

Covid-19: an update on the key support for businesses an overview of government loans and support funds

We have provided a summary of the key support measures currently available, including information about deadlines and the action needed to take advantage of these measures. Please note that the situation is changing rapidly so we recommend reviewing the government guidance on **Covid-19: support for businesses regularly**.

| Financial support available | What you need to do |
|---|--|
| Coronavirus Job Retention Scheme (CJRS) | |
| <p>If you have had to ask your employees to stop working or work less as a result of coronavirus (put them on furlough) you can get support to pay their wages for the hours they do not work.</p> <p>The Government will pay 80% of employees' usual wages for hours they do not work, up to a maximum of £2,500 per month. You will still need to pay employer National Insurance contributions and employer pension contributions.</p> <p>You can also choose to top up your employees' wages above the minimum 80% furlough pay, but you do not have to.</p> <p>The scheme has been extended and will run until 30 April 2021.</p> | <p>You can only claim for furloughed employees that were employed and on your payroll on 30 October 2020.</p> <p>To furlough an employee, you will need to discuss the situation with the designated employee and make any necessary changes to the employment contract by agreement.</p> <p>You 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.</p> <p>CJRS claims must be submitted 14 calendar days after the month you are claiming for.</p> <p>You can claim for furlough here.</p> <p>Read more about the scheme in our FAQs here.</p> |
| Coronavirus Business Interruption Loan Scheme (CBILS) | |
| <p>This scheme helps small and medium-sized businesses to access loans and other finance, up to £5 million.</p> <p>The Government guarantees 80% of the finance to the lender and pays interest and any fees for the first 12 months.</p> <p>You can apply for a loan if your business is based in the UK and has an annual turnover of up to £45 million. Your business would need to be considered viable by a lender, if not for the current pandemic, and have been negatively affected by coronavirus.</p> <p>If you want to borrow £30,000 or more, you will also need to confirm that your business was not classed as a business in difficulty on 31 December 2019.</p> <p>The scheme has been extended and is open until 31 March 2021.</p> | <p>There are 117 lenders participating in the CBILS, including all the main retail banks. You should approach a suitable lender yourself via the lender's website.</p> <p>The full rules of the scheme and the list of accredited lenders are available on the British Business Bank website.</p> <p>If you have an existing loan with monthly repayments you may want to ask for a repayment holiday to help with cashflow.</p> <p>Read more about the scheme in our FAQs here.</p> <p>Please contact us if you require support with your loan application.</p> |

| Financial support available | What you need to do |
|---|--|
| The Coronavirus Large Business Interruption Loan Scheme (CLBILS) | |
| <p>This scheme helps medium and large businesses access loans of up to £200 million from commercial lenders. It gives a government guarantee of 80% on those loans.</p> <p>You can apply for this loan if your business is UK based, has an annual turnover of at least £45 million and has not received support under the Bank of England's Coronavirus Corporate Financing Facility (which is scheduled to close by 23 March 2021).</p> <p>The scheme has been extended and is open until 31 March 2021.</p> | <p>There are 27 lenders taking part in the CLBILS, including all the main retail banks. You should approach a suitable lender yourself via the lender's website.</p> <p>The full rules of the scheme and the list of accredited lenders are available on the British Business Bank website.</p> <p>Please contact us if you require support with your loan application.</p> |
| Coronavirus Bounce Back Loan Scheme (BBLs) | |
| <p>The BBLs help small and medium-sized businesses to borrow between £2,000 and up to 25% of their turnover. The maximum loan available is £50,000.</p> <p>The Government guarantees 100% of the loan and there are no fees or interest to pay for the first 12 months. After 12 months the interest rate will be 2.5% per year.</p> <p>If you already have a Bounce Back Loan but borrowed less than you were entitled to, you can top up your existing loan to your maximum amount.</p> <p>The scheme has been extended to applications until 31 March 2021.</p> <p>You cannot apply if you are already claiming under the other coronavirus business interruption loan schemes. However, if you have already received a loan of up to £50,000 under one of these schemes, you can transfer it into the Bounce Back Loan scheme.</p> | <p>There are 29 lenders participating in the BBLs, including many of the main retail banks. You should approach a suitable lender yourself via the lender's website. The lender will ask you to fill in a short online application form and self-declare that you are eligible.</p> <p>The full rules of the scheme and the list of accredited lenders are available on the British Business Bank website.</p> <p>You will be responsible for repaying 100% of the amount borrowed.</p> <p>Read more about the BBLs in our FAQs here.</p> <p>Please contact us if you require support with your loan application.</p> |



Helping you prosper

| Financial support available | What you need to do |
|---|--|
| Self-Employment Income Support Scheme Grant Extension (SEISS) | |
| <p>If you are self-employed, you can get two one-off taxable payments. The first payment will cover 1 November 2020 to 31 January 2021. You will get 80% of your average monthly trading profits or £7,500 (whichever is lower).</p> <p>The second payment will cover 1 February 2021 to 30 April 2021. The amount has not been announced yet.</p> <p>You can claim if both the following apply:</p> <ul style="list-style-type: none"> • you are self-employed (this includes being a member of a partnership) • you were eligible for the Self-Employment Income Support Scheme first and second grant - even if you did not claim them. <p>You must also plan to continue working.</p> <p>You must make your claim on or before 29 January 2021.</p> | <p>To make a claim for the third grant your business must have had a new or continuing impact from coronavirus between 1 November 2020 and 29 January 2021, which you reasonably believe will have a significant reduction in your profits.</p> <p>You must make the claim yourself at the online service here.</p> <p>If you have any difficulties in making a claim, get in touch with your usual UHY contact, as we have helped guide clients through many of the problems encountered when accessing the claim pages.</p> |
| Top up grant (closed businesses) | |
| <p>Retail, hospitality and leisure businesses that have been required to close due to national restrictions imposed by government as of 5 January 2021 may be eligible for a one-off grant of up to £9,000.</p> <ul style="list-style-type: none"> • £4,000 for businesses with a rateable value of £15,000 or under • £6,000 for businesses with a rateable value between £15,000 and £51,000 • £9,000 for businesses with a rateable value of over £51,000. <p>Eligible businesses can get one grant for each non-domestic property. This funding comes in addition to the Local Restrictions Support Grants, worth up to £3,000 a month, which were already available to closed businesses and which continue to be available.</p> | <p>The top-up grant is available to businesses that have been forced to close and is to be administered through central government in England and via the Devolved Administrations elsewhere in the UK.</p> <p>The link to the government website to find the right local authority for application is here.</p> <p>Local authorities have become accustomed to administering grants through previous lockdowns and it is hoped that systems will be put in place to deal with grant applications quickly and smoothly, although the numbers of staff affected by Covid-19 may impact implementation rates.</p> |
| Local Authority discretionary fund | |
| <p>A further £594 million is being made available for Local Authorities and the Devolved Administrations to support those businesses impacted by the latest lockdown, but that are not eligible for the retail, hospitality and leisure top-up grants.</p> <p>These may be businesses who do not pay business rates or businesses who do not have to shut down due to the lockdown, but have been severely hampered in operation.</p> | <p>We are waiting for further details to be announced but businesses in England will need to apply through your local council and demonstrate that your business was negatively affected by coronavirus.</p> <p>As suggested in the name, these funds are given at the discretion of councils - meaning councils get to decide which businesses are allocated grants.</p> |

| Financial support available | What you need to do |
|---|--|
| Business rates holiday for retail, hospitality and leisure | |
| You will not have to pay business rates for the 2020 to 2021 tax year if your business is in retail, hospitality or leisure. | You do not need to do anything. If you are eligible, your local council will apply the discount automatically. |
| Kickstart Scheme | |
| <p>The Kickstart Scheme provides funding to employers to create job placements for 16 to 24 year olds on Universal Credit.</p> <p>Businesses taking part in the scheme will get £1,500 funding per job placement to cover setup costs and to support the young person develop their employability skills.</p> <p>The scheme also provides funding to cover 100% of the relevant National Minimum Wage for 25 hours a week, employer National Insurance and minimum automatic pension enrolment contributions.</p> <p>Employers can spread the start date of the job placements up until the end of December 2021.</p> | <p>Each application is for a minimum of 30 job placements. If you have less than 30 job placements, you can partner with another employer or find a Kickstart gateway, such as a local authority, charity or trade body.</p> <p>If applying for over 30 placements, you will need to apply online on the government website, providing information about the job placements.</p> <p>If a Kickstart gateway represents you, they will apply on your behalf. You will need to give them information about the job placements. You will also have to agree how you share the £1,500 funding with the Kickstart gateway.</p> |
| Deferring VAT | |
| <p>If you deferred VAT between 20 March and 30 June 2020 and still have payments to make, you can:</p> <ul style="list-style-type: none"> • pay the deferred VAT in full on or before 31 March 2021 • opt in to the VAT deferral new payment scheme when it launches in 2021 • contact HMRC if you need more help to pay (see Time to Pay below). | <p>If you want to opt in for the new payment scheme, you can make up to 11 smaller monthly instalments, interest free. All instalments must be paid by the end of March 2022. The payment scheme is due to be launched in early 2021.</p> |
| Statutory Sick Pay rebate | |
| Employers with fewer than 250 employees can reclaim SSP for a maximum of two weeks per employee for an employee who has claimed SSP as a result of Covid-19. | <p>You must keep records of Statutory Sick Pay that you have paid and want to claim back from HMRC.</p> <p>You can make a claim through the online service here.</p> |
| Time To Pay Service | |
| 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. | Call 0800 024 1222 to discuss time to pay arrangements. |

UHY Hacker Young Associates is a UK company which is the organising body of the UHY Hacker Young Group, a group of independent UK accounting and consultancy firms. Any services described herein are provided by the member firms and not by UHY Hacker Young Associates Limited. Each of the member firms is a separate and independent firm, a list of which is available on our website. Neither UHY Hacker Young Associates Limited nor any of its member firms has any liability for services provided by other members. UHY Hacker Young (the "Firm") is a member of Urbach Hacker Young International Limited, a UK company, and forms part of the international UHY network of legally independent accounting and consulting firms. UHY is the brand name for the UHY international network. The services described herein are provided by the Firm and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for services provided by other members.



This publication is intended for general guidance only. No responsibility is accepted for loss occasioned to any person acting or refraining from actions as a result of any material in this publication.

© UHY Hacker Young 2021

www.uhy-uk.com

Helping you prosper