

The government has taken measures to prevent the spread of coronavirus (COVID-19) and save lives. All businesses and venues outlined in the [guidance](#) must close. Takeaway and delivery services may remain open and operational in line with the guidance. Online retail is still open and encouraged, and postal and delivery service will run as normal.

Any business in financial difficulties, due to the impact of COVID-19, should already be speaking to their funders as well as their landlords to agree a constructive plan to sustain their operations wherever possible. If not, we urge them to do so as soon as possible.

A package of support for business has been announced including:

- a Coronavirus Job Retention Scheme
- deferring VAT and Self-Assessment payments
- a Self-employment Income Support Scheme
- a Statutory Sick Pay relief package for small and medium sized businesses (SMEs)
- a 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England
- small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
- grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
- the Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
- a new lending facility from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans
- the HMRC Time To Pay Scheme

### **Government loans and grants**

The Bank of England has a new lending facility for large businesses experiencing severe short-term disruption to cashflows – the Covid Corporate Financing Facility. Companies that need £5m or more will be able to contact their existing bank to request more details. The scheme is open now and information can be found [here](#).

The new Coronavirus Large Business Interruption Loan Scheme (CLBILS) will provide a government guarantee of 80% to enable banks to make loans of up to £25m to firms with an annual turnover of between £45m and £500m. This will give banks the confidence to lend to many more businesses which are impacted by coronavirus. Facilities backed by a guarantee under CLBILS will be offered at commercial rates of interest.

Further details of the scheme will be announced later this month.

From the week of 23 March, small firms (up to £45m in turnover) will be able to apply for the Coronavirus Business Interruption Loan Scheme – a loan facility of up to £5m with no interest payable for the first 12 months. This offers firms both interest and fee-free loans via an overdraft, a term loan, invoice finance or asset finance. Full details are available from the British Business Bank [here](#).

From early April, all businesses in receipt of Small Business Rates relief and Rural Rates Relief will also be eligible to receive a £10,000 cash grant. These will be distributed through Local Authorities who will get in touch in early April.

### **For employers**

Before the end of April, all businesses will be eligible to receive grants from the Coronavirus Job Retention Scheme to cover a portion of the salaries of workers that a business has to furlough as a result of coronavirus. The government will pay up to 80% of furloughed workers' salaries (up to £2,500 per month) as a grant.

Small businesses will also be able to reclaim Statutory Sick Pay, paid for sickness absence due to coronavirus, for up to two weeks of an employee's salary.

[Claim for wage costs through the Coronavirus Job Retention Scheme.](#)

Extra advice can be found on the government's dedicated Business Support [website](#) and helpline 0300 456 3565, and UK Finance has a dedicated coronavirus web hub [here](#).

### **For the self employed**

If you are self-employed, there is a package of support including a taxable grant worth 80% of average monthly profits over the last three years up to £2,500 per month. This will be available for three months and will be extended if necessary. This is open to anyone of trading profits of up to £50,000. Further details can be found [here](#).

### **Commercial tenancies**

Emergency legislation to ban evictions for commercial tenants for at least three months has been introduced in England and Wales.

This approach encourages businesses that are in a position to make their rent payment to do so, whilst providing three months' grace to those that are struggling. This is not a rental holiday and landlords will still be owed rent.

### **Business rates**

The Business Rates retail discount in England has been raised to 100% for the 12 months of 2020-21 for all retail, leisure, hospitality and nursery properties, and those properties within these sectors that have a rateable value of below £51,000 will also be eligible for a grant of up to £25,000 distributed by local authorities.

### **VAT and tax**

For all businesses, Q1 VAT payments have been deferred – with immediate effect, there will be no payments between now and the end of June. Businesses will have until April 2021 to pay this back, easing cash flow immediately. Self-assessment payments are also deferred until January 2021. All businesses that have outstanding tax liabilities as a result of cashflow issues can request extra help through HMRC's [Time to Pay system](#).

### **Commercial insurance**

Most commercial insurance policies are unlikely to cover pandemics or unspecified notifiable diseases, such as COVID-19. However, those businesses which have an insurance policy that covers government ordered closure and pandemics or government ordered closure and unspecified notifiable disease should be able to make a claim (subject to the terms and conditions of their policy). Insurance policies differ significantly, so businesses are encouraged to check the terms and conditions of their specific policy and contact their providers.

### Export insurance

UK Export Finance (UKEF) has also expanded the scope of its [Export Insurance Policy](#) (EXIP) meaning UK businesses will now be eligible to secure export insurance cover to all major markets.

We provide some details above, but information and advice from Government can change quickly. For all the latest Government information, please visit the UK Government [website](#), the Scottish Government [website](#), the Welsh Government [website](#) or the Northern Irish Government [website](#), or access the latest BEIS Guidance for Employees, Employers and Business [here](#). You can also check the [business support website](#) for more answers to frequently asked questions.

The Government has opened up **two new communications channels for business:**

**HMRC Business Support Helpline** – 0800 024 1222

**Coronavirus WhatsApp Information Service:** To use this free service, simply add 07860 064422 in your phone contacts and then message the word ‘hi’ in a WhatsApp message to get started.