC's helpline: 0800 024 1222.</p> <p>If the sum to be deferred is less than £750,000 HMRC aims to deal with requests in under an hour although larger sums may take longer.</p> <p>It is important to know that, as a director, you will be expected to confirm in writing that you will ensure the instalments are paid on time.</p>	
Grants for businesses in the hospitality, leisure and retail sectors	<p>Businesses in the retail, hospitality and leisure sectors, with a rateable value of £15,000 - £51,000.</p>	<p>Grants worth £25,000 to support businesses in 'at risk' sectors to help with the costs of running a business.</p>	<p>Enquiries regarding eligibility and provision of the relief will be handled by the relevant local authority.</p> <p>They have received guidance on this as of 20 March 2020.</p>	
Small Business Grant Fund	<p>Small businesses that benefit from small business rate relief (SBRR) or rural rate relief.</p>	<p>A one-off grant of £10,000 to businesses that are eligible for SBRR or rural rate relief to help with ongoing business costs.</p>	<p>Eligible businesses will be contacted by their local authority in the coming weeks, who will provide details on how to claim the relief.</p> <p>Businesses that might be eligible should speak to the Economic Development Office at their local authority, who can advise on their arrangements.</p>	

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<p>Rates Relief</p>	<p>Businesses in the retail, hospitality and leisure sectors.</p>	<p>Allows for a 100 per cent business rates discount for all businesses in these sectors.</p> <p>Unoccupied properties where they become vacant in the next 12 months will be charged 100 per cent full rate after three months of void rate holiday following vacation, this will continue to apply unless the rules are amended.</p> <p>Properties which have had to close temporarily due to the Coronavirus measures will be treated as occupied.</p> <p>The relief applies from 1 April 2020 until 31 March 2021.</p>	<p>The Ministry of Housing, Communities and Local Government has issued a guidance note to all local authorities on this discount, clarifying which properties are eligible.</p> <p>This list includes:</p> <ul style="list-style-type: none"> • Shops • Cinemas • Restaurants • Gyms • Music venues • Estate agents • Letting agencies • Small hotels • B&Bs • Guest houses • Sports clubs • Night clubs • Bingo halls • Nurseries <p>Local Billing Authorities will administer the application process and they should already have knowledge of which properties are eligible, so it would be best to contact them in the first instance.</p>	

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<p>Coronavirus Statutory Sick Pay Rebate Scheme</p>	<p>To be eligible for a repayment of SSP, an employer has to:</p> <ul style="list-style-type: none"> • be claiming for an employee who is eligible for sick pay due to Coronavirus • have a PAYE payroll scheme that was created and started on or before 28 February 2020 • have had fewer than 250 employees on 28 February 2020. <p>The scheme covers all types of employment, including agency workers and those on flexible or zero-hour contracts.</p>	<p>Businesses can reclaim up to two weeks of SSP per employee paid to those required to take time off to self-isolate as a result of the Coronavirus outbreak.</p> <p>SSP will also be payable from day one now for those employees required to self-isolate.</p> <p>Only qualifying employees, whose average weekly earnings are above £118 are entitled to SSP. SSP is paid at a rate of £95.85 per week.</p>	<p>Employers can now submit claims using HMRC's online portal at: www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-your-employees-due-to-coronavirus-covid-19.</p> <p>Employers must keep a record of:</p> <ul style="list-style-type: none"> • the reason why an employee could not work; • details of each period when an employee could not work, including start and end dates; • details of the SSP qualifying days when an employee could not work; and • National Insurance numbers of all employees who have received SSP as a result of Coronavirus. <p>Businesses must keep these records for at least three years following their claim.</p>	

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<p>Coronavirus Job Retention Scheme (CJRS)</p>	<p>All UK businesses with a PAYE payroll scheme started on or before 19 March 2020, which are enrolled for PAYE online and have a UK bank account. This includes businesses, charities, recruitment agencies and public authorities.</p>	<p>The scheme currently covers 80 per cent of furloughed workers' usual wages up to a cap of £2,500 per month per employee, plus the associated Employers' National Insurance Contributions (NICs) and minimum employers' pension contributions.</p> <p>Employers can now bring furloughed workers back on a 'flexible furlough' part-time basis and claim furlough payments only in respect of the hours they do not work but that they would work if they were not furloughed.</p> <p>It is now only possible to furlough workers who have previously been furloughed for at least three weeks, meaning the last day a worker can be furloughed for the first time was 10 June.</p> <p>The value of the CJRS grant will reduce gradually from August until October with employers expected to make up the difference.</p> <p>The scheme will then close at the end of October.</p>	<p>The Scheme is administered by HMRC.</p> <p>Employers need to:</p> <ul style="list-style-type: none"> • Designate affected employees as 'furloughed workers'. • Calculate the value of their claim in accordance with the guidance and the current stage of the scheme, before submitting claims through the online portal here: www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme. 	
<p>Job Retention Bonus</p>	<p>Employers that retain previously furloughed employees until the end of January 2021, paying an average of at least £520 a month in November, December and January.</p>	<p>The Government will provide a grant to employers of £1,000 in respect of each previously furloughed employee retained in accordance with the terms of the scheme until the end of January.</p>	<p>Details to be announced by the end of July 2020.</p>	

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Deferring VAT Payments	All UK businesses.	<p>The Government supported businesses by deferring VAT payments for three months, from 20 March 2020 until 30 June 2020.</p> <p>Businesses did not need to make a VAT payment during this period.</p> <p>Taxpayers have until 31 March 2021 to pay any liabilities that accumulated during this period.</p>	<p>This is an automatic offer with no applications required.</p> <p>VAT refunds and reclaims will be paid by the government as normal.</p> <p>Businesses that used the deferral must ensure they have reinstated their direct debit with their bank now that the deferral has ended.</p>	
Temporary reduced rate of VAT for certain services in the hospitality and tourism sectors	VAT-registered businesses providing certain supplies relating to hospitality, accommodation, or admission to certain attractions.	Eligible supplies are subject to a lower five per cent rate of VAT from 15 July until 12 January 2021.	<p>VAT-registered businesses providing eligible supplies can use the scheme by accounting for the lower rate of VAT in their VAT returns.</p> <p>Certain percentages have also been amended for small businesses using the Flat Rate Scheme.</p>	
Deferring Income Tax	All taxpayers who are due to pay their second Self-Assessment payment on account on 31 July 2020, whether or not they are self-employed and who have been affected by the outbreak.	Income Tax Self-Assessment payments due on the 31 July 2020 will be deferred until the 31 January 2021.	<p>This is an automatic offer with no applications required.</p> <p>No penalties or interest for late payment will be charged in the deferral period.</p>	

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<p>Universal Credit</p>	<p>Self-employed and those not eligible for SSP.</p>	<p>Since 6 April, the requirements of the Minimum Income Floor have been relaxed temporarily. This change applies to all Universal Credit claimants and will last for the duration of the outbreak. This means that those who are self-employed or ineligible for SSP can claim from day one.</p> <p>The amount provided will be based on 'topping up' to minimum wage, but could vary between different claimants based on their circumstances.</p>	<p>New claimants will not need to attend the job centre to demonstrate gainful self-employment.</p> <p>People are being asked to apply online for universal credit by visiting www.gov.uk/apply-universal-credit or by calling the Universal Credit Helpline on 0800 328 5644.</p>	
<p>Self-employed Income Support Scheme</p>	<p>Self-employed individuals with trading profits of no more than £50,000, who receive the majority of income from self-employment and who have lost trading profits due to the crisis.</p> <p>They must have submitted a Self-Assessment Tax Return for 2018-19.</p> <p>People who pay themselves a salary and dividends through their own company are not eligible.</p>	<p>The first round of the scheme closed for applications on 13 July and paid self-employed individuals an amount equivalent to up to 80 per cent of their average monthly trading profits, capped at £2,500, to cover the three months from March. The amount was paid in a single lump-sum based upon tax returns from 2016-17, 2017-18 and 2018-19.</p> <p>A new round of funding will be available from August, which will pay self-employed individuals up to 70 per cent of the average monthly trading profits, capped at £6,570 over three months, but paid in a single instalment.</p>	<p>Applications for the second round of the scheme will open on 17 August.</p>	

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Eat Out to Help Out	<p>The scheme is open to businesses that were registered with their local authority as food businesses on or before 7 July 2020, provides or shares a dining area for eat-in meals and sells food for consumption on the premises.</p>	<p>The scheme covers the cost to restaurants, cafes and pubs that sell food of providing a 50 per cent discount, capped at £10 per head, on food and non-alcoholic drinks purchased for consumption on the premises from Mondays to Wednesdays in August.</p>	<p>Eligible businesses can register to take part in the scheme using an online portal here.</p>	
Coronavirus Large Business Interruption Loan Scheme (CLBILS)	<p>CLBILS is aimed at large businesses with annual turnovers of more than £45 million.</p>	<p>Under CLBILS, a Government guarantee of 80 per cent will be provided to enable banks to lend in circumstances where they might not otherwise be able to.</p> <p>CLBILS loans are available for sums up to £25 million.</p> <p>Interest on CLBILS loans will be charged at normal commercial rates.</p>	<p>CLBILS facilities are available through lenders accredited with the British Business Bank. The up to date list can be viewed here: www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/clbils/current-accredited-lenders-and-partners-2/.</p>	
Future Fund	<p>Unlisted UK-registered companies and certain others that have previously raised at least £250,000 in equity investment from third-party investors in the last five years.</p>	<p>The Future Fund provides funding from the Government of between £125,000 and £5 million, which must be at least matched by private investors. Loans under the scheme will automatically convert into equity on the firm's next qualifying funding round or if they are not repaid by the end of the loan period.</p>	<p>The scheme is delivered in partnership with the British Business Bank. Companies can begin the application process through the British Business Bank here: www.uk-futurefund.co.uk/s/Business.</p>	

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<p>Bounce Back Loan Scheme (BBLs)</p>	<p>This scheme is designed for small and medium-sized businesses. They can apply for a loan if the business is based in the UK, has been negatively affected by Coronavirus and was not an 'undertaking in difficulty' on 31 December 2019.</p>	<p>This scheme will allow small businesses to borrow up to 25 per cent of their turnover, up to a maximum of £50,000.</p> <p>It is backed by a 100 per cent Government guarantee, unlike the Coronavirus Business Interruption Loan scheme (CBILS) and will offer an interest-free period for 12 months. Businesses won't pay any fees and no repayments will be due during the first 12 months.</p> <p>The loans will be provided by a network of accredited lenders, similar to CBILS, which means some loan agreements may vary, but the Government is trying to agree a low standardised level of interest for the remaining period of the loan (loan terms will be up to six years).</p>	<p>Businesses can identify a suitable lender here: www.gov.uk/guidance/apply-for-a-coronavirus-bounce-back-loan.</p> <p>Firms applying for the new loans will only have to prove that they were viable in the past before the crisis, not that they will remain viable after the crisis.</p> <p>You cannot apply if you are already claiming under the Coronavirus Business Interruption Loan Scheme (CBILS). However, if you've already received a loan of up to £50,000 under CBILS and would like to transfer it into the Bounce Back Loan scheme, you can arrange this with your lender until 4 November 2020.</p>	